

RESEARCH SEMINAR



**March 18, 12:00pm -
12:45pm**

Virtual: Zoom



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Understanding the Following Behavior of Sellers in Social Marketplaces: A Structural Holes Perspective

Abstract: Sellers in social marketplaces actively engage in following behaviors in online communities to build social capital and gain information and opportunity. However, extant research has repeatedly reported a negative effect of following on seller performance, raising questions about sellers' ideal following strategy. Intrigued by this question, this research draws on the theory of structural holes to examine sellers' following and its value implications. An empirical study of 1,023 Etsy sellers and their followees indicates that the structural holes in sellers' followee networks have a significant, positive effect on their sales performance. Such effects are stronger for sellers with more product diversification, more prominent followees, and lower followee status heterophily.

Keywords: Social marketplace; Social networking; Following; Seller performance; Structural holes

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