

Consumer Engagement with the C2C Online Auction Experience: Conceptualisation and Measurement

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Abstract

This research investigates the role that engagement plays as a comprehensive theoretical explanation for consumers' on-going use of consumer-to-consumer (C2C) online auctions. Online auctions have become a societal phenomenon in which millions of consumers worldwide participate to browse, compete, win, lose, buy, and sell goods. The online auction experience goes beyond interacting with the website to include consumer activities and events before and after going online. Research has yet to fully explain what makes consumers want to return and repeat the auction experience.

Consumer behaviour has changed over the last two decades due, *inter alia*, to Web 2.0 interactive technology. Marketers have sought to understand today's Web 2.0 consumer. Engagement has emerged as an important new concept in this regard, and has been identified as a Tier 1 research priority by the Marketing Science Institute (2014). Many marketing studies conceptualise engagement from a firm-centric view and examine customer engagement with the brand or the firm; however, as yet there is no conceptualisation of engagement that takes a completely consumer-centric view. Today's consumers engage with any object: a brand, a firm, an experience, a community, or other consumers. This research looks at engagement with the C2C online auction experience. What drives consumer engagement with the auction experience, and what effect does engagement have on consumers' on-going use of online auctions?

This research conceptualises consumer engagement with the online auction experience (CE-OAE) based on an Experiential View of the Consumer (Holbrook & Hirschman, 1982), provides in-depth insights into this engagement, develops a measure of the construct, and identifies the antecedents and consequences of CE-OAE. Consumer engagement with the online auction experience is defined as the enthusiasm, reflection of self-image, passion and interest a consumer has that drives their future participation in online auctions. Consumer engagement arises as a result of the value consumers derive from their memorable auction experiences.

Five studies of online auction consumers in New Zealand were undertaken to measure and test CE-OAE. Study One was a qualitative, in-depth study that provided insights into consumers' engagement and produced items for the draft CE-OAE scale. In Studies Two to Five, the draft CE-OAE scale was subjected to exploratory and confirmatory factor analysis. Study hypotheses were tested with longitudinal data using structural equation modelling, Hayes (2013) process analysis, and multiple regression analyses. The findings show that consumers who have memorable auction experiences derive several types of value from these experiences, and that value drives consumer engagement. Engagement is shown to predict four behavioural outcomes: consumers who are highly engaged buy more, browse more, sell more, return to the auction site more often, and participate in the auction community more than those who are less engaged. Importantly, the findings also show that engagement remains stable for almost 50% of consumers over a period of six months. Changes to the levels of value that consumers derive from their online auction experiences impact levels of engagement over time.

The thesis contributes to theoretical understanding of consumer behaviour and engagement in a C2C context, by developing a new conceptualisation of engagement taking the point of view of the consumer. A conceptual framework for CE-OAE is established, with consumer experiences and value derived from these experiences as the antecedents to CE-OAE, and on-going use as the consequence. Risk is shown not to have an impact on the formation of engagement. In addition, a typology and valid measure of value in online auctions are presented, and the critical role that value plays in the formation and duration of consumer engagement is recognised. Engagement is conceptualised as a motivational construct, and established as an important determinant of consumer behaviour in a C2C context; engagement endures for an extended period of time for many consumers. This research provides important insights for marketers and Web 2.0 companies. The CE-OAE measure can be used by businesses to predict customers' future buying and selling activities, suggest new strategies for engaging customers, and measure the success of a business's engagement strategies. The CE-OAE scale has potential for use in research into other Web 2.0 C2C contexts, including engagement with social media, sharing, and collaborative consumption.

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Attestation of Authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.

The following publications relate to work undertaken for this thesis:

Abdul-Ghani, E., Hyde, K.F., and Marshall, R. (2014). Consumer engagement as a motivational construct: Evidence from consumption experiences in an online auction. Awarded Top Competitive Paper at the *Association of Consumer Research Latin American Conference*, Guadalajara, Mexico, July.

Abdul-Ghani, E., Hyde, K.F., & Marshall, R. (2012). Consumer engagement or customer engagement? Two competing views on a phenomenon. Paper presented at the *Association of Consumer Research Asia-Pacific Conference*, Queenstown, New Zealand, July.

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Signed:

Date:

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Chapter 1 Introduction

1.1 Background

The world of marketing has changed. The explosion in use of Web 2.0 applications such as eBay, Facebook, YouTube, Uber, Airbnb, and TripAdvisor, which allow Consumer-to-Consumer (C2C) interactions, has been staggering. The online auction company eBay has more than 160 million active users (Statista, 2016), and the online social media application Facebook has almost 1 billion users every day (Facebook, 2015). Web 2.0 is an internet-based platform characterised by interactive, user-generated content, which allows users to contribute, connect and collaborate with each other (Carroll & Romano, 2011; Low & Pattinson, 2011), as opposed to Web 1.0 which primarily provided one-directional information to consumers (Belk, 2014). Consumers use Web 2.0 applications to socialise, exchange information, and trade directly with each other (So, King, Sparks, & Wang, 2016).

This paradigm shift from the predominance of Business-to-Consumer (B2C) interactions to a proliferation of C2C interactions presents a threat to traditional marketing models, by placing increased power in the hands of consumers and enabling consumers to take an increasingly active role as players in the market (Brodie, Hollebeek, & Conduit, 2016; Hennig-Thurau et al., 2010). “New media require a shift in marketing thinking – consumers have become highly active partners, serving as customers as well as producers and retailers, being strongly connected with a network of other consumers” (Hennig-Thurau et al., 2010, p. 324). The consumer in this new world of marketing is sometimes referred to as a ‘prosumer’, that is, both a producer and consumer (Denegri-Knott & Zwick, 2012). An example of the increasing power of consumers is consumer-to-consumer (C2C) online auction sites such as eBay, where consumers can acquire the goods they need without having to acquire them from a traditional retail channel, or gain additional income from the sale of goods they possess (Libai et al., 2010). It is imperative for marketers to understand this new business world in which consumer-to-consumer interactions are increasingly important.

Consumers in the new world of marketing seek experiences that reward them with diverse forms of value. The types of value that consumers derive from their consumption experiences are not merely monetary and functional, but also social, learning, and emotional value (Holbrook, 1996, 2006; Sheth, Newman, & Gross, 1991b). Web 2.0 experiences deliver these diverse forms of value to consumers (Al-Debei, Al-Lozi, & Papazafeiropoulou, 2013; Al-Lozi & Al-Debei, 2012; Lee, Kim, & Fairhurst, 2009; Yang & Lin, 2014).

In this new world of marketing, it is important that interactions between marketers and consumers, and between consumers, are engaging for the consumer (Libai et al., 2010). Both academics and managers believe that a new construct, consumer engagement, may help them understand and explain the behaviour of today's consumer. In their most recent call for research, the Marketing Science Institute (MSI) emphasises in its Tier 1 research priorities for 2014-2016 the importance of advancing research on consumer experience and consumer engagement (Marketing Science Institute, 2014). The MSI recognises that consumer behaviour has changed due to technology and that "understanding today's customers requires taking varied perspectives that suggest new concepts, ideas, and thinking". In particular, the MSI asks, "how should engagement be conceptualised, defined, and measured?" (Marketing Science Institute, 2014).

Stemming from this, engagement has become a hot topic in marketing and has started to generate its own literature (Calder & Malthouse, 2008; Solis, 2010). While marketing practitioners have been interested in consumer engagement for more than 15 years, academic researchers began to explore the concept in the last ten years (Bowden, 2009b). Despite the efforts by marketing academics to conceptualise the construct, as yet, there is no consensus amongst researchers on what consumer engagement is. Indeed, much of the research on engagement has taken the perspective of the firm seeking to engage a customer. Because of the importance of C2C interactions in today's business world, it is vital to study consumer behaviour and consumer engagement in C2C contexts.

1.2 Context for the study

This thesis will investigate consumer engagement in a Web 2.0 context; the C2C online auction. An online auction acts as a C2C marketplace, bringing together

buyers and sellers who are typically end-consumers (Turban & King, 2003). C2C online auctions provide consumers worldwide with a platform in which they can buy and sell goods (Nissanoff, 2006).

Consumer behaviour in C2C marketplaces is recognised as having unique features from consumer behaviour in Business-to-Consumer (B2C) markets, and has generated its own research literature (Belk, Sherry, & Wallendorf, 1988; Herrmann & Soiffer, 1984; Lastovicka & Fernandez, 2005; Lee et al., 2009; Sherry, 1990). The consumer in a C2C marketplace takes the role of both the buyer and the seller, each with goals, motives, and decisions to be made that are different from those of the consumer in a B2C retail environment. Research in a C2C context provides opportunities for researchers to understand the consumer as 'prosumer' rather than a recipient of goods at the end of the supply chain.

Although on the face of it the C2C online auction experience appears to occur only online, this thesis argues that the consumer's online auction experience includes activities before, during, and after interaction with the website. The consumer as seller may be motivated to dispose of excess household items as a result of periodic spring-cleaning or a change of household. Prior to going online, the consumer as seller prepares the goods for sale and decides on a promotional strategy (Chu, 2013). The consumer as buyer may have purchase priorities such as finding the perfect gift for a loved one that pre-empts their participation in the auction. While logged in to the auction site, the consumer as buyer or seller may experience the excitement of bids escalating and buyers competing for possession of a item (Chang & Chen, 2015). After the auction has closed, buyers and sellers will communicate with each other and perhaps meet and socialise, sharing common interests (Chu, 2013). These are just a few examples of the daily experiences of online auction users. Risk is prominent in research on online auctions because trading in online auctions is widely recognised as inherently riskier than purchasing from a retailer (Finch, 2007; Hsieh & Tsao, 2014). Any research on the online auction experience should consider the role of perceptions of risk by consumers. Chapter 2 explores the many aspects of the online auction experience, both offline and online, including risk in online auctions.

The online auction is chosen as the context for this research as it provides the opportunity for theoretical insights into consumer engagement, its antecedents

and consequences, in a C2C environment. While other Web 2.0 environments support information exchange and socialising, the online auction experience is relatively unique in involving both of these functions plus trading between consumers. As such, the consumer in an online auction is a true prosumer, not just a consumer of goods but also, a producer, retailer, and marketer. A study of engagement in the context of online auctions is likely to provide additional theoretical insights than what might be gained from the study of a social media platform such as Facebook or LinkedIn.

In a country of just 4.5 million people, the New Zealand auction site Trade Me has more than 3.9 million registered users (O'Donnell, 2010; Trade Me, 2016). Even taking into account businesses that operate on the site, and people with multiple usernames, this is an extraordinary number of active users for a New Zealand website. Many online auction users visit the auction site daily to buy and sell goods (Abdul-Ghani, Hyde, & Marshall, 2011); on any day, an average of 850,000 people visit the Trade Me auction site (Trade Me, 2016). What explains the phenomenon of consumers' on-going use of auction sites? What explains the "stickiness" of the online auction experience?

1.3 Theoretical foundations and gaps in knowledge

Marketing and advertising practitioners increasingly use the terms 'consumer engagement' and 'customer engagement' to describe a strategically important issue, that is, a consumer's active attachment, connection or relationship with an object of consumption (Gambetti, Graffigna, & Biraghi, 2012). Much recent research on engagement in a marketing context has considered consumer engagement with brands (Dwivedi, 2015). However, there are many other objects that the consumer can be engaged with, including advertising (Phillips & McQuarrie, 2010), media (Calder & Malthouse, 2008), websites (Mollen & Wilson, 2010), online communities (Baldus, Voorhees, & Calantone, 2015), activities, experiences, or other consumers (Dessart, Veloutsou, & Morgan-Thomas, 2015). Ng, Plewa, and Sweeney (2016) call for research on engagement beyond brands and organisations.

Some researchers define engagement in terms of behaviours of the consumer – such as the number of visits to websites related to a market offering, or the

number of [electronic] word-of-mouth activities undertaken related to that market offering (Kumar et al., 2010; van-Doorn et al., 2010). Other researchers define engagement as a psychological state, experienced during interaction with a market offering such as interaction with a website (Brodie, Hollebeek, Juric, & Ilic, 2011). Yet other researchers view engagement as a psychological construct with motivational properties that drives consumption behaviours (Algesheimer, Dholakia, & Herrmann, 2005; Wirtz et al., 2013). This thesis adopts the latter perspective.

Engagement bears some similarity to other constructs such as flow and involvement, that respectively represent a psychological state experienced during pleasurable activity, and cognitive interest in an object of consumption (Csikszentmihalyi, 1975; Zaichkowsky, 1986). It is important, therefore, that any research that seeks to conceptualise engagement should distinguish this construct from competing constructs.

This thesis argues that there are two distinct views on engagement – customer engagement (i.e., the firm-centric view) and consumer engagement (i.e., the consumer-centric view). Previous research has largely adopted a firm-centric perspective, interested in a customer's relationship with a firm or brand (Abdul-Ghani, Hyde, & Marshall, 2012). In a C2C marketplace the consumer does not simply interact with a single firm, such as the online auction company. Rather, there are multiple parties and multiple stimuli the consumer interacts with, including other consumers, small businesses selling online, and occasionally the online auction company. In addition to the online transaction, the online auction user has many offline experiences both prior to and after the auction that may play a part in their engagement. In this context, a firm-centric view of engagement would not capture all important aspects of consumer engagement. It is appropriate instead to conceptualise consumer engagement from a consumer-centric perspective. This thesis contributes to the field of engagement by presenting a broader perspective that is appropriate to a C2C context, conceptualising engagement from the point of view of the consumer; engagement with a consumption experience. The research considers the roles that consumer experiences and consumer value might play in the formation and duration of consumer engagement.

This research addresses several gaps in current knowledge. Firstly, there is a need to study consumer engagement in a C2C context, its determinants and consequences. In addition, research is required on the consumer engagement construct conceptualised from a consumer-centric viewpoint, its nature and dimensionality (Brodie et al., 2011; Cheung, Zheng, & Lee, 2014; Kumar et al., 2010; So et al., 2016). Despite online auctions having become part of the daily life of many consumers, few studies have investigated consumer engagement with the online auction experience. Longitudinal research is also required on the behavioural consequences of consumer engagement (Hollebeek, Glynn, & Brodie, 2014) including on-going use. Similarly, the extent to which consumer engagement remains stable over time is uncertain. Alexander and Jaakkola (2016) call for research on the cycle of engagement over time, including the conditions that cause engagement to grow or otherwise decline. This research addresses each of these gaps in knowledge.

1.4 Research question

The research question for this thesis is,

What role might consumer engagement play as a comprehensive theoretical explanation for consumers' on-going use of a C2C online auction?

The thesis will conceptualise consumer engagement with the online auction experience, develop a measure of consumer engagement with the online auction experience, and establish the antecedents and consequences of engagement.

1.5 Research aims

The aims of this thesis are,

- To provide a conceptualisation of consumer engagement within the context of a C2C online auction, and demonstrate a nomological network for this construct
- To develop a validated scale that measures consumer engagement with the online auction experience
- To establish the antecedents and behavioural consequences of consumer engagement with the online auction experience

- To investigate the extent of change in levels of consumer engagement over time
- To investigate the moderating role of risk in the formation of consumer engagement with the online auction experience
- To distinguish consumer engagement with the online auction experience from competing constructs

A series of hypotheses for this research are developed in Chapter 6.

1.6 Design of the study

To address the research aims, the research adopted a sequential, qualitative/quantitative, mixed methods design, comprised of five studies in three phases (Creswell & Piano Clark, 2007). In each of these three phases a sample of New Zealand online auction users was studied.

In Phase One (Study One), in-depth qualitative interviews were conducted with a purposive sample of online auction users. Consumers' stories of their online auction experiences were analysed using a phenomenological approach to help uncover the essence of engagement from the consumer's perspective (Thompson, 1997). Thematic analysis of the interviews provided insights into the dimensionality of Consumer Engagement with the Online Auction Experience (CE-OAE), and its possible antecedents and consequences (Braun & Clarke, 2006). In addition, a pool of potential items for the CE-OAE scale were produced using content analysis of the qualitative interviews plus the existing literature on consumer engagement (Churchill, 1979). Draft scales to measure value and risk were also formulated. Based on a thorough literature review and insights from the qualitative enquiry, a conceptual framework for CE-OAE was constructed and expressed as a series of testable hypotheses.

Phase Two, scale purification, comprised of two studies: Studies Two and Three. In Study Two, potential measurement items were administered as a draft CE-OAE scale to a convenience sample of online auction users. Standard procedures of exploratory factor analysis were used to purify the CE-OAE, value, and risk scales and delete non-performing items (Malhotra, Hall, Shaw, & Oppenheim, 2002). In Study Three, the CE-OAE, value, and risk scales were further refined by

administering them to a new sample of respondents and subjecting the scales to procedures of confirmatory factor analysis (Gerbing & Anderson, 1988).

Phase Three, scale validation, comprised two further studies: Studies Four and Five. Study Four was a longitudinal study with data gathered on two occasions. Respondents completed the CE-OAE scale at Time 1, and then, two months later at Time 2, provided measures of their auction usage over the two-month period. This data was used to test a number of the research hypotheses. Convergent and discriminant validity of the CE-OAE, value and risk scales were established, and the nomological validity of the CE-OAE scale confirmed (Hair, Black, Babin, & Anderson, 2010; Nunnally & Bernstein, 1994). Study Five comprised one further wave of data gathering at Time 3, six months after Time 1, to complete testing of the research hypotheses.

1.7 Contributions of the thesis

This introductory chapter emphasises how vital it is, in the modern world of business, to understand consumer behaviour on a Web 2.0 platform. This thesis contributes to such understanding by developing a conceptualisation and understanding of consumer engagement in a C2C context. The study also addresses the Marketing Science Institute's call for research into experiences that are valued and remembered.

This thesis presents a conceptualisation of engagement in a marketing context that is different from existing conceptualisations and research on engagement. By conceptualising engagement as a psychological construct and distinguishing it from its behavioural consequences, this research stands apart from those studies that include a behavioural dimension to engagement. Consumer engagement with the online auction experience is defined as a motivational construct - the enthusiasm, reflection of self-image, passion and interest a consumer has that drives their future participation in online auctions. Consumer engagement arises as a result of the value consumers derive from their memorable auction experiences.

This thesis adds to the theoretical understanding of experience as the basis of engagement, by recognising that not all experiences lead to engagement. In doing

that, the research establishes the important role that value plays as a mediator between experience and engagement. Using the Theory of Consumption Values, the research develops and validates a scale for measuring value in online auctions. A further contribution of this study is to identify the types of value consumers derive from their online auction experiences (Babin, Darden, & Griffin, 1994; Hall, Robertson, & Shaw, 2001; Sheth, Newman, & Gross, 1991a; Sweeney & Soutar, 2001), and identify the effects that different types of value may have on engagement.

The research addresses the call for a conceptualisation of engagement based on an alternative theoretical lens, to that of relationship marketing or Service Dominant Logic (Brodie et al., 2011). The thesis contributes to the field of engagement in a marketing context by presenting an alternative conceptualisation to brand engagement, consumer engagement with a consumption experience, using the theoretical lens of the Experiential View of the Consumer. Given the dominance of Web 2.0 applications and consumer-to-consumer interactions in the lives of modern consumers, this perspective shows promise for understanding the role of engagement in the lives of contemporary consumers.

This research presents a number of methodological contributions. The research presents one of the few longitudinal studies of consumer engagement. The research findings provide some insight into the longevity of consumer engagement and the circumstances that lead to changes in the level of engagement.

By understanding engagement from the consumer's point of view, this research provides useful insights for marketers and company executives on what engages their customer and assists them in developing strategies to better engage their customer. The CE-OAE measure developed in this study can be used by online auction companies and other Web 2.0 platforms such as Facebook to predict their customers' future activities, to help develop new strategies for engaging consumers, and to measure the success of their engagement strategies.

1.8 Definitions

Consumption – the acquisition, usage, and disposition of goods, services, ideas, or experiences by consumers (Arnould, Price, & Zinkhan, 2002).

Consumer-to-consumer (C2C) – the interaction of consumers with one another, to communicate, socialise, exchange information, and trade (Adjel, Noble, & Noble, 2010; Hennig-Thurau et al., 2010).

Consumer-to-consumer (C2C) marketplace – a forum in which consumers trade goods directly with other consumers (Hoyer & MacInnis, 2007) and by this enact the roles of both buyer and seller. This can be a physical place such as a garage sale or a flea market, or a virtual space such as a C2C online auction.

Consumer-to-consumer (C2C) online auction – an Internet-based C2C marketplace in which a majority of participants are end-consumers enacting the roles of both buyers and sellers (Chu, 2013). [Small businesses also participate as sellers in C2C online auctions.]

Consumer value from the online auction experience – the multi-faceted set of benefits that consumers derive from the consumption experience, as perceived and assessed by the online auction consumer.

Online auction experience – the activities and experiences a consumer lives through, associated with their uses of a C2C online auction. These experiences occur both online, such as browsing and bidding, and offline, such as the preparation of goods for sale, and the meeting of buyers and sellers to exchange goods for money.

On-going use of a C2C auction site – The term ‘on-going’ means “continuing; still in progress” (Oxford Dictionaries, N.A.). In the context of this research, ‘on-going use’ refers to a consumer’s repeated or continued use of an auction site to browse, buy, and sell items. However on-going use does not mean permanent use of the auction site; circumstances may change, and a consumer may potentially cease to use the auction site sometime in the future. On-going use of a C2C auction site is distinct from initial adoption; the two phenomenon may have different bases.

1.9 Delimitations

There are a number of delimitations to the scope of this research. Firstly, the various samples of consumers examined in the research are all New Zealand users of online auctions. Whether the findings from these users apply to auction users in

other countries will require further investigation. Secondly, participants were excluded from the research if they were conducting a business through the online auction site. Thus the samples investigated are comprised entirely of end-consumers and not businesses. The results of the study exclude the experiences and engagement of businesses operating on an online auction site. Thirdly, the consumers studied here have all previously bought or sold an item from an online auction. The sample excludes non-users of auction sites. The research therefore addresses questions regarding current auction users' on-going use of auction sites, rather than questions regarding consumer adoption of auction site usage.

1.10 Outline of the thesis

This thesis is presented in ten chapters. Chapter 1 has presented an introduction to the thesis and outlined the research question and research aims. Chapter 2 will discuss the context of the research, online auctions, and consumer experiences in online auctions. Chapter 3 will discuss existing research and theory on consumer engagement and its proposed dimensions, present the theoretical foundations of the research in the Experiential View of the Consumer, and discuss contributing literature on experience and value.

Chapter 4 presents the design of the study and justification for the choice of research paradigm, methodology and methods. Chapter 5 presents the analysis and results of the qualitative enquiry. Based on the literature review and results of the qualitative enquiry, Chapter 6 presents a conceptual framework of Consumer Engagement with the Online Auction Experience, its antecedents and consequences, and expresses this framework as a series of hypotheses for testing. Chapters 7 and 8 present the results of the quantitative phases of the study, scale purification and scale validation. Chapter 9 discusses the results of the five studies in this research in light of existing literature, and addresses the research aims. Chapter 10 draws conclusions regarding the research question. The Chapter also presents the theoretical contribution of the thesis, managerial implications of the findings, limitations of the research, and areas for future research.

1.11 Chapter conclusions

This chapter has laid the foundations for the thesis. It has provided the background, rationale, and theoretical foundations for this research, and introduced the research question and aims.

The research design of the thesis was presented and the theoretical, methodological, and managerial contributions of the thesis outlined. Key definitions and the delimitations of the research were provided. The structure of the thesis and contents of each chapter were presented. The next chapter addresses extant literature on the online auction experience, and provides the context for the research.

Chapter 2 The Online Auction Experience

2.1 Introduction

This chapter provides insights into consumer experiences in the context of the research, the online auction. Though the pivotal phrase is 'online auction', it needs to be emphasised that the consumer experience of the auction does not occur exclusively online. This chapter aims to demonstrate that several aspects of the experience for auction consumers, in their roles as both buyers and sellers, occur not only during the electronic auction, but also prior to the auction and after the auction closes. In addition, activities undertaken in the electronic auction can be intimately connected to other meaningful aspects of the consumer's life; as will be seen in the chapter, it is important to consider a holistic view of the consumer, and see how auction activities form a part of their everyday life.

As will be discussed in the chapter, research on consumer engagement in the online auction experience is an important area for research for three reasons. Firstly, millions of consumers are currently active participants in online consumer-to-consumer (C2C) auctions (Statista, 2016). The New Zealand online auction site Trade Me has more than 3.9 million registered users, and more than 3 million items on sale at any one time (Trade Me, 2016). Secondly, C2C activities, such as participation in online auctions and social media, have become an integral part of the life of many modern consumers. Thirdly, there is ample evidence that many online auction users invest prolonged time and effort on auction related activities (Cameron & Galloway, 2005; Lai, Wu, & Lin, 2008; Peters & Bodkin, 2007). For these reasons, a study of consumer engagement with the online auction experience is likely to reveal important new insights into consumer engagement within a C2C context.

The outline of this chapter is as follows. The chapter commences by exploring the characteristics of C2C marketplaces and consumer behaviour in these marketplaces, before moving on to a general explanation of the operation of C2C online auctions. A brief overview of research into the dynamics of online auctions is provided. A review of the literature on perceived risk in online auctions is discussed. Research and insights into consumer experiences of browsing, buying

and selling from online auctions are then reviewed. The chapter concludes by considering existing research and explanation of the reasons for consumers' on-going use of online C2C auctions.

2.2 Consumer-to-consumer marketplaces

A C2C marketplace is a physical or virtual place where consumers buy and sell goods directly from and to other consumers; a third party, such as the operator of the marketplace, may be involved but their role is only to provide the physical or electronic space to facilitate C2C trading (Belk et al., 1988; Herrmann, 1997; Sherry, 1990). C2C marketplaces are as old as human civilization, and pre-date the marketing of brands by corporations by several thousand years (Hodgson, 2008). In towns and villages, people gathered regularly in the market square to buy and sell excess product of their labours. Still, in many countries today, the village marketplace serves as a major venue for the C2C trading of goods and produce.

With the growth of the consumer economy and consumers purchasing most of what they required from supermarkets and shopping malls, consumer-to-consumer marketplaces came to play a lesser role in twentieth century Western society. Consumer-to-consumer trading in Western society throughout most of the twentieth century was largely restricted to neighbourhood garage sales, swap meets, flea markets, and trading via newspaper classified advertisements (Nissanoff, 2006). Haayen et al. (2015) refer to garage sales and other C2C markets as part of the "informal economy" and claim this economy to be worth two trillion dollars in the US economy.

What is unique about consumer behaviour in C2C marketplaces, is that the consumer acts both in the role of buyer and in the role of seller. In C2C marketplaces "sellers become buyers ... buyers become sellers" (Belk et al., 1988, p. 464). C2C marketplaces such as swap meets are known to be lively, festive places where buyers and sellers come not only to trade, but also to socialise (Sherry, 1990). Until the advent of online auctions, research in consumer behaviour and marketing had largely ignored consumer behaviour in C2C marketplaces. What little research is available records a variety of benefits consumers gain as buyers and sellers in C2C marketplaces.

Consumers as buyers in C2C marketplaces enjoy searching for bargains and finding unique one-off items, antiques, and items for collections they would not find at a retail store (Belk et al., 1988; Korgaonkar, Petrescu, & Becerra, 2014; Sherry, 1990). Browsing a garage sale or a swap meet can be like a treasure hunt (Belk et al., 1988). Visiting the C2C marketplace can be a form of entertainment and a break from routine (Sherry, 1990).

Additionally, consumers benefit in a number of ways from their role as sellers in C2C marketplaces. Selling unwanted household items and handcrafts at C2C markets can generate extra cash for the consumer. The consumer may gain a sense of independence and achievement by mastering the skills of selling (de Bruin & Dupuis, 2000). Selling in a C2C marketplace may be a way of periodic housecleaning, avoidance of waste, or a means of expressing one's environmental ethics by recycling used goods (Belk et al., 1988; Herrmann & Soiffer, 1984). In addition to the practical benefits derived, selling in a C2C marketplace can also be entertaining and fun, and offer the opportunity to meet new people and socialise with buyers and sellers (Belk et al., 1988; de Bruin & Dupuis, 2000; Herrmann & Soiffer, 1984). Indeed, because of their sociable nature, C2C marketplaces such as garage sales are known to generate a sense of community in a local neighbourhood (Herrmann, 2006).

Consumer researchers have also examined the processes of disposition of used goods and possessions (Jacoby, Berning, & Dietvorst, 1977; Lastovicka & Fernandez, 2005). Consumers may sell household goods and possessions at garage sales and swap meets because of periodic housecleaning or a period of transition in their lives, such as moving house, marriage or divorce, children growing up and no longer needing their toys, or when children leave home (Belk et al., 1988; Herrmann & Soiffer, 1984; Lastovicka & Fernandez, 2005; Young, 1991).

With the arrival of the Internet in the late 20th century, C2C trading has changed dramatically. The importance of C2C trading in modern society has exploded, vastly expanding in scale and scope from a geographically localised market to a global buyer-seller market, though the mechanism of online C2C auction sites (Chu & Liao, 2007; Nissanoff, 2006). Nowadays, sales via online C2C auctions dwarf the total volume of sales made through traditional C2C marketplaces such as garage sales (Chu, 2013; Herrmann, 1997; Korgaonkar et al., 2014). Herrmann (1997)

estimated the value of goods sold through garage sales in the USA, at the peak of their popularity in the 1980s, at \$US1 billion per year. By comparison, the gross annual value of sales through eBay in 2015 exceeded \$US80 billion (Statista, 2016).

While flea markets and garage sales have a long tradition, their economic impact has been rather marginal because of the requirement to meet personally. The Internet enables consumers to sell ... to other Internet users all over the world. As a result, online consumer sales dwarf traditional offline sales. (Hennig-Thurau et al., 2010, p. 318)

Given the proliferation of online C2C auctions in modern society, academic research in marketing, information systems, economics, and psychology disciplines has explored various aspects of consumer behaviour in this new marketplace. Because consumers act as both buyers and sellers in C2C marketplaces, research into consumer behaviour in online auctions needs to address both these complementary roles, and explain the popularity and on-going usage rates of C2C auctions by consumers.

2.3 Online consumer-to-consumer auctions

The following section describes what this Internet-based marketplace is like, why it has become a major player in e-commerce, and how new forms of consumer behaviour have emerged in this marketplace. An online C2C auction is an Internet-based consumer-to-consumer marketplace that allows ordinary consumers to trade new and second-hand goods. As such, an online auction is akin to other C2C marketplaces such as village markets and garage sales (Belk et al., 1988; Lastovicka & Fernandez, 2005; Sherry, 1990). Buyers and sellers are typically ordinary consumers, rather than professional sellers running taxable businesses (Tang & Forster, 2007). Recently however, online auction sites have also come to accommodate business-to-consumer (B2C) selling alongside C2C selling (Chu, 2013). These websites utilise the ubiquity and convenience of the Internet to bring together millions of buyers and sellers, and millions of goods for sale, in one virtual place (Tang & Forster, 2007). In so doing, they achieve economies of scale and enormous geographical coverage not possible in traditional C2C markets (Chu, 2013); for example, the Trade Me auction site covers all of New Zealand and Australia (Trade Me, 2015), while the eBay auction site is truly global in its reach of potential consumers (eBay, 2015).

When online auctions were first launched in 1995, the Internet was new and only selected demographic groups were using the Internet, particularly young, highly-educated males. Today, most demographic segments of society have access to the Internet, and this broad demographic coverage is reflected in the population of auction users (Loebbecke, Powell, & Weiss, 2010). Today, online auction users come from all adult age groups, ethnic and income groups, including both relatively wealthy and relatively poor consumers.

Online auctions provide consumers with an alternative source of goods to bricks-and-mortar retail stores and online retail stores (Chu & Liao, 2007). Online auction sites offer both new and used goods for sale. They offer the consumer a source of rare collectable items, electronics, household appliances, and luxury branded goods. In one respect consumers can purchase expensive items and luxury items they had not previously imagined owning, because they know these items can be re-sold on the auction site after temporary ownership (Liao & Chu, 2013; Nissanoff, 2006).

Online auctions are perhaps the most successful example of e-commerce (Chu, 2013; Korgaonkar et al., 2014). The dominant player in most countries is eBay. eBay was initially established in 1995 as an online marketplace for trading in collectables (Lucking-Reilly, 2000). Since that time, eBay and many other online auction sites have grown exponentially in size. eBay (2015) promotes itself as the “world’s online marketplace”, “connecting buyers and sellers globally”. The site tempts consumers to trade by suggesting “when it’s on your mind, it’s on eBay” and suggesting consumers “buy it, sell it, love it” (eBay, 2015). There are some countries in which eBay has failed to dominate, including New Zealand. In New Zealand, Trade Me has a near monopoly in the online auction market (Trade Me, 2016).

The way an online auction operates is that the auction website does not take ownership of the goods. It acts as an electronic intermediary bringing together buyers and sellers, charging a listing fee and commission on successful sales. Most online auctions operate an English auction system, with ascending bids as the auction proceeds. Sellers typically set a minimum opening bid and a secret reserve price. The auction closes after a pre-determined time, typically several days, and the buyer with the highest bid wins the item on sale provided the reserve is met. A

'Buy-Now' option, offering the goods for sale at a set price, has become popular with some buyers who do not wish to compete for ownership of goods through the auction process (Standifird, Roelofs, & Durham, 2005). Unlike bricks-and-mortar auctions, sellers are not physically present in the auction house and bidding proceeds in asynchronous time (Chakravarti et al., 2002; Wilcox, 2000). Compared to bricks-and-mortar auctions, online auctions have a much larger pool of buyers who have access to a much larger pool of goods (Bosnjak, Obermeier, & Tuten, 2006).

Consumer behaviour in online auctions differs in important ways from consumer behaviour in retail stores and online retail stores (Ariely & Simonson, 2003; Korgaonkar et al., 2014). Indeed, there have been calls for treating online C2C behaviour as a research area of its own (Jones & Leonard, 2007; Xiling, Lai, & Liu, 2008). Compared to shopping from online retail stores, the purchase process in an auction is more dynamic, competitive, and challenging; the consumer is actively involved in this process, making real-time decisions on the pricing of the product (Korgaonkar et al., 2014; Rauniar, Rawaski, Crumbly, & Simms, 2009). Ownership of the goods most often requires the purchaser to win the auction competitively. While consumers in a retail transaction may focus their attention on the price and quality of goods being offered, consumer attention in an auction is focused as much on the bidding process, and the desire to win the item (Ariely & Simonson, 2003). In addition, compared to an online retail store where there are likely multiple copies of each item offered for sale, often in the online auction environment the consumer is bidding for ownership of a unique one-off item. This adds to the competitive pressure to 'win' ownership of rare items.

2.4 Dynamics of an online auction

Most research into consumer behaviour in online auctions focuses on the dynamics of the bidding process (Fu & Chen, 2011; Xiling et al., 2008). Here, the concerns of the researcher are to identify the determinants of the highest bid price, number of bidders and number of bids, timing of a buyer's entry and exit from an auction, the bidding strategies used by buyers, and buyers' perceptions of trust in the seller (Table 2.1). Research also considers strategies that bidders use to win an auction, strategies such as placing a low initial bid, and 'sniping', that is, placing a bid as late as possible in the auction so as not to give other bidders time to outbid (Ariely &

Simonson, 2003; Bapna, Goes, & Gupta, 2001; Roth & Ockenfels, 2002), as well as strategies for sellers to maximise their selling price (Nguyen, 2011).

While considerable research explores the dynamics of the bidding process, a number of gaps remain in the literature; for example, research is lacking on the experiences of consumers as sellers in online auctions (Brough & Isaac, 2012; Chu, 2013; Chu & Liao, 2007), the explanation for the popularity and on-going use of online auctions by consumers (Denegri-Knott & Zwick, 2012; J.-C. Wang & Chiang, 2009), and whether the level of motivation a consumer has for on-going use of online auctions changes over time (Denegri-Knott & Zwick, 2012).

Table 2.1 - Research into the Dynamics of Online Auctions

Independent Variables		Dependent Variables
Bids	Size of the starting bid; number of bidders	Highest bid price; number of bidders; number of bids
Buyer	Bidder experience	Whether or not a buyer will enter an auction
Seller	Seller experience; seller reputation; perceptions of trust in the seller; perceptions of risk	Time of a buyer's entry and exit from an auction; buyer use of optimal bidding strategies; perceptions of trust in the seller; perceptions of risk
Product	Presentation of listing; quality of photography; information on the product	
Auction system	Design of the auction system (policies, rules, procedures)	

Sources: Ariely and Simonson (2003); Cui, Lai and Liu (2008); Heyman, Orhun and Ariely (2005); Rafaeli and Noy (2005); Reynolds, Gilkeson and Niedrich (2009)

2.5 Risk in online auctions

Purchasing from C2C online auctions is generally recognised as involving higher risk than purchasing from B2C online retail stores. When shopping from an online retail store, the consumer might be dealing with a well-known seller who is providing brand-name goods that are described in detail, paid for via secure payment systems, and delivered professionally (Hsieh & Tsao, 2014). By contrast, when purchasing from an online C2C auction, the consumer is dealing with an unknown seller who has entered the marketplace with few barriers to entry (Strader & Ramaswami, 2002); the consumer is also dealing with a situation of 'information asymmetry', that is, the buyer knows much less about the conditions and characteristics of goods than does the seller – and the potential that a seller may defraud them, a situation referred to as 'seller opportunism' (Finch, 2007; Wu, Cheng, & Yen, 2014; Yeh, Hsiao, & Yang, 2012).

Fraudulent behaviour in online auctions, by sellers or buyers, is the most common form of Internet fraud, perhaps accounting for as many as one per cent of all auction transactions (Albert, 2002; Kwan et al., 2010). Fraudulent behaviour by sellers includes misrepresentation of the goods for sale, sale of counterfeit goods, or failure to deliver the goods; fraudulent behaviour by buyers includes entering false bids ('shill bidding') or failing to pay for goods (Albert, 2002; Kwan et al., 2010).

Thus, issues of risk and trust in online auctions have received considerable research attention over the past 15 years (Bauerly, 2009; Bland, Black, & Lawrimore, 2007; Crespo, Rodriguez del Bosque, & Garcia de los Salmones Sanchez, 2009; Finch, 2007; Gefen & Pavlou, 2012; Hamer, 2011; Hsieh & Tsao, 2014; X. Huang & Finch, 2010; Shehryar, 2008; Utz, Matzad, & Snijders, 2009; Wolf & Muhanna, 2011; Wu et al., 2014; Zhou, Dresner, & Windle, 2009). In general, three types of risk for online auction users emerge from the literature: the buyer or seller attempts to defraud the other party; the goods delivered do not meet the buyer's expectations; the buyer risks spending excessively on auction purchases (Finch, 2007; Utz et al., 2009).

The opposite of perceptions of risk is trust in the online auction marketplace (Bauerly, 2009). The continued success of any online auction company is heavily

dependent on trust in the auction process by the community of users (Bauerly, 2009). Trust can be defined as “the subjective assessment of one party that another party will perform a particular transaction according to his or her confident expectations, in an environment characterised by uncertainty” (Ba & Pavlou, 2002, p. 245). In the context of online auctions, there are two aspects of trust, trust in any specific seller and trust in the auction system, which mutually impact each other as will be discussed below (Gefen & Pavlou, 2012; Pavlou & Gefen, 2004).

Research has shown that buyers’ perceptions of risk diminish their intentions to purchase from an online auction (Crespo et al., 2009), while buyers’ trust in the online auction system is associated with increased purchase intentions (Chiu, Huang, & Yen, 2010). The primary foundation for trust in the online auction system is the feedback system (Bauerly, 2009). In the feedback system, every buyer and seller has the opportunity to rate each auction user they have traded with (positive, neutral, or negative) and provide written comments on that trader (Pavlou & Dimoka, 2006). The auction community then has a record on every trader, and buyers use this information as a guide to whether or not they can trust a seller (Utz et al., 2009). Research has shown that the reputation of a seller, as evidenced by the feedback system, has a strong impact on the number of bids that auctioned items attract and the prices paid for those items (Ba & Pavlou, 2002; Bauerly, 2009; Finch, 2007). The feedback system is thus a key mechanism for reducing buyer or seller risks when trading in an online auction. It acts like a ‘public record’ for traders to assess a buyer’s or seller’s trustworthiness (Hamer, 2011).

However, sellers can do a number of things to encourage the trust of their buyers, including, providing photographs of the items for sale, responding promptly to questions from buyers, delivering products promptly, and demonstrating benevolence, that is, presenting themselves as caring about their customers (Jiang & Zhao, 2013; Lu, Zhao, & Wang, 2010; Strader & Ramaswami, 2002; Wu et al., 2014).

A further source of risk for buyers in online auctions is the risk of overspending, that is, spending excessively on the items they purchase or win at auction. Research has shown that overspending in online auctions is a common

phenomenon (Herschlag & Zwick, 2002; Park, Keil, Kim, & Bock, 2012; Peters & Bodkin, 2007); for example, in one study Ariely and Simonson (2003) found that the majority of winning bidders had overpaid for the items they won at auction. The online auction marketplace is full of goods that can be attractive for buyers; it is also a marketplace where buyers can get caught up in the excitement of competing to win an item. Overspending can be the result of an impulse purchase, that is, where the consumer under time pressure makes choices they might not normally make due to impatience and a lack of self-control (Chang & Chen, 2015; Lee, Kim, & Lee, 2013). Stern et al. (2008, p. 624) point out that “online auctions are even more likely to exacerbate impulsiveness than other forms of shopping insofar as consumers have only a limited time period in which to act”.

Additionally, it is common for buyers to get caught up in the excitement of bidding to win, and get carried away in the bidding process. This common phenomenon has been termed, ‘bidding frenzy’ (Dholakia, 2005; Gilkeson & Reynolds, 2003; Haubl & Popkowski-Leszczyk, 2004). Research suggests bidding frenzy is a result of a number of psychological processes including, competitive arousal, felt time pressure, quasi endowment (i.e., feelings of ownership towards the sale item if one has the leading bid), sunk costs (i.e., a feeling one should continue if one has already invested a lot of time and effort in the auction), escalation of commitment and the completion effect (i.e., a desire to complete a task one has commenced) (Heyman et al., 2005; Ku, Malhatra, & Murnichan, 2005; Park et al., 2012; Stern et al., 2008). Bidding frenzy can result in the buyer regretting spending much more than they intended to, a phenomenon referred to as the ‘winner’s curse’ (Amyx & Luehlring, 2006; Easley, Wood, & Barkataki, 2011; Hou, Kuzma, & Kuzma, 2009).

In spite of the presence of risks in the use of online auctions, consumers worldwide continue to buy and sell on auction sites and the number of consumers doing so continues to rise (Gefen & Pavlou, 2012). It appears that experienced auction users realise the risks involved in buying and selling from auction sites, and have accommodated these levels of risk and chosen to continue as auction users, for they view the value derived from auction experiences as far outweighing the risks involved (Cameron & Galloway, 2005). The benefits of the auction system become more obvious once the user has had positive experiences with the auction; such

direct experiences are likely to have a positive impact on trust in the auction system (Gefen, Karahanna, & Straub, 2003).

Though the issue of risk is discussed extensively in the literature on online auctions, perceived risks appear to have less impact on experienced auction users than they do on new auction users (Gefen et al., 2003; Muthitachareon, Barut, & Saeed, 2014; Sun & Liu, 2010; van der Heijden, Verhagen, & Creemers, 2002). An explanation for this is provided by van der Heijden et al. (2002) who suggest there is an 'initial risk threshold' for auction users, that is, an initial perception of risk that buyers and sellers overcome with feelings of trust before continuing with auction usage. After overcoming the initial risk threshold, auction users adopt various tactics, or 'risk relievers', to minimise their exposure to risks in the online auction system. These risk relievers include examining the ratings and feedback given on other traders, active search for product and price information from retail stores and other websites, setting an upper limit on bidding price, monitoring other auctions selling the same product, consulting online communities that discuss auction trading issues, asking questions of the seller, only purchasing low-priced items, and taking care with payment arrangements (Abdul-Ghani, 2009; Chua, Wareham, & Robey, 2007; Lai et al., 2008; Massad & Tucker, 2000; Muthitachareon et al., 2014). One further contributing factor to the minimisation of risk perceptions is auction users' trust in the procedures and mechanisms that the auction company puts in place to protect its users; procedures such as effective feedback systems, secure payment systems, vigilance to detect fraudulent traders, and legal remedies to pursue fraudulent traders. Users' trust in auction company procedures is variously referred to as structural assurance, institution-based trust or the perceived effectiveness of institutional structures (Gefen & Pavlou, 2012; Pavlou & Gefen, 2004; Wu et al., 2014). It appears that an auction user's trust in the auction system is a determinant of their continued use of the auction (Lu et al., 2010; Wu et al., 2014).

In conclusion, the literature suggests that many auction users are aware of the risk involved in auction use, but appear to have surmounted an initial risk threshold and learned tactics for reducing risk. Still, any research on the online auction experience should consider the potential role that perceived risk plays.

2.6 Experiences of browsing and buying

Having considered the characteristics of online auctions, the dynamics of bidding, and the perceived risks involved in using an online auction, the specific experiences of the consumer as buyer in the online auction are now considered. The auction site presents an enormous and ever-changing array of goods to tempt the buyer. Browsing and buying in the online auction can be a passionate consumption experience. Buyers can spend hours of pleasurable browsing on the auction site because the range of goods on offer is constantly changing thus offering the buyer unexpected surprises and ever-changing opportunities of acquiring desirable goods (Denegri-Knott, 2011). Because the auction site provides the consumer with access to millions of items, often at affordable prices, the consumer can find rare items such as favoured toys from childhood or luxury branded goods.

Knowing that anything they purchase can be re-sold later on the auction site, consumers are tempted to buy luxury items for temporary ownership (Chu, 2013; Nissanoff, 2006). Additionally, browsing the auction site is sometimes likened to opening a “treasure chest” of discoveries which can reveal pleasant surprises in the form of unexpected goods the consumer never knew existed or has given up on finding (Denegri-Knott & Zwick, 2012).

Denegri-Knott and Zwick (2012) speak of the online auction consumer as a ‘prosumer’, one who not only consumes experiences but actively produces them. The online auction consumer invests time, energy, and affect in seeking out desired items online and creating a playful fantasy experience of chasing, winning and possessing desirable items. The online auction experience can be an engaging experience for buyers. Recent research on online sales sites shows that European consumers on average spend more time on eBay than any other site, and twice as long as Amazon (Statista, 2015).

Surprise features in buyers’ experiences of browsing the auction site because the auction site frequently exposes the consumer to rare, unexpected, and desirable items. Use of the auction site can also potentially give the buyer a sense of control, as the buyer can make the decision to buy or bid on items without feeling pressured by a salesperson as they might if they were buying from a bricks-and-

mortar retail store. The sense of surprise of not knowing what to expect when browsing the millions of items listed on an online auction site, and the feeling of being 'in control of the situation' may play a role in motivating buyers to keep returning to trade on the auction site (Denegri-Knott & Zwick, 2012).

Bidding in online auctions involves competition and time pressure and is consequently associated with emotions of arousal, excitement, energy, enjoyment, competition, and a desire to win (Adam, Kramer, & Weinhardt, 2013; Chang & Chen, 2015; Haubl & Popkowski-Leszczyc, 2004). Research suggests that bidding frenzy is stimulated by the arrival of bids and time pressure, and is likely to cause the buyer to bid higher prices beyond a level they intended to (Adam et al., 2013; Dholakia, 2005; Haubl & Popkowski-Leszczyc, 2004; Ku et al., 2005; Park et al., 2012). The affective system of the bidder becomes stimulated and primes the bidder to bid a higher amount out of concern for losing the item. Thus, competition is an integral part of bidding in online auctions (Korgaonkar et al., 2014).

At times, the items that buyers seek in the online auction may be deeply meaningful through being associated with the buyer's extended self or self-concept, for example, the purchase of a wedding dress or musical instrument or a gift for a family member (Belk, 1988; Lastovicka & Fernandez, 2005, 2006). Thus, the purchase of some items from the online auction is part of a wider experience and a meaningful story that extends both before and after the conduct of the auction.

The online auction experience may also involve a cycle of escalating or de-escalating engagement. The consumer who finds new excitement and surprises on the auction site may be hooked into a cycle of engagement with the auction experience. Alternatively, the consumer for whom the novelty and excitement of the auction wears off, replaced by routine experiences and even boredom, is likely to experience a cycle of waning engagement (Denegri-Knott & Zwick, 2012).

2.7 Experiences of selling

Existing literature provides some insight into the experience of consumers as sellers in online auctions (Chu, 2013; Denegri-Knott & Molesworth, 2009; Nguyen, 2011). While some of these experiences occur online as the auction proceeds,

many of these experiences occur offline, both before the auction is launched and after the auction has closed, as this section reveals. Being a seller in an auction can require considerable investment of time and effort from the consumer (Denegri-Knott & Molesworth, 2009). And yet, as this section will discuss, these activities are sustained and rewarded by the various types of value consumers may derive from playing the role of a seller in online auctions.

Chu and Liao (2007) identify four approaches to selling by consumers in online auctions: the 'trader' who has bought extra product in bulk with the intention of reselling for a profit; the re-sale of items that the seller has enjoyed for a temporary period of ownership, such as the planned purchase and re-sale of expensive fashion clothing or luxury goods; unintentional re-sale of a product that was bought on impulse or proves to be unsuitable for the owner, or was an unwanted gift; disposition of household items some of which may hold sentimental value for the owner.

One literature that touches upon the experiences of sellers in online auctions is the literature on disposition. Many of the items sold by consumers in online auctions are household goods and personal possessions, some of which the consumer may be strongly attached to because the possession is full of personal meaning, such as a wedding dress. Disposition refers to the process by which a consumer detaches the possession from the self (Lastovicka & Fernandez, 2005). In the process of disposition, the possession moves from a good with 'private meaning' to a good with 'public meaning', including a dollar value. In their research about disposition that happens in garage sales and online auctions, Lastovicka and Fernandez (2005, 2006) found it is common for sellers to discuss the personal meaning of their possession, and upon finding a shared interest or 'shared self' with a buyer, the seller finds it easier to transfer ownership of the meaningful personal possession. If a consumer is strongly attached to a possession they are selling, they may want to establish that the possession is 'going to a good home'. Research shows that for sellers who are strongly attached to a possession, price may not be the most important criterion when selling the item; instead, the buyer's intended usage of the item may play a paramount role, and the buyer who promises the item 'a good home' may even be offered a discount (Brough & Isaac, 2012).

Before the auction commences, the consumer as seller decides what, if any, items they will put up for sale. This may involve sorting used household items into piles, some of which are discarded as the consumer believes they are worthless in the marketplace, and others that they believe can be turned into cash (Denegri-Knott & Molesworth, 2009; Nguyen, 2011). Before the sale of items, many sellers will research the market to see what price similar items are selling at and how they are promoted. The seller needs to make decisions on the minimum bid price, reserve price, and whether to have a Buy-Now price. The consumer may put considerable effort into preparing items for sale, including cleaning, washing, ironing, sorting, and displaying the items to make them appear 'shop-bought'; or perhaps photographing the items and preparing a description of the item to appear on the auction site (Denegri-Knott & Molesworth, 2009; Nguyen, 2011).

eBay allows for experimentation with this online identity, as an entrepreneurial seller, for example, or as an advertising copy writer or photographer ... eBay also provides the opportunity for enduring role play such as fantasies of entrepreneurial success or of subject expert that may be enacted and recognized within the community. (Molesworth & Denegri-Knott, 2008, p. 374)

During the conduct of the auction, buyers and sellers may be in personal communication. Sellers may be required to answer a buyer's questions to address any concerns the buyer may have; it is in the best interest of a seller who wishes to maintain their reputation to answer those questions promptly and fully. Furthermore, as suggested in the disposition literature, the seller who is emotionally attached to their item for sale may want to establish that their meaningful possession is going to a good home. Thus we find that the auction process may involve important social interaction amongst the community of buyers and sellers. In addition to the social aspects of the conduct of the auction, the seller may also find the auction process emotionally and financially rewarding if they enjoy the thrill and excitement of watching the bid price for their auctioned item climb, especially if there is a bidding war between buyers.

After the auction closes, the seller typically undertakes a number of activities to facilitate the delivery of the sold item to the buyer. They may package it carefully, then travel to their nearest post office to ship the item off to the buyer. Alternatively, the buyer and seller may meet in person to exchange goods for money. It is not uncommon in such situations for buyer and seller to strike up a

friendship outside the auction process, especially if they find they share common interests. Such encounters may be socially rewarding for both the buyer and seller. Friendships outside the auction process constitute part of the offline community of auction users (Abdul-Ghani, Hyde, & Marshall, 2010).

Consumers as sellers may be keen to provide good after-sale service to their buyers, so as to maintain their reputation and feedback rating. This is because buyers expect a certain level of service from sellers, such as prompt responses to any questions asked, quick delivery of goods, and resolution of any problems encountered (P.-F. Hsu & Han, 2010; Kuo, Yen, & Chen, 2011). Sellers may also maintain business relationships with their buyers outside the auction site, for example sending them email alerts about new items for sale (Abdul-Ghani et al., 2010; Nguyen, 2011). These are further aspects of the offline community of auction users.

To become an effective seller in online auctions, the consumer has to learn the most effective tactics for preparing items for sale. Experienced sellers are typically more highly skilled. The consumer likely obtains epistemic value (i.e., the value of novelty or new learning) from each successful trade in a process of learning to become a successful seller (Nguyen, 2011).

All in all, the activities undertaken by the consumer in their role as a seller require the investment of considerable time, energy, and attention, which Denegri-Knott and Molesworth refer to as “‘work’ in trying to maximise the economic value of goods” (Denegri-Knott & Molesworth, 2009, p. 313). Consumers as sellers appear hooked on the experience of running an amateur business. To build their reputation as an auction seller requires the consumer to be ‘in it for the long term’. In this regard, clearly many sellers may be engaged with their online auction experiences.

2.8 On-going use of online auctions

Though a majority of research on consumer behaviour in online auctions has examined the dynamics of auctions, considerably less research has been conducted to explain the reasons for consumers’ continued use of auction websites. The online auction website has become part of the daily life of many consumers

(Abdul-Ghani, 2009; Cameron & Galloway, 2005). Research should investigate why so many consumers continue to use this marketplace.

There have been studies into the factors affecting consumer adoption of online auction sites, factors such as tolerance for risk, ease of use, usefulness, desire for novelty and desire for fun (Stern et al., 2008; Tang & Forster, 2007). Consumer involvement is one construct that may explain consumer adoption of online auction technology. Stafford and Stern (Stafford & Stern, 2002; Stern & Stafford, 2006) show that consumers who use online auctions have higher involvement with auction sites than those who have not adopted the technology. However, these are studies of adoption of new technology rather than explanations for continued use of that technology. By contrast, this section presents the results of research that seeks to explain consumers' on-going use of an auction website.

On-going use of an online auction website might be explained in terms of favourable structural elements in the operation of the website. Consumers might be more satisfied with the auction website, and more likely to continue usage, if the website's policies and procedures offer a safe environment for trading (C.-H. Yen & Lu, 2008). Sellers are also more likely to return to an auction website if they expect to make a sale, it is unlikely to take much effort, and the functions of the website support the selling effort (Loebbecke et al., 2010).

Research has examined buyers' motives for use of online auctions. Utilitarian motivation refers to undertaking an activity to achieve a goal such as to locate and purchase a product. Utilitarian benefits sought by buyers in online auctions include the convenience of the medium, saving time and effort when shopping, the availability of bargains, the variety of products on offer, the ready availability of rare items, the quality of products and brands available, and the wide assortment of products available (Hou & Elliott, 2010; Jeon, Crutsinger, & Kim, 2008).

By contrast, hedonic motivation is undertaking an activity because one enjoys the process. Hedonic benefits sought by buyers include playfulness, excitement, amusement, fun, and the thrill of competing and winning an auction (Chang & Chen, 2015; Standifird et al., 2005; Wolfinbarger & Gilly, 2001). According to Chang and Chen (2015), pleasure and arousal are key drivers of hedonic motivation, and

encourage the auction bidder to reward themselves through continued use to maintain the “feel good” factor.

Research has also examined sellers’ motives for use of online auctions. Based on a qualitative study of sellers, Chu (2013) found sellers may be motivated by profit or the desire to generate some cash. Sellers may also be motivated by a desire for fun, enjoyment, or a sense of achievement from mastering the online sale system. They may be motivated by a desire to alleviate any guilt felt from overspending, by generating extra income from sales to cover their expenses.

Finally, some researchers have labelled extreme instances of auction use as a form of technology addiction (Peters & Bodkin, 2007; Turel, Serenko, & Giles, 2011). Symptoms of such addiction include a desire to check one’s auctions several times a day at home and at work, feelings of dependence if separated from access to the website, spending excessive time online including staying online until the small hours of the morning, and purchasing excessive numbers of goods the consumer will never use. Such behaviour shares features in common with gambling, compulsive consumption, and Internet addiction (Peters & Bodkin, 2007). Thus, extreme cases of auction use might be explained as cases of Internet addiction. However it is not the aim of this research to investigate Internet addiction.

In summary, a variety of reasons have been put forward for consumers’ use of auctions. Utilitarian and hedonic motives feature in a number of these studies. However, this simple distinction between utilitarian and hedonic motives neglects other benefits sought by auction users. For example, the term ‘hedonic’ appears to refer to a range of benefits in addition to the emotional aspects, including the value of socialising with other buyers or sellers, and the value associated with a sense of achievement and learning from mastering the buying and selling process. Likewise, ‘utilitarian’ motives seem to be used to refer to both the convenience of the online auction as a medium for buying or selling goods as well as the financial benefits from buying or selling these goods at a good price. Further research is required to provide a more detailed and nuanced explanation of the benefits consumers derive from their online auction experience.

In addition, while various explanations for consumers’ use of online auctions have been proposed in current research, research has yet to explore the role of

consumer engagement as a potential theoretical explanation. After reviewing the literature on consumer behaviour in online auctions, Cui, Lai, and Liu (2008) declared that future research requires theoretical models to integrate empirical findings, and that a new motivational construct might be discovered that provides additional explanation for consumer behaviour in online auctions. This thesis explores whether the consumer engagement construct can fulfil this role.

2.9 Chapter conclusions

For eBaying to constitute a thrilling, surprising and enchanting experience that reproduces cycles of desire, fantasy, and daydreams, the user must be willing to expend his or her own cognitive and affective energy. (Denegri-Knott & Zwick, 2012, p. 448)

What is unique about consumer behaviour in C2C marketplaces, is that the consumer acts both in the role of buyer and in the role of seller. This chapter has explored the online C2C auction experience, bringing to light that much of this experience for consumers as both buyers and sellers occurs offline, prior to the electronic auction, and after the auction closes. The research has considered the importance of meaningful possessions in the consumer's wider life and how the auction experience sometimes relates to the consumer's wider life story. The chapter has also discussed the importance of self-image and reputation, surprise, control, competition, socialising and learning as important facets to consider in the online auction experience. Any research on the online auction experience should consider the potential role that perceived risk plays. The literature suggests that many auction users are aware of the risks involved in auction use, but appear to have surmounted an initial threshold of risk, and learned tactics for reducing risk.

Many consumers appear engaged with their online auction experience, as evidenced by the amount of time, effort, and emotion invested in creating these experiences. The online auction experience can be engaging for buyers who experience browsing, winning, and possessing desirable items. Many sellers also appear engaged with the online auction experience of running an amateur business, enjoy the challenge of building a reputation as a trusted seller, enjoy acting out the role of entrepreneur, and appear concerned to enhance and protect their self-image as sellers. The online auction experience may involve a cycle of escalating or de-escalating engagement. The consumer who finds excitement and

surprises may be captivated into a cycle of engagement with the auction experience. Alternatively, the consumer for whom the novelty and excitement of the auction experience wears off may face waning engagement.

Consumer engagement is a relatively new construct in the marketing literature and researchers are only beginning to unfold its meaning and potential as an explanatory and predictive variable. The following chapter provides a review of literature on the conceptualisation and meaning of consumer engagement, and its potential relationship with other consumer behaviour constructs that are believed to relate to engagement.

Chapter 3 Consumer Engagement, its Antecedents and Consequences

3.1 Introduction

The research question for this thesis is,

What role might consumer engagement play as a comprehensive theoretical explanation for consumers' on-going use of a C2C online auction?

The previous chapter provided insights into consumer experiences in the context of the research, the online auction. This chapter conceptualises engagement from the point of view of the consumer and discusses its proposed dimensions. To do so, the chapter first reviews the existing literature on engagement in a marketing context. It will be argued that consumer engagement likely arises from consumption experiences that provide value to the consumer. Thus the chapter reviews the existing literature on consumer experiences (Caru & Cova, 2003, 2007) and consumer value (Sheth et al., 1991a, 1991b) as the antecedents to consumer engagement, and introduces the theoretical basis of the thesis: the Experiential View of the Consumer (Holbrook, 1986; Holbrook & Hirschman, 1982).

3.2 Consumer engagement

3.2.1 Introduction

Marketing practitioners have employed the term 'engagement' for more than a decade. The term has also passed into the everyday vernacular, where you can hear people claim 'that was engaging' or 'they were engaged'. At times, the speaker may use the term loosely to convey a number of synonyms – interest, enthusiasm, participation, or connection.

Marketing academics have also researched the concept of engagement in a marketing context. However, considerable confusion remains in marketing academia regarding what engagement is – is it the consumer's level of enthusiasm, or a state of mind, or overt behaviours such as participation? While much current research has concentrated on customer engagement with a single engagement

object - the brand - today's empowered consumer may engage with any object of consumption (Algesheimer et al., 2005; Calder & Malthouse, 2008; Dessart et al., 2015; Phillips & McQuarrie, 2010). Commercial organisations now compete for consumer attention and engagement not only with other market offerings, but also with any object of experiential consumption available to the consumer. Consumers engage with YouTube videos and Facebook sites that are initiated by other consumers, as well as those initiated by firms. Consumers likely interact with those objects of consumption that provide them with the most value, whether presented by the marketer or some other party. This research argues that the engagement construct should consider the experiential aspects of consumption, and consumer's on-going cognitive and affective connection to a wide range of objects of consumption that consumers interact with in their daily lives.

To seek clarity amongst the disparate approaches to the use of the term engagement, this section provides an overview of current research and understanding of the engagement construct, as utilised in a marketing context. It commences with a review of various approaches to conceptualising engagement, distinguishing between 'customer engagement' with its theoretical basis in Service Dominant Logic (Vargo & Lusch, 2004, 2008), and 'consumer engagement' with its theoretical basis in consumer theory including the Experiential View of the Consumer (Caru & Cova, 2003, 2007; Hirschman & Holbrook, 1982). The case of consumer engagement with consumption experiences is thus introduced. The section develops a working definition of consumer engagement with a consumption experience, emphasising its enduring motivational nature, and exploring its likely dimensions.

3.2.2 Conceptualising engagement

For the past 10 years, the marketing literature has discussed, debated, and sought to utilise the engagement construct. Table 3.1 provides a chronological account of alternative conceptualisations of engagement in a marketing context. The table shows that considerable disagreement remains over just what engagement is and how it should be conceptualised (Brodie et al., 2016; Dolan, Conduit, & Fahy, 2016). Engagement in a marketing context is variously referred to as consumer engagement (Gambetti & Graffigna, 2010; Gambetti et al., 2012), customer engagement (Bowden, 2009b; Marketing Science Institute, 2010; Patterson, Wu, &

De-Ruyter, 2006; So, King, & Sparks, 2014; van Doorn et al., 2010), customer brand engagement (Hollebeek, 2011a, 2011b), online community engagement (Algesheimer et al., 2005; Baldus et al., 2015), media engagement (Calder & Malthouse, 2008; Calder, Malthouse, & Schaedel, 2009), audience engagement (Scott & Craig-Lees, 2010), user engagement (Lehmann, Lalmas, Dupret, & Baeza-Yates, 2013; O'Brien & Toms, 2010, 2013), online engagement (Mollen & Wilson, 2010), or advertising engagement (Phillips & McQuarrie, 2010).

Throughout these various conceptualisations of engagement in a marketing context, the subject of engagement is generally the consumer (or customer). What differs between these various accounts is the object of engagement. The object of a consumer's engagement is varied, including engagement with an online community (Baldus et al., 2015; Dessart et al., 2015; Wirtz et al., 2013; Zheng, Cheung, Lee, & Liang, 2015), a firm (Bijmolt et al., 2010; Jaakkola & Alexander, 2014; Kumar et al., 2010; Patterson et al., 2006; van Doorn et al., 2010), a medium (Calder & Malthouse, 2008; Calder et al., 2009; Pagani & Mirabello, 2011), a brand (Hollebeek, 2011a, 2011b; Hollebeek et al., 2014), an advertisement (Phillips & McQuarrie, 2010; Tiexeira, Wedel, & Pieters, 2012), a movie or other form of entertainment (Scott & Craig-Lees, 2010), a website (Lehmann et al., 2013; Mollen & Wilson, 2010), shopping experiences (Gonclaves, 2009; Malthouse, Calder, & Vandenbosch, 2016), other consumers (Dessart et al., 2015), or the arts (Kemp, 2015). Vivek, Beatty, and Morgan (2012) present a framework of the potential objects of consumer engagement. Examples of offerings from a company that a consumer may engage with are goods and brands; examples of activities of a company that a consumer may engage with are company events; examples of offerings from a consumer that a consumer may engage with are goods available from a flea market or garage sale; examples of consumer-initiated activities that a consumer may engage with are shopping and hobbies. The marketing literature therefore recognises that consumers can be engaged with any object of consumption, including various consumption activities and consumption experiences.

Table 3.1 - Conceptualisations of Engagement in the Marketing Literature

Author	Construct Name	Conceptualisation	Object of Engagement	Key Concept(s)
Algesheimer et al. (2005)	Community engagement	The consumer's intrinsic motivation to interact with community members	Online community	Motivation
Patterson et al. (2006)	Customer engagement	The level of a customer's physical, emotional, and cognitive presence in their relationship with the service firm	Service firm	Interactions between customer and firm
Higgins (2006); Higgins and Scholer (2009)	Engagement	Being involved, occupied, interested in something; to concentrate, be absorbed or engrossed	Goal pursuit	Psychological state that contributes to motivational intensity
Calder and Malthouse (2008); Calder, Malthouse, and Schaedel (2009); Malthouse et al. (2016)	Media engagement	The sum of consumer experiences with a medium	The medium	Consumer experiences
Vivek (2009); Vivek, Beatty, Dalela, and Morgan (2014); Vivek et al. (2012)	Customer engagement	The intensity of a consumer's participation and connection with the firm's offerings and activities, often involving other consumers in a social network	Offerings and activities of the firm	Participation and connection; social network
Bowden (2009b)	Customer engagement	A psychological process by which customers become loyal to a service brand	The service brand	A psychological process
Sprott, Czellar, and Spangenberg (2009)	Brand engagement in self-concept	Tendency to include brands in the self-concept	Brands	Self-concept
Kumar et al. (2010)	Customer engagement	Interactions of a customer with a firm and with other customers, whether transactional or non-transactional; a connection between the firm and the customer	The firm	Behaviours; connection
Van Doorn et al. (2010)	Customer engagement behaviour	Customer behaviours regarding the brand or firm that go beyond transaction behaviours, resulting from motivation – includes WOM, recommendations, writing reviews, helping other customers	The brand or firm	Behaviours; resulting from motivation

Author	Construct Name	Conceptualisation	Object of Engagement	Key Concept(s)
Bijmolt et al. (2010)	Customer engagement	Behavioural manifestations from the customer towards the firm or brand that go beyond purchase behaviour	The brand or firm	Behaviours
Mollen and Wilson (2010)	Online engagement	Cognitive and affective commitment to a relationship with the brand, resulting from experiences that provide experiential and instrumental value	The brand (as portrayed by a website)	Commitment to a relationship; a result of value
Phillips and McQuarrie (2010)	Advertising engagement	Five types of mental activity in response to an advertisement: identity, feelings, tendency to act, transport, immerse	An advertisement	Mental activity
Scott and Craig-Lees (2010)	Audience engagement	Affective and cognitive response to an entertainment item such as a movie	Movie or other entertainment	Affective and cognitive response
Marketing Science Institute (2010)	Customer engagement	A customer's behaviours towards a brand or firm beyond purchase, including WOM, customer-to-customer interactions, recommendations, writing reviews	The brand or firm	Behavioural
Gambetti and Graffigna (2010)	Consumer engagement	A complex concept influenced by psychological, social, interactive, relational, experiential, and context-based components	The brand, the firm, advertisement or medium	Psychological, social, interactive, relational, experiential
O'Brien and Toms (2010)	User engagement	Both a process and a product of interaction of a user with software or a website, whose intensity varies	Software or website	Both a process and product of interaction with a website
Brodie, Hollebeek, Juric and Ilic (2011)	Customer engagement	A psychological state that arises from interactive, co-creative experiences with an object (e.g., a brand), in service relationships	An object such as a brand	Psychological state; customer experiences
Hollebeek (2011a, 2011b)	Customer brand engagement	Level of a customer's motivational state of mind regarding a brand characterised by cognitive, emotional, and behavioural activity in brand interactions	The brand	Psychological state; motivational; cognitive, affective and behavioural; during interactions

Author	Construct Name	Conceptualisation	Object of Engagement	Key Concept(s)
Gambetti, Graffigna, and Biraghi (2012)	Consumer brand engagement	A dynamic, process-based concept whose intensity depends on a brand's capacity to meet consumer's desires and expectations through physical and virtual touchpoints. Has a cognitive, emotional, conative, experiential, and social dimensions.	The brands	The brand's capability to meet consumer desires and expectations
Sashi (2012)	Customer engagement cycle	Occurs when customers have strong emotional bonds in relational exchanges with sellers	The seller	Engagement is part of cycle/process
Lehmann et al. (2013)	User engagement	"Stickiness" of a website as measured by page views and dwell time	Website	Behavioural
Wirtz et al. (2013)	Online brand community engagement	The consumer's intrinsic motivation to interact and cooperate with community members	Community members	Intrinsic motivation
Hollebeek, Glynn, and Brodie (2014)	Consumer brand engagement in social media	Positively valenced cognitive, emotional, and behavioural activity during, or related to, brand interactions	The brand	Cognitive, affective and behavioural; during and related to interactions
So, King, and Sparks (2014)	Customer engagement	A customer's personal connection to a brand, manifested by cognitive, affective, and behavioural responses outside of the purchase	The brand	Connection; cognitive, affective and behavioural
Jaakkola and Alexander (2014)	Customer engagement behaviour	Behavioural manifestations of customer engagement; the multiple ways customer behaviours beyond transactions influence the firm	The firm	Behavioural
Baldus, Voorhees, and Calantone (2015)	Online brand community engagement	Intrinsic motivation to continue interacting with an online brand community	Online brand community	Intrinsic motivation
Dessart et al. (2015)	Engagement in the online brand community	Cognitive, affective and behavioural commitment to an active relationship	The brand; other consumers	Engagement with the brand and other consumers
Kemp (2015)	Engagement in the arts	The feelings, cognitions, behavioural, social and connection/relational responses evoked by artistic experiences	The arts	Evoked by experiences

Author	Construct Name	Conceptualisation	Object of Engagement	Key Concept(s)
Bowden, Gabbott, and Naumann (2015)	Customer engagement	Interactive experiences between a subject (e.g., a customer) and an object (e.g., a service firm)	Object such as a brand or firm	Interactive experiences
Zheng, Cheung, Lee, and Liang (2015)	Engagement in the online brand community	Individual participation and promotion behaviour	Online brand community	Behavioural
Alexander and Jaakkola (2016)	Customer engagement behaviours	Behavioural manifestations of customer engagement, namely, co-developing, influencing, augmenting, and mobilising behaviours	Firm	Behavioural
Calder, Isaac, and Malthouse (2016); Malthouse et al. (2016)	Engagement	“A multi-level, multi-dimensional construct that emerges from the thoughts and feelings about one or more rich experiences involved in reaching a personal goal” (Calder et al., 2016, p. 2). Engagement arises from five categories of experience – interaction, transportation, discovery, identity, and civic orientation. Engagement can affect behavioural outcomes such as the extent to which a product is consumed	Media, brands, events, shopping	Experiences
Dolan, Conduit, and Fahy (2016)	Social media engagement behaviour	Engagement behaviours customers exhibit on social media, namely, creating, contributing, consuming, dormancy, detachment, destruction	Brand	Behavioural
Hyder and Bigne (2016)	Website engagement	“Consumer experience that occurs when a user’s attention is captivated and held by a Web site, and the user wants to remain interacting with the Web site in a concentrated fashion during a period of time” (p. 157).	Website	Psychological state

Most importantly, however, is that the marketing literature has yet to reach any form of consensus on the definition, meaning or conceptualisation of engagement. As Table 3.1 indicates, engagement is variously conceived of as a motivational construct (Algesheimer et al., 2005; Baldus et al., 2015; Hollebeek, 2011a; Wirtz et al., 2013); interaction and participation (Bowden et al., 2015; Patterson et al., 2006; Vivek et al., 2014); a psychological state (Brodie & Hollebeek, 2011; Hollebeek, 2011a, 2011b); a collection of consumer experiences (Calder & Malthouse, 2008; Calder et al., 2009; Pagani & Mirabello, 2011); a process or cycle (Bowden, 2009b; Sashi, 2012); overt behaviours such as posting on social media pages (Bijmolt et al., 2010; Jaakkola & Alexander, 2014; Kumar et al., 2010; Lehmann et al., 2013; Marketing Science Institute, 2010; van Doorn et al., 2010; Zheng et al., 2015); a relational construct akin to connection or commitment (Gambetti & Graffigna, 2010; Mollen & Wilson, 2010); or as affective and cognitive responses (Scott & Craig-Lees, 2010).

In this extant literature the three dominant approaches to conceiving of consumer engagement are to view engagement as a psychological state, a motivational construct, or as overt behaviours of the consumer. To illustrate the differences between these three approaches, one can use the example of consumer use of a website. If consumer engagement is conceived of as a psychological state, then engagement is the consumer's intense concentration and affect experienced during use of the website; alternatively, as a motivational construct, consumer engagement is the level of motivation and enthusiasm a consumer has to return to the website and use it often in the future; as overt behaviours, engagement would be recognised in the amount of time a consumer spends on a website or the number of activities the consumer undertakes on the website.

Brodie, Hollebeek, Juric, and Ilic (2011, p. 7) provide a pioneering definition of customer engagement as “a *psychological state*, which occurs by virtue of interactive customer experiences with a focal agent/object within specific service relationships”. This definition is worthy of closer analysis. By definition, a psychological state is experienced continuously for a short period and directly observable to other people (Fridhandler, 1986). If engagement is conceived of as a psychological state, it would be something experienced temporarily for a few minutes or hours while the consumer interacts with the object of consumption. As

a psychological state, engagement would ideally be researched with observational or experimental methods performed while the consumer is experiencing engagement. Such research could examine the impact of an engagement state on immediately occurring consumer behaviours such as interacting with a website, number of click-throughs, and data entry on the website at the time of observation.

Alternatively, Algesheimer et al. (2005, p. 21) define community engagement as “the consumer’s intrinsic motivation to interact and cooperate with community members”. If conceived of as a motivational construct, engagement would be a relatively enduring entity and may predict a consumer’s future actions. As a motivational construct, engagement would best be measured psychometrically. As a motivational construct, engagement would be ideally suited for research on predicting and explaining future consumption rates or usage rates of a website.

Yet again, van Doorn et al. (2010, p. 254) define customer engagement behaviours as “a customer’s behavioural manifestations that have a brand or firm focus, beyond purchase, resulting from motivational drivers”. There is a very different logic operating when the researcher conceives of engagement as a behavioural construct versus conceiving of engagement as a motivational construct. Viewed from the point of view of a behavioural construct, “I do x” *is* engagement. Viewed from the point of view of a motivational construct, “I do x” *because* I am engaged. As a behavioural construct, engagement would be akin to participation or overt activity, and could be readily measured in terms of the trail of activities undertaken by a consumer. Engagement conceived of as overt behaviours would not be well suited for predicting those same behaviours, for to do so would be to represent the construct as both cause and effect of itself. Using a conceptualisation of engagement as overt behaviours, research could examine the impact of a company’s actions on the number of visits to the company website by customers.

Recently, some researchers in consumer engagement have sought to combine the psychological and behavioural aspects of engagement as a single construct (Hollebeek et al., 2014; So et al., 2014). This approach may be logically defensible, but again, such a measure of engagement could not be used to predict and explain the same overt behaviours that are being measured.

3.2.3 Theoretical bases of engagement

The two most widely used terms for engagement in a marketing context are: 'customer engagement', and 'consumer engagement'. This section seeks to differentiate between these two terms and so doing emphasises the differences in conceptualisations of engagement.

Part of the disparity in approaches to conceiving of engagement can be explained by considering the theoretical bases from which researchers are operating - either Service Dominant Logic or consumer theory. In seeking to understand engagement, some researchers have adopted Service Dominant Logic. Service dominant logic is inherently about the relationship between a customer and a service firm (Vargo & Lusch, 2004). Even though Fundamental Proposition #8 of Service Dominant Logic states that value is determined phenomenologically by the customer, customer value is viewed as only possible because of a customer's relationship and interactions with a firm (Vargo & Lusch, 2008). Service Dominant Logic is thus a *firm-centric view* (Heinonen et al., 2010). By conceptualising engagement from the basis of Service Dominant Logic, engagement becomes a construct concerned with service relationships, interactions between a customer and a firm/brand, connection, commitment, and co-creation of value between the customer and firm (Brodie et al., 2011). The subject who is doing the engaging is referred to as a customer; the object of engagement is a firm and/or a brand. Given such a context for conceptualising engagement, most researchers in this tradition refer to the engagement construct as *customer engagement* (Figure 3.1). From this perspective, the antecedents of customer engagement are generally viewed as offerings and activities initiated by the firm. The consequences of customer engagement are loyalty, trust, and commitment to the firm or brand (Brodie et al., 2011).

The concentration of Service Dominant Logic on the customer in relation to the firm is critiqued by Heinonen and her colleagues (Heinonen et al., 2010; Heinonen, Strandvik, & Voima, 2013) in their employment of Customer Dominant Logic. Customer Dominant Logic (CDL) suggests that "what happens during the service process is only a part of all related and relevant activities and experiences in a customer's life" (Heinonen et al., 2010, p. 534). As Andrews et al. (2012, p. 360) observe, "Much of people's everyday experiential consumption of possessions

occurs outside a marketing relationship.” While every customer is a consumer, not all consumers are customers. Research should look at all consumer behaviours including behaviours that are driven by consumers’ own motivational drivers rather than those originating from the firm (Verleye & De Keyser, 2016).

Thus, the second approach to conceptualising engagement, consumer engagement, is based on consumer theory, including the Experiential View of the Consumer (Arnould & Thompson, 2005; Caru & Cova, 2003; Hirschman & Holbrook, 1982; Thompson, Locander, & Pollio, 1989). This theory, as will be explored later in this chapter, takes a broad-ranging view of a consumer’s life and the value-creating experiences they participate in, including leisure activities, shopping, and socialising. From a theoretical base of the Experiential View of the Consumer, engagement is viewed as potentially arising from any consumer experience, including but not restricted to, consumer experiences with a firm or brand.

Consumer experiences have been proposed by a number of researchers as the basis of engagement (Brodie et al., 2011; Malthouse & Calder, 2011; Malthouse et al., 2016). Malthouse and Calder (2011, p. 277) argue,

Because engagement is rooted in the on-going flow of experiences, we should not view it as a context-free dispositional state but as something qualitatively different ... Research on engagement cannot in our view proceed independently of research on underlying experiences.

This is a consumer-centric view of engagement. The subject who is doing the engaging is the consumer; the object of engagement can be any object of engagement, including the media, entertainment, or shopping experiences. This theoretical orientation to engagement in a marketing context could best be referred to as *consumer engagement*, as opposed to customer engagement (Figure 3.1). From this perspective the antecedents to consumer engagement would be the experiences a consumer has with consumption offerings and activities, whether initiated by the firm or not. The consequences of consumer engagement are on-going interaction with or use of the object of engagement. This view is expressed by Calder, Malthouse, and colleagues:

Calder and Malthouse think of engagement as being rooted in one or more experiences that reflect consumers’ goals or values, and that engagement causes various consequences, such as product purchase and usage. (Malthouse et al., 2016, p. 86)

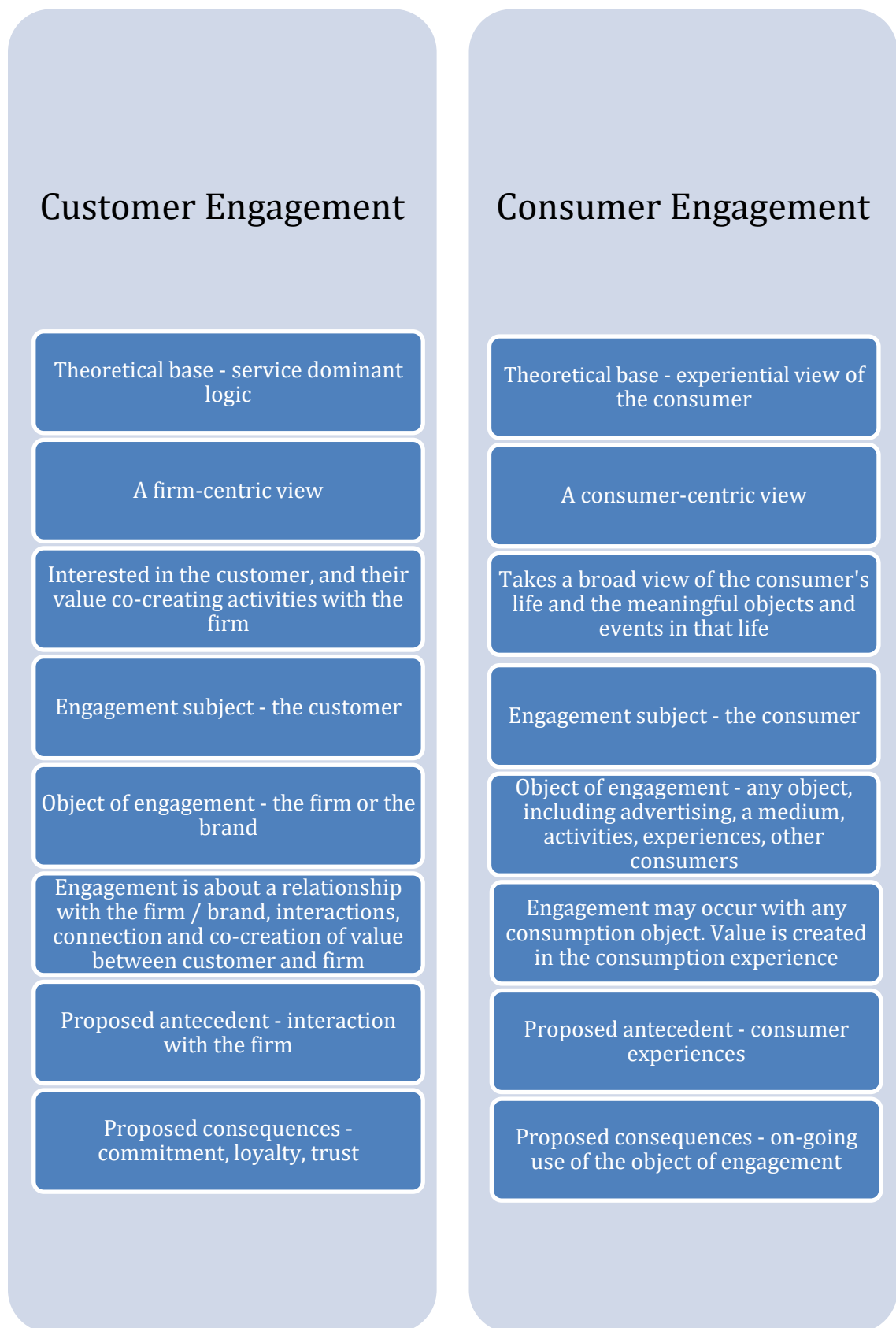


Figure 3.1 - Customer engagement versus consumer engagement

Source: Abdul-Ghani et al. (2012)

3.2.4 Psychometric measures of engagement in a marketing context

Until very recently, few psychometric measures of engagement existed in the marketing literature. Table 3.2 profiles 13 measures currently available, of which nine have been published in just the last two years. The table presents the name of each measurement scale and the dimensions the measure is comprised of. A sample rating scale item from each dimension is provided to illustrate as best as possible the nature of the dimension. (N.B., where the dimension is multifaceted in nature, it is not always possible to demonstrate this with a single item). The remainder of Table 3.2 indicates whether the dimensions of each scale represent cognitive, affective, social, behavioural, motivational, psychological state, and/or self-concept entities.

The cognitive dimension is prominent in many of the scales to measure engagement, with this dimension referring to the level of interest, thought, or attention the consumer directs towards the object of engagement. For some of the scales, this level of interest, thought, and attention is experienced during interaction with the object of engagement, for example, “I think about the brand a lot when I am using it”, which means that the thinking only happens during the interaction not after the interaction has stopped (Hollebeek et al., 2014). In such instances, Table 3.2 records a check-mark in the *psychological state* column for that dimension of the scale. For other researchers, the level of interest, thought, or attention to the object of engagement continues long after interaction with the object; that is, the cognitive dimension is seen as an enduring entity, for example, “I pay a lot of attention to anything about this brand” (So et al., 2014).

Many of the scales also propose that engagement has an affective dimension, which is the level of affect felt towards the engagement object. Again, some scales have defined the affective dimension of engagement as a psychological state experienced during interactions with the engagement object (as indicated with a check-mark in the *psychological state* column of Table 3.2), for example, “I feel good when I use the brand” (Hollebeek et al., 2014), while other researchers view the affective dimension as enduring for a lengthy period of time outside of periods of actual interaction with the engagement object, for example, “I am excited about this brand” (So et al., 2014).

Table 3.2 - Existing Scales to Measure Engagement in a Marketing Context

Authors	Scale	Dimensions	Sample Item	Cognitive	Affective	Social	Behav- ioural	Motiva- tional	Psycholo- gical State	Self- Concept
Algesheimer et al. (2005)	Community engagement	-	I am motivated to participate in the brand community's activities because I am able to support other members			x		x		x
Sprott et al. (2009)	Brand engagement in self-concept	-	I consider my favourite brands to be part of myself							x
Calder et al. (2009)	Online engagement	Personal engagement	This site often gives me something to talk about	x	x	x				
		Social-interactive	I do quite a bit of socialising on this site				x			
O'Brien and Toms (2010)	User engagement scale	Focused attention	I lost myself in this shopping experience						x	
		Perceived usability	I felt annoyed while visiting this shopping website		x					
		Aesthetics	This shopping website is attractive							

Authors	Scale	Dimensions	Sample Item	Cognitive	Affective	Social	Behavioural	Motivational	Psychological State	Self-Concept	
Altschwager (2014)	Event engagement	Endurability	Shopping on this website was worthwhile								
		Novelty	I felt interested in my shopping task	x							
		Involvement	This shopping experience was fun			x					
		Attention	I pay a lot of attention to anything about X	x							
		Identification	When someone praises X it feels like a personal compliment								x
		Enthusiasm	I am passionate about X				x				
		Absorption	Time flies when I am interacting with X							x	
		Interaction	I frequently participate in activities related to X						x		
		Social engagement	I like meeting other people who enjoy X					x			

Authors	Scale	Dimensions	Sample Item	Cognitive	Affective	Social	Behav- ioural	Motiva- tional	Psycholo- gical State	Self- Concept
Hollebeek et al. (2014)	Consumer brand engagement	Cognitive processing	I think about the brand a lot when I am using it	x					x	
		Affection	I feel good when I use the brand		x				x	
		Activation	I spend a lot of time using the brand				x			
Vivek et al. (2014)	Customer engagement	Conscious attention	I pay a lot of attention to anything about	x						
		Enthused participation	I spend a lot of my discretionary time		x			x		
		Social connection	Is more fun when other people around me do it too		x	x				
So et al. (2014)	Customer engagement	Identification	When I talk about this brand I usually say we rather than they							x
		Enthusiasm	I am excited about this brand		x			x		
		Attention	I pay a lot of attention to anything about this brand	x						

Authors	Scale	Dimensions	Sample Item	Cognitive	Affective	Social	Behavioural	Motivational	Psychological State	Self-Concept
		Absorption	Time flies when I am interacting with the brand						x	
		Interaction	I like getting involved in brand community discussions			x	x			
Cheung et al. (2014)	Customer engagement	Vigour	I can continue using this online shopping platform for very long periods of time				x	x		
		Absorption	Time flies when I am using this online shopping platform						x	
		Dedication	I am excited when using this online shopping platform		x			x		
Sakar and Sreejesh (2014)	Active engagement	Active engagement	I frequently visit the brand's website				x			

Authors	Scale	Dimensions	Sample Item	Cognitive	Affective	Social	Behav- ioural	Motiva- tional	Psycholo- gical State	Self- Concept
Dwivedi (2015)	Consumer brand engagement	Vigour	I can continue using this brand for very long periods of time					x	x	
		Absorption	Time flies when I am interacting with this mobile phone	x					x	
		Dedication	My brand of mobile phone gives me meaning and purpose			x				
Kemp (2015)	Engagement in the arts	Cognitive	The arts inspire me intellectually	x						
		Affective	The arts are emotionally stimulating for me		x					
		Behavioural	I attend arts performances as often as I can					x		
		Social	I receive social fulfilment from the arts				x			
		Connection	Part of me is defined by my favourite arts experiences							

Authors	Scale	Dimensions	Sample Item	Cognitive	Affective	Social	Behav- ioural	Motiva- tional	Psycholo- gical State	Self- Concept
Hyder and Bigne (2016)	Website engagement	Positive affect	Whilst I navigated on the website I felt happy		x				x	
		Focused attention	When navigating this website, I didn't think about other things	x					x	
		Challenge	This website was easy to use							
		Curiosity	This shopping experience satisfied my sense of curiosity	x						
		Involvement	I felt involved in the shopping task			x				

Some of the scales propose a social dimension to engagement, being the level of a consumer's interaction with other consumers, for example, "X is more fun when other people around me do it too" (Vivek et al., 2014). Other scales propose a self-concept dimension, suggesting an essential element of engagement is the extent to which the object of engagement is taken as important to the consumer's self-concept, for example, "My brand of mobile phone gives me meaning and purpose" (Dwivedi, 2015). A number of the scales include measures of overt behaviours, with items such as, "I frequently participate in activities related to X" (Altschwager, 2014). Finally, some of the scales include a motivational dimension, with items such as, "I am motivated to participate in x" (Algesheimer et al., 2005).

It is also worth noting that some of the scales to measure engagement in a marketing context take studies of employee engagement as the basis for their dimensions of engagement – namely, vigour, absorption, and dedication (Cheung et al., 2014; Dwivedi, 2015; Patterson et al., 2006). Although employee engagement research emerged earlier than consumer engagement research, one can question if it is appropriate to assume the dimensions of employee engagement can be applied to the consumer engagement construct. Employee engagement concerns the relationship between an organisation and its employees, it is concerned with the extent to which employees identify with their role in an organisation (Bakker, Schaufeli, Leiter, & Taris, 2008; Kahn, 1990). "Employees feel obliged to bring themselves more deeply into their role performances as repayment for the resources they receive from their organization" (Saks, 2006, p. 603). On the other hand, consumer engagement occurs in a very different context; it relates to the individual as a consumer, making choices about how to spend their time and money.

In summary, extant scales to measure engagement in a marketing context frequently include cognitive and affective dimensions to engagement, sometimes include social or self-concept dimensions, and sometimes include behavioural or motivational dimensions. The items used in these scales express engagement as either a temporary psychological state or as an enduring entity.

3.2.5 Empirical studies on engagement in a marketing context

Empirical studies of engagement are relatively recent in the marketing context. Table 3.3 identifies only three empirical studies published prior to 2010, yet conversely, a growing number of studies published in just the last two years. A majority of these studies have adopted various quantitative research methodologies. A small number of studies have adopted qualitative methodologies, variously aiming to explore the meaning of engagement, the antecedent conditions, and the consequences of engagement. There is therefore a gap in the empirical literature for more qualitative studies on consumer engagement.

What is clear is that a majority of the studies on engagement in a marketing context have adopted cross-sectional surveys as the preferred research methodology. There are limitations inherent in utilising cross-sectional surveys, such as an inability to truly identify cause and effect, given all data gathering occurs at a single point in time and all relationships established are correlational rather than causal (Bryman & Bell, 2003). One cannot truly establish the predictive validity of a construct measure if there is no lapse in time between the measurement of a construct and the measurement of its consequence (Cronbach & Meehl, 1955; Nunnally & Bernstein, 1994). Cross-sectional research is also prone to problems of common methods bias, with an inherent tendency to inflate effect sizes (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Research into engagement in a marketing context would therefore benefit from use of a broader range of research approaches, including longitudinal designs, observational studies, and experiments that are more likely to establish the predictive validity of the consumer engagement construct.

Table 3.3 - Empirical Studies of Engagement in a Marketing Context

Quantitative Studies

Author(s)	Methodology	Antecedents	Consequences (Psychometric Constructs)	Consequences (Measurable Behaviours)
Algesheimer et al. (2005)	Longitudinal survey	Brand community identification	Intentions to continue membership, recommend the community, participate in the community	Community membership duration, community recommendation behaviour, community participation behaviour (after 10 weeks)
Calder et al. (2009)	Experiment	Media experiences	Attitude towards an ad; Intention to click	-
Gonclaves (2009)	Experiment	Consumer experiences of shopping and consumption	Happiness; willingness to pay	-
Pagani and Mirabello (2011)	Cross-sectional survey	Media experiences	-	Media consumption behaviours
Tiexera et al. (2012)	Experiment	Internet video advertisements		Ad avoidance; emotions; attention;
Kim, Phelps, and Lee (2013)	Cross-sectional survey	Functional, social, hedonic expectations; self-efficacy	-	-
Lehmann et al. (2013)	Observation			“stickiness” of the website as measured by page views and dwell time
Sakar and Sreejesh (2014)	Cross-sectional survey	Brand love	-	-
Hollebeek et al. (2014)	Cross-sectional survey	Involvement with the brand	Self-brand connection; brand-usage intent	-
Vivek et al. (2014)	Cross-sectional survey	-	Value perceptions; benevolence perceptions; future patronage intent; affective commitment	-
So et al. (2014)	Cross-sectional survey	-	Loyalty intention	-

Author(s)	Methodology	Antecedents	Consequences (Psychometric Constructs)	Consequences (Measurable Behaviours)
Cheung et al. (2014)	Longitudinal survey	-	Repurchase intention; WOM intention	Number of purchases; participation in WOM (after 3 weeks)
De Vries and Carlson (2014)	Cross-sectional survey	Value (functional, hedonic, social, co-creative); brand strength	Brand loyalty; intention to participate in Facebook	-
Chan, Zheng, Cheung, Lee, and Lee (2014)	Cross-sectional survey	System support; community value; freedom of expression; rewards and recognition	Repurchase intention; WOM intention	-
Pynta et al. (2014)	Observation	Television programme	-	Use of social media; brain activity
Dwivedi (2015)	Cross-sectional survey	Involvement with the product category; Brand usage experience	Loyalty intentions	-
Kemp (2015)	Cross-sectional survey	Value	Trust; loyalty; WOM	-

Qualitative Studies

Author(s)	Aim
Brodie, Ilic, Juric, and Hollebeek (2013)	Explores the nature and scope of consumer engagement in an online brand community, exploring engagement states, engagement process, and outcomes
Hollebeek (2013)	Explores potential linkages between engagement and value (as a consequence of engagement)
Hollebeek and Chen (2014)	Explores potential triggers and consequences of positively and negatively valenced brand engagement
Mosteller and Mathwick (2014)	Examines the impact of an online reviewer ranking system on reviewer well-being and engagement
Jaakkola and Alexander (2014)	Identifies four types of customer engagement behaviours
Dessart et al. (2015)	Explores dimensions of consumer engagement in online brand communities. Explores objects of engagement, drivers, and outcomes of engagement.
Bowden et al. (2015)	Examines why customers disengage from a relationship with a service firm
Ng et al. (2016)	How customers engage with a service offering, antecedents, and consequences
Dolan et al. (2016)	Identifies six categories of customer engagement behaviours

What is also apparent from Table 3.3 is that few studies seek to predict actual behavioural outcomes, instead using the engagement construct to predict other conceptual constructs such as brand loyalty, commitment, and trust (Hollebeek et al., 2014; So et al., 2016). There have been recent calls in consumer research to broaden the approaches to establishing knowledge, beyond those research designs that correlate constructs with constructs, and re-introduce designs that seek to use constructs to predict actual behavioural outcomes (Lynch, Alba, Krishna, Morwitz, & Gurhan-Canli, 2012). This perhaps holds true regarding research into consumer engagement; that is, further studies should seek to explore the impact of engagement on actual behavioural outcomes.

As a result of the current state of knowledge on engagement in a marketing context, a number of writers call for further empirical research on several fronts. A need has been identified for further qualitative, phenomenological-type investigations, including a need to understand consumer experiences as a basis of consumer engagement (Deighton, Rizley, & Keane, 2012). A need has also been identified to develop new valid psychometric measures of engagement (Hollebeek & Chen, 2014; Marketing Science Institute, 2010). There is a need for studies of consumption objects other than brands, based on theoretical bases other than Service Dominant Logic (Brodie et al., 2011). Further empirical investigation is required of the antecedents and consequences of engagement, especially for studies that seek to predict actual behavioural outcomes (Lynch et al., 2012). Furthermore, longitudinal studies are called for (Claffey & Brady, 2014; Hollebeek et al., 2014) to see how well engagement predicts future consumer behaviours, and to see if engagement changes over time relative to changes in its supposed antecedents.

3.2.6 Conceptualising consumer engagement in the context of this research

Having reviewed the various conceptualisations of engagement in the marketing literature, it is time to consider the conceptualisation of consumer engagement in the context of this thesis. The research question for the thesis is to understand what role consumer engagement might play as an explanation for a consumer's on-going use of an online auction.

A consumer's experiences of online auctions are largely consumer-to-consumer experiences; interactions with the auction firm seldom occur. In addition, the consumer's auction experiences involve events before and after going online. The research thus takes a consumer-centric approach by utilising the concept of consumer engagement conceptualised from the Experiential View of the Consumer, rather than customer engagement conceptualised from Service Dominant Logic. As such, the object that the consumer engages with is not limited to a firm or a brand. In the context of this research, the object of a consumer's engagement is a consumption experience. To date, consumption experiences have seldom been investigated as the object of engagement. Those studies that have examined consumer engagement with a consumption experience have focused on consumer engagement with retail shopping experiences (Gonclaves, 2009).

Given this context, consumer engagement might be conceived of as a motivational construct, not a psychological state nor overt behaviours. Consumer engagement might be conceived of as an enduring property of the consumer, not a momentary state. It may be proposed as the reason for overt behaviours, rather than the behaviours themselves. Here, overt behaviours, such as on-going use of an auction, are not consumer engagement but rather the result of consumer engagement. This conceptualisation coincides with the conceptualisation of engagement with media presented by Calder and Malthouse (2008, p. 2):

Many equate engagement with behavioural usage. That is, they define engaged viewers or readers as those who spend substantial time viewing or who read frequently. While all of these outcomes are important, we argue that they are consequences of engagement rather than engagement itself.

Thus in this thesis, consumer engagement with a consumption experience is viewed as a psychological construct with motivational properties, denoting the level of interest, passion, enthusiasm, and self-connection a consumer has with a consumption experience. This conceptualisation will be further explored in the qualitative phase of this research.

3.2.7 Proposed dimensions of consumer engagement

Existing scales to measure engagement in a marketing context frequently recognise a cognitive and an affective dimension; most recognise either a behavioural or a motivational aspect to engagement; and some recognise a social

or self-concept aspect to engagement. Given the review of psychometric measures of engagement in Section 3.2.4, it is likely consumer engagement with the online auction experience may have a cognitive and an affective dimension. Likewise, since consumer engagement can be conceptualised as a motivational construct, it likely may include a motivational aspect. Finally, given the review of consumers' online auction experiences highlights the importance of auction user reputation, trader feedback, and self-image (Sections 2.5 and 2.6), self-concept may also play an important role in consumer engagement with the online auction experience. Each of these proposed dimensions of consumer engagement is now discussed in turn. As the cognitive and affective dimensions are assumed in the literature, these dimensions are explained briefly, while a more detailed account is given of what motivation and self-concept are, and how they may potentially relate to consumer engagement.

3.2.7.1 The cognitive dimension

A number of contemporary researchers have assumed a cognitive dimension to consumer engagement (Brodie et al., 2011; Calder et al., 2009; Higgins, 2006; Higgins & Scholer, 2009; Hollebeek et al., 2014; O'Brien & Toms, 2010; So et al., 2014). Cognitive engagement concerns 'engagement of the mind', the allocation of mental resources concentrated on the object of engagement (Mollen & Wilson, 2010). "Cognition refers to a set of enduring and active mental states that a consumer experiences with respect to the focal object of his/her engagement" (Dessart et al., 2015, p. 35). The cognitive dimension includes enduring interest in the object of engagement. The engaged consumer likely finds the object of engagement is thought-provoking; that is, over a period of weeks, months or even years, the engaged consumer likely pays a lot of sustained, ongoing attention to information about the object of engagement (Claffey & Brady, 2014).

3.2.7.2 The affective dimension

The importance of the affective dimension of consumer engagement is well recognised in the extant literature. For some researchers, the affective dimension appears the most important dimension of consumer engagement, as a number of researchers believe a consumer cannot be engaged with an object of consumption unless that object evokes strong, positive emotions (Claffey & Brady, 2014; Franzak, Makarem, & Jae, 2014). As Claffey and Brady (2014) put it, "creating

delightful and enjoyable experiences with the customer improves the nature of engagement” (p. 330); “affective states are central to engagement” (p. 337); and experiences that elicit strong emotions play an important role in consumer engagement.

In summary, the affective dimension of engagement “captures the summative and enduring levels of emotion experienced by a consumer with respect to his/her engagement focus and transpires through long-lasting and recurrent feelings, rather than one-off emotions” (Dessart et al., 2015, p. 35). Furthermore, an engaged consumer is likely to feel passionately about the object of engagement, and be connected and drawn to that object. These affective connections to the object of engagement are sustained and ongoing over a period of weeks, months, perhaps even years.

3.2.7.3 The motivational dimension

Earlier in this chapter, it was argued that consumer engagement can be conceptualised in one of three ways: either as a psychological state, or as manifest behaviours, or as a psychological construct with motivational properties. This thesis builds a conceptualisation of consumer engagement as a psychological construct with motivational properties. Researchers in gaming and education relate engagement to motivation, sometimes using the terms interchangeably, saying engagement leads to behavioural outcomes and continued use (B. Hoffman & Nadelson, 2010; Siemens, Smith, Fisher, Thyroff, & Killian, 2015; Skinner, Kindermann, & Furrer, 2009; B. Smith, 2013).

Some research in marketing suggests that engagement can be motivational. In their research on website engagement, Hyder and Bigne (2016, p. 154) advise that “individuals who are highly motivated are more likely to engage, devote effort and persist longer in a particular activity”. Algesheimer et al. (2005) define online community engagement as the extent to which a consumer is motivated to participate in an online community. Mollen and Wilson (2010) distinguish engagement from involvement by suggesting engagement includes an ‘intention to act’. Hollebeek (2011a, p. 787) claims that, “engagement represents an individual-specific, motivational, and context-dependent variable”. Yet there is a gap in understanding, as the motivational qualities of engagement are not fully explored

nor discussed in the marketing literature. This research seeks to formalise the conceptualisation of engagement as a motivational construct. It is appropriate, then, to consider theory on human motivation, what are the bases of motivation, and what might be some of the characteristics of consumer engagement if it is a psychological construct with motivational properties. To address these issues, the discussion now turns to the psychology literature.

Human motivation is a central issue in psychology, and the subject of significant research and dozens of alternative theories. Motivation is “the driving force behind behaviour which leads us to pursue some things and avoid others” (Westen, Burton, & Kowalski, 2006, p. 370). Motivation is a condition of arousal, directed at achieving a goal (Hoyer & MacInnis, 2007). It energises consumer behaviour and directs voluntary actions (D. Roberts, Hughes, & Kertbo, 2014). When motivation is high, consumers are willing to spend time and energy engaged in behaviours that will help them achieve their goals (Hoyer & MacInnis, 2007). More than anything, motivation is a psychological determinant of behaviour, the energy that compels humans to act (DesAutels, Berthon, & Salehi-Sangari, 2011; D. Roberts et al., 2014). Motivation is sustained energy directed at achieving something; motivation demonstrates intention (Ryan & Deci, 2000b). “To be motivated means *to be moved* to do something. ... Someone who is energized or activated toward an end is considered motivated” (Ryan & Deci, 2000a, p. 54).

Motivation theories present a broad spectrum of perspectives on human psychology; they include biological, psychoanalytic, behaviourist, cognitive, humanistic, and psychosocial theories of motivation (Westen et al., 2006). For example, McGuire (1974) identifies 16 alternative theoretical bases for theories of motivation in the psychology literature. These theories seek to explain the extent to which humans are motivated to act, and the circumstances that give rise to motivation. One of the most cited theories of motivation in contemporary psychology is Self-Determination Theory (SDT) (Ryan & Deci, 2000a, 2000b). This is a macro theory of human motivation, that seeks to explain motivation in all situations large or small (Moller, Ryan, & Deci, 2006). SDT is relatively unique amongst motivation theories in not only seeking to explain why people are motivated, but also by distinguishing between distinct types of motivation, including intrinsic and extrinsic motivation. This theory may prove useful in

providing some insight into the characteristics of engagement as a motivational construct.

Intrinsic motivation refers to “doing something because it is inherently interesting or enjoyable ... doing an activity for its inherent satisfaction rather than some separate consequence” (Ryan & Deci, 2000a, p. 54). Intrinsic motivation is motivation that is self-determined, rather than imposed by outside agents. To be intrinsically motivated does not require any external reward such as material payment or praise from other people; an activity is undertaken for its own sake, out of intrinsic interest, enjoyment, challenge, and novelty for the individual (Ryan & Deci, 2000a). Accordingly, intrinsic motivation is also “the inherent tendency to seek out novelty and challenge, to extend and exercise one’s capabilities, to explore, and to learn” (Ryan & Deci, 2000b, p. 70).

By contrast, a behaviour that is extrinsically motivated is one that is undertaken because it leads to an externally-initiated rewarding outcome, such as promotion, external recognition, or payment. Extrinsically motivated behaviours may be undertaken to please other people such as parents or employers, or to receive rewards from other people. Being extrinsically motivated is “doing something because it leads to a separable outcome” (Ryan & Deci, 2000a, p. 55). According to Ryan and Deci, extrinsically motivated behaviours are not inherently interesting.

SDT may provide some basis for explaining the motivational quality of engagement. SDT proposes three conditions that support and sustain intrinsic motivation, in addition to the requirement that an activity is inherently interesting: autonomy, competence, and relatedness. In the first instance, the condition of autonomy requires that the activity is freely chosen by the individual rather than compelled by some external agency. Autonomy refers to freedom of choice, volition to act, and internal locus of causality (Moller et al., 2006). The condition of competence suggests that the individual should feel competent to complete the activity with some degree of success. Competence refers to mastery of some aspect of the physical or social world (Moller et al., 2006). Each of these two conditions may apply to consumer engagement with the online auction experience; that is, the implication of SDT is that for a consumption activity to be intrinsically motivating, that activity needs to be inherently interesting, one that is freely chosen by the

consumer, and one that the consumer feels at least minimally competent to complete.

The third condition, sometimes suggested in SDT, is relatedness. Relatedness means a person's desire to fulfil social needs, to feel close to significant others, to please them and feel cared for (Ryan & Deci, 2000b; Sweeney, Webb, Mazzarol, & Soutar, 2014). In the context of online auctions, relatedness refers to a desire to gain significant social value from the situation. SDT suggests that intrinsic motivation is more likely to occur when relatedness needs are fulfilled. In summary, autonomy, competency, and relatedness are associated with long-term behaviour. Sweeney et al. (2014, p. 700) conclude that, "Fully autonomous behaviors that involve choice and in which a person feels competent and a sense of relatedness to others are more likely to be sustained in the long term."

SDT does not view extrinsic motivation and intrinsic motivation as completely separated and unrelated. Instead, there are often circumstances where a person's motivation might be initiated by external rewards, but with time, the person comes to see an activity as personally important and related to their self-concept.

A person might originally get exposed to an activity because of an external regulation (e.g. a reward), and (if the reward is not perceived as too controlling) such exposure might allow the person to experience the activity's intrinsically interesting properties, resulting in an orientation shift. (Ryan & Deci, 2000a, p. 63)

Ryan and Deci (2000a) describe the process by which externally regulated behaviours become autonomous. They call this a process of *internalization*, whereby the behaviour is no longer externally driven but instead becomes internalized within the person; the person identifies with the importance of the behaviour and integrates it within their sense of self, because it is personally important and congruent with their values, goals, and self-concept (Moller et al., 2006; Sweeney & Soutar, 2001).

A number of researchers have applied SDT as an explanation for consumer behaviours, including reducing energy usage in the home (Sweeney et al., 2014), adopting retail self-service technologies (Leung & Matanda, 2013), and enhancing the well-being of consumers in senior community associations (Webster, 2008). Researchers have also found that levels of intrinsic motivation predict how long a

consumer will participate in a consumption activities such as listening to music (Holbrook & Gardner, 1998) or participate in online shopping (Shang, Chen, & Shen, 2005), and whether consumers will participate in innovation of a gaming product (D. Roberts et al., 2014).

SDT thus provides an explanation for the types of motivation a consumer might have, and the circumstances that promote such motivation. Rather than viewing extrinsic and intrinsic motivations as entirely distinct, a researcher should consider the circumstances where activities that are initiated for extrinsic reasons might potentially become intrinsically motivating in themselves.

Each of these insights may potentially provide some explanation for the characteristics of consumer engagement with the online auction experience. A person may visit an auction site for the first time for any number of reasons; however, it is not the purpose of this thesis to explain the reasons for a consumer's first ever use of an auction site, but to explain their ongoing use. Does the consumer find this first experience interesting? Is it novel, challenging, fun, and pleasurable? If the auction experience is these things, and the activity is freely chosen, and consumers feel somewhat competent in their actions, SDT would say these circumstances might form the basis for the online auction experience to become intrinsically motivating. An experience, which may have been initially motivated by extrinsic rewards such as accessing goods at a good price, may become internalised if the conditions for internalisation exist. As DesAutels et al. (2011, p. 266) conclude, "research has shown that intrinsically motivated individuals will develop enduring interest and be more apt to continue engaging in the activity in the future". No one is forced to be engaged; engagement is a matter of choice; a person chooses to be engaged with their consumption experiences (Marcum, 1999; Verleye & De Keyser, 2016). By characterising engagement as a psychological construct with motivational properties, this thesis recognises engagement as a psychological aspect of the consumer that drives a consumer's future behaviour.

3.2.7.4 The self-concept dimension

One further potential dimension to consumer engagement is self-concept. Before considering the potential role of self-concept in consumer engagement, there is a

need to first define self-concept and present a brief overview of three theoretical views of self-concept. For this understanding, it is best to refer to the psychology literature, where issues of the self and self-concept have been the subject of theory and research for several decades (Westen et al., 2006).

Contemporary psychology no longer views self-concept as a simple, singular characteristic of a person, but as a multi-dimensional, multifaceted, dynamic cognitive structure, being the thoughts, schemas, and self-representations a person has of themselves (Markus & Wurf, 1987). For example, the same person may define herself in different situations as extroverted, a New Zealander, a teacher, a mother, and an honest Trade Me seller with a 99% positive feedback rating. Markus and Wurf (1987) refer to the 'working self-concept', being the self-representation that is salient at the time, depending on the situation a person finds themselves in. For example, if the person described above is selling house-hold items on Trade Me, then being the honest, reliable, Trade Me seller would be the self-representation that is the most salient.

The psychology literature recognises three complementary theoretical views on the self-concept: the individual self, the social (or public) self, and the collective self (Triandis, 1989). The individual self is comprised of those self-representations a person thinks are unique to themselves based on their personality, preferences or values, such as, being competitive, honest, or extroverted. The social self is identified in symbolic interactionism, and sometimes referred to as the "looking-glass self" (Hogg, Terry, & White, 1995; Westen et al., 2006). This view of the self-concept considers the self to be a result of social interactions; a person's self-concept consists of the many role identities played in society, such as being a mother and a teacher. Such a person comes to know her self-definition from other people's reaction to her behaviours; in particular how well she plays these roles (Hogg et al., 1995).

The third view of self-concept, the collective self, arises from social identity theory (Hogg et al., 1995). This is the view that a person's self-concept is based on the groups that she belongs to and may include gender, ethnicity, nationality, religion, and community.

Self-concept, including the roles played in the social self, is linked to the motivations of a person (Markus & Wurf, 1987). Psychologists believe that most people are motivated to act in ways that enhance their self-concept, that is, to maintain a positive sense of self and the various roles they play (Westen et al., 2006). Secondly, people are motivated to maintain a consistent self-concept. Thirdly, people go to considerable effort to present themselves in a favourable way in social situations, for example, in the way they dress and the way they act and converse in social situations (Goffman, 1959). People are also motivated to fulfil their social roles, for example, a person may go to considerable lengths to prepare a fine meal to demonstrate their performance as a gourmet cook (Markus & Wurf, 1987). In his book on presentation of self in everyday life, Goffman (1959) explains the efforts people go to in order to perform well in their everyday social roles, to give the impression that the role they play is a reflection of who they are.

Self-concept is also tied to affect, such as positive and negative emotions. Research has established that people who fulfil their social roles feel positive emotions such as pride, whereas people who fail to fulfil their social roles feel failure or disappointment as a result (Coleman & Williams, 2013; Higgins, 1987).

Researchers on consumer engagement have only recently begun to recognise the potential importance of self-concept in the conceptualisation of engagement. Sprott et al. (2009) researched the tendency for consumers to include brands in their self-concepts. They developed a Brand Engagement in Self Concept construct and measured the extent to which engagement with brands is important to a consumer's image of themselves. So et al. (2014) included an 'identification' dimension in their measure of customer engagement with tourism and hospitality brands. Identification here refers to an individual's perceived belonging to an organisation and the overlap between their self-image and the organisation's brand image. Existing research on engagement with brand communities also indicates that engagement arises from a consumer's self-image and identification with the community (Algesheimer et al., 2005; Ray, Kim, & Morris, 2014).

It could be argued that self-concept (or self-image) is an important component of consumer engagement with the online auction experience. This is because some auction users may take their roles as buyers and sellers seriously and want to

perform well in these roles; their reputation as a buyer or a seller is displayed for all to see in the feedback they receive from other traders. Yen and Tseng (2013) consider the impression management tactics that online auction sellers use to create a positive impression in the minds of buyers, such as efficient and polite responses to buyer questions, accurate and fast delivery of products, and striking up friendly relationships by sharing information on common interests. In other words, the auction user's social (or public) self (Westen et al., 2006) is reflected in the roles they play in the online auction. The collective self may also be relevant to consumer engagement for online auction users if they feel they belong to a wider community of buyers and sellers and identify with that community.

In summary, consumer engagement likely has cognitive, affective, motivational, and self-concept dimensions. These dimensions will be fully investigated in the empirical phases of this research.

To fully conceptualise consumer engagement, one must address the likely antecedents of the construct. Thus, discussion now turns to a consideration of consumption experiences as the possible origin of engagement.

3.3 Consumption experiences

A number of theorists on engagement believe engagement arises from the experiences of the consumer (Brodie et al., 2011; Pagani & Mirabello, 2011). According to Calder, et al. (2009), consumer engagement occurs as a result of a series of experiences with a market offering. Bowden's (2009a) phenomenological study identifies customers' restaurant dining experiences as the basis for customer engagement with a restaurant, and recognises that customer-brand relationships develop over time based on multiple experiences. Additionally, Heinonen's (2011) qualitative study implicitly identifies consumer experiences as the basis for development of consumer engagement with an online community.

Consumer experiences have become an important research topic in marketing and there have been recent calls for research in this area. The Marketing Science Institute calls for research into consumer experiences that are "remembered, interesting, repeated, and valued" as a research priority for marketing (Marketing Science Institute, 2012). Having proposed that consumer engagement likely arises

from the experiences of the consumer, it is appropriate then to consider the extant theoretical and empirical literature on consumption experiences.

3.3.1 The experiential view of the consumer

This thesis takes as its theoretical base the Experiential View of the Consumer. This perspective on consumer behaviour was first explored by Holbrook and Hirschman (Hirschman & Holbrook, 1982; Holbrook & Hirschman, 1982) and has evolved in scope since that time. The Experiential View of the Consumer is considered one of the foundations of consumer culture theory (CCT) (Arnould & Thompson, 2005; Caru & Cova, 2015). Based on an Experiential View of the Consumer, CCT considers the broader range of consumption experiences, those that occur before, during, and after purchase (Caru & Cova, 2015). Thompson et al. (2013) argue that research on consumer experiences has thus broadened the methodological and theoretical boundaries of consumer research.

The Experiential View of the Consumer is comprised of a number of premises. Firstly, understanding consumption experiences is viewed as essential to understanding consumer behaviour (Caru & Cova, 2003; Thompson et al., 2013). Consumer research should not be limited to a study of pre-purchase decision-making, but should study a wide range of consumption experiences and practices. According to the experiential view, the information-model of consumer behaviour, which reduces the study of consumer behaviour to a consideration of mechanistic processes of decision making (Thompson et al., 2013), does not adequately account for the full range of consumer's experiences and behaviours many of which occur outside the act of purchasing (Holbrook & Hirschman, 1982). Jantzen, Fitchett, Ostergaard, and Vetner (2012) point out that the experiential view is a reaction to the restricted view of consumer behaviour taken in the information-processing model:

Hirschman and Holbrook re-instated consumption experiences on the theoretical agenda and this played a significant part in the advancement of new methods, philosophy and theory in consumer research. (Jantzen et al., 2012, p. 139)

In the experiential view, the consumer is the fundamental unit of analysis. Consumers are people, not merely decision makers; consumers not only think, plan and act, but also feel, appreciate, and react (Hirschman & Holbrook, 1986).

Consumers are emotional, creative, inner-driven, and seek experiences to realise their potential (Thompson et al., 2013). The theory takes an emic perspective (Jantzen et al., 2012) by approaching the study of consumer behaviour from the perspective of the consumer, how they think and feel in response to their environment. Supporters of the experiential view believe it provides a coherent paradigmatic alternative to the information-processing model of consumer behaviour, and can subsume the experiences of the thinking rational consumer as a decision maker (Hirschman & Holbrook, 1986; Thompson et al., 2013).

According to the experiential view, consumption experiences are the central element for understanding consumer behaviour. What matters to consumers is what they think and feel about objects and events in their environment, in other words, a consumer's subjective reality is all important (Hirschman & Holbrook, 1986). Consumption experiences arise from the interaction between a person and an object / environment (Hirschman & Holbrook, 1986). The object / environment that prompts experiences may be a good, service, event, person, or place (Addis & Holbrook, 2001). Both the characteristics of the person and the characteristics of the object / environment are essential to the formation of the experience.

As has been pointed out, researchers of engagement have commonly identified consumption experiences as the basis of consumer engagement. The Experiential View of the Consumer therefore forms an appropriate theoretical base for understanding consumer engagement with the online auction experience. The experiential view takes a consumer-centric perspective and is concerned with how the consumer subjectively experiences the environment around them. The experiential view is not constrained to just considering acts of purchase but considers all experiences of the consumer, including pre-purchase and post-purchase experiences, and interactions with other consumers (Arnould et al., 2002). As the underlying context for this research is consumer-to-consumer interactions, with minimal interaction with the firm or the brand, the experiential view provides an appropriate basis for understanding consumer engagement in this context (Caru & Cova, 2003).

3.3.2 Varieties of consumption experiences

Consumption experiences play a central role in marketing theory. While Service Dominant Logic (Vargo & Lusch, 2004, 2008) portrays goods as vehicles for delivering services, Holbrook (2000) takes this logic even further by suggesting services are merely vehicles for delivering experiences: “All products involve goods that perform services to provide consumption experiences” (p. 180).

Holbrook cites the economist Abbott (1955, p. 40):

What people really desire are not products but satisfying experiences.... People want products because they want the experience-bringing services which they hope the products will render.

The original formulation of the Experiential View of the Consumer by Holbrook and Hirschman (Hirschman & Holbrook, 1982; Holbrook & Hirschman, 1982) concentrated on hedonic experiences - the fantasies, feelings, and fun of consumption. This view evolved in the latter writings of Holbrook and Hirschman to a point where they see now the experiential view covering all consumption experiences, including everyday consumption experiences such as “using an inkjet printer” or “appreciating a painting” (Addis & Holbrook, 2001, p. 57; Hirschman & Holbrook, 1986).

The varieties of consumption experiences are innumerable. Here is an example. A consumer spends the afternoon shopping at her favourite mall, accompanied by her best friend. They visit a number of fashion stores and try on several fabulous-looking garments before she buys a dress. To renew their energies, they have coffee at a relaxing café. The consumer is thrilled to go home with her purchase of a new dress. This brief scenario illustrates that consumer experience may involve multiple events, the thoughts, feelings, and actions of the consumer as they interact with both commercial and non-commercial parties.

The importance of the consumption experience in the modern economy is highlighted in the classic paper on the experience economy by Pine and Gilmore (1998). Pine and Gilmore propose that modern consumers’ desire for experiences drive a great deal of modern consumption. “Customers are essentially ‘buying’ experiences” (Pine & Gilmore, 1998, p. 97). Modern consumers derive considerable value from experiencing new retail outlets, entertainment, leisure and tourism services, and computer-based technology such as social networking:

While prior economic offerings ... commodities, goods, services ... are external to the buyer, experiences are inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level. (Pine & Gilmore, 1998, p. 98)

Modern consumers not only desire quality goods and services, they also desire memorable experiences (Arnould et al., 2002). An example of the growing importance of this experience economy is the size of the computer gaming industry, which is as big as the movie industry or the music industry (Reuters UK, 2011). One might even say, increasingly the role of business and marketing in the consumer market is to provide consumers with experiences that engage their attention and emotions (Molesworth & Denegri-Knott, 2010; Pine & Gilmore, 1998).

Some of the early research on consumption experience examined extraordinary experiences such as river rafting, sky diving, and baseball (Arnould & Price, 1993; Celsi, Rose, & Leigh, 1993; Holt, 1995). The literature of the 1990s thus made it sound like every consumption experience needed to be an extraordinary hedonic experience (Caru & Cova, 2003). But not all consumption experiences can be extraordinary! The Experiential View of the Consumer is as much concerned with the everyday experiences of the consumer as with extraordinary experiences. Recent research has, for example, examined the everyday retail experience in an optometrist store, a gift shop and a bookshop to show how the retail environment influences consumers' everyday experiences (Pecoraro & Uusitalo, 2014). Caru and Cova (2003) differentiate "consumer experience" from "consumption experience". The former describes consumer experiences in a market exchange relationship such as buying goods from a firm, while the latter has a much broader scope including non-commercial experiences such as dining or communicating with other consumers outside a commercial relationship. Caru and Cova (2003) encourage researchers to consider all consumption experiences, both everyday and extraordinary, commercial and non-commercial. This perspective suits the subject of the current study, the online auction experience, where many of the consumption experiences involve consumer-to-consumer interactions outside a relationship with a firm (Gentile, Spiller, & Noci, 2007; Meyer & Schwager, 2007).

One may also consider a continuum of scenarios in which consumption experiences arise (Figure 3.2) (Gentile et al., 2007). At one extreme are those

experiences that are developed and staged for the consumer, such as a themed retail store, restaurant, bar or cafe; here management is intimately involved in shaping the consumption experience. Further along the continuum are experiences that are co-created by management and the consumer, for example, a flour-milling company that supplies homemakers with bread-making flour, and recipes online to guide the consumer through bread-baking at home. Finally, at the other extreme of the continuum, consumers largely create consumption experiences by themselves; an example of this is a family vacation in which the family drives to a favourite camping spot for a barbeque and boating. The online auction experience considered in this thesis falls into this latter category, as the consumer creates the online auction experience themselves, in interaction with other consumers.

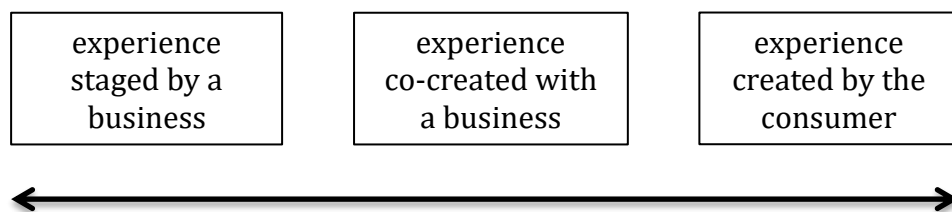


Figure 3.2 - A continuum of consumer experiences

3.3.3 Defining consumption experiences

Experiences are highly subjective, qualitative, idiosyncratic, and individualistic phenomena. Experiences can be defined at two levels of detail: either as the dynamic, moment-by-moment episodes a consumer lives through; or as recollections, the summary thoughts and feelings consumers have about the events and actions they have lived through (Thompson et al., 1989). Most research on consumption experience considers the long-lasting general impressions of experience, rather than dynamic moment-by-moment experiences (Josko Brakus, Schmitt, & Zarantonello, 2009; Thompson et al., 1989). It is the latter definition of consumption experiences that is adopted here, experiences as subjective impressions formed as a result of multiple events (Caru & Cova, 2003; Maklan & Klaus, 2011).

Consumption experiences are not merely objective accounts of the events and actions a consumer has participated in, but are rich, multifaceted recollections,

comprising the consumer's subjective impressions about these events and actions (Thompson et al., 1989). Consumer accounts of experiences are not exact copies of what has happened to them, but rather are their most salient subjective reconstructions of their thoughts and feelings about the events and activities they lived through. It is remembered experiences that determine future behaviour rather than real-time experiences. As Kahneman (2012, p. 381) expresses it when he describes the "experiencing self" versus the "remembering self", "The experiencing self does not have a voice. The remembering self is sometimes wrong, but it is the one that keeps score and governs what we learn from living, and it is the one that makes decisions."

As consumption experiences are highly subjective and idiosyncratic, the generally accepted approach to the study of consumption experiences is qualitative, phenomenological research (Thompson, 1997; Thompson et al., 1989). Online auctions offer consumers a variety of unique consumption experiences, including activities before, during, and after the auction - both online and offline (Chapter 2). A phenomenological study of online auction users may expose some of this variety in online auction experiences.

Though it is argued that engagement arises from consumer experiences, it would appear unlikely that *all* experiences lead to a consumer becoming engaged. It is more likely that specific types of experiences, the unique, remembered experiences, may lead to consumer engagement. The concept of consumer value can bridge this gap between experiences and engagement. Implicit in the literature on consumer experience, is the assumption that consumer experiences provide various forms of value to consumers (Addis & Holbrook, 2001; Gentile et al., 2007; Maklan & Klaus, 2011; Schmitt, 1999). One possibility is that only those experiences that provide value to the consumer lead to consumer engagement. Discussion now moves on to consider the theoretical and empirical literature on consumer value.

3.4 Consumer value

3.4.1 Value in a marketing context

This section reviews existing literature on consumer value and justifies the adoption of the Theory of Consumption Values in this study. It then examines the forms of consumer value arising from the online auction experience.

Value is, without a doubt, one of the most important concepts in marketing. Indeed, some theorists view the delivery of value as the foundation of all marketing activity, the primary purpose of the firm, and the source of a firm's competitive advantage (Holbrook, 1996; Mathwick, Malhotra, & Rigdon, 2001; Sanchez-Fernandez & Iniesta-Bonillo, 2007).

Value is potentially a critical concept in consumer behaviour (Sanchez-Fernandez & Iniesta-Bonillo, 2007) as it has the potential to predict consumer choices (Lee et al., 2009). It is commonly used in consumer research to predict behavioural intentions (Pihlstrom & Brush, 2008; Turel, Serenko, & Bontis, 2010). Empirical research has linked consumer value to customer satisfaction and loyalty (Sanchez-Fernandez & Iniesta-Bonillo, 2007; Yang & Lin, 2014), consumer preferences, and word-of-mouth activity (Lee et al., 2009; Seraj, 2012).

The literature is dominated by two perspectives on value, termed value-in-exchange and value-in-use (Gronroos, 2008). Value-in-exchange is based in traditional economics and considers the value a customer gains at the point of transaction - goods for money (Zeithaml, 1988). Value-in-use takes a very different perspective, a consumer behaviour perspective, that value is only realised by a consumer at the time the consumer consumes goods or services; Holbrook (1996, p. 138) expresses this perspective: "Customer value resides not in the purchase but rather in the consumption experience(s) derived there from".

Many consumer researchers adopt a value-in-use perspective, and view value as arising from consumption experiences in consumers' everyday lives (Al-Debei et al., 2013; Andrews et al., 2012; Lee et al., 2009; Rintamaki, Kanto, Kuusela, & Spence, 2006; Seraj, 2012). For example, Andrews et al. (2012) demonstrated the types of value provided by a mobile phone in a consumer's everyday consumption

experiences, and reinforced the view that consumer value is often realised outside of a consumer’s relationship with a firm.

3.4.2 Conceptualising consumer value

Consumer value is variously conceptualised in the marketing and consumer behaviour literature as being either uni-dimensional or multi-dimensional in nature (Table 3.4). The following section will explore the alternative approaches to the multi-dimensional nature of consumer value that are widely adopted in consumer research: the distinction between utilitarian and hedonic value (Babin et al., 1994), Holbrook’s (1996) consumer value framework, and the Theory of Consumption Values (Sheth et al., 1991a, 1991b).

Table 3.4 - Uni-Dimensional versus Multi-Dimensional views of Consumer Value

	Uni-dimensional	Multi-dimensional
Perspective	Value-in-exchange	Value-in-use
Theoretical base	Economic theory	Psychological theory
Conceptualisation	What is received for what is given - most often, the exchange of goods for money	Multiple sources of value, functional, emotional, social

Source: Sanchez-Fernandez & Iniesta-Bonillo (2007)

3.4.2.1 A uni-dimensional view

The simplest conceptualisation of value views value as a distinction between what is gained for what is given. Zeithamal (1988, p. 14) views value as “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given”. This aligns with the value-in-exchange notion. It is purely based on the transaction and does not consider the emotions involved in the purchase or possession of goods. The uni-dimensional view has been criticised for being too simplistic, and for ignoring the many non-functional types of value consumers derive from their consumption experiences (Sanchez-Fernandez & Iniesta-Bonillo, 2007; Sanchez-Fernandez, Iniesta-Bonillo, & Holbrook, 2009; Turel et al., 2010).

Some studies have conceptualised perceived value as a uni-dimensional construct that includes all the give (e.g., reasonable price) and take (e.g., quality) aspects

together; this, however, may be too simplistic, because it does not break down value into its many components (Turel et al., 2010).

3.4.2.2 Utilitarian and hedonic value

As an alternative viewpoint on consumer value, Babin et al. (1994) explored the value consumers derive from retail shopping. The authors critique the uni-dimensional view of value; they propose instead that retail shopping provides two types of value for consumers: utilitarian value and hedonic value. Utilitarian value is gained when the goal of a shopping trip is accomplished; hedonic value is gained if the shopping provides feelings of joy and excitement, the thrill of possession, fantasy fulfilment or escapism (Arnold & Reynolds, 2003; Babin et al., 1994; Luk, Sharma, & Chen, 2013). "If we assume shopping trips are evaluated exclusively on the merit of any goods or services acquired, we fail to recognise numerous intangible and emotional costs and benefits that must be examined before we understand this consumption activity fully" (Babin et al., 1994, p. 644). In an update on Babin et al.'s original research, Overby and Lee (2006) identified the utilitarian and hedonic value consumers derive from Internet shopping. They found utilitarian value is more important than hedonic value, especially for experienced Internet shoppers.

3.4.2.3 Holbrook's framework of consumer value

A third framework of consumer value is provided by Holbrook (1996, 2006). Holbrook (1996, p. 138) defines consumer value as "an interactive relativistic preference experience". He recognises eight types of consumer value, representing three dichotomous dimensions: extrinsic versus intrinsic value, active versus reactive value, and self-oriented versus other-oriented value. According to Holbrook's framework, the eight types of value consumers derive from purchasing, owning and consuming goods and services are efficiency, play, excellence, aesthetics, status, ethics, esteem and spirituality. Efficiency refers to the functional aspects of what is gained versus what is given: if money is saved on the purchase this represents monetary value; if time is saved on the purchase this represents convenience. Excellence refers to the quality of an item; status refers to the impressions made on others; esteem is a sense of satisfaction in oneself; play is the fun and enjoyment to be had; aesthetics is admiring the beauty of something; ethics is the consumer believing they are doing the right thing; and spirituality is

being in touch with a higher entity. Gallarza and Gil Saura (2006) applied Holbrook's framework to students' choice of a spring holiday break and found evidence of efficiency, play, excellence, aesthetics, and social value sought by consumers. Likewise, Mathwick, et al. (2001) applied Holbrook's framework to consumer use of catalogue shopping and Internet shopping and found evidence of functional value (i.e., efficiency and monetary value), play, service excellence, and aesthetics (i.e., visual appeal and entertainment).

3.4.2.4 The Theory of Consumption Values (TCV)

Sheth et al. (1991b) present the Theory of Consumption Values (TCV), which is widely acknowledged as a major contribution to the study of consumer value (Sanchez-Fernandez & Iniesta-Bonillo, 2007). The theory proposes that consumer choices – to use or not use a product, to buy or not buy a product type, to choose one brand over another – are based on the types of value consumers anticipate they will derive from each alternative action. The theory suggests there are five types of value and the importance of these types of value differs from one consumption context to the next (Sheth et al., 1991b).

The theory proposes that consumers derive five types of value from the purchase, consumption and ownership of goods and services: functional, social, emotional, epistemic and conditional. Sheth, et al. (1991b, p. 160) view *functional value* as the perceived utility of a product or service based upon its “functional, utilitarian, or physical performance”, for example, when the car a consumer purchases gets them to work on time reliably every working day. Functional value is akin to the performance/quality concept that the uni-dimensional view of value assumes is the sole driver of consumer choice. Sheth, et al. (1991b, p. 160) view *social value* as the perceived utility of a product/service gained from its “association with one or more specific social groups”, for example, the high status of the brand of car a consumer has purchased. *Emotional value* is defined as the utility acquired from “an alternative's capacity to arouse feelings or affective states” (p. 161), such as the enjoyment a consumer feels from accelerating quickly in their powerful new car. *Epistemic value* in turn refers to “an alternative's capacity to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge” (p. 162), for example, when a consumer learns to use the media functions in their brand new car. Finally, *conditional value* refers to utility “as the result of the specific situation or set of

circumstances facing the choice maker” (p. 162), for example, receiving a Christmas card is only of value at Christmas time. There is some controversy over whether conditional value represents a unique type of value, or simply represents a moderating variable altering the amount of value derived in any given situation (Sweeney & Soutar, 2001). As a result, a majority of researchers who adopt TCV do not include conditional value in their measures of consumption value.

Although Sheth et al. (1991b) argue that value dimensions are independent, researchers have adopted TCV and applied it to different contexts argue that value dimensions should correlate and inter-relate, as a consumer is likely to derive more than one type of value from the same consumption experience. For example, Sweeney and Soutar (2001), in their study of retail purchase of durable goods provided the following analogy: “the purchase of an attractive carpet is likely to increase the chances of a favourable emotional as well as a favourable functional response” (p. 205).

Sheth et al. (1991b) do not provide a generic scale to measure consumption value, instead advising researchers to use their general framework of five value types as a starting point, and to develop a new measurement scale for each new consumption context. While the original TCV focused on the role of value in consumer choices, much recent research that has adopted TCV focused on uncovering the specific dimensions of value consumers derive from various consumption experiences. Sweeney and Soutar (2001) applied TCV to shopping for durable goods and four dimensions of value featured in their study: functional (value for money; quality of goods), emotional, and social value derived from shopping for durable goods. Hall, Robertson, and Shaw (2001) found evidence of functional value (value for money; quality of goods), emotional/social value, and ‘risk reducing’ value in consumer purchases of wine. Hur et al. (2012) found functional, emotional and epistemic value important in the intention to purchase a home robot.

TCV is also applied in a number of electronic marketing contexts not unlike online auctions (Andrews et al., 2012). Andrews, Kiel, Drennan, Boyle, and Weerawardena (2007) found evidence of functional, social, and conditional value in Internet shopping. Pura (2005) found conditional value most important in the

use of mobile phone-based services. Yang and Lin (2014) found evidence that consumers derive epistemic, social and hedonic value in their use of Facebook.

3.4.3 Empirical studies of consumer value

Table 3.5 provides an overview of empirical studies on consumer value in the past 20 years. A number of conclusions can be drawn from this table. Firstly, most of the studies that adopted a bi-dimensional utilitarian-hedonic view of value were conducted in a shopping context. Secondly, few studies adopted Holbrook's framework of consumer value, and those that did, adopted a reduced number of value types rather than the full typology of eight types of value. Thirdly, a majority of the studies that adopted a multi-dimensional approach to the study of value adopted TCV as their framework. Of these studies, few recognised conditional value. Fourthly, a number of studies using TCV divided functional value into two dimensions: monetary value (i.e., value for money) versus other functional benefits including performance and convenience (Hall et al., 2001; Pihlstrom & Brush, 2008; Sweeney & Soutar, 2001). A majority of studies that adopted TCV identified the four dimensions of value: functional, social, emotional and epistemic.

Table 3.5 - Selected Empirical Studies of Consumer Value

Researcher(s)	Context	Dimensions of Value
Uni-dimensional		
Zeithaml (1988)		-
Al-Debei, Al-Lozi, and Papazafeiropoulou (2013)	Facebook	-
Bidimensional		
Babin, Darden, and Griffin (1994)	Retail shopping	1. utilitarian 2. hedonic
Overby and Lee (2006)	Internet shopping	1. utilitarian 2. hedonic
Lee, Kim, and Fairhurst (2009)	Online auctions	1. utilitarian 2. hedonic
Multi-dimensional – Holbrook’s Consumer Value		
Mathwick, Malhotra, and Rigdon (2001)	Catalogue shopping and Internet shopping	1. consumer return on investment (efficiency, economic value) 2. play (escapism, enjoyment) 3. service excellence 4. aesthetics (visual appeal, entertainment)
Gallarza and Gil Saura (2006)	Spring break holiday for students	1. efficiency 2. play 3. excellence 4. aesthetics 5. social
Sanchez-Fernandez, Iniesta-Bonillo, and Holbrook (2009)	Vegetarian restaurant	<i>Higher-order factor comprised of:</i> 1. efficiency 2. play 3. quality 4. aesthetics 5. social 6. altruistic

Researcher(s)	Context	Dimensions of Value
Multi-dimensional – Theory of Consumption Values		
Sweeney and Soutar (2001)	Purchase of a brand of durable good from a retail store	<ol style="list-style-type: none"> 1. functional (value for money) 2. functional (quality) 3. emotional 4. social
Hall, Robertson, and Shaw (2001)	Purchase of wine from a retail store	<ol style="list-style-type: none"> 1. functional (value for money) 2. functional (quality) 3. emotional and social 4. perceived risk
Pura (2005)	Location-based mobile services	<ol style="list-style-type: none"> 1. functional 2. social 3. emotional 4. epistemic 5. conditional
Rintamaki, Kanto, Kuusela, and Spence (2006)	Department store shopping	<ol style="list-style-type: none"> 1. functional 2. hedonic 3. social 4. epistemic
Andrews, Kiel, Drennan, Boyle, and Weerawardena (2007)	Internet shopping	<ol style="list-style-type: none"> 1. functional 2. social 3. conditional
Pihlstrom and Brush (2008)	Mobile phone services	<ol style="list-style-type: none"> 1. monetary 2. convenience 3. emotional 4. social 5. epistemic
Williams and Soutar (2009)	Adventure tourism	<ol style="list-style-type: none"> 1. functional 2. value for money 3. emotional 4. social 5. novelty
Turel, Serenko, and Bontis (2010)	Mobile phone ringtones	<p><i>Higher-order factor comprised of:</i></p> <ol style="list-style-type: none"> 1. visual/musical appeal 2. social 3. playfulness (escapism and enjoyment) 4. value for money

Researcher(s)	Context	Dimensions of Value
Hur, Yoo, and Chung (2012)	Convergence products such as home robots	1. functional 2. social 3. emotional 4. epistemic 5. conditional
Andrews, Drennan, and Russell-Bennett, (2012)	Mobile phones	1. functional 2. social 3. emotional 4. epistemic
Al-Lozi and Al-Debei (2012)	Online community	1. social 2. hedonic 3. epistemic 4. gift 5. utilitarian
Dlodlo (2014)	Online shopping	1. utilitarian 2. hedonic 3. social
Yang and Lin (2014)	Facebook	1. epistemic 2. social 3. hedonic

3.4.4 Consumer value from the online auction experience

The choice of approach that is most appropriate to define value in the context of the current research is now considered. As stated earlier, the uni-dimensional view of value assumes value is functional in nature, and does not take into account the emotional aspect of value. The utilitarian-hedonic perspective is overly simplistic, and lacks consideration of important types of value such as social and epistemic value. The choice of theoretical framework, then, falls between Holbrook's (1996) framework of eight consumer values, and the Theory of Consumption Values (TCV). In fact, the two frameworks share much in common, as both recognise the importance of functional (i.e., efficiency and excellence), emotional (i.e., play and aesthetics), and social value (i.e., status and esteem). Where the two frameworks differ is in Holbrook's recognition of altruistic value (i.e., ethics and spirituality) and TCV's recognition of epistemic value. It should be noted that none of the existing studies of consumer value adopt Holbrook's entire eight-factor framework, finding it too complicated; it may also be argued in some marketing contexts ethics and spirituality are not always central to consumer

choice (Sanchez-Fernandez & Iniesta-Bonillo, 2007). On the other hand, epistemic value (i.e., the value of learning and knowledge, curiosity and the desire for novelty) is likely to be important in the context of online auctions. For these reasons, the parsimonious framework of TCV is adopted in the current study.

Based on the discussion above, this thesis adopts the following definition of consumer value from the online auction experience: *the multi-faceted set of benefits that consumers derive from their consumption experiences, as perceived and assessed by the online auction consumer*. Since value as theorised in TCV is an evaluation of the experiences of the consumer, it fits comfortably with taking an experiential view of the consumer (Andrews et al., 2012). The remainder of this section explores the types of value online auction consumers may derive from these experiences.

Past research has suggested consumers as buyers obtain functional value from their online auction experiences. In her qualitative investigation, Abdul-Ghani (2009) found buyers may prefer the auction website as a convenient source of goods, and as easy to use. Buyers find that auction sites offer a wide selection of goods at low prices, and are a useful source of information on goods available in the marketplace and their prices. Buyers can obtain rare items as well as well-known and luxury brands from an auction site.

Buyers also obtain emotional value (Abdul-Ghani, 2009). Buyers find pleasure in bidding, browsing the website, hunting for bargains, and gaining ownership of goods. Searching the thousands of listings on an online auction site may provide escapism and fantasy-fulfilment for consumers (Denegri-Knott, 2011; Lee et al., 2013). One particular aspect of the emotional value derived from auction experiences is the value derived from competing. Lee et al. (2009) conclude that online auctions may provide more emotional value than online shopping because of the competitive nature of the auction. The competitive nature of bidding on auction, under time pressure, may create experiences of 'eustress', that is, the pleasant stress of excitement and anticipation (Chang & Chen, 2015).

Buyers in online auctions may also gain epistemic value from their auction experiences if they enjoy a sense of achievement from learning to be a winning bidder (Ariely & Simonson, 2003; Bapna et al., 2001; Roth & Ockenfels, 2002).

There is some controversy over whether or not consumers obtain social value during their interaction with auction sites. Auction sites in China and Taiwan are sociable meeting places where buyers and sellers haggle over prices online and consumers who share a hobby in common participate in online discussion regarding the goods available (Chen, Zhang, Yuan, & Huang, 2007; C.-H. Yen & Lu, 2008). By contrast, online auctions in Western countries, such as eBay and Trade Me, involve very little socialising online. Buyers and sellers remain anonymous players in a process of bidding until the auction closes. However, Abdul-Ghani, et al.'s (2011) study of Trade Me buyers found that considerable social value is derived by auction users offline, after the auction closes. After the Trade Me auction closes, buyers and sellers often meet to exchange goods for money. Such meetings can be social in nature, and friendships or on-going trading relationships may develop (Abdul-Ghani et al., 2010). Auction users also derive social value from their peer groups by boasting about their purchases, successes in obtaining bargains, and prowess in use of the auction site.

The value consumers derive from online auction experiences is not only associated with buying; consumers as sellers appear to derive multiple forms of value from their online auction experiences. Chu's (2013) qualitative study found that sellers in online auctions obtain functional, emotional, epistemic, and social value. Functional value is obtained in the profits from selling, which may enable the consumer to buy more items or compensate for previous overspending. Emotional and epistemic value are obtained from the joys of succeeding in selling and a sense of achievement learning to make a successful sale:

For some online resellers, making a profit is not the only goal; they resell online because they enjoy the process of turning trash into cash. C2C online resale offers consumers the psychological benefits of fun, enjoyment and a sense of achievement from mastering the online resale system or successfully reselling an item, and these hedonic motivations could outweigh monetary drivers. (Chu, 2013, p. 1534)

Consumers as sellers may also desire to socialise with other consumers, as interaction with consumers is part of the auction process, albeit these interactions often happen offline:

Resellers, especially those who trade collectible goods such as coins, stamps, antique art and limited editions, can build friendships with buyers because

they can meet people with the same hobby even if they are very far away.... To traders of collectible goods, the process of meeting people, discussing items and trading is fun and drives them to resell and meet 'friends' online. (Chu, 2013, p. 1539)

It appears, therefore that consumers may derive a variety of sources of value from their experiences as buyers and sellers in online auctions, including functional, emotional, social, and epistemic value. The empirical phases of the research will investigate and establish the types of value derived from online auction experiences.

3.5 Behavioural consequences of consumer engagement

To date, few studies have sought to examine the behavioural consequences of consumer engagement. Viewing consumer engagement from the point of view of a motivational construct, behaviours are not part of engagement; instead, behaviours become the consequences of engagement. Consumer engagement may be proposed as the reason for overt behaviours, rather than the behaviours themselves. Overt behaviours, such as on-going use of an online auction for browsing, buying and selling, are proposed to be the consequences of consumer engagement rather than consumer engagement per se (Calder & Malthouse, 2008).

3.6 Chapter conclusions

This chapter has sought to conceptualise consumer engagement including its likely antecedents and consequences. Using the theoretical lens of the Experiential View of the Consumer, it is proposed that consumer engagement arises from a base of the experiences of the consumer. However, not all consumption experiences may lead to a consumer being engaged. It has been argued that those experiences that are memorable, unique, and provide value to the consumer are more likely to lead to engagement. Value, then, is theorised to play an important role in the formation of consumer engagement. Consumer engagement is, in turn, proposed to lead to consumers' on-going use of the object of consumption. This conceptualisation will be explored further in the qualitative phase of the research. A conceptual framework for a new construct, Consumer Engagement with the Online Auction Experience (CE-OAE) is then presented, together with hypotheses regarding the relationships between CE-OAE and related constructs.

The next chapter, Chapter 4, presents the research design for the thesis, including justification for choice of the research paradigm and research methodology, and a description of the five studies undertaken to answer the research question and aims.

Chapter 4 Research Design

4.1 Introduction

This chapter presents the design for the research. Firstly, the chapter considers research philosophy including the choice of research paradigm. Secondly, the choice and justification of research methodology is considered. Thirdly, the chapter justifies the specific methods used in the study. The chapter explains the five studies undertaken in three phrases: a comprehensive qualitative enquiry and scale generation, scale purification, and scale validation. The aims, sample, methods of data collection, and methods of data analysis are detailed for each study.

4.2 Research philosophy

This section presents theoretical issues in the researcher's choice of research paradigm and justifies the philosophical grounding for the research undertaken.

4.2.1 Justification for the research paradigm

In their approach to research, every researcher explicitly or implicitly expresses their view on issues of the nature of reality, and how reality should be researched (Bryman & Bell, 2003). These are questions of philosophy of science. Ontology refers to the researcher's view on the nature of reality. Epistemology refers to the researcher's view on how a researcher should obtain information on that reality (Bryman & Bell, 2003). A researcher's decisions on issues of ontology and epistemology most often express a consistent approach to research that is referred to as a research paradigm. One's choice of research paradigm is likely, in turn, to influence one's choice in research methodology and methods (Myers, 2009). A research paradigm is a consistent way of seeing the world and seeking knowledge about the world. Thus a paradigm presents a consistent set of beliefs about the nature of reality (i.e., an ontology), the appropriate means of learning about the nature of reality (i.e., an epistemology) and an approach to gathering knowledge (i.e., a research methodology) (Guba & Lincoln, 2005). There are four generally recognised research paradigms: positivism, post-positivism, interpretivism, and

critical theory (Guba & Lincoln, 2005; Myers, 2009). The researcher adopts a post-positivist paradigm.

Both positivists and post-positivists subscribe to an objectivist ontology, which is the belief in an objective reality that can be studied independent of the perceptions of the researcher or research subjects (Bryman & Bell, 2003). By contrast, interpretivists and critical theorists subscribe to a constructionist ontology, that is, social reality rests in the mind of each individual and each group in society and there is no single objective social reality (Bryman & Bell, 2003; Myers, 2009). Positivists adopt a naïve realist epistemology, believing that research can directly reveal the nature of reality. By contrast, post-positivists adopt a critical realist epistemology, believing that reality is not directly observable, that their research only approaches the nature of reality and therefore their research findings are not always a perfect reflection of reality. Yet again, interpretivists and critical theorists adopt an interpretivist epistemology, believing all research findings and views of reality are somewhat acceptable (Guba & Lincoln, 2005). Positivist researchers favour quantitative research methodologies, believing the numbers in their data represent facts about reality. Interpretivist and critical theory researchers, on the other hand, favour qualitative research methodologies, believing that it is the job of the researcher to gain access to people's views on reality and to interpret the world from their point of view (Bryman & Bell, 2003). Post-positivists use both quantitative or qualitative methodologies, believing they can both reveal knowledge about reality (Myers, 2009).

According to a critical realist epistemology, as expressed by Hunt (1990, p. 9), "The job of science is to use its method to improve our perceptual (measurement) processes, separate illusion from reality, and thereby generate the most accurate possible description and understanding of the world." The role of social science is to develop understanding about the social world even though such knowledge will never be known with absolute certainty (Bryman & Bell, 2003). Furthermore, "the success of a theory in explanation, prediction and solving of practical problems (usefulness) gives us reason to believe that the relationships among the entities in the theory, both causal and otherwise, are as proposed in the theory" (Hunt, 1990, p. 9). Constructs are theoretical entities that play a central role in positivist and post-positivist research. Theories using constructs such as attitudes, intentions,

and loyalty “give us warrant for believing (to the extent such theories are successful) that these entities [constructs] have a real existence and the theories comprising these entities truly ‘say something’ about the world” (Hunt, 1990, p. 11). This research seeks to explore if the proposed theoretical construct of consumer engagement with the online auction experience (CE-OAE) is useful in predicting and explaining a facet of consumer behaviour. Furthermore, placing CE-OAE in a nomological net of antecedents and consequences, and testing the relationships in the model, provides a middle-range theory attempting to explain a specific aspect of consumer life, that is, consumers’ on-going use of online auctions (Bryman & Bell, 2003).

Post-positivists believe that an objective social reality exists independent of individuals’ perceptions, and that by studying peoples’ thoughts and feelings, the researcher gains a window to the nature of reality (Hunt, 1990). The researcher does not take individual perceptions as reality per se, thus an interpretivist or critical theorist paradigm is not appropriate to the current research (Guba & Lincoln, 2005). Rather, the researcher seeks insight into a psychological phenomenon - consumer engagement with the online auction experience. This approach to research reflects a post-positivist research paradigm.

There are two general approaches to reasoning: an inductive approach and a deductive approach (Perry, 1998). An inductive approach commences, as much as possible, with an open mind untainted by existing preconceptions or theory on the part of the researcher. An inductive approach concerns building new research insights from raw data. By contrast, a deductive approach commences with prior theorising, which is expressed in the form of testable hypotheses (Bryman & Bell, 2003). Where a positivist research paradigm favours deductive methods, and an interpretivist research paradigm favours inductive methods, post-positivist researchers are willing to use both inductive and deductive approaches as is appropriate to the inquiry (Myers, 2009). A research project that is purely deductive may preclude new research insights, while a research project that is purely inductive may neglect to utilise insights from existing research (Perry 1998). The current research adopts both an inductive approach – in the qualitative phase of data gathering, to explore the domain of CE-OAE – and a deductive approach - in the quantitative phases of data gathering to formally test

hypothesised relations between CE-OAE, its supposed antecedents and consequences. Post-positivist researchers adopt both qualitative and quantitative methods as appropriate to obtain information that can address their research questions (Myers, 2009).

In summary, the researcher adopts a post-positivist research paradigm, with an objectivist ontology and critical realist epistemology, utilising both qualitative and quantitative methodologies to address the research problem.

4.3 Methodology

This section justifies the use of a sequential mixed methods research design, which starts with a qualitative enquiry and proceeds to scale development and hypotheses testing procedures.

4.3.1 Justification for the research methodology

The research question that this thesis addresses is: what role might consumer engagement play as a comprehensive theoretical explanation for consumers' ongoing use of a C2C online auction? As CE-OAE is a new construct, not previously researched, this study uses a sequential mixed methods research design that starts with a qualitative enquiry and proceeds to scale development and hypotheses testing. There are a number of alternative mixed method research designs which differ in the relative emphasis and sequencing of the qualitative and quantitative stages (Creswell & Piano Clark, 2007). Sequential mixed method research designs are used when the best approach to addressing a research question is to combine the findings of qualitative and quantitative data gathering in sequential order (Creswell & Piano Clark, 2007). An exploratory qualitative enquiry is needed first to allow for exploration of the domain of the construct, verify the theorised dimensions and look for any additional dimensions, and to generate items for measurement of the construct. A second stage, a confirmatory quantitative stage, is also required to validate the construct, test relationships in the conceptual framework, and seek wider generalisation of research findings (Venkatesh, Brown, & Bala, 2013).

Qualitative methodology is appropriate when the researcher wants to understand the details of a phenomenon (Patton, 2002; Stake, 2003). Qualitative research

involves a small pool of respondents and investigates each person's experiences in detail. The strength of qualitative research is that it helps the researcher understand how each individual thinks and feels (S. Taylor & Bogdan, 1998). The qualitative stage adopts an inductive approach to knowledge building; being exploratory in nature, it seeks new discoveries and address open-ended questions. Qualitative methodologies are used on those occasions that an emic perspective, that is, the research participant's own experiences, thoughts and feelings (Woodside, 2010) will help reveal aspects of a phenomenon that is little understood, such as consumer engagement with the online auction experience. Interviewing consumers and having them speak of their experiences, thoughts and feelings about using online auctions, helps reveal aspects of the phenomenon under study. The qualitative enquiry has several strengths, including the ability to obtain narrative accounts of experiences, and rich detailed insights into consumers' experiences with the online auction that cannot be fully captured using measurement scales (Castro, Kellison, Boyd, & Kopak, 2010).

Once the domain of the construct is specified and items for construct measurement generated, a conceptual model of relationships between CE-OAE its antecedents and consequences is developed, then the quantitative stage of the research tests those hypothesised relationships using quantitative measures of constructs and large samples of research respondents. The quantitative stage has the advantage of being able to produce generalisable findings and precise measures of the relationships between CE-OAE and its antecedents and consequences (Castro et al., 2010).

In sequential mixed method research designs, the findings from one stage (in this case, qualitative enquiry) inform the second stage (in this case, quantitative enquiry) (Venkatesh et al., 2013). In this way, a sequential mixed method research design, starting with a qualitative enquiry and proceeding to scale development and hypotheses testing, is the appropriate research design to answer the research question.

4.4 Methods

This section describes and justifies the choice of methods used in this study. The study follows three phases of data gathering and analysis – qualitative enquiry and scale generation, scale purification, and scale validation, spread over five studies. Auckland University of Technology Ethics Committee approval was obtained to conduct each of these five studies (Appendix 1). Figure 4.1 illustrates the research design. In the following sub-sections, details of each of the five studies are presented including, aims, sample, data collection, and methods of analysis.

Study One – Qualitative Enquiry	
Aims	<ol style="list-style-type: none"> 1. To understand the essence and nature of consumer engagement with the online auction experience, and the role consumer experiences play in the formation of this engagement. 2. To explore further the potential components of CE-OAE, and to investigate the antecedents and consequences of CE-OAE. 3. To identify words and phrases used by participants to express consumer engagement with the online auction experience and to generate potential items for the CE-OAE scale
Methodology	In-depth qualitative interviews
Sample	A purposive sample of 17 auctions users differing in age, gender, occupation and levels of experience
Recruitment	Snowball sampling
Analysis	<ol style="list-style-type: none"> 1. Phenomenological approach to analysis of interviewees' narratives of online auction experiences 2. Thematic analysis of interview transcripts 3. Content analysis of interview transcripts



Study One – Scale Generation	
Aims	<ol style="list-style-type: none"> 1. To generate a draft CE-OAE scale 2. To produce draft scales to measure consumer value in online auctions, and risk in online auctions
Analysis	A pool of measurement items for CE-OAE are drawn from the results of Study One and the literature. The pool of items is assessed for content validity by an expert panel. Draft value and risk scales are produced from the literature and the qualitative analysis



Study Two – Scale Purification (1)	
Aim	To purify the scales to measure CE-OAE, consumer value and risk
Methodology	Exploratory factor analysis
Sample	A convenience sample of 203 consumers who had used an auction site in the past 12 months to buy or sell an item, but were not running a business through the auction site
Recruitment	Convenience sampling
Analysis	Exploratory factor analysis



Study Three – Scale Purification (2)	
Aim	To further purify the scales to measure CE-OAE, consumer value and risk
Methodology	Confirmatory factor analysis
Sample	A separate sample from Study Two. 403 respondents who had used an auction site in the past 12 months to buy or sell an item, but were not running a business through the auction site were recruited from a nationwide online panel. Respondents were asked to complete surveys on two occasions two months apart, at Time 1 and Time 2. 188 respondents who only completed the Time 1 survey formed the sample for Study Three. This sample comprised a diversity of ages, genders, incomes and levels of experience
Recruitment	Online panel supplied by a marketing research organisation
Analysis	Confirmatory factor analysis



Study Four – Scale Validation (1)	
Aims	To confirm the measures of consumer value, CE-OAE and risk in the online auction; to test research hypotheses H1-H4 regarding the antecedents and consequences of CE-OAE; and to establish the construct validity of the CE-OAE scale
Methodology	Data collected on two separate occasions, two months apart. At Time 1, measures taken of experience, value and engagement. At Time 2, behavioural outcome measures taken of auction site usage, buying activities, selling activities and participation in the auction community. (Measures of involvement and flow also taken for Study Five analysis).
Sample	215 consumers who completed surveys at both Time 1 and Time 2 formed the sample for Study Four. Respondents had used an auction site in the past 12 months to buy or sell an item, but were not running a business through the auction site. A nationwide sample representing a diversity of ages, genders, incomes and levels of experience
Recruitment	Online panel supplied by a marketing research organisation
Analysis	Verify scale measurements with confirmatory factor analysis. Test hypotheses with structural equation modelling, Hayes Process analysis and multiple linear regression. Assess nomological validity with Hayes Process analysis.



Study Five – Scale Validation (2)	
Aim	To test study hypotheses H5–H6, comparing CE-OAE with competing constructs, and examining changes in value and CE-OAE scores over time.
Methodology	Data collected on a third occasion, six months after Time 1 data collection. Measures of engagement, flow and involvement taken at Time 2 compared with behavioural outcome measures taken at Time 3, to test H5. Measures of value and engagement at Time 1 compared to measures of value and engagement at Time 3, to test H6.
Sample	149 respondents from the original sample of 403 who completed Time 1 measures returned to complete the Time 3 measures (of whom 115 had also completed Time 2 measures)
Recruitment	Online panel supplied by a marketing research organisation
Analysis	Test hypotheses with multiple linear regression

Figure 4.1 - Research design

4.4.1 Study One – qualitative enquiry and scale generation

4.4.1.1 Aims

The qualitative enquiry was conducted to achieve several aims: to help understand the essence of consumer engagement with the online auction experience, identify its potential components, antecedents and consequences, and to help generate a pool of items as indicators representing the CE-OAE construct. Because CE-OAE is a new construct, a qualitative enquiry helps gain useful insights into the construct.

Because this thesis takes a consumer-centric view of consumer engagement, the researcher sought to interview consumers in-depth, one-on-one, about their idiosyncratic experiences with online auctions and the role engagement might play in their auction use. In the context of the current research, in-depth interviews helped unfold the domain of the consumer engagement construct and its component elements. The results of the qualitative study thus ‘sets the scene’ and informs the results of the four quantitative studies that follow.

4.4.1.2 Sample

A purposive sample of 17 online auction users was recruited for interviewing, representing both genders, a mix of ages from the twenties to the seventies, and a variety of years of experience in the use of auction sites. All interviewees were

residents of Auckland, New Zealand. The key criterion for selection of participants for the in-depth interviews was that each had bought or sold at least one item from an online auction site in the preceding 12 months. In addition, participants were not operating a commercial business on an auction site. Maximum variation sampling was sought, meaning that interviewees differed on key demographic features and levels of experience in using an auction site (Patton, 2002). The sampling procedure also included the use of property space analysis (Lazarsfeld, 1937; Woodside, 2010); that is, an attempt was made to include one person in each possible combination of age and gender group (Table 4.1).

Table 4.1 - Lazarsfeld's Property Space Analysis for the Study One Sample

Interviewee	Male	Female	20-29	30-39	40-49	50-59	60-69	70-79	Years of experience
Ed	X				X				3
James	X			X					11
Walter	X				X				-
Veronica		X				X			8
Douglas	X							X	-
Don	X			X					4
Sienna		X			X				-
Maggie		X				X			5
Rob	X			X					7
Sam	X				X				8
Marilyn		X			X				6
Richard	X		X						11
John	X		X						10
Lulu		X	X						5
Caroline		X			X				10
Anna		X		X					7
Judy		X					X		-

After 17 interviews, no new information on the research question was obtained from interviewees, hence theoretical saturation was reached (Bryman & Bell, 2003; Glaser & Strauss, 1967). Participants were recruited through a snowball sampling method, commencing with the researcher's contacts, and reaching out to a diverse range of online auction users who were not personally known to the

researcher. In the reporting of analysis, the actual names of participants in the interviews are replaced with pseudonyms to maintain confidentiality.

4.4.1.3 Data collection – the semi-structured interview

The interview is the most widely used data gathering method in qualitative research (Bryman & Bell, 2003; S. Taylor & Bogdan, 1998). An interview allows a breadth of information to be gathered from a range of people without prolonged contact between the subject and researcher (Robson, 1993). Flexibility is an advantage of the qualitative semi-structured interview, with the researcher able to modify questions as the interview proceeds and ask probing questions to follow up on leads (Bryman & Bell, 2003; Robson, 1993). Another advantage is that interviewees can answer questions freely and express ideas in their own words.

Two alternative methods of gathering qualitative data - focus groups and observation - are less appropriate to answer the current research question. Focus groups are most appropriate when the research task is concerned with brainstorming with a group of people or generating new ideas, which is not the case in the current study (McDaniel & Gates, 1995). Observation research would only be appropriate to the current research if consumer engagement was conceptualised as a psychological state, something that could be observed as the consumer interacts with the website. Observational research was not conducted as the thesis is not saying engagement is a psychological state, nor saying that all auction experiences happen online. Furthermore it would be very time-consuming to undertake an ethnographic study to observe both online and offline experiences. In conclusion, in-depth semi-structured interviews are the most appropriate data gathering method for revealing an individual consumer's underlying thoughts and feelings about their online auction experiences (McDaniel & Gates, 1995).

An interview guide was prepared for use in the qualitative semi-structured interviews (Table 4.2). An interview guide is a series of general questions that guide the interview (Robson, 1993). In the current study, prior theory informed the interview guide, helping the researcher focus on specific issues of relevance to the research question. The interview guide listed questions and issues to be explored during the interview. The interviewer was free to change the wording and sequence of questions as the interview proceeded, leaving out questions that

seemed inappropriate, or adding new questions (Robson, 1993). The advantage of using such a guide was that it ensured each interviewee addressed all issues, yet the interview remained like a conversation (Patton, 2002).

Table 4.2 - Interview Guide for Study One

The interview should commence with several non-threatening, rapport-building conversation points:

- How long have you been a Trade Me user?
- How often do you go on to the Trade Me site?
- How often do you buy items on Trade Me? What items have you bought?
- How often do you sell items on Trade Me? What items have you sold?
- Do you use any other auction sites regularly, such as eBay?

The interview will then explore the consumer's experiences with Trade Me, and the role of value and engagement in these experiences:

- Tell me about your typical Trade Me experience.
- Tell me about your most memorable Trade Me experience.
- What do you most like about using Trade Me?
- What do you find of value from your Trade Me experiences?
- Do you find Trade Me engages you? What does it mean to be engaged with Trade Me?
- How often do you think you will visit the Trade Me website over the coming month?
- What makes you come back to Trade Me?

The order of questions for the interview is not set. These questions form a guide to a broad ranging conversation. Where further detail is required, interviewee comments will be followed up with prompts, such as "explain what you mean" and "why do you say that?"

Open-ended questions were used throughout the interviews (Robson, 1993). This allowed interviewees to express themselves freely, rather than the interviewer supplying predetermined answers (Patton, 2002). Probing questions were used to clarify and elaborate what interviewees said (Lincoln & Guba, 1985). The interviewer probed for details on the interviewee's experiences, and any important terms used by the interviewee. Examples of probing questions included: "explain what you mean" and "why do you say that?" (Patton, 2002; S. Taylor & Bogdan, 1998). After answering the open-ended questions, interviewees were presented with a list of 22 words and phrases extracted from the engagement literature. Interviewees were asked to explain if any of the words and phrases described

engagement, and what additional words and phrases they would use. This prompted further discussion on the nature of engagement.

4.4.1.4 Data analysis

The interviews were audio-recorded and fully transcribed by an independent transcriber. To analyse the interview transcripts, three different methods of analysis were employed constructing a triangulation of analysis methods, a phenomenological approach to analysis, thematic analysis, and content analysis (Patton, 2002). The purpose and procedure for each of these methods of analysis follows.

4.4.1.4.1 Phenomenological approach to analysis

As part of the qualitative interviews, a number of interviewees told stories of their experiences with the online auction. These stories were narrative accounts that provided a rich description of some of the memorable, lived, subjective experiences of the interviewee relating to their online auction use (Lopez & Willis, 2004). The narratives were examined with a phenomenological approach to analysis to capture the complexities of the central construct of the research - engagement. Thus, a phenomenological approach to analysis was applied to these stories of experiences consumers provided. Although this step in the research was not a full-blown phenomenological study, for to be so might constitute a thesis in itself, the analysis of consumer stories of experience took a phenomenological approach.

There are two general approaches to phenomenological research: descriptive phenomenology and hermeneutic phenomenology, both of which differ in their philosophical bases (Dowling, 2004). Descriptive phenomenology is associated with a post-positivist research paradigm, while hermeneutic phenomenology is associated with an interpretivist paradigm (Wright-St Clair, 2014). It is not uncommon for post-positivist researchers to take a phenomenological approach if it will help address the research question. One leading author on qualitative methods, Creswell, describes himself as a post-positivist and points out a post-positivist approach to qualitative research "is exemplified in ... the analytic data analysis steps in phenomenology" (Creswell, 2013, p. 24). Descriptive phenomenology seeks an objective account of consumers' experiences and

perceptions free from researcher bias, while hermeneutic phenomenology seeks the researcher's interpretation of the hidden meanings of experiences (Dowling, 2004).

Descriptive phenomenology (sometimes referred to as Husserlian phenomenology) stems from the German philosopher Edmund Husserl.

Husserl is widely acknowledged as phenomenology's founding 'father'.... Husserl developed phenomenology as the rigorous, scientific study of things as they appear to be, so his approach aligns with the positivist paradigm. In contrast, Heidegger is credited with the philosophical term to an 'existential' phenomenology ... thus it fits within the interpretive paradigm. (Wright-St Clair, 2014, p. 54)

Husserl's philosophy assumes that subjective human experiences should be the object of scientific study (Lopez & Willis, 2004). This research adopts a descriptive phenomenological approach to the analysis of consumers' narratives of their experiences with online auctions. While consumers do not generally critically reflect on their daily living experiences, by using a scientific approach to analysis the researcher can reveal "a description of the lived, or subjective, experiences" of these consumers, to understand the phenomenon of engagement with the online auction experience (Lopez & Willis, 2004, p. 727).

Using a phenomenological approach is recommended for understanding consumer experiences (Thompson, 1997; Thompson et al., 1989). A phenomenological approach analyses consumers' narratives of their meaningful experiences (Denegri-Knott & Zwick, 2012). Descriptive phenomenological analysis proceeds by first examining each consumer individually, and seeks to understand the significance of experiences for that individual. Analysis then seeks to describe the common meanings a group of consumers who experience the phenomenon have, in other words, to describe the 'essence' of a phenomenon (Creswell, 2013).

For the description of the lived experience to be considered a science, commonalities in the experience of the participants must be identified, so that a generalized description is possible. The essences are considered to represent the true nature of the phenomenon being studied. (Lopez & Willis, 2004, p. 728)

Descriptive phenomenological research is the study of essences – the essential elements that characterise a phenomenon (van Manen, 1997).

The researcher sought to 'bracket out' her pre-conceptions of engagement, listen to the lived experiences of consumers, avoiding leading questions or pre-determined answers (Z. C. Y. Chan, Fung, & Chien, 2013; LeVasseur, 2003). Analysis involved reading the transcript of each story of consumer experience multiple times to understand the significance of that experience for that person (Thompson, 1997). The phenomenological approach looked at each individual, and why their online auction experience was "something 'telling', something 'meaningful'" for them (van Manen, 1997, p. 86), and if the experience (or accumulation of experiences) provided a basis for their engagement. The researcher then sought to identify commonalities in the experiences of all consumers interviewed; in other words, the researcher sought to uncover the 'essence' of the phenomenon of engagement across all participants.

4.4.1.4.2 Thematic analysis

Thematic analysis is the most common approach to analysing qualitative data – it is "a method for identifying, analyzing and reporting patterns (themes) within the data" (Braun & Clarke, 2006, p. 79). A 'theme' identifies something important in relation to the research question, a pattern of common responses from those interviewed that provides some understanding of the phenomenon being researched (Bryman & Bell, 2003; Patton, 2002). Following on from the phenomenological analysis of consumer stories of experiences, the researcher analysed the entire dataset (rather than examining one consumer at a time) to explore further the potential components of engagement, and to seek insights into the relationships between engagement, experience, value, and plans for future use of the auction. Searching the entire dataset for predominant or important themes is an appropriate approach in the under-researched area of online auction engagement.

The researcher was guided by the research aims and the literature, yet was open to new codes that may not have been revealed in the literature review but emerged from the dataset. Data were analysed at the 'semantic' level; that is, themes were identified from the data as explicitly expressed by the interviewees, and the analysis was not seeking latent interpretations of the data guided by ideologies of the researcher (Braun & Clarke, 2006).

The analysis followed the six steps recommended by Braun and Clarke (2006): to familiarise oneself with the data by reading through each interview transcript, to generate initial codes, to search for themes, review themes, define and name themes, and write up the analysis. As a first step, a process of open-coding was employed which required scrutinising each interview transcript line by line to identify ideas (i.e., 'codes') that related to the research aims (Glaser & Strauss, 1967). Codes represent "the most basic segment, or element, of the raw data or information that can be accessed in a meaningful way regarding the phenomenon" (Boyatzis, 1988, p. 63). A second coder, who coded a sample transcript and negotiated the codes generated with the researcher, checked the reliability of coding. Coding proceeded until no new ideas were identified, a point at which 'theoretical saturation' had been reached (Glaser & Strauss, 1967). Interview transcripts were imported into NVivo 10 software, and an electronic record was kept of all excerpts of transcripts relating to all codes identified. Codes were reviewed and rationalised several times and appropriate pairs of codes were collapsed if they expressed substantially the same idea. A process of 'constant comparison' was undertaken whereby codes and transcripts were constantly compared until a tidy fit existed between the transcripts and the codes named (Glaser & Strauss, 1967).

Having identified open codes in the data, the next phase was to group together codes with related meanings into themes. The researcher explored the similarities, differences and relationships between codes, searching for patterns of meaning. Themes occurred at two different levels: some represented overall themes and others were subthemes within the overall themes. The next phase required 'defining and refining' themes. This involved identifying the meaning of each theme as it related to the research question, and collapsing any themes with similar meanings into overall themes. Themes were then reviewed to ensure that the coded extracts within each theme formed a coherent pattern, and that the set of themes "accurately [reflected] the meanings evident in the dataset as a whole" (Braun & Clarke, 2006, p. 91).

Finally, the results of the thematic analysis were written up, including an account of the codes and themes identified and supporting extracts of interviews. The thematic analysis explored further the potential components of engagement and

provided insights into the antecedents and consequences of consumer engagement.

As can be seen from the discussion above, phenomenological and thematic approaches treat the data differently but complement each other. A phenomenological approach to analysis treats each interviewee as an individual, and seeks an in-depth understanding of the significance of experiences for that individual before seeking commonalities in the engagement phenomenon. By contrast, thematic analysis combines all data from all interviews in one pool prior to analysis and look for common themes across the data.

4.4.1.4.3 Content analysis

Content analysis of the interview transcripts was used to identify specific words and phrases used by participants to express consumer engagement with the online auction experience, that is, to generate potential items for the CE-OAE scale (Bryman & Bell, 2003; Krippendorff, 2004; Sweeney & Soutar, 2001). Content analysis is a technique for systematically and objectively analysing qualitative data such as interview transcripts, reports, images, advertisements and movies (Kassarjian, 1977). Utilising NVivo software, the interview transcripts were scrutinised for every word or phrase the interviewees used to describe their engagement with the online auction experience. These words and phrases, together with items derived from examining the literature, then formed the basis of the draft CE-OAE scale.

4.4.1.4.4 Reliability and validity of qualitative results

Several procedures were employed to enhance the reliability (dependability), objectivity (confirmability) and validity (credibility and transferability) of the qualitative research findings (Bryman & Bell, 2003; Lincoln & Guba, 1985). These procedures encompassed following an Interview Guide, verbatim transcription of interviews, keeping a trail of evidence, and triangulation of sources and methods of analysis. Firstly, interviews followed a standard Interview Guide. For the sake of transparency, the Interview Guide is published here (Table 4.2). The interviews followed a conversational, probing style, yet by following the Interview Guide all interviewees were asked similar questions of a non-leading nature.

A complete and accurate record of each interview was achieved, as all interviews were fully audio-recorded, then transcribed by an independent transcriber who was unaware of the purpose of the research, to produce a full verbatim record of each interview. Triangulation of sources was achieved by having 17 separate interviews. The interview transcripts were imported into NVivo software for analysis. The software maintains a trail of evidence, linking themes to codes to excerpts of interview transcripts to full interview transcripts with individual interviewees. One final procedure to enhance the credibility of the results was triangulation of methods of analysis. Three separate method of analysis – phenomenological analysis of stories of experiences, thematic analysis of interview transcripts, and content analysis of words and phrases describing engagement – were each applied to the dataset, each producing complementary findings.

4.4.1.4.5 Generation of a pool of scale items

Following the generation of a large pool of potential rating scale items, the items in the pool should be scrutinised for content validity (Clark & Watson, 1995; Zaichkowsky, 1985). A panel of subject experts should be provided with a definition of the construct and asked to assess if each item truly represents the domain of the construct (Babin et al., 1994). This step has two purposes: to reduce the large pool of potential items down to a manageable number, and obtain feedback on the content validity of items.

4.4.2 Study Two – scale purification (1)

4.4.2.1 Aim

The aim of Study Two was to purify the initial pool of prospective scale items, and produce draft scales to measure CE-OAE, consumer value and risk in the online auction (Figure 4.1). A number of procedures are adopted in scale purification; exploratory factor analysis (EFA), Cronbach's alpha, item-to-total correlation, and confirmatory factor analysis (Arnold & Reynolds, 2003). These procedures help to establish the dimensionality, reliability, and internal consistency of the construct measure. A convenience sample of consumers of the product or service, such as a sample of university students, is adequate for the scale purification phase (Churchill, 1979; Sweeney & Soutar, 2001).

4.4.2.2 Sample

Ideally, to meet the criteria of sampling adequacy for exploratory factor analysis, the recommended criteria of number of persons in the sample should comprise at least five times the number of scale items being rated; for example, the draft CE-OAE scale comprises 40 items, therefore a sample size of at least 200 respondents is desirable (Hair et al., 2010). MacCallum, Widaman, Zhang, and Hong (1999) suggest that a sample size of 100 – 200 is acceptable for EFA if there are some factor loadings > 0.8 and all communalities for items in the scale are at least 0.5. In Study Two, a convenience sample of 203 consumers was recruited.

4.4.2.3 Data collection

Each respondent completed a questionnaire asking for information under six categories: (1) to recall his/her online auction experiences with their preferred auction site and rate those experiences on a 10-point scale (1 = extremely negative to 10 = extremely positive); (2) to complete the draft scale to measure value; (3) the draft CE-OAE scale; (4) the draft risk scale; (5) to provide demographic information; and (6) to provide information on auction usage, specifically, how long he/she has been a user of the auction site, and how frequently they visited the auction site (a 4-point ordinal scale; 1 = every day to 4 = less than once a month) (Table 4.3). The variable to measure frequency of visits was reverse coded for all subsequent analyses, such that 1 = less than once a month, to 4 = every day. (Appendix 2 includes a full copy of the questionnaire employed).

Table 4.3 - Structure of the Questionnaire for Study Two

1. Experience	Single-item measure of evaluation of experience	Ten-point scale 1 = extremely negative 10 = extremely positive
2. Value	31 draft items to measure consumer value in the online auction	7-point Likert scale 1 = strongly disagree 7 = strongly agree
3. CE-OAE	40 draft items to measure consumer engagement with the online auction experience	7-point Likert scale 1 = strongly disagree 7 = strongly agree
4. Risk	8 draft items to measure risk in the online auction	7-point Likert scale 1 = strongly disagree 7 = strongly agree
5. Outcome	Single-item measure of current use of the auction site	4-point ordinal scale 1 = several times a day 2 = several times a week 3 = several times a month 4 = less than once a month
6. Demographics	Age, gender, ethnicity, occupation, years of experience	

4.4.2.4 Data analysis

4.4.2.4.1 Cleaning the data

Multivariate analysis requires that a dataset conforms to several requirements: the relative absence of missing data and outliers (both univariate and multivariate), univariate normality, and linearity (Field, 2013; Hair et al., 2010; Tabachnick & Fidell, 2007).

A dataset that includes a large number of missing values, occurring systematically, represents an issue for the quality of the dataset for multivariate analysis (Hair et al., 2010). On the other hand, if there are only a small percentage of missing values, and those missing values occur “completely at random”, then statistical procedures can be used to estimate and replace the missing data. A non-significant result on Little’s missing completely at random (MCAR) test indicates there is no systematic pattern to the missing data. The approach used for replacing missing values in this study was the EM approach. The EM procedure seeks to replace missing data with negligible impact on the sample means and standard deviations (Hair et al., 2010).

A univariate outlier is a *data-point* (i.e., the score of an individual respondent on a single variable) that is extremely different from the remainder of respondents’

scores for that variable. Data-points with an absolute z score > 4 for a large sample ($n = 200$ or more) are potential outliers (Hair et al., 2010). The approach used in this research to treat outliers was 'winsorising' (Tabachnick & Fidell, 2007). Here, the outlier is replaced with the next highest (or next lowest) value on the scale; for example if a score of 1 on a 7-point scale exceeds $z = 4$, then that data-point is replaced by a score of 2 (Tabachnick & Fidell, 2007). This approach produces minimal impact on the dataset.

A multivariate outlier exists where a person's scores *across multiple variables* in the dataset are unlike the mix of scores displayed by other respondents (Tabachnick & Fidell, 2007). The measure employed in this research to identify multivariate outliers was the Mahalanobis distance (D^2) of a case. In a large dataset ($n = 200$ or more), a multivariate outlier is a case with $D^2/df > 3.5$ (Hair et al., 2010). A case that is a multivariate outlier is a candidate for deletion from the dataset before analysis commences.

Univariate normality refers to the extent to which the distribution of values of a *variable* conforms relatively closely to the normal distribution. Univariate normality is critical in small datasets ($n < 50$), but less critical in large datasets ($n = 200$ or more) (Field, 2013; Hair et al., 2010). Univariate normality is examined in terms of levels of skewness and kurtosis. In the large samples ($n = 200$ or more) in this research, problems with univariate normality were identified with absolute values of skew > 2 or absolute values of kurtosis > 7 (Curran, West, & Finch, 1996; Field, 2013).

The assumption of linearity in a dataset is that the relationship between any pair of variables is approximately linear, and not obviously curvilinear. With a large number of variables in a dataset, it is not practical for a researcher to examine linearity between all possible pairs of variables; for example, a dataset with just 20 variables would require the researcher to examine 400 pairs of relationships. In this research the researcher examined the bivariate scatterplots of randomly selected pairs of variables to see if the relationship between the two variables appeared approximately linear (Ullman, 2014).

4.4.2.4.2 The use of exploratory factor analysis in scale development

Exploratory factor analysis has become an expected, indeed default, step in scale development (Churchill, 1979; DeVellis, 2012; Furr & Bacharach, 2008). The purpose of exploratory factor analysis is to explore the dimensionality of a construct (Furr & Bacharach, 2008), that is, (a) to identify the number of dimensions (also referred to as 'factors') underlying a set of scale items, (b) to define the meaning of each of those dimensions, and (c) to identify which scale items measure those dimensions well, and which scale items measure those dimensions poorly (DeVellis, 2012). Figure 4.2 illustrates the steps taken to conduct EFA in this research. Table 4.4 lists the statistical criteria used in this research for assessing the adequacy of the factor solutions.

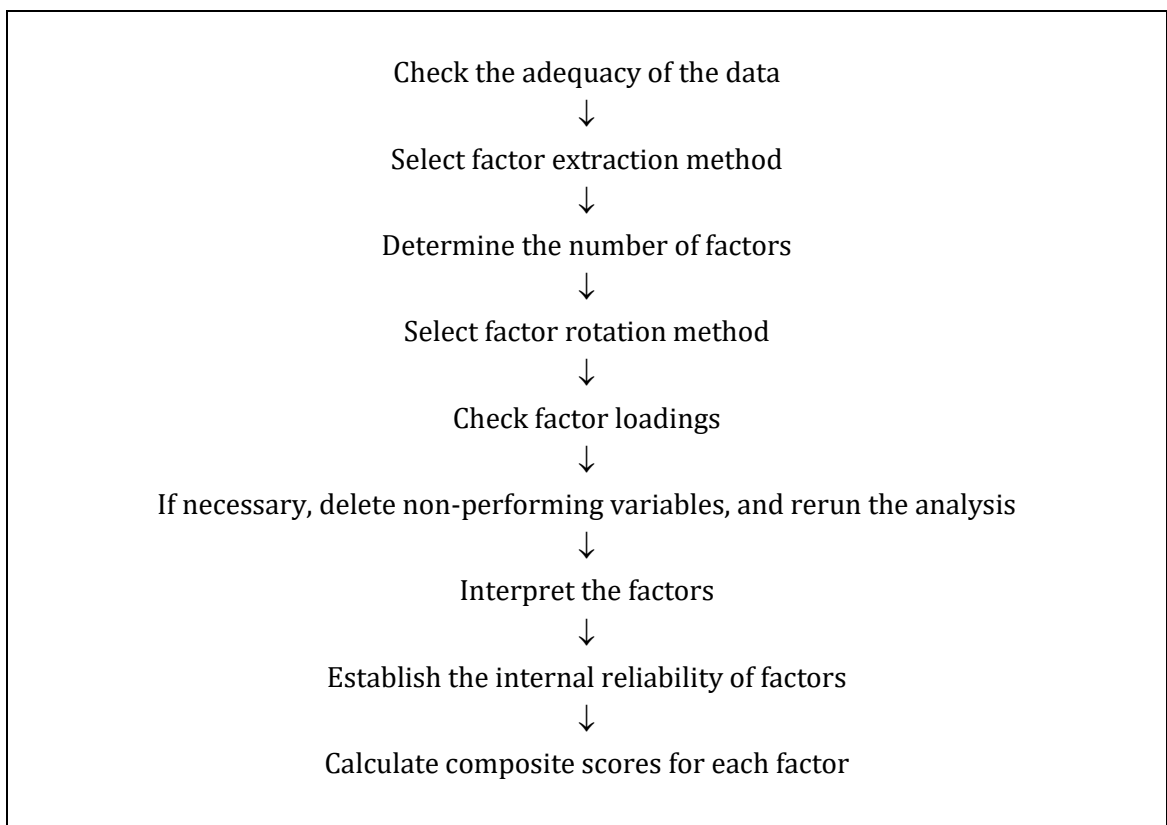


Figure 4.2 - Steps in conducting exploratory factor analysis

Sources: Hair et al. (2010); Malhotra et al. (2002)

As a preliminary step to EFA, the adequacy of each dataset was established. The correlation matrix was checked to ensure it included a number of correlations exceeding 0.3 (Tabachnick & Fidell, 2007). Bartlett's test of sphericity, which tests the hypothesis that the variables are correlated and factor analysis can proceed, was checked; a significant result ($p < 0.05$) was required (Hair et al., 2010). The

Kaiser-Meyer-Olkin (KMO), a further test of the adequacy of the dataset for conducting EFA, was examined. A KMO greater than 0.6 is adequate, while a KMO of 0.8 or more is preferable (Field, 2013).

There are two common approaches to extracting factors from the dataset: principal components analysis (PCA) and principal axis factoring (PAF, or 'common factor' analysis). In this research, PCA was used as a primary method for extracting factors. PCA is most appropriate when "data reduction is a primary concern, focusing on the minimum number of factors needed to account for the maximum portion of total variance" (Hair et al., 2010, p. 107) and to uncover the underlying structure of the construct. Stevens (2002) insists that PCA is best for all purposes. According to DeVellis (2012) there are only minor differences in the procedures and the two methods can be used interchangeably. A good PCA or PAF solution "makes sense"; that is, the interpretation and naming of the resultant factors is simple, intuitive, and matches theoretical expectations, and the items making up each factor are clear and distinctive (Tabachnick & Fidell, 2007). In this research, the results of PCA were compared to the results of PAF to examine if a similar solution resulted. In addition, each factor solution was checked to see if it accounted for at least 60% of the variance in the data (Hair et al., 2010; Malhotra et al., 2002).

Table 4.4 - Criteria for an Exploratory Factor Analysis Solution

Sample size	At least five times the number of variables
Correlation matrix	Many items with values of at least 0.3
Barlett's test of sphericity	Statistically significant
Kaiser-Meyer Olkin	At least 0.6, preferably greater than 0.8
Total variance extracted	At least 60%
Number of factors	Eigenvalues > 1.0 Number of factors "above the elbow" in the scree plot
Factor loadings	At least 0.5; items with factor loadings greater than 0.7 are most indicative of the underlying factor
Communalities	> 0.5
Cross-loadings	No item should load by more than 0.4 on more than one factor

Sources: Field (2013), Hair et al. (2010), Malhotra et al. (2002), Tabachnick and Fidell (2007).

To determine the appropriate number of factors in a factor solution, the researcher accepted those factors with eigenvalues greater than 1.0 (Hair et al., 2010). In addition, the researcher examined the scree plot for eigenvalues and chose the number of factors displayed “above the elbow” in the scree (Malhotra et al., 2002).

The initial factor solution is typically very difficult to interpret. It is recommended that the factor solution is rotated to make it readily interpretable (Hair et al., 2010). Two common approaches to factor rotation are orthogonal rotation and oblique rotation (Malhotra et al., 2002). Hair et al. (2010) suggest there is no compelling statistical reason to choose between one rotational method over another, and that it is over to the researcher to select the method that best addresses the problem at hand. As with the selection of the method of extraction, the researcher may select the method of rotation that produces a solution that “makes sense” – one that is simple, intuitive, and matches theoretical expectations (Tabachnick & Fidell, 2007). In this research, orthogonal rotation is used as the primary method. In orthogonal rotation, the factors are rotated to the point where there is no correlation between each factor; this has the advantage of minimising the number of variables that load on a factor, as it will emphasise only those items that load strongly on the factor and thus make the solution easy to interpret. To assess the stability and robustness of the solution, the researcher attempted several alternative approaches to EFA, including more than one method of factor extraction, and more than one method of factor rotation, and the results compared closely (Hair et al., 2010; Tabachnick & Fidell, 2007). A favourable outcome would be if each approach produced a similar solution – with the same factors extracted, and similar items identified as comprising each of those factors.

Variables with factor loadings greater than 0.5 on any one factor are considered relevant to that factor; factor loadings greater than 0.7 are especially relevant (Hair et al., 2010). Variables should, in general, display communalities of at least 0.5 (Hair et al., 2010). Research adequacy also requires that variables do not ‘cross-load’. The general rule employed for deletion of cross-loading items was when an item loaded on two factors with a factor loading of at least 0.4. in addition, if the two factor loadings fall within 0.2 of each other, there is an issue with cross-loading. Following the advice of Hair et al., where a variable failed to load on any factor by at least 0.5, or cross-loaded on more than one factor, the variable was

deleted and EFA rerun (Hair et al., 2010) until a factor structure was produced where each variable contributed significantly to one, and only one, factor.

Having established a clean factor structure, the researcher then interpreted the factors identified (Malhotra et al., 2002). The variables with factor loadings of at least 0.5, and especially those variables with loadings of 0.7 or more, provided an indication of the meaning of the factor. Finally, the Cronbach's alpha of each factor and the item-to-total correlation for each item was checked, to establish the internal consistency of each factor. Ideally, Cronbach's alpha should exceed 0.7, and all item-to-total correlations should exceed 0.5 (Hair et al., 2010).

4.4.3 Study Three – scale purification (2)

4.4.3.1 Aim

The thesis followed the procedures used by Arnold and Reynolds (2003) in their development of a scale to measure hedonic shopping motives. Firstly, a scale purification phase was undertaken using EFA and CFA, in which scale modifications were made (Studies Two and Three); then a scale validation phase took place with a new sample, in which the CFA measurement model was replicated without any further modifications to the scale (Study Four). It is common during CFA to undertake modifications (Anderson & Gerbing, 1988; Hair et al., 2010). But the analysis is then not truly confirmatory. Only if the analysis is repeated on a new sample, without further modification, is it truly confirmatory. This is the procedure adopted in this thesis.

The aim of Study Three was to complete the scale purification process. This was achieved by administering the draft CE-OAE, consumer value, and risk scales, to a totally new sample, and further purifying the measures using confirmatory factor analysis (CFA).

While EFA is a necessary first step in scale purification, the procedure does not assure the validity of the scale, as EFA does not meet the criterion on unidimensionality of the dimensions identified, that is, that every scale item should contribute to one and only one dimension of a construct. A process of confirmatory factor analysis is important in scale development as it can identify measures of construct dimensions that are truly unidimensional (Gerbing & Anderson, 1988). Confirmatory factor analysis has several benefits: random or measurement error

in each variable can be modelled and estimated; it helps researchers to be more precise in their measurement of constructs; and is the only procedure that can establish the unidimensionality of the measures used in research (Bagozzi & Yi, 2012; Gerbing & Anderson, 1988).

4.4.3.2 Sample

A new sample was recruited to complete the scale purification process. The advantage of using a new sample for the CFA stage of scale purification is that stability of the measures of the construct can be tested. If the same sample is used for the CFA as is used for the EFA, then the solution might simply reflect the unique data of this sample (Churchill, 1979). For Study Three, a nationwide sample of online auction users was obtained from the online consumer panels of a reputable marketing research company. There are advantages in using nationwide panel data in marketing research, which include generalisability and quality of the sample (So et al., 2014).

Two criteria were employed for the selection of the sample: that the respondent had bought or sold an item from an online auction in the previous 12 months, and that they were not running a business through the auction site. In total, 403 respondents completed the questionnaire at Time 1 (September 2014). Two months later (Time 2) these same respondents were approached to complete a second questionnaire. The 188 respondents who only completed the questionnaire at Time 1 (but did not complete the questionnaire at Time 2) formed the sample for Study Three. (The remaining 215 respondents who completed both the Time 1 and Time 2 questionnaires formed the sample for Study Four, scale validation). Table 4.5 outlines the collection of data at Times 1, 2 and 3.

Table 4.5 - Collection of Data at Times 1, 2, 3

Time 1 September 2014	Time 2 November 2014	Time 3 April 2015
403 respondents completed measures of: experience value CE-OAE risk demographics	215 respondents returned to complete measures of: behavioural outcomes experience CE-OAE flow, involvement, customer brand engagement	149 respondents returned <ul style="list-style-type: none"> • 115 of whom had completed responses at Times 1, 2 and 3 • 34 had only completed responses at Times 1 and 3 Measures taken of: behavioural outcomes value CE-OAE
188 of these respondents who did not return at Time 2 comprised the Study Three sample	The 215 respondents who provided measures at Times 1 and 2 comprised the Study Four sample	These 149 respondents comprised the Study Five sample

4.4.3.3 Data collection

Table 4.6 provides an outline of the questionnaire completed by the 403 respondents at Time 1. (A copy of the full questionnaire is provided in Appendix 3). Two screening questions were employed: Have you bought or sold an item from an online auction site in the past 12 months? Are you running a business through an auction site? Respondents were then asked to write an account of a memorable experience they had with the online auction site. The purpose of this question was to prime respondents to think of their auction experiences before completing the rating scales in the remainder of the questionnaire. Respondents then completed a single-item evaluation of their auction experiences. While it is ideal to research consumer experiences phenomenologically, as was done in Study One, for the sake of measures in the quantitative model, respondents' overall evaluation of their auction experiences was assessed with a 10-point, single-item measure (1=very negative to 10=very positive). This follows the approach of Akaka, Vargo, and Schau (2015) that it is a consumer's *evaluation* of experience that impacts value and behaviours. Respondents then completed the 28-item draft value scale, the 27-item draft CE-OAE scale, and the 7-item draft risk scale. Respondents then provided demographic information on their age, gender, years of experience using

the online auction site, ethnicity, region of New Zealand they came from, whether they were a city or rural resident, their occupation, and their income. Finally, respondents provided information on how frequently they visited the online auction site.

Table 4.6 - Structure of the Time 1 Questionnaire

1. Sample screening	Bought/sold an item from an online auction in the past 12 months Not running a business through an auction site
2. Experience	Write an account of a memorable auction experience Single-item measure of evaluation of experience
3. Value	28 items to measure consumer value in the online auction
4. CE-OAE	27 items to measure consumer engagement with the online auction experience
5. Risk	7 items to measure risk in the online auction
6. Demographics	Age, gender, years of experience, ethnicity, region of New Zealand, city or rural, occupation, income
7. Outcome	Single-item measure of frequency of use of the auction site

4.4.3.4 Data analysis

CFA is conducted with structural equation modelling software. In this research, the researcher used IBM SPSS Amos 22 software for this purpose. Figure 4.3 illustrates the steps used in this research to conduct CFA.

The first step was model specification. The researcher specified a *measurement model* for each construct measured in this study, comprised of just those items believed to measure each dimension of the construct that resulted from the EFA. This measurement model represented the construct such as CE-OAE in a *reflective* model, comprised of indicator variables (i.e., observed or manifest variables), error terms (i.e., variables representing the measurement of error for each indicator variable), constructs (i.e., latent or unobserved variables), and their dimensions. In a reflective model, the indicator variables of a dimension are correlated with each other, and the construct is proposed as a common cause of these dimensions and their indicator variables (Brown, 2006; Kline, 2005; Ullman, 2014). The model hypothesises the dimensions of a construct and the items that measure each

dimension. CFA answers the hypothesis, does a model with these dimensions and these indicator variables fit the data?

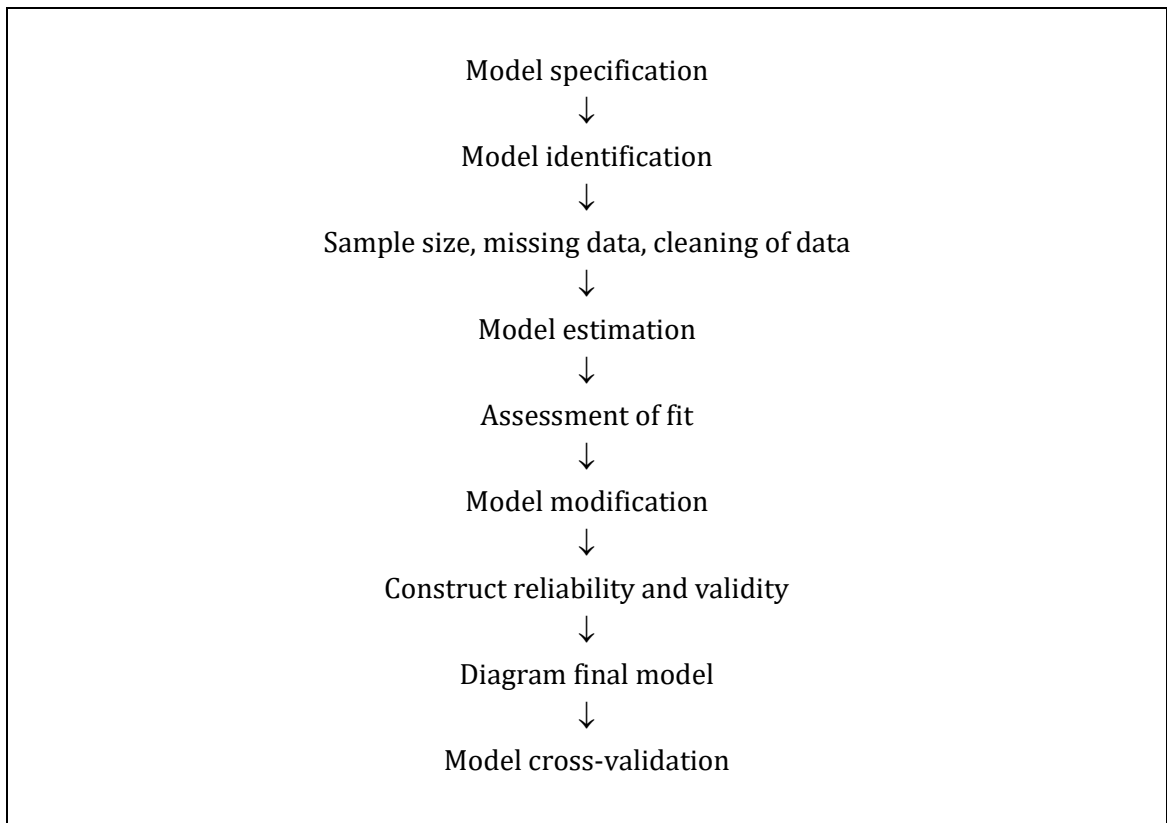


Figure 4.3 - Steps in conducting confirmatory factor analysis

Sources: Hair et al. (2010), Ullman (2014)

For estimation of the model to proceed, the model should be ‘overidentified’, which means, the number of datapoints (i.e., the number of variances and covariances in the dataset) exceeds the number of parameters estimated (i.e., regression coefficients, variances, and covariances). The researcher checked that each model was overidentified.

The next step was addressing issues of missing data, sample size, and cleaning of the data. CFA cannot proceed with any missing data. In the datasets for Studies Three-Five, there were no missing data. Various opinions advise on appropriate sample size for CFA with some experts saying maximum likelihood estimation (MLE) can provide stable results with samples as small as 50, and other experts recommending a sample size of 200 as a sound basis (Hair et al., 2010). The issue is not as simple as having an ideal sample size for all models, as models with strong factor loadings and reliable variables require fewer participants (Ullman, 2014).

Bagozzi and Yi (2012, p. 29) argue that normality of the data should be the overriding concern, that provided the measures of variables are approximately normal, then maximum likelihood estimation can provide robust solutions even with small sample sizes. The sample size used for CFA analysis in Study Three ($n = 188$) and Study Four ($n = 215$) was considered adequate because the indicator variables displayed normality and the models had strong factor loadings. The dataset was checked for outliers, skew, kurtosis, and linearity before analysis proceeded.

The next step in CFA was model estimation. Here the model was applied to a dataset to see if it fits the data. Maximum likelihood estimation (ML) was used.

Next was to assess the fit of the model. The fit of the model to the data was judged by examining several measures of model fit. Kline (2005) recommends a mix of absolute and incremental measures of model fit, as illustrated in Table 4.7. Absolute fit measures, for example, SRMR and RMSEA, are sometimes called 'badness of fit' measures as they measure how poorly the model matches the data set. Incremental fit measures such as NNFI and CFI, are referred to as 'goodness of fit' measures. They measure how well the model improves upon a baseline model that hypothesises no relationships between variables (Hair et al., 2010).

Table 4.7 - Criteria for Assessing Fit of a Confirmatory Factor Analysis Solution

X^2	chi-square	Ideally this should be non-significant, but the test is sensitive to large samples ($n > 150$) and likely to be significant even with good model fit.
X^2 / df	chi-square / degrees of freedom	An alternative to chi-square is chi-square/df: < 5 is adequate < 3 is very good
NNFI	non-normed fit index	> 0.9
CFI	comparative fit index	> 0.9
SRMR	standardised root mean residual	< 1.0, preferably < 0.08
RMSEA	root mean square error of approximation	< 1.0, preferably < 0.08

Sources: Brown (2006); Hair et al. (2010); Kline (2005)

Hair et al. (2010, pp. 670-671) comment that “no single ‘magic’ value always distinguishes good models from bad ones... It is simply not practical to apply a single set of cutoff rules that apply for all SEM models of any type.” The researcher is advised to *not* take the results of any one indicator as a definitive sign of a model fitting or not fitting, but on balance, to consider the results of several measures of fit (Brown, 2006). Hair et al. (2010) recommend the researcher should report a mix of three or four indices: χ^2/df , at least one measure of absolute fit, and one measure of incremental fit. Bagozzi and Yi (2012) recommend the use of χ^2/df , NNFI, CFI, SRMR, and RMSEA. These were the fit indices used in this research.

The next step was model modification. It is unlikely, on first run through, that a measurement model provides an adequate fit to the dataset, especially for a newly developed scale. As a result, some model re-specification will be required so that the model meets criteria of good fit to the data (Anderson & Gerbing, 1988). In this research, variables with standardised residuals > 2.5 that also had high modification indices (MI > 10) were closely examined (Hair et al., 2010) and considered for deletion. A high standardised residual suggests that model fit may be improved by deletion of the variable or correlation of error terms. Correlation between error terms was not undertaken in the modelling, as this negates the congeneric nature of the model and may negate unidimensionality of the measure if the correlated error terms are across different dimensions (Anderson & Gerbing, 1988).

The next step was to establish construct reliability and validity for the [dimensions of the] constructs being measured. Construct reliability refers to the ratio of variance accounted for by factor loadings, to the variance accounted for by factor loadings, and error terms. This establishes the reliability of the measure, that is, the extent to which the measure is error free. The criterion for an acceptable level of construct reliability used in this research was 0.7 or higher (Hair et al., 2010).

Construct validity refers to “the extent to which indicators of a construct measure what they are purported to measure” (Bagozzi & Yi, 2012). Construct validity can be established in three ways: standardised factor loadings, convergent validity, and discriminant validity. Standardised factor loadings should exceed 0.5, or ideally, exceed 0.7 (Hair et al., 2010).

Convergent validity can be checked in two ways. In the first instance, the Average Variance Extracted (AVE) should exceed 0.5 for each dimension of a construct. In the second instance, convergent validity is demonstrated if scale measures correlate with “other measures designed to measure the same thing” (Churchill, 1979, p. 70).

Discriminant validity can also be checked in two ways. In the first instance, discriminant validity is established if the AVE for each dimension exceeds the squared correlation between that dimension and any other (Fornell & Larcker, 1981; Hair et al., 2010). In the second instance, discriminant validity is demonstrated if the measure does not correlate highly with measures of *related* yet *competing* constructs from which it should differ (Campbell & Fiske, 1959; Peter, 1981).

Sometimes, for theoretical reasons, the dimensions of a construct may be modelled as a ‘higher-order factor’. A higher-order factor is justified if the dimensions can be interpreted as dimensions of a more abstract concept. That is, if there are theoretical reasons to believe that CE-OAE is a single construct rather than three or four related dimensions, then confirmatory factor analysis can be set up to see if the first-order factors coalesce as a higher-order abstraction. According to Bagozzi and Yi (2012, p. 25):

The second-order model ... is most valid and meaningful when the first-order factors can be interpreted as dimensions or components of the more abstract second-order concept. Moreover, the first-order factors should be relatively highly correlated.

Having established the measurement model, two further steps remained. A diagram of the final model was drawn. Furthermore, because the original model was modified, based on standardised residuals and modification indices, the model was cross-validated with a new sample in Study Four (Anderson & Gerbing, 1988).

In summary, in Study Three, the draft scales to measure CE-OAE, consumer value, and risk in online auctions that had resulted from EFA in Study Two, were administered to a new sample of respondents. Measurement models were created for each construct and fit indices examined. Where fit indices failed to reach the specified criteria, standardised residual covariances and modification indices were examined. A small number of items were deleted from each scale based on

statistical and theoretical criteria. As a result, valid measures of CE-OAE, consumer value, and risk in online auctions were created ready for scale validation.

4.4.4 Study Four – scale validation (1)

4.4.4.1 Aims

The aims of Study Four were to confirm the measures of CE-OAE, consumer value, and risk in online auctions, to test research hypotheses H1-H4 from the conceptual framework regarding the antecedents and consequences of CE-OAE (Figure 6.1), and establish the construct validity of the CE-OAE scale. Scale validation procedures used included an investigation of the convergent, discriminant, and nomological validity of the CE-OAE scale (Arnold & Reynolds, 2003).

4.4.4.2 Sample

A marketing research company was employed to recruit online auction users from its research panels. Study Four comprised 215 respondents who completed both the surveys at Times 1 and 2. The Time 1 survey gathered measures of experience, value, CE-OAE and risk. The Time 2 survey gathered data on behavioural outcomes, plus measures of CE-OAE, flow, involvement, and customer brand engagement (Hollebeek, Glynn, & Brodie, 2014). In particular, to test the predictive validity of CE-OAE required a comparison of the Time 1 measure of CE-OAE and the Time 2 measures of behavioural outcomes for the same sample.

4.4.4.3 Data collection

Table 4.8 provides an outline of the questionnaire used at Time 2. (A copy of the full questionnaire is provided in Appendix 4). Respondents were firstly asked to login to their online auction account, and then report information on their activities over the preceding two months. Using this procedure increased the accuracy of data reported on behavioural outcome measures. Four measures of on-going use over the two-month period were reported in this way: frequency of visiting the auction site, buying activities (four measures - watchlist activity, bidding activity, number of purchases, and value of purchases), selling activities (three measures – the number of items put up for sale, number and value of sales made), and frequency of participation in the community of auction users.

Table 4.8 - Structure of the Time 2 Questionnaire

1. Behavioural outcomes	9 items measuring frequency of visiting the auction site, buying activities, selling activities, and participation in the community of auction users
2. Experience	Write an account of an auction experience in the past two months Single-item measure of evaluation of experience
3. CE-OAE	15 items to measure consumer engagement with the online auction experience
4. Flow	4-item measure (Pauwels, Leeflang, Teerling, & Eiko Huizingh, 2011)
5. Involvement	10-item measure (Zaichkowsky, 1994)
6. Customer brand engagement	10-item measure (Hollebeek et al., 2014)

The choice of a two-month period, between baseline measures at Time 1 and outcome measures at Time 2, was to allow sufficient time for any consumer to undertake buying and selling activity. It was judged by the researcher that a briefer time lapse, of a week or a month, might not be sufficient time for any large number of research participants to undertake buying or selling. In addition, in the absence of any prior longitudinal research on consumer engagement, it was not known if the effects of consumer engagement might last for any longer period, such as three months or six months, or if instead levels of consumer engagement might rise or fall considerably over such a long period. Thus, a period of two months between Time 1 and Time 2 was deemed an appropriate timeframe between predictors and outcomes. In addition, in the selection of Times 1 and 2 the Christmas and New Year shopping period was avoided, as this would likely have represented an exceptional period of auction activity when levels of buying and selling were inflated.

After recording their behavioural outcomes, respondents were next asked to write a brief account of their auction experiences in the previous two months (Table 4.8). This activity sought to prime respondents to think about their auction experiences prior to completing the rating scale measures. Respondents then provided an evaluation of their auction experiences in the preceding two months, plus measures of CE-OAE, flow, involvement, and customer brand engagement.

4.4.4.4 Data analysis

The first step in data analysis for Study Four was to confirm the internal consistency of the measures of CE-OAE, consumer value, and risk in online auctions. These measures, created in Study Three, were confirmed on the new sample without any further addition or deletion of items, using CFA. The data from Time 1 and Time 2 were then used to test hypotheses H1-H4. A structural model was built to represent the conceptual model. The criteria for assessment of the structural model were the same fit indices used to examine confirmatory factor analysis, as displayed in Table 4.7. Regression weights in the structural model were examined to test H1-H3.

The moderation effects of risk (H4) were tested with Hayes' (2013) Process modelling (Model 1). In contemporary statistical analysis, probably the most widely accepted methods of conducting moderation and mediation analysis (Field, 2013) are the set of procedures developed by Preacher and Hayes (2004, 2008) (<http://www.processmacro.org/>). Hayes modelling calculates a confidence interval (based on bootstrapped samples) for each of the pathways in the model. A particular pathway is accepted if the upper and lower 95% or 99% confidence intervals for estimation of the beta for that pathway both fall either above or below zero. If the upper and lower confidence intervals both fall above or below zero, the researcher can be confident that the pathway displays a true effect.

4.4.4.4.1 Testing nomological validity

Nomological validity concerns the relationships between a construct and other variables that are theoretically related (Furr & Bacharach, 2008). Netemeyer, Bearden, and Sharma (2003, p. 82) advise, "Evidence of nomological validity is provided by showing a construct's possession of distinct antecedent causes, consequential effects, and/or modifying conditions." To demonstrate nomological validity, measures of CE-OAE should relate significantly with measures of its theorised antecedents and consequences.

If a construct is to be empirically related to its antecedents and consequences in a nomological net, these various measures should ideally be taken at different points in time to avoid the impact of common methods bias (Podsakoff et al., 2003).

Common methods bias occurs when measures of the components of a theoretical

model are taken from the same individuals, at a single point in time, using a single method of data collection such as a written questionnaire. By taking all measures in such a manner, levels of correlation between constructs are likely to be erroneously inflated.

After hypotheses H1-H4 were tested, the tests of nomological validity for the CE-OAE scale were run by constructing a series of Hayes' (2013) Process models of the nomological network. Again, Hayes modelling calculates a confidence interval for each of the pathways in the mediation model. A pathway – that is, with or without the mediator variable(s) – is accepted if the upper and lower confidence intervals both fall either above or below zero. A mediation effect involving two mediating variables between the independent and dependent variables can be tested with Hayes Model 6. Model 6 was run four times with experience as the independent variable, value and engagement as mediators, and each of the four behavioural outcomes one at a time as a dependent variable. Support for the conceptual framework, and for the nomological validity of CE-OAE, would be shown if each of the four Hayes Models constructed for each behavioural outcome demonstrated significant linear pathways between experience and each behavioural outcome, mediated by value and engagement.

4.4.5 Study Five – scale validation (2)

4.4.5.1 Aim

Study Five involved one additional phase of data gathering from the online panel (Time 3) to collect measures of value, engagement, and behavioural outcomes six months after the Time 1 measures were taken. This provided the data required for testing hypotheses H5 and H6 (Figure 6.1), comparing CE-OAE with the competing constructs of flow and engagement, and comparing changes in value and CE-OAE scores over the six-month period.

4.4.5.2 Sample

The nationwide panel of online auction users who had completed data collection at Time 1, were approached one last time at Time 3, six months after the baseline measures were taken. Of the 403 respondents who had completed the survey at Time 1, 149 returned at Time 3 (of whom 115 had also provided Time 2 measures).

Table 4.9 - Structure of the Time 3 Questionnaire

1. Behavioural outcomes	Frequency of visiting auction site, buying, selling, participation in the community of users
2. Experience	Write an account of an auction experience in the past six months Single-item measure of evaluation of experience
3. Value	28 items to measure consumer value
4. CE-OAE	15 items to measure consumer engagement with the online auction experience

4.4.5.3 Data collection

Measures were obtained from the 149 returning respondents (Table 4.9). A copy of the full questionnaire is provided in Appendix 5. Most importantly, measures were taken of behavioural outcomes, value, and engagement. This provided the data to test the final two hypotheses, H5 and H6.

4.4.5.4 Data analysis

Comparison of Time 2 data and Time 3 data enabled the testing of H5, comparing the predictive ability of CE-OAE with the competing constructs of flow and engagement. Comparison of Time 1 and Time 3 data enabled the testing of H6, comparing changes in value and CE-OAE scores over the six-month period.

4.5 Chapter conclusions

This chapter has presented the design for the research. Firstly, the chapter considered philosophical and methodological issues in researching consumer engagement with the online auction experience. The chapter then explained the five studies conducted to investigate the domain of the CE-OAE construct, generate scale items, and purify and validate the CE-OAE scale. The following chapter presents the results of the qualitative enquiry and generation of the CE-OAE scale, leading to the development of a conceptual model for CE-OAE in Chapter 6.

Chapter 5 Qualitative Enquiry and Scale Generation

5.1 Introduction

This chapter reports the findings of Study One - qualitative enquiry - based on analysis of transcripts of interviews with online auction users. Three approaches to analysing the interview transcripts are reported in this chapter.

Firstly, a phenomenological approach to the analysis of interviewee stories of online auction experiences is presented; the stories are analysed to understand the significance of the online auction experience as a potential basis for consumer engagement, and to explore the essence of engagement. Secondly, thematic analysis of the interview transcripts is undertaken to further identify the potential dimensions of CE-OAE and its potential antecedents and consequences. Thirdly, content analysis is employed to identify common words and phrases used by participants to express their engagement with the online auction experience. In the final section of this chapter, the processes for creating a draft CE-OAE scale plus consumer value in online auctions scale and risk in online auctions scale are reported.

5.2 Phenomenological approach to the analysis of stories of online auction experiences

As a first step in qualitative data analysis, close attention is given to the online auction experiences of the persons interviewed. During the course of the interview, some of the interviewees related stories of online auction experiences that were meaningful to them. A selection of seven examples of rich stories are presented and analysed below (with the remaining stories presented in Appendix 6). Each story concludes with an intrapersonal analysis of why the experience is “something ‘telling’, something ‘meaningful’ for that individual” (van Manen, 1997, p. 86), and why the experience might be a basis for this individual’s engagement. This section of the chapter then concludes with interpersonal insights from

analysis across the stories, and identification of the potential essence of engagement (Thompson, 1997; van Manen, 1997).

5.2.1 A birthday gift

Rob is a 30-40-year-old male. His job does not bring him a high income. He has been a Trade Me user for the past seven years and has achieved a 5-star rating. He is more of a buyer than a seller.

Rob had a previous experience of getting carried away with bidding to the point that he could not afford to pay for the item. He declared to himself that this situation would not happen again: "I learnt from my lesson."

However, he did get carried away with his bidding again. There was a very special occasion, his mother's 50th birthday. He wanted to buy her a special gift that he knew she wanted and would appreciate; however, he was concerned that he could not afford it, and did not have time to get it. Finally, he found something that his heart desired on Trade Me. He knew his mother would love it.

He went through a bidding war for three weeks and finally won the item. He describes what was going through his mind during this time: he was desperate not to let the item slip but at the same time he could see that it had gone over his budget. Should he look somewhere else for the same item? Could he get the same item at a cheaper rate? His head said, "I can't afford it", but his heart desired it so much. He rationalised continuing to bid by saying to himself he had two pays within the three week period so he could continue to bid, and if bidding got out of control, at least he could afford to pay for it.

He then explains his feelings when he finally won the item: he was elated that he won the bidding, and relieved that the bidding was finished, and that he had something to show for the long hours spent on the computer tracking the progress of the auction. Then he describes his feelings when handing over the gift to his mother: how rewarding it was because he knew that it was something she had wanted. He says he felt "joy". When asked to describe how his mother reacted, he said, "She cried, she cried." He then revealed what the item he won at auction was: a trip for his mother to the United States to see her sister whom she had not seen for almost 10 years. "That was my gift to her ... for her to go and have a holiday on

me, was priceless.” He summed up the experience by saying: “Money wasn’t really a factor after all.” Although money was what he was worried about before he looked for the item and during the bidding war, he realised that the joy that came with handing the present to his mum and seeing her reaction, was “priceless”.

One can argue that this was a very special experience in Rob’s life, and it is obvious that the auction played a part in this experience. Therefore, the connection with the auction experience had been made, as this was the place that enabled him to win the special gift for his mother. The rewarding experience he had has given him motivation to use the site in the future. Rob says, “That is why I still have the Trade Me account now. I know it’s there - Trade Me, is always going to be there for a long time and because it’s there, whenever I need something, I’ll motivate myself to look on Trade Me.... Unless something important comes up or something that I’m desperate to get hold of, then that motivation will be there just to keep going and looking for it.”

Rob sums up his engagement with the Trade Me experience, and his motivation to go back. Rob says the Trade Me experience grabbed his interest and his emotions. He feels that the use of Trade Me is part of who he is. It is the one place he will go back to when he wants to do shopping.

This was an extremely rewarding experience for Rob. It was an ordeal in the beginning, where he doubted himself a lot, but in the end, the joy that he was able to give his mother was priceless. Next time he wants to buy something, the emotional connection and motivation to use the auction site will be there.

5.2.2 Porcelain horses

Veronica is a 50-59-year-old female. She has been browsing Trade Me since she came to New Zealand eight years ago. She proudly shows off the decorations in her house and points out that being from a Latin American background she loves to fill her house with ornaments and display objects. She wants a house that is decorated with flair. She thinks that in her new country of New Zealand people have rather plain tastes, and thinks their houses are ‘empty’ of possessions and decorations.

Veronica tells a story about the two porcelain horses she bought on Trade Me. Her friend gave her a departing present when moving countries to New Zealand - a

Chinese porcelain horse in cream and blue. Veronica loved the horse; she called it “my favourite piece” and it meant a lot to her because it was associated with her move from her country to New Zealand.

One day she found the porcelain horse had disappeared. She found out later from her daughter that her husband had broken it because her husband “breaks everything”! She was very upset. She described her feeling at the time as “so sad that you cannot imagine”. She was determined to do something about it, and find a replacement. She got the details of the porcelain horse from her friend who had paid US\$800 for the horse in Uruguay. She then researched the horse online (in the US, China, and Europe, but not on Trade Me) and found a lot more details about the porcelain horse that made it even more precious for her. She found it was a very rare ornament. These horses are called Tang Dynasty horses and they are very expensive because they are very famous in China – the originals are some 4,000 years old. The ancient Chinese only used three colours and mixed these colours in decorating the horses. She was now even more determined to get the porcelain horse. “I wanted to have my horse again.” She didn’t look for the horse on Trade Me because she didn’t imagine that “here in New Zealand I was going to find that horse”. She eventually found a similar horse online in New York that was going to cost her \$800 to ship to New Zealand. However, she realised that this was not the proper time for her to spend this money on a porcelain horse.

One night she decided she was going to browse for the item on Trade Me. She says,

Once, I was doing nothing and I said ... I’m going to browse it on Trade Me. And I saw them! They had four. And I bought two. And you’re not going to believe me. I bought one – the big one – for \$49. And the little one for \$38. And I said ... Oh my God. I bought one. And probably it was just pick up – because it was one or two o’clock in the morning when I made that transaction. And the following day I said ... Oh my God, I bought that. Maybe it was just pick up – if it was in Wellington or in Christchurch – I didn’t – because I was so crazy with the horses that I put Buy-Now and I got it. And then you are not going to believe me this time – when I saw it was just pick up – North Shore. North Shore where? Glenfield. Around the corner. I rang the Chinese lady that she had the horses. And she’s a very old lady. Because her sons they immigrated to Australia and she’s getting rid of – she’s got two more that probably – this was maybe two months ago. That probably I’m going to buy the two more. She said – “No, I’m going to put them out of TradeMe and I’m going to present them to you.” So the story, it’s unbelievable.

To her surprise, she found not one, but four. What was more surprising were the prices. She bought two immediately that night (Buy-Now) for \$49 and \$38. She said, "I was so crazy with the horses that I put Buy Now and I got it." She describes her feeling the following day: "Oh my God, I've got the horses! Is it real? It's for real." She then realised that she may have to pay somebody to pick them up from Wellington or Christchurch. Because she was so desperate, she bought them without thinking whether she had to pick them up from a city hundreds of kilometres away. Then came the biggest surprise, "You are not going to believe me this time"; she found that the items she bought were sold from a house that was only around the corner from her house. The seller, who was from China and was selling her household items because her sons had immigrated to Australia, had two more porcelain horses for sale. She offered to take them off Trade Me and gave Veronica the chance to buy them as well. Veronica says the story is unbelievable! It is really unique that she found the porcelain horses on Trade Me and she says she loves the horses very much. "It's amazing. I never thought I was going to find them less than 100 meters from my home. Looking for them all around the world. Unbelievable."

This experience meant a lot to Veronica. When she found how much her friend paid for the porcelain horse and how rare these horses are, she became more determined to "find that horse" because it meant a lot to her and symbolised her move from her country to New Zealand. She never imagined she could find them in New Zealand. It was an impression that she formed about this country that these sorts of items are not available in New Zealand. The online auction's role in this story is that it enabled her very easily to "find this horse" that meant so much to her, when she thought she may never be able to replace it. And the auction site enabled her to meet this seller; even though the seller lives only a hundred meters from her house, she would never have met her without the auction site. Veronica describes this experience as "unbelievable". Her connection with the auction experience was established.

She sums up her engagement with the Trade Me experience: "I am excited. I am invigorated. I am passionate. Motivated... Enthusiastic. I think I am loyal to Trade Me because it's the first place that I always browse and it's the last one that I browse as well."

5.2.3 Kauri dining table

Caroline is a busy woman executive, who has expensive tastes in clothing and furnishings. She does not have much spare time. She does not like to shop, as she doesn't have the time. "I'm not a shopper. I know what I want; always have done." She doesn't shop around indiscriminately; she knows what she is looking for. She is a very busy woman and does not have time to attend live auctions or visit garage sales. Late at night, when she has a little free time, she browses Trade Me for specific items she has been looking for. She is patient, and will wait weeks or months until she finds what she wants.

She feels that she is in control of her buying. She knows what she wants. She goes online with a purpose in mind, has guidelines to follow, and sticks within her parameters. She takes her time and keeps searching until she finds what she wants. She is determined about what she wants. She has a smart eye for good quality clothing or furniture at a good price. In particular, she loves Rose and Heather furniture. She doesn't buy on impulse. She uses her time wisely to research the goods for sale. She will communicate with the seller several times asking lots of questions before making a purchase. "I am very informed on what I purchase."

My husband is an architect so he knows about product and we happened upon – I love Kauri because it's very much New Zealand, so I know where to look for things that aren't necessarily named. So we happened upon a terrible dining room suite, it was in terrible condition. It was gifted to the lady and she always hated it, so her children used to use it as their gymnasium. So when we picked it up it was covered in dirt. It was a mess but I knew what it was when I picked it up and I think we paid \$500 for an \$8,000 dining room suite. But it took us time to restore it because we had to take it back to its natural timber. But while we were there, she could see that we loved the product so she gave us a glass top to go with it and she had intentions of redoing the eight chairs but never got round to it, and gave us all the silk to do it as well. So we were just amazed. She was lovely and that she could see we were genuinely going to keep it and we were interested and fell in love with it, and she gave us the glass and the silk fabric. I mean, the fabric alone was very expensive and she said – "No, you have it. You're nice people, you have it." And that was a lovely experience.... She said – "I've got no need for it, you have it. You're going to look after it, you have it." We restored the table. My husband took all the upholstery off the chairs. He sanded down all the eight chairs and we had them reupholstered and it looks a million dollars, it's absolutely stunning.... I love it, I absolutely love it.

I was excited, yes. I recognised it as soon as I saw the pictures, I knew exactly what the product was, but the way that she'd worded the product, she didn't do it any justice, so people didn't recognise what it was - I did. So I was lucky

and she didn't know who Rose and Heather were and she wasn't really interested. But because I had a passion for that product I knew what it was.

The table owner didn't give justice to the furniture, but Caroline and her husband are very knowledgeable and know how to restore furniture.

This is an experience that will make her go back to Trade Me. She got a special dining suite at a bargain price and all the free items that came with it, and met a friendly woman in the process. In general, Caroline does not go out of her way to meet buyers or sellers, but has positive experiences when she does meet them. This seller was so friendly and so generous, gifting Caroline the tabletop glass and the expensive silk fabric to recover the chairs.

The purchase of the dining suite follows on from a similar incident where Caroline sold her Rose and Heather dining suite to a woman who had recently separated from her husband, and had only a few possessions. Her children had nothing to sit on for months. When she sold the dining suite, and got to know the buyer and her circumstances, Caroline gifted the woman cushions and repaired the chairs for her. "That engagement of people is lovely, because we want to help in some way." She says, "What goes around, comes around", by which she means good will come from being generous. She found the experience of helping out the woman and her children a "humbling experience" and believes that the "good" did come round when she found the Rose and Heather dining suite and the bargains she made.

Caroline describes her Trade Me experiences as living on the dangerous side. It is about the risk of the unknown. She knows the product, but does not know the people who are selling it. She puts the risk at the back of her mind, and gives it a go.

5.2.4 Putting my house up for rent

Don is an IT guy. He works in Auckland City and has a small family. He arrived in New Zealand in 2009. "Like most people say, they first find things online from Trade Me"; he started using Trade Me straight away after he arrived in New Zealand.

Initially, Don's use of Trade Me appeared mainly practical; together with his wife, they bought toys for their son, and when the toys were not suitable anymore, they sold them on Trade Me. They buy from Trade Me because it is cheaper.

Even though he doesn't admit it, Don talks about the social value of using Trade Me. "I like meeting people. With Trade Me you have the opportunity to meet people as well." He talks about the generosity of some people. "Sometimes ... if we pick up, some sellers that we found they were moving out of New Zealand to Australia, and sometimes they even give us free stuff – do you want this? Do you want this?" He also mentions the community aspect, "It's more like a community; people to meet people. Then basically if they are nice, then in some instances, they can give you anything they want. Some stuff that we sell (toys), the mother comes to pick up with the kids and again, my wife says, "How old is he?" or something like that. And we tend to know if the kids are a similar age, then more chat later on."

The story that he remembers well is when he put his property for rent on Trade Me:

You get your stuff sold as much as possible and as quickly as possible. Basically, you do a good description, do photos. I remember when we rented out our property, I put a very complex description for the house – photos, everything. I put that on at 1 o'clock in the morning. When I clicked 'Enter', in seven minutes three emails came asking about the property. 1 o'clock in the morning! What the hell are people doing – don't they even sleep? Then up till the next morning I was resting because I put myself on there. During the work days the phone kept ringing, even when I was in a meeting. So I was thinking – pretty sure because I put a lot of description – detail, and people saw it, it was good.... I was so amazed actually, I was amazed how fast.

Don managed to rent his property and found good tenants. Two things come out of this story: the epistemic value he gained from creating a good description and placing a lot of photos on the listing. He learned that people liked his property and started contacting him about it straight away. He knows now that promoting your property properly is key. He also learned the market value of his property and how the New Zealand market is doing in general. He also talks about the emotional value, the amazement that he felt about how fast people started emailing him seven minutes after he put up his listing at 1 am and throughout the next day.

Although at the start of the interview Don sounded like the practical guy who only uses Trade Me for functional reasons (buying toys, nappies, contact lenses) and he appeared to not be connected (or engaged) with his experiences, the social and community aspect eventually came up in his talk. When the interview started, he was indifferent about what his Trade Me experiences meant to him, however more

came out in his talk later. He even said later on, “Trade Me is about me”. He describes himself as the “Trade Me guy” who does not buy expensive goods from retail, like some of his rich friends do. He says that he is not that kind of person, he is the “Trade Me guy” who doesn’t mind buying second hand, as it is cheaper, and he can sell it again later. The rental property experience and the value he has gained from it is something that will make him come back again to the Trade Me site again when he has something to buy or sell.

Although he initially came across as merely a practical user of Trade Me, Don revealed the social value he receives from his Trade Me experiences and the enjoyment and fun element he gains. Although his engagement with his Trade Me experiences is not evident from one single story, the accumulation of experiences led to him admitting, “I’m addicted” and “I’m loyal to Trade Me”, and “I intend to use Trade Me again”.

5.2.5 Selling the Lego set

Maggie is a professional woman. She mostly uses Trade Me to sell goods. She says it is a good way to “get rid of some stuff”, rather than throwing things away.

She cares a lot about her self-image. She says the auction site star rating is a reflection of you so, “for me it’s that I don’t want negative feedback, so I’ll do everything I can to make sure I feel that I’ve done it properly”. When asked about her feedback rating on Trade Me, she says it is “mostly positive. I can tell you exactly when the negative one came.”

When describing a memorable experience, she talks about the selling experience when she received “the negative rating”. This is wedged in her mind. She says,

It was after the negative feedback. My son had a whole lot of Lego – you buy these different bits and add to it, so it was this huge big collection of Lego. New, it was worth \$600 or something like that. So I said to him – “Well, you put it all together and I will put it onto Trade Me”, but not realising that there were tiny bits that came with it that weren’t actually part of what he organised. So I sold it and the people that bought it, bought it for their grandchild I think. Then he sent me an email saying such and such little bit wasn’t in there and such and such little bit wasn’t in there and I felt really bad because I suppose the relationship when you’re selling something, you want them to be happy, so I felt really bad that I hadn’t made the effort to make sure that everything...What I did about six months later, we had another clean-out and I found a whole lot of little bits. So I emailed him and said I’d found all

these little bits, would you like me to send them to you. So he was very happy about that. It made me feel better.

The epistemic value she got from this experience is very apparent. Maggie learned a lot from her experience selling the Lego set and the feedback received after the sale. It meant a lot to her that the buyer did not give her positive feedback. She felt bad and responsible, and contacted the buyer again, six months after the sale, with the missing bits. She said it made her feel better that he was very happy about that. Since this experience Maggie has taken a lot of care preparing for the sale of an item.

Maggie always wants to appear good and make sure that her “name” on Trade Me is not tarnished with negative feedback. To her, self-image is very important:

And I suppose that that star rating is a reflection of you so for me it's that I don't want negative feedback so I'll do everything I can to make sure I feel that I've done it properly. As a family we have one Trade Me account so as a family I've made sure that I control it because it's my name on it and my teenage son is quite frequently wanting to – “Let's put this on Trade Me” – forgive the term “rich and bust” – get it out there without actually knowing as an adult that if you are going to sell something you have a responsibility to make sure that you portray it in the right way, and I suppose that's where that personal element comes in. It moves away from just being the screen and the actual site, because at some stage you engage with that person whether it's by email or talking to them when you exchange, or whatever, there is that engagement.

So I kind of made a decision that if I was going to actually use it, then I was going to try and do it as well as I possibly could and make things look nice and make it sound good.

Maggie is engaged with her experiences. She actually ‘stages’ the selling experience by making sure she does everything properly so she can enjoy the good feedback. The motivation to use Trade Me is not only to get rid of unwanted material and receive some money on the sideline, but also to receive positive feedback to prove that she has done the job properly. “I don't like the idea that someone thinks that I didn't do it properly.”

She describes her engagement as follows:

I enjoy the fact that I can get rid of stuff and the fact that I can get some money for it. I enjoy the entertainment factor. But also, it needs to fit around my life so that it can be as easy as possible, so it doesn't intrude as much ... and that personal side of having an auction is also part of that enjoyment and the

connection, and feeling good about the fact that – that all ran smoothly and you get that positive feedback at the end.

Maggie’s engagement with the auction experience is demonstrated by her intense identification with her actions as a seller. She wants to be seen to be a good seller. Her self-image is intimately tied up with her actions as a seller, and this might explain her engagement with her auction experiences.

5.2.6 In control

Sienna is a very experienced user of Trade Me. She has been using it for 10 or 11 years and has a rating of nearly 500 stars. She is a mother and works as a part-time administrator; she does a lot of work from home. She comes across as a confident person who knows what she wants. She doesn’t mind buying second-hand products. She calls herself the Queen of Trade Me:

It’s probably because I am quite savvy about it, and because I research a lot of what I’m looking at buying.... I’m quite savvy on selling things. A lot of my family get me to sell their stuff when they want to get rid of their things. So I’m known as the Queen of Trade Me in our family. Because I’ve got the time to do it, whereas the rest of my family’s – everyone else is working and things like that. Because, if you’re really quite serious about selling certain things, you do have to put a bit of time and effort into it. I’ve been doing it quite a long time as well.

When describing her experiences with using Trade Me, Sienna introduced the ‘control’ dimension. She believes Trade Me gives her the freedom to control her buying experiences unlike when buying from retail stores where she feels “harassed” by salespeople and rushed to make a purchase and not get all the information she wants on a product.

Sienna uses Trade Me to research the product she intends to buy, taking her time to find out as much as possible about what models are available on the market. At the same time, she will go to retail stores to try the product and see what it looks like, so she has a very good idea of what she is buying. But she won’t rush the purchase from Trade Me. She will watch the sellers and the bidders to see if they are novice or seasoned, and wait for the right product at the right price. This way she feels she has controlled the purchase situation and got the best out of two worlds. She believes buying from a retail store encourages impulse purchase. She tells the story of purchasing a bike from Trade Me:

I think I have made more bad choices going to retail shops and getting carried away, because I've got the thing in my hand. The thing about Trade Me, the beauty of it too, is that you have a week to think about it... Do I really want it? I bought a bike recently, actually, on Trade Me and I went and tried the model out at a bike store. I went and tried out the model of the bike at a bike store and I went back to Trade Me and bought it online second-hand. So versus going into a bike store, looking through all those bikes and going ... Right, which one? I found one with the price range for me that I wanted, that would work with a child seat, I went ... ok. Got the model, went to the bike store, trialled the bike for the size and made sure it worked, then went back to Trade Me and bought it for a third of the price that I would've been buying it for. And wasn't that satisfying? Because I've really controlled that whole thing. It was a good price and second-hand, all those things.

You can put things you want on your Watchlist, you become far more patient about when you do need things. That's why I probably do more research now, because I'm looking at - with the bike I looked at it for over a year just waiting for the right one to come up. Rather than going ... I'll settle for that one. I'll go ... It'll come up. I can be relaxed about it... And they do come up. Someone's always selling.

Sienna's bike story tells us that having control over the purchasing experience is a key dimension to her engagement. She even enjoys the auction experience more than buying from another website, because she is able to ask the sellers all the questions she wants and receive answers before she makes up her mind. She feels she is in control:

I'm enjoying it more than a retail experience. I'm the person at home that I do most of the buying. And you look at, that comes down to this, and this experience I'm enjoying far more than actually going shopping. And I enjoy it far more than buying stuff from another website. Because I feel I have a choice and control.

She finds that the sellers on Trade Me know more about the product they are selling than the salespeople in retail stores, because they have actually used the products and experienced them:

Often I find they [salespeople] don't know their product as well as someone who's used their own product. You can buy, for example, a washing machine and say ... How does it work? Does it actually take up this much? They could go ... Yeah, it's great on that, but not so great on that. So you're actually getting real feedback as to how something works.

Sienna's engagement with Trade Me comes from the fact that it allows her to have the control she wants. She couldn't have this control when buying from a retail store or from other websites:

You absolutely govern about how the experiences happen for you. If you don't like it, then you just take them off the Watchlist. And they can't ring you up and harass you and say ... Dah, dah, dah, dah. They can offer you a Buy Now if the product didn't sell, but that's as far as it goes. That's a very straightforward, clean relationship.

You don't have to impulse buy. Because you know these things come around and that all through the week, people are always listing.

Sienna gets all sorts of value from her experiences with Trade Me. The first obvious value is functional value, as she does not need to leave the house and her young children to look at multiple stores; she can find products much cheaper than in retail stores; she can get more information about the products she is buying than in a retail store; and she does not impulse purchase. She gets emotional value from the enjoyment and satisfaction of making a good purchase or a good sale; from being in control of the situation; and from benefiting ordinary consumers who are sellers, instead of the money going to a 'middleman'. She gets social value from meeting new people who she describes as lovely and very helpful. She got epistemic value when she first used Trade Me, as she now knows how to research the sellers and the buyers and not place a bid until the last minute; she can also tell from the Buy-Now price if the seller is new or experienced. Her online auction experiences provide many forms of value for Sienna.

A key aspect of Sienna's engagement, therefore, is being in control. She is an experienced salesperson, and knows to be patient and tactful when it comes to buying goods. The auction site gives her control of her buying and selling; she can avoid impulse purchases and pushy retail salespeople. Part of her engagement is about being able to choose when, where, and how she obtains the goods she wants.

5.2.7 My father's barometer

Walter is in his 40s and has been a member of Trade Me for a while. He both buys and sells from Trade Me, mostly household goods. Walter comes across as the practical guy who enjoys making extra money out of the goods he has no further use for and that are lying around his house. He enjoys his selling experiences and talks about the surprise element when an item sells for far more than he thought it was worth. He calls this discovery element the lucky dip in a barrel - he calls it an engaging experience.

Like many others interviewees, Walter believes in on-selling and doesn't mind buying second-hand products:

My son who uses Trade Me, he's got the view – I'll buy it, if I don't want it and it doesn't work out, I'll sell it and make much the same, I won't lose money. Whereas if you buy something brand new and sell it, you're going to lose money. Whereas second-hand, a lot of the things are just as good as new. In the past I've bought stuff for our children, for babies – car seats and that sort of thing off Trade Me and sold them for the same that we paid for them. So you use it for a year and then you on-sell it. Or you might lose a little bit, but it's like renting really – really cheap. So some things are very good in that sense, they hold their value, especially at the second-hand level.

However, there is an emotional side as well to Walter's experiences with Trade Me, which involves family members:

I think selling is always good and I told you about my Dad who passed away, and my brother and I went up and the stuff needed clearing up from the house. So my stepmother who was moving on at that stage said – "Here's all your Dad's and your family stuff and your grandmother's stuff", and my Dad had all of this stuff in the garage. What we didn't want would have gone into a skip. If it was rubbish it was going out. So we pretty much took everything that we thought was useful. One of the things there turned out to be a barometer, like a big thermometer, that measures the air pressure for weather, and it stood 1.5 meters high, probably on an oak piece of wood. And it was sort of standing in the back of the garage and I threw it in the back of the van at the last minute. Anyway, I took it home and it was in the garage for a while and in the end I put stuff on Trade Me so I took a photo of it and put it on Trade Me for \$1, because I didn't really know what it was. It got up to about \$400, I think, and it was like – ok. I moved it in and sort of polished it up a bit, took a few more photos and did a search on Google to find out what it was and why it was attracting so much interest, and being a piece of scientific equipment, it was made in England and I think to get them – it's very difficult to get now because you can't bring them out on an airline, and bringing them out on sea you need to recalibrate them. So brand new ones are like a couple of thousand dollars and it's very difficult to get them. And it has a big mercury base in it and it measures the air pressure, and you start finding out that it's got an ivory needle in it and this and that and the other, so you end up taking photos and promoting it more with bidders and put more information on, then it becomes more interesting. I shifted it into the bedroom at that stage and said "Kids, don't touch that!" So we sold that for \$750 I think in the end, from a \$1 reserve. In the past it would have gone into a garage sale or I don't know what I would have done with it.

The story of selling an item from his father's estate that he knew nothing about, and only picked up in the last minute, led him to know more about his father and appreciate the item more. This has become a meaningful story for Walter. Walter talks about discovering more about the barometer, and by doing so, he discovered

more about his father. Putting it for sale on Trade Me without knowing the value of the barometer led him to research the product more to find how unique it is. Here again is the surprise element; Walter was totally surprised to find out the barometer was worth a lot of money.

This story also demonstrates the epistemic value Walter has gained from his auction experiences. He knows how much some of his possessions are worth, and how to sell them. When it came time to sell a doll, he was smarter about what it might be worth:

Then there was a doll on as well and I'd sort of said it could go into the garage sale, because we were making piles of garage sale stuff and again, my wife said – "No, put that on Trade Me, dolls can be quite sought after." So we stuck it on Trade Me and I don't think we stuck it on for \$1 at that stage. I think I'd done a little bit of research after the last experience and of course the doll collectors and doll clubs, they started to show some interest and ask questions so again, you start promoting and looked up the doll clubs and tried to make sure that people were aware that this was on there and that went for \$400 I think. So it was an English doll – obviously somebody was interested in adding it to their collection and it had the original clothes or something with it.

Although he didn't keep these items for himself, Walter thinks by selling these items properly with good photos and promotion, he is prolonging the life of the product, and selling it to the right people who appreciate its value and will look after it:

I think with most things when we're selling, especially the collectibles, it can be quite interesting and I think it's part of... With some of those things, the collectibles, and especially from an estate – your Dad's and your grandparents, it's kind of like, should we keep getting rid of this or should we store it in the attic for 100 years. It's kind of – the idea is that it goes to somebody who's going to look after it and it's going to a home where somebody appreciates it and might restore it or something 'cos it's quite nice.

Not all Walter's experiences have been positive:

I had some bad experiences – well, not bad experience but I sold a tool box I think it was, and again, I sold it for \$1 and I think I said to people it was hardly worth it for \$1. But they ended up just mucking us around and in the end they didn't pick it up. I can't remember. So we had to send into Trade Me a complaint and sort of outline what went wrong with the sale.

Walter not only appreciates the cash value he gets from selling these items but he talks about enjoying the experience, enjoying watching the bids going up and up,

“You do [get so excited] and it’s only a few dollars but it’s something that you’re involved in and you’ve got a stake in, in that sense. It’s quite fun. So I think it is quite engaging.” Walter gains emotional value from his experiences, as he says: “There is an excitement gained, there is a fun side to it, so you have a good experience.”

The experiences have value in themselves, as stories worth telling: “I think also they become stories that you tell people.”

Some of Walter’s experiences are very meaningful for him. He has had experiences selling the possessions of family members with meaning behind them. He wants to on-sell these items to buyers who will appreciate them. These engaging experiences become stories to tell. He has gained considerable value from these experiences - not just utilitarian value, but also emotional and epistemic value. Walter’s engagement with the auction experience is most often to do with selling; here there is also the dimension of surprise to his engagement, to watch and wait and see whether his goods for sale are worth a lot, or worth little.

5.2.8 Insights from consumer stories

The stories of auction users reveal special, surprising consumption experiences connected with buying and selling that were meaningful and engaging for the consumers interviewed. The experiences were especially rewarding, at times emotional, humbling and social. The experiences stretched well beyond the act of buying and selling online; they included events and actions the consumer participated in before going online, and events and actions participated in after being online.

For some consumers, their experiences with the auction site became stories to tell others. At times, the stories involved connection with family members such as parents, children or spouses. The experiences empowered, enabled, and made an impact on some of these people’s lives. Buyers and sellers at times became emotionally connected to their online auction experiences. A number of the consumers identified with their auction experiences as expressions of their self-image. Some consumers were pleasantly surprised by their auction experiences. Others were eager to be in control of those experiences. Many felt loyal, passionate or even addicted to use of the auction site.

The stories reveal various forms of functional, emotional, social and epistemic value that consumers gained from their experiences. These experiences and the value they provided suggest why consumers can be engaged with the auction experience. Yet the consumers did not always have positive experiences. There have also been negative experiences associated with anger, disappointment, and resentment. For some consumers this may have affected their engagement to an extent, nevertheless it did not stop them using the auction site. For others, negative experiences may have stopped them using the auction site altogether. Many learned from their negative experiences, and gained epistemic value. This motivated them to be more vigilant the next time they interacted with other auction users.

The people who had a rewarding, memorable experience recalled this experience next time they bought or sold something in the auction. As a result of their memorable experiences, these consumers were motivated, and enthusiastic to repeat the auction experience.

The essence of engagement that can be derived from these stories is that engagement is about being emotionally connected, identifying with the experience, being highly interested, passionate, motivated and enthusiastic to repeat the experience. *It all starts with a meaningful experience.*

Having analysed the experiences of the consumers interviewed with a phenomenological approach, attention now shifts to thematic analysis of the entire qualitative dataset, to explore further the potential components of consumer engagement, and its potential relationships with experience, value, and plans for future use of the auction.

5.3 Thematic analysis of the qualitative dataset

This section reports results of thematic analysis of the entire qualitative dataset of 17 interviews. Thematic analysis agglomerated the qualitative data from all consumers interviewed, and sought to identify common ideas (codes) and themes across the entire dataset. Coding of the interview transcripts revealed 75 unique codes (see Appendix 7 for a full list of codes). These codes represent seven themes in the data, as follows (Table 5.1): (1) participants spoke at length of their online

auction experiences, the outcomes of which were either positive or negative; (2) participants recognised the value they gained from these experiences; (3) the potential dimensions of consumer engagement were revealed in the descriptive terms used by participants; (4) participants spoke of how frequently they used the auction site; (5) initial insight was gained into potential antecedents and consequences of engagement; (6) risk was a regular theme in participant's conversations; finally, (7) some insight was gained into the consequences of a decline in engagement. In the discussion that follows each of these seven themes is explored in depth, together with codes (and sub-themes) that comprise each theme. Sample excerpts of interview transcript are provided in support of each theme.

Table 5.1 - Themes in Consumer Engagement

Theme	Description
Experiences	Auction experiences, both online and offline
Value from experiences	Functional, emotional, social, and epistemic value gained from online auction experiences
Engagement	Potential components of consumer engagement with the online auction experience
Ongoing use	Visit the auction site frequently
Antecedents and consequences	Potential antecedents and consequences of engagement
Risk	Risks in using the online auction
What happens if engagement declines?	Consequences of a decline in engagement

5.3.1 Experiences

Auction users spoke with enthusiasm about their online auction experiences. Section 5.2 presented an in-depth analysis of some of these experiences told as stories by individual interviewees. In this section, the breadth of all interviewee experiences across the dataset is explored to understand the variety of consumer experiences. These include experiences of bidding, getting carried away in a bidding war, the joys of winning an auction, and the sorrows of losing an auction; experiences of browsing the site to follow product categories of interest; and experiences of selling.

Table 5.2 - Codes Comprising the Experiences Theme

Code	Description
before a purchase	Before going online, the wish to find a desirable item.
bidding	You can get carried away with bidding. It can become a bidding war, your adrenaline kicks in, and you end up paying more than you should. If you win it is joy; if you lose it is sorrow. A roller coaster.
browsing	Just looking, out of interest, to see what is available. Like window-shopping.
getting free stuff	The seller gave me free stuff. That was a positive experience.
meeting buyers/sellers offline	Meeting fellow traders after the auction closes. Often a friendly occasion.
negative experiences	The buyer changed their mind, and wouldn't pay. They didn't answer my emails. Despite the sale price, the buyer then wanted to haggle about the price again. They complained about the product I sold, even though they got it really cheap. The product wasn't as good as the seller made it out to be. Lied about the product being damaged.
preparing items for sale	Cleaning, photographing, writing a description of the item for sale.
selling	Selling experiences can engage you in Trade Me. You hope it sells, you are monitoring the sale, you get pleasure from selling.
stories	The most memorable experiences of users.
unique experiences	I can remember the experience. Everyone has different experiences.

Bidding for an item attracted sustained interest from buyers; likewise, having an item for sale, and watching its fortunes, attracted sustained interest from sellers. Experiences also occurred off-line, both before and after the auction, such as the wishes and fantasies to obtain a desirable item long before logging in; preparing items for sales by cleaning, photographing, and writing advertising copy; and meeting fellow buyers and sellers after the sale, which could be a very friendly experience. Some user experiences were decidedly negative, for example, when a seller did not receive payment for goods and the winner of an auction refused to

reply to the seller's communications. Table 5.2 presents the codes making up this theme.

5.3.2 Value from experiences

A large number of codes relate to the value auction users gained from their auction experiences. These codes are categorised into five sub-themes: functional, emotional, social, epistemic and competition value. The five sub-themes identify the 'Value' theme (Table 5.3). Each of the value subthemes are explained below.

5.3.2.1 Functional value

Aspects of functional value gained by buyers include getting bargains, the ease of use and convenience of the auction site, gathering information on the marketplace, the breadth of products available, and getting access to rare items. Aspects of functional value gained by sellers include the ability to get rid of unwanted possessions, and the ability to on-sell product they no longer required. The breadth of products available at bargain prices meant the auction site was seen by some users as "having everything" and "the first place to go to":

There's so much there. You can spend hours on Trade Me. If it's not something new it might be something very unique and different. It's not like going into Botany [the mall] and going shopping and buying new things that everyone else has. It can often be very unique and different things.... If you look at the different auction sites, Trade Me has far more on there. So instead of maybe one item on another auction site, Trade Me may have 100 of the same thing, so you can find maybe a very unique version. (John, male, aged 20-29 years old)

5.3.2.2 Emotional value

Auction experiences provided many users with emotional value, including joy, elation, relief, entertainment, excitement, fun, and game-playing:

Yes, there is that excitement when it's going up in the last five minutes, or the last couple of minutes when it keeps going up. I've had that happen where I was selling something – I didn't know what it was worth so I put it on as an auction. I put it as a \$1 reserve so it would sell for whatever. And it was – five minutes before it ended it was at \$100 and then it went up another \$300 in the last five minutes. That's quite cool seeing it go up. (John, male, aged 20-29 years old)

Table 5.3 - Sub-Themes and Codes Comprising the Value Theme

Sub-theme	Code	Description
Functional Value	bargain	I am always looking for a bargain. I don't want to pay full price. That is why I visit the site frequently, I have items on my watchlist; I am looking for the bargain price on the things I want.
	functional value	Ease of use, looking for a specific item, buying the things I need, bargains, convenience.
	get rid of stuff	Trade Me is useful, so I can get rid of stuff.
	information on the market	I learn about what is in the market, and what prices are charged. This is useful, whether I am selling or buying.
	it has everything	Everything is available in this one place.
	on-sell	If I buy too much, I can just on-sell. It's a safety net.
	rare stuff - specific stuff I am looking for	I can find rare stuff on Trade Me that you can't find in retail stores. Trade Me has the rare stuff I am looking for.
	research first	I use Trade Me to research first, before I buy. I research what is on offer, before I place a bid.
Emotional Value	the first place I go to	Trade Me is the first place I go to, to find stuff
	emotional	Experiences evoke a variety of emotions: I love it, elated, relieved, a roller coaster of emotions.
	entertaining	It's something different, entertaining to do. It is interesting. It's like window-shopping. It is exciting. The process of using it is enjoyable, when I have everything set up to run. Meeting other people, going to new places to pick up goods.
	exciting	Bidding is exciting
	fun	Using Trade Me is fun
	happy	I was happy to find the item I was after. I was happy to win the item.
	it's a game	It's like a game. You are playing against other people. It's exciting.

Social Value	social value	I like meeting the people I buy from / sell to. They are nice people. Lovely people. They have children my children's age. They are generous. They are friendly. It's like a community. I like the personal interaction with the actual seller, instead of dealing with a middleman. I enjoyed helping them out.
Epistemic Value	epistemic value	I know how to use Trade Me. I have learned how it works. I know how to sell stuff. I know how to bid. I have mastered it. I am savvy.
Competition Value	competition	Consumers enjoy the thrill of competition.

5.3.2.3 Social value

Users gained social value from their auction experiences. They enjoyed meeting new people. They found other auction users to be friendly, at times generous. Dealing with other consumers as buyers or sellers provided a more personal interaction than one would have purchasing from a retail store:

The first thing I bought off Trade Me was a yucca plant. It was four metres tall in Franklin, and they delivered it to the house and they helped put it in the ground. It was lovely people and they were really nice. What I liked about it was that there was no middleman ... you meet some really nice people. I love that whole experience. (Sienna, female, aged 40-49 years old)

5.3.2.4 Epistemic value

Some users also revealed the epistemic value they gained from their auction experiences. This included learning how to use the auction site to their advantage, mastering the tricks of how best to buy and sell items. One seller changed her approach to selling second-hand children's toys after she received negative feedback from a buyer:

So I've learnt now that the preparation is in making sure that it's all a complete set of something and it's all tidied up and ready for sale. We take the photos – a bit of a team effort when there's kids involved – then, make it a live auction. There's a bit more organisation in it now. It was after the negative feedback. (Maggie, female, aged 50-59 years old)

5.3.2.5 Competition value

Finally, and somewhat unique to the auction experience, some auction users gained competition value, as evidenced by the thrill of competition enjoyed by some consumers:

It's fun, and you do get caught up in it. It's exciting, especially when there's bidding because you're bidding against somebody else. (Caroline, female, aged 50-59 years old)

5.3.3 Engagement

Seven codes extracted from the data comprise the engagement theme. These codes represent what engagement meant to interviewees, and help identify possible dimensions of engagement (Table 5.4).

Table 5.4 - Codes Comprising the Engagement Theme

Code	Description
Cognitive	Interest and curiosity in the online auction experience
Affective	Enjoyment, excitement, passion for the online auction experience
Self-image	The auction experience is an important part of the consumer's life, a reflection of who they are
Motivational	The consumer is motivated and enthusiastic to repeat the auction experience
Control	The consumer is in control of their auction experiences
Surprise	The auction experience is full of surprises
Addiction	The consumer is obsessed and addicted to the auction experience

The cognitive dimension was expressed by interviewees in the amount of on-going interest they had in the auction experience. Interviewees found the auction experience thought provoking, and intriguing. As Marilyn expressed it,

Yeah, I'm interested in clothes, I'm interested in furniture. That's from a buying perspective. For selling, I'm also curious to find out what things are worth, what other people are selling. It's a huge market. I always think if you had a

physical garage sale, it's just such a small market and when you sell something on there, you're throwing it open to so many people. People in Invercargill, that would never be able to see what you had to sell otherwise. So that makes it really interesting. (Marilyn, female, aged 40-49 years)

A number of interviewees spoke passionately about their auction experiences. In doing so, they demonstrated an affective dimension to their engagement with the auction experience. This is demonstrated in the words of Maggie:

That personal side of having an auction is also part of that enjoyment and the connection, and feeling good about the fact that – that all ran smoothly and you get that positive feedback at the end. (Maggie, female, aged 50-59 years)

A self-image dimension of engagement was evident in the interviews. Consumers in an online auction have a profile online for everyone to see. Even though most auction users use pseudonyms when they trade, many users were concerned about their image - they wanted to be seen as honest and reputable, and they were concerned about their feedback ratings. Some auction users took their roles as buyers and sellers seriously and wanted to perform well in these roles; their social (or public) self was reflected in the feedback given by other auction users, as seen in the expressions of interviewees:

That star rating is a reflection of you so for me it's that I don't want negative feedback so I'll do everything I can to make sure I feel that I've done it properly. (Maggie, female aged 50-59)

I'm quite savvy on selling things. A lot of my family get me to sell their stuff when they don't want to get rid of their things. So I'm known as the Queen of Trade Me in our family. (Sienna, female, aged 40-49)

A number of interviewees also expressed a motivational dimension to their engagement with the auction experience. They were enthusiastic to repeat the experience and wanted to return to the auction again and again:

Yep, keep coming back because the experiences that you feel, they're good things. (Richard, male, aged 20-29 years)

Three additional dimensions not considered in the literature are revealed: control, surprise, and addiction. These new dimensions are now explained. Some consumers expressed engagement as a matter of being *in control*, of having mastery of the situation. Analogously in the information systems literature control is recognised as an important aspect of human-computer interaction (Hyder & Bigne, 2016). For these auction users, part of engagement with the online auction

experience was being able to use the auction to their advantage, to get the goods and prices they wanted without being pressured or manipulated.

I prefer that I have control over it, versus when you go to shops and that you feel like the control is taken out of your hands very quickly.... Trade Me – you can ask any question you want. If they don't respond then it's your decision about whether or not you keep going pursuing it. (Sienna, female, aged 40-49 years old)

The second new dimension of engagement revealed in the data is *surprise*. Auction users considered that auction experiences include an element of the unknown; the buyer does not know what they will find for sale on the site, or whether they will win it at auction; the seller does not know how much their goods will fetch.

In one sense there's almost that – you put it on for \$1 but you don't know how much – it's kind of like a lucky dip in a barrel. Oh, look, it's actually worth something. There is almost that lucky dip type thing. You're not quite sure how much this is going to go for. So that's an engaging part of it and then you find yourself – I think when you're selling things, I find myself checking it just to see what's happening. Seeing if anyone's bidding on it, how many watchers there are. (Walter, male, aged 40-49 years old)

The third new potential dimension of engagement is addiction. Some consumers explained they are obsessed or “addicted” to their auction experiences. Whether all seven potential dimensions play a role in a valid and reliable measure of consumer engagement with the online auction experience is investigated in Studies Two and Three (Chapter 7).

5.3.4 On-going use

A further theme, comprised of a single code, is ‘on-going use’. Interviewees revealed that they return to the auction site often to buy and sell, following their positive experiences:

You keep coming back because the experiences that you feel they are good things. (Rico, male, aged 20-29 years old)

And that's why I know I will use it again because there will always be bits and pieces that I want to buy or sell. (Anna, female, aged 40-49 years old)

5.3.5 Antecedents and consequences

In the interview dataset, some evidence exists regarding the antecedents and consequences of engagement (Table 5.5). For example, some evidence points to the influence of experiences on value and engagement:

If I wasn't having good experiences then I wouldn't be going back there. (Ed, male, aged 40-49 years old)

Other evidence points to value gained from experiences influencing the level of engagement:

I suppose that engagement is for me, based on what the return is. So if the return's positive, then for me it's a positive experience. (Maggie, female, aged 50-59 years old)

It appears likely that high levels of engagement lead to ongoing use of the auction site:

So I'm enthusiastic and that's why I know I'll use it again. (Anna, female, aged 40-49 years old)

Table 5.5 - Antecedents and Consequences of Engagement

Code	Description
experience to engagement	I keep coming back because I have positive experiences. If I get something of value, if it's a positive experience, I come back.
value to engagement	I am engaged because of the value I get from using Trade Me
engagement to on-going use	I will use it again because of my engagement

As this was an exploratory study, this evidence of antecedents and consequences of engagement is of a preliminary nature to be tested in Study Four (Chapter 8).

5.3.6 Risk

A theme that occurred repeatedly in the interviews is the prominence of risk in buyers' and sellers' behaviour. This theme consists of a single code, risk/trust. Auction users appear aware of the risks in buying and selling, but have learned to take actions to minimise risks, such as checking the feedback rating on sellers, checking the product before sending money, and not buying big ticket items:

There are always concerns when going – you hear stories about people buying on the Internet and the fraud that goes on. There's always that concern, whether the money you're putting into an account is going to supply you the goods ... that's something that will never go away no matter how much experience you've had with Trade Me. (Rob, male, aged 30-39 years old)

The literature discussed in Chapter 2 suggests that experienced auction users have overcome a threshold of risk and therefore for experienced users risk might not impact on their engagement with the online experience. The potential impact of risk on engagement with the online auction experience was tested in Study Four (Chapter 8).

5.3.7 What happens if engagement declines?

Finally, some interviews broached the issue - what if engagement in the online auction experience declines? Two codes support this theme: engagement declines, and my relationship has changed. A number of interviews suggested that interest and enthusiasm for the auction experience could decline if experiences became homogenised, and offered no new experiential component:

The interest in jumping on a website for periods of up to three hours isn't there anymore... I guess it's not really something that's got my interest anymore.... When I first started it was the 'wow' factor.... I guess my motivation now is sort of dying down. (Rob, male, aged 30-39 years old)

Having analysed the auction experience of interviewees with a phenomenological approach and having identified seven key themes in the qualitative dataset using thematic analysis, attention now shifts to content analysis of the interviews in order to identify specific words and phrases used by participants to express consumer engagement with the online auction experience and to generate potential items for the CE-OAE, consumer value, and risk in online auction scales.

5.4 Content analysis

Interview data comprising the seven potential dimensions of engagement were content analysed to identify words and phrases expressing engagement that might form potential items for the CE-OAE scale (Table 5.6).

Table 5.6 - Words and Phrases Expressing Engagement

Cognitive

“of course I’m very interested” (Caroline)
“I’m also curious” (Marilyn)
“it definitely is absorbing” (Anna)
“I guess it captured my interest” (Rob)
“and I’ve thought – why do people want that?” (Maggie)
“so if I’m focused on that I’ll go in and I’ll look at that and sometimes I can stay focused” (Anna)
“Maybe the concentrating, yeah” (Lulu)

Affective

“I guess on the day I was happy” (Richard)
“also part of that enjoyment and the connection, and feeling good” (Maggie)
“I love it so much” (Veronica)
“it is exciting when you’re genuinely wanting to bid on an item – you’re right in there.” (Richard)
“it interests me enough to be engrossed” (Anna)
“there are other words – hooked or enthralled” (Anna)
“from then on I was hooked” (Douglas)
“I am invigorated” (Veronica)
“I suppose there’s an element of entertainment in that” (Maggie)
“I am passionate” (Veronica)

Self-Image

“it becomes an ongoing or a continuous part of your life” (Rob)
“that star rating is a reflection of you” (Maggie)
“at the same time it’s made Trade Me a part of me” (Rob)
“it is a big part of me now” (Rob)
“so I’m known as the Queen of Trade Me” (Sienna)
“I have already an image of the person I want to be so it’s maintaining that and not compromising that” (Walter)
“I suppose that’s your own personal pride in how you do things” (Maggie)
“that personal side of having an auction is also part of that enjoyment and the connection” (Maggie)

Motivational

“I’m motivated to make it work” (Maggie)
“it’s motivating to have a look on there all the time” (Marilyn)
“so I’m enthusiastic and that’s why I know I’ll use it again” (Anna)
“it’s time-consuming preparing it and then it’s also time-consuming actually making arrangements” (Maggie)
“you do have to put a bit of time and effort into it” (Sienna)
“it’s all a motivation factor for you to keep on looking and using Trade Me” (Richard)

“I’ll always go back and have a look and see what’s out there” (Ed)
“I would always go back regularly” (Lulu)
“I’m loyal to Trade Me in that sense” (James)
“keep coming back because the experiences that you feel, they’re good things” (Richard)
“getting a bargain makes me want to go back” (Anna)

Control

“I’m very much in control” (Caroline)
“I try not to get carried away” (Richard)
“you have to have the strength to say no” (Caroline)
“I’m very careful with my money” (Caroline)
“I prefer that I have control over it” (Sienna)

Surprise

“it was like a surprise” (Anna)
“I was nicely surprised” (Caroline)
“I was surprised to win that one” (Marilyn)
“I checked it and ended up winning it which I was a little bit surprised about” (Walter)
“you’re not quite sure how much this is going to go for. So that’s an engaging part of it” (Walter)
“and that’s where that unknown – give it another try. So that part is quite fun” (Maggie)
“it’s kind of like a lucky dip in a barrel” (Walter)

Addiction

“I guess obsessive in the sense that I’m constantly checking Trade Me to see if there’s been any new listings” (James)
“Yes, it is a bit addictive I think” (Anna)

The cognitive aspects of consumer engagement are well recognised in the literature. In describing their online auction experiences, interviewees expressed their interest and curiosity. They spoke of being absorbed. Their auction experiences stimulated their interest and were thought provoking. Interviewees described being focused or concentrating on their auction experiences. The affective aspects of consumer engagement are also well recognised in the literature. Interviewees spoke of being happy, feeling good, loving it, being excited, engrossed, enthralled or hooked, invigorated, entertained or passionate about their auction experiences.

One aspect of consumer engagement also spoken of in the literature is the connection of the object of consumption to the consumer’s self-image. A number of

interviewees expressed that their auction experiences were an important part of their life, a part of who they are, an aspect of their self-image, a source of personal pride, or something they have a personal connection to.

A further aspect of consumer engagement with the online auction experience is the motivational aspect. In expressing their engagement with the auction experience, a number of interviewees said they were motivated, enthusiastic, willing to invest time or effort into their experiences, were loyal and intended to come back.

As mentioned in Section 5.3.3, three further aspects of consumer engagement with the online auction experience are identified that have not been discussed in the literature. The first of these is being in control. When expressing their engagement with the online auction experience, some interviewees spoke of being in control, of having control over the experience, of not getting carried away. The second aspect of consumer engagement revealed in the interview data, but not previously emphasised in the literature, is surprise. A number of interviewees said their auction experiences were full of surprises, that as a buyer or seller they did not know what they would find, or they did not know how lucky they would be. Thirdly, some interviewees expressed their engagement with the online auction experience as being obsessive or addictive.

5.5 Discussion of findings of the qualitative enquiry

The qualitative enquiry helped understand consumer engagement with the online auction experiences, its nature and dimensionality, which in turn will help define the construct.

The phenomenological analysis of consumers' stories of their auction experiences helped understand what typical online auction experiences are and why remembered, valued experiences are important; helped understand the essence of consumer engagement, and why online auction users become engaged. The phenomenological analysis revealed the basis of consumer engagement is the rewarding auction experiences of interviewees. Interviewees spoke of the various types of value they gained from their experiences. Consumer engagement with the online auction experience appears to be about being emotionally connected with the auction experience ("I love it so much"), identifying with the experience ("it's a

big part of me now”), being highly interested (“it captured my interest”), passionate (“I am passionate”), motivated (“it’s motivating to have a look on there all the time”) and enthusiastic to repeat the auction experience (“so I’m enthusiastic and that’s why I know I’ll use it again”).

Thematic analysis of the interview transcripts revealed the importance of valued experiences for consumers and helped understand what creates value for auction users. It also helped understand engagement further by suggesting the possible dimensions of consumer engagement with the online auction experience. Results of the thematic analysis also revealed the types of value consumers are gaining from their auction experiences. Initial insight was provided into experiences and value as likely antecedents to consumer engagement and on-going use as a likely outcome of consumer engagement.

Risk was also revealed as an important issue for consideration when investigating consumer engagement with the online auction experience. The findings of the qualitative enquiry also revealed that consumer engagement with the online auction experience might not last indefinitely, as there was evidence that a loss of interest in the auction experience might lead to a loss of engagement.

Finally, the thematic analysis and content analysis of interview transcripts revealed seven potential dimensions of consumer engagement with the online auction experiences - cognitive, affective, motivational, self-image, surprise, control, and addiction – and generated items for the draft CE-OAE scale.

5.6 Creation of the draft Consumer Engagement in Online Auctions (CE-OAE) scale

A pool of 60 items for use in the draft CE-OAE scale was created using the words and phrases revealed by the content analysis of interview data, items found in the marketing literature on engagement, and existing scales to measure engagement in a marketing context. Table 5.7 lists these items and also identifies which of these items were pre-tested in the qualitative interviews.

Table 5.7 - Initial Pool of Items for the CE-OAE Scale

	Referred to in the literature	Similarly worded items from existing scales	Identified in content analysis of qualitative interviews	Interview participant checklist
1. I'm very interested	Higgins (2006); So et al. (2014); O'Brien and Toms (2010); Cheung, Zheng, and Lee (2014)	-	"of course I'm very interested" (Caroline)	√
2. I'm curious	O'Brien and Toms (2010)		"I'm also curious" (Marilyn)	√
3. I'm absorbed	Higgins (2006) ; Patterson, Wu, and De-Ruyter (2006), Cheung, et al. (2014), O'Brien and Toms (2010);		"it definitely is absorbing" (Anna)	√
4. I'm immersed	Pine and Gilmore (1998); Cheung, et al. (2014)			√
5. It grabs my attention	So et al. (2014);	"Anything related to X grabs my attention" Vivek (2009)		
6. I pay a lot of attention to it	O'Brien and Toms (2010); Vivek (2009); So et al. (2014); Cheung, et al. (2014)	"I pay a lot of attention to anything about it" - Vivek (2009)		
7. It stimulates my interest	Calder, Malthouse, and Schaedel (2009)		"I guess it captured my interest" (Rob)	
8. It is thought-provoking	Calder et al. (2009)		"and I've thought – why do people want that?" (Maggie)	
9. I'm intrigued				

	Referred to in the literature	Similarly worded items from existing scales	Identified in content analysis of qualitative interviews	Interview participant checklist
10. I think about it a lot	Calder et al. (2009); So et al. (2014)	"I think about [brand] a lot when I am using it" - Hollebeek et al. (2014)		
11. I'm focused on it	O'Brien and Toms (2010)		"so if I'm focused on that, I'll go in and I'll look at that and sometimes I can stay focused"(Anna)	√
12. I concentrate on it	Higgins (2006) ; Patterson, et al. (2006); So et al. (2014)		"maybe the concentrating, yeah" (Lulu)	
13. I am drawn in		"I was really drawn into my shopping task" - O'Brien and Toms (2010)		
14. I lose track of time		"I was so involved in my shopping task that I lost track of time" - O'Brien and Toms (2010)		
15. Time just slips away		"The time I spent shopping just slipped away" - O'Brien and Toms (2010)		
16. Time flies when I am using it	Cheung, et al. (2014); So et al. (2014)			
17. I lose myself when I am using it	O'Brien and Toms (2010)			
18. I'm happy	Calder et al. (2009);	"Using [brand] makes me happy" - Hollebeek et al. (2014)	I guess on the day I was happy" (Richard)	√

	Referred to in the literature	Similarly worded items from existing scales	Identified in content analysis of qualitative interviews	Interview participant checklist
19. I feel good about it	Calder et al. (2009);		“also part of that enjoyment and the connection, and feeling good” (Maggie)	
20. I love it		“I love [x] with my friends” - Vivek (2009)	“I love it so much”(Veronica)	
21. I’m excited	So et al. (2014)		“it is exciting when you’re genuinely wanting to bid on an item – you’re right in there” (Richard)	√
22. I’m engrossed	Higgins (2006)		“it interests me enough to be engrossed” (Anna)	√
23. I’m enthralled	Higgins (2006);		“there are other words – hooked or enthralled” (Anna)	√
24. I’m hooked	Higgins (2006);		“from then on I was hooked” (Douglas)	√
25. It’s an important part of my life	Vivek (2009)		“it becomes an ongoing or a continuous part of your life” (Rob)	
26. It’s about me			“that star rating is a reflection of you” (Maggie)	√
27. It’s part of who I am	Sprott, et al. (2009)		“at the same time it’s made Trade Me a part of me” (Rob)	
28. Part of me is defined by it		“Part of me is defined by important brands in my life” - Sprott, et al. (2009)	“it is a big part of me now” (Rob)	
			“so I’m known as the Queen of Trade Me” (Sienna)	
29. It’s about my self-image			“I have already an image of the person I want to be so it’s maintaining that and not compromising that” (Walter)	

	Referred to in the literature	Similarly worded items from existing scales	Identified in content analysis of qualitative interviews	Interview participant checklist
30. I'm proud to be a user		"I'm proud to use [brand]- Hollebeek et al. (2014)		
31. It's about my personal pride			"I suppose that's your own personal pride in how you do things" (Maggie)	
32. I have a close personal connection to it		"I often feel a close personal connection between my brands and me" - Sprott, et al. (2009)	"that personal side of having an auction is also part of that enjoyment and the connection" (Maggie)	
33. I am connected to it	Calder and Malthouse (2008); Vivek (2009)			
34. I'm in control	O'Brien and Toms (2010)		"I'm very much in control" (Caroline)	√
35. I don't get carried away			"I try not to get carried away" (Richard)	
36. I have the strength to say no			"you have to have the strength to say no" (Caroline)	
37. I'm very careful			"I'm very careful with my money" (Caroline)	
38. I have control over it			"I prefer that I have control over it" (Sienna)	
39. I'm invigorated	Patterson, et al. (2006)		"I am invigorated" (Veronica)	√
40. I'm entertained			"I suppose there's an element of entertainment in that" (Maggie)	√
41. I'm passionate	So et al. (2014);	"I am passionate about [x] - Vivek (2009)	"I am passionate" (Veronica)	√

	Referred to in the literature	Similarly worded items from existing scales	Identified in content analysis of qualitative interviews	Interview participant checklist
42. I'm obsessive	Vivek (2009)		"I guess obsessive in the sense that I'm constantly checking Trade Me to see if there's been any new listings" (James)	√
43. I'm addicted			"Yes, it is a bit addictive I think" (Anna)	√
44. It's full of surprises			"it was like a surprise" (Anna) "I was nicely surprised" (Caroline)	
45. It's surprising	Calder and Malthouse (2008)		"I was surprised to win that one" (Marilyn) "I checked it and ended up winning it which I was a little bit surprised about" (Walter)	
46. You never know how lucky you will be			"you're not quite sure how much this is going to go for. So that's an engaging part of it" (Walter)	
47. You never know what you will find			"and that's where that unknown – give it another try. So that part is quite fun" (Maggie)	
48. It's like a lucky dip in a barrel			"it's kind of like a lucky dip in a barrel" (Walter)	
49. I'm motivated		"I'm motivated to participate in the brand community's activities" - Algesheimer, et al. (2005)	"I'm motivated to make it work" (Maggie)	
50. It's motivating	Calder and Malthouse (2008)		"it's motivating to have a look on there all the time" (Marilyn)	√
51. I'm enthusiastic	Vivek (2009); Cheung, et al. (2014)		"so I'm enthusiastic and that's why I know I'll use it again" (Anna)	√

	Referred to in the literature	Similarly worded items from existing scales	Identified in content analysis of qualitative interviews	Interview participant checklist
52. I am committed to using it	Mollen and Wilson (2010)			
53. I am dedicated to it	Patterson, et al. (2006)			
54. I am willing to invest time into it			“it’s time-consuming preparing it and then it’s also time-consuming actually making arrangements” (Maggie)	
55. I am willing to put effort into it	Patterson, et al. (2006)		“you do have to put a bit of time and effort into it” (Sienna)	
56. I am motivated to come back			“it’s all a motivation factor for you to keep on looking and using Trade Me” (Richard)	
57. I intend to use the auction again	Mollen and Wilson (2010)		I’ll always go back and have a look and see what’s out there (Ed) I would always go back regularly (Lulu)	√
58. I’m loyal to the auction			“I’m loyal to Trade Me in that sense” (James)	√
59. I will keep coming back			“keep coming back because the experiences that you feel, they’re good things” (Richard)	
60. It keeps me coming back			“getting a bargain makes me want to go back” (Anna)	

An expert panel of four senior marketing academics were asked to comment on the content validity of the 60 items. The use of an expert panel had two purposes: to reduce the large pool of potential engagement items down to something manageable in number and get feedback on the content validity of items. This was deemed necessary because CE-OAE is a totally new construct and there is controversy over how to conceptualise it.

Appendix 8 contains the assessment sheet used in the expert panel examination of content validity. Panel members were provided with a definition of the *consumer engagement with the online auction experience* construct and the background to the research, and asked to rate on a three-point scale (1=not representative, 2=somewhat representative, 3=clearly representative) how well each item represented the construct. In addition, panel members were asked to indicate if any item was ambiguous or redundant; and if any aspects of the construct were missing from the scale.

The mean rating of representativeness was calculated for each item. Any item with a mean rating less than 2.0 was a candidate for deletion. Written feedback was scrutinised and followed by a discussion with the expert panel member to fully understand what was meant by the comments and to provide further explanation if necessary. Appendix 9 lists the mean rating for each item, summarises the expert panel feedback, and explains the action taken on each item. Based on the expert panel feedback, 20 items were deleted and 28 items reworded. In particular, one reviewer commented that the root "it" was ambiguous on many of the items. As a result, the root "it" was replaced on all affected items, to specify the auction experience or the auction site. Some members of the expert panel judged the term 'addictive' an incorrect term and warned against confusing frequency of use with 'addiction'. Indeed, consumers interviewed did not report negative behaviours associated with addiction such as financial or relationship difficulties (Peters & Bodkin, 2007). The expert panel advised to re-word the item more realistically as "I am strongly drawn". The expert panel also had reservations about the items intended to measure the 'control' aspect of consumer engagement. A number of panel members commented that control might be the opposite of engagement. Review of the qualitative interview data revealed that interviewees spoke of two types of control: mastery of the situation or self-control (not getting carried away

with bidding or buying). It is likely that the former type of control, mastery of the situation, might be a component of consumer engagement. Thus all rating scale items that alluded to self-control were replaced with items that expressed a consumer's mastery of the situation.

As a result of the assessment of content validity by the expert panel, the number of items in the draft scale was reduced from 60 to 40. Table 5.8 presents the draft CE-OAE scale utilized in Study Two.

Table 5.8 - Draft CE-OAE Scale

1. I'm very interested
2. I'm curious
3. I'm absorbed
4. I'm immersed
5. The auction site grabs my attention
6. I pay a lot of attention to the auction site
7. Using the auction site stimulates my interest
8. The auction site is thought-provoking
9. I'm intrigued
10. I think about using the auction site a lot
11. I'm focused on the auction site
12. I am drawn in
13. I feel good about using the auction site
14. I love using the auction site
15. I'm engrossed
16. I'm enthralled
17. I'm hooked
18. Use of the auction site has become an important part of my life
19. The experience of using the auction site is a part of who I am
20. Part of me is defined by my use of the auction site
21. Using the auction site is about my self-image
22. I am connected to it
23. I know how to use the auction site to get what I want
24. It gives me mastery of how I buy
25. I can shop at my own pace without being pressured
26. I'm invigorated by using the auction site
27. I'm entertained by using the auction site
28. I'm passionate about using the auction site
29. I'm obsessive about using the auction site
30. I am strongly drawn to using the auction site
31. The experience of using the auction site is full of surprises
32. You never know what you will find when you use the auction site
33. Using the auction site is like a lucky dip in a barrel

34. I'm motivated to come back to the auction site
 35. I'm enthusiastic
 36. I am dedicated to using the auction site
 37. I am willing to invest time into using the auction site
 38. I am willing to put effort into using the auction site
 39. I intend to use the auction again in the future
 40. I will keep coming back
-

5.7 Draft measure of consumer value in online auctions

According to Sheth et al. (1991a), the authors of the Theory of Consumption Values (TCV), there can be no standard instrument to measure consumption value. Instead a measurement instrument needs to be developed for each unique consumption situation, guided by the dimensions of value suggested in TCV. As no measure of consumer value in online auctions exists, a measure was developed for this study.

A majority of items for the value scale used in this study were borrowed from previously validated scales in the marketing literature that were based on TCV and represented the dimensions in TCV. There was less need to check content validity for this scale with an expert panel than was the case with the CE-OAE construct. Thematic analysis of the interview data suggested five types of value consumers derive from their C2C online auction experiences: functional, emotional, social, epistemic and competition. Each item in the draft scale expressed value derived from the auction experience. Nineteen items were sourced from three existing measures of value in different contexts – Sweeney and Soutar's (2001) scale to measure perceived value from retail shopping for durable goods, Pura's (2005) scale of value from the use of mobile electronic devices, and Hur et al.'s (2012) study of value from the adoption of robots in the home. Seven additional items were suggested by the literature reviewed on value derived from the online auction experience (Chapter 3) and five suggested from the qualitative interviews. From these various sources, 31 draft items were proposed (Table 5.9).

Table 5.9 - Draft Consumer Value in the Online Auction Scale

Item	Source of the Item
Is easy to use	Hur et al. (2012)
Is an efficient way to get goods	Pura (2005)
Is convenient	Pura (2005)
Solves a lot of problems	Hur et al. (2012)
Provides information on the market	Hur et al. (2012); Pura (2005)
A source of rare items	<i>Online auction literature: Hou and Elliott (2010); Jeon, Crutsinger, and Kim (2008)</i>
A wide selection of goods	<i>Online auction literature: Hou and Elliott (2010); Jeon, et al. (2008)</i>
A source of things that I need	<i>Online auction literature: Lee, et al. (2009)</i>
Good prices	<i>Online auction literature: Lee, et al. (2009)</i>
A source of bargains	<i>Online auction literature: Hou and Elliott (2010); Jeon, et al. (2008)</i>
Provides me with value for money	Pura (2005)
Excites me	Hur et al. (2012)
Provides me with varied enjoyment	Hur et al. (2012)
Is fun	Hur et al. (2012)
Gives me pleasure	Pura (2005); Sweeney and Soutar (2001)
Makes me feel good	Pura (2005); Sweeney and Soutar (2001)
I like competing	<i>Online auction literature: Ariely and Simonson (2003)</i>
I like the element of competition	<i>Online auction literature: Ariely and Simonson (2003)</i>
Helps me make interpersonal relationships	Hur et al. (2012)
I enjoy meeting new people through the auction	<i>Qualitative interviews</i>
Other people admire me	<i>Qualitative interviews</i>
Helps me feel accepted by others	Pura (2005); Sweeney and Soutar (2001)
Makes a good impression on other people	Pura (2005); Sweeney and Soutar (2001)
Gives me social approval	Pura (2005); Sweeney and Soutar (2001)
Is a new way of doing things	Pura (2005)
I have learned from my experiences	<i>Qualitative interviews</i>
I have become a bit of an expert	<i>Qualitative interviews</i>
Satisfies my curiosity	Hur et al. (2012)

Item	Source of the Item
Arouses my curiosity for novelty	Hur et al. (2012)
Provides me with a new experience	Hur et al. (2012)
Helps me come across new things	<i>Qualitative interviews</i>

5.8 Draft measure of risk in online auctions

As no measure of risk in online auctions existed, a measure was developed for this study, based on the literature review on risk in Chapter 2. There was less need to check content validity with the expert panel as was the case with the CE-OAE construct, as conceptualising risk was a less contentious issue than conceptualising engagement. It was obvious each item expressed risk in online auctions. Also, because the pool of items for the risk scale was very small, there was less need for an expert panel to reduce the number of items.

The literature on the online auction experience suggests two sources of risk in the use of online auctions: risks in trading and the risk of overspending. Seven draft items were proposed from the literature, and one item from the qualitative interviews (Table 5.10).

Table 5.10 - Draft Risk in the Online Auction Scale

Item	Source of the Item
As a buyer, I am concerned I will not receive goods I have paid for	<i>Online auction literature: Albert (2002); Kwan (2010)</i>
As a buyer, I am concerned I will spend too much and go over my budget	<i>Online auction literature: Park, Keil, Kim, and Block (2012)</i>
As a buyer, I am concerned I will buy something I shouldn't	<i>Online auction literature: Park, Keil, Kim, and Block (2012)</i>
As a buyer, I am concerned the goods I receive will not be the quality I expected	<i>Online auction literature: Finch (2007); Utz, Matzad, and Snijders (2009)</i>
As a buyer, I am concerned the goods I receive may be faulty	<i>Online auction literature: Finch (2007); Utz, Matzad, and Snijders (2009)</i>
As a seller, I am concerned I will not receive full payment for the goods I have sold	<i>Online auction literature: Albert (2002); Kwan (2010)</i>
I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods	<i>Qualitative interviews</i>
I am concerned that some buyers/sellers may be dishonest	<i>Online auction literature: Finch (2007); Yeh, Hsiao, and Yang (2012)</i>

5.9 Chapter conclusions

This chapter has presented the results of Study One, qualitative enquiry and initial scale development. Seventeen online auction users were each interviewed in depth about their auction experiences. The interview transcripts were analysed in three complementary ways. A phenomenological approach to analysis of the interviews revealed meaningful experiences connected with buying and selling as the bases for consumer engagement. Thematic analysis of the interviews revealed the potential components of Consumer Engagement with the Online Auction Experience, and evidence in support of the connections between experiences, value, engagement, and ongoing use. Content analysis of the interviews provided common words and phrases to express engagement with the online auction experience. These words and phrases, supplemented with items from the literature, formed the basis for the draft Consumer Engagement with the Online Auction Experience (CE-OAE) scale. An expert panel assessed 60 items for the

measurement of CE-OAE, and recommended the removal of 20 of the items. This resulted in a draft 40-item scale for purification in Study Two.

A 31-item draft consumer value from online auctions measure, and an eight-item draft perceived risk in online auctions measure were also created. Based on extant literature and the results of Study One – qualitative enquiry, the next chapter presents the conceptual framework and hypotheses for the quantitative phases of the research.

Chapter 6 Conceptual Framework and Hypotheses Development

6.1 Introduction

The focal construct in this study is Consumer Engagement with the Online Auction Experience. Based on the review of the literature and Study One – qualitative enquiry, a definition of the construct is provided, CE-OAE is compared to flow and involvement, a conceptual framework developed, and hypotheses presented for testing in the quantitative phases of the research.

6.2 Proposed definition of Consumer Engagement with the Online Auction Experience (CE-OAE)

As discussed in Section 3.2.6, in the context of a consumer-to-consumer marketplace such as an online C2C auction site, a firm-centric view of engagement is not ideal. The online auction consumer can take both the roles of buyer and seller. The auction firm directly initiates few of the experiences an auction user participates in. Instead, most of the auction experiences are initiated by consumers, and involve interaction with other consumers. Given this context, a consumer-centric view of engagement is more appropriate to the current research.

Additionally, because aspects of the online auction experience occur offline – such as the preparation and photographing of goods for sale, and the meeting of buyers and sellers to exchange goods for money – conceptualising engagement as a psychological state that occurs during interaction with the website is not adequate. Furthermore, because the aim of the research is to predict and explain on-going behaviours, conceptualising engagement as behaviours or including behavioural items in the measurement of engagement is not compatible with the research question for this thesis.

Based on the results of Study One – qualitative enquiry and extant literature, consumer engagement with the online auction experience is proposed to be *the level of enthusiasm a consumer has for future participation in online auctions, arising as the result of perceived value derived from the consumer's auction experiences.*

Engagement with the online auction experience is a psychological construct with motivational properties. CE-OAE reflects the consumer's emotional and personal connection, thinking and interest in the online auction experience, and motivation to continue that experience. As discussed in the literature and revealed by Study One – qualitative enquiry, CE-OAE is likely comprised of seven dimensions: cognitive, affective, motivational, self-image, control, surprise, and addiction.

6.3 Distinguishing consumer engagement from competing constructs

This thesis proposes that consumer engagement is a useful construct for explaining consumers' on-going use of an online auction. It is necessary to establish consumer engagement as a distinct construct, unique from related constructs. Two alternative constructs in particular, flow and involvement, share some commonality with engagement. The purpose of this section is to explore these two competing constructs, and establish how consumer engagement might be uniquely different to both constructs.

6.3.1 Flow

Flow is a widely recognised psychological state that occurs during intense concentration on a challenging task. A state of flow involves a loss of self-consciousness and loss of awareness of time (Csikszentmihalyi, 1975; M.-H. Huang, 2006). Flow is a temporary state of mind that occurs in structured activities that are intrinsically motivating. The concept of flow is often included in studies of online behaviour; for example, a number of researchers have proposed that consumers experience a state of flow when browsing the Internet and the consumer's desire to repeat the pleasant flow experience provides an explanation for that consumer wanting to visit a website again (D. L. Hoffman & Novak, 1996; M.-H. Huang, 2006; Mollen & Wilson, 2010; Novak, Hoffman, & Yung, 2000). Regarding online auctions, consumers may experience a state of flow during use of an auction site (Lee et al., 2013). Thus the construct of flow may provide an alternative explanation for a consumer's on-going use of an online auction site, just as the construct of flow provides an explanation for consumers' on-going use of any website.

It is important in this thesis to distinguish flow from consumer engagement. Online auction users may experience a state of flow when interacting with the auction website, but by the very nature of flow (Csikszentmihalyi, 1975), this state will quickly dissipate once interaction with the auction site ceases. By contrast, this thesis argues that consumer engagement with the online auction experience continues long after the consumer has ceased interacting with the auction website. Consumer engagement may also arise from offline auction experiences such as preparing goods for sale, or meeting socially with fellow buyers and sellers to exchange goods for money.

6.3.2 Involvement

The second construct that bears some resemblance to consumer engagement is involvement. Involvement is a key construct in consumer research, shown to be predictive of a variety of consumer behaviours such as the time taken to search for and consider purchase alternatives (De Vries & Carlson, 2014; Zaichkowsky, 1986). It therefore might be expected that involvement with online auctions will predict outcome behaviours of the auction user at least as well as, if not better than, the consumer engagement construct can.

The most widely adopted conceptualisation of involvement is that provided by Zaichkowsky (1985, 1986, 1994); who maintains that involvement is “a person’s perceived relevance of the object based on inherent needs, values, and interests” (Zaichkowsky, 1985, p. 342). A consumer may be involved with a product, an advertisement or a purchase situation, though most applications of the involvement construct relate to a consumer’s involvement with a product category. The antecedents to the involvement construct, according to Zaichkowsky (1986), are the characteristics of the person (e.g., needs, values), characteristics of the stimulus (e.g., are brands different from each other?), and the characteristics of the situation (e.g., an important purchase decision temporarily raises the level of involvement). The consequences of involvement are proposed to be increased importance of a product class, increased search for information on the product, and preference for specific brands within the product class (Zaichkowsky, 1985).

There are a number of important distinctions between involvement and consumer engagement. The involvement construct was developed in the 1970s and 1980s

when consumer research focused on consumer purchase and consumption of goods. Today, in a Web 2.0 era of Facebook, YouTube and eBay, consumers spend considerable time and money on consumption experiences, including online experiences. Consequently, an alternative construct is required to explain consumer behaviour in the Web 2.0 era. The involvement construct most often relates to the general relevance of a product category to the consumer, such as the relevance of cars or fashion clothing to the consumer (Bloch, Sherrell, & Ridgway, 1986; O'Cass, 2004); whereas the consumer engagement construct concerns a consumer's response to consumption experiences (Mollen & Wilson, 2010). While the involvement construct implies a consumption object is relevant to a consumer, to be engaged implies much more; as conceptualised in this thesis, to be engaged implies the consumer derives value from their experiences (Mollen & Wilson, 2010).

The involvement construct is largely cognitive in nature (Brodie et al., 2011). As operationalised in Zaichkowsky's (1994) measure, the construct has little affective element and no 'intention to act' (Mollen & Wilson, 2010). To be involved with an object does not imply such a high level of affective response; the involvement construct is only moderately affective in nature. This can be seen in the rather unemotional nature of most of the 10 items comprising the Revised Personal Involvement Inventory: important, interesting, relevant, exciting, means a lot to me, appealing, fascinating, valuable, involving, needed (Zaichkowsky, 1994). By contrast, this thesis proposes the engagement construct implies a level of intense cognitive attention and affective response from the consumer. Engagement involves an active on-going connection to the object of engagement (Mollen & Wilson, 2010; So et al., 2014). Engagement likely includes energy, enthusiasm, or an intention to act, whereas involvement is a more passive allocation of cognitive resources indicating a level of interest in a product category or purchase decision (So et al., 2014). In a Web 2.0 era where consumers are seeking experiences and value, the engagement construct may provide a more complete explanation of consumer behaviour than involvement.

The distinctions between flow and consumer engagement, and between involvement and consumer engagement, need to be established empirically. It is an aim of the current research to do just that.

6.4 Conceptual framework

Based on the literature and the results of Study One – qualitative enquiry, the conceptual framework for the CE-OAE construct is established. The framework specifies the antecedents and consequences of CE-OAE, risk as an associated construct, and the relationships between these constructs. The following section justifies the relationships as specified by reference to the literature and results of the qualitative enquiry.

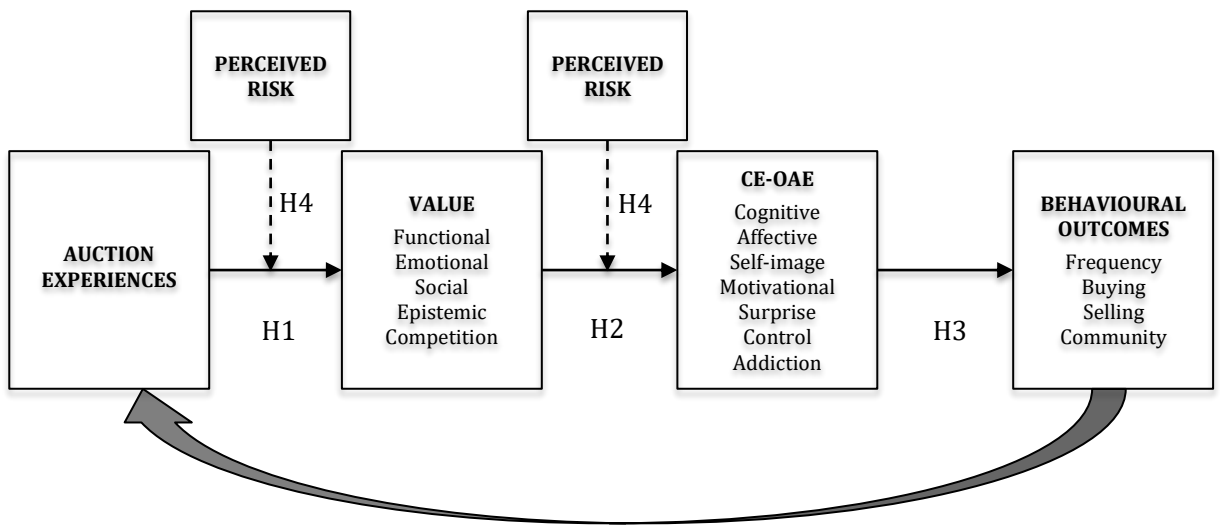


Figure 6.1 - Conceptual framework of CE-OAE

Figure 6.1 presents the conceptual framework for the research. The framework proposes that some of the experiences a consumer has with the online auction provide various forms of value to the consumer. Depending on the level and types of value a consumer derives from their experiences, they are likely to exhibit higher or lower levels of consumer engagement. In the conceptual framework, CE-OAE is hypothesised to result from the value consumers derive from their auction experiences. Consumers who are highly engaged with the consumption experience are likely to interact with the auction site more frequently in the future. The framework recognises the potential of perceived risk to moderate the relationship between experience and value, and moderate the relationship between value and consumer engagement.

This thesis adopts the view of consumer engagement as a psychological construct with motivational properties. Accordingly, consumer engagement is distinct from its behavioural consequences. The consequences of a consumer being highly engaged with the auction experience are on-going use: a propensity to visit the auction site more often in the future, undertake more frequent buying and selling activities, and participate more often in the community of online auction users.

These new interactions with the auction site provide new experiences, which may or may not be valued by the consumer, and may or may not lead to continued engagement. Thus, the process of experiences leading to value, leading to engagement, leading to behaviour continues in an iterative loop or a cycle of engagement. Consumer engagement with the online auction experience is likely to continue in this way, until such time as the level of value a consumer derives from their experiences falls below a minimal desired level. If levels of engagement fall, it is likely that levels of usage will also fall.

6.5 Development of hypotheses

The relationships in the conceptual framework (Figure 6.1) are now explored through the extant literature and results of the qualitative enquiry, and a series of hypotheses developed for testing in the quantitative phases of the research and for establishing the nomological validity of CE-OAE. A discussion on the development of each of the hypotheses is provided next.

6.5.1 The relationship between experience and value

A number of researchers identify consumption experiences as the basis of engagement (Bowden, 2009a; Brodie et al., 2011; Calder & Malthouse, 2008; Calder et al., 2009; Heinonen, 2011; Pagani & Mirabello, 2011). The Study One qualitative enquiry results support this view. Yet, there appears to be a conceptual gap between the concepts of experience and engagement. It cannot be that every consumer experience results in a consumer being engaged. Firstly, to act as a basis for consumer engagement, it is likely that a consumption experience should be memorable. Calder and Malthouse (2008, p. 3) put it this way: “to the extent that this experience stands out in the ordinary stream of experience, it constitutes a form of engagement”. Secondly, it might further be assumed that only positive consumption experiences contribute to levels of consumer engagement, while

negative consumption experiences might detract from levels of consumer engagement (Mencarelli, 2008). The conceptual gap between the concepts of experience and engagement can be addressed by considering the concept of consumer value.

It is widely accepted amongst scholars of marketing that value for the consumer arises from consumption of goods and services, that is, from consumption experiences. This is the view of value-in-use, a phenomenological view that value is determined uniquely in the experiences of the consumer. To support this view, there is ample evidence from the findings of the qualitative enquiry that the auction consumers interviewed derived value from their 'memorable' auction experiences.

Service-Dominant Logic (SDL) stresses the role consumers play in co-creating value through their consumption experiences with a firm and its offerings (Vargo & Lusch, 2004, 2008). In their revised expression of SDL, Vargo and Lusch (2008) view value as phenomenologically determined. By this, Vargo and Lusch declare value arises from consumer experiences, and more than that, each consumer uniquely interprets value based on their experiences. According to SDL, each consumer determines what is of value to him or her. This is expressed in the fundamental proposition *FP10* of SDL, "value is always uniquely and phenomenologically determined by the beneficiary" (Vargo & Lusch, 2008, p. 7). In a recent article combining the perspectives of SDL and consumer culture theory, Akaka, Vargo, and Shau (2015) assume value arises from consumer experiences, declaring "each actor evaluates experience, and subsequently determines the value of experience, in its own social context" (Akaka et al., 2015, p. 211).

A number of empirical studies have established a link between consumption experiences and consumer value. A number of these studies have been conducted in the context of the retail shopping experience (Mencarelli, 2008). Babin, Darden, and Griffin (1994) developed a scale to measure the utilitarian and hedonic value consumers derive from their shopping experience. Other studies have shown how retail stores that create in-store shopping experiences provide value to their customers (Carpenter, Moore, & Fairhurst, 2005; Shukla & Babin, 2013). Chan (2009) documented the various forms of value consumers derive from museum

experiences. Andrews et al.'s (2012) study showed the value consumers derive from everyday experiences with mobile phones. Their study provides insights into how value may be embedded in experiential consumption practices and insight into the types of experiential practices that provide the consumer with value.

The relevant literature and the qualitative enquiry thus provide evidence of a link between consumer experiences and consumer value. Section 3.4.4 explains that consumers are likely to derive value from their online auction experiences, both online and offline. It is not likely, however, that every experience produces value to the online auction consumer; the more positive the experience, the more value it provides to the consumer. The following hypothesis is thus presented:

H1: The more positive the consumer's experiences with C2C online auctions the more value the consumer derives from those experiences

6.5.2 The relationship between value and engagement

Though some literature has examined value as a consequence of engagement (Hollebeek, 2013), the idea that value can drive motivation is prominent in the psychology literature. For example, one widely applied theory of motivation is Expectancy Value Theory (Fishbein & Ajzen, 1972). The assumption in this theory is that motivation is driven by value; that is, motivation is driven by the value people place on an outcome and their belief they can attain it. If engagement is conceived of as a motivational construct, it is not unreasonable to propose that value may be a construct that drives engagement.

In presenting their conceptualisation of consumer engagement with online media, Calder, Malthouse, and Schaedel (2009) describe engagement as arising from either experiences that provide utilitarian value such as useful information, or experiences that are intrinsically enjoyable. Verleye and de Keyser (2016) are of the view that engagement arises because of the value/benefits consumers gain from their experiences. In their conceptualisation of consumer engagement with a brand website, Mollen and Wilson (2010, p. 923) also express the view that engagement arises from the value consumers derive from their consumption experiences: "engagement requires more than the exercise of cognition: it requires the satisfying of experiential value as well as that of instrumental value".

In his empirical study of members of an online community, Seraj (2012) employed netnography, online and offline depth interviews to identify three types of consumer value - intellectual, social, and cultural - that contribute to consumer engagement with the community. In a model of consumer engagement with the firm, Roberts and Alpert (2010) propose that customer engagement is only possible if the firm offers a value proposition to the customer. In this light, a survey and focus group on three Swiss food brands found customers are only willing to engage with brands that offer a unique value proposition (Javornik & Mandelli, 2012). Smith, Fischer and Yongjian (2011) analysed YouTube videos for two brands and identified the types of value consumers co-create when they produce User Generated Content; in this case, the co-creation of value forms the basis for social engagement with the medium. Focus groups with undergraduate marketing students indicated the types of value that students derive as a basis for engagement with learning (S. A. Taylor, Hunter, Melton, & Goodwin, 2011). In the context of secondary school students undertaking their homework, Nagengast, Trautwien, Kelava and Ludtke (2013) present a structural model identifying value assessments as an antecedent to engagement with homework.

The value leading to engagement concept has been examined in the context of Web 2.0 applications. Yang and Lin (2014) considered the “stickiness” of a Facebook website, where stickiness is akin to a measure of the engagement concept, being the intention to stay longer on the website and visit the website more often. They found hedonic, social and epistemic value predict website stickiness. In their study of Facebook brand pages, De Vries and Carlson (2014) found that social value impacts customer engagement with Facebook pages. Summarising the results of their qualitative investigation of virtual community engagement (VCE), Claffey and Brady (2014) found that engagement is a result of the value consumers derive from the emotional and cognitive states induced by their online experiences, and conclude that affective experiences are central to engagement.

There is evidence in the findings of the phenomenological analysis of stories told by auction users in the qualitative enquiry phase (e.g., Veronica and Rob) that those auction experiences that provide them with emotional value, prompt them to be engaged with these experiences. The thematic analysis in Study One also

provides preliminary evidence that value can be an antecedent to engagement for online auction users.

Based on the discussion above Hypothesis 2 is formed:

H2: Consumers who derive high levels of value from their consumption experiences are highly engaged with the online auction experience

6.5.3 The impact of engagement on consumer behavioural outcomes

Research agrees that engagement is related to behavioural outcomes (Algesheimer et al., 2005; Cheung et al., 2014; Lehmann et al., 2013). What is disputed amongst scholars is whether engagement is consumer behaviours relative to a market offering, or whether engagement is a motivational construct that leads to consumer behaviours relative to a market offering. This thesis defines engagement as a motivational construct that leads to behavioural outcomes, rather than defining engagement as the behaviours of the consumer. Accordingly, a relationship between engagement and behavioural outcomes is proposed.

In her experiment on retail shopping, Gonclaves (2009) found that increased engagement leads to increased willingness to pay in a shopping situation. In their study of consumer use of Facebook brand pages, De Vries and Carlson (2014) found engagement impacts brand loyalty, that is, the intention to say positive things about the brand. In a study of consumer shopping from an online auction site, Cheung et al. (2014) found customer engagement with the auction site predicts the number of purchases over a three-week period, and whether or not the consumer will recommend the auction site to other consumers.

Chapter 2 explored the online auction experience and discussed four aspects of on-going use of online auctions; namely, level of buying, level of selling, frequency of visiting the auction website, and participation in the community of auction users. Measures of these four behaviours are therefore adopted in this study as measures of on-going use of the online auction.

The following hypothesis is presented:

H3: Consumers who are highly engaged with the online auction experience are more likely to undertake on-going auction activities

6.5.4 The moderating role of risk in the online auction

Risk is a theme that is prominent in the qualitative interviews. Auction users interviewed acknowledged the risks associated with trading in an online auction. Chapter 2 reviewed the literature on the important issue of consumers' perceived risks in the use of online auctions and concluded that any research on the online auction experience should consider the potential role of perceived risk.

Risk might impact on the formation of engagement at two points: by moderating the relationship between experience and value, or by moderating the relationship between value and engagement. In the case of the former, high perceptions of risk might diminish the effect of positive experiences on value, while low perceptions of risk might enhance the effect of positive experiences on value. Empirically, experience has been found to reduce perceptions of risk in online shopping (Kuhlmeier & Knight, 2005). On the other hand, trust has been proposed to impact positively on the value derived from online auctions because trust reduces uncertainty and increases benefits for the online auction consumer (Chong, Yang, & Wong, 2003). Thus it is important to consider the moderating role of risk in the relationship between experience and value.

The second potential point of impact of perceived risk might be to moderate the relationship between value and engagement. That is, high perceptions of risk might reduce the impact of value on engagement, while low perceptions of risk might enhance the impact of value on engagement. Considering that engagement is proposed to be a motivational construct including the intention to act, it is important to consider research that examines the effect of risk on behavioural intentions such as shopping intentions. Empirically, perceptions of risk have been found to impact behavioural intentions in online auctions (Stern et al., 2008) and online shopping (D. J. Kim, Ferrin, & Rao, 2008; Kuhlmeier & Knight, 2005). In a longitudinal study on the development of an online community, Nolan, Brizland, and Macaulay (2007) found that value leads to engagement in the community when value outweighs levels of perceived risk.

And yet, research has also found that, while online auction users are aware of the risks involved in the use of auctions, many have learned tactics for reducing these risks (Lai et al., 2008; van der Heijden et al., 2002). There is indeed literature on

experienced auction users' tolerance for risk and willingness to accept the risk of paying a high price for an item or receiving faulty goods (Pavlou & Dimoka, 2006; Pavlou & Gefen, 2004). Similarly, in their research on the 'stickiness' on Facebook pages, Yang and Lin (2014, p. 22) failed to find a moderating role for trust in the prediction of website usage. In addition to the literature, findings from Study One indicate that a number of the auction users interviewed spoke of the tactics they employ to minimise the risks in trading. Thus, based on the thematic analysis of interviews and the existing literature, the following hypothesis is presented:

H4: Perceptions of risk do not moderate the impacts of experience and value on engagement

6.5.5 Contrasting consumer engagement to flow and involvement

Consumer engagement is proposed as an explanation for consumer's on-going use of online auctions. Two alternative constructs reviewed earlier in Section 6.3 may also explain consumer's on-going use of online auctions; namely, the constructs of flow and involvement. Hence, the following hypothesis is presented:

H5: Consumer engagement with the online auction experience is a stronger predictor of on-going use of C2C online auctions for both buyers and sellers than flow or involvement

6.5.6 Changes to levels of engagement over time

One of the themes that emerged from thematic analysis of the Study One interviews asked, what happens if engagement declines? Some interviewees suggested that their interest and enthusiasm for the online auction experience could decline if the experience became homogenised and did not offer them anything new. A number of scholars have called for longitudinal research on engagement (Claffey & Brady, 2014; Hollebeek et al., 2014; van Doorn, 2011), including research into changes in engagement over time. To what extent do levels of engagement remain stable over an extended period of time? Alexander and Jaakola (2016) in particular call for research on the 'durability' of engagement over time and what might cause engagement to grow or decline.

This research proposes that it is not consumer experiences per se that lead to engagement, but the value derived from these experiences. Sanchez-Fernandez

and Iniesta-Bonillo (2007) point out that consumer value is not constant but changing. In the conceptual framework for CE-OAE (Figure 6.1), value is proposed to impact CE-OAE. Thus, it might be expected that changes in value over time will impact changes in CE-OAE. Hence a longitudinal study of engagement should consider the extent to which levels of CE-OAE change, and consider how changes in value over time impact on changes to CE-OAE.

Based on this discussion, the following hypothesis is presented:

H6: Changes to levels of value over time impact changes to levels of engagement.

6.6 Chapter conclusions

This chapter has developed a proposed definition and conceptual framework of consumer engagement with the online auction experience, based on the Experiential View of the Consumer. The conceptual framework identifies the likely antecedents and consequences to this construct. This framework is expressed as a series of hypotheses, developed from the relevant literature and the qualitative phase of the research. The following two chapters present the results of Studies Two to Five, to finalise development of the scale measures, test the hypotheses presented in the conceptual framework, and assess the validity of CE-OAE.

Chapter 7 Scale Purification

7.1 Introduction

This chapter presents the results of scale purification, involving two separate studies: Study Two and Study Three. In Study Two the draft scales to measure consumer engagement with the online auction experience (CE-OAE), consumer value in online auctions (the “value” scale) and risk in online auctions (the “risk” scale) were subjected to processes of exploratory factor analysis, and a reduced version of each scale was produced. In Study Three the shortened versions of these scales were administered to a new sample and each assessed using confirmatory factor analysis.

The chapter is organised into 13 sections. Sections 7.2 to 7.6 present the results of Study Two, including a description of the sample, procedures for cleaning the dataset, and the results of exploratory factor analysis for CE-OAE, value, and risk scales. Sections 7.7 to 7.11 present the results of Study Three, including a description of the sample, cleaning of the dataset, and the results of confirmatory factor analysis for each of the three scales. Section 7.12 presents the chapter conclusions.

7.2 Study Two - sample

A convenience sample of online auction users in New Zealand was approached to participate in the initial purification of the three scales – the CE-OAE, value, and risk scales. Two criteria were employed for the selection of the sample: that the respondent had bought or sold an item from an online auction in the previous 12 months, and that they were not running a business through the auction site.

In total, 240 auction users returned completed questionnaires. The responses were examined manually for problems with response acquiescence. Problems were noted with 35 of the returned questionnaires. That is, in 35 cases respondents had filled in a stream of questions with the same response (e.g. a consecutive string of 10 questions, all circled “4”), indicative that the questionnaire was filled in hastily or lazily, with invalid responses. In addition, there were two incomplete responses.

The 35 invalid responses and two incomplete responses were eliminated, leaving a dataset of 203 valid responses - 158 completed in hardcopy, and 45 completed electronically. Given the draft CE-OAE scale comprises 40 items, a dataset of 203 responses was deemed sufficient to run exploratory factor analysis as it provides a minimum of five responses per item (Hair et al., 2010). Table 7.1 provides a demographic profile of the sample. The high proportion of respondents in the 20-29 year age group and Asian ethnicities is reflective of the Central Auckland student population from which the sample was drawn. Comparison of the demographic profile of respondents completing the hardcopy questionnaire versus the electronic questionnaire showed some differences in age ($X^2 = 9.374$, $df = 3$, $p < .05$) with a higher proportion of 20-29 year olds completing the hard copy and a higher proportion of 50-59 year olds completing the electronic copy. There are also differences in ethnicity ($X^2 = 34.396$, $df = 4$, $p < .01$) with a higher proportion of Asian ethnicity completing the hardcopy, and a higher proportion of European ethnicity completing the electronic copy. There are no gender differences between those completing hardcopy versus electronic copy ($X^2 = .440$, $df = 1$, n.s.). For an exploratory phase of data analysis, a convenience sample is sufficient provided respondents meet the selection criteria for the research (Clark & Watson, 1995; Tenko & Marcoulides, 2010).

Table 7.1 - Demographic Composition of Study Two Sample

		Percent	Number
Gender	Male	44.3%	90
	Female	55.7%	113
Age	20-29	54.7%	111
	30-39	28.6	58
	40-49	12.8%	26
	50-59	3.9%	8
Ethnicity	European	30.7%	62
	Maori	1.0%	2
	Pasifika	4.5%	9
	Asian	54.5%	110
	Other	9.4%	19
Years of experience using online auctions	Less than 1 year	3.5%	7
	1-2 years	23.4%	47
	3-5 years	39.8%	80
	6-8 years	20.5%	41
	9-10 years	9.0%	18
	More than 10 years	4.0%	8

7.3 Cleaning the dataset

As a first step to preparing the data for analysis, the data were checked for missing values. Less than 1 percentage of the data (.66%) is missing. Little's MCAR test indicates the data is 'missing completely at random' (MCAR $\chi^2 = 28.523$, $df = 53$, n.s.). EM imputation was used to replace the missing values (Hair et al., 2010).

The dataset was checked for univariate and multivariate outliers, normality and linearity (Hair et al., 2010; Tabachnick & Fidell, 2007). The 40 items of the draft CE-OAE scale, 31 items of the draft value scale, and eight items of the draft risk scale were examined for univariate outliers. One datapoint in the measures of value was identified as a univariate outlier: one respondent had scored 1 on "is easy to use" ($z = -4.610$). This datapoint was replaced with the next highest value which is 2 (Tabachnick & Fidell, 2007).

Mahalanobis distances (D^2) range from 29.679 to 145.051 for the 79 variables examined. With 79 degrees of freedom, the maximum D^2/df is 1.84 which is below

the criterion of 3.5 for identifying multivariate outliers (Hair et al., 2010). This indicates there are no multivariate outliers in the dataset.

The maximum absolute skewness score amongst the 79 variables is -1.155, which is below the cut-off point of an absolute value of 2.0. The maximum kurtosis score is 1.638, which is below the cut-off point of 7.0 (Curran et al., 1996; Field, 2013).

Finally, scatterplots were drawn between a random selection of pairs of variables in the dataset (Tabachnick & Fidell, 2007). Each scatterplot illustrates some linearity and no evidence of curvilinearity.

7.4 Exploratory factor analysis of the CE-OAE scale

This research adopted principle components analysis with varimax (orthogonal) rotation as the primary method of data reduction. Because the CE-OAE scale is newly developed, two other approaches to EFA were also explored: principal axis factoring with varimax rotation, and principal components analysis with direct oblimin (oblique) rotation. In the analysis of the 40-item draft CE-OAE scale, the three approaches produced an almost identical solution. In the initial round some items cross loaded and were deleted from the analysis. The results of the final solution for PCA with varimax rotation are presented here; the results of the final solution for PAF with varimax rotation and PCA with direct oblimin rotation are presented in Appendix 10.

The correlation matrix contains a majority of items with correlations of at least 0.3 (Tabachnick & Fidell, 2007). The KMO (.933) and Barlett's test of sphericity (chi-square = 7794.591, $df = 780$, $p < .001$) indicate that the data is suitable for factor analysis (Malhotra et al., 2002). Initially, a six-factor solution was extracted (Table 7.2). On examination of this solution it was noted that 12 items cross-loaded on more than one factor (*indicated in italics*); the same 12 items performed poorly on the PAF analysis, so were deleted from further analysis (Hair et al., 2010). The removal of these items did not impact on the overall meaning of engagement. The first three excluded items (1, 2, 11) are alternative phrases expressing the cognitive dimension of engagement, and are well covered by items that remain in the scale. Item 12, "I am drawn in", was used to express the idea of the auction experience being addictive. The item is similar to "I'm obsessive about using the

auction site”, an item that remains in the scale. Item 14’s use of the term “love” may have proved ambiguous for respondents. There is an explanation for deleting items 15 and 16, “I’m engrossed” and “I’m enthralled”. These items were derived from Higgins’ (2006) definition of engagement as a psychological state (Table 5.7). Item 16, “I’m enthralled”, cross-loaded on three factors. In addition, the term “enthralled” may have been ambiguous. The term is synonymous with “spellbound” or “enchanted” (Oxford Dictionaries, N.A.), which alludes to something that happens at the moment and does not last long – more like a temporary psychological state rather than something enduring. In addition to cross-loading, the phrase “I’m engrossed” similarly means “spellbound”, “fascinated” (Oxford Dictionaries, N.A.), words that express momentary attention. Item 17, “I’m hooked” was deleted because it consistently cross-loaded on two factors, both in PCA and PAF. Item 24, “The auction site gives me mastery over my buying and selling”, expresses mastery and control, phrases that arose from the qualitative interviews; this item is one of three items that sought to measure “control”. However it did not appear to fit well with the rest of the engagement construct. Items 26 and 27 may have proved ambiguous for respondents; respondents did not respond consistently to these items. Item 36, “I am dedicated to using the auction site” had issues with cross-loading. This item appears to have been ambiguous for respondents, as they did not respond to it consistently. The item speaks to the motivational aspect of engagement. However, the motivational side of engagement is well covered by several items that remain in the scale.

Table 7.2 - Initial PCA Solution for the CE-OAE Scale

Item	Component					
	1	2	3	4	5	6
1. <i>I'm very interested</i>		.434		.565		
2. <i>I'm curious</i>		.476		.621		
3. <i>I'm absorbed</i>		.713				
4. <i>I'm immersed</i>		.751				
5. <i>The auction site grabs my attention</i>		.716				
6. <i>I pay a lot of attention to the auction site</i>		.720				
7. <i>Using the auction site stimulates my interest</i>		.762				
8. <i>The auction site is thought-provoking</i>		.719				
9. <i>I'm intrigued</i>		.651				
10. <i>I think about using the auction site a lot</i>		.590				
11. <i>I'm focused on the auction site</i>	.547	.535				
12. <i>I am drawn in</i>	.509					.492
13. <i>I feel good about using the auction site</i>			.612			
14. <i>I love using the auction site</i>	.426		.512			
15. <i>I'm engrossed</i>	.580					.538
16. <i>I'm enthralled</i>	.611	.414				.432
17. <i>I'm hooked *</i>	.670	.416				
18. <i>Use of the auction site has become an important part of my life</i>	.739					
19. <i>The experience of using the auction site is a part of who I am</i>	.807					
20. <i>Part of me is defined by my use of the auction site</i>	.861					
21. <i>Using the auction site is about my self-image</i>	.875					
22. <i>I am connected to it</i>	.820					
23. <i>I can use the auction site to get what I want</i>			.611			
24. <i>The auction site gives me mastery over my buying and selling</i>			.478		.480	
25. <i>I can shop at my own pace without being pressured</i>					.748	
26. <i>I'm invigorated by using the auction site</i>	.448				.537	
27. <i>I'm entertained by using the auction site</i>			.408		.566	

28.	I'm passionate about using the auction site	.640	
29.	I'm obsessive about using the auction site	.754	
30.	I am strongly drawn to using the auction site	.788	
31.	The experience of using the auction site is full of surprises		.595
32.	You never know what you will find when you use the auction site		.742
33.	Using the auction site is like a lucky dip in a barrel		.754
34.	I'm motivated to come back to the auction site	.667	
35.	I'm enthusiastic to use the auction site again	.619	
36.	<i>I am dedicated to using the auction site</i>	.607	.420
37.	I am willing to invest time into using the auction site	.743	
38.	I am willing to put effort into using the auction site	.770	
39.	I intend to use the auction site again in the future	.827	
40.	I will keep coming back	.799	

* This specific item performed poorly on the PAF, cross-loading within 0.2 on each factor: .635 and .441.

On a second run through the data, a four-factor solution resulted. One item failed to load by at least 0.5 on any factor and had a communality below 0.5 ("I can shop at my own pace without being pressured", item 25). This was the second item to potentially measure "control". It remained to be seen if the final item in this group, "I can use the auction site to get what I want" survived the remainder of the scale development process. It appears that the "control" dimension is more related to the functional benefits of using an online auction, rather than a characteristic of consumer engagement. The role and meaning of "control" is discussed further in Chapter 9, Discussion. The analysis was rerun with the remaining 27 items. Analysis of the scree plot for eigenvalues, and identification of factors with eigenvalues > 1.0, identified a four-factor solution (Figure 7.1; Table 7.3). All communalities exceed the expected criterion of 0.5 (Hair et al., 2010). The four-

factor solution accounts for 70.6% of variance in the data, which exceeds the accepted minimum of 60% (Table 7.3) (Hair et al., 2010).

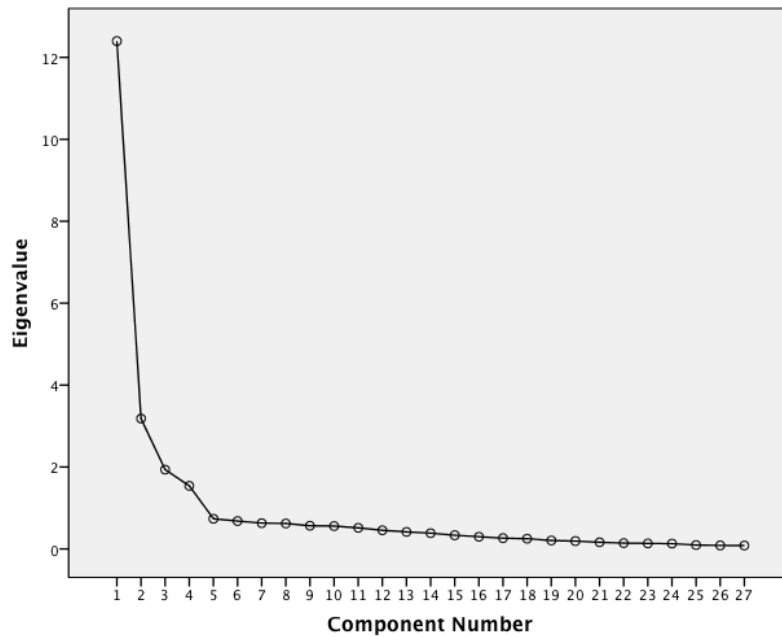


Figure 7.1 - Scree plot for principal components analysis - CE-OAE scale

Table 7.3 - Principal Components Analysis for CE-OAE Scale

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	12.398	45.918	45.918	12.398	45.918	45.918	6.193	22.938	22.938
2	3.184	11.791	57.710	3.184	11.791	57.710	5.434	20.127	43.065
3	1.937	7.173	64.883	1.937	7.173	64.883	5.202	19.268	62.333
4	1.541	5.708	70.591	1.541	5.708	70.591	2.230	8.258	70.591

Table 7.4 displays the rotated component solution. This is a clean, parsimonious solution that is easy to interpret; each item loads on only one factor with a factor loading of at least 0.5. Factor 1 is an “Affective - Self Image” dimension to CE-OAE, comprised of eight items. For a consumer who scores highly on this dimension, use of the auction is an important part of their life; they are passionate; they are emotionally connected. Factor 2 is a “Cognitive” dimension to CE-OAE, comprised

of eight items that measure how interested a consumer is in the auction. Factor 3 is a “Motivational” dimension of CE-OAE, comprised of eight items that measure how motivated a consumer is to use the auction site. Factor 4 is a “Surprise” dimension of CE-OAE, comprised of three items. A consumer who scores highly on this dimension finds the auction experience is full of surprises. The cognitive and motivational dimensions are as identified in the literature and as proposed in Chapter 3 (Section 3.2.7) (Algesheimer et al., 2005; DesAutels et al., 2011; Dessart et al., 2015). The literature has also identified the affective dimension (Claffey & Brady, 2014) and the self-concept dimension (So et al., 2014; Sprott et al., 2009) as likely components of consumer engagement. Initially it may appear surprising that these two aspects of consumer engagement form a single dimension, and yet this analysis suggests that intense emotions regarding the auction experience, such as passion, are intimately related with a consumer’s identification with the auction experience as being part of their self-image. Logically, this makes sense; if a consumer experiences strong emotions about their favourite sports team, for example, they might also identify themselves with the sports team. The final factor identified, the surprise factor, is not noted in the engagement literature and thus may be unique to the online auction experience. The Chapter 2 literature review on the online auction experience identifies surprise as a common component of the online auction experience (Denegri-Knott, 2011; Denegri-Knott & Zwick, 2012), so it is possible that surprise might be a dimension of CE-OAE.

The internal reliability of the scale was tested in two ways, Cronbach’s alpha and item-to-total correlations. Table 7.5 shows values of Cronbach’s alpha vary between .754 and .948, each of which exceeds the recommended minimum value of 0.7. The value of item-to-total correlations varies between .554 and .858, each of which exceeds the recommended minimum value of 0.5.

Table 7.4 - Principal Components Solution for CE-OAE Scale

Item	Component			
	1	2	3	4
I'm absorbed		.751		
I'm immersed		.776		
The auction site grabs my attention		.734		
I pay a lot of attention to the auction site		.701		
Using the auction site stimulates my interest		.778		
The auction site is thought-provoking		.773		
I'm intrigued		.709		
I think about using the auction site a lot		.624		
I feel good about using the auction site			.610	
Use of the auction site has become an important part of my life	.747			
The experience of using the auction site is a part of who I am	.819			
Part of me is defined by my use of the auction site	.869			
Using the auction site is about my self-image	.878			
I am connected to it	.819			
I can use the auction site to get what I want			.671	
I'm passionate about using the auction site	.629			
I'm obsessive about using the auction site	.747			
I am strongly drawn to using the auction site	.777			
The experience of using the auction site is full of surprises				.610
You never know what you will find when you use the auction site				.794
Using the auction site is like a lucky dip in a barrel				.827
I'm motivated to come back to the auction site			.694	
I'm enthusiastic to use the auction site again			.641	
I am willing to invest time into using the auction site			.745	
I am willing to put effort into using the auction site			.780	
I intend to use the auction site again in the future			.851	
I will keep coming back			.827	

Table 7.5 - Tests of Internal Reliability - CE-OAE scale

	Scale Mean		Cronbach's Alpha	Item-Total Correlation
Affective self-image	2.863	Use of the auction site has become an important part of my life	.948	.792
		The experience of using the auction site is a part of who I am		.841
		Part of me is defined by my use of the auction site		.858
		Using the auction site is about my self-image		.841
		I am connected to it		.836
		I'm passionate about using the auction site		.737
		I'm obsessive about using the auction site		.766
		I am strongly drawn to using the auction site		.812
Cognitive	3.974	I'm absorbed	.927	.763
		I'm immersed		.777
		The auction site grabs my attention		.764
		I pay a lot of attention to the auction site		.727
		Using the auction site stimulates my interest		.787
		The auction site is thought-provoking		.741
		I'm intrigued		.754
		I think about using the auction site a lot		.707
Motivational	4.350	I feel good about using the auction site	.917	.663
		I can use the auction site to get what I want		.661
		I'm motivated to come back to the auction site		.775
		I'm enthusiastic to use the auction site again		.744
		I am willing to invest time into using the auction site		.741

	Scale Mean		Cronbach's Alpha	Item- Total Correlation
		I am willing to put effort into using the auction site		.766
		I intend to use the auction site again in the future		.709
		I will keep coming back		.751
Surprise	4.298	The experience of using the auction site is full of surprises	.754	.554
		You never know what you will find when you use the auction site		.614
		Using the auction site is like a lucky dip in a barrel		.584

7.5 Exploratory factor analysis of the scale to measure consumer value in online auctions

The 31 items of the draft “consumer value in online auctions” scale were analysed using principal components analysis (PCA) with varimax (orthogonal) rotation approach. This provided a clear-cut factor solution. Principle axis factoring with varimax rotation, and principle components analysis with oblique rotation were also conducted to assess the robustness of the solution. A comparison between the three solutions produced very similar results.

The correlation matrix contains many entries larger than 0.3 (Tabachnick & Fidell, 2007). The KMO (.882) and Barlett’s test of sphericity (chi-square = 4312.9, $df = 465$, $p < .001$) indicate the data is suitable for factor analysis (Malhotra et al., 2002).

A six-factor solution was extracted. The rotated solution displays no problems with cross-loading of items. However, three items failed to load on any factor with a loading of at least 0.5, and displayed communalities below 0.5, so were eliminated from further analysis (Hair et al., 2010). These items were: “Provides information on the market”(item 5), “A source of rare items” (item 6), and “I have become a bit of an expert” (item 27). The exclusion of these three items did not impact on the theoretical meaning of the scale. The first two items excluded express elements of

functional value; functional value is well covered by the items that remain in the scale. The third item that was excluded expressed an element of epistemic value but did not load consistently with the other items representing epistemic value. It could be that respondents found this statement ambiguous.

The analysis was therefore rerun with the remaining 28 items. Analysis of the scree plot for eigenvalues, and identification of factors with eigenvalues > 1.0, identified a six-factor solution, accounting for 72.3% of the variance in the data (Figure 7.2; Table 7.6).

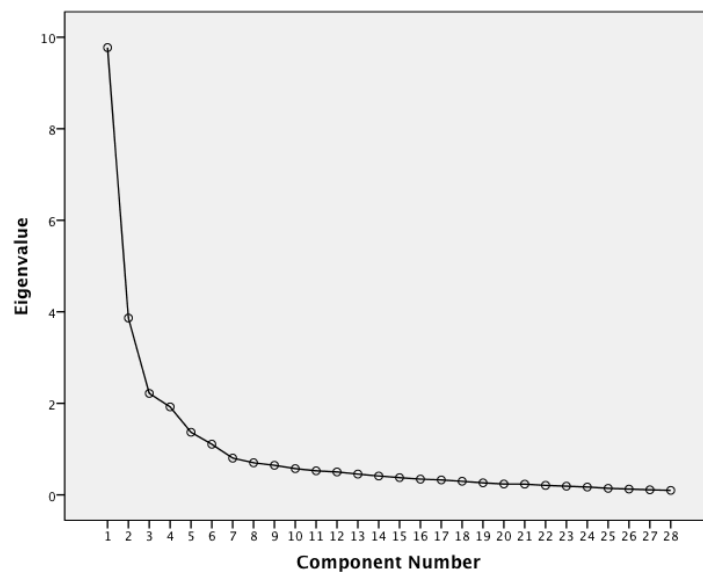


Figure 7.2 - Scree plot for PCA - Consumer value in online auctions scale

Table 7.6 - PCA - Consumer Value in Online Auctions Scale

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.774	34.906	34.906	9.774	34.906	34.906	4.488	16.028	16.028
2	3.865	13.804	48.709	3.865	13.804	48.709	4.079	14.568	30.596
3	2.218	7.921	56.630	2.218	7.921	56.630	3.737	13.346	43.942
4	1.923	6.868	63.498	1.923	6.868	63.498	3.723	13.297	57.239
5	1.368	4.887	68.384	1.368	4.887	68.384	2.322	8.292	65.531
6	1.107	3.952	72.337	1.107	3.952	72.337	1.906	6.806	72.337

Table 7.7 displays the principal components solution for the value scale. This is a clean, parsimonious solution that is easy to interpret; each item loads on only one factor with a factor loading of at least 0.5. All communalities exceed 0.5 (Hair et al., 2010).

Factor 1 measures social value and comprises six items. Factor 2 (5 items) measures emotional value, while Factor 3 measures epistemic value and comprises six items. Six items form Factor 4 and measure functional value. Factor 5 shows monetary value and comprises three items. Factor 6 measures the value of competition and is formed by two items. Three of the factors identified are as proposed by Sheth et al. (1991a): social, emotional and epistemic. Functional value splits into two factors: functional and monetary. The monetary value factor is expected in the online auction context and is supported by the literature (Hou & Elliott, 2010; Jeon et al., 2008). Other research on consumer value in other contexts has sometimes identified value for money as a separate dimension of value from functional value (Hall et al., 2001; Sweeney & Soutar, 2001). The only factor identified which is somewhat unique to the context of online auctions, is the competition factor; this is not unexpected considering how important competition is to the online auction experience (Ariely & Simonson, 2003; Haubl & Popkowski-Leszczyk, 2004; Korgaonkar et al., 2014).

Table 7.8 shows the values of Cronbach's alpha vary between .852 and .937. The value of each item-to-total correlation varies between .543 and .854.

Table 7.7 - PCA Solution - Consumer Value in Online Auctions Scale

Item	Component					
	1	2	3	4	5	6
Is easy to use				.723		
Is an efficient way to get goods				.805		
Is convenient				.810		
Solves a lot of problems				.651		
A wide selection of goods				.628		
A source of things that I need				.619		
Good prices					.817	
A source of bargains					.797	
Provides me with value for money					.775	
Excites me		.764				
Provides me with varied enjoyment		.844				
Is fun		.842				
Gives me pleasure		.834				
Makes me feel good		.803				
I like competing						.913
I like the element of competition						.874
Helps me make interpersonal relationships	.690					
I enjoy meeting new people through the auction	.753					
Other people admire me	.809					
Helps me feel accepted by others	.874					
Makes a good impression on other people	.779					
Gives me social approval	.822					
Is a new way of doing things			.678			
I have learned from my experiences			.738			
Satisfies my curiosity			.729			
Arouses my curiosity for novelty			.632			
Provides me with a new experience			.802			
Helps me come across new things			.728			

Table 7.8 - Internal Reliability - Consumer Value in Online Auctions

	Mean		Cronbach's Alpha	Item-Total Correlation
Social value	3.193	Helps me make interpersonal relationships	.914	.620
		I enjoy meeting new people through the auction		.681
		Other people admire me		.808
		Helps me feel accepted by others		.849
		Makes a good impression on other people		.767
		Gives me social approval		.824
Emotional value	4.641	Excites me	.937	.779
		Provides me with varied enjoyment		.832
		Is fun		.844
		Gives me pleasure		.854
		Makes me feel good		.845
Epistemic value	4.590	Is a new way of doing things	.876	.558
		I have learned from my experiences		.628
		Satisfies my curiosity		.764
		Arouses my curiosity for novelty		.673
		Provides me with a new experience		.760
		Helps me come across new things		.709
Functional value	5.355	Is easy to use	.852	.655
		Is an efficient way to get goods		.711
		Is convenient		.715
		Solves a lot of problems		.582
		A wide selection of goods		.543
		A source of things that I need		.638

Monetary value	5.116	Good prices	.877	.773
		A source of bargains		.790
		Provides me with value for money		.725
Competition	4.170	I like competing	r=.918	.849
		I like the element of competition		.849

7.6 Exploratory factor analysis of the Risk scale

The eight items of the “perceived risk in online auctions” scale were analysed with PCA with varimax rotation. Two further factor solutions were constructed, using principle axis factoring with varimax rotation, and principle components analysis. Each of the three solutions produced very similar results.

There are many correlations in the correlation matrix that exceed 0.3. The KMO (.773) and Barlett’s test of sphericity ($X^2 = 647.204$, $df = 28$, $p < .001$) are acceptable.

A two-factor solution was extracted. Item 1 “as a buyer, I am concerned I will not receive goods I have paid for”, displayed a very low communality of .414, so was eliminated from the analysis. The factor analysis was rerun. Analysis of the scree plot for eigenvalues, and identification of factors with eigenvalues > 1.0 , identified a two-factor solution (Figure 7.3; Table 7.9). The two-factor solution accounts for 66.7% of the variance. All items have communalities above 0.5 except item 6, “As a seller I am concerned I will not receive full payment for the goods I have sold”. This item was retained in the interim for reasons of theoretical representation of the construct (to be tested further with confirmatory factor analysis in Study Three).

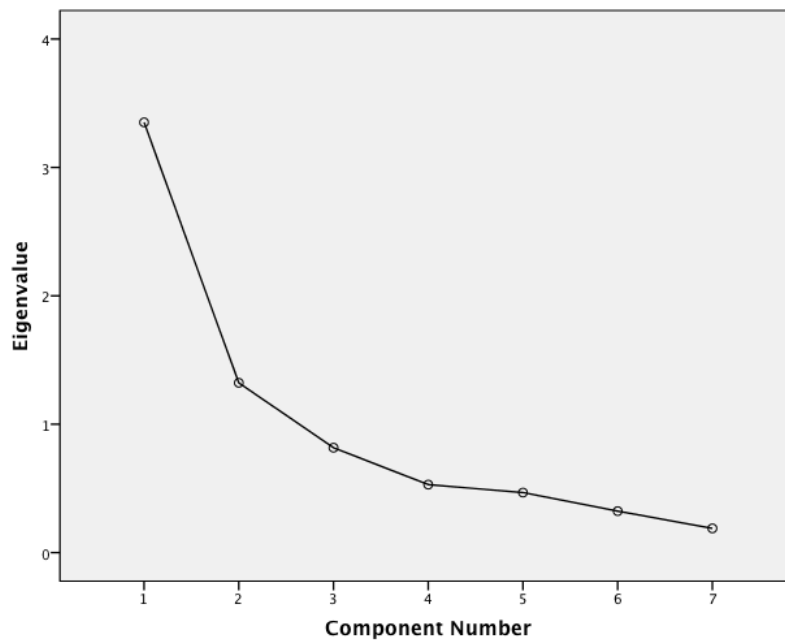


Figure 7.3 - Scree plot for PCA - Perceived risk with online auctions scale

Table 7.9 - PCA - Perceived Risk with Online Auctions Scale

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.351	47.872	47.872	3.351	47.872	47.872	2.943	42.036	42.036
2	1.323	18.893	66.765	1.323	18.893	66.765	1.731	24.729	66.765

Table 7.10 presents the two-factor solution. Factor one is a “risk of trading” factor, comprised of five items, concerning the quality of goods purchased and the honesty of the buyer/seller. Factor two is “risk of overspending” factor, comprised of two items. Both of these factors were identified in Chapter 2 (Section 2.5) as sources of risk in consumer use of online auctions, risk in trading (Finch, 2007; Wu et al., 2014; Yeh et al., 2012) and risk of overspending (Chang & Chen, 2015; Lee et al., 2013; Park et al., 2012).

The internal reliability of the scale was assessed with Cronbach’s alpha and item-to-total correlations. Table 7.11 shows that the values of Cronbach’s alpha vary between .797 and .820. Item-to-total correlations vary between .534 and .713.

Table 7.10 - PCA Solution - Perceived Risk with Online Auctions Scale

Item	Component	
	1	2
As a buyer, I am concerned I will spend too much and go over my budget		.900
As a buyer, I am concerned I will buy something I shouldn't		.886
As a buyer, I am concerned the goods I receive will not be the quality I expected	.810	
As a buyer, I am concerned the goods I receive may be faulty	.867	
As a seller, I am concerned I will not receive full payment for the goods I have sold	.622	
I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods	.691	
I am concerned that some buyers/sellers may be dishonest	.787	

Table 7.11 - Internal Reliability - Perceived Risk with Online Auctions Scale

	scale mean		Cronbach's alpha	Item-Total Correlation
risk of over-spending	4.461	As a buyer, I am concerned I will spend too much and go over my budget	r=.797	.663
		As a buyer, I am concerned I will buy something I shouldn't		.663
Risk of trading	5.144	As a buyer, I am concerned the goods I receive will not be the quality I expected	.820	.626
		As a buyer, I am concerned the goods I receive may be faulty		.713
		As a seller, I am concerned I will not receive full payment for the goods I have sold		.534
		I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods		.578
		I am concerned that some buyers/sellers may be dishonest		.664

7.7 Study Three - sample

The purpose of Study Three was to test, and potentially modify, the measures of CE-OAE, value and risk using confirmatory factor analysis. Table 7.12 provides a profile of the Study Three sample. The 188 respondents represent both genders, a wide variety of ages, ethnicities, regions of New Zealand, household incomes and years of experience using online auctions. The sample has more female respondents (63.8%, $n = 120$) than male (36.2%, $n = 68$). The largest group of respondents are aged 20-49 years (62.7%, $n = 118$), however the sample includes respondents as young as 18, and as old as 70 years of age and over. The largest ethnic group is European (66.0%, $n = 124$). Respondents come from all regions of New Zealand, from Northland to Southland, with the largest numbers being from Auckland (39.4%, $n = 74$) and Wellington (10.1%, $n = 19$). Not all respondents are city dwellers; some are residents of provincial towns or rural areas. The sample exhibits a wide range of household incomes, from under \$30,000 per annum (25.4%, $n = 47$) to \$120,000 or more per annum (13.0%, $n = 24$). Respondents have a wide variety of years of experience with online auctions, from those respondents with less than one year of experience (12.2%, $n = 23$) to those with 10 years or more of experience (19.7%, $n = 37$). Thus a diverse sample was achieved, drawn from the population of New Zealand's online auction users.

Table 7.12 - Demographic Profile of the Study Three Sample

		Percent	Number
Gender	Male	36.2%	68
	Female	63.8%	120
Age	Under 20	5.9%	11
	20-29	23.4%	44
	30-39	19.1%	36
	40-49	20.2%	38
	50-59	15.4%	29
	60-69	11.7%	22
	70 or over	4.3%	8
Ethnicity	European	66.0%	124
	Maori	10.6%	20
	Pasifika	6.4%	12
	Asian	10.6%	20
	Other	6.4%	12
Region of N.Z.	Northland	5.3%	10
	Auckland	39.4%	74
	WaikatoCoromandel/Bay of Plenty/	12.8%	24
	Central North Island	0.5%	1
	GisborneHawkes Bay/	4.8%	9
	Taranaki	2.1%	4
	WanganuiManawatu/Wairarapa/	6.9%	13
	Wellington	10.1%	19
	NelsonMarlborough/	2.7%	5
	Westland	0.5%	1
	Canterbury	7.4%	14
	Otago	5.3%	10
	Southland	2.1%	4
City or rural	City	61.0%	114
	Provincial town	18.1%	34
	Rural	20.7%	39
Household annual income	\$0 - \$29,999	25.4%	47
	\$30,000 - \$59,999	31.4%	58
	\$60,000 - \$89,999	22.7%	42
	\$90,000 - \$119,999	7.6%	14
	\$120,000 or more	13.0%	24
			201

		Percent	Number
Years of experience of online auctions	Less than 1 year	12.2%	23
	1-4 years	32.4%	61
	5-9 years	35.6%	67
	10 years or more	19.7%	37

7.8 Cleaning the dataset

There is no missing data in the dataset. The dataset was examined for univariate and multivariate outliers, normality and linearity (Hair et al., 2010; Tabachnick & Fidell, 2007). Two datapoints in the variables to measure value were identified as univariate outliers. One respondent had scored 1 on “is an efficient way to get goods” ($z = -4.55$); following Tabachnick and Fidell (2007), this datapoint was replaced with the next highest value which is 2. One respondent had scored 2 on “is convenient” ($z = -4.02$); this datapoint was replaced with the next highest value, which is 3. One datapoint in the variables to measure CE-OAE was identified as a univariate outlier; one respondent had scored 1 on “I intend to use the auction site again in the future”; this datapoint was replaced with the next highest value, which is 2.

Mahalanobis distances (D^2) range from 10.17 to 141.56 for the 62 variables examined. With 62 degrees of freedom, the maximum D^2/df is 2.28. This indicates there are no multivariate outliers in the dataset (Hair et al., 2010).

The maximum skewness score amongst the 62 variables is -1.472, which is below the cut-off point of an absolute value of 2.0. The maximum kurtosis score is 2.371, which is similarly below the cut-off point of 7.0 (Field, 2013).

Scatterplots were drawn for a random sample of pairs of variables for each of the three scales (Hair et al., 2010). Each scatterplot illustrates some degree of linearity and no evidence of curvilinearity.

7.9 Confirmatory factor analysis for the CE-OAE scale

A measurement model for the CE-OAE scale was constructed in AMOS 22.0 software, using the 27 items identified with EFA in Study Two, to purify the scale.

The initial model of 27 items and four factors did not provide a good fit to the data ($X^2 = 1287.672$; $df = 318$, $p < .001$; $X^2 / df = 4.049$; CFI = .812; NNFI = .792; SRMR = .0893; RMSEA = .128).

A series of modifications were carefully undertaken to improve model fit without unduly impacting on the content validity of the construct (see Section 4.4.3.4). Each time an item was considered for deletion theoretical representativeness of the construct was examined. An iterative process was followed. After each item was deleted, the model was re-run to see if fit indices improved, before considering further item deletions.

Overall, 12 items were deleted and 15 were retained (see Section 7.9.1 for a full commentary). The final model, consisting of three factors (Table 7.13; Figure 7.4), shows acceptable fit of the data to the model ($X^2 = 211.445$; $df = 87$, $p < .001$; $X^2 / df = 2.430$; CFI = .950; NNFI = .940; SRMR = .0450; RMSEA = .087). This is a congeneric model, with no cross-loading between factors and no covariance between error terms.

Table 7.13 - Confirmatory Factor Analysis Results for the CE-OAE Scale

CE-OAE Dimensions	Standardised Factor Loading	C.R.¹	AVE	Construct Reliability
Affective/Self-Image			.738	.848
Use of the auction site has become an important part of my life (AS1)	.858	-		
The experience of using the auction site is a part of who I am (AS2)	.885	16.318		
I am connected to it (AS3)	.842	14.902		
I am passionate about using the auction site (AS4)	.857	15.379		
I am strongly drawn to using the auction site (AS5)	.854	15.287		
Motivational			.692	.851
I'm motivated to come back to the auction site (M1)	.851	-		
I'm enthusiastic to use the auction site again (M2)	.912	16.311		
I am willing to invest time into using the auction site (M3)	.830	14.082		
I will keep coming back (M4)	.722	11.390		
Cognitive			.708	.886
I'm absorbed (C1)	.763	-		
The auction site grabs my attention (C2)	.864	12.823		
I pay a lot of attention to the auction site (C3)	.880	13.111		
Using the auction site stimulates my interest (C4)	.837	12.342		
The auction site is thought provoking (C5)	.873	12.995		
I'm intrigued (C6)	.827	12.160		

¹ C.R. = critical ratio. A critical ratio greater than 1.96 indicates a regression weight that is significant at the p<.05 level (*) (Arbuckle, 2012). All critical ratios in this table are statistically significant (***) at the p<.001 level.

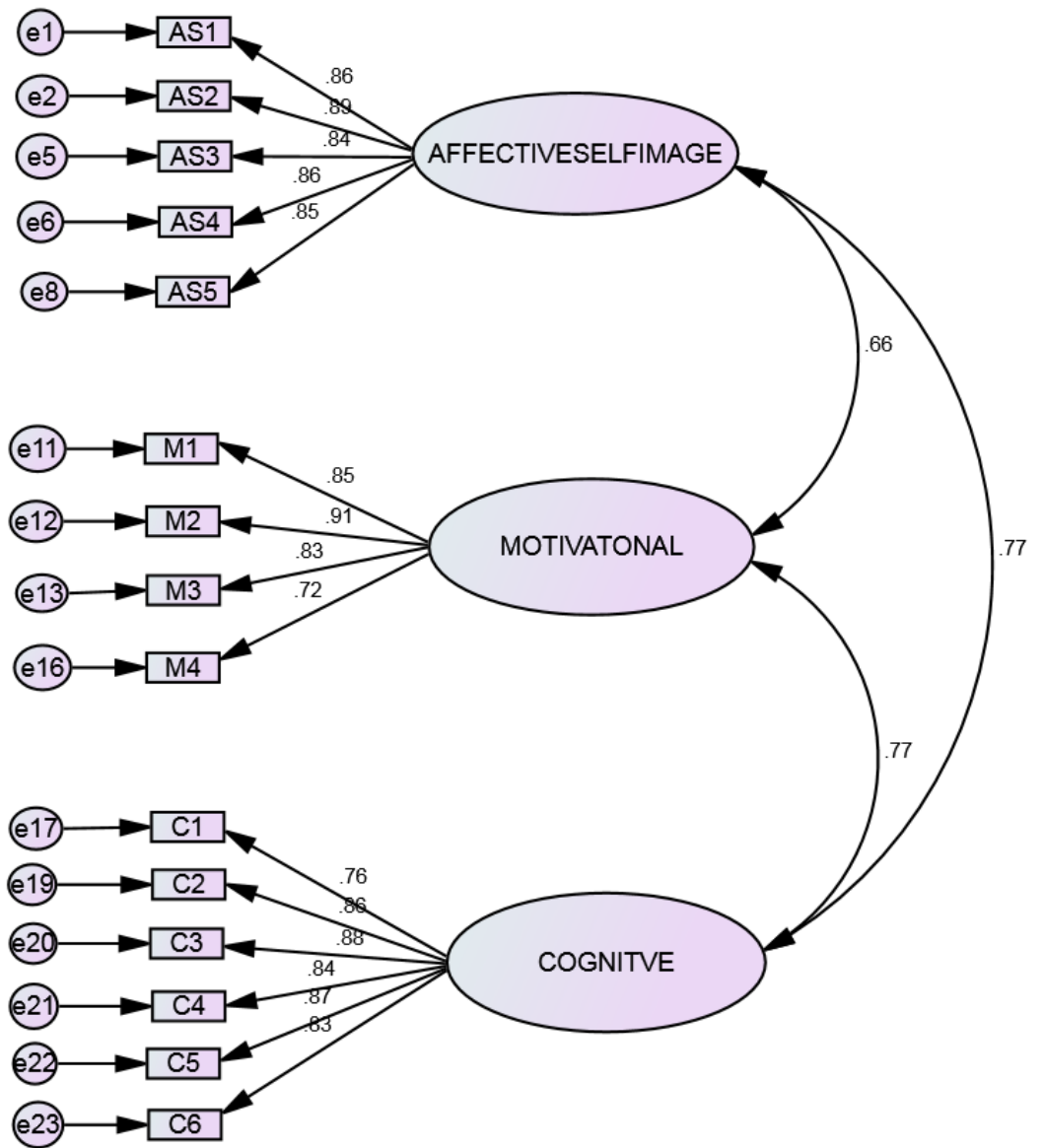


Figure 7.4 - Measurement model for the CE-OAE scale

7.9.1 Modifications to the draft CE-OAE scale

Each of the three items initially comprising the surprise factor (“The experience of using the auction site is full of surprises”, “You never know what you will find when you use the auction site”, and “Using the auction site is like a lucky dip in a barrel”) had problems with standardised residuals and modification indices. Dropping the item with the highest residual and modification index resulted in an AVE for the factor falling below the minimum threshold of 0.5 (Hair et al., 2010). As a consequence, these three items were dropped. There are also sound theoretical reasons why surprise might not belong to engagement. This issue is discussed at length in Chapter 9, the Discussion chapter.

Of the eight items originally proposed to measure affective/self-image, six were retained and two were deleted. The deleted items displayed high standardized residuals and modification indices. The six items retained represent the self-image and affective aspects of the factor well (Table 7.14). One of the deleted items, “Part of me is defined by my use of the auction site” shares similarity to two of the retained items, “Use of the auction site has become an important part of my life”, and “The experience of using the auction site is a part of who I am”. The other deleted item, “I am obsessive about using the auction site”, may have negative associations for some respondents; its core meaning is covered by another retained item, “I am passionate about using the auction site”.

Of the eight items originally proposed to measure the motivational dimension of CE-OAE, four were retained and four were deleted. Again, the deleted items displayed high standardized residuals and modification indices. The four items retained represent the content of the factor well (Table 7.14). Two of the deleted items do not appear to represent the content of the motivational factor well – “I feel good about using the auction site”, and “I know how to use the auction site to get what I want” – and do not add to the meaning of motivation. One of the deleted items, “I intend to use the auction site again in the future”, is similar in meaning to three of the retained items “I’m motivated to come back to the auction site”, “I’m enthusiastic to use the auction site again”, and “I will keep coming back”. The final deleted item, “I am willing to invest effort into using the auction site” is similar to one of the retained items “I am willing to invest time into using the auction site”.

Table 7.14 - Items Deleted and Items Retained for the CE-OAE Scale

	Item eliminated in EFA	Item eliminated in CFA
I'm very interested	x	
I'm curious	x	
I'm absorbed (C1)*		
I'm immersed		x
The auction site grabs my attention (C2)		
I pay a lot of attention to the auction site (C3)		
Using the auction site stimulates my interest (C4)		
The auction site is thought-provoking (C5)		
I'm intrigued (C6)		
I think about using the auction site a lot		x
I'm focused on the auction site	x	
I am drawn in	x	
I feel good about using the auction site		x
I love using the auction site	x	
I'm engrossed	x	
I'm enthralled	x	
I'm hooked	x	
Use of the auction site has become an important part of my life (AS1)		
The experience of using the auction site is a part of who I am (AS2)		
Part of me is defined by my use of the auction site		x
Using the auction site is about my self-image		x
I am connected to it (AS1)		
I know how to use the auction site to get what I want		x
The auction site gives me mastery over my buying and selling	x	
I can shop at my own pace without being pressured	x	
I'm invigorated by using the auction site	x	
I'm entertained by using the auction site	x	
I'm passionate about using the auction site (AS4)		
I'm obsessive about using the auction site		x
I am strongly drawn to using the auction site (AS5)		

The experience of using the auction site is full of surprises	x
You never know what you will find when you use the auction site	x
Using the auction site is like a lucky dip in a barrel	x
I'm motivated to come back to the auction site (M1)	
I'm enthusiastic to use the auction site again (M2)	
I am dedicated to using the auction site	x
I am willing to invest time into using the auction site (M3)	
I am willing to put effort into using the auction site	x
I intend to use the auction again in the future	x
I will keep coming back (M4)	

* Items in bold are the items that comprise the final scale

Of the eight items originally proposed to measure the cognitive dimension of CE-OAE, six were retained and two were deleted. Yet again, the deleted items displayed high standardized residuals. The six items retained provide good representation of the factor (Table 7.14). One of the deleted items, "I think about the auction site a lot" is similar in meaning to four of the retained items - "The auction site grabs my attention", "I pay a lot of attention to the auction site", "Using the auction site stimulates my interest", and "The auction site is thought provoking". One of the deleted items, "I'm immersed", is similar in meaning to one of the retained items, "I'm absorbed".

7.9.2 Dimensions of the final CE-OAE scale

Table 7.15 provides a description of each of the three dimensions of CE-OAE. The three dimensions are strongly correlated (Table 7.16). Thus, it is likely that as one dimension rises for a consumer, so too do the other dimensions. For example, a consumer who feels passionate about their auction experiences and connected to the auction experience likely is very interested in their auction experience, and motivated to repeat the auction experience again. There is therefore some theoretical and statistical justification for modelling CE-OAE as a higher order factor comprised of three dimensions. The suggestion that CE-OAE can be modelled as a higher order factor is examined in Section 7.9.4.

Table 7.15 - Description of the Three Dimensions of Engagement

Affective / Self-Image	A consumer who scores high on this dimension is passionate about their auction experiences, they are drawn to their auction experiences and connected to the auction site. They view their auction experiences as an important part of their self-image.
Motivational	A consumer who scores high on this dimension is motivated and enthusiastic to experience the auction again. They are willing to put time into their auction experiences, and intend to come back to the auction again in the future.
Cognitive	For a consumer who scores high on this dimension, the auction experiences stimulate their interest. The auction site grabs their attention and is thought-provoking. They pay a lot of attention to the auction site.

7.9.3 Construct reliability and validity for the CE-OAE scale

To assess the construct validity of the scale, convergent validity, reliability, and discriminant validity of the scale were examined. Convergent validity is shown in that all standardised factor loadings are significant and above 0.5; indeed they all exceed 0.7 (Table 7.13) (Hair et al., 2010). This provides evidence that each item represents the factor it is intended to measure. Reliability of the scale is shown in that all construct reliabilities exceed the minimum threshold of 0.7 (Hair et al., 2010).

Table 7.16 - Discriminant Validity for the CE-OAE Scale

	Affective / Self-Image	Motivational	Cognitive
Affective / Self-Image	.738	.438	.590
Motivational	.662	.692	.587
Cognitive	.768	.766	.708

Discriminant validity of the factors is demonstrated. Table 7.16 shows all AVEs (displayed in the diagonal of the table) exceed the squared correlation between that factor and any other factor (displayed above the diagonal in the table).

As a further test of the validity of the model, a Harman's single-factor test was conducted, where the three-factor model was compared to a model where all indicator variables loaded on a single factor (Podsakoff et al., 2003). The single-factor model displays a much poorer fit to the data ($X^2 = 658.671$; $df = 90$, $p < .001$; $X^2/df = 7.319$; CFI = .771; SRMR = .0874; RMSEA = .184). Furthermore, a chi-square difference test indicates the three-factor model provides significantly better fit to the data ($\Delta X^2 = 447.226$, $\Delta df = 3$, $p < .001$).

As further evidence of the validity of the three-factor CE-OAE model, the model was compared to three two-factor models. The three-factor model was compared to a two-factor model, with the affective / self-image and motivational dimensions combined. The two-factor model displays much poor fit to the data ($X^2 = 482.928$; $df = 89$, $p < .001$; $X^2/df = 5.426$; CFI = .841; NNFI = .813; SRMR = .0845; RMSEA = .154). A chi-square difference test indicates the three-factor model provides a significantly better fit to the data ($\Delta X^2 = 271.483$, $\Delta df = 2$, $p < .001$). Next, the three-factor model was compared to a two-factor model with the cognitive and motivational dimensions combined. This produced a model with poor fit ($X^2 = 391.676$; $df = 89$, $p < .001$; $X^2/df = 4.401$; CFI = .878; NNFI = .856; SRMR = .0644; RMSEA = .135). Again, the chi-square difference test indicates the three-factor model provides a significantly better fit to the data than this two-factor model ($\Delta X^2 = 180.231$, $\Delta df = 2$, $p < .001$). Finally, the three-factor model was compared to a two-factor model with cognitive and affective / self-image dimensions combined. The resulting model, as with the previous two scenarios, demonstrates poor fit ($X^2 = 477.122$; $df = 89$, $p < .001$; $X^2/df = 5.361$; CFI = .844; NNFI = .816; SRMR = .0817; RMSEA = .153). Similarly, the chi-square difference test indicates that the three-factor model provides a significantly better fit to the data ($\Delta X^2 = 265.677$, $\Delta df = 2$, $p < .001$).

7.9.4 CE-OAE as a higher-order factor

Attempting to model CE-OAE as a second-order factor is justified (see Section 4.4.3.4) as the three CE-OAE factors can be interpreted as dimensions of a more abstract concept, consumer engagement with the online auction experience, and are "relatively highly correlated" with one another (Bagozzi & Yi, 2012, p. 25). Thus, CE-OAE was modelled as a second-order factor. Model fit indicates CE-OAE represents a higher-order factor, with three first-order dimensions ($X^2 = 211.445$;

$df = 87, p < .001; X^2/df = 2.430; CFI = .950; NNFI = .940; SRMR = .0450; RMSEA = .087$). Figure 7.5 displays the final model for CE-OAE.

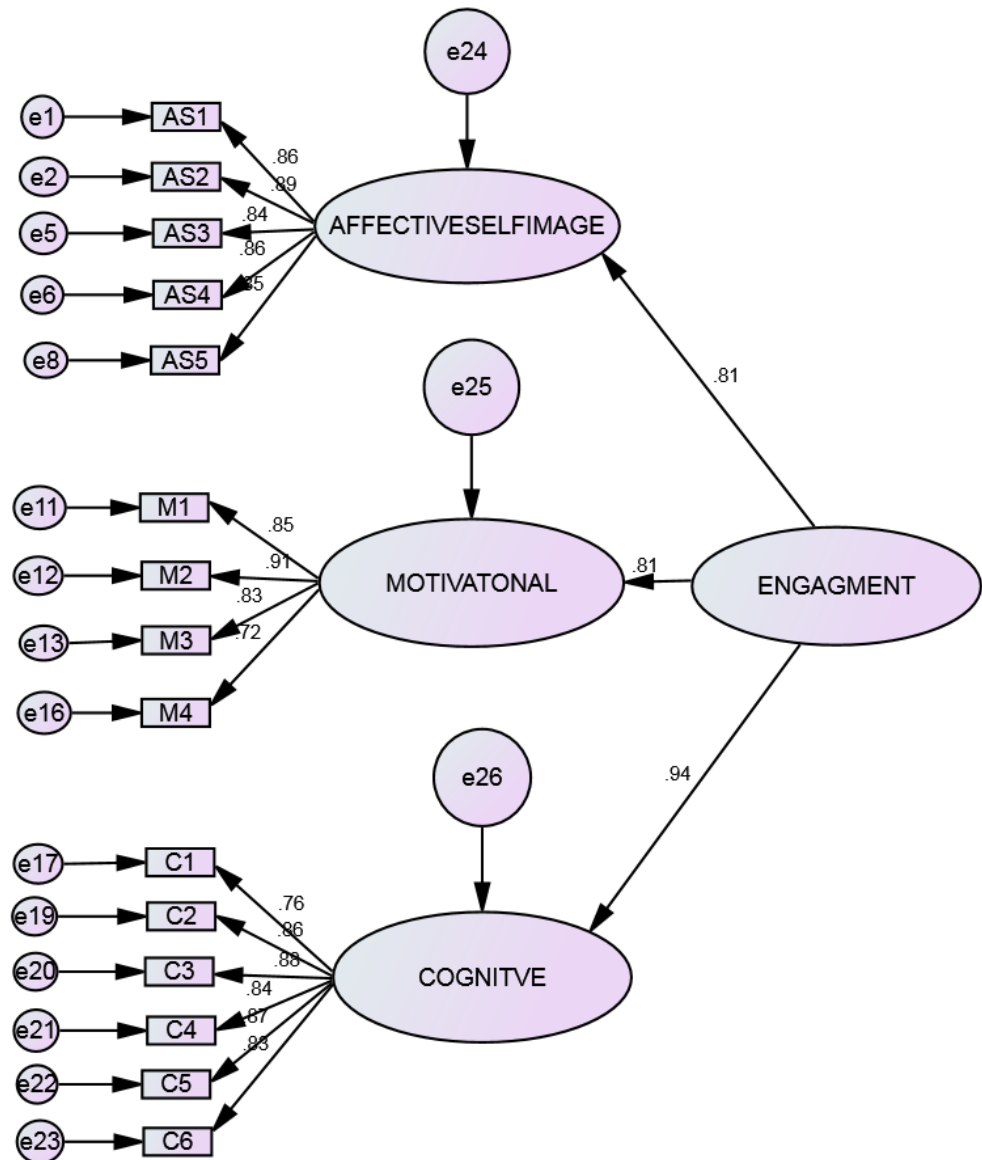


Figure 7.5 - Final model for CE-OAE

7.10 Confirmatory factor analysis for the Value scale

To purify the value scale, a measurement model was constructed in AMOS 22.0 software using the 28 items identified in Study Two. Three items measuring function value displayed high modification indices and standardised residuals – “solves a lot of problems”, “a source of things I need”, and “a wide selection of goods”. The last two items only speak to benefits for the buyer. The item “solves a lot of problems” is similar to another retained item “is convenient”. With these items deleted, the fit measures are acceptable and the model provides good fit to the data ($X^2 = 595.121$; $df = 260$, $p < .001$; $X^2 / df = 2.289$; CFI = .925; NNFI = .913; SRMR = .060; RMSEA = .084). The competition dimension is represented with two indicator variables (“I like competing”, and “I like the element of competition”). Though Hair et al. (2010) generally advise against the use of factors defined by fewer than three items (unless that factor is integrated into a larger model), the competition dimension was retained for theoretical representation, as both previous literature and the qualitative phase of this research emphasize the importance of competition in the online auction experience. An alternative model, dropping the competition dimension and its two indicators, was tested; model fit did not improve ($X^2 = 523.167$; $df = 220$, $p < .001$; $X^2 / df = 2.378$; CFI = .924; NNFI = .912; SRMR = .062; RMSEA = .086). For these reasons, the competition dimension is retained. The final model (Table 7.17; Figure 7.6) comprises of six factors and 25 items. This is a congeneric model in that all factors are unidimensional, with no cross-loading between factors and no covariance between error terms.

Table 7.17 - CFA Results for the Consumer Value in Online Auctions Scale

Value Dimensions	Standardised Factor Loading	C.R.¹	AVE	Construct Reliability
Functional			.700	.845
Is easy to use (FUNC1)	.745	-		
Is an efficient way to get goods (FUNC2)	.874	11.821		
Is convenient (FUNC3)	.878	11.860		
Monetary			.816	.914
Good prices (MON1)	.875	-		
A source of bargains (MON2)	.922	18.249		
Provides me with value for money (MON3)	.913	17.931		
Emotional			.792	.929
Excites me (EMOT1)	.857	-		
Provides me with varied enjoyment (EMOT2)	.876	16.223		
Is fun (EMOT3)	.912	17.558		
Gives me pleasure (EMOT4)	.911	17.537		
Makes me feel good (EMOT5)	.892	16.822		
Social			.752	.881
Helps me make interpersonal relationships (SOC1)	.790	-		
I enjoy meeting new people through the auction (SOC2)	.764	11.651		
Other people admire me (SOC3)	.877	14.054		
Helps me feel accepted by others (SOC4)	.933	15.368		
Makes a good impression on other people (SOC5)	.901	14.616		
Gives me social approval (SOC6)	.924	15.146		
Epistemic			.608	.843
Is a new way of doing things (EPIS1)	.645	-		
I have learned from my experiences (EPIS2)	.668	8.086		
Satisfies my curiosity (EPIS3)	.906	10.270		
Arouses my curiosity for novelty (EPIS4)	.890	10.148		

Value Dimensions	Standardised Factor Loading	C.R.¹	AVE	Construct Reliability
Provides me with a new experience (EPIS5)	.836	9.684		
Helps me come across new things (EPIS6)	.688	8.294		
Competition				
I like competing (COMP1)	.976	-	.924	.916
I like the element of competition (COMP2)	.946	21.863		

¹ C.R. = critical ratio. A critical ratio greater than 1.96 indicates a regression weight that is significant at the p<.05 level (*) (Arbuckle, 2012). All critical ratios in this table are statistically significant (***) at the p<.001 level.

Construct reliability and validity for the 25-item measure were checked in terms of factor loadings, convergent validity, construct reliability, and discriminant validity. Table 7.17 demonstrates evidence of convergent validity in that all standardized factor loadings are significant and exceed 0.5 (indeed, 22 of the 25 items have factor loadings above 0.7), and the AVE for each factor exceeds the minimum threshold of 0.5 providing evidence that all items converge on the dimension they are intended to measure (Hair et al., 2010). There is also evidence of reliability in that all construct reliabilities exceed the minimum threshold of 0.7 (Hair et al., 2010).

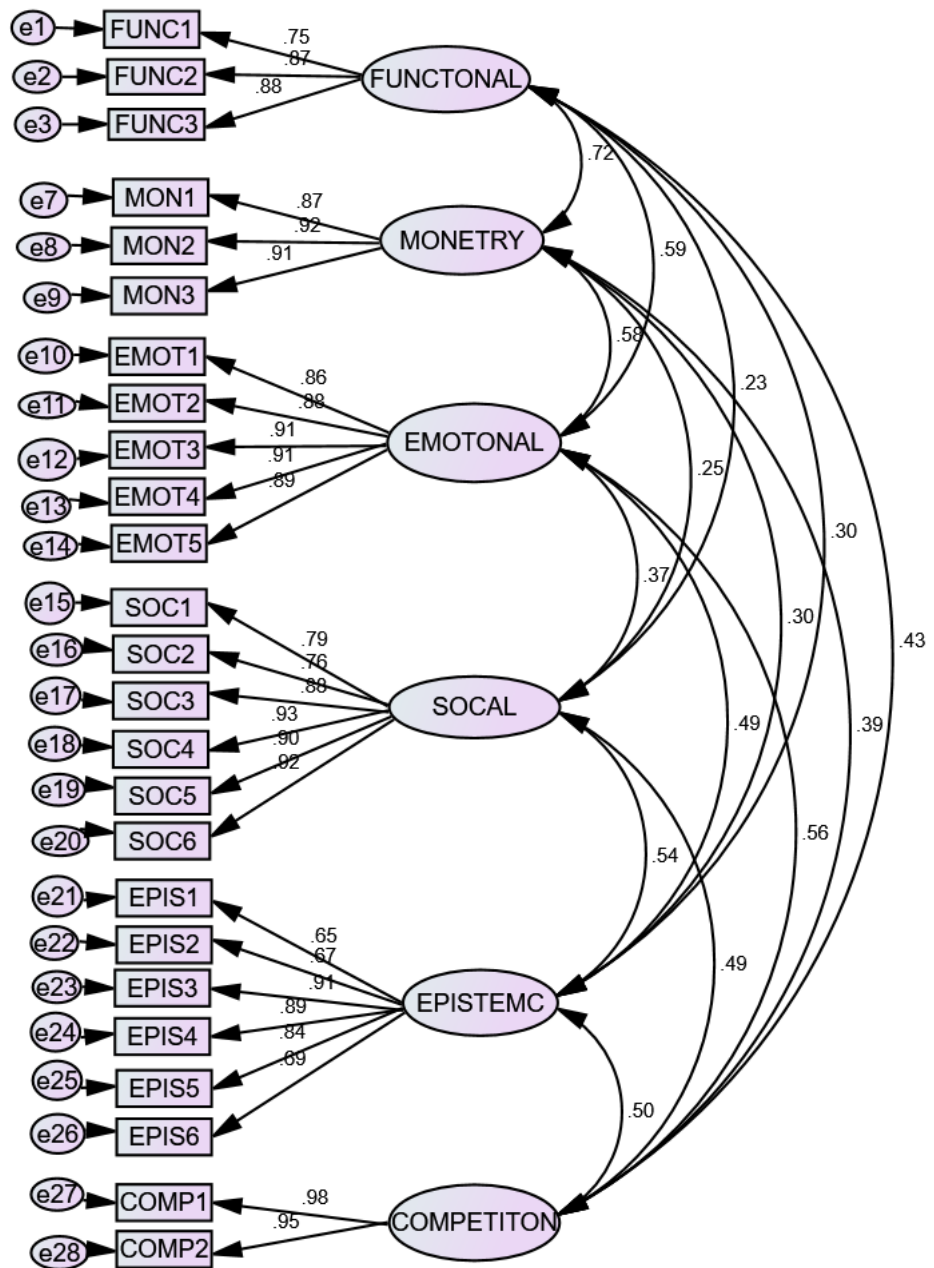


Figure 7.6 - Measurement model for consumer value in online auctions scale

Next, discriminant validity was assessed. Table 7.18 compares the AVE for each factor (displayed in **bold** in the diagonal of the table) with the square of the correlation between each pair of factors (displayed above the diagonal in the table). Discriminant validity is indicated because the AVE for each factor exceeds the square of correlation between that factor and any other.

Table 7.18 - Discriminant Validity for Consumer Value in Online Auctions Scale

	Func- tional	Monetary	Emotional	Social	Epistemic	Competition
Functional	.700	.446	.298	.005	.082	.144
Monetary	.668	.816	.303	.064	.097	.132
Emotional	.546	.551	.792	.151	.231	.286
Social	.217	.252	.388	.752	.280	.247
Epistemic	.286	.311	.481	.529	.608	.207
Competition	.379	.363	.535	.497	.455	.924

7.11 Confirmatory factor analysis for the Risk scale

To purify the risk scale, a measurement model for the risk scale was constructed in AMOS 22.0 software using the seven items identified in the EFA in Study Two. The initial model of two factors and seven items did not provide good fit to the data ($X^2 = 100.892$; $df = 13$, $p < .001$; $X^2/df = 7.761$; CFI = .890; NNFI = .822; SRMR = .0848; RMSEA = .190). To improve model fit, a series of modifications were carefully undertaken without impacting on the content validity of each type of risk. Items with high standardised residuals and high modification indices were checked for content validity before potential deletion. Overall, two items were deleted and five were retained. The deleted items were, “As a seller, I am concerned I will not receive full payment for the goods I have sold “ and “I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods”. The final model, consisting of two factors (Table 7.19; Figure 7.7) shows acceptable fit with the exception of the RMSEA measure ($X^2 = 13.099$; $df = 4$, $p < .05$; $X^2/df = 3.275$; CFI = .984; NNFI = .960; SRMR = .041; RMSEA = .110). Model fit could have been improved by deleting one further item (“I am concerned that some buyers/sellers may be dishonest”), but to do so would have impacted on the

theoretical representation of the measure. (This measurement model was further tested in Study Four, and the results reported in Chapter 8).

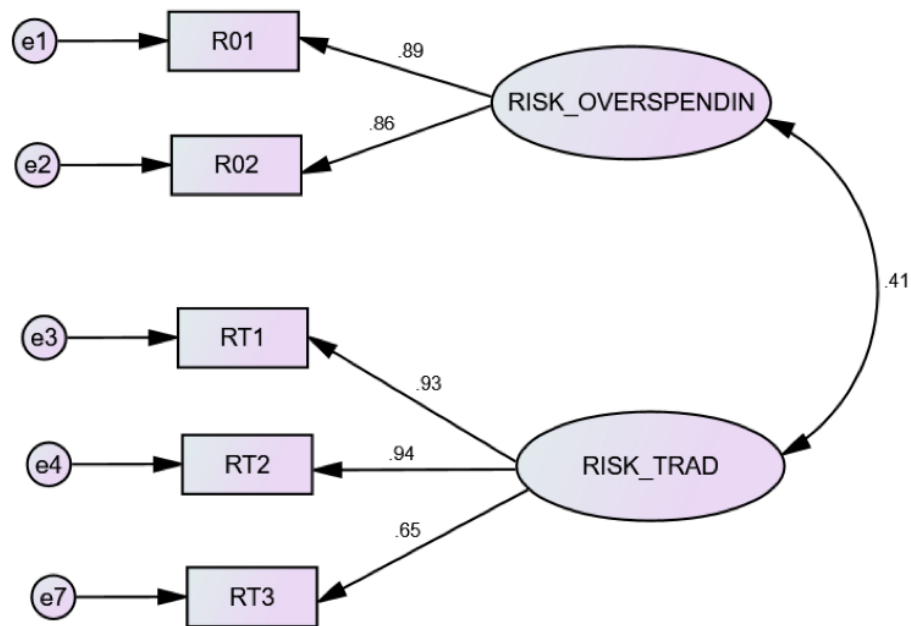


Figure 7.7 - Measurement model for perceived risk in online auctions scale

Table 7.19 demonstrates evidence of convergent validity in that all standardized loadings exceed 0.5 and the AVE for each factor exceeds the minimum threshold of 0.5. There is also evidence of reliability in that all construct reliabilities meet the minimum threshold of 0.7 (Hair et al., 2010).

Table 7.19 - CFA Results for the Perceived Risk in Online Auctions Scale

Dimensions of Risk	Standardised Factor Loading	C.R.¹	AVE	Construct Reliability
Risk of Overspending			.766	.700
As a buyer, I am concerned I will spend too much and go over my budget (RO1)	.893	-		
As a buyer, I am concerned I will buy something I shouldn't (RO2)	.857	6.894		
Risk of Trading			.725	.832
As a buyer, I am concerned the goods I receive will not be the quality I expected (RT1)	.931	-		
As a buyer, I am concerned the goods I receive may be faulty (RT2)	.943	17.805		
I am concerned that some buyers/sellers may be dishonest (RT3)	.648	10.465		

¹ C.R. = critical ratio. A critical ratio greater than 1.96 indicates a regression weight that is significant at the p<.05 level (*) (Arbuckle, 2012). All critical ratios in this table are statistically significant (***) at the p<.001 level.

Table 7.20 compares the AVE for each factor (displayed in the diagonal of the table) with the square of the correlation between the two factors (displayed above the diagonal in the table). Discriminant validity is indicated because the AVE for each factor exceeds the square of correlation between the two factors.

Table 7.20 - Discriminant Validity for Perceived Risk in Online Auctions Scale

	Risk of Overspending	Risk of Trading
Risk of Overspending	.766	.167
Risk of Trading	.409	.725

7.12 Chapter conclusions

This chapter has presented the results of scale purification, Studies Two and Three. In Study Two a convenience sample of online auction users ($n = 203$) completed the draft scales to measure consumer engagement with the online auction

experience (CE-OAE), consumer value in online auctions (the “value” scale) and risk in online auctions (the “risk” scale). The draft scales were each subjected to procedures of exploratory factor analysis. As a result, a 27-item measure of CE-OAE, a 28-item measure of value, and a seven-item measure of risk were created.

In Study Three these revised scales to measure CE-OAE, value and risk were administered to a new sample ($n = 188$), a nationwide sample of online auction users. The scales were subjected to confirmatory factor analysis procedures and modification to the measures undertaken. A 15-item measure of CE-OAE, a 25-item measure of value and a five-item measure of risk resulted. CE-OAE was successfully modelled as a higher-order factor comprised of three dimensions reflected in 15 indicator variables.

In the following chapter - Scale Verification - the scales to measure CE-OAE, value, and risk are verified without any further modification, employing a new sample. Chapter 8 also provides a test of the research hypotheses, and tests of the nomological validity of the CE-OAE measure.

Chapter 8 Scale Validation and Hypotheses Testing

8.1 Introduction

The previous chapter described the processes of scale purification for the scales to measure consumer engagement with the online auction experience, consumer value in online auctions, and risk in online auctions (the CE-OAE, “value”, and “risk” scales). This chapter presents the results of scale validation and the testing of the research hypotheses using data from two additional studies. Hypotheses H1-H4 are tested with Study Four data. The remaining hypotheses, H5 and H6, are tested with Study Five data.

The chapter is organised into 18 sections. Section 8.2 provides a profile of the sample for Study Four and Section 8.3 describes procedures for cleaning the dataset. Section 8.4 addresses the issue of common methods bias, and 8.5 provides verification of the measurement models for CE-OAE, value, and risk. Section 8.6 explores different levels in the CE-OAE measure, and 8.7 considers convergent and discriminant validity of the CE-OAE scale. Sections 8.8 to 8.14 answer the research hypotheses, using structural equation modelling, Hayes Process analysis and multiple regression analysis. Section 8.15 provides tests of the conceptual framework and the nomological validity of the CE-OAE construct. Section 8.16 summarises the results of hypothesis testing and 8.17 provides chapter conclusions.

8.2 Study Four - sample

This section provides a profile of this sample. Table 8.1 indicates that the sample represents both genders, a wide variety of ages, ethnicities, regions of New Zealand, household incomes and years of experience using online auctions.

Table 8.1 - Demographic Profile of the Study Four Sample

		Percent	Number
Gender	Male	36.7%	79
	Female	63.3%	136
Age	Under 20	5.1%	11
	20-29	18.1%	39
	30-39	16.7%	36
	40-49	20.9%	45
	50-59	16.7%	36
	60-69	15.3%	33
	70 or over	7.0 %	15
Ethnicity	European	77.2%	166
	Maori	6.0%	13
	Pasifika	1.9%	4
	Asian	9.3%	20
	Other	5.6%	12
Region of N.Z.	Northland	1.9%	4
	Auckland	39.4%	84
	WaikatoCoromandel// Bay of Plenty	12.2%	26
	Central North Island	.5%	1
	GisborneHawkes Bay/	4.2%	9
	Taranaki	1.9%	4
	WanganuiManawatu/Wairarapa/	4.7%	10
	Wellington	13.6%	29
	NelsonMarlborough/	1.4%	3
	Westland	-	-
			221

		Percent	Number
	Canterbury	10.8%	23
	Otago	8.0%	17
	Southland	1.4%	3
City or rural	City	64.6%	137
	Provincial town	27.4%	58
	Rural	8.0%	17
Household annual income	\$0 - \$29,999	17.1%	36
	\$30,000 - \$59,999	28.4%	60
	\$60,000 - \$89,999	24.2%	51
	\$90,000 - \$119,999	17.1%	36
	\$120,000 or more	13.3%	28
Years experience of online auctions	Less than 1 year	6.5%	14
	1-4 years	29.3%	63
	5-9 years	43.3%	93
	10 years or more	20.9%	45

8.3 Cleaning the data

The dataset was checked for univariate and multivariate outliers, normality and linearity (Hair et al., 2010; Tabachnick & Fidell, 2007). The 15 items of the CE-OAE scale, the 25 items of the value scale, and the 5 items of the risk scale were examined for univariate outliers. Eight datapoints in the variables to measure value were identified as univariate outliers ($z > 4.0$). These datapoints were each replaced with the next highest value (Tabachnick & Fidell, 2007). No datapoints in the variables to measure CE-OAE or risk were identified as univariate outliers.

The data was checked for multivariate outliers. Mahalanobis distances (D^2) range from 7.546 to 100.165 for the 45 variables examined. With 45 degrees of freedom,

the maximum D^2/df is 2.226, which is below the criteria of 3.5 for identifying multivariate outliers.

The normality of the data was also checked, with measures of skewness and kurtosis. The maximum skewness score amongst the 45 variables is -1.391, which is below the cut-off point of an absolute value of 2.0. The maximum kurtosis score is 2.964, which is below the cut-off point of 7.0.

Finally, the dataset was checked for linearity. Scatterplots were drawn for a random sample of pairs of variables for each of the three scales. Each scatterplot illustrates some degree of linearity and no evidence of curvilinearity.

8.4 Testing for common methods bias

A Harman's one-factor test was run to check for common methods bias (Podsakoff & Organ, 1986). This involved running Principle Components Analysis on all the variables used to measure experience, CE-OAE, value, risk and behavioural outcomes, and checking the unrotated factor solution. Common methods bias could exist if all variables load on a single factor, or a "general factor" accounts for the majority of variance. The unrotated factor solution comprised 12 factors with eigenvalues > 1 ; in addition, the largest factor extracted only accounted for 33.00% of the variance. This provides evidence that there is unlikely to be common methods bias in the dataset.

8.5 Verifying the CE-OAE, value, and risk scales

Confirmatory tests of the measures of the CE-OAE, value, and risk scales were conducted. These were truly confirmatory tests where no modification to the indicators or pathways was undertaken. The measurement model for CE-OAE, comprising one second-order factor with three dimensions measured by 15 indicators, provides good fit to the new dataset ($X^2 = 230.618$; $df = 87$, $p < .001$; $X^2/df = 2.651$; CFI = .955; NNFI = .945; SRMR = .0389; RMSEA = .088). The measurement model for value, comprising 25 indicators and six dimensions also provides good fit to the data ($X^2 = 463.869$; $df = 260$, $p < .001$; $X^2/df = 1.784$; CFI = .952; NNFI = .945; SRMR = .051; RMSEA = .061). There is thus justification in retaining the competition factor in the measurement of value. Thirdly, the measurement model for risk, comprising five indicators and two dimensions

provides good fit to the data ($\chi^2 = 6.519$; $df = 4$, $p < .001$; $\chi^2/df = 1.630$; CFI = .996; NNFI = .991; SRMR = .0144; RMSEA = .031). This is encouraging, in that it confirms the earlier decision to retain the fifth indicator variable for the risk scale, “I am concerned that some buyers/sellers may be dishonest”, on theoretical grounds.

8.6 Three levels of engagement

The CE-OAE scale provides an overall score for consumer engagement with the online auction experience, calculated as a composite score of the three dimensions of CE-OAE. Figure 8.1 shows that scores on CE-OAE are normally distributed with a mean of 4.182 and a standard deviation of 1.204. The mean of 4.182 is close to 4.0, the mid-point of a 7-point scale. The standard deviation of 1.204 suggests approximately 67% of the sample lies between 2.978 and 5.386.

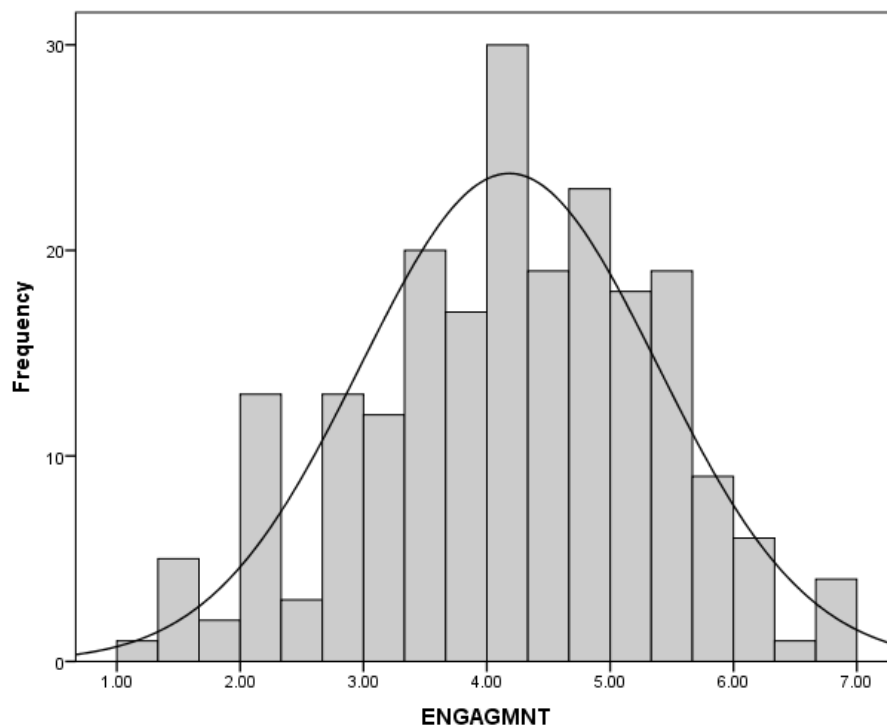


Figure 8.1 - Distribution of scores on the CE-OAE scale

Based on their overall CE-OAE scores, respondents were divided into three groups: a low engagement group who score below 3.0, a moderate engagement group who score 3.0 – 4.99, and a high engagement group who score 5.0 – 7.0. Table 8.2 shows that the three groups differ significantly on scores for each of the three dimensions of engagement. For each group, the highest scoring dimension of engagement is

Motivational followed by Cognitive and Affective/Self-Image. This highlights the importance of the Motivational dimension for all auction users.

Table 8.2 - Mean Scores of the Three Dimensions of Engagement

	Affective/ Self-Image	Motivational	Cognitive	CE-OAE
Low Engagement Group (n = 37)	1.281	3.156	2.469	2.302
Moderate Engagement Group (n = 121)	3.187	4.787	4.262	4.079
High Engagement Group (n = 57)	5.025	6.228	5.608	5.620
Total Sample	3.346	4.888	4.310	4.182
	$F(2,212) =$ 215.398***	$F(2,212) =$ 180.534***	$F(2,212) =$ 219.501***	$F(2,212) =$ 440.286***

*** $p < .001$

One way in which a researcher can contribute to establishing construct validity is to provide evidence that the “measure behaves as expected” (Churchill, 1979, p. 70). To establish validity, Churchill and Peters encourage researchers to use alternative methods (in addition to correlations between scale measures) to demonstrate the relationship between a construct and other variables. In this regard, it is valuable to show that CE-OAE scores relate to other variables, measured by alternative methods. The stories of memorable online auction experiences written by respondents were examined, and each coded as positive, neutral or negative stories. Positive stories express sentiments of excitement, satisfaction, and pleasure, while negative stories express anger or frustration. Neutral stories do not express either overtly positive or negative sentiments. A second coder checked the coding of stories into the three categories. An example of a positive story, told by a high engagement respondent is,

I had listed my wedding gown on a website ... I had one enquiry offering me \$500 but would put half in my account if I would courier it to her in

Whakatane for her to try on and she would either send back or deposit the rest of the money. I said I wasn't happy doing that but I had friends in Te Puke I could send it to and she try it on there. She said she couldn't get there as she had had an accident and couldn't drive. I said sorry I wasn't happy to do it the other way. So I sold to someone else who was soooo excited the first offer didn't go through. I even gave her the earrings I wore with it. She was so excited when it arrived. And selling it for \$500 I actually made \$80 on it!

An example of a negative story, told by a low engagement respondent is,

I don't have any one particular memorable experience, but it is hard to forget the occasions when I have had very rude people comment/question my auction. Pushy people urging me to offer a 'buy now' price before the auction has run its course, etc. It has almost put me off using Trade Me altogether.

A comparison of the stories told by the high engagement group versus those told by the low engagement group indicate that the high engagement group told a significantly greater number of positive stories, while the low engagement group told a significantly greater number of neutral and negative stories ($X^2 = 11.308$, $df = 2$, $p < .01$) (Table 8.3). In the analysis of consumer's stories, we find some evidence that CE-OAE measures behave as expected, in that the measures of CE-OAE are associated with the valency of respondent's stories of their auction experiences. Thus the analysis of consumer stories provides an element of additional support for the construct validity of CE-OAE.

Table 8.3 - Comparison of Stories Between Engagement Groups

	High CE-OAE	Low CE-OAE
Positive stories	75% (n=41)	44% (n=16)
Neutral stories	5% (n=3)	28% (n=10)
Negative stories	20% (n=11)	28% (n=10)

8.7 Convergent and discriminant validity of CE-OAE

The convergent and discriminant validity of the multi-item constructs in the conceptual model – value, CE-OAE, buying, and selling – were checked by running a single measurement model with all constructs combined. The fit indices for this combined measurement model are acceptable: $X^2 = 1703.038$; $df = 995$, $p < .001$; $X^2/df = 1.712$; CFI = .923; NNFI = .916; SRMR = .0589; RMSEA = .058. In addition, the standardised factor loadings, AVEs, and construct reliabilities meet acceptable standards (Table 8.4).

Table 8.4 - Measurement Model for all Constructs

Dimensions	Standardised Factor Loading	C.R.¹	AVE	Construct Reliability
CE-OAE			.773	.844
Motivational	.846	11.937		
Affective / Self-Image	.838	-		
Cognitive	.950	11.267		
Affective/Self-Image			.768	.859
Use of the auction site has become an important part of my life (AS1)	.863	-		
The experience of using the auction site is a part of who I am (AS2)	.871	17.320		
I am connected to it (AS3)	.847	16.460		
I am passionate about using the auction site (AS4)	.888	17.990		
I am strongly drawn to using the auction site (AS5)	.912	18.987		
Motivational			.742	.857
I'm motivated to come back to the auction site (M1)	.936	-		
I'm enthusiastic to use the auction site again (M2)	.931	24.775		
I am willing to invest time into using the auction site (M3)	.840	18.680		
I will keep coming back (M4)	.721	13.673		
Cognitive			.715	.859
I'm absorbed (C1)	.791	-		
The auction site grabs my attention (C2)	.867	14.712		
I pay a lot of attention to the auction site (C3)	.870	14.774		
Using the auction site stimulates my interest (C4)	.900	15.496		
The auction site is thought provoking (C5)	.834	13.936		
I'm intrigued (C6)	.806	13.314		
Functional			.632	.868
Is easy to use (FUNC1)	.620	-		
Is an efficient way to get goods (FUNC2)	.932	9.722		

Is convenient (FUNC3)	.803	9.372		
Monetary			.811	.917
Good prices (MON1)	.853	-		
A source of bargains (MON2)	.931	18.649		
Provides me with value for money (MON3)	.915	18.200		
Emotional			.715	.889
Excites me (EMOT1)	.794	-		
Provides me with varied enjoyment (EMOT2)	.837	13.921		
Is fun (EMOT3)	.846	14.121		
Gives me pleasure (EMOT4)	.895	15.277		
Makes me feel good (EMOT5)	.854	14.315		
Social			.702	.866
Helps me make interpersonal relationships (SOC1)	.765	-		
I enjoy meeting new people through the auction (SOC2)	.724	11.169		
Other people admire me (SOC3)	.848	13.527		
Helps me feel accepted by others (SOC4)	.934	15.251		
Makes a good impression on other people (SOC5)	.830	13.158		
Gives me social approval (SOC6)	.906	14.690		
Epistemic			.572	.847
Is a new way of doing things (EPIS1)	.661	9.081		
I have learned from my experiences (EPIS2)	.647	8.894		
Satisfies my curiosity (EPIS3)	.866	11.675		
Arouses my curiosity for novelty (EPIS4)	.787	10.710		
Provides me with a new experience (EPIS5)	.848	11.472		
Helps me come across new things (EPIS6)	.698			
Competition			.963	.919
I like competing (COMP1)	.988			
I like the element of competition (COMP2)	.938	22.933		

Buying			.722	.740
Items placed on watchlist (B1)	.624	-		
Items bid on or buy now (B2)	.914	10.742		
Purchases made (B3)	.967	11.054		
Value of purchase (B4)	.854	10.256		
Selling			.771	.727
Lots put up for sale (SE1)	.829	-		
Sales made (SE2)	.974	17.275		
Value of sales (SE3)	.822	14.764		

In addition, to provide evidence of the convergent and discriminant validity of CE-OAE in a wider nomological space, the CE-OAE measure should correlate more highly with an alternative, independent measure of engagement than with alternative but related constructs.

A measure is said to possess convergent validity if independent measures of the same construct converge, or are highly correlated. Evidence of convergent validity is offered by significant and strong correlations between measures of the same construct. Discriminant validity requires that a measure does not correlate too highly with measures from which it is supposed to differ. (Netemeyer et al., 2003, p. 77)

In this regard, respondents from Study Four completed measures of flow, involvement, and an alternative engagement scale. The measure of flow was sourced from Pauwels et al. (2011). Involvement was measured using the revised Personal Involvement Inventory scale (Zaichkowsky, 1994). The alternative engagement scale used for this study was Customer Brand Engagement (Hollebeek et al., 2014). Items for the above scales are listed in the Time 2 questionnaire (Appendix 4).

Table 8.5 - Discriminant Validity of CE-OAE in a wider Nomological Space

	CE-OAE
Customer Brand Engagement	.751
Flow	.550
Involvement	.489

Table 8.5 shows that CE-OAE correlates higher with Customer Brand Engagement ($r = .751, n = 200, p < .001$), and lower with measures of flow ($r = .550, n = 201, p < .001$) and involvement ($r = .489, n = 201, p < .001$). This result means that CE-OAE has a lot more in common with an alternative measure of engagement, than it does with competing measures of flow or involvement.

8.8 The effect of consumption experiences on value

To test the conceptual framework including Hypotheses 1-3, the conceptual framework was expressed as a structural model using the Study Four dataset (Figure 8.2). Overall, the conceptual framework is supported in that the structural model provides good fit to the data ($X^2 = 2092.566; df = 1158, p < .001; X^2/df = 1.807; CFI = .901; NNFI = .895; SRMR = .0789; RMSEA = .061$). Table 8.6 shows this model expressed as a series of regression weights.

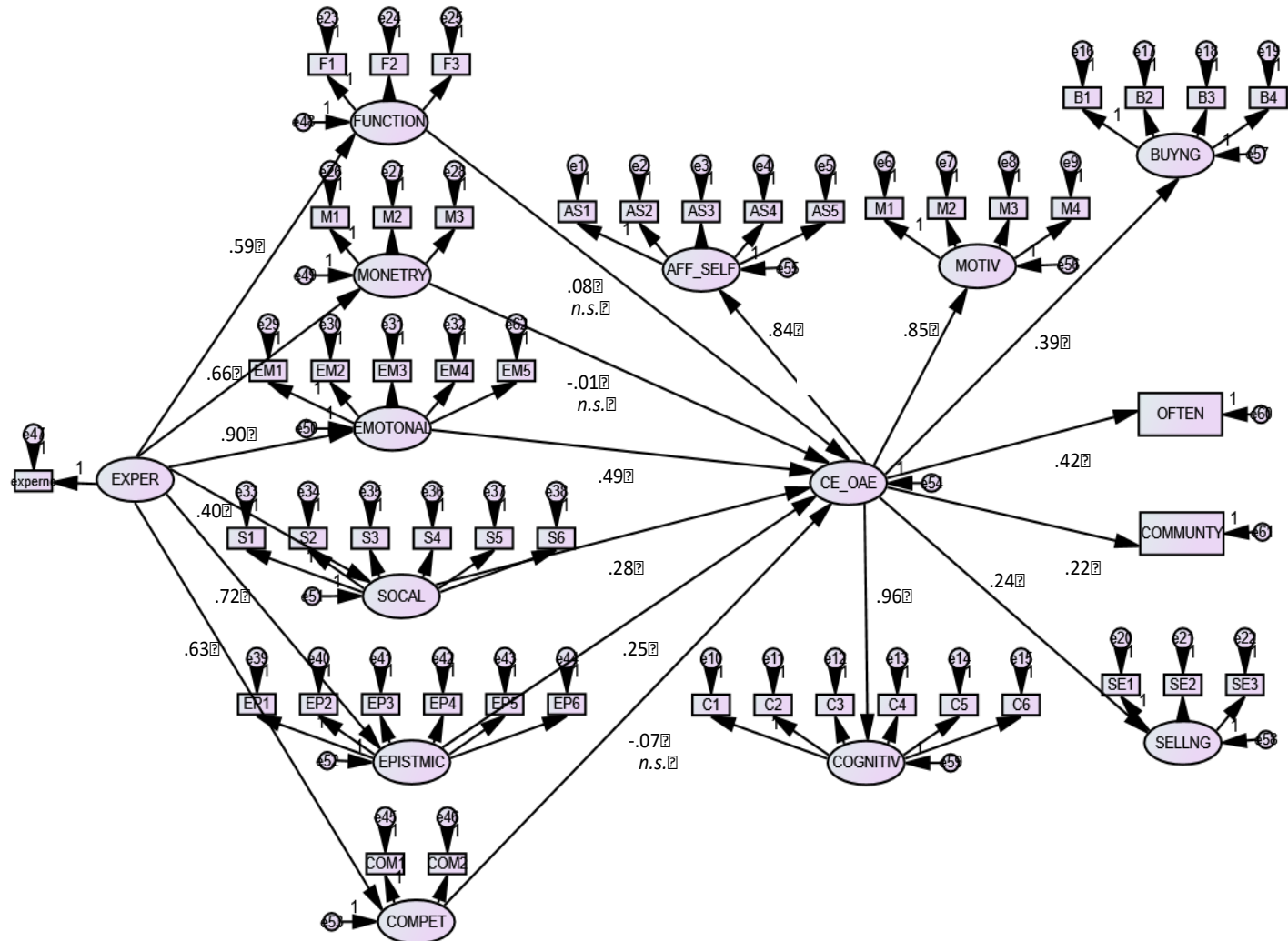


Figure 8.2 - Structural model

Table 8.6 - Structural Model – Regression Weights

			Std. Regression Weight	C.R.	p
FUNCTIONAL	<---	EXPERIENCE	.592	4.754	***
EMOTIONAL	<---	EXPERIENCE	.896	5.845	***
SOCIAL	<---	EXPERIENCE	.401	4.167	***
EPISTEMIC	<---	EXPERIENCE	.719	5.236	***
COMPETITION	<---	EXPERIENCE	.634	5.522	***
MONETARY	<---	EXPERIENCE	.657	5.446	***
ENGAGEMENT	<---	FUNCTIONAL	.080	1.327	.182
ENGAGEMENT	<---	MONETARY	-.012	-.200	.850
ENGAGEMENT	<---	EMOTIONAL	.489	5.596	***
ENGAGEMENT	<---	SOCIAL	.282	5.050	***
ENGAGEMENT	<---	EPISTEMIC	.254	3.521	***
ENGAGEMENT	<---	COMPETITION	-.074	-1.269	.208
BUYING	<---	ENGAGEMENT	.387	4.894	***
SELLING	<---	ENGAGEMENT	.238	3.264	.001
OFTEN	<---	ENGAGEMENT	.421	6.019	***
COMMUNITY	<---	ENGAGEMENT	.216	3.049	.002
AFFECTIVE/SELF-IMAGE	<---	ENGAGEMENT	.836		
MOTIVATIONAL	<---	ENGAGEMENT	.846	11.927	***
COGNITIVE	<---	ENGAGEMENT	.958	11.304	***
Approximately how many items have you placed on your watch list?	<---	BUYING	.622		
How many items have you bid on or offered to buy now?	<---	BUYING	.912	10.701	***
How many purchases have you made from the auction site in the past two months?	<---	BUYING	.970	11.038	***
What is the total value of purchases you have made from the auction site in the last two months?	<---	BUYING	.853	10.228	***
How many auction lots have you put up for sale in the past two months?	<---	SELLING	.823		
How many sales have you made on the auction site in the past two months?	<---	SELLING	.983	16.800	***

			Std. Regression Weight	C.R.	p
What is the total value of sales you have made on the auction site in the past two months?	<---	SELLING	.816	14.526	***
The auction site is thought provoking	<---	COGNITIVE	.831	13.894	***
I pay a lot of attention to the auction site	<---	COGNITIVE	.874	14.911	***
The auction site grabs my attention	<---	COGNITIVE	.868	14.770	***
I'm absorbed	<---	COGNITIVE	.792		
I'm intrigued	<---	COGNITIVE	.803	13.270	***
Using the auction site stimulates my interest	<---	COGNITIVE	.900	15.545	***
I am connected to it	<---	AFFECTIVE/ SELF-IMAGE	.847	16.461	***
Use of the auction site has become an important part of my life	<---	AFFECTIVE/ SELF-IMAGE	.864		
The experience of using the auction site is a part of who I am	<---	AFFECTIVE/ SELF-IMAGE	.870	17.330	***
I'm passionate about using the auction site	<---	AFFECTIVE/ SELF-IMAGE	.887	18.013	***
I am strongly drawn to using the auction site	<---	AFFECTIVE/ SELF-IMAGE	.912	19.038	***
I'm motivated to come back to the auction site	<---	MOTIVATIONAL	.936		
I'm enthusiastic to use the auction site again	<---	MOTIVATIONAL	.931	24.777	***
I am willing to invest time into using the auction site	<---	MOTIVATIONAL	.839	18.641	***
I will keep coming back	<---	MOTIVATIONAL	.722	13.716	***
Is easy to use	<---	FUNCTIONAL	.628		
Is an efficient way to get goods	<---	FUNCTIONAL	.916	9.632	***
Is convenient	<---	FUNCTIONAL	.815	9.473	***
Good prices	<---	MONETARY	.851		
A source of bargains	<---	MONETARY	.937	18.694	***
Provides me with value for money	<---	MONETARY	.910	17.971	***

			Std. Regression Weight	C.R.	p
Excites me	<---	EMOTIONAL	.794		
Provides me with varied enjoyment	<---	EMOTIONAL	.836	13.924	***
Is fun	<---	EMOTIONAL	.847	14.167	***
Gives me pleasure	<---	EMOTIONAL	.895	15.700	***
Makes me feel good	<---	EMOTIONAL	.853	14.319	
Helps me make interpersonal relationships	<---	SOCIAL	.765		
I enjoy meeting new people through the auction	<---	SOCIAL	.725	11.199	***
Other people admire me	<---	SOCIAL	.848	13.529	***
Helps me feel accepted by others	<---	SOCIAL	.933	15.243	***
Makes a good impression on other people	<---	SOCIAL	.830	13.182	***
Gives me social approval	<---	SOCIAL	.906	14.705	***
Is a new way of doing things	<---	EPISTEMIC	.660	9.147	***
I have learned from my experiences	<---	EPISTEMIC	.645	8.934	***
Satisfies my curiosity	<---	EPISTEMIC	.868	11.879	***
Arouses my curiosity for novelty	<---	EPISTEMIC	.790	10.880	***
Provides me with a new experience	<---	EPISTEMIC	.839	11.522	***
Helps me come across new things	<---	EPISTEMIC	.707		
I like competing	<---	COMPETITION	.978		
I like the element of competition	<---	COMPETITION	.948	21.452	***
Experience	<---	EXPERIENCE	.434		

*** $p < .001$

The following discussion considers Hypotheses 1-3. Hypothesis 1 for the study states,

H1: The more positive the consumer's experiences with C2C online auctions the more value the consumer derives from those experiences

Study Four respondents were asked to write a brief story about their experiences with the online auction and then evaluate these experiences on a scale from 1 ("extremely negative") to 10 ("extremely positive"). Since experience was assessed using a single measure, it was modelled as a single-indicator latent variable. A single item measure is "useful for concrete, singular and one dimensional constructs" (Petrescu, 2013, p. 101). To test H1, the standardised regression weights in the structural model between experience and six types of value were examined. All six regression weights in the structural model are significant at the $p < .001$ level: emotional ($B = .895$), epistemic ($B = .720$), monetary ($B = .657$), competition ($B = .634$), functional ($B = .592$), and social ($B = .401$) (Table 8.6). Hypothesis 1 is supported. The more positive are consumers' online auction experiences, the more positive the value they derive from their experiences. The strongest relationships are with emotional, epistemic and monetary value.

There is evidence then that consumers derived six types of value from their auction experiences. The next section considers which types of value are most strongly linked to engagement with the online auction experience.

8.9 The effect of value on engagement

Hypothesis 2 states,

H2: Consumers who derive high levels of value from their consumption experiences are highly engaged with the online auction experience

The standardised regression weights between six types of value and CE-OAE in the structural model were examined to test Hypothesis 2 (Table 8.6). Three of the types of value significantly predict CE-OAE: emotional ($B = .487, p < .001$), social ($B = .282, p < .001$), and epistemic ($B = .254, p < .001$). On the other hand, three of the types of value have no significant impact on CE-OAE: functional ($B = .080, p = .182, n.s.$), competition ($B = -.074, p = .208, n.s.$), and monetary ($B = -.012, p = .850, n.s.$).

Collectively, the six types of value predict 67.9% of the variance in the CE-OAE score ($SMC = .679$). That is, the greater the value consumers derive from their auction experiences, the higher their level of engagement. Hypothesis 2 is supported.

8.10 The effect of engagement on outcomes

Hypothesis 3 states,

H3: Consumers who are highly engaged with the online auction experience are more likely to undertake on-going auction activities

To test the predictive validity of CE-OAE, respondents completed the CE-OAE scale at Time 1, and provided data on their use of the auction over a two-month period up until Time 2. Nine separate measures of on-going use were taken at Time 2 (Appendix 11). These items represent four outcomes: *frequency of visits*, *buying activities* (number of items placed on a watch list, number of bids or Buy-Now offers made, number of purchases, and total value of purchases), *selling activities* (number of auction lots put up for sale, number of sales made, and total value of sales made), and *participation in the online auction community* (as measured by how often the respondent has spoken with others, off-line or online, about their auction use) (Appendix 12). These four measures of on-going use are included in the structural model.

Hypothesis 3 was tested by examining the standardised regression weights between CE-OAE and the four measures of on-going use in the structural model (Table 8.6). CE-OAE significantly predicts all four measures of on-going use: frequency of use ("often") ($B = .421, p < .001$), buying ($B = .387, p < .001$), selling ($B = .238, p = .001$), and participation in the auction community ("community") ($B = .216, p = .002$). Hypothesis 3 is supported.

As a further test of Hypothesis 3, comparisons were made between the Time 2 behavioural outcomes of the low, moderate and high engagement groups identified at Time 1. This analysis produced the same conclusion, that engagement levels at Time 1 impact behavioural outcomes at Time 2. The three engagement level groups differ significantly on frequency of visits to the auction site at Time 2, with the high engagement group visiting most often ($F = 19.382, df = 2, p < .001$). Each

of the groups differ significantly concerning their buying activities at Time 2, with the high engagement group buying most often ($F = 19.884$, $df = 2$, $p < .001$). Regarding selling activities at Time 2, the low engagement group undertook significantly less selling activities than the other two groups ($F = 7.509$, $df = 2$, $p < .01$). Regarding participation in the community of online auction users at Time 2, the high engagement group participated most often ($F = 4.008$, $df = 2$, $p < .05$). Hypothesis 3 is thus further supported. Additional evidence of the long-term impact of CE-OAE on ongoing use is provided in Section 8.14.

8.11 Testing for the moderating role of risk

H4: Perceptions of risk do not moderate the impacts of experience and value on engagement

This hypothesis examines the potential impact of risk as a moderating variable on the relationships between experience and value, and value and CE-OAE.

To test the potential moderating role of risk on the relationship between experience and value, Hayes Process Model 1 was run three times, where $M = \text{risk}$, $X = \text{experience}$, and $Y = \text{value}$. Firstly, the result of using overall risk as a moderator shows that risk does not moderate the relationship between experience and value (experience $b = .111$, *n.s.*; risk $b = .072$, *n.s.*; interaction term $b = .015$, *n.s.*). In addition, the confidence interval for estimation of the interaction term includes the value zero (95% BootLLCI = $-.028$, BootULCI = $.049$), which indicates a non-significant effect. Secondly, 'risk of overspending' does not have a moderating role in the prediction of value (experience $b = .125$, $p < .05$; risk of overspending $b = .075$, *n.s.*; interaction term $b = .008$, 95% BootLLCI = $-.018$, BootULCI = $.034$, *n.s.*). Thirdly, 'risk of trading' does not have a moderating role in the prediction of value either (experience $b = .073$, *n.s.*; risk of trading $b = -.082$, *n.s.*; interaction term $b = .017$, 95% BootLLCI = $-.026$, BootULCI = $.060$, *n.s.*).

To test the potential moderating role of risk on the relationship between value and CE-OAE, again Hayes Process Model 1 was run three further times. Firstly, investigating the overall score for risk as a moderator shows that risk does not moderate the relationship between value and CE-OAE (value $b = 1.116$, $p < .001$; risk $b = .242$, *n.s.*; interaction term $b = -.017$, 95% BootLLCI = $-.131$, BootULCI =

.097, *n.s.*). Secondly, investigating 'risk of overspending' as a moderator shows this variable does not have a moderating role in the prediction of CE-OAE (value $b = .987$, $p < .001$; risk-overspending $b = .119$, *n.s.*; interaction term $b = .004$, 95% BootLLCI = $-.075$, BootULCI = $.084$, *n.s.*). Finally, the results similarly show that 'risk of trading' does not have a moderating role in the prediction of CE-OAE (value $b = 1.183$, $p < .01$; risk of trading $b = .137$, *n.s.*; interaction term $b = -.016$, 95% BootLLCI = $-.149$, BootULCI = $.116$, *n.s.*).

Hypothesis 4 is thus supported.

8.12 Study Five

Further data collection was undertaken six months after Time 1, to test H5 and H6. All 403 respondents who completed the survey at Time 1 were invited to participate in the research at Time 3. In total, 149 respondents completed the survey at Time 3 (Table 8.7), and this data was used to test H6. A sub-sample of 115 respondents, comprising only those who had completed all three surveys at Times 1, 2, and 3, forms the sample to test H5.

Table 8.7 - Demographic Profile of the Study Five Sample

		Percent	Number
Gender	Male	39.6%	59
	Female	60.4%	90
Age	Under 20	4.7%	7
	20-29	20.8%	31
	30-39	15.4%	23
	40-49	22.8%	34
	50-59	13.4%	20
	60-69	16.1%	24
	70 or over	6.7 %	10
Ethnicity	European	79.2%	118
	Maori	4.7%	7
	Pasifika	1.3%	2
	Asian	12.1%	18
	Other	2.7%	4
Region of N.Z.	Northland	4.7%	7
	Auckland	36.5%	54
	WaikatoCoromandel/Bay of Plenty/	12.8%	19
	Central North Island	.7%	1
	GisborneHawkes Bay/	5.4%	8
	Taranaki	2.7%	4
	WanganuiManawatu/Wairarapa/	4.7%	7
	Wellington	10.8%	16
	NelsonMarlborough/	1.4%	2
	Westland	-	-
	Canterbury	8.8%	13
	Otago	9.5%	14
	Southland	2.0%	3
City or rural	City	61.0%	89
	Provincial town	26.7%	39
	Rural	12.3%	18
Household annual income	\$0 - \$29,999	19.0%	28
	\$30,000 - \$59,999	29.9%	44
	\$60,000 - \$89,999	25.2%	37
	\$90,000 - \$119,999	14.3%	21

		Percent	Number
	\$120,000 or more	11.6%	17
Years experience of online auctions	Less than 1 year	7.4%	11
	1-4 years	32.2%	48
	5-9 years	36.9%	55
	10 years or more	23.5%	35

8.13 Effect of CE-OAE, flow, and involvement on behavioural outcomes

H5: Consumer engagement with the online auction experience is a stronger predictor of on-going use of C2C online auctions for both buyers and sellers than flow or involvement.

In the context of this research, 'on-going use' has been defined as a consumer's repeated or continued use of an auction site (Section 1.8). Data to test H5 comprised of measures of CE-OAE, flow, and involvement taken at Time 2 and measures of the four behavioural outcomes for the same respondents at Time 3. The aim of this hypothesis is to test the impact of CE-OAE on behavioural outcomes compared to the impact of flow and involvement on the same behavioural outcomes.

To test H5, four multiple linear regressions were calculated, one for each of the outcome variables, with all three competing constructs acting as the independent variables. There are no multicollinearity issues (tolerance - .541 - .723; VIF = 1.384 - 1.850). In the prediction of frequency of use, only engagement is a significant predictor ($B = .371, p < .01$). In the prediction of buying activities, engagement is the strongest predictor ($B = .424, p < .001$), though involvement has a small influence ($B = .205, p < .05$). In the prediction of selling activities, only engagement is a significant predictor ($B = .260, p < .01$). In the prediction of participation in the online community, only flow has a significant impact ($B = .267, p < .05$). This finding is discussed further in the Discussion Chapter. Hypothesis 5 is partially supported.

8.14 Changes to levels of engagement over time

H6: Changes to levels of value over time impact changes to levels of engagement.

To test H6, the ratio of change in CE-OAE scores between Times 1 and 3 was calculated for each respondent. For example, if a respondent's CE-OAE score increased from 5 to 6, their ratio of change is 1.2; if a respondent's CE-OAE score fell from 6 to 4, their ratio of change is .67.

The ratio of change in CE-OAE score for each respondent was compared to the ratio of change in value score for the same respondent over the six-month period. One datapoint was an outlier, with a change of CE-OAE score of 306 percent ($z = 7.195$). This datapoint was eliminated from the analysis.

Figure 8.3 shows the change in CE-OAE scores for each of 148 respondents over the six month period, expressed as a ratio of their Time 3: Time 1 scores. Overall, 49.3% of scores fall in the range .9 to 1.1; that is, for almost 50% of respondents, engagement scores have changed by just plus or minus 10% in six months. For half of this sample of auction users, CE-OAE scores remained remarkably stable over a six-month period. This provides a picture of CE-OAE as an enduring property of the person, and not a short-lived, situational phenomenon.

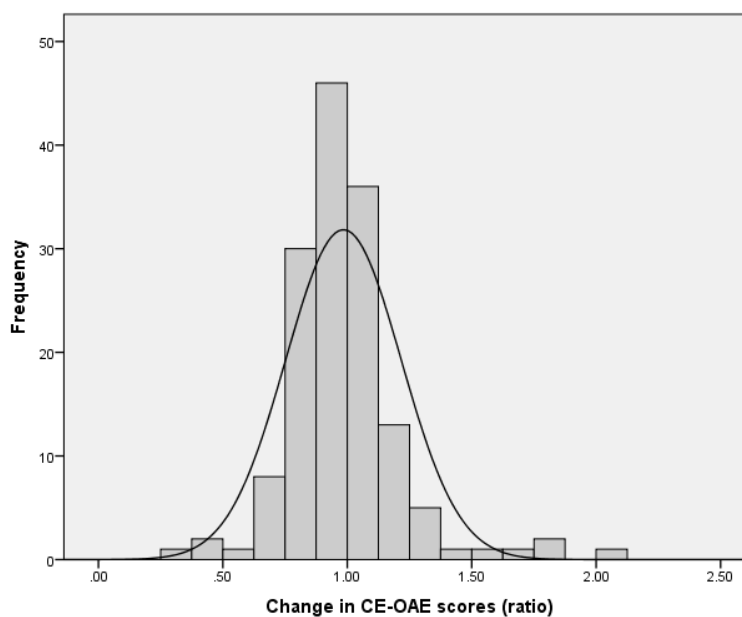


Figure 8.3 - Change in CE-OAE scores between Time 1 and Time 3

A linear regression equation was run between change in value (independent variable) and change in CE-OAE (dependent variable). The results show a significant relationship between changes in value scores between Time 1 and Time 3, and changes in CE-OAE scores over the same period ($B = .617, n = 148, p < .001, R^2 = .381$). This provides support for the theorized relationship between the two. H6 is supported.

As a further test of the long-term impact of CE-OAE scores, Time 3 behavioural outcomes were compared for the low, moderate and high engagement groups identified at Time 1 (Section 8.6). On all four behavioural outcomes measured after six months had elapsed there are significant differences between groups (Table 8.8). This finding provides evidence of the long-term impact of CE-OAE, and further support for H3, in that CE-OAE can predict on-going use for six months after the time of measurement.

Table 8.8 - Time 1 CE-OAE Scores and Time 3 Behavioural Outcomes

	Frequency Visits	Buying	Selling	Participation Community
Low Engagement Group (n = 26)	2.731*	2.125*	2.026	1.962*
Moderate Engagement Group (n = 85)	4.341*	3.377*	2.824*	2.400
High Engagement Group (n = 37)	5.297*	4.737*	4.144*	3.162*
	$F(2,145) =$ 20.799 $p < .001$	$F(2,145) =$ 22.739 $p < .001$	$F(2,145) =$ 10.313 $p < .001$	$F(2,145) =$ 5.058 $p < .01$

* The Tukey *post-hoc* test indicates a significant difference between these groups

8.15 Testing for nomological validity

In addition to the structural model (Figure 8.2), four further tests of the conceptual framework for CE-OAE were undertaken using Hayes process analysis, by running a model for each of the four behavioural outcomes: frequency of use, buying

activities, selling activities, and participation in the auction community. Composite scores for experience, value, and CE-OAE at Time 1 were calculated, and compared with each behavioural outcome measured at Time 2.

As Study Three shows, the various value types correlate significantly with each other (Table 7.18). They are deeply connected, as facets of a single construct. The six types of value add to the overall value the consumer obtains from their experiences. Thus, in the Hayes modelling these six types are represented as a composite score for value, representing the overall value gained by the auction user.

Firstly, Hayes Process Model 6 (Hayes, 2013) was run, using 1000 bootstraps, with experience as the independent variable, value and CE-OAE as mediators, and frequency of use as the dependent variable. Figure 8.4 shows the unstandardized regression coefficients for the model. The only significant path in the model is the fully mediated pathway, experience (X)→ value (M1)→ CE-OAE (M2)→ frequency of use (Y); this is shown by both the lower and upper confidence intervals being on the same side of zero (95% BootLLCI = .076, BootULCI = .208).

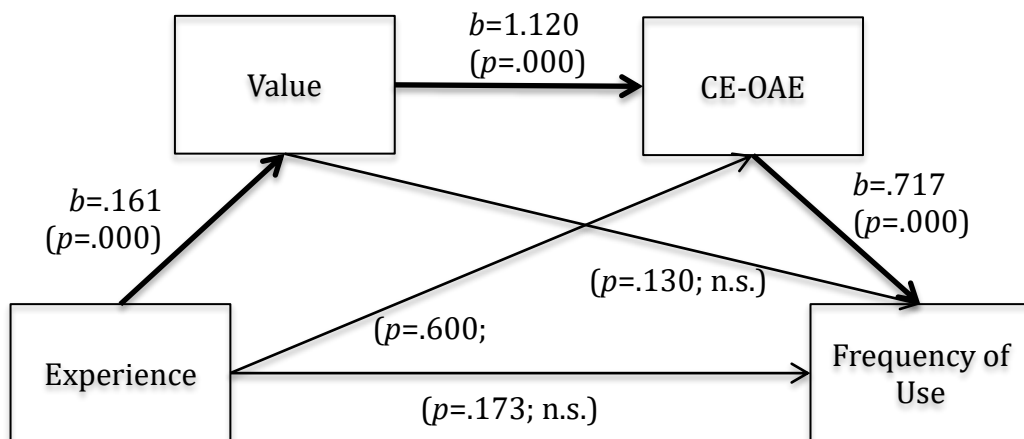


Figure 8.4 - Nomological network with frequency of use as outcome

Next, Hayes Process Model 6 (Hayes, 2013) was run again, using 1000 bootstraps, with experience as the independent variable, value and CE-OAE as mediators, and buying activities as the dependent variable. Figure 8.5 shows the unstandardised regression coefficients for the model. The only significant path in the model is – once again – the fully mediated pathway: experience (X)→ value (M1)→ CE-OAE (M2)→ buying activities (95% BootLLCI = .054, BootULCI = .164).

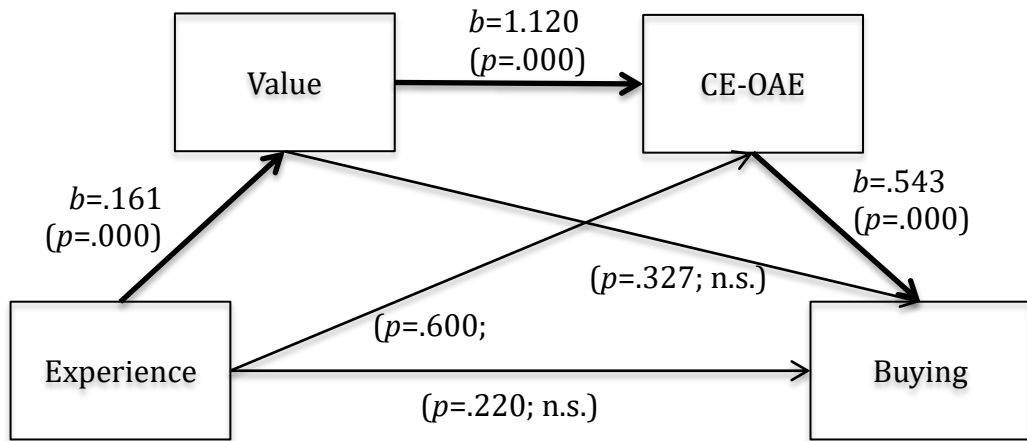


Figure 8.5 - Nomological network with buying activities as outcome

Next, Hayes Process Model 6 (Hayes, 2013) was run exactly the same way, but with selling activities as the dependent variable. Figure 8.6 shows the unstandardised regression coefficients for the model. There is a significant path from value to selling, but the coefficient is negative. The fully mediated pathway is significant: experience (X)→ value (M1)→ CE-OAE (M2)→ selling activities (99% BootLLCI = .040, BootULCI = .237).

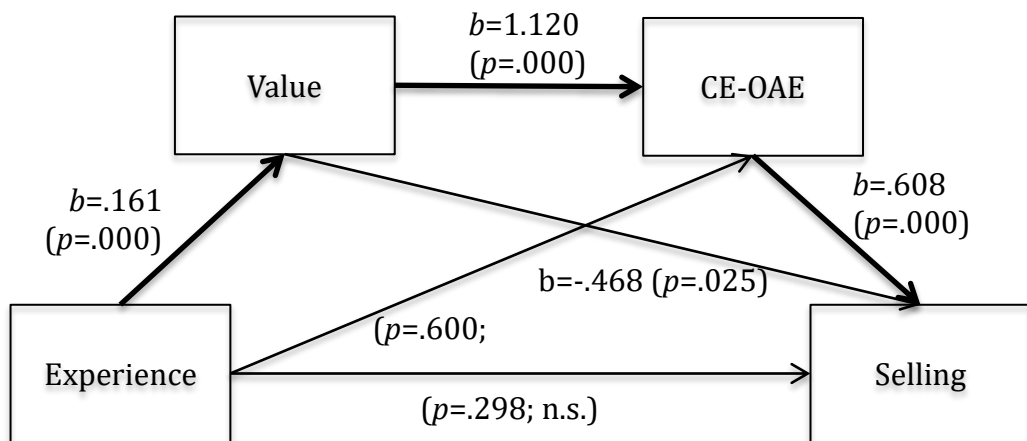


Figure 8.6 - Nomological network with selling activities as outcome

Finally, Hayes Process Model 6 (Hayes, 2013) was run once more using 1000 bootstraps, with experience again as the independent variable, the same variables (value and CE-OAE) as mediators, and participation in the auction community as the dependent variable. Figure 8.7 shows the unstandardised regression coefficients for the model. The same pattern as before emerges; again the only

significant path in the model is the fully mediated pathway: experience (X)→ value (M1)→ CE-OAE (M2)→ participation in the auction community (95% BootLLCI = .009, BootULCI = .131).

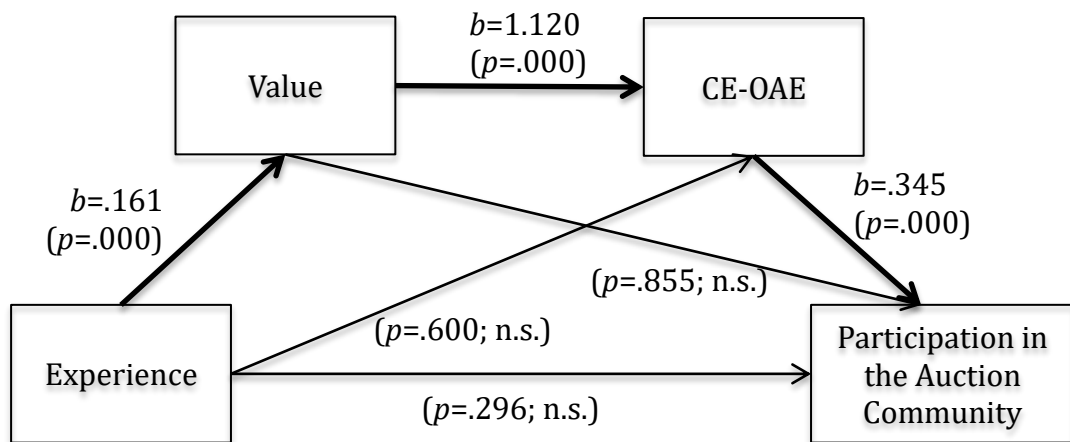


Figure 8.7 - Nomological network with community participation as outcome

In each case, the four process models provide support for the conceptual framework of CE-OAE, and in turn, support for the nomological validity of CE-OAE.

8.16 Results of hypotheses testing

Table 8.9 lists the results of hypothesis testing. H1 – H4 and H6 are fully supported; H5 is partially supported. Experiences with online auctions provide various types of value to consumers. Consumers who derive high levels of value from their auction experiences are highly engaged with the online auction experience. Compared to consumers with low engagement scores, highly engaged consumers are likely to visit the auction site more frequently in the future, undertake more frequent buying and selling activities in the future, and participate more often in the community of auction users. CE-OAE scores are superior to scores on flow or involvement for predicting future rates of use of the auction site, and future rates of buying and selling. Changes in levels of engagement over time are strongly associated with changes in levels of value derived from auction experiences.

Table 8.9 - Results of Hypothesis Testing

H1	The more positive the consumer's experiences with C2C online auctions the more value the consumer derives from those experiences	experience - emotional ($B = .895, p < .001$) experience - epistemic ($B = .720, p < .001$) experience - monetary ($B = .657, p < .001$) experience - competition ($B = .634, p < .001$) experience - functional ($B = .592, p < .001$) experience - social ($B = .401, p < .001$)	Supported
H2	Consumers who derive high levels of value from their consumption experiences are highly engaged with the online auction experience	SMC = .679 emotional - CE-OAE ($B = .487, p < .001$) social - CE-OAE ($B = .282, p < .001$) epistemic - CE-OAE ($B = .254, p < .001$) functional - CE-OAE ($B = .182, n.s.$) competition - CE-OAE ($B = .074, n.s.$) monetary - CE-OAE ($B = -.012, n.s.$)	Supported
H3	Consumers who are highly engaged with the online auction experience are more likely to undertake on-going auction activities	CE-OAE - often ($B = .421, p < .001$) CE-OAE - buying ($B = .387, p < .001$) CE-OAE - selling ($B = .238, p = .001$) CE-OAE - community ($B = .216, p = .002$)	Supported
H4	Perceptions of risk do not moderate the impacts of experience and value on engagement	experience - value (risk interaction term, $b = .015, n.s.$) value - CE-OAE (risk interaction term, $b = -.017, n.s.$)	Supported

H5	Consumer engagement with the online auction experience is a stronger predictor of on-going use of C2C online auctions for both buyers and sellers than flow or involvement	CE-OAE-often ($B = .371, p < .01$) CE-OAE-buying ($B = .424, p < .001$) involvement-buying ($B = .260, p < .05$) CE-OAE-selling ($B = .260, p < .01$) flow-community ($B = .267, p < .05$)	Partially Supported
H6	Changes to levels of value over time impact changes to levels of engagement	Δ value – Δ CE-OAE ($B = .617, p < .001$)	Supported

8.17 Chapter conclusions

This chapter has presented the results of studies Four and Five – scale validation. A series of six hypotheses were tested and the conceptual framework for CE-OAE tested with structural equation modelling and Hayes (Hayes, 2013) modelling. The following chapter, the Discussion chapter, discusses these findings in depth in relation to existing literature on online auctions and engagement in a marketing context.

Chapter 9 Discussion

9.1 Introduction

In the period that I have been involved with Trade Me, I would say it has been an engaging experience. I guess it captured my interest and captured all different emotions of me, and like I said, the roller coaster ride, it's made me feel a part of Trade Me. At the same time it's made Trade Me a part of me for the fact that now I've purchased something, now that I know what it's like, it's like ... it's my be-all, end-all, when I want to do shopping. (Rob, male, aged 30-39)

This statement sums up one of the study respondent's engagement with his online auction experiences. The respondent speaks of the emotions, interest, motivation, and self-image that reflect his engagement. The reader can gain a sense that Rob intends to come back to use the online auction site again in the future because of the rewarding experiences he has had.

This study set out to investigate what role consumer engagement might play as an explanation for consumers' ongoing use of an online auction. The research also aimed to examine if engagement would last for some time, or is a temporary phenomenon. Based on identified gaps in the literature around the conceptualisation of engagement in a C2C context, how to measure and define engagement, and existing views around the determinants and consequences of engagement, this study gathered qualitative and quantitative data to conceptualise consumer engagement with the online auction experience. The findings provide a better understanding of the nature, antecedents, and consequences of consumer engagement, by taking a consumer-centric view and recognising the importance of valued experiences. Figure 9.1 presents the finalised conceptual model of the antecedents and consequences of CE-OAE, in a cycle of engagement.

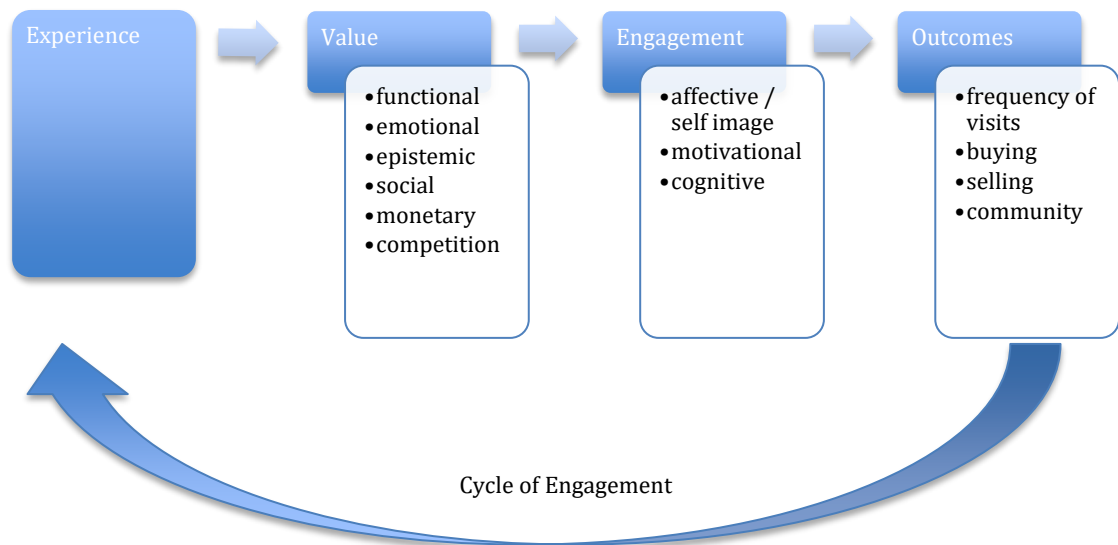


Figure 9.1 - Final model of CE-OAE, its antecedents and consequences

This chapter discusses in depth the findings of the study, reflecting on the findings of the qualitative enquiry and the results of hypotheses testing. The chapter commences with a discussion of the key findings of the research, including addressing each of the research hypotheses in turn. The chapter then revisits the aims of the research stated in Chapter 1, to discuss the extent to which these aims have been achieved.

9.2 Discussion of findings

9.2.1 Value from experiences

Hypothesis 1 addresses the relationship between consumer experiences and value. It proposes that the more positive a consumer's experiences are with the online auction, the more value the consumer derives from these experiences.

A number of researchers have proposed that experience forms the basis of engagement (Brodie et al., 2011; Malthouse & Calder, 2011). Engagement is said to arise from consumer experiences with an object of consumption (Malthouse et al., 2016). This thesis takes as its theoretical basis the Experiential View of the Consumer, which views an understanding of consumer experiences – the long-lasting, subjective impressions of an accumulation of events a consumer has lived

through – as an essential theoretical base to understanding consumer behaviour (Caru & Cova, 2003, 2007; Holbrook & Hirschman, 1982).

Qualitative data was collected from consumers in a specific context, the online auction, as an example of a Web 2.0 C2C platform, to gain insights into their auction experiences and engagement with those experiences. Chapter 5 of the thesis presents an in-depth analysis of qualitative data, reporting stories of consumers' experiences with online auctions. Adopting Husserl's descriptive phenomenological approach to analysis of consumer stories (Dowling, 2004; Wright-St Clair, 2014), reveals rich experiences that were rewarding and engaging for the consumers.

Having interviewees relate stories of their auction experiences was important for this research. Firstly consumers were able to connect to their auction experiences when they were asked to recall memorable experiences. Secondly, telling stories helped consumers make sense of their experiences - "telling stories revises and deepens sense making of the meaning of events in the story and what the complete story implies about oneself" (Woodside, Sood, & Miller, 2008, p. 100). Thirdly, encouraging consumers to tell stories of their auction experiences was an effective way of accessing interviewees' subjective impressions of their auction experiences.

The qualitative findings of this thesis indicate that consumers derive different forms of value from their 'remembered' auction experiences. This finding was tested quantitatively in the second phase of the research. The results of the quantitative studies show that consumers in online auctions, being both buyers and sellers, derive value from their auction experiences, and this value comes in six distinct types. Previous research often only recognises utilitarian and hedonic value from the use of online auctions (Cameron & Galloway, 2005; Chang & Chen, 2015; Lee et al., 2009). This may be a simplistic view. Given the popularity of online auctions and the importance of the value construct, it is critical to examine in more detail the specific types of value that consumers actually derive.

The types of value that consumers derive from their online auction experiences follow the typology of consumption value theorised by Sheth et al. (1991b), in that consumers derive functional, emotional, social, and epistemic value. In addition, this research is unique in finding two additional types of value: monetary value

and competition value. Distinct from Sheth et al. (1991b), the research results show, in the online auction context, that there is a difference between functional and monetary value. This is understandable because auction users derive multiple sources of functional value that are distinct from the value of good prices and bargains. The auction site acts as a convenient source of goods, which consumers can access 24 hours a day, 7 days a week from the comforts of their homes; it is a site that is relatively easy to use and an efficient and easy way to buy and sell goods (Jeon et al., 2008; Walley & Fortin, 2005). Monetary value, on the other hand, refers to value associated with money: buyers and sellers being able to reduce perceived costs and achieve good prices, consumers receiving value for money spent at the auction, and finding good bargains (Sweeney & Soutar, 2001). By distinguishing functional from monetary value, the research has delved into the detailed aspects of utilitarian value and helped understand the online auction consumer better.

The second new type of value, not formerly recognised in the Sheth et al. (1991b) typology, is that consumers derive competition value from their online auction experiences. Competition during bidding is an inherent element in online auctions, for example the bidding frenzy phenomenon (T. Y. Chan, Kadiyali, & Park, 2007; Dholakia, 2005; Gilkeson & Reynolds, 2003; Popkowski-Leszczyc, 2004). Because competition features in research on online auctions and in the findings of the qualitative interviews, competition value was included in the measure of value in this research and its impact on engagement examined.

Conditional value is the fifth type of value theorised by Sheth, et al. (1991a) in their Theory of Consumption Values. This research did not use conditional value, as past research in TCV has suggested 'conditional value' is not a type of value; instead 'conditional value' stands for any number of situations that act as moderating variables that influence the value consumers obtain, such as a Christmas card only being of value at one time of the year (Sweeney & Soutar, 2001).

This research is not just concerned with positive consumer experiences. By asking participants to rate their experiences on a continuum from 0 to 10 ("extremely negative" to "extremely positive"), insight was gained into the impact of a full range of experiences from the highly negative to the highly positive. In this regard, the research shows that consumers who had negative auction experiences (i.e.

those who rated their experience very low) derived low levels of value from those experiences, while those who had positive auction experiences (i.e., rated their experiences highly) derived high levels of value. As seen in Chapter 8, the valency of respondent's stories of auction experiences (whether they were positive or negative) is associated with their CE-OAE scores.

Value plays an integral part in the formation of engagement. There is no significant direct relationship between experience and engagement; the relationship is always through value, because it is not experiences per se that drive engagement, it is valued experiences that drive engagement. Not only does value arise from remembered experiences but also it is a full mediator between experience and engagement. As shown in the next section, some types of value are more important than others in the formation of engagement. Moreover, Section 9.2.7 discusses how changes in value levels over time determine levels of engagement over time.

9.2.2 Engagement as a result of valued experiences

Hypothesis 2 tests if consumers who derive high levels of value from their auction experiences become highly engaged with those experiences. Having discussed how online auction experiences provide varied types of value for auction users, the research sought to explore if value leads to consumer engagement. The results of quantitative research presented in Chapter 8 provide strong evidence in support of this hypothesis. Taken as a whole, high levels of value do indeed lead to high levels of consumer engagement. This research argues that although consumers derive six types of value from their online auction experience, not all types of value have the same impact on engagement. Functional, monetary, and competition value do not independently impact on engagement. On the other hand, emotional, social, and epistemic value each has a significant impact.

It is a good opportunity here to discuss this finding further and determine what it means to the value construct. Although the structural model analysis shows that three types of value have little direct effect on engagement, this does not mean that value is not made out of all six types. It is quite possible that the three types of value that predict engagement may not do so if the other three types did not exist. That is, the six types are deeply connected, and should be treated as facets of a single construct, even though some facets may be more important than others in a particular context. A consumer's actions are not entirely emotional nor entirely

functional or monetary; these types of value work together. Indeed as Study Three shows, a majority of the types of value correlate significantly with all the other types of value (Table 7.18). The six types of value each adds to the overall value the consumer obtains from their experiences, as shown in the large SMC observed between the six types of value and CE-OAE. They are all facets of the overall value consumers gain from their auction experiences. In their scale development of consumer perceived value, Sweeney and Soutar argue that value dimensions are inter-related:

The purchase of an attractive carpet is likely to increase the chances of a favorable emotional as well as a favorable functional response. Consequently, value dimensions may not be independent. Indeed, many other multidimensional constructs... have been found to have separate but correlated dimensions. (Sweeney & Soutar, 2001, pp. 205-206)

While an auction user may benefit from obtaining goods at a good price, it is the joy, thrill, and excitement that accompany finding an item, meeting the buyer and learning from the experience that truly grabs and enthralls the user. For example, a consumer whose prime concern is to find a good bargain and make savings from snatching a good deal, and who has just bought a laptop at a bargain price on Trade Me, is likely to experience joy and elation (emotional value) for securing this laptop bargain, in addition to the monetary value obtained. This person then is likely to be engaged with their auction experience and repeat the experience in the future.

Korgaonkar et al. found that: “While online auction consumers are oriented towards finding bargains and treasures, their motivation is not driven by prices but rather by the experience and/or excitement brought by participating in the online auction” (Korgaonkar et al., 2014, p. 363). This finding also concurs with the insights of Vivek et al. (2014) who suggest utilitarian experiences are unlikely to lead to consumer engagement unless they are associated with pleasant affect and strong emotion; that is, finding the goods one wants at a good price on the auction site may not lead to high levels of consumer engagement, unless accompanied by pleasure, enjoyment, fun, and excitement, in other words, unless accompanied by emotional value.

One explanation why functional and monetary value do not, on their own, lead to engagement could be that these forms of value act as “hygiene factors” in

consumers' use of auction sites (Herzberg, Mausner, & Snyderman, 1959). Herzberg et al. in their studies of employee motivation identified some aspects of the job such as salary and working conditions, which if unfavourable lead to worker dissatisfaction, but even when they are favourable do not necessarily motivate the worker. They termed these aspects of the job "hygiene factors". By contrast, Herzberg et al. identified aspects of the job that truly motivated employees such as a sense of achievement and recognition from superiors; they termed these aspects of the job "motivator factors". Following this typology, functional and monetary value act as "hygiene factors" in the online auction experience because they are expected and gained by all users; however, they do not independently play a role in elevating consumer engagement with the auction experience. On the other hand, emotional, social, and epistemic value may act as "motivator factors" as these types of value drive consumer engagement.

There is some explanation for competition value not predicting engagement. The measure of competition value asked respondents if they "like competing", and if they "like the element of competition". These are affective statements and speak of the emotion of liking competition. Indeed, there is a strong correlation between emotional and competition value (Table 7.18). This explains why when engagement is regressed on all types of value, competition value does not have an independent impact on engagement; its impact becomes absorbed in the measure of emotional value. In support of this argument, Adam et al. (2013) in their study of online auction bidders found that strong emotions are associated with competing in online auctions. The measure of competition value was based on only two indicator variables. It could be that competition value only exists for a special type of consumer, and might be captured by a more extensive measure. Section 10.8 discusses these issues in more detail.

9.2.3 Consumer engagement with the online auction experience

This research sought to conceptualise engagement with the online auction experience. It is now timely to revisit the CE-OAE construct, its definition and dimensions, and its relationship to existing measures of engagement in a marketing context.

This thesis views consumer engagement as a psychological construct with motivational properties. Consumer engagement with the online auction experience

is defined as *the enthusiasm, reflection of self-image, passion and interest a consumer has that drives their future participation in online auctions*. Consumer engagement arises as a result of the value consumers derive from their memorable auction experiences.

Engagement is conceptualised as a consumer-centric construct arising from the experiences of consumers. Unlike existing conceptualisations of engagement, the object of engagement is not restricted to interactions with a specific firm or brand. By adopting an Experiential View of the Consumer, a new conceptualisation of engagement is arrived at that better fits consumer-to-consumer contexts. Engagement is conceptualised as a reflective construct; the level of a consumer's engagement reflects the consumer's emotions, self-image, thinking, and interest, and their motivation to continue the experience.

This research shows consumer engagement with the online auction experience is best represented as a higher-order factor. In theory, CE-OAE should be a single construct and not three related dimensions. It is comprised of three dimensions: affective/self-image, motivational, and cognitive. The research shows that these three dimensions are very strongly correlated: an increase in one of the dimensions, such as feelings about the auction experience, is accompanied by an increase in the other dimensions, that is, increased interest and a motivation to act. Engaged consumers demonstrate all three dimensions of engagement. The cognitive side of engagement emphasises the interest a consumer has with their auction experiences. Consumers not only visit the site to buy and sell, but also to browse listings and gather information about products, both of which appear dependent on the level of a consumer's interest (Chu & Liao, 2007; Denegri-Knott, 2011). The affective/self-image side emphasises passion, connection, and self-image. Consumers feel passionately about their buying and selling activities, and consider their buying and selling behaviour to be a reflection of their self-image (Lastovicka & Fernandez, 2005; Molesworth & Denegri-Knott, 2008). The engaged consumer is also motivated to return to the auction site to repeat their experience. Although the cognitive and affective dimensions of engagement have been established in prior literature, and are distinguishable from the motivational dimension, consumer engagement with the online auction experience cannot occur without all three.

The qualitative study produced three further possible dimensions of engagement: surprise, addiction, and control. However these three aspects did not survive the psychometric procedures for scale development. The following sections provide more details about each of the engagement dimensions and deleted aspects, and relate the findings of this research to existing literature on engagement.

9.2.3.1 Cognitive

The first dimension of CE-OAE is the cognitive dimension, representing the mental processes of acquiring knowledge and understanding through attention, absorption, thinking, and stimulation of interest. Cognitive engagement concerns engagement of the mind, the allocation of mental resources concentrated on the object of engagement. Without thinking about and reflecting on the object of engagement, a consumer cannot be engaged. The suggestion that engagement includes a cognitive dimension is shared with a number of existing scales that seek to measure the construct (Hollebeek et al., 2014; So et al., 2014). In this research, engaged consumers focused considerable attention on the object of consumption, had a mental preoccupation with their online auction experiences, and paid frequent attention to information regarding the auction.

9.2.3.2 Affective/Self-Image

The second dimension of CE-OAE is affective/self-image. Research has identified self-image as important to auction users (Molesworth & Denegri-Knott, 2008). Users of online auctions consider their auction experiences an important part of their lives, and a reflection of who they are. For example, sellers in online auctions use impression management tactics to create positive impressions about themselves in the minds of buyers (W. C. Yen & Tseng, 2013). However, only a limited number of marketing studies have identified self-image as an important component of engagement (So et al., 2014; Sprott et al., 2009). Researchers who look at this side of engagement often follow the employee engagement framework, which uses employees' 'identification' with the organisation as a component of their engagement (e.g., So et al.). In this regard, identification recognises the collective self, that is, self-image based on identification with a group. By contrast, in this research, the social self appeared more important to the online auction consumer, as they found that their star rating, user feedback and successful experiences as a trader were reflections of their image and who they were.

The wider literature on consumer motivation also recognises self-image as an important driver of motivation (Hoyer & MacInnis, 2007). A key factor affecting motivation is the extent to which something is personally relevant to the consumer and bears on his/her self-image, the way consumers view themselves, and the way they think others view them. Given engagement has motivational properties, and that all dimensions of engagement are highly correlated, it is not surprising that self-image might be an important component of engagement.

This research examined consumer engagement in one C2C context and found self-image to be integral to engagement with the online auction experience. Self-image is likely to also play an important role in other C2C contexts such as social media. Section 10.8 considers this further.

In addition to the element of self-image, this dimension of engagement includes a strong affective element. Other researchers of engagement have also recognised an affective element to engagement (Claffey & Brady, 2014; Dessart et al., 2015). However, this is the first research that identifies a combined affective/self-image dimension to engagement. The link between self-image and emotion is explored in the psychology literature by Coleman and Williams (2013) who found that effective portrayal of the social self by a person is associated with positive emotions. It is not unexpected that affect and self-image form the same dimension of engagement. In the same breath as saying use of the auction site is about their self-image, engaged auction users are saying they are passionate about using the site, connected, and drawn to the auction experience.

9.2.3.3 Motivational

The third dimension of CE-OAE is the motivational dimension. This study is one of the first studies to conceptualise consumer engagement as a psychological construct with motivational properties, and to exclude behaviours and behavioural outcomes from the measure of engagement. The motivational dimension in CE-OAE is relatively unique as many other scales instead measure a behavioural dimension of engagement; another scale that addresses the motivational side of engagement is the scale by Algesheimer (2005) that measures community engagement. However, no other studies combine the motivational aspect of engagement with cognitive and affective/self-image aspects. Without motivation, the engagement construct becomes a static construct; the consumer could be

interested, intrigued, fascinated, passionate, connected and concerned about their self-image, but not driven to act on these cognitions and emotions.

There is a growing literature that suggests engagement (Calder et al., 2009; C.-P. Hsu, Chiang, & Huang, 2012; Mollen & Wilson, 2010), including engagement with online shopping (Shang et al., 2005) and engagement in an online auction context (Lee et al., 2013), is more likely related to hedonic rewards than utilitarian rewards. In other words, there is a growing literature suggesting consumer engagement may be more concerned with intrinsic motivation than extrinsic motivation. DesAutels et al. put it this way, "As long as the ... experience continues to prove interesting and to provide contestants with the correct motivational mix ... they will continue to participate and, through this positive engagement, continue to accrue intrinsic motivation" (DesAutels et al., 2011, p. 268). The relationship between intrinsic motivation and engagement is discussed further in the following chapter (Section 10.4).

9.2.3.4 Surprise

A fourth potential dimension of engagement, surprise, which featured in the interviews of Study One participants, was eliminated from the definition and measurement of CE-OAE in the EFA analysis. Although this dimension showed potential, there are sound theoretical reasons for not including it as a dimension of engagement. While engagement has been conceptualised as a property and characteristic of the consumer, the literature advises that surprise is an experience that happens to the consumer as a result of an external event (Stanley, 2009); that is, surprise is not a psychological property of the consumer in the way that motivation or affect are.

If surprise is an experience that happens to a person, then it is not an enduring property of the person but a temporary event that enhances emotions. The items used to measure surprise in the draft engagement scale, as arose from the qualitative interviews, were, "the experience of using the auction site is full of surprises", "you never know what you will find", and "using the auction site is like a lucky dip". These items speak to the *experience of surprise* rather than engagement per se. This explains why, in the scale purification, the model of CE-OAE with a surprise dimension had a poor fit to the data; the researcher also explored if the items to measure surprise might form part of the affective/self-image dimension,

but this model of engagement also had a poor fit to the data. For these reasons, theoretical and statistical, it was judged that surprise does not represent a dimension of CE-OAE.

9.2.3.5 Addiction and control

The results of the qualitative interviews suggested that addiction might be a dimension of engagement. Some interviewees said they were obsessive about their auction use and found the auction experience 'addictive'. However, the term 'addicted' did not pass the content validity test of the scale, and the item "I'm addicted" was re-worded as the less extreme term, "I am strongly drawn". Other items used to describe the addiction dimension were, "I'm hooked" and "I am obsessive", which also featured in the interviews. However, when the scale was tested quantitatively, the items "I'm hooked" and "I am obsessive" did not survive the EFA and CFA procedures. The phrase, "I am strongly drawn", which shares some similarity in meaning to "I am connected" formed part of the measure of affective/self-image. As a consequence, the final CE-OAE scale does not have an addiction dimension.

The results of Study One qualitative interviews also suggested engagement might have a 'control' dimension. Some interviewees justified their use of the auction by saying it allowed them to be in control of their shopping decisions, giving them freedom to choose when to buy, rather than being 'pushed' or 'pressured' to buy by sales assistants. The research examined if 'control' was an aspect of CE-OAE. After consultation with the expert panel that checked the content validity of the scale, three items were included in the draft scale to represent control: "The auction site gives me mastery over my buying and selling", "I can shop at my own pace without being pressured", and "I can use the auction site to get what I want". None of these items, however, survived the EFA and CFA stages of scale development. It appears that a large number of respondents in Study Two and Study Three did not respond consistently to these items, perhaps indicating the items did not apply to them. On reflection, these items may represent functional benefits of using the auction site (i.e., convenience) rather than being a dimension of engagement.

Another possibility is that addiction and control only apply to a small number of auction users and do not form part of a measure of engagement that applies to the

general population. It could be that addiction is not a dimension of engagement, but represents an extreme case of engagement, a point that is discussed in Section 10.8.

9.2.4 On-going use

In this thesis on-going use is defined as repeated or continued use of an online C2C auction to browse, buy, and sell items. The thesis addresses the question, what role might consumer engagement play as a comprehensive theoretical explanation for consumers' on-going use of a C2C online auction site? Hypothesis 3 is critical to addressing this question as it tests the predictive validity of CE-OAE in its ability to predict on-going use over a period of time. The study conceptualises consumer engagement as a psychological construct with a motivational dimension and excludes actual behaviours. In agreement with the psychology literature on motivation, the expectation is that the motivation character of engagement could predict a consumer's behaviour in the future (Hoyer & MacInnis, 2007; D. Roberts et al., 2014; Ryan & Deci, 2000b; Schiffman & Kanuk, 1997). It is therefore appropriate to expect CE-OAE to be able to predict on-going use.

In Study Four, measures of CE-OAE taken at Time 1 were compared with four measures of auction use over a two-month period, up until Time 2. This approach provides a true test of the predictive validity of CE-OAE, in its ability to predict future behaviours, and produces stronger evidence of cause and effect. Measures of CE-OAE at Time 1 successfully predict measures of all four measures of on-going use over the two-month period – frequency of visiting the auction site, buying activities, selling activities, and participation in the community of auction users – and thus provide evidence in support of H3, that consumers who are highly engaged are more likely to undertake on-going auction activities.

The results of Study Four show that measures of CE-OAE predict future frequency of use (SMC = .177), future buying activities (SMC = .150), future selling activities (SMC = .057), and future participation in the auction community (SMC = .046). These levels of prediction, although low, are considered adequate given that predicting the level of actual outcome behaviours is more demanding than predicting psychometric measures of other constructs (Lynch et al., 2012). This is because extraneous variables occurring in real life can impact on behavioural outcomes. As a consequence, research seeking to predict behavioural outcomes is

likely to demonstrate lower levels of R^2 than research that correlates construct measures with measures of other constructs. It is particularly difficult to predict levels of selling, as levels of selling are likely to depend on a number of variables such as the availability of goods for the consumer to sell, and the irregular nature of selling excess household property as accompanies a life transition such as moving house (Lastovicka & Fernandez, 2005; Loebbecke et al., 2010). Each of these matters represents extraneous variables operating above and beyond the impact of levels of consumer engagement. Further evidence is provided in Chapter 8 on the impact of CE-OAE on consumers' on-going use of an online auction. Analysis shows that low, moderate, and high engagement groups – as defined by Time 1 CE-OAE scores – differed significantly on all four behavioural outcomes over the six-month period up to Time 3. This means that the impact of CE-OAE on on-going use remains even after a number of months.

As shown in the results of the Hayes Process analysis and structural equation modelling, CE-OAE as a higher-order factor comprised of these three dimensions significantly and positively predicts on-going use of the online auction. Studies Four and Five confirm the importance of the CE-OAE construct, by showing the relationship between auction experiences and behavioural outcomes is fully mediated by value and CE-OAE, and furthermore the relationship between value and behavioural outcomes is fully mediated by CE-OAE. In summary, the engagement construct provides unique and important power to explain and predict consumers' on-going use of online auctions.

9.2.5 Perceived risk

Hypothesis 4 considers the role of perceived risk as a moderator on relationships in the conceptual framework. Based on previous literature and the qualitative enquiry, the study hypothesises that risk does not moderate the relationship between experience and value, nor moderates the relationship between value and engagement. The findings of Study Four identify no moderation role for risk in the relationship between experience and value; likewise no moderation role is identified in the relationship between value and engagement.

Perceived risk associated with auction use is a common theme in research on online auctions (Lee, Kim, & Kim, 2008; Standifird, 2002). Similarly, interviewees in Study One stated they are aware and conscious of the risks involved in using the

online auction. In Study Four, the mean rating for *risk of overspending* is relatively low at 3.89 on a 7-point scale, however, the mean rating for *risk of trading* is 5.19, indicating that respondents believe there is a relatively high level of risk in trading on the auction site. And yet the results show that risk does not impact the relationships between experience, value and engagement.

One potential explanation is that the research only surveyed current auctions users, and it is perceptions of risk that keep non-users away from the auction. The consumers in this study were all relatively experienced auction users who had used the online auction to trade at least once in the previous 12 months, and had already developed tactics to minimize risks (Abdul-Ghani et al., 2011; Finch & Huang, 2009). These actions of auction users were evident in Study One interviews:

I prefer to deal with people that are accredited buyers and sellers. I will have a look at their feedback, at their profile, and see what kind of comments other people have made. So that is a factor. I don't look at stuff that doesn't have a picture attached to it. Because I like to be able to see what it is, and I wouldn't risk buying without having seen it. So I would always want a picture. (Ed, male, aged 40-49 years)

A new auction user might have an unsatisfactory trading experience and as a result learn from this experience and potentially become engaged with the auction experience. What might commence as a negative experience could prove to be a learning experience that inoculates the consumer from similar risky experiences in future trades. Similar reasoning is provided by Lai et al (2008, p. 322) who concluded in their qualitative study of online auction users that,

Surprisingly, our findings reveal that negative experiences of fraudulent events do not necessarily impair the intention of bidding or purchasing in the future as the participants reported that they would continue to buy online even though they had encountered negative experiences, such as fraud. On the contrary, unpleasant experiences help them to develop better risk relievers.

A further explanation for this might be that perceptions of risk are not influential for Trade Me users, given the relatively secure and trusting community environment that has developed. The Trade Me company has an extensive set of policies in place to protect auction users, and has a public reputation for taking action on fraudulent traders (Trade Me, 2015). Interviewees in Study One

indicated that they trusted using Trade Me because it involves a small local community and the auction company is vigilant in protecting its users.

Whereas at least Trade Me, you know that Trade Me as an organisation stand behind it – there's rules and regulations etc. (Maggie, female, aged 50-59 years)

This study has observed that risk does not play a moderating role in the formation of engagement for the sample studied. However risk remains a prominent feature in studies on online auctions. Opportunities for further research on risk and its effect on use of the online auction are discussed in Section 10.8.

9.2.6 Distinguishing engagement from flow and involvement

It is important to the aims of this research to establish CE-OAE as a new construct, and not simply the re-expression of an existing construct in the consumer literature. Based on extant literature, two existing constructs were identified, flow and involvement, to test if CE-OAE was indeed a new and distinct construct. Flow and involvement are judged appropriate for this purpose as they likely share some similarity with CE-OAE and potentially offer alternative explanations for a consumer's on-going use of an auction.

The research firstly proposes that CE-OAE is unique from flow. Although flow is a concept used frequently in research on users of websites, it is defined as a psychological state of mind that a consumer may experience while intensely interacting with a website (e.g., while bidding or browsing on an online auction site), while CE-OAE is an enduring psychological construct that potentially lasts longer and is concerned with experiences that happen before, during and after using the website. Secondly, CE-OAE is proposed to be unique from involvement. Although involvement has been used in consumer research for the last 30 years, it is largely a cognitive construct expressing the level of a consumer's interest, while CE-OAE comprises interest, affect, self-image, and intention to act.

Study Four tested the distinction between CE-OAE and flow and involvement. The results of Study Four indicate a lower correlation between CE-OAE and either flow or involvement than the level of correlation between CE-OAE and an alternative measure of engagement, Consumer Brand Engagement (Hollebeek et al., 2014). In addition CE-OAE proved to be a superior predictor of three out of the four

behavioural outcomes – frequency of visits to the auction site, buying, and selling activities. Unexpectedly, the results show that flow is a better predictor of participation in the auction community than CE-OAE. This could possibly be because flow experiences provide consumers with interesting stories to share with other auction users. Secondly, the outcome measure used for measurement of participation in an online auction community could be improved in future research. Section 10.7 discusses this limitation.

A conclusion of this study is, therefore, that CE-OAE is a construct uniquely different from flow and involvement.

9.2.7 Changes to levels of engagement over time

In the conceptual framework of antecedents and consequences of CE-OAE presented in Chapter 6 (Figure 6.1), it is proposed that a consumer who is highly engaged with the online auction experience will visit the auction site frequently in the future, undertake further buying and selling activities, and participate often in the community of auction users. Furthermore, these ‘outcome behaviours’ constitute new experiences with the online auction. Together with other new experiences, this might provide value to the consumer and subsequently sustain or enhance the consumer’s engagement with the online auction experience. Conversely, when these new experiences fail to provide value for the consumer, levels of CE-OAE will decline. Sweeney and Soutar (2001, p. 218) suggested a similar “feedback loop” between experiences, value, and purchases might exist, and call for longitudinal studies to establish the loop:

Another fruitful research direction is the study of the role that the feedback loop plays in the consumer decision-making model. This loop suggests that the experiences of a previous purchaser influence future perceptions. Current perceived value may be affected by previous experiences with the same product type (the repurchase of the product type), the same brand (brand loyalty) or even the same store (store loyalty) Studies employing a longitudinal framework may be productive [in this regard].

Thus, a cycle of engagement is included in the final model; represented by the feedback loop, between levels of CE-OAE, new experiences, value derived, and consequent levels of CE-OAE.

Part of this cycle of engagement is tested in Hypothesis 6. Hypothesis 6 tested the impact of changes to levels of value over time on levels of engagement. Study Five

results support Hypothesis 6 that changes of levels of value over time impact changes in levels of CE-OAE. To fully test the cycle of engagement would require repeated measures of experience, value, engagement, outcomes, and additional experiences other than buying and selling, over a period of time.

9.3 The research aims revisited

Before concluding this discussion, each of the research aims stated in Chapter 1 is revisited to see the extent to which each has been achieved.

- *To provide a conceptualisation of consumer engagement within the context of a C2C online auction, and demonstrate a nomological network for this construct*
This thesis has conceptualised consumer engagement with the online auction experience and demonstrated that this construct exists within a nomological network of antecedents and consequences.
- *To develop a validated scale that measures consumer engagement with the online auction experience*
A scale to measure consumer engagement with the online auction experience (CE-OAE) has been developed and validated in a series of studies.
- *To investigate the antecedents and behavioural consequences of consumer engagement with the online auction experience*
A series of studies have been conducted to establish consumer experience as an indirect antecedent to CE-OAE, and value as a direct antecedent to CE-OAE. The research reported here also shows that CE-OAE is a significant predictor of ongoing use over a two-month period. This was measured using four behavioural outcomes: frequency of visits to the auction site, buying and selling activities, and participation in the community of auction users.
- *To investigate the extent of change in levels of consumer engagement over time*
By collecting measures of CE-OAE at Time 1 and again six months later at Time 3, this study established that engagement barely changed over a six-month period for 50% of the sample studied.
- *To investigate the moderating role of risk in the formation of consumer engagement with the online auction experience*

For the sample studied, the research established that risk does not play a moderating role in the relationship between experience and value, nor play a moderating role in the relationship between value and engagement.

- *To distinguish consumer engagement with the online auction experience from competing constructs*

The research has successfully distinguished consumer engagement from two related constructs, flow and involvement, and demonstrated the superior ability of consumer engagement to predict behavioural outcomes in the context of online auction experiences.

In conclusion, the programme of research reported in this thesis has addressed the aims of the research.

9.4 Chapter conclusions

This chapter has discussed the findings of the research in depth, and in doing so addressed the research aims. The next chapter, Conclusions, discusses the contributions of the thesis to theory, methodological contributions, managerial implications, limitations of the study, and areas for future research.

Chapter 10 Conclusions

10.1 Introduction

Much of the current world of the consumer concerns consumer-to-consumer interactions, yet there is limited research on this important area. This research has addressed the need to find out what role engagement plays in the behaviour of today's consumer. Among the study's major findings, consumer engagement is shown to be a powerful construct that influences consumer behaviours not only in the immediate future but also for months to follow. This thesis makes a real contribution to theory and practice by understanding engagement in a C2C context.

This thesis has sought to address the following research question: what role might consumer engagement play as a comprehensive theoretical explanation for consumers' on-going use of a C2C online auction? To assist in answering this research question, a series of research aims were presented in Chapter 1. An in-depth literature review on consumer experiences with online auctions, consumer value, and consumer engagement, helped conceptualise Consumer Engagement with the Online Auction Experience based on an Experiential View of the Consumer. A mixed-method research design was employed to address the research question and research aims. Five studies were conducted using a variety of samples. Firstly, a qualitative enquiry investigated the nature and dimensions of consumer engagement with the online auction experience, its likely antecedents and consequences, and produced draft items for the CE-OAE scale. Based on the literature and qualitative enquiry, a conceptual framework for CE-OAE was developed and expressed as a set of testable hypotheses. A series of four quantitative studies followed to purify and validate the scale and test the hypotheses. All the study hypotheses are supported (apart from one that is partially supported), and the findings are presented in Chapter 8. Each of the research aims has been addressed and discussed in Chapter 9. The findings of this thesis answer the research question: consumer engagement with the online auction experience is found to influence future behavioural outcomes of the consumer, and plays a significant role in consumers' on-going use of the C2C auction.

This final chapter discusses the gaps in theory on engagement identified at the start of this research, and the contributions the thesis makes in addressing these gaps. The chapter also details contributions to wider theory, and the methodological contributions and managerial implications of the research. As is the case with any research, the findings and discussion lead to additional avenues to explore that can benefit from future investigation. Thus the chapter concludes by identifying the limitations of the research and presenting opportunities for further research.

10.2 Contributions to theory on engagement

This research adds to the growing body of knowledge that argues engagement is a useful new construct in marketing. Chapter 1 identified several gaps in the literature on engagement in a marketing context. Researchers have pointed out that empirical research on the engagement construct is lacking and called for further research on the construct, in particular, how to conceptualise and measure it (Brodie et al., 2011; Cheung et al., 2014; Kumar et al., 2010; So et al., 2016). In addition, there is a need to understand and conceptualise engagement in C2C contexts, its antecedents and consequences. Furthermore, knowledge is required on how engagement can be conceptualised taking the point of view of the consumer (Abdul-Ghani, Hyde, & Marshall, 2014). In addressing these gaps, this research extends theoretical understanding of the engagement construct in a C2C context, its nature and dimensionality.

This thesis has presented a conceptualisation of engagement in a marketing context that is different from existing conceptualisations and research on engagement, and therefore this research contributes to theory on engagement in several ways.

- By taking the view of the consumers and examining the psychology that leads them to be engaged, the study distinguishes itself from other studies on engagement that take the firm's view and hence focus exclusively on the recruitment and retention of customers. This thesis presents resolution to the confusion surrounding the conceptualisation of the engagement construct by recognising two distinct perspectives on engagement – the firm-centric view (i.e., customer engagement) and the consumer-centric

view (i.e., consumer engagement). Past research on engagement in a marketing context has been largely firm-centric and interested in connections of the consumer with the firm or brand (Abdul-Ghani et al., 2012). The thesis contributes to the field of engagement in a marketing context by presenting an alternative perspective from engagement with the brand – that is, engagement with a consumption experience. The thesis adopts a consumer-centric perspective. The research addresses the call for a conceptualisation of engagement based on a theoretical lens other than relationship marketing or Service Dominant Logic by conceptualising engagement based on the Experiential View of the Consumer (Holbrook & Hirschman, 1982). Consumer engagement is viewed as arising from valued experiences of the consumer. This is a broader view that does not preclude consumer experiences with the firm or brand, but includes them within a consideration of all consumer experiences.

- This research stands apart from a number of studies on engagement by conceptualising engagement as a psychological construct with motivational properties, and distinguishing consumer engagement from its behavioural consequences. Most existing measures of engagement include behavioural items or a behavioural dimension, so are not well suited to research that seeks to predict the same behavioural outcomes.
- Unlike existing scales to measure engagement, the measure developed in this thesis avoids the use of items that express overt consumer behaviours or a temporary psychological state, instead revealing the motivational properties of engagement, emphasising the role of cognition and affect, and recognising the importance of self-image in consumer engagement (Algesheimer et al., 2005; So et al., 2016; Sprott et al., 2009). This research defines consumer engagement with the online auction experience as the enthusiasm, reflection of self-image, passion and interest a consumer has that drives their future participation in online auctions. In the context of the online auction experience the dimensions of consumer engagement are cognitive, affective/self-image and motivational. Each of the dimensions of CE-OAE are discussed in depth in Chapter 9. The cognitive dimension features in other scales that measure engagement as mental engagement is necessary; the consumer cannot be engaged without thinking about the

object of engagement. In addition, this is the first study to recognise affective and self-image as a single dimension of engagement. Likewise this is one of the few studies to recognise a motivational (as opposed to behavioural) dimension.

- The research confirms a nomological network for the CE-OAE construct including the antecedents and consequences of consumer engagement (Churchill, 1979; Cronbach & Meehl, 1955; Netemeyer et al., 2003; Peter, 1981). A conceptual framework was tested and verified. The results of the research provide strong support for the view that engagement arises from valued experiences of the consumer, and is a psychological construct that predicts on-going use. A major contribution of this study is to show that CE-OAE predicts behavioural outcomes such as levels of buying and selling. Past research on engagement has rarely done this, instead including behavioural items in the measure of engagement and seeking to predict other psychometric measures such as brand loyalty, brand commitment, or trust (Hollebeek et al., 2014; So et al., 2016; van Doorn et al., 2010; Verhoef, Reinartz, & Krafft, 2010). In addition, the longitudinal research provides initial support for a cycle of engagement, with behavioural outcomes acting as new experiences that provide more or less value, leading to more or less engagement.
- Other theorists on engagement portray engagement as directly based on experiences (Calder & Malthouse, 2008). However, this view implies that every experience potentially leads to engagement. A unique contribution of this thesis is that it goes beyond suggesting a direct link between experience and engagement, instead recognising a mediating role for value. As shown in the Hayes Process analysis of this study, value fully mediates the relationship between experience and engagement.
- Previously, scholars of engagement have suggested that engagement might be associated with utilitarian and hedonic value (Calder et al., 2009; C.-P. Hsu et al., 2012; Mollen & Wilson, 2010). This is the first study to establish in detail the types of value that lead to engagement.
- This study identified that levels of engagement remained stable for six months for half of the consumers studied. The existence of this 'long-term engagement' is a major finding of this thesis.

- Researchers have also noted the sparse level of research on engagement in the context of online auctions (Cheung et al., 2014). C2C online auctions have become a global phenomenon in which millions of consumers participate daily; yet research on consumer experiences and engagement in this context is lacking (Cameron & Galloway, 2005; Lee et al., 2009). This study of engagement with the online auction experience provided an opportunity to examine engagement in a C2C context, in which the consumer initiates most experiences, with a lesser role played by the firm.
- The research shows that consumer engagement is distinct from competing constructs such as flow and involvement, and more effective at predicting behavioural outcomes.

10.3 Contributions to middle-range theory on online auctions

Considerable empirical research has been completed on online auctions, though a majority of this research concerns the dynamics of the auction process. Less research has been conducted on consumer behaviour before, during and after use of an online auction. This research shows the theoretical importance of consumer engagement as an explanation for the behaviours of the online auction consumer, and thus contributes to middle-range theory on online auctions.

10.4 Contributions to broader theory

Beyond the contributions of the thesis to theory on engagement, the thesis also contributes more broadly to the advancement of theory. These contributions are now explored.

10.4.1 Consumer-to-consumer research

Much of the modern world concerns consumer-to-consumer interactions. If we are to understand consumer behaviour, motives and decision-making in a C2C environment, a theoretical framework other than Service Dominant Logic is called for. While SDL acknowledges the role of the consumer, in all applications of SDL the consumer shares the stage with the firm; the firm is never absent from consideration. Yet in C2C environments such as Trade Me, Facebook and YouTube, a majority of consumer experiences concern interactions with other consumers; interactions with the firm are a minority occurrence.

Thus, a different theoretical framework is required to understand the consumer in a C2C world. This thesis has suggested such a framework by researching consumer engagement with a consumption experience. This framework considers the experiences that most engage the consumer, whether initiated by the firm or not.

The framework can be employed in C2C contexts other than the online auction, such as social media. Here research can consider the experiences of the consumer and what most engages the consumer.

The framework also potentially extends the views of relationship marketing (RM) theory. Morgan and Hunt (1994) define RM as “all marketing activities directed towards establishing, developing, and maintaining successful relational exchanges”. If one adopts a relationship marketing framework, then customer satisfaction and loyalty to the company are viewed as based on direct customer-firm interactions (Palmatier, Dant, Grewal, & Evans, 2006). However, the current research suggests that understanding the satisfaction and loyalty of customers of Web 2.0 C2C platforms may benefit from taking an alternative perspective. Customers of Web 2.0 C2C platforms have little direct interaction with the company that creates and hosts the platform. Thus in a Web 2.0 C2C environment, an extension to RM Theory is required because satisfaction and loyalty might not be based on customer-firm interactions, but on the quality of the Web 2.0 spaces created by the company, in which consumers play and interact with other consumers.

Airbnb and Uber are new phenomena in today’s C2C world referred to in the literature as ‘sharing’ and ‘collaborative consumption’ (Belk, 2014). This research adds to the emerging research on sharing and collaborative consumption because these new phenomena, like online auctions, are based on C2C interactions using Web 2.0, where a financial transaction occurs. In both Airbnb and Uber, the consumer is the one making the decisions, choosing whether to do business with another consumer, and whether to repeat the Airbnb / Uber experience. The theoretical framework presented in this thesis has potential to contribute to understanding this consumer, and the role that experience, value and engagement play in determining whether she will repeat the ‘sharing’ experience.

On a further note, the literature on online C2C auctions has built considerable understanding of the role that consumer feedback ratings play in consumer decision-making. As trailblazers in the use of online C2C platforms, online auction users recognised the importance of trust in online C2C interactions; consumer feedback ratings on C2C platforms were first established in online auctions. This understanding of mechanisms of trust and consumer use of feedback ratings can be adopted to understand C2C interactions in the sharing economy. As with online auction consumers, Uber and Airbnb consumers rely on feedback ratings about other consumers who are strangers when deciding whether to share a stranger's house or ride in a stranger's car. Prior to Uber, consumer sharing of transport with another consumer relied on hitchhiking, which was considered dangerous and without regulation. Now the consumer relies on feedback posted by others on a Web 2.0 platform and uses this as their safeguard. The research literature on consumer trust and feedback ratings in online auctions can be useful for understanding consumer behaviour in a sharing economy.

In this research a moderating role for risk in the formation of consumer engagement was not observed. It was concluded this might be because the experienced consumers surveyed in this research had overcome the risk threshold and learned to adopt risk-reducing tactics such as consulting consumer feedback ratings. This finding might also apply in the sharing economy, where experienced users likewise overcome a risk threshold and learn to trust other consumers by relying on their experiences and use of the feedback rating system.

This research has also identified the importance of self-image for consumers in a C2C context, that is, online auctions. For prosumers in the latest examples of the C2C economy, such as Airbnb hosts and Uber drivers, it is very likely that self-image plays an equally important role. This is because Airbnb hosts and Uber drivers rely on portraying a good public image to attract other consumers.

10.4.2 Experiences

This research responds to the MSI's call for research on experiences that are "remembered, interesting, repeated, and valued" (Marketing Science Institute, 2012, 2014). The research includes an in-depth qualitative study of the experiences of online auction users utilising a phenomenological approach to analysis (Losekoot & Wright, 2014; Thompson, 1997; Thompson et al., 1989; van

Manen, 1997). The thesis provides in-depth insights into individual consumer's life experiences and memorable moments and how these experiences become the basis for a consumer's engagement. Experience is shown to play a key role in shaping consumer engagement; indeed, the research findings show that valued experiences directly impact consumer engagement.

The Experiential View of the Consumer emphasises the importance of examining consumer experiences as a worthy subject of research on its own; that is, experiences are central to a consumer's life and thus should be studied. This thesis takes the study of consumer experiences a step further by showing the long-term and cumulative impact of experiences on other aspects of consumer behaviour such as the impact of experiences on engagement, and ultimately, on-going use.

10.4.3 Consumer value

Given the popularity of online auctions and the importance of the value construct, it was critical to examine in detail the specific types of value that consumers derive from their auction experiences. The view that value comprises just two types, hedonic and utilitarian, is overly simplistic. A reliable and valid scale was developed in this research for the measurement of six types of value in online auctions. Value plays a big role in the nomological network for CE-OAE; not only does value lead to engagement, but levels of value appear to determine levels of engagement.

This research also suggests an extension to current applications of the Theory of Consumption Values (TCV) (Sheth et al., 1991a) by extending it to the consumer as producer or seller (a 'prosumer') (Denegri-Knott & Zwick, 2012). To date, TCV has been applied to consumer choice of purchases, or the value derived from the purchase of goods and services. Yet in the contemporary world, consumers often take the role of producers and retailers, not just buyers of goods and services. The term 'consumption value' requires updating, as it suggests that the only role a consumer has is a consumption role. To reflect the new, ubiquitous role of consumers as prosumers, it is more appropriate to speak of 'consumer value' rather than 'consumption values'. The role of consumer as producer and/or seller is evident everywhere nowadays – in consumer's use of Facebook and YouTube, Tripadvisor, Airbnb, Uber, and online C2C auctions. This research shows the utility

of examining the value prosumers gain beyond the purchase and consumption of goods and services.

10.4.4 Motivation

Researchers have suggested that engagement may be related to intrinsic motivation (Algesheimer et al., 2005; Baldus et al., 2015; Wirtz et al., 2013). According to Self Determination Theory (SDT), an activity is likely to be intrinsically motivating if it is inherently interesting, challenging, and freely chosen, and one in which the individual feels somewhat competent (Ryan & Deci, 2000a). If consumer engagement is related to intrinsic motivation as proposed by this thesis, then as a potential extension to SDT, the role of consumer engagement can be considered. In what ways is consumer engagement different from intrinsic motivation? In what ways is consumer engagement something more than intrinsic motivation? If engagement is something more than intrinsic motivation (if it is “intrinsic motivation – plus”), then knowledge about engagement could represent an advancement to SDT by going beyond inherent interest to take into consideration the role of self-image, passion, and enthusiasm in a consumer’s choice of future actions.

10.5 Methodological contributions

The thesis makes a number of worthwhile contributions to research methodology. Firstly, thesis presents one of the first studies of consumer experiences leading to engagement using a phenomenological approach to analysis. Existing theorising on consumer engagement speaks of the importance of the consumer experience as antecedent to engagement (Brodie et al., 2011; Calder & Malthouse, 2008); yet consumer experiences have seldom been examined phenomenologically to explore the connection between experiences and engagement. This study has been one of the first to do so.

Secondly, the research represents one of the first longitudinal studies of consumer engagement. Most studies of consumer engagement to date have adopted a cross-sectional research design, with both engagement and outcomes measured at the same point in time (Hollebeek et al., 2014; So et al., 2014; Vivek et al., 2014). These studies provide evidence of correlation between constructs rather than evidence of cause and effect; such studies do not provide a true test of the predictive validity of

the engagement construct, and risk threats to validity from common methods bias (Podsakoff et al., 2003). To establish the predictive validity of the scale, this study undertook a longitudinal approach to research (Nunnally & Bernstein, 1994). Utilising a longitudinal approach, this research also establishes a link between changes in levels of value over time as antecedent to changes in levels of consumer engagement over time. Again, the Chapter 3 literature review identifies the importance of conducting longitudinal studies, but to date, such studies have been lacking.

The third methodological contribution of this study has been the use of measures of actual consumer behaviours as outcome variables rather than behavioural intentions or psychological constructs (Lynch et al., 2012). These behavioural measures were taken after two months had elapsed, thus forming a true test of the predictive validity of the CE-OAE construct. The use of measures of actual consumer behaviour likely adds to the ecological validity of the study.

10.6 Managerial implications

The results of the research present a number of managerial implications. These will be of benefit to online auction companies, to retailers who sell on online auction sites, to marketing managers, and to consumers who act as sellers in auctions.

Senior marketers and CEOs are increasingly interested in consumer engagement; a number of companies are appointing “Experience Managers” to focus on and understand their customers’ experiences and engagement. By understanding engagement from the consumer’s point of view, this research prompts senior marketers and company executives to consider what experiences engage their customers most and develop strategies to nurture those experiences.

This research develops a valid measure of consumers’ engagement with the online auction experience. This CE-OAE measure can be used by senior marketers in general, and online auction companies in particular, to predict their customers’ future buying and selling activities, and to measure the success of their engagement strategies.

The research reveals the three dimensions of consumer engagement with the online auction experience. One of these dimensions is affective/self-image. The results of the research suggest auction companies should implement strategies for enhancing the self-image of auction users. One such strategy could be to recognise experienced traders and provide them with a “privileged” status after they achieve a target number of positive trades. Similar to the privileges afforded to holders of gold credit cards, the privileged status could provide these traders with discounts, or free trades or other incentives. This could bolster frequent traders’ self-image, as they will belong to an elite and a privileged group, which could further enhance their engagement with the auction experience.

As the research has revealed the three types of value having most impact on consumer engagement are emotional, social, and epistemic value – this also suggests strategies for auction companies and marketers. Online auction companies need to look at strategies for converting the consumers who are only interested in obtaining goods at a good price or selling unwanted items to being more engaged consumers. The company can achieve this by enhancing emotional, social and/or epistemic value for the consumer. The following discussion suggests ways in which this might be achieved.

Related to the emotional value consumers gain from their experiences, auction companies and online auction sellers could seek to enhance the online auction experience by making it as pleasurable, fun, thrilling, and exciting as possible for consumers. For example, Lee et al. (2009) suggest that online auction sellers could incorporate entertainment features such as interactive videos, music, and games to enhance the items they have for sale. Verleye and de Keyser (2016) identify ‘gamification’ as one means of building consumer engagement. Interestingly, online auctions contain an inherent element of gamification in the competition required to win an item at auction; this may partly explain the engaging nature of the online auction experience. Excitement and pleasure is the payback for the time and energy spent on auction experiences.

eBay demands from its users a certain level of psychological flexibility and affective investment, which is then returned to the user as emotional stimulation and pleasure by an increasingly interesting and exciting prosumption object. (Denegri-Knott & Zwick, 2012, p. 446)

To enhance the thrill and excitement of auction experiences, auction companies could also consider website functions that enhance competitiveness; for example, a prominent digital clock that counts down until the auction closes. Some auction companies such as Trade Me enhance emotional value for the consumer through the use of SMS alerts sent to bidders as the closing time of the auction approaches, and interactive smartphone apps that send notifications to buyers and sellers. Auction companies could consider introducing additional thrill into the Buy-Now function by combining the Buy-Now function with some other auction mechanism such as 'name your own price', or a mechanism that allows a buyer and seller to haggle on the price.

The results of the research also suggest auction companies should be interested in enhancing social value for their users. This could be achieved by adding new features to auction sites, such as a chat or haggle facility, to further enable interactions between buyers and sellers. As important aspects of the auction experience occur offline, including social interaction, auction companies could consider hosting offline events where buyers and sellers meet in person to exchange stories and expertise.

The research identifies epistemic value as important to auction user engagement. An auction company could enhance epistemic value by educating sellers on the most effective tactics for price setting, wording of listings, use of photography, and promotion of their listings. This education could be offered online or as workshops at offline events for novice buyers and sellers to enhance their auctioning skills. Some auction companies such as eBay (USA) already offer advice to auction sellers (Tu & Lu, 2011).

The results of this research also suggest a number of actions auction sellers could take to keep their buyers happy, whether the sellers are businesses or individual consumers. This includes responding to buyer questions with full, prompt, and friendly answers, delivering goods promptly, perhaps even with a surprise gift enclosed, or assisting the buyer with delivery or installation of the goods. All of these enhance social value for the buyer and help build relationships between the buyer and seller.

In summary, this research presents a number of valuable managerial implications for online auction companies, marketing practitioners, and businesses that sell on auction sites.

10.7 Limitations

This research was conducted with New Zealand online auctions users. Many of these consumers are users of a single auction site, the Trade Me auction site. Future research is required to test the conclusions of this study on other national populations who are users of alternative auction sites.

Studies Three to Five relied upon a marketing research company to recruit respondents from its nationwide panels. These samples may not be proportionally representative of New Zealand consumers or of New Zealand online auction users. For example, the samples have a higher proportion of females than males. Nevertheless, higher quality samples were likely achieved from using online panels than was possible using convenience sampling or snowball sampling techniques. In addition, the sample achieved diversity in ages, incomes, regions of residency in New Zealand, and levels of experience with online auctions.

A further limitation of the study was the attrition rate of respondents between Times 1, 2 and 3. Over the three phases of surveying, just 115 of the original 403 respondents returned on all three occasions. This is a limitation that most longitudinal research faces (Bryman & Bell, 2003).

Some of the measures employed in this research might be improved in any future research. The use of a single-item measure of levels of participation in the community of auction users might be replaced by a multi-item measure. The use of a single-item measure might explain why CE-OAE did not predict participation in the community of auction users as well as it predicted other behavioural outcomes. The research also employed a single-item measure for the consumer's evaluation of their auction experience; future research might employ more complex and nuanced measures of consumer experience.

Finally, it is worth mentioning the challenges in predicting future levels of selling activity by auction users. Levels of selling are influenced by a number of extraneous variables not under the control of the researcher, including, having

household goods available for sale, periods of housekeeping by the consumer, shifting house, or children in the household outgrowing their clothing or toys. Each of these variables likely has a major impact on selling activities. Future research might attempt to include these variables, in addition to levels of CE-OAE, in models to predict future levels of selling activity.

10.8 Directions for future research

Taking the experiential view of the consumer as a basis for understanding engagement represents a new line of research in consumer behaviour. The results of this research open doors for several important areas of future research.

10.8.1 Cycle of engagement

There is an opportunity for further research on the 'cycle of engagement'. This cycle suggests that if engagement levels rise, the consumer will seek further experiences through on-going use of the market offering. Conversely, if engagement levels fall, the consumer is less likely to seek further experiences with the market offering. This cycle was discussed in Section 9.2.7 and Study Five has provided empirical support for part of the cycle by demonstrating that changes in value over time impact changes in engagement. Although this is an important finding on its own, further research is required to complete understanding of the full cycle of engagement. In the conceptual framework of antecedents and consequences of CE-OAE, the outcomes of CE-OAE in terms of buying, selling, and visiting the auction site again in the future, constitute new experiences with the online auction. To test the full cycle of engagement, future research can take repeated measures of experience, value, engagement, and outcomes over a period of time. It may be possible to follow a cohort of auction users throughout the cycle of engagement, with frequent measures of all constructs in the model.

Another area of future research is to build on the findings of this study regarding 'long-term engagement'. This research has been amongst the first to empirically measure long-term engagement. The findings of Study Five show that for almost 50% of the people studied, levels of consumer engagement with the online auction experience remain relatively stable over a six-month period. As part of an investigation of the cycle of engagement, future research can observe in detail exactly how long engagement lasts.

10.8.2 Segmentation studies

Now that engagement has been established as a worthwhile construct to understand consumers and their experiences in the online auction, research can be extended to segment online auction users based on the levels and determinants of their engagement. Such research could provide valuable insight into the types and demographics of consumers using online auctions and their reasons for differing levels of on-going use. Several segmentation studies of online bidders (Bapna, Goes, Alok, & Jin, 2004; Mancha, Leung, Clark, & Minghe, 2014), buyers (Lee et al., 2013), and sellers (Chu, 2013) already exist based on user characteristics such as impulsiveness, variety seeking, price sensitivity, bidder behaviour, or utilitarian and hedonic motives. However, none of these studies segment online auction users on the basis of their engagement. It could be that a variety of low and high engagement segments exist. For example, there might be a low engagement segment that only visits the auction site to occasionally buy and/or sell items. There could be a segment of highly competitive individuals (Newby & Klein, 2014; Nichols, 2012) for whom competitiveness and winning the auction is important. There could be a segment of highly engaged consumers who identify with the community of auction users, and derive social identity from such membership (Hogg et al., 1995; Tajfel, 2010). There might be a high engagement segment who are collectors and whose bases for engagement are not just locating rare items for their collection but meeting and interacting with other collectors who share similar interests. In addition, future research can investigate if very high levels of engagement for a particular segment might lead to addiction, and the circumstances for the development of addiction (Charlton, 2002; Charlton & Danforth, 2007, 2010).

10.8.3 Further applications of the CE-OAE scale

The CE-OAE scale developed in this research for the online auction context could be adapted for application in other contexts. For example, the scale may be applied to research on engagement in online communities, because the scale includes measurement of affective/self-image and past research shows self-image is important to engagement with online communities (Algesheimer et al., 2005; C.-P. Hsu et al., 2012; Ray et al., 2014). Researchers who examine engagement in other

C2C contexts should also consider if self-image is a component of consumers' engagement.

The scale may also be applied to studies of consumer engagement with social media such as Facebook, where social, emotional, and epistemic value have been identified as important outcomes of use of social media (Al-Debei et al., 2013; De Vries & Carlson, 2014; H. Wang, 2012; Yang & Lin, 2014). While past research has examined the value consumers derive from social media and engagement with social media (Dolan et al., 2016; Hechelmann, 2012) it has not linked value to consumer engagement. In addition, existing scales to measure engagement in a social media context concentrate on measuring engagement with brands (Hollebeek et al., 2014), and do not seek to relate consumer experiences, value, engagement, and ongoing use of social media taking the point of view of the consumer. By contrast, measures of CE-OAE have been shown to relate strongly to social and emotional value. This bodes well for the use of the CE-OAE scale for future research on value and engagement with social media experiences.

10.8.4 Risk

An important area for future research is further investigation on the role of perceived risk in consumer engagement with auction experiences. The research developed a new measure of perceived risk in online auctions as no other measure in this context exists. The measure is not without limitations, for example, it does not sample many items covering risks in selling. Future research might supplement the risk in online auctions measure with existing generic measures of perceived risk. The current study does not find a moderating role for perceived risk in the CE-OAE nomological network, and yet risk remains an important issue in the online auction literature and should be considered in any future research on engagement in the context of online auctions.

10.9 Concluding remark

Writing this thesis has been a truly engaging experience for me; the self-awareness of this engagement and the related value the experience has held for me has given me some real insight into the phenomenon I have studied so deeply. I have learned a great deal about the study object, as I imagined I would, but I have unexpectedly learned so much more about the fascinating people who comprise the Trade Me

community. I have been amazed at the emotion, even the passion, aroused with regard to the hunt for value that is the epitome of the online auction experience. The role that auctions play in some respondents' lives also came as a real surprise. Perhaps most of all, though, I have been delighted and humbled with the enthusiasm with which participants have cooperated and co-created value with me, and have taken such an active interest in the work I have conducted. This has been a truly engaging and value-laden experience.

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Appendices

Appendix 1 - Ethics approval for each of the studies for the research



A U T E C
S E C R E T A R I A T

20 November 2012

Ken Hyde
Faculty of Business and Law

Dear Ken

Re Ethics Application: **12/292 Consumer engagement with the online auction experience: Conceptualization and measurement.**

Thank you for providing evidence as requested, which satisfies the points raised by the AUT University Ethics Committee (AUTEC). Your ethics application has been approved for three years until 20 November 2015.

As part of the ethics approval process, you are required to submit the following to AUTEC:

- A brief annual progress report using form EA2, which is available online through <http://www.aut.ac.nz/research/research-ethics/ethics>. When necessary this form may also be used to request an extension of the approval at least one month prior to its expiry on 20 November 2015;
- A brief report on the status of the project using form EA3, which is available online through <http://www.aut.ac.nz/research/research-ethics/ethics>. This report is to be submitted either when the approval expires on 20 November 2015 or on completion of the project.

It is a condition of approval that AUTEC is notified of any adverse events or if the research does not commence. AUTEC approval needs to be sought for any alteration to the research, including any alteration of or addition to any documents that are provided to participants. You are responsible for ensuring that research undertaken under this approval occurs within the parameters outlined in the approved application.

AUTEC grants ethical approval only. If you require management approval from an institution or organisation for your research, then you will need to obtain this. If your research is undertaken within a jurisdiction outside New Zealand, you will need to make the arrangements necessary to meet the legal and ethical requirements that apply there.

To enable us to provide you with efficient service, please use the application number and study title in all correspondence with us. If you have any enquiries about this application, or anything else, please do contact us at ethics@aut.ac.nz.

All the very best with your research,

A handwritten signature in black ink, appearing to read 'Rosemary Godbold'.

Dr Rosemary Godbold
Executive Secretary
Auckland University of Technology Ethics Committee

Cc: Eathar Abdul Ghani eathar.abdul-ghani@aut.ac.nz

11 October 2013

Ken Hyde
Faculty of Business and Law

Dear Ken

Re Ethics Application: **12/292 Consumer engagement with the online auction experience: Conceptualization and measurement.**

Thank you for submitting your application for ethical review. I am pleased to confirm that the Auckland University of Technology Ethics Committee (AUTEC) has approved your ethics application for three years until 20 November 2015.

This approval is for phase 2 of the research only. Please submit an application for subsequent phases for approval by AUTEC.

As part of the ethics approval process, you are required to submit the following to AUTEC:

- A brief annual progress report using form EA2, which is available online through <http://www.aut.ac.nz/researchethics>. When necessary this form may also be used to request an extension of the approval at least one month prior to its expiry on 20 November 2015;
- A brief report on the status of the project using form EA3, which is available online through <http://www.aut.ac.nz/researchethics>. This report is to be submitted either when the approval expires on 20 November 2015 or on completion of the project;

It is a condition of approval that AUTEC is notified of any adverse events or if the research does not commence. AUTEC approval needs to be sought for any alteration to the research, including any alteration of or addition to any documents that are provided to participants. You are responsible for ensuring that research undertaken under this approval occurs within the parameters outlined in the approved application.

AUTEC grants ethical approval only. If you require management approval from an institution or organisation for your research, then you will need to obtain this. If your research is undertaken within a jurisdiction outside New Zealand, you will need to make the arrangements necessary to meet the legal and ethical requirements that apply within their.

To enable us to provide you with efficient service, we ask that you use the application number and study title in all correspondence with us. If you have any enquiries about this application, or anything else, please do contact us at ethics@aut.ac.nz.

All the very best with your research,



Kate O'Connor
Executive Secretary
Auckland University of Technology Ethics Committee

Cc: Eathar Abdul Ghani

29 August 2014

Ken Hyde
Faculty of Business and Law

Dear Ken

Re Ethics Application: **14/274 Consumer engagement with the online auction experience: Conceptualisation and measurement.**

Thank you for providing evidence as requested, which satisfies the point raised.

Your ethics application has been approved for three years until 28 August 2017.

As part of the ethics approval process, you are required to submit the following to AUTEK:

- A brief annual progress report using form EA2, which is available online through <http://www.aut.ac.nz/researchethics>. When necessary this form may also be used to request an extension of the approval at least one month prior to its expiry on 28 August 2017;
- A brief report on the status of the project using form EA3, which is available online through <http://www.aut.ac.nz/researchethics>. This report is to be submitted either when the approval expires on 28 August 2017 or on completion of the project.

It is a condition of approval that AUTEK is notified of any adverse events or if the research does not commence. AUTEK approval needs to be sought for any alteration to the research, including any alteration of or addition to any documents that are provided to participants. You are responsible for ensuring that research undertaken under this approval occurs within the parameters outlined in the approved application.

AUTEK grants ethical approval only. If you require management approval from an institution or organisation for your research, then you will need to obtain this.

To enable us to provide you with efficient service, please use the application number and study title in all correspondence with us. If you have any enquiries about this application, or anything else, please do contact us at ethics@aut.ac.nz.

All the very best with your research,



Kate O'Connor
Executive Secretary
Auckland University of Technology Ethics Committee

Cc: Eathar Abdul-Ghani

Appendix 2 - Study Two questionnaire

1.

This research is on consumer use of online auctions such as Trade Me, eBay or Taobao, and engagement with the auction experience. I wish to invite you to partake in this online survey. Your participation is voluntary and you may withdraw at any time.

The questionnaire is comprised of four parts – thinking about a memorable online auction experience, rating the types of value you gain from your auction experiences, rating your engagement with auction experiences, and answering a few demographic questions.

On the final page of the questionnaire, you can enter your email address if you wish to enter the draw to win a \$100 voucher (your choice of a petrol, grocery or book voucher). This information will be recorded separately from your survey answers to ensure your anonymity.

By completing the questionnaire, you are consenting to participate in the research.

2.

PART ONE – A MEMORABLE EXPERIENCE

Q1 - Think about a memorable experience you have had using an online auction site such as Trade Me, eBay or Taobao. Your experience might be about an item you have bought or sold. Your experience might include browsing the auction site, searching for, bidding, buying, listing or selling items. Your experience might include selling a sentimental item, finding a special item, winning a bidding war, corresponding with buyers/sellers, meeting with buyers/sellers, receiving goods or receiving payments for goods, or negative experiences with an auction.

Overall, how positive have your experiences been with using the auction site?

	1	2	3	4	5	6	7	8	9	10
	extremely negative									extremely positive
How positive?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3.

PART TWO – VALUE FROM YOUR AUCTION EXPERIENCES

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Is easy to use	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is an efficient way to get goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is convenient	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Solves a lot of problems	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides information on the market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of rare items	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A wide selection of goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of things that I need	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good prices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of bargains	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4.

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Provides me with value for money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Excites me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with varied enjoyment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is fun	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gives me pleasure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Makes me feel good	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like competing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like the element of competition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me make interpersonal relationships	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I enjoy meeting new people through the auction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Other people admire me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me feel accepted by others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Makes a good impression on other people	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gives me social approval	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is a new way of doing things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have learned from my experiences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have become a bit of an expert	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Satisfies my curiosity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Arouses my curiosity for novelty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with a new experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me come across new things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6.

PART THREE – RATING YOUR AUCTION EXPERIENCES

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I'm very interested	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm curious	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm absorbed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm immersed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site grabs my attention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I pay a lot of attention to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site stimulates my interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site is thought-provoking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm intrigued	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about using the auction site a lot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm focussed on the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7.

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I am drawn in	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel good about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I love using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm engrossed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm enthralled	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm hooked	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of the auction site has become an important part of my life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The experience of using the auction site is a part of who I am	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Part of me is defined by my use of the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is about my self-image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am connected to it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8.

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I know how to use the auction site to get what I want	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site gives me mastery over my buying and selling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I can shop at my own pace without being pressured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm invigorated by using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm entertained by using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm passionate about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm obsessive about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am strongly drawn to using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9.

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
The experience of using the auction site is full of surprises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You never know what you will find when you use the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is like a lucky dip in a barrel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm motivated to come back to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm enthusiastic to use the auction site again	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am dedicated to using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to invest time into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to put effort into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to use the auction site again in the future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will keep coming back	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10.

RISK

Some consumers are concerned about the risks when buying or selling from an online auction. Please rate your level of agreement with each of the following statements regarding risk.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
As a buyer, I am concerned I will not receive goods I have paid for	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned I will spend too much and go over my budget	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned I will buy something I shouldn't	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned the goods I receive will not be the quality I expected	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned the goods I receive may be faulty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a seller, I am concerned I will not receive full payment for the goods I have sold	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned that some buyers/sellers may be dishonest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11.

PART FOUR –

Which age range (in years) do you belong to?

- 20-29
- 30-39
- 40-49
- 50-59
- 60-69
- 70 or over

What is your gender?

- Male
- Female

What is your ethnicity?

- European
- Maori
- Pasifika
- Asian
- Other

What is your occupation?

How many years you have been a member of your preferred auction site, such as Trade Me?

How often do you visit your preferred auction site?

- Several times a day
- Several times a week
- Several times a month
- Less than once a month

12.

WIN A \$50 UNIVERSITY BOOKSHOP VOUCHER

If you wish to enter the draw for a \$100 voucher (your choice of an MTA petrol voucher, Countdown grocery voucher, or University Bookshop voucher), enter your email address here:

Appendix 3 - Time 1 questionnaire

1.

Thank you for considering participating in this study. My name is Eathar Abdul-Ghani of the Auckland University of Technology. I am researching consumers' use of online auctions - such as Trade Me, eBay, EzyAuctionNZ or other online auction sites - and consumers' engagement with the auction experience. I wish to invite you to participate in this survey. Your participation is voluntary, the data you provide is anonymous and you may exit from the survey at any time even if you have commenced it.

I am surveying people aged 20 years or over, who have bought or sold at least one item from an online auction site in the last 12 months, but are not running a business through the auction site. The questionnaire is comprised of five parts – thinking of a memorable online auction experience, rating the types of value you gain from your online auction experiences, rating your engagement with online auction experiences, issues of risk, and answering a few demographic questions.

By completing the questionnaire, you are consenting to participate in the research. No data will be recorded to identify you. You may exit at any time and your data will not be used, nor will you be disadvantaged in any way. At the end of the survey I will provide you with an email address where you can access the results of the study as soon as they are available. Participating in the survey will take about 15 minutes of your time. All answers will be recorded electronically and are fully anonymous to the researchers. Should you experience any discomfort during the survey you can exit the survey simply by closing the browser.

In two month's time, I will email you again and ask you if you wish to participate in a follow-up survey on your online auction use.

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Associate Professor Ken Hyde, ken.hyde@aut.ac.nz, (09) 921 9999 ext 5605. Concerns regarding the conduct of the research should be notified to the Executive Secretary of AUTEAC, Kate O'Connor, ethics@aut.ac.nz, (09) 921 9999 ext 6038. Approved by the Auckland University of Technology Ethics Committee on 29 August, 2014, AUTEAC Reference number 14/274.

If you require help with completing the survey, please email membersupport@cint.com.

Have you bought or sold anything from an online auction site, such as Trade Me, in the past 12 months?

- yes
- no

Are you running a business (GST registered) through an auction site such as Trade Me

- yes
- no

What is your gender?

- Male
- Female

Which age range (in years) do you belong to?

- under 20
- 20-29
- 30-39
- 40-49
- 50-59
- 60-69
- 70 or over

2.

PART ONE – A MEMORABLE EXPERIENCE

Q1 - Think about a memorable experience you have had with an online auction site such as Trade Me, eBay, EzyAuctionNZ or any other online auction site. Your experience might be about an item you have bought or sold. Your experience might include browsing the auction site, searching for, bidding, buying, listing or selling items. Your experience might include selling a sentimental item, finding a special item, winning a bidding war, corresponding with buyers/sellers, meeting with buyers/sellers, receiving goods or receiving payments for goods, or negative experiences with an auction.

Tell me about the memorable experience you have had with an online auction site. Write a brief statement about what happened:

Overall, how would you rate your experiences with the auction site, on the scale from extremely negative to extremely positive:

1 extremely negative	2	3	4	5	6	7	8	9	10 extremely positive
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3.

PART TWO – VALUE FROM YOUR AUCTION EXPERIENCES

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Is easy to use	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is an efficient way to get goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is convenient	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Solves a lot of problems	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A wide selection of goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of rare items	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of things that I need	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good prices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of bargains	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with value for money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4.

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Excites me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with varied enjoyment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is fun	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gives me pleasure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Makes me feel good	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like competing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like the element of competition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Helps me make interpersonal relationships	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I enjoy meeting new people through the auction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other people admire me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me feel accepted by others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Makes a good impression on other people	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gives me social approval	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6.

Q2 - Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Is a new way of doing things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have learned from my experiences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Satisfies my curiosity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Arouses my curiosity for novelty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with a new experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me come across new things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7.

PART THREE – RATING YOUR AUCTION EXPERIENCES

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I'm absorbed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm immersed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site grabs my attention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I pay a lot of attention to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site stimulates my interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site is thought-provoking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm intrigued	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about using the auction site a lot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8.

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I feel good about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of the auction site has become an important part of my life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The experience of using the auction site is a part of who I am	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Part of me is defined by my use of the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is about my self-image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am connected to it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I know how to use the auction site to get what I want	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm passionate about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm obsessive about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am strongly drawn to using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9.

Q3 - Having considered your auction experiences and the value gained from those experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
The experience of using the auction site is full of surprises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You never know what you will find when you use the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is like a lucky dip in a barrel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm motivated to come back to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm enthusiastic to use the auction site again	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to invest time into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to put effort into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to use the auction site again in the future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will keep coming back	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10.

PART FOUR - RISK

Some consumers are concerned about the risks when buying or selling from an online auction. Please rate your level of agreement with each of the following statements regarding risk.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
As a buyer, I am concerned I will spend too much and go over my budget	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned I will buy something I shouldn't	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned the goods I receive will not be the quality I expected	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned the goods I receive may be faulty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a seller, I am concerned I will not receive full payment for the goods I have sold	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned that some buyers/sellers may be dishonest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11.

PART FIVE – USAGE AND DEMOGRAPHICS

How many years you have been a member of your preferred auction site, such as Trade Me?

- less than a year
- 1-4 years
- 5-9 years
- 10 years or more

How often do you visit your preferred auction site?

- Several times a day
- Several times a week
- Several times a month
- Less than once a month

What is your ethnicity?

- European
- Maori
- Pasifika
- Asian
- Other

What region of New Zealand do you live in?

- Northland
- Auckland
- Waikato / Coromandel / Bay of Plenty
- Central North Island
- Gisborne / Hawkes Bay
- Taranaki
- Wanganui / Manawatu / Wairarapa
- Wellington
- Nelson / Marlborough
- Westland
- Canterbury
- Otago
- Southland

Do you live in a city, provincial town, or rural area?

- city
- provincial town
- rural area

What is your occupation?

What is the total annual income of the household in which you live?

- \$0 to \$29,999
- \$30,000 to \$59,999
- \$60,000 to \$89,999
- \$90,000 to \$119,999
- \$120,000 or more

12.

THANK YOU FOR PARTICIPATING.

IN TWO MONTH'S TIME YOU WILL RECEIVE AN EMAIL INVITING YOU TO PARTICIPATE IN A SECOND SURVEY ON YOUR USE OF THE ONLINE AUCTION SITE DURING THE TWO-MONTH PERIOD.

If you would like a copy of the research results, please email eathar.abdul-ghani@aut.ac.nz, and you will receive a copy when the research is completed.

Appendix 4 - Time 2 questionnaire

1.

It has been two months since you completed the survey on using an online auction site such as Trade Me, eBay, EzyAuctionNZ or other online auction sites.

Thank you for participating in this study. My name is Eathar Abdul-Ghani of the Auckland University of Technology. I am researching consumers' use of online auctions, and their engagement with the auction experience. I wish to invite you to partake in this second survey. Your participation is voluntary, the data you provide is anonymous and you may exit from the survey at any time even if you have commenced it.

The questionnaire is comprised of five parts – providing information on your auction usage over the past two months, reflecting on your online auction experiences over the past two months, rating your engagement with auction experiences, rating experiences of flow, and rating your involvement with auction sites in general. I suggest you LOGIN TO YOUR ONLINE AUCTION ACCOUNT at the same time you fill in the survey, as I will be asking you about the number of items you have bought and sold over the past two months.

By completing the questionnaire, you are consenting to participate in the research. No data will be recorded to identify you. You may exit at any time and your data will not be used, nor will you be disadvantaged in any way. At the end of the survey I will provide you with an email address where you can access the results of the study as soon as they are available.

Participating in the survey will take about 10 minutes of your time. All answers will be recorded electronically and are fully anonymous to the researchers. Should you experience any discomfort during the survey you can exit the survey simply by closing the browser.

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Associate Professor Ken Hyde, ken.hyde@aut.ac.nz, (09) 921 9999 ext 5605. Concerns regarding the conduct of the research should be notified to the Executive Secretary of AUTEAC, Kate O'Connor, ethics@aut.ac.nz, (09) 921 9999 ext 6038. Approved by the Auckland University of Technology Ethics Committee on 29 August, 2014, AUTEAC Reference number 14/274.

If you require help with completing the survey, please email membersupport@cint.com.

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2.

PART ONE – USAGE IN THE PAST TWO MONTHS

PLEASE LOGIN TO YOUR ONLINE AUCTION ACCOUNT, to provide some of the following information.

IN THE PAST TWO MONTHS:

	several times a day	once a day	2-3 times a week	once a week	2-3 times a month	once a month	never	
How often have you visited the auction site?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
	0	1	2	3-5	6-9	10-19	20 or more	
Approximately how many items have you placed on your auction site WATCH LIST over the past two months?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
	0	1	2	3-5	6-9	10-19	20 or more	
How many items have you BID on, or offered to BUY NOW (regardless of whether or not you succeeded in getting the item) in the past two months?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
	0	1	2	3-5	6-9	10-19	20 or more	
How many PURCHASES HAVE YOU MADE from the auction site in the past two months? (If a single purchase involved multiple items, such as a dozen CDs, just count this as one purchase).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
	0	under \$20	\$21-\$49	\$50-\$99	\$100-\$250	\$251-\$499	\$500-\$999	\$1000 or more
What is the total VALUE (\$) of purchases you have made from the auction site in the past two months?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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<p>How many auction lots have you put up for SALE in the past two months (regardless of whether or not they sold)?</p>	0	1	2	3-5	6-9	10-19	20 or more	
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
<p>How many SALES have you made on the auction site in the past two months? (If a single sale involved multiple items, such as a dozen CDs, just count this as one sale).</p>	0	1	2	3-5	6-9	10-19	20 or more	
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
<p>What is the total VALUE (\$) OF SALES you have made on the auction site in the past two months?</p>	0	under \$20	\$21-\$49	\$50-\$99	\$100-\$250	\$251-\$499	\$500-\$999	\$1000 or more
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p>Also,</p> <p>How often have you spoken with other people (offline or online) about your auction use in the past two months?</p>	several times a day	once a day	2-3 times a week	once a week	2-3 times a month	once a month	never	
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	

3.

PART TWO – A MEMORABLE EXPERIENCE

Write a brief statement about your experiences with the auction site in the PAST TWO MONTHS.

Your experiences might include browsing the auction site, searching for, bidding, buying, listing or selling items. Your experiences might include selling a sentimental item, finding a special item, winning a bidding war, corresponding with buyers/sellers, meeting with buyers/sellers, receiving goods or receiving payments for goods, or negative experiences with an auction.

Overall, how would you rate your experiences with the auction site in the PAST TWO MONTHS, on the scale from extremely negative to extremely positive:

1 extremely negative	2	3	4	5	6	7	8	9	10 extremely positive
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4.

PART THREE – RATING YOUR AUCTION EXPERIENCES

Having considered your auction experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I'm absorbed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm immersed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site grabs my attention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I pay a lot of attention to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site stimulates my interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site is thought-provoking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm intrigued	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about using the auction site a lot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.

Having considered your auction experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I feel good about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of the auction site has become an important part of my life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The experience of using the auction site is a part of who I am	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Part of me is defined by my use of the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is about my self-image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am connected to it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I know how to use the auction site to get what I want	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm passionate about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm obsessive about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am strongly drawn to using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6.

Having considered your auction experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
The experience of using the auction site is full of surprises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You never know what you will find when you use the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is like a lucky dip in a barrel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm motivated to come back to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm enthusiastic to use the auction site again	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to invest time into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to put effort into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to use the auction site again in the future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will keep coming back	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7.

PART FOUR – FLOW EXPERIENCES

Regarding your use of the online auction site, please rate each item on a scale from 1 to 5.

	1 strongly disagree	2 disagree	3 neutral	4 agree	5 strongly agree
I often forget my immediate surroundings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I often do not realize the duration of my web visit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I lose self-consciousness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Time seems to fly by	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8.

PART FIVE – INVOLVEMENT WITH ONLINE AUCTION SITES

I also wish to record a person's involvement in online auction sites in general. Please indicate on each line how you perceive online auction sites.

To me online auction sites in are:

▪	1 important	2	3	4	5	6	7 unimportant
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 boring	2	3	4	5	6	7 interesting
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 relevant	2	3	4	5	6	7 irrelevant
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 exciting	2	3	4	5	6	7 unexciting
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 means nothing	2	3	4	5	6	7 means a lot
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 appealing	2	3	4	5	6	7 unappealing
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 fascinating	2	3	4	5	6	7 mundane
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 worthless	2	3	4	5	6	7 valuable
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 involving	2	3	4	5	6	7 uninvolving
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 not needed	2	3	4	5	6	7 needed
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9.

ENGAGEMENT WITH THE BRAND

Finally, please rate the following statements on the scale from 1 to 7

	strongly disagree	disagree	disagree a little	neutral	agree a little	agree	strongly agree
Using Trade Me gets me to think about Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about Trade Me a lot when I'm using it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using Trade Me stimulates my interest to learn more about Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel very positive when I use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using Trade Me makes me happy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel good when I use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm proud to use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I spend a lot of time using Trade Me compared to other online auction brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Whenever I'm using online auctions, I usually use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trade Me is one of the brands I usually use when I use online auctions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Appendix 5 - Time 3 questionnaire

1.

It has been six months since you completed the first survey on using an online auction site such as Trade Me, eBay, eBayAuctionNZ or other online auction sites.

Thank you for participating in this study. My name is Eathar Abdul-Ghani of the Auckland University of Technology. I am researching consumers' use of online auctions, and their engagement with the auction experience. I wish to invite you to partake in this survey. Your participation is voluntary, the data you provide is anonymous and you may exit from the survey at any time even if you have commenced it.

The questionnaire is comprised of six parts – providing information on your auction usage over the past six months, reflecting on your online auction experiences over the past six months and the value gained from these experiences, rating your engagement with auction experiences, considerations of risk, rating experiences of flow and involvement with auction sites in general. I suggest you LOGIN TO YOUR ONLINE AUCTION ACCOUNT at the same time you fill in the survey, as I will be asking you about the number of items you have bought and sold over the past six months.

By completing the questionnaire, you are consenting to participate in the research. No data will be recorded to identify you. You may exit at any time and your data will not be used, nor will you be disadvantaged in any way. At the end of the survey I will provide you with an email address where you can access the results of the study as soon as they are available.

Participating in the survey will take about 10 minutes of your time. All answers will be recorded electronically and are fully anonymous to the researchers. Should you experience any discomfort during the survey you can exit the survey simply by closing the browser.

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Associate Professor Ken Hyde, ken.hyde@aut.ac.nz, (09) 921 9999 ext 5605. Concerns regarding the conduct of the research should be notified to the Executive Secretary of AUTEK, Kate O'Connor, ethics@aut.ac.nz, (09) 921 9999 ext 6038. Approved by the Auckland University of Technology Ethics Committee on 29 August, 2014, AUTEK Reference number 14/274.

If you require help with completing the survey, please email membersupport@cint.com.

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2.

PART ONE – USAGE IN THE PAST SIX MONTHS

PLEASE LOGIN TO YOUR ONLINE AUCTION ACCOUNT, to provide some of the following information.

IN THE PAST SIX MONTHS:

	several times a day	once a day	2-3 times a week	once a week	2-3 times a month	once a month	never
How often have you visited the auction site?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	0	1	2	3-5	6-9	10-19	20 or more
Approximately how many items have you placed on your auction site WATCH LIST over the past six months?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	0	1	2	3-5	6-9	10-19	20 or more
How many items have you BID on, or offered to BUY NOW (regardless of whether or not you succeeded in getting the item) in the past six months?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	0	1	2	3-5	6-9	10-19	20 or more
How many PURCHASES HAVE YOU MADE from the auction site in the past six months? (If a single purchase involved multiple items, such as a dozen CDs, just count this as one purchase).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	0	under \$20	\$21-\$49	\$50-\$99	\$100-\$250	\$251-\$499	\$500-\$999	\$1000 or more
What is the total VALUE (\$) of purchases you have made from the auction site in the past six months?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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<p>How many auction lots have you put up for SALE in the past six months (regardless of whether or not they sold)?</p>	0	1	2	3-5	6-9	10-19	20 or more	
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
<p>How many SALES have you made on the auction site in the past six months? (If a single sale involved multiple items, such as a dozen CDs, just count this as one sale).</p>	0	1	2	3-5	6-9	10-19	20 or more	
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
<p>What is the total VALUE (\$) OF SALES you have made on the auction site in the past six months?</p>	0	under \$20	\$21-\$49	\$50-\$99	\$100-\$250	\$251-\$499	\$500-\$999	\$1000 or more
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p>Also,</p> <p>How often have you spoken with other people (offline or online) about your auction use in the past six months?</p>	several times a day	once a day	2-3 times a week	once a week	2-3 times a month	once a month	never	
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	

3.

PART TWO – A MEMORABLE EXPERIENCE

Write a brief statement about your experiences with the auction site in the PAST SIX MONTHS.

Your experiences might include browsing the auction site, searching for, bidding, buying, listing or selling items. Your experiences might include selling a sentimental item, finding a special item, winning a bidding war, corresponding with buyers/sellers, meeting with buyers/sellers, receiving goods or receiving payments for goods, or negative experiences with an auction.

Overall, how would you rate your experiences with the auction site in the PAST SIX MONTHS, on the scale from extremely negative to extremely positive:

1 extremely negative	2	3	4	5	6	7	8	9	10 extremely positive
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4.

PART THREE – VALUE FROM YOUR AUCTION EXPERIENCES

Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Is easy to use	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is an efficient way to get goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is convenient	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Solves a lot of problems	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A wide selection of goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of rare items	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of things that I need	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good prices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A source of bargains	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with value for money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.

Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Excites me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with varied enjoyment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is fun	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gives me pleasure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Makes me feel good	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like competing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like the element of competition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6.

Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Helps me make interpersonal relationships	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I enjoy meeting new people through the auction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other people admire me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me feel accepted by others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Makes a good impression on other people	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gives me social approval	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7.

Considering your auction experiences, which of the following words and phrases explains the value you gain from using the auction site? Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
Is a new way of doing things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have learned from my experiences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Satisfies my curiosity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Arouses my curiosity for novelty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provides me with a new experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me come across new things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8.

PART FOUR – RATING YOUR AUCTION EXPERIENCES

Having considered your auction experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I'm absorbed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm immersed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site grabs my attention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I pay a lot of attention to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site stimulates my interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The auction site is thought-provoking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm intrigued	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about using the auction site a lot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9.

Having considered your auction experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
I feel good about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Use of the auction site has become an important part of my life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The experience of using the auction site is a part of who I am	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Part of me is defined by my use of the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is about my self-image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am connected to it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I know how to use the auction site to get what I want	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm passionate about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm obsessive about using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am strongly drawn to using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10.

Having considered your auction experiences, which of the following words and phrases explains how you feel about your experiences of buying and selling from your favourite auction site. Please rate each item on a scale from 1 to 7.

	1 strongly disagree	2 disagree	3 disagree a little	4 neutral	5 agree a little	6 agree	7 strongly agree
The experience of using the auction site is full of surprises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You never know what you will find when you use the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using the auction site is like a lucky dip in a barrel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm motivated to come back to the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm enthusiastic to use the auction site again	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to invest time into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am willing to put effort into using the auction site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to use the auction site again in the future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will keep coming back	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11.

PART FIVE – RISK

Some consumers are concerned about the risks when buying or selling from an online auction. Please rate your level of agreement with each of the following statements regarding risk.

	Disagree a lot	Disagree	Disagree a little	Neutral	Agree a little	Agree	Agree a lot
As a buyer, I am concerned I will spend too much and go over my budget	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned I will buy something I shouldn't	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned the goods I receive will not be the quality I expected	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a buyer, I am concerned the goods I receive may be faulty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a seller, I am concerned I will not receive full payment for the goods I have sold	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned about going to a stranger's house to pick up goods, or having strangers come to my house to pick up goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned that some buyers/sellers may be dishonest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12.

My view on the risks in using online auction sites is:

	1 not at all risky	2	3	4	5	6	7 extremely risky
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 not at all concerned	2	3	4	5	6	7 highly concerned
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 very unimportant	2	3	4	5	6	7 very important
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 not at all worried	2	3	4	5	6	7 very worried
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

13.

PART SIX – FLOW EXPERIENCES

Regarding your use of the online auction site, please rate each item on a scale from 1 to 5.

	strongly disagree	disagree	neutral	agree	strongly agree
• I often forget my immediate surroundings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• I often do not realize the duration of my web visit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• I lose self-consciousness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• Time seems to fly by	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

14.

INVOLVEMENT WITH ONLINE AUCTION SITES

I also wish to record a person's involvement in online auction sites in general. Please indicate on each line how you perceive online auction sites.

To me online auction sites are:

▪	1 important	2	3	4	5	6	7 unimportant
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 boring	2	3	4	5	6	7 interesting
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 relevant	2	3	4	5	6	7 irrelevant
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 exciting	2	3	4	5	6	7 unexciting
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 means nothing	2	3	4	5	6	7 means a lot
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 appealing	2	3	4	5	6	7 unappealing
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 fascinating	2	3	4	5	6	7 mundane
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 worthless	2	3	4	5	6	7 valuable
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 involving	2	3	4	5	6	7 uninvolving
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
▪	1 not needed	2	3	4	5	6	7 needed
•	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15.

ENGAGEMENT WITH THE BRAND

Finally, please rate the following statements on the scale from 1 to 7

	strongly disagree	disagree	disagree a little	neutral	agree a little	agree	strongly agree
Using Trade Me gets me to think about Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about Trade Me a lot when I'm using it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using Trade Me stimulates my interest to learn more about Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel very positive when I use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using Trade Me makes me happy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel good when I use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm proud to use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I spend a lot of time using Trade Me compared to other online auction brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Whenever I'm using online auctions, I usually use Trade Me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trade Me is one of the brands I usually use when I use online auctions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Appendix 6 - Additional stories of online auction experiences

Bathroom Renovations

Veronica's first experience of buying from Trade Me was when she was renovating her house four years earlier. She only had a budget of \$3,000 and her husband was going to do the work (to save on expenses). She wanted to put a square toilet in the new bathroom and all the design was built around this. She found a specialised store that sells square toilets, but the price was nearly \$2,000. That was out of the question on a \$3,000 budget. She described how she reacted: "when I saw that price I got crazy...Well, this one is going to be impossible. My budget is just \$3,000. It's going to be no way of doing this. And I was completely disappointed."

She then decided to look at Trade Me, thinking she might find a second hand toilet from someone who is renovating their house. She was preparing herself to find a second hand toilet not exactly matching what she wanted. She was surprised to find exactly the toilet she wanted; the same brand, the same measurements; brand new for \$179. She couldn't believe it and went over to check the toilet. It was exactly the same as she wanted.

Veronica says that since then she realised that "on Trade Me I not only bought things that they were used, but also new stuff and at incredible prices". Veronica says because of that, she and her husband were able to start with the renovations. They were able to do a lot more around the house with their small budget of \$3000.

Trade Me made an impact for Veronica and her husband. Because of the auction site, they were able to undertake more renovations around the house than they initially thought they could with their small budget. They were able to find exactly what they wanted at cheap prices. With this experience she saw how great the auction site could be. In Veronica's life, her house and how it is decorated are very important to her. This experience empowered her to renovate and decorate her house the way she wanted to. This can partly explain Veronica's engagement with the online auction experience.

Trelise Cooper Skirt

Anna is someone who is very practical. She finds buying from Trade Me a good way of getting the things she wants at much less cost. She describes herself as 'quite sensible with money'. Buying second hand clothes from Trade Me is not an issue, she doesn't mind buying second hand clothes from an auction. She wants to buy a garment that is a bargain. She is not emotional about clothing or possessions. She gets excited about the money she can get from selling items, rather than being attached to the items; or gets excited from buying a cheaper item on Trade Me.

There is also the fact that she can find something very strange or unique by doing one search on Trade Me instead of looking in 20 shops or so. She is practical with no emotional or social attachment to Trade Me. "To me, it's just a transaction."

She is driven by price. She gets excited when she buys something at a bargain price, and feels good that she managed to save money this way. It is this that makes her go back to Trade Me:

"So for me, getting a bargain makes me want to go back."

Some years ago she bought a Trelise Cooper skirt from the Trelise Cooper sample shop for \$90. She wore it for two years, then felt she was “over it”. She said she loved it but was over it. She had no emotions tied to the skirt. For her, it sounds like she got her \$90 worth wearing it for two years, and now she wanted to sell it on, as she has no emotional attachment to a nice garment or well-known brand. She put it for sale on Trade Me with a reserve of \$80 hoping to get her money back, and thinking no one will know I bought it for \$90. To her surprise and excitement, a bidding war ensued, with bids going up and up. Anna said she was excited to watch this. The skirt sold for \$230. She was thrilled, and immediately started to think of other household items she could sell at auction, for money. She is enthusiastic about her Trade Me experience. Ever since, this experience has encouraged her to sell household items on the hope of getting good money for them.

“Exciting, it was quite exciting. Addictive actually. What else can I put on there, you know? What else can I sell? But that’s one that sticks in my mind. I really made some money on that one which was good?”

She got excited because she made some money. This had an immediate effect. The experience connected with her. She started looking around the house for other items to sell, to continue this experience. Later on, if she has something of value around the house, she thinks of Trade Me as the place to sell it. Her engagement arose because she is connected with these Trade Me experiences.

“I’m enthusiastic about the potential that it has when I think I’ve got to get rid of some stuff and make a bit of money ... So I’m enthusiastic and that’s why I know I’ll use

it again because there will always be bits and pieces that I want to buy or sell.”

Her memory of “special experiences” is all about items she bought or sold for a bargain, such as buying an iPhone charger for \$8 including shipment, instead of paying \$40 at the shop.

She experiences fun but this is also related to the functional value she derives from her experience. She says, “When it comes to clothing stuff, I’ve always really liked going into second-hand shops and finding a bargain, so for me, Trade Me is a bit like that and I love it because it’s that feeling of you finding something that’s a really good deal on something that’s maybe been pre-loved, but that doesn’t bother me ‘cos you wash it. I’m talking mainly about clothes. But even other things it would apply to so it’s fun, it’s just like shopping’s fun.”

A Set of Bowling Balls

Douglas is a retired, 75-year-old man, a widower. He moved from a four-bedroom house to a one-bedroom apartment in a retirement village. He plays golf, indoor and outdoor bowls.

Douglas is not a frequent user. He looks for sports equipment on Trade Me because it is quite expensive to buy retail. He had a bad experience with a buyer who won a bid on a golf trundle he was selling then changed his mind.

His first story is about lawn bowls that he bought on Trade Me. They would have cost \$660-\$700 for a new set. He bid for and got a set on Trade Me. They belonged to a widow; her husband had died and “she just wanted to get rid of it”. The widow also gave to him, in addition to the bowls, the bag they came in, a pair of bowling shoes, a rag, all the gear. He wasn’t expecting the

additional items, but the widow wanted to get rid of the whole lot, rather than sell them individually. "It was a real bargain."

He bid on the bowls. The bidding started at \$50. The bidding went up, but he won the auction for \$210. "I drove over to Western Springs I think, and after I'd contacted this lady by telephone and she was very pleasant". That was his first Trade Me experience. From then on, he was "hooked":

Well, I thought – this is a bargain. The items were in very good condition. That may have been coincidental but the lady wanted to get rid of them and I got it at a very good price, and I thought well, this is possibly the place to go because somebody at that time, individuals selling off stuff that they don't want. Then of course you get a lot of that with people becoming widows or widowers because it means that at least they'll get something, rather than giving it to an opportunity shop ...

When asked if had enjoyed the experience, and would he do it again, Douglas replied:

Oh, absolutely, yes. It's one of the several things I do that always pleases me if it works out – even if it doesn't work out. But it's an interesting experience each time because there are people involved – actual human beings. You're not dealing with a machine like on a computer. It's run pretty efficiently apart from the people who abuse it.

Douglas also had a positive experience with selling:

Once I won a golf putter as a prize and it was worth about \$400. Well, it wasn't worth it but it was the retail price and I rarely used it. I didn't feel comfortable with it and it was brand new with a head cover on it and everything, so I put

that on Trade Me ... and this particular one went for a very good price and it ended up with a guy buying it for his wife for Christmas. I met him – I've forgotten – somewhere – we met some place and he shook hands and said he was extremely pleased. Then he rang me a week later, or emailed me, or his wife did, that's right. And she said that she was absolutely overwhelmed with it because she could use it and it was very successful. So that was pleasing.

Douglas has also had the occasional negative experience:

I've had one in particular case where I wanted to sell a golf trundler I think it was, something like that, yes. I went through the usual procedure and somebody bid for it and he was the highest bidder and the date it was supposed to expire was on a Saturday at midday, and at 9 o'clock he emailed me this guy and said he'd changed his mind and didn't want it. So I was flabbergasted, I couldn't believe it that he could get away with something like that so I contacted Trade Me by phone and they said leave it to them and they will come back to me and they did, but all they did was refund the costs of me participating in that contract. In other words, going on the website and paying so much depending on how I wanted to advertise it. They weren't successful in making this guy buy this item which he'd contracted to buy.

Being "older and wiser", Douglas is now picky about what he wants and the people he deals with. He gets upset if someone abuses Trade Me and gets away with ripping him off. He would complain to Trade Me and see what can be done about it. He is bitter about that and mentions it often in the interview. That the guy was not forced to honour buying the item he won.

However, the good experiences dominate – the bargains on sports equipment, the human side, the honesty – “it’s an operation that I trust whereas some things you see on websites and so on I wouldn’t trust.”

Miscellaneous Adventures

Marilyn is an enthusiastic Trade Me user. She is a careers advisor, who lives with her husband and her mother in a house she bought through Trade Me. She also owns a rental property that she rented through Trade Me.

Marilyn doesn’t have one single strong story to tell about her Trade Me experiences, but she has a lot of small stories about her everyday life experiences where Trade Me has played a part. She speaks with enthusiasm and excitement about the bargains she gained through Trade Me, the items she has bought and sold on behalf of her mother or husband, items that match her lifestyle. She even bought her wedding outfit through Trade Me:

It just happened to be that I did find something for my wedding. There was a white Euphoria top, long tunic top and the woman who was selling it said she’d only worn it once to a wedding herself, but she wore it with a black top and it got stained under the arms, so she sold it for like \$30. And new, that would have been about \$300. So I bought it and the stains were pretty bad but I soaked it in bleach and Napisan and the stains came out. I didn’t plan on it, but in the end I wore that with a long white satin skirt that I already had for my wedding.

I bought a set of six chairs – we just bought a new house and the furniture’s all mis-matched, so I wanted a set of chairs for the table that we’ve got and for six chairs I paid \$100 and those chairs are sold new at \$100 each, so I saved

masses of money that way. I couldn’t afford to buy them new, but they’re all without arms and my Mum can’t get up and down very easily ‘cos she’s elderly, so I needed one with arms so I just bought a Danske Mobler chair for \$30. So I can add that to the table and Mum can get up and down easily, so it’s well designed and a good brand for next to nothing. I don’t know how old it is or anything, but it’s sturdy.

A number of the experiences she has with Trade Me become stories to tell. Even though Marilyn claims meeting people through Trade Me is not important to her, there is the incident of the friendly man from Rotorua who dropped off goods to Marilyn’s house when he was visiting Auckland:

One guy was really lovely. I was looking for something to help my Mum get up and down and he had one of those brain things and he said they’d bought it for his Mum when she came over from the States to stay with them. He only wanted \$20 for it and I won it, but he was in Rotorua or something. But before I bought it I said – Would you check out how much it would cost to send it to Auckland and he said – Look, that’s not a problem. We’re coming up in like three weeks time, we can bring it with us. And I said – Are you sure that’s not a hassle, because I probably wouldn’t do that. And he said – No, it’s no problem at all. And he even dropped it round. There was some church thing he was going to and it was really close to our house, so he just dropped it off and I paid him that way. Yeah, it was really sweet.

Trade Me even has customers in Scotland using the auction site. Marilyn relates the story of the man from Scotland who purchased silver butter knives online:

And I once sold a little set of silver – I think they were butter knives. My grandmother was British, from Birmingham, and she worked for a jewellers, so they weren't rich but she had the odd gift that were good quality stuff. I sold that and a guy in Scotland asked if I would send it to Scotland if he bought it and I said – Yes, at your expense, and he was cool with that. And he paid – because it's expensive to transfer money, he said – Would I take the risk of him sending cash, and I said okay. And he sent me them and they were, not Euros but Scottish Pounds, in Scottish Pounds though. Then my Mum ended up going to England for a holiday and I just gave her that as cash, so she got to use it as cash and she never converted it.

These stories are personal. They are connected to her mother or her husband, and sometimes they are about the nice people she meets through her auction experiences.

Marilyn has had negative experiences with the auction:

There's been a couple of people that haven't been so nice. There was one woman who bought a bag off me and I sent it and it wasn't that long after the Christchurch earthquakes, so I think it got lost in the mail for a while, but I always put my return address on it. So she said – It hasn't shown up. I said – I'm really sorry but let's just wait and see if it comes back to me. And I think what happened was that she changed her mind. It was only \$25, and she kept contacting Trade Me and complaining about me and they would send their standard email saying – Please can

you communicate with the buyer, and all that, which I had been doing. So then it did come back, so I grabbed it, I readdressed it and sent it again, because she'd confirmed that was her address, and then the day I sent it she decided she didn't want it anymore and could she have her money back and I said – No, I'm sorry, I've just sent it. She didn't give bad feedback so maybe I'm right in thinking she'd changed her mind or something.

Marilyn's husband sold his Holden sport car on Trade Me for a lot more money than he thought he would get for it:

My partner sold his old car that way. I guess it's 'cos it was a Holden, one of the sports versions, that people entered into a bidding war and it sold for WAY more than we thought it would, yeah ... We thought we might be lucky to get \$3,000 for it and it sold for \$7,000. So obviously, he enjoyed that experience.

Marilyn has also had auction experiences with the houses she owns. As a first-time landlord, she had an engaging experience renting her house to tenants. She also bought the house she is currently living in, via Trade Me, after disappointing experiences with real estate agents:

The same with my little house in Onehunga. We rented it out and I listed that on Trade Me and it was a bit pricey but it was like \$90 to list it ... After one day I had so many people interested that I pulled the ad. \$90 for one day. We just had so many people interested that I think it was – obviously people like looking on there for rental accommodation and also because I said – Cats Allowed ... I've never been a landlord before and I was taking people's details and saying ... and what pets do you have? Because

everybody seems to have a pet ... We got a lovely couple that have got two Labradors actually. She's Australian and a student and he's a Kiwi, and they're brilliant, they're absolutely fantastic.

We must have looked at about eight or nine places and every single agent was different. Nearly all of them were different. We told them what we were looking for and what we were interested in, and not one of them got back to us. So really, is it like help yourself kind of situation. Probably, because there's not enough stock on the market, so they don't have to work hard at selling. But not a single one of them came back to us saying – Hey, we found this place you might be interested in. The place we ended up buying [via Trade Me] was the last one on the list and it was like all concrete and it looked really boring, but I said – Come on, we'd better go and look at it 'cos it kind of had everything we wanted, and it was brilliant.

Marilyn gains functional value and social value from her auction experiences. She finds her auction experiences entertaining, just like window shopping. She is thrilled to get a bargain. All in all, Marilyn's experiences with Trade Me are intimately connected to the important objects and important people in her life. The online auction experience has become part of her lifestyle. Trade Me plays a part in everyday life experiences for Marilyn.

Appendix 7 - List of codes from Study One

Code	Description
absorbing	When you are on the site, or during an auction, your attention is totally focussed on what is happening / what you are doing
addiction	The consumer is obsessed and addicted to the auction experience
affective	Enjoyment, passion for the online auction experience
anonymity	I don't feel comfortable people coming to my house. I prefer to remain anonymous.
bargain	I am always looking for a bargain. I don't want to pay full price. That is why I visit the site frequently, I have items on my watchlist; I am looking for the bargain price on the things I want.
before a purchase	Before going online, the wish to find a desirable item
bidding	You can get carried away with bidding. It can become a bidding war, your adrenaline kicks in, and you end up paying more than you should. If you win it is joy; if you lose it is sorrow. A roller coaster.
browsing	Just looking, out of interest, to see what is available. Like window-shopping.
can't do without the auction site	It is essential to be a Trade Me user. How can you buy and sell anything without Trade Me?

cognitive	Interest and curiosity in the online auction experience
competition	The consumer enjoys the thrill of competition
concentrating	
control	The consumer is in control of their auction experience
curious, interested	Curious to see what is listed for sale. I'm interested in a particular category of goods. Find out what things are worth.
daydream	Fantasise about the goods on sale.
demotivated	Demotivated to use auction site, because of negative experience
elated or disappointed	How you feel when the auction finishes - elated or disappointed.
emotional	Experiences evoke a variety of emotions: I love it, elated, relieved, a roller coaster of emotions.
engagement	The whole experience causes you to be engaged: you start browsing, you put items on the watch list, which encourages you to come back. It is interactive. If you have something for sale, you are monitoring the auction site constantly. Captures my attention and my emotions. Trade Me is part of me. You have a stake in what is happening. You are motivated to keep coming back because of the experiences.
engagement declines	I can lose interest in Trade Me, if my experience is always the same. Then I will move on to something else.

engagement to on-going use	I will use it again because of my engagement
engrossing	In the moment, when I am using the auction site.
entertaining	It's something different, entertaining to do. It is interesting. Its like window shopping. It is exciting. The process of using it is enjoyable, when I have everything set up to run. Meeting other people, going to new places to pick up goods.
enthusiastic	I am enthusiastic to use it again
epistemic value	I know how to use Trade Me. I have learned how it works. I know how to sell stuff. I know how to bid. I have mastered it. I am savvy.
ethics	I feel I am contributing something worthwhile, I am contributing to recycling of goods.
exciting	Bidding is exciting
experience	I can remember the experience. Everyone has different experiences.
experience to engagement	I keep coming back because I have positive experiences. If I get something of value, if it's a positive experience, I come back.
feedback	Seek positive feedback ratings. Avoid negative feedback ratings.
focussed	If I am looking for a specific item, I keep a constant watch on what is happening on Trade Me.
frequency of use	How often I use Trade Me. It depends on whether I am buying or selling something. I may use it intensely for short periods, like

	when I am moving home.
fun	Using Trade Me is fun
functional value	Ease of use, looking for a specific item, buying the things I need, bargains, convenience
get rid of stuff	Trade Me is useful, so I can get rid of stuff.
getting free stuff	The seller gave me free stuff. That was a positive experience
good service	I got good service from the seller
happy	I was happy to find the item I was after. I was happy to win the item.
honest	I like to be honest, when I am selling. (It's an important part of my image).
hooked	I am on there everyday. I can be online anytime day or night.
I want to succeed in selling	Even if it's a small item you're selling, you've got a stake in it. You want to succeed.
I'm a good seller	I know how to use Trade Me. I know how it works. I am good at selling. (Maybe this is an important part of the person's self-image).
I'm always logged on	Constant contact with the auction site. I am checking the auction site several times a day
in control (1) - mastery of the situation	I know how to use Trade Me to get what I want. Trade Me gives me choice and control. I have a routine. I have a purpose in mind. I can shop at my own pace without being pressured
in control (2) - don't get carried away	I can control my bidding. I dont get involved in a bidding war. I set a limit to my spending.

information on the market	I learn about what is in the market, and what prices are charged. This is useful, whether I am selling or buying.
it has everything	Everything is available in this one place.
it's a game	It's like a game. You are playing against other people. Its exciting.
it's about me - my reputation	It's more personal than retailing - your identity is there, the feedback on you is there. The star rating is a reflection of you. Its about my reputation You have to protect your image. I like to be honest. You want your customer to be happy. Its about personal pride in how sell.
loyal	I'm loyal to Trade Me. It's the first place I will browse
lucky dip	The element of the unknown is fun. You never know what you will get, as a buyer or a seller.
meeting buyers/sellers offline	Meeting fellow traders after the auction closes. Often a friendly occasion.
motivational	The consumer is motivated and enthusiastic to repeat the auction experience
my relationship has changed	Some of the wow factor has gone. Now it's just a tool.
negative experiences	The buyer changed their mind, and wouldn't pay. They didn't answer my emails. Despite the sale price, the buyer then wanted to haggle about the price again. They complained about the product I sold, even though they got it really cheap. The product wasn't as good as the seller made it out to be.

	Lied about the product being damaged.
not like shopping	I don't like retail shopping - the walking, the malls, the shop assistants
not personal	Unlike eyeing a shop assistant in a retail store, you dont offend people when you decide not to buy.
on-going use	I will keep coming back, I will keep using Trade Me
on-sell	If I buy too much, I can just on-sell. It's a safety net.
prefer private seller	I prefer to buy from the private sellers on Trade Me, rather than the businesses
preparing items for sale	Cleaning, photographing, writing a description of the item for sale
rare stuff - specific stuff I am looking for	I can find rare stuff on Trade Me, that you cant find in retail stores. Trade Me has the rare stuff I am looking for.
research first	I use Trade Me to research first, before I buy. I research what is on offer, before I place a bid.
risk / trust	I am aware of the risks and things that I do minimises the risks - I check the feedback on sellers, I check the product before I send the money, I don't buy big ticket items. There are some dodgy sellers and some dodgy buyers; there's always a risk when transferring money. Trade Me is safer because it's local. People are basically honest.
scale should have negative items - bad experiences	If you have a bad experience, will you come back again

self-image	The auction experience is an important part of the consumer's life, a reflection of who they are
selling	Selling experiences can engage you in Trade Me. You hope it sells, you are monitoring the sale, you get please from selling.
social value	I like meeting the people I buy from / sell to. They are nice people. Lovely people.They have children my children's age. They are generous. They are friendly. It's like a community. I like the personal interaction with the actual seller, instead of dealing with a middleman. I enjoyed helping them out.
stories	The most memorable experiences of users
surprise	The auction experience is full of surprises
the first place I go to	Trade Me is the first place I go to, to find stuff
time consuming	Using Trade Me to sell things takes a lot of time
unique experiences	I can remember the experience. Everyone has different experiences.
value to engagement	I am engaged because of the value I get from using Trade Me
watchlist	I put items on my watchlist

Appendix 8 - Expert panel assessment of content validity of draft CE-OAE scale

Engagement is a contested construct. Researchers have yet to agree on what engagement in a marketing context, is. Three alternative views present themselves: engagement as a temporary psychological state, engagement as observable behaviours, or engagement as a level of enthusiasm for ongoing participation. The distinction between the three can be illustrated with the example of a student's engagement in learning. Here, engagement could be defined as a psychological state such as the intense concentration a student has when studying their books; engagement could be defined as behaviours such as the number of times a student asks questions in class; or we could say a student is engaged if they have enthusiasm for learning.

This research takes the third approach. Engagement is not defined as a temporary state of mind; nor is it defined as observable behaviours. In this research, **consumer engagement with an online auction experience** is defined as *the level of enthusiasm a consumer has for ongoing participation in online auctions*. Consumer engagement is theorised to be a result of the perceived value a consumer's derives from online auction experiences. Experiences are defined as consumer recollections of memorable events they have lived through. Observable behaviours such as frequency of use are theorised to be *the result of engagement*, not engagement itself.

For example, imagine the following consumer experience of an online auction. A consumer who is a fan of the Beatles can't find a rare Beatles record in their local record store, but locates one for auction on Trade Me. He bids competitively for the record, and is excited to win it. He drives acRob town to collect the record from the seller. He finds the

seller is a fellow Beatles fan, and they strike up a long conversation about their common interests. As a result of the value the consumer has gained from this auction experience, the consumer might be more engaged. We predict they will use the auction site again.

Consumer engagement with an online auction experience likely has *cognitive* (e.g., intense interest), *affective* (e.g., excitement) and *motivational* (e.g., intention to act) components. An initial phase of qualitative research has revealed further elements of engagement - *being in control, being part of one's self-image, and surprise*. Perceptions of *risk* are the opposite of being engaged.

To be engaged is to be enthusiastic, excited, engrossed, hooked, intensely interested, surprised, invigorated, in control, entertained, part-of-me and intending to act.

Please read through the following draft scale items.

1. Rate how well does each item represents the definition of "consumer engagement with the online auction experience" given above
2. Indicate if any item statement is unclear or unambiguous
3. Indicate if any items are redundant (that is, substantially the same as other items)
4. Indicate if you think any aspects of "consumer engagement with the online auction experience" are missing from the scale

REPRESENTATIVENESS OF EACH ITEM

Please rate how representative each draft scale item is of the definition of “consumer engagement with the online auction experience”, given above. Please use the three-item scale:

not representative - somewhat representative - clearly representative

	not represent- ative	somewhat represent- ative	clearly representa- tive
I'm very interested	1	2	3
I'm curious	1	2	3
I'm absorbed	1	2	3
I'm immersed	1	2	3
It grabs my attention	1	2	3
I pay a lot of attention to it	1	2	3
It stimulates my interest	1	2	3
It is thought-provoking	1	2	3
I'm intrigued	1	2	3
I think about it a lot	1	2	3
I'm focused on it	1	2	3
I concentrate on it	1	2	3
I am drawn in	1	2	3
I lose track of time	1	2	3
Time just slips away	1	2	3
Time flies when I am using it	1	2	3
I lose myself when I am using it	1	2	3
I'm happy	1	2	3

I feel good about it	1	2	3
I love it	1	2	3
I'm excited	1	2	3
I'm engrossed	1	2	3
I'm enthralled	1	2	3
I'm hooked	1	2	3
It's an important part of my life	1	2	3
It's about me	1	2	3
It's part of who I am	1	2	3
Part of me is defined by it	1	2	3
It's about my self-image	1	2	3
I'm proud to be a user	1	2	3
It's about my personal pride	1	2	3
I have a close personal connection to it	1	2	3
I am connected to it	1	2	3
I'm in control	1	2	3
I don't get carried away	1	2	3
I have the strength to say no	1	2	3
I'm very careful	1	2	3
I have control over it	1	2	3
I'm invigorated	1	2	3
I'm entertained	1	2	3
I'm passionate	1	2	3
I'm obsessive	1	2	3
I'm addicted	1	2	3
It's full of surprises	1	2	3
It's surprising	1	2	3

You never know how lucky you will be	1	2	3
You never know what you will find	1	2	3
It's like a lucky dip in a barrel	1	2	3
I'm motivated	1	2	3
It's motivating	1	2	3
I'm enthusiastic	1	2	3
I am committed to using it	1	2	3
I am dedicated to it	1	2	3
I am willing to invest time into it	1	2	3
I am willing to put effort into it	1	2	3
I am motivated to come back	1	2	3
I intend to use the auction again	1	2	3
I'm loyal to the auction	1	2	3
I will keep coming back	1	2	3
It keeps me coming back	1	2	3

PLEASE READ THROUGH THE LIST OF ITEMS AGAIN

- Should any items be deleted because their meaning is unclear or ambiguous?
- Should any items be deleted because they are redundant (that is, substantially the same as other items)?
- Are any aspects of “engagement in the online auction experience” under-represented in the scale? If yes, which aspects?

Appendix 9 - Expert panel feedback on initial pool of scale items (60 items)

	Mean Rating by Expert Panel	Panel Feedback on Item *	Items Deleted or Reworded
1. I'm very interested	3.0		
2. I'm curious	1.8		
3. I'm absorbed	3.0		
4. I'm immersed	2.8		
5. It grabs my attention	2.5		Reword "The auction site grabs my attention"
6. I pay a lot of attention to it	3.0		Reword "I pay a lot of attention to the auction site"
7. It stimulates my interest	3.0		Reword "Using the auction site stimulates my interest"
8. It is thought-provoking	2.0		Reword "The auction site is thought-provoking"
9. I'm intrigued	2.8		
10. I think about it a lot	3.0		Reword "I think about the auction site a lot"
11. I'm focused on it	2.8	May repeat item 12 (RB)	Reword "I am focused on the auction site"
12. I concentrate on it	2.5	May repeat item 11 (RB)	Delete – suggests a psychological state
13. I am drawn in	2.8	Ambiguous (RB)	

14. I lose track of time	2.5	May not be engagement (E)	Delete – suggests a psychological state
15. Time just slips away	2.5	May not be engagement (E) Similar to item 16 (Y)	Delete – suggests a psychological state
16. Time flies when I am using it	2.5	May not be engagement (E) Similar to item 15 (Y)	Delete – suggests a psychological state
17. I lose myself when I am using it	2.5	May not be engagement (E) Ambiguous – what does “it” refer to (RB) *	Delete – suggests a psychological state
18. I’m happy	1.6	Not convinced this is part of engagement (R)	Delete – suggests a psychological state
19. I feel good about it	3.0		Reword “I feel good about using the auction site”
20. I love it	2.3		Reword “ I love using the auction site”
21. I’m excited	2.5		Delete – as repeats an item from the value scale
22. I’m engrossed	2.5		
23. I’m enthralled	2.5		
24. I’m hooked	2.3		
25. It’s an important part of my life	2.8		Reword “Use of the auction site has become an important part of my life”
26. It’s about me	2.5	Similar to items 27, 28, 29 (E)	Delete
27. It’s part of who I am	2.8	Similar to items 26, 28, 29 (E)	Reword “The experience of using the auction site is a part of who I am”
28. Part of me is defined by it	2.3	Similar to items 26, 27, 29 (E)	Reword “Part of me is defined by my use of the auction site”

29. It's about my self-image	2.0	Similar to items 26, 27, 28 (E)	Reword "Using the auction site is about my self-image"
30. I'm proud to be a user	2.0	Pride may be different from engagement (R)	Delete as is not engagement
31. It's about my personal pride	1.5	Pride may be different from engagement (R)	Delete as is not engagement
32. I have a close personal connection to it	3.0	Similar to item 33 (Y, E)	Delete
33. I am connected to it	3.0	Similar to item 32 (Y, E)	
34. I'm in control	2.5	Should this be reverse scored (R) **	Reword "I know how to use the auction site to get what I want"
35. I don't get carried away	2.0	Should this be reverse scored (R) **	Reword "it gives me mastery of how I buy"
36. I have the strength to say no	2.3	Should this be reverse scored (R) **	Reword "I can shop at my own pace without being pressured"
37. I'm very careful	1.8	Should this be reverse scored (R) ** Might not be engagement (Y)	Delete
38. I have control over it	2.0	Should this be reverse scored (R; RB) ** Might not be engagement (Y)	Delete
39. I'm invigorated	2.8		Reword "I'm invigorated by using the auction site"
40. I'm entertained	2.8		Reword "I'm entertained by using the auction site"
41. I'm passionate	2.3		Reword "I'm passionate about using the auction site"
42. I'm obsessive	1.8	May contradict the idea of control (R)	Reword "I'm obsessive about using the auction site"
43. I'm addicted	1.8	May contradict the idea of control; addiction is not the correct term (R)	Reword "I am strongly drawn to using the auction site"
44. It's full of surprises	3.0	Similar to item 45 (E)	Reword "The experience of using the auction site is full of surprises"

45. It's surprising	2.5	Might not be engagement (Y) Similar to item 44 (E)	Delete
46. You never know how lucky you will be	2.5	Similar to items 47 and 48 (E)	Delete
47. You never know what you will find	2.5	Similar to items 46 and 48 (E)	Reword "You never know what you will find when you use the auction site"
48. It's like a lucky dip in a barrel	2.0	Similar to items 46 and 47 (E)	Reword "Using the auction site is like a lucky dip in a barrel"
49. I'm motivated	2.7	Similar to item 50 (E)	Reword "I'm motivated to come back to the auction site"
50. It's motivating	2.7	Similar to item 49 (E)	Delete
51. I'm enthusiastic	2.8		
52. I am committed to using it	3.0		Delete as similar to item 57
53. I am dedicated to it	2.5		Reword "I am dedicated to using the auction site"
54. I am willing to invest time into it	2.5	May repeat item 55 (RB)	Reword "I am willing to invest time into using the auction site"
55. I am willing to put effort into it	2.5	May repeat item 54 (RB)	Reword "I am willing to invest effort into using the auction site"
56. I am motivated to come back	3.0		Delete
57. I intend to use the auction again	3.0		Reword "I intend to use the auction again in the future"
58. I'm loyal to the auction	2.5		Delete as loyalty is a different construct
59. I will keep coming back	3.0	Similar to item 60 (E)	
60. It keeps me coming back	2.3	Similar to item 59 (E)	Delete

- Reviewer RB commented that the root “it” was ambiguous on many items. As a result, the root “it” was replaced on all items, to specify the auction experience or auction site. ** Analysis of the qualitative interviews reveals two types of control, mastery of the situation and not getting carried away. The items asterisked speak to the second type of control, which two of the experts felt would be the opposite of engagement. Therefore, the asterisked items are replaced with items that speak to the first type of control, mastery.
- Column 1 of the table lists the 60 items; column 2 presents panel feedback on the item. Column 3 indicates the action taken on each item based on the expert panel feedback

Appendix 10 - Alternative EFA on scale to measure CE-OAE

Principal Axis Analysis with Varimax Rotation

Total Variance Explained

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	12.398	45.918	45.918	12.061	44.671	44.671	5.920	21.926	21.926
2	3.184	11.791	57.710	2.878	10.661	55.332	5.061	18.746	40.672
3	1.937	7.173	64.883	1.608	5.956	61.287	4.868	18.029	58.701
4	1.541	5.708	70.591	1.129	4.181	65.468	1.827	6.767	65.468

Rotated Factor Matrix^a

	Factor			
	1	2	3	4
I'm absorbed		.723		
I'm immersed		.748		
The auction site grabs my attention		.697		
I pay a lot of attention to the auction site		.652		
Using the auction site stimulates my interest		.752		
The auction site is thought-provoking		.717		
I'm intrigued		.671		
I think about using the auction site a lot		.586		
I feel good about using the auction site			.570	
Use of the auction site has become an important part of my life	.727			
The experience of using the auction site is a part of who I am	.802			
Part of me is defined by my use of the auction site	.857			
Using the auction site is about my self-image	.867			
I am connected to it	.793			
I can use the auction site to get what I want			.614	
I'm passionate about using the auction site	.603			
I'm obsessive about using the auction site	.706			
I am strongly drawn to using the auction site	.746			
The experience of using the auction site is full of surprises				.514
You never know what you will find when you use the auction site				.667
Using the auction site is like a lucky dip in a barrel				.741
I'm motivated to come back to the auction site			.673	
I'm enthusiastic to use the auction site again			.625	
I am willing to invest time into using the auction site			.711	
I am willing to put effort into using the auction site			.751	
I intend to use the auction site again in the future			.818	
I will keep coming back			.793	

Principal Components Analysis with Direct Olinin Rotation

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	12.398	45.918	45.918	12.398	45.918	45.918	8.915
2	3.184	11.791	57.710	3.184	11.791	57.710	7.253
3	1.937	7.173	64.883	1.937	7.173	64.883	9.556
4	1.541	5.708	70.591	1.541	5.708	70.591	3.970

Pattern Matrix^a

	Component			
	1	2	3	4
I'm absorbed			.801	
I'm immersed			.842	
The auction site grabs my attention			.782	
I pay a lot of attention to the auction site			.743	
Using the auction site stimulates my interest			.849	
The auction site is thought-provoking			.865	
I'm intrigued			.740	
I think about using the auction site a lot			.613	
I feel good about using the auction site		.552		
Use of the auction site has become an important part of my life	.732			
The experience of using the auction site is a part of who I am	.829			
Part of me is defined by my use of the auction site	.905			
Using the auction site is about my self-image	.925			
I am connected to it	.838			
I can use the auction site to get what I want		.648		
I'm passionate about using the auction site	.562			
I'm obsessive about using the auction site	.740			
I am strongly drawn to using the auction site	.785			
The experience of using the auction site is full of surprises				.587
You never know what you will find when you use the auction site				.813
Using the auction site is like a lucky dip in a barrel				.853
I'm motivated to come back to the auction site		.626		
I'm enthusiastic to use the auction site again		.553		
I am willing to invest time into using the auction site		.748		
I am willing to put effort into using the auction site		.791		
I intend to use the auction site again in the future		.906		
I will keep coming back		.844		

Appendix 11 - Measures of behavioural outcomes at Time 2

	N	Minimum	Maximum	Mean	Std. Deviation
How often have you visited the auction site?	215	1	7	3.59	1.814
Approximately how many items have you placed on your auction site WATCH LIST over the past two months?	215	1	7	3.62	2.049
How many items have you BID on, or offered to BUY NOW (regardless of whether or not you succeeded in getting the item) in the past two months?	215	1	7	2.56	1.722
How many PURCHASES HAVE YOU MADE from the auction site in the past two months? (If a single purchase involved multiple items, such as a dozen CDs, just count this as one purchase).	215	1	7	2.30	1.512
What is the total VALUE (\$) of purchases you have made from the auction site in the past two months?	215	1	7	2.54	1.704
How many auction lots have you put up for SALE in the past two months (regardless of whether or not they sold)?	215	1	7	2.45	2.113
How many SALES have you made on the auction site in the past two months? (If a single sale involved multiple items, such as a dozen CDs, just count this as one sale).	215	1	7	1.87	1.493
What is the total VALUE (\$) OF SALES you have made on the auction site in the past two months?	215	1	8	2.12	1.834
How often have you spoken with other people (offline or online) about your auction use in the past two months?	215	1	7	5.38	1.770

Appendix 12 - EFA of behavioural outcome measures

	Initial Eigenvalues			Extracted Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.761	53.734	53.734	3.761	53.734	53.734	3.099	44.270	44.270
2	1.879	26.843	80.578	1.879	26.843	80.578	2.542	36.307	80.578

	Component	
	1	2
Approximately how many items have you placed on your auction site WATCH LIST over the past two months?	.746	
How many items have you BID on, or offered to BUY NOW (regardless of whether or not you succeeded in getting the item) in the past two months?	.907	
How many PURCHASES HAVE YOU MADE from the auction site in the past two months? (If a single purchase involved multiple items, such as a dozen CDs, just count this as one purchase).	.938	
What is the total VALUE (\$) of purchases you have made from the auction site in the past two months?	.880	
How many auction lots have you put up for SALE in the past two months (regardless of whether or not they sold)?		.883
How many SALES have you made on the auction site in the past two months? (If a single sale involved multiple items, such as a dozen CDs, just count this as one sale).		.938
What is the total VALUE (\$) OF SALES you have made on the auction site in the past two months?		.892