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1 C2C electronic marketplaces and the role of trust
Recent years have shown an overall increase in the popularity of so-called electronic marketplaces (L.H. Lee et al., 2006), which are IT-enabled, digital equivalents of physical marketplaces in which buyers and sellers can meet (S.S. Rao et al., 2007), regardless of their physical location. This especially applies to so-called consumer-to-consumer (C2C) electronic marketplaces (Lin et al., 2006) such as eBay.com. In general, these C2C electronic marketplaces are expected to develop into one of the most successful forms of online retail (H. Zhang and Li, 2006).

The most striking difference between C2C electronic marketplaces and other online retail environments, such as online stores, is that each transaction in a C2C electronic marketplace is not only enabled by one of the many sellers, but also by a third-party intermediary. For example, this company (e.g., eBay Inc.) provides the technological infrastructure, facilitates information provision and search, supports communication between users, and provides so-called formal control, which entails regulating and securing the environment, and stimulating trustworthy conduct of marketplace participants.

1. In this dissertation, the term buyer can also refer to a potential buyer.
2. Predicated on the existing literature (e.g., Bapna et al., 2004; Cheng et al., 2006; Lancastre and Lages, 2006; Pavlou, 2002), a C2C electronic marketplace is defined in this dissertation as an environment located on the Internet that is supported and enabled by a combination of IT and various services, procedures and regulations offered by a third-party intermediary, in which consumers can meet and engage in exchange-related behavior.
Without the aforementioned functions and services provided by the intermediary, sellers and buyers would not be able to engage in transaction-related behavior. As such, an effective and efficient functioning of a C2C electronic marketplace as an online purchasing platform not only depends on the proper behavior of sellers, but also on that of the intermediary. Indeed, an important theme in the literature is the danger of potential incorrect behavior of sellers in C2C electronic marketplaces and, to a lesser degree, the importance of actions by intermediaries to counteract it. In C2C electronic marketplace environments, sellers may not only underperform without the intention to do so, but they may also behave opportunistically and willingly take advantage of buyers. For instance, they may misrepresent products, charge excessive shipping costs or not send the product (timely) (Pavlou and Gefen, 2005). Such opportunistic behavior is said to be particularly prevalent (X. Hu et al., 2004), and even on the rise (J. Zhang, 2006) in C2C electronic marketplaces.

In general people will only be willing to adopt the C2C electronic marketplace or purchase from individual sellers therein if they believe that (1) sellers refrain from such opportunistic behavior and comply with agreements or rules, and (2) they will be protected by the intermediary if sellers conduct themselves adversely. In other words, unlike in online store settings, buyers in C2C electronic marketplaces need to trust not only the sellers, but also the intermediary. Since trust can reduce or even nullify feelings of anxiety about opportunistic behavior and thus make adoption or purchase decisions far less complex (cf. Blois, 1999), it is of the essence for the success of C2C electronic marketplaces as a whole as well as of individual sellers who are active therein (Pavlou and Gefen, 2004).

2 Motivation for the conducted research

It can be concluded that the seller and the intermediary are co-involved in each transaction in C2C electronic marketplaces and that both play an essential role in the functioning of these transaction platforms. This means that in order to understand and predict purchase behavior and trust in C2C electronic marketplaces the sellers as well as the intermediary have to be taken into account. Yet, how and to what extent does buyers’ trust in sellers and in the intermediary influence purchase behavior in C2C electronic marketplaces? Moreover, how can sellers and the intermediary affect the manner in which this trust is formed? While answers to these questions would benefit theory as well as practice, relatively little scientific work has been done to provide them. Accordingly, to further our knowledge of the development and effect of trust in C2C electronic marketplaces, a series of empirical studies

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3. Trust is interpreted here as the buyer’s belief that another party will act cooperatively to fulfill his expectations without exploiting his vulnerabilities (cf. Pavlou and Fygenson, 2006; Pavlou and Gefen, 2005).
4. Purchase behavior, or purchasing, is defined in this dissertation as the acquisition of a product from sellers in a particular C2C electronic marketplace (cf. Morrison, 1979; Venkatesh and Agarwal, 2006), which involves the provision of a financial compensation and personal information by the consumer (Hirschman, 1979; Pavlou and Fygenson, 2006) and results from his rational decision making process (Blackwell et al., 2001; Mowen and Minor, 1998).
were conducted that are documented in this dissertation. The purposes and outcomes of these studies will be briefly described in subsequent sections in this summary.

3 Research objective and research question

The research described in this dissertation is intended to add to the prior literature by exploring the factors that affect trust in C2C electronic marketplaces, i.e., its antecedents, and how purchase behavior is impacted by this trust. As to the studied antecedents, given the importance of trust for the success of sellers as well as the intermediary in C2C electronic marketplaces, it seemed prudent to focus the empirical research on those antecedents of trust that can be influenced rather directly, at least to a large degree, by these parties. This also increased the probability that the conducted studies contribute to practice by providing insight into how trust may be stimulated by sellers and the intermediary. Consequently, the studied antecedents were the buyers’ perceptions of the C2C electronic marketplace environment and of the behavior of the parties active therein, i.e., sellers and the intermediary. Based on the above, the objective of the performed research can be summarized as:

**Research objective:**

*Improving theory on trust in C2C electronic marketplaces by empirically investigating the relationships between (1) buyers’ perceptions of the electronic marketplace environment and of the behavior of the parties active therein, (2) buyers’ trust in these parties, and (3) their purchase behavior in C2C electronic marketplaces.*

In line with this research objective, this dissertation is intended to answer the following main research question:

**Main research question:**

*What are the relationships between (1) buyers’ perceptions of the electronic marketplace environment and of the behavior of the parties active therein, (2) buyers’ trust in these parties, and (3) their purchase behavior in C2C electronic marketplaces?*
4 Empirical research

Based on a total of four literature studies, each focused on a separate theoretical topic, three empirical investigations were carried out to address the research objective. The subsequent sections briefly describe these investigations and their results.

4.1 Empirical study 1

The aim of the first empirical study was to examine the impact of buyers’ trust on their purchase behavior in C2C electronic marketplaces. Although it has been claimed by several other scholars (e.g., Pavlou and Gefen, 2004, 2005) that trust in sellers in general and trust in the intermediary can be distinguished in C2C electronic marketplaces, this conceptualization has only been validated in few studies until now. Therefore, the first empirical study further validates the distinction between so-called seller trust and intermediary trust and investigates their interrelationships and their influence on purchase behavior, using data collected in multiple distinct C2C electronic marketplaces. According to the literature (e.g., Chiles and McMackin, 1996; Das and Teng, 2001; Mayer et al., 1995), risk is a concept theoretically closely related to trust. Assuming that buyers’ trust perceptions of sellers and the intermediary can be differentiated in C2C electronic marketplace environments, it is conceivable that the same applies to buyers’ risk perceptions. Consequently, to increase the academic effort to validate the distinction between perceptions of the sellers in general and of the intermediary, and to improve the generalizability of the research findings, the risk constructs seller risk and intermediary risk were introduced and included in the studied research model.

The model that was tested is depicted in Figure 1. It reflects the relationships between the above-mentioned trust and risk constructs on the one hand and the attitude towards purchasing from sellers in the C2C electronic marketplace on the other. Following the theory of reasoned action (Ajzen and Fishbein, 1980; Fishbein and Ajzen, 1975) and in line with other studies of trust in online purchase settings (e.g., V. Cho, 2006; Van der Heijden and Verhagen, 2004), the empirical investigation explored the impact of trust on this attitude rather than on actual purchase behavior itself. Following existing work of scholars such as Komiak and Benbasat (2006), Pavlou and Fygenson (2006) and Van der Heijden and

5. For the purposes of the empirical study, seller trust was defined as the buyer’s belief that the general population of sellers in a C2C electronic marketplace will act cooperatively to fulfill his expectations without exploiting his vulnerabilities. Intermediary trust was interpreted as the buyer’s belief that the intermediary is reliable, dependable and honest and will thus act cooperatively to fulfill its expected institutional role as agent of trust and ensure the trustworthiness of the sellers in the C2C electronic marketplace.

6. Seller risk concerns a buyer’s perception of (1) the losses that may be incurred from the negative consequences of engaging in a transaction with members of the population of sellers in a particular C2C electronic marketplace, and (2) the probability of these negative consequences. Intermediary risk was defined as a buyer’s perception of (1) the losses that may be incurred from the negative consequences of the inability of the intermediary to provide sufficient protection against fraudulent or opportunistic sellers, and (2) the probability of these negative consequences.

7. Attitude towards purchasing refers to the “degree to which a person has a favorable or unfavorable evaluation” (Ajzen and Madden, 1986, p. 454) of purchasing.
Verhagen (2004), it was anticipated that seller trust and intermediary trust have a positive effect on consumers’ attitude towards purchasing in a C2C electronic marketplace. In accordance with research on the relationship between perceived risk and online consumer purchasing (e.g., Jarvenpaa et al. 2000; Van der Heijden et al., 2003), the effects of seller risk and intermediary risk on the attitude towards purchasing in a C2C electronic marketplace were expected to be negative. This resulted in the following conceptual model.

![Conceptual model of the first empirical study]

A quantitative survey research design was used to collect the data to test the research model. The sample consisted of registered users of eBay.nl, the Dutch version of eBay.com. An e-mail was sent to 3000 users inviting them to complete a web-based questionnaire. The measurement instruments for both trust concepts as well as for the purchase attitude were taken or adapted from existing scientific publications. New measurement instruments were developed for both intermediary risk and seller risk.

Eventually 450 respondents, of whom most were middle-aged, male, extensive users and experienced buyers, participated in the study. The results of the convergent and discriminant validity as well as reliability analyses all exceeded the appropriate thresholds. Still, a regression analysis revealed that intermediary trust and intermediary risk did not contribute directly to the attitude towards purchasing. Building upon existing works of several academics (e.g., Doney and Cannon, 1997; McEvily et al., 2003; K.J. Stewart, 2003; Zucker, 1986), there were reasons to assume, however, that intermediary trust and intermediary risk have indirect relationships with this attitude. Consequently, using structural equation modeling (SEM), an

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8. Convergent validity means that “a measure can adequately represent a variable if it correlates or ‘converges’ with other supposed measures of that variable, showing that a variable is not just an accident of a particular measure” (Heeler and Ray, 1972, p. 362). Discriminant validity “means that one can empirically differentiate the construct from other constructs that may be similar, and that one can point out what is unrelated to the construct” (Kerlinger, 1973, p. 462).
alternative model was tested that specified that intermediary trust impacts seller trust positively, intermediary risk influences seller risk positively, seller trust affects the attitude towards purchasing positively, and seller risk impacts this attitude negatively. Several analyses were conducted, among which was a cross-validation based on a second independent sample consisting of 266 visitors of another relatively well-known Dutch C2C electronic marketplace. The results of these analyses indicated that both validity and reliability were established and that the developed alternative research model was substantiated. The estimated strengths of the relationships between the studied variables are depicted in Figure 2.

*Figure 2 SEM results of the first empirical study*

(All standardized path coefficients are significant at the $p < .001$ level. Italic parameters above the constructs refer to the amount of explained variance.)

The research results strongly support that purchasing in a C2C electronic marketplace is subject to perceptions of the intermediary operating the system and the general population of sellers. In general, the impact of seller trust and seller risk on the attitude can be considered rather strong. Together, seller trust and seller risk accounted for 21 percent of the variance in the attitude towards purchasing in a C2C electronic marketplace. Concerning the individual role of seller trust and seller risk as attitude determinants, the results demonstrate that the impact of seller trust can be labeled as very strong ($s.p.c. = .42$), whereas the impact of seller risk can be labeled as rather strong ($s.p.c. = -.20$). With respect to the transferred impact of intermediary trust and intermediary risk, the results are encouraging. Intermediary trust can be considered a rather strong determinant of seller trust, accounting for 29 percent of the seller trust variance. Regarding the impact of intermediary risk, however, the results are less conclusive. Intermediary risk only explained three percent of the variance in seller risk. More research is needed to explore the relationships between intermediary risk and seller risk in detail.

9. The abbreviation $s.p.c.$ stands for the term *standardized path coefficient*. 
4.2 Empirical study 2

After having studied, among other things, the consequences of buyers’ trust in C2C electronic marketplaces in the first empirical study, the attention shifted to investigating those factors that were believed to have a large impact on this trust. Based on prior studies of trust in other online settings, these factors were the buyers’ perceptions of the behavior of sellers as well as the intermediary and of two elements of the C2C electronic marketplace context, namely the earlier mentioned formal control mechanisms, and website characteristics. Since perceptions of the trustee and of the online context are typically interrelated (Pavlou, 2003) and may be so intertwined that they are inseparable (Gefen et al., 2003), in this research together these four perceptions were united into a single, though multidimensional construct referred to as electronic marketplace quality (EMQ).

The present literature lacks conceptual studies of EMQ as well as instruments to measure it. Accordingly, additional research was required to establish the aspects of this concept and to develop a measurement scale for it. More specifically, it needed to be investigated which perceptions of the sellers’ and intermediary’s behaviors, of formal control mechanisms and of website characteristics together form EMQ and how these perceptions cluster into certain dimensions of this notion. Therefore, the objective of the second empirical study was to research, both conceptually and empirically, the nature of EMQ, including its dimensionality, and to develop and validate a measurement scale for this concept.

This study was carried out in two phases. In the first phase, numerous qualitative and quantitative scale development procedures advocated in the literature were used to derive the measures of EMQ and develop a preliminary semantic differential EMQ scale. In the second phase of the study, this preliminary scale was subjected to additional reliability and validity testing using two distinct, independent samples of actual users of two Dutch C2C electronic marketplaces, one of which was eBay.nl. Using multiple analytical techniques, consistent evidence for the reliability, and convergent and discriminant validity of the EMQ measures was found across the two samples.

Overall, the results of the analyses provided evidence regarding the reliability and the convergent and discriminant validity of both the developed semantic differential EMQ scale and the dimensionality of the EMQ concept. This dimensionality was found to consist of website appearance, ease of use, contacting the intermediary, formal control mechanisms.

10. The trustee is the focal party to whom a person may or may not attribute trustworthiness.
11. EMQ is defined in this dissertation as the buyer’s overall impression (cf. Hennig-Thurau and Klee, 1997) of the (1) behavior of the intermediary related to the functions and services that this party offers, (2) behavior of the general population of sellers related to the functions and services that they provide, (3) formal control mechanisms provided in the C2C electronic marketplace, and (4) characteristics of the C2C electronic marketplace website. This overall impression concerns the buyer’s entire experience with the electronic marketplace exchange setting and thus all transaction phases (cf. Wolfinbarger and Gilly, 2003), including the search for information, reaching an agreement with the seller, arranging payment and delivery, and after-sales activities (Grieger, 2003; Skjøtt-Larsen et al., 2003), that are supported or believed to be supported by the C2C electronic marketplace.
community, contacting sellers, seller information, product representation, price determination mechanisms, assortment, settlement and meeting sellers.

4.3 Empirical study 3

The third study investigated the impact of EMQ on both the buyers’ trust in sellers and in the intermediary. A number of hypotheses were tested concerning (1) the impact of the dimensions of EMQ, which were already identified in the second empirical study, on trust in sellers as well as in the intermediary, and (2) the effect of these forms of trust on purchase behavior. Although the latter influence was already examined in the first empirical study, it was also researched in the third study mainly to provide an extra validation of the results of the first study.

The general structure of the model not only conforms to the first empirical study, but also to earlier research on how perceived trustworthiness is impacted by perceptions of (1) the behavior attributed to a party (Doney and Cannon, 1997; Gefen et al., 2003; Pruitt, 1981; Sirdeshmukh et al., 2002) and (2) the context associated with this party (Blois, 1999; McKnight et al., 2002b; K.J. Stewart, 2003; Van der Heijden et al., 2003). Table 1 presents an overview of the hypotheses that were formulated using the results of the literature research as a foundation.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Anticipated relationship</th>
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<tbody>
<tr>
<td>H1</td>
<td>A buyer’s impression of the website appearance positively influences intermediary trust.</td>
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<td>H2</td>
<td>A buyer’s impression of the ease of use positively influences intermediary trust.</td>
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<tr>
<td>H3</td>
<td>A buyer’s impression of the price determination mechanisms positively influences intermediary trust.</td>
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<tr>
<td>H4</td>
<td>A buyer’s impression of the formal control mechanisms positively influences intermediary trust.</td>
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<tr>
<td>H5</td>
<td>A buyer’s impression of the formal control mechanisms positively influences seller trust.</td>
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<tr>
<td>H6</td>
<td>A buyer’s impression of contacting the intermediary positively influences intermediary trust.</td>
</tr>
<tr>
<td>H7</td>
<td>A buyer’s impression of contacting the sellers positively influences seller trust.</td>
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<tr>
<td>H8</td>
<td>A buyer’s impression of contacting the sellers positively influences intermediary trust.</td>
</tr>
<tr>
<td>H9</td>
<td>A buyer’s impression of the community positively influences seller trust.</td>
</tr>
<tr>
<td>H10</td>
<td>A buyer’s impression of the community positively influences intermediary trust.</td>
</tr>
<tr>
<td>H11</td>
<td>A buyer’s impression of the assortment positively influences seller trust.</td>
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<tr>
<td>H12</td>
<td>A buyer’s impression of the product representation positively influences seller trust.</td>
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<tr>
<td>H13</td>
<td>A buyer’s impression of the seller information positively influences seller trust.</td>
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<tr>
<td>H14</td>
<td>A buyer’s impression of the settlement positively influences seller trust.</td>
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<tr>
<td>H15</td>
<td>A buyer’s impression of meeting sellers positively influences seller trust.</td>
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<tr>
<td>H16</td>
<td>Intermediary trust positively influences seller trust.</td>
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<tr>
<td>H17</td>
<td>Seller trust positively influences a buyer’s attitude towards purchasing in a C2C electronic marketplace.</td>
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</table>
The hypotheses were tested quantitatively using data collected in a survey of a sample of actual users of a popular Dutch C2C electronic marketplace. Users were invited to participate in an online questionnaire by a banner placed on the website. The measurement instruments that were applied were the final EMQ scale that was established in the second empirical exploration, and the measurement instruments for seller trust, intermediary trust and attitude towards purchasing that were already used in the first empirical study.12

A total of 597 users of the focal C2C electronic marketplace fully completed the questionnaire. This sample consisted for the most part of middle-aged, mostly male, extensive users and experienced buyers. The data were analyzed using several statistical techniques, among which was SEM. The outcomes of the analyses indicated that (1) the reliability, convergent validity and discriminant validity were established for the measurement scales for EMQ, intermediary trust, seller trust and the attitude towards purchasing, and (2) the hypotheses were partially supported empirically. Figure 3 shows the estimated strengths of the links between the studied concepts resulting from the SEM analyses.

12. Still, based on the results of the first empirical study, one measurement item for seller trust and one item for intermediary trust were excluded from the measurement instruments.
Figure 3 SEM results of the third empirical study

(All standardized path coefficients are significant at the p < .001 level. Italic parameters above the constructs refer to the amount of explained variance.)
On the whole, the results back the proposition that EMQ and thus buyers' perceptions of the C2C electronic marketplace environment and of the behavior of the parties active in this environment affect buyers' trust in these parties. Together, the EMQ dimensions explained 41 percent of the variance in intermediary trust and, combined with intermediary trust, 39 percent of the variance in seller trust. These percentages of explained variance, which, taking into account the complex and dynamic nature of the Internet, can be considered quite high, attest to the explanatory power of the EMQ construct. This is underlined by the finding that the mentioned amount of explained variance in seller trust is ten percent higher in the third empirical study than in the first empirical study, in which EMQ or other variables than intermediary trust were not included in the research model as antecedents of seller trust.

As to the impact of the individual EMQ dimensions on trust, it was found that intermediary trust depends on a buyer's impressions of the price determination mechanisms, of the formal control mechanisms and of the community in a C2C electronic marketplace. Whereas the impacts of formal control mechanisms (s.p.c. = .31) and community (s.p.c. = .29) were rather large, that of price determination mechanisms (s.p.c. = .16) was more modest. When focusing on seller trust, the results of the study demonstrate that this trust is determined by the buyer's impression of the representation of products and of the opportunities given to him by sellers to meet them face-to-face. These two determinants had a similar moderate impact on seller trust, with the effect size of product representation being slightly larger (s.p.c. = .17 versus s.p.c. = .14). Overall, seller trust appears to be influenced by other EMQ dimensions than is intermediary trust. In part, this interesting finding was expected and thus reflected in the specified nomological network given that some EMQ dimensions are associated with either the intermediary or sellers. Still, in contrast with what was anticipated, formal control mechanisms and community were found to impact intermediary trust, but not intermediary trust and seller trust.

Concerning the effects of seller trust on the attitude towards purchasing and of intermediary trust on seller trust, the results revalidate those of the first empirical study. The impact of seller trust on the attitude was found to be very strong, both in terms of the value of the standardized path coefficient (s.p.c. = .44) and the percentage of explained variance (19 percent). Moreover, the results indicate that seller trust is determined by intermediary trust to a large degree (s.p.c. = .31). When comparing the impact of EMQ and of intermediary trust on seller trust, the following is noteworthy. The effect of the EMQ dimensions that were found to be of influence on seller trust, namely product representation (s.p.c. = .17) and meeting sellers (s.p.c. = .14), is about half the size of that of intermediary trust (s.p.c. = .31).

Arguably, the long-term success of a C2C electronic marketplace and thus of sellers and the intermediary hinges on the number of transactions, and these parties will therefore seek to stimulate purchase behavior. From this perspective, based on a comparison of the influence of the EMQ dimensions on the two mentioned forms of trust, the following interesting observations can be made. The EMQ dimensions that determine intermediary trust, namely formal control mechanisms, community and price determination mechanisms, for the most
part have a larger effect size than the EMQ dimensions that predict seller trust, i.e., product representation and meeting sellers. Yet, given their specific effect sizes and the fact that, as opposed to seller trust, intermediary trust does not impact the attitude towards purchasing directly, the effects of product representation and meeting sellers that are carried over to this attitude are larger than those of formal control mechanisms, community and price determination mechanisms. Consequently, in terms of their purchase behavior stimulating potential, product representation and meeting sellers can be considered the most important of the EMQ dimensions.

5 Main research findings

The aforementioned findings can be summarized as such:

<table>
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<th>Findings:</th>
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<td>1) Seller trust determines the attitude towards purchasing directly.</td>
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<td>2) The attitude towards purchasing is also influenced by intermediary trust. This influence, however, is indirect since it is mediated by seller trust.</td>
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<tr>
<td>3) Trust appears to have a considerable effect on the attitude towards purchasing in C2C electronic marketplaces.</td>
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<tr>
<td>4) Buyers’ impressions of the price determination mechanisms, of the formal control mechanisms and of the community in a C2C electronic marketplace are predictors of intermediary trust. While formal control mechanisms and community have quite a strong influence, the impact of price determination mechanisms is more moderate.</td>
</tr>
<tr>
<td>5) Seller trust is determined by other perceptions than is intermediary trust, namely by buyers’ impressions of the product representation and of meeting sellers. Both types of perceptions have a comparable moderate effect on this form of trust.</td>
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<tr>
<td>6) In point of their purchase behavior stimulating potential, product representation and meeting sellers can be seen as more influential than formal control mechanisms, community and price determination mechanisms.</td>
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6 Theoretical contributions

A major contribution of the conducted empirical studies described in this dissertation is that they investigated (1) the conceptual disparity between intermediary trust and seller trust, (2) the interrelationships between these forms of trust, and (3) their influence on purchase
behavior in C2C electronic marketplaces. In doing so, these studies remedy the somewhat limited and fragmented understanding of the nature of trust in C2C electronic marketplaces and the role this notion plays in impacting the success of C2C electronic marketplaces.

An additional contribution of this research is that by conceptually and empirically studying the nature of EMQ, it shows how the relatively unexplored perceptions of the sellers’ and intermediary’s behaviors and of elements of the C2C electronic marketplace context cluster into a concept that can be included in future explorations to explain other consequential phenomena. The developed EMQ measurement instrument can be utilized in these explorations.

The performed research contributes to the literature in a third major way by examining the relationships between EMQ, intermediary trust and seller trust empirically. Since these three constructs all concern a relatively large number of perceptions of sellers and the intermediary, of their behavior and of the C2C electronic marketplace they facilitate, the research recognizes the essential role of both these parties. This sets it apart from the existing theoretical and empirical material as well as generates insight into formerly fairly unexplored theoretical areas pertaining to the exact connections between perceptions of the behavior of sellers and that of the intermediary, perceptions of the C2C electronic marketplace context, and buyers’ trust in sellers and in the intermediary.

Finally, although the concepts of seller risk and intermediary risk were only included in the first study to increase the generalizability of the research results, they expand the conceptual palette that can be applied empirically to enhance the theory on C2C electronic marketplace environments. The development of new instruments to measure these forms of risk, which can also be used in subsequent studies, can be seen as an additional contribution.

7 Implications for practice

According to the research findings, trust has a considerable impact on purchase behavior in C2C electronic marketplaces. As such, the phenomenon is of strategic importance for intermediaries operating C2C electronic marketplaces and sellers active in these environments. Intermediaries and sellers can stimulate purchase behavior by increasing seller trust and, to a lesser degree, intermediary trust.

The research findings in respect of the relationships between EMQ, intermediary trust and seller trust can provide intermediaries and sellers with guidelines to how they can influence their perceived trustworthiness and ultimately purchase behavior. The empirical results provide evidence that sellers can enhance their perceived trustworthiness by bettering the way they represent the products they sell and by offering buyers the opportunity to meet them face-to-face. Here, intermediaries can also play an important role by stimulating sellers within their electronic marketplace to make improvements to product representation and meeting buyers. Although such an indirect role can be beneficial, intermediaries should realize that to assist sellers in amplifying seller trust it may be wiser for them to increase their
own perceived trustworthiness. It was demonstrated that they may do so by improving buyers' impressions of the price determination mechanisms, of the formal control mechanisms and of the community in the C2C electronic marketplace.

The methods that can be employed by intermediaries to generate trust are not restricted to improving EMQ. Intermediaries can also induce seller trust and intermediary trust by taking advantage of their position as an independent mediator in a C2C electronic marketplace and distributing credible information about the trustworthy nature of this environment.

Finally, the developed instrument to measure EMQ can be used by intermediaries to measure the quality of the specific electronic marketplaces they operate. The outcomes of such a measurement can serve as a basis to further enhance these exchange environments and buyers' impressions thereof.