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In Community We Trust: Online Security Communication at eBay

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Abstract

As e-commerce and virtual communities fundamentally change the way Americans do business and build relationships, how can people be assured of safety in unfamiliar cyber-spaces? This essay focuses on online auction eBay to understand how eBay has successfully drawn millions of users to its site in spite of perceived risks and uncertainties. It argues that eBay is, in fact, a community (of commerce), and that the rhetorical construction of "community" on the site provides a foundation for trust between users. Based on trust theory, this essay isolates eBay's "community trust" model as consisting of seven elements that work together to give users reasons to trust and to be trustworthy. Finally, the essay examines recent changes to eBay's system, suggesting that so-called improvements for control might actually weaken the "community trust" system already in place—a warning to other sites that might imitate eBay's community approach.

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The advent of the Internet has brought with it a number of signature companies: for retailing, amazon.com; for service providers, aol.com; and for auctions, eBay.com. With the convenience of the new economy, however, have come concerns about security. Can web sites be trusted? Can other people on the web be trusted? Can information be transmitted safely? Because of the physical separation of the actors involved, e-commerce requires more fraud controls than traditional trade (Bons, Dignum, Lee, & Tan, 2001).

The most fundamental security issue online is the basic question of trust. Users must be able to trust each other in order for meaningful, ongoing interaction to occur. Web sites, then, must construct messages that provide users with motives to trust and to be trustworthy. This essay examines a case study of one very popular e-commerce site that has rhetorically constructed trust and security to a degree that people feel safe participating. That site is online auction eBay.

For any online auction site, Internet security concerns only add to fears about all kinds of auctions: is it possible to bid on something accidentally? Will people find unpleasant surprises after they become high bidders on items? At eBay, these basic auction fears are compounded by the fact that bidders cannot examine and touch the items they are bidding on; they must trust descriptions and photographs. They cannot see the people they are bidding against; they can only see letters on a screen. They cannot depend on the physical presence of the auctioneer who oversees things and ensures fairness; they must trust a computer system that handles bids, runs a

timer, and declares auction winners. The biggest rhetorical challenge facing eBay, then, is how to create messages that communicate safety in an inherently risky environment.

Dozens of online auctions exist today selling everything from cigars to patents, but with over four million auctions at any one time and 42.4 million registered users ("eBay announces," 2002), eBay is clearly the leader in the online auction business and arguably in any online business. It has consistently earned profits and has at times been the most visited shopping website (e.g., "Crowded," 2001; "eBay announces," 2002). Its success would not have happened had eBay not established a system that allowed people to feel safe enough to participate. How has eBay rhetorically constructed its online auction extravaganza as a safe and trustworthy place to do business? The answer is community. Recent changes at eBay have introduced methods of credit card and electronic check payment as well as insurance and escrow services, but the foundation of eBay's safe trading environment is the community itself. Users trust each other and the system because they are all part of an "eBay community" in which they can feel safe.

This essay explains how eBay has rhetorically constructed trust and safety on its site, arguing that trust in online transactions is based in the construct of community. According to Hogan (1998a), the place to find answers to questions of community is in "the public talk that constitutes communities and defines their relationships with others" (p. 295). To understand how eBay and its users construct and enact the notion of community security, this essay engages a variety of public texts: the web site itself (the author is a member of the community with a feedback rating of 118[1]); corporate public statements (e.g., press releases, broadcast interviews, and speeches); and company publications eBay Life (online) and eBay Magazine. For further explanations, the author interviewed eBay executives and lurked for weeks on several bulletin

boards posted on eBay and AuctionWatch where eBay users discuss their experiences.

The essay first introduces trust theory as a basis for the rest of the study, followed by an explanation of how the eBay auction system links buyers and sellers around the world and requires trust. Next, the essay discusses potential risks of online auctions and eBay's solution of community-based trust. Following up Rothenbuhler's (1991) criteria for community involvement and other defining work on community from communication, psychology, and sociology, the essay will then offer a model of "community trust" drawn from the eBay system, which constructs community in such a way that users have self-interested motives to act ethically and honestly in their transactions. Finally, implications of eBay's "community trust" for other online ventures will be explored, as well as internal threats to this rhetorical "safe harbor" so carefully constructed for and by eBay's users. This study contributes an understanding of the rhetorical tools that invite people to participate in and trust in an online community. If "communication is the beginning of community involvement" (Rothenbuhler, 1991, p. 75), then the proliferation of communities online necessitates an explanation of how communication practices can support—or even create—the twin values of trust and safety.

The Notion of Trust

In order for trust to exist, there must also exist risk (Castelfranchi & Falcone, 2000; Doney & Cannon, 1997; Luhmann, 1988; Mayer, Davis, & Schoorman, 1995). Without trust, risk is paralyzing; transactions simply do not take place (Jarvenpaa & Tractinsky, 1999; Luhmann, 1988). Trust involves two parties: the truster and the trusted (Baier, 1986). Trust itself is "based on a circular relation between risk and action, both being complementary requirements" (Luhmann, 1988, p. 100). It is "an attitude which allows for risk-taking

decisions" (p. 103). Mayer, Davis, and Schoorman (1995) state it thus: "If the level of trust surpasses the threshold of perceived risk, then the trustor will engage in the [risk-taking in relationship]" (p. 726). Trust, then, enables action in the face of risk.

Deutsch (1958), one of the first theorists of trust, highlighted what remains a key aspect of trust: expectation, or predictability. Because expectations are so closely related to how predictable an interaction is, it is not surprising that they can change over time as a potential truster has more experiences on which to base predictions (Doney & Cannon, 1997). The more interactions successfully completed, the higher the trust between truster and trusted (Ring & Van de Ven, 1992). Consequently, trust is weakest at initial interactions, growing stronger over time and repeated interactions. As Baier (1986) has observed, "Trust is much easier to maintain than it is to get started and is never hard to destroy" (p. 242).

Fukuyama (1995), who compares differences in trust across cultures, connected trust explicitly to the notion of community. He argued that "communities depend on mutual trust" (p. 25) and that trust itself "arises when a community shares a set of moral values in such a way as to create expectations of regular and honest behavior" (p. 153). Deutsch (1958) also invoked both communities and expectations in exploring the concept of trust. He suggested that "a co-operative orientation will produce trusting (and trustworthy) behavior" as long as each member of the co-operative system has "a way of reacting to violation of his expectation" (pp. 272-273). Dasgupta (1988) linked expectation to reputation, observing that reputation (affecting trusters' expectations) is acquired over time and that trusters must have some memory of previous encounters with the trustee.[2]

How, then, does eBay establish trust without face-to-face transactions or even without

repeated transactions between the same trusters and trustees? Or to restate the research question posed by Castelfranchi and Tan (2001), "On which signs and qualities do we base our trust in a face-to-face communication, and how can we substitute these properties in electronic interactions?" (p. xxiv) By rhetorically calling a community into being and reinforcing the power of community as an instrument of trust, eBay has made community the foundation of its online security communication, reinforcing Deutsch's (1958) observation that "the trustworthy person is aware of being trusted and...he is somehow bound by the trust which is invested in him" (p. 268). "Community trust," then, is an ongoing system of risk-taking enabled by good will and positive expectation in other members of the system rather than by controls and guarantees that reduce user choice.

How eBay Works

Online auctions are closely related to their offline counterparts. Their ascending bid auctions are very similar in nature to the familiar English auction form by which antiques, used cars, property, tobacco, and countless other items have been sold for a very long time (Smith, 1989). Unlike conventional auctions, however, eBay never controls the items for sale; it serves only as a venue to connect bidders and sellers. If people want to sell items on eBay, they list and describe their items—generally with digital photos—at www.eBay.com. They set a minimum bid, decide on the length of the auction (3, 5, 7, or 10 days), disclose shipping charges and acceptable forms of payment, and choose whether or not to set a reserve price.[3] Then they wait.

Bidders can search for items of interest through general categories or key words. To place a bid, a bidder enters an eBay username and password along with a maximum bid. The eBay system then compares that bid with any other bids on the same item, naming a high bid that

is one increment (which varies according to the value of the item) above the next-highest maximum bid. When time expires for the auction, both high bidder and seller are notified by e-mail of the auction's end and of the winning bid (which is often lower than the bidder's maximum). The high bidder and seller are then supposed to make contact with each other via e-mail within three days, at which time they exchange addresses. The high bidder then pays, and, upon receiving payment, the seller ships the item. After all of this process is complete, both parties can leave positive, neutral, or negative feedback for each other in eBay's Feedback Forum.

Risk at eBay

Most auctions (including 98% of the auctions in this author's experience) are finalized to both parties' satisfaction. But security threats—and perceived security threats—abound at eBay and other auction sites, and when threats become reality they are often heavily publicized. When the Today show listed an autographed jacket for sale on eBay with the proceeds to benefit charity, for instance, bids got as high as $200,000; the highest legitimate bid turned out to be just $11,400, however, prompting a large donation from eBay's corporate coffers (Buel, 1998). The reason for problems like this one is that underage bidders occasionally drive up auction prices with no intention of paying, such as the 13-year-old who bid more than $3 million on various items in 1999 ("13-year-old," 1999).

eBay asserts that these and other embarrassing stories (such as illegal items for sale that have included a baby boy and a kidney ["Baby sale," 1999; Seyfer, 1999]) are anomalies. eBay CEO Meg Whitman says there are "99.97 percent of eBay users who have a fun, positive and rewarding trading experience" (Whitman, 1999a). There are also many opportunities for

uncouth individuals to abuse the system; as the National Consumers League vice president for public affairs puts it, "[eBay]'s a very good place to shop, yes, and it's a good place for con artists" (Nelson, 1999, p. 4G). Rheingold (1993) sagely observed that "computer-mediated communications provide new ways to fool people" (p. 67). The National Consumers League Internet Fraud Watch (2001) reported that 78% of all complaints it received dealt with online auctions. Many potential problems, whether isolated or recurring, create the need for effective trust communication to reassure potential users that they can participate safely in virtual auctions. The biggest danger at eBay not shared by offline auctions is that bidders cannot physically inspect items, a problem Kollmann (2001) has called a "quality of business deal" problem (p. 6). As traditional auction house Sotheby's vice president C. Hugh Hildesley has observed, "No illustration will give you a precise sense of what an object is really like" (Kinsella, 1999, p. W14). PC World executive editor Dan Tynan, though advising people watching CBS This Morning to read item descriptions closely, admitted, "You can't exactly kick the tires or hold it to your ear" (1999). Because bidders cannot closely inspect or handle merchandise offered online, counterfeit merchandise is a serious concern, and some trademark owners have alleged that half or more of the items for sale on eBay bearing their names are fakes (Quick, 1999). Con artists can fail to deliver goods after receiving payment. As with offline auctions, items are typically sold without any kind of warranty, caveat emptor. Bidders' inability to examine items in person also makes the condition of items suspect until they actually arrive. Community member (CM) Oldstuff[4] reported that more than half of his recent purchases arrived with unreported damage (AuctionWatch, eBay Outlook, "You've heard of deadbeat bidders?" 18 July 1999).

Both buyers and sellers must trust in order for transactions to take place (Kollmann, 2001). Sellers' biggest concerns are buyers who leave undeserved negative feedback and "deadbeat bidders," who win auctions and never send payment. Although sellers might have more of a stake in transactions if eBay represents their livelihood, buyers assume more risk on each individual transaction; as CM traderbill reminded the eBay Outlook on AuctionWatch, "the buyer is taking a lot bigger risk than any seller is. The buyer is sending you money on faith that you will keep your side of the contract. If they [sic] are wrong, they lose ALL their money. If you as a seller are wrong about a buyer, you still have the merchandise!" ("What would you do with this one?" 26 June 1999).

Glenn McDonald (1999) has noted that "ultimately, all person-to-person auction transactions involve an element of risk" (p. 4). Other dangers include stolen goods for sale, "shill bidders,"[5] "bidder stealing,"[6] bids altered by hackers, theft of personal information, and "bid siphoning."[7] With all of these risks, eBay's security communication must somehow persuade users that the benefits of eBay outweigh the risks; it must construct a virtual place where people expect trust to be confirmed rather than shattered. "The marketplace operator must ensure that the product criteria are clear, the product descriptions are complete and the product requests are authentic" (Kollmann, 2001, p. 14). And eBay recognizes the need for security communication—in one of her quarterly letters to the community, CEO Whitman (2000) reiterated eBay's goal "to create the safest and most secure online trading community in the world" (p. 2).

Ultimately, the risk at eBay and many online sites is rooted in the desire to maintain a balance between privacy and security. Donath (1999) highlighted several dialectic tensions of

online community that coincide with tensions of eBay's community of commerce: "privacy and accountability, reliability and self-expression, security and accessibility" (p. 56).

Although various so-called security features have been proposed or implemented recently (e.g., Verified User/IDVerify, iEscrow/Tradenable, insurance), the basis of eBay's fraud prevention/safety assurance communication is what one columnist has called "creative self-policing" (Weisul, 1999). eBay calls its approach simply "community," a community comprising the corporate entity eBay and its employees as well as all 42+ million registered users (both buyers and sellers). eBay's primary trust communication has been that community itself is the safety net for transactions. If all interactions are in full view of other community members, there will be tremendous incentive to act fairly and honestly.

eBay's Solution: Trust in Community

Since its inception, eBay has presented community as the foundation of security on the site: "The key to eBay's success is trust" ("Company overview," 2002). As CEO Meg Whitman puts it with implied chiasmus, "We like to say that our community has actually built eBay" (Anders, 1999b, p. R68). Its trademark description was long, "the world's leading person-to-person online trading community"[8] "Community trust" would not be effective at all were it not for the "five basic values" of eBay's community:

> We believe people are basically good.
>
> We believe everyone has something to contribute.
>
> We believe that an honest, open environment can bring out the best in people.
>
> We recognize and respect everyone as a unique individual.
>
> We encourage you to treat others the way that you want to be treated. ("Community

values," 1999).

The rationale for the emphasis on community as a trust mechanism is that everything is done in public—all your transactions, all the comments people have made about you as a buyer or seller. "You're putting your good name, your reputation, and your livelihood up for public view every time you list something on eBay or every time you bid on it" (Kevin Pursglove, personal communication, August 11, 1999). Brad Handler, eBay's associate general counsel and director of law and public policy, says that the core message eBay offers on security is still, "be informed, be aware, be alert, be safe, and you'll have a great experience. It was [from the beginning] caveat emptor with all of these other tools around it to help you, like feedback" (personal communication, August 11, 1999). When asked about eBay's online security communication strategy, senior vice president and general manager of international and premium services Steve Westly's response was that "strategy point number one is this is an open and safe environment with zero tolerance for fraud or bad behavior" (personal communication, August 11, 1999).

So while community is the basis of trust and safety, "common sense" and basic precautions on the parts of individual bidders and sellers is also fundamental (Steve Westly, personal interview, August 11, 1999). eBay's suggestions on safety ("Why eBay is safe," 1999) reinforce this notion of individual responsibility for safe trading, with instructions such as, "If you're a buyer, check your seller's Feedback Profile before you enter into a transaction to learn about the other person's reputation with previous buyers. If you're a seller, do the same with your buyers." including checking the seller's feedback and e-mailing any questions about the item and shipping or payment terms. This requirement of individual responsibility in deciding to

trust, which Hartmann (1995) called "co-responsibility" (p. 596), reinforces trust theory that too much trust is dangerous: accepting too much risk can lead to an unsafe situation that could have been avoided (Castelfranchi & Falcone, 2001; Deutsch, 1958).

eBay: A Community of Commerce

Critics have warned that self-proclaimed "communities" may not truly function as communities. And although eBay calls itself a community, such a designation might be self-serving but inaccurate. Howard (1997) cautioned critics not to apply the "community" label to online groups too casually. Peck (1987) warned about "pseudocommunity," which he said in his experience included all groups who loudly referred to themselves as "communities" but actually lacked the engagement and acceptance of individual differences to work as one. Burke (1996) agreed that defining community with certainty necessarily interferes with it, repressing divergent views and damaging communal life. Arnett (1986) also cautioned against confusing "community" with mere "association;" for community to exist, members of the group must be committed to both the people and ideals of the organization. Reporters have questioned the truth of the eBay "community;" one referred to it as the "so-called 'personal trading community,'" and another demurred that "calling eBay a community site is probably stretching definitions a bit. Sure, it has a somewhat rabid following of Beanie Baby/Fiestaware trading netizens, but these folks don't form bonds with each other" (Mendoza, 1999, p. C6; Carmichael, 1998, p. 48).

Similar skepticism can be found among eBay users on discussion boards. There clearly exists with some users a tension between community and commerce, perhaps because eBay so aggressively pushes the "community" moniker while also boasting profits to investors. CM Whitby refers to eBay as the "site where 'community' is the most abused word in the English

language" (eBay Discuss New Features, 2 August 1999). CM Maryjo complained that the "eBay community" was only "spin control" to avoid having to provide good "customer" service (AuctionWatch.com, eBay Outlook, "If eBay's a community, where's the voting booth?" 15 June 1999). In the same thread, CM relic7 agreed that the "sense of community . . . has been used primarily for manipulation and public relations." But Burke (1996) has written that community, in fact, depends on tensions—that without dissent and discussion, the whole of community will never be greater than the sum of its parts.

This tension bears out Arnett's (1986) warning from Buber that inviting community is better than demanding it, which can lead to rebellion. Some users have argued that allowing themselves to be interpellated into the "community" causes them to surrender rights they would demand and receive if they were "customers." The benefits of being "community members" might include more influence on other community members. Conversely, "customers" might have recourse with eBay management, but they would have no claim on other "customers" who were actually the ones buying from or selling to them. eBay is structured so that to bid and sell regularly, a user must demonstrate responsibility to the community. Irresponsibility results in negative feedback comments and makes a user something of a pariah, fulfilling Deutsch's (1958) requirement that a co-operative trust orientation include a way for people to react to the violation of expectations.

The commerce/community tension can be resolved by cautiously accepting eBay as both—as a community of commerce. eBay blends a "community of interest" with a "community of transaction" (Armstrong & Hagel, 1996) to become one of the "new kinds of communities" Rheingold (1993) predicted would be made possible by creative applications of new

technologies. Communities can be interest-oriented (Moemeka, 1998), and as Wellman and Gulia (1999) observed, "Online relationships are based more on shared interests and less on shared social characteristics" (p. 185-186). Because social characteristics are not as readily apparent on the Internet as they are in the offline world, the shared interests based in commerce form an appropriate alternative foundation for the kind of community that exists at eBay. Community members at eBay generally join a social circle by virtue of buying and selling in the same category, sharing experiences as sellers, or sharing some collecting interest on a bulletin board. In all of these situations, commerce is the basis for interaction; were it not for the fact that transactions were being conducted, people would have no reason to be part of a virtual community together.

This commercial orientation is not peculiar to eBay, however. Other "communities" have been commercially grounded as well; even the quintessential American community, the small town, typically has a commercial district at its center. It is no diminishment of eBay's community, then, to call it a "community of commerce." And eBay embraces this blend, with Whitman commenting, "One thing that really is true about eBay is it is a community-commerce model, with users who help one another" (Anders, 1999b, p. R68).

McMillan and Chavis (1986) defined the sense of community as "a feeling that members have of belonging, a feeling that members matter to one another and to the group, and a shared faith that members' needs will be met through their commitment to be together" (p. 9). These feelings and commitments are just as valid if they are wrapped up in commerce.

Though eBay's emphasis on online auction community as security is novel, all kinds of auctions depend on community. Auctions are, after all, social processes for determining value

through communication, and for those social processes to have any integrity, participants must trust each other and trust the process. Smith (1989) wrote that "a sense of community is necessary if the auction process is to be seen as legitimate" (p. 13). Auctions work best as economic tools of pricing and allocation if they take place in a community capable of defining the situation (Smith, 1989). The need for community is even greater, however, at online auctions where there is no auctioneer present to oversee everything; after the auction is over, the rest of the transaction (payment, shipping, etc.) is worked out between buyer and seller. Without a community, legitimacy and definition in such a one-on-one situation become quite difficult.

Fundamentally, communities are "defined and constituted . . . by rhetorical discourse" (Hogan, 1998b, p. xvi). eBay is not a classic community in the spatial or geographic sense. But "members of electronic virtual communities act as if the community met in a physical public space" (Allucquere, 1991, p. 104). Senior director of communications Kevin Pursglove compared the need for trust at eBay to the need for trust in a neighborhood where people would feel comfortable living (personal communication, August 11, 1999). Whitman has used a spatial metaphor to explain new demands on eBay as it expands from "small community" to "big city." (Anders, 1999a, p. B1). More recently, she explained eBay's growth in 1999 from "a vibrant community about the size of Portland" to more users than the population of Michigan, the nation's eighth largest state (Whitman, 2000); now, of course, it has become more like a small country. Conventions for offline communication cannot automatically be transferred to the online environment of eBay. The virtual world is different, as Howard (1997) argues in calling for new terminology.

Popular and even scholarly conceptions of community are often naive. Elias and Scotson

(1974) charged that many concepts of community "are fashioned as if the nearest approximation to the most normal, most desirable form of social life were some imaginary pre-industrial villages" (p. 38). Critics who say online community isn't "real" community "are confusing the pastoralist myth of community for the reality. Community ties are already geographically dispersed, sparsely knit, connected heavily by telecommunication (phone and fax), and specialized in content" (Wellman & Gulia, 1999, p. 187). Additionally, traditional physical neighborhoods and communities defined by geography have been in decline for some time (Schuler, 1996).

Rothenbuhler (1991), in a study of a geographic community, found that the two necessary conditions for community involvement are staying informed about what happens in the community and getting together with community members. These foundational elements of offline, spatially-oriented community are also present in eBay's online community in mechanisms such as the feedback forum, bulletin boards, chat rooms, and the most fundamental eBay activity, buying and selling. But these are only some of a variety of community-reinforcing structures that rhetorically invite people into the community of bidders and sellers that exists and that maintains order and safety on eBay's online bazaar.

eBay's Community Model of Trust

eBay's "community trust" model includes seven elements. These elements, not listed hierarchically, synergistically work together to create motives for ethical action and allow the community to become its own safety net. Not all users might rely equally on all seven of these elements; those elements of community reinforced by the feedback forum, for instance, are probably the most obvious. All seven in concert, however, allow eBay to construct online the

kind of community that can maintain a safe environment for users. Significantly, these elements operate as norms. There may be sanctions if norms are violated, but the norms serve as "intrinsic motivations" for users rather than as incentives or sanctions that force compliance (Conte & Castelfranchi, 2001).

Individual identities

Individual identities are one critical element of online communities (Baym, 1998; Donath, 1999). Identities also pose one of the great challenges to online trust (Nissenbaum, 1999), but eBay actually uses online identities as a strength of its community trust model. The most obvious manifestation of community members maintaining individual identities is in their selection of usernames. This aspect of community serves a trust-building function at eBay, however, when combined with feedback ratings and icons.

Feedback ratings are based on the comments in the feedback forum, the online report card for eBay users. The number that appears next to a person's username is the difference between the total number of positive comments about the user's transactions and the total number of negative comments about the user's transactions. The higher this number is, the more confident most bidders and sellers will feel participating in an auction with that person. Though only the single number appears next to a person's username, a click on that number reveals a chart offering the total number of negative, positive, and neutral comments, as well as access to all of those comments.

Various icons are also automatically placed after usernames, depending on the status of the user. A pair of sunglasses appears with new usernames or usernames that have recently changed. This icon serves as a caution to potential bidders or to sellers, because it indicates

either a recent change in status as a member of the eBay community or a person with little experience at eBay. In contrast to this sign of inexperience, stars of different colors are assigned to people who attain increasing feedback ratings: yellow for 10-99, turquoise for 100-499, and so on. Taken together, the individually chosen username, the feedback rating that illustrates the amount of positive experience a person has on eBay, and the icon that generalizes based on the feedback number create an individual identity for each eBay user. This author's eBay identity, for example, is username (118) (turquoise star).

Common symbol system

A second element that calls eBay's community into being is a common symbol system. A phrase or expression with special community meaning "expresses one's identification with the online community—it is akin to moving to a new region and picking up the local accent" (Donath, 1999, p. 39). McMillan and Chavis (1986) included a common symbol system in their description of membership as a community trait, and Hogan (1998a) also identified special vocabularies as characteristic of communities. eBay users have developed a simple but specialized set of phrases and terms, especially on the subject of security, to describe their experiences. A "deadbeat bidder" is a person who wins an auction but never sends payment. To be "NARUed" (Not a Registered User) is to be suspended from eBay for some transgression. "To neg" someone is to leave a negative feedback comment for someone who was not ethical or fair in a transaction. The development of insider words and phrases such as these informs many community interactions at eBay. When CM sarahc asked AuctionWatch eBay Outlook members for advice on what to do with a seller who never delivered, for instance, she got an answer—"neg them" ("Preparing for first Neg.," 8 August 1999).

Reciprocal influence

Reciprocal influence is a third part of community security at eBay. Jason (1997) wrote that mission and reciprocal responsibility contribute to a sense of community, and McMillan and Chavis (1986) discussed the importance of influence to community—both the ability of the group to influence its members and the ability of individual members to influence the group. That influence potential is present at eBay. The "eBay Community" (1998) web page reinforces this idea: "eBay also encourages open and honest communication between the community and the company. Frequently, members of the community organize grassroots movements to improve the environment in which they work and play."

As an example of the community's ability to influence the direction of the site, outcry on the eBay bulletin boards about new fees for reserve auctions prompted eBay to reduce proposed fees (Thurm, 1999). Consider also the proposed Verified User (now IDVerify) program (announced in January 1999 to begin in March 1999). Senior vice president Steve Westly acknowledged that one reason the Verified User program was delayed for months is the vocal opposition of users on eBay's bulletin boards.[9] eBay does rely on user feedback when contemplating changes, and eBay also relies on users for some enforcement of terms of service. Rather than having a systematic way to spot questionable auctions and abuses such as shill bidding, eBay depends on users to spot and report them (Seyfer, 1999). This reflects eBay's dependence on community trust; a perspective based instead on more absolute social control would require sanctions that are "always severe and certain so as to lower the utility of tansgression compared to the utility of compliance" (Conte & Castelfranchi, 2001, p. 56).

Wellman and Gulia (1999) believe that people tend to be more willing to helpfully

interact with others online than they would be to help strangers in the offline world. It is possible, then, that eBay users enact the community-building action of reciprocal influence on the site even more than in their traditional offline communities. The fact that the feedback forum works at all is an indication that the reciprocal nature of community thrives at eBay. There is no requirement for people to leave feedback, and yet users do—not all users, but enough that people can accumulate meaningful feedback profiles. This kind of reciprocity and supportiveness reinforces the notion that eBay is truly a community and that the community is willing to self-police (Wellman & Gulia, 1999).

One of the simplest ways eBay reinforces the idea of reciprocity is in its use of the term "community members" rather than "customers" or "clients." As Smith and Eisenberg (1987) have shown, such labels do have meaning to the people upon whom they are imposed. In a letter to the "eBay community," for instance, CEO Whitman (1999b) thanked users for their loyalty: "I want you to know how grateful I personally am to you—our community members—for having stood by us through all of this." In his letter to users about new security features in the SafeHarbor program (including insurance, the long-delayed Verified User program, and new feedback policies), founder Pierre Omidyar (1999) affirmed that "community participation is the foundation upon which eBay was built." A press release credited the site's success to "the close relationship eBay has built with its community" ("eBay soars," 1999).

At least publicly, eBay management affirms its commitment to be influenced by the rest of the community. Whitman says eBay's method of researching its publics "is so far superior [to the offline world] I can't even describe it to you. We get instant feedback on eBay about almost everything that we do. You know instantly . . . . It's also far easier to survey the user base . . . .

You really can do polling and surveying and try to see what needs are not being met far faster" (Anders, 1999b, p. R70).

Shared narrative

A fourth element of community at eBay is shared narrative. Arnett (1986) called this the most fundamental part of community formation: "For a community to survive, it must have a story. That story must be one that individuals can relate to, feel a part of, and affirm. It is a communicative vision of where they are going and why that keeps a community vibrant and healthy" (p. 173). The ritual repetition of a community narrative reinforces community ideals (in this case, particularly those regarding trust and responsibility) and also maintains a baseline against which users can measure progress.

Not all users might share all narratives, but common stories about the eBay community are very much part of its identity (Herschlag & Zwick, 2000). The founding of eBay is lore that provides one such shared narrative. Founder Pierre Omidyar created eBay as a place for his girlfriend to build her collection of Pez dispensers (Hazlewood, 1998). Categories grew, users increased, Omidyar started hiring help, and since September 1995, eBay has flourished.

Among other shared narratives, get-rich-quick stories abound (e.g., Grant, 1999; Chatzky, 1999). Chatzky (1999) wrote about Glenn Wright, for instance, a building contractor who "will make seven figures this year selling a stash of antique fruit-crate labels he and a partner had sat on for years" (p. 24). Whitman (1999a) told of a woman who has transformed her entire small town into eBay land, and of people living with illnesses but still able to earn money because of eBay. At a small-town auction recently, this author overheard a woman explaining to someone the tax problems she had encountered by making $7000 in the five

months prior selling old postcards on eBay.

eBay Life contained a section each month called "How Has eBay Changed Your Life?" The answers become part of this shared narrative, almost in the style of a conversion story. Belinda, who was not close to her dad as she grew up, now spends every Thursday evening surfing eBay with him and maintaining a close relationship even though he is seriously ill ("How has," 2000). Donna, thanks to her eBay business, gushed about her new life—"I am able to stay at home all day with my daughter, and my husband and I have time to spend with each other" ("How has," 1999).

Emotional connection

A shared history like the eBay founder's narrative and stories of people whose lives have changed because of eBay contribute to the fifth element of eBay's community: emotional connection (McMillan & Chavis, 1986). Personal investment is another aspect of this fifth community characteristic, and on eBay that investment includes time spent searching and listing, money invested in an eBay business or a collection, the emotion that goes with the competitive nature of an auction, and the investment of oneself in finding friends and interacting with buyers and sellers through auctions and through bulletin boards.

"Uncommunity"

Not only does the eBay community share narratives about insiders, it also shares an antagonism towards outsiders—a sixth element of the eBay community. Hart (1998) has argued that for every community, "there is also an 'uncommunity,' an assembly of the befouled and besotted who have heard the Word and rejected it" (p. xxv). Hate, he charged, paradoxically builds community with "enmity in the service of amity" (p. xxvi). The "uncommunity" that

reinforces eBay's community is made up of all those who threaten the security of the online auction—deadbeat bidders, NARUs, frauds, and sellers who gouge buyers on shipping and handling costs. Dialogue on eBay's bulletin boards often focuses on condemning people who have become or deserve to become members of this uncommunity. By putting the transgressors in the category of "them," the "us" of community is more clearly defined.

Status

Status is the seventh and one of the more important catalysts for eBay's community. The desire to gain or maintain privileged status motivates loyalty to the community and provides a self-interested motive for behavior that improves the entire community. When status is an issue, "newcomers are bent on improving their position and the established groups are bent on maintaining theirs" (Elias & Scotson, 1974, p. 38). And when feedback ratings and colored stars are at stake, status is definitely an issue on eBay.

The feedback forum is one vehicle through which community members gain and confer status. Sellers and buyers alike encourage their counterparts to leave feedback after each transaction. More positive feedback means a higher feedback rating, a more desirable icon next to it, and, ideally, more confident bidders or sellers in the auctions that person will participate in. This desire for status also makes the very threat of negative feedback a strong motivation to follow eBay's community guidelines. Online communities create situations where people can be shamed into following norms by making their transgressions public (Baym, 1998)—the feedback forum is the place where that happens on eBay.

One revered form of status can never be acquired by newbies, no matter how high their feedback ratings: the status of longevity. eBay employees are conscious of this sort of status—

most know the order in which they were hired relative to everyone else in the company. Westly (personal communication, August 11, 1999), senior vice president and general manager of international and premium services, proudly announced that he was the 22nd employee at eBay, which now, of course, employs hundreds. The author's wife (an occasional bidder and seller) prides herself on having followed eBay since before it was eBay (it started as AuctionWeb). Longtime users posting on bulletin boards often refer to the pre-eBay "old days" of AuctionWeb.

eBay has created some special relationships to benefit "Power Sellers" from time to time, creating another motive to gain status. The most difficult status symbol to reach, however, remains the shooting star, an icon posted next to the usernames of people with a feedback rating of more than 10,000. When the shooting star was first reached in 1999, its owner was featured in eBay's online newsletter, eBay Life ("First 10,000," 2000).

Individual identities, a common symbol system, reciprocal influence, shared narratives, emotional connections, recognition of an "uncommunity," and status: all of these rhetorically constructed elements of eBay help bind together eBay's bidders, sellers, and overseers in the fabric of community. These seven elements work together to create a virtual community where members are accountable to one another and where they have some social expectation of trustworthy behavior.

Threats to eBay's Community Trust

In spite of the existence of dangers at offline auctions, people seem more conscious of dangers at online auctions and all kinds of other online interactions. But Gelman and McCandlish (1998) believe that in general, stories that circulate about electronic abuse are blown out of proportion, and that evils "exist online in proportions approximating those of the physical

world. The online world represents a microcosm of the world around us, with its knowledge, its wonder, and its darker side" (p. xxi).

A serious threat to eBay's community security, however, is self-imposed. Non-community-based security initiatives that have lasted more than a year now include eBay's free insurance (up to $200 with a $25 deductible) and iEscrow (later Tradenable) services. These were added as two more tools for users to choose from in order to feel confident in trading. The problem is that these new security measures do not build trust; rather, they compensate for a lack of trust.

Insurance replaces trust by reducing the need for it (Rea, 2001). What do insurance and escrow communicate? Not, "This is a safe place," but, "It's a risky world out there." Rules, guarantees, and promises assume a lack of trust (Fukuyama, 1995; Gambetta, 1988; Seligman, 1997). Fukuyama asserts that there is actually "an inverse relationship between rules and trust" (p. 224). And Castelfranchi (2000) argued that attempting to technically control site security "is unrealistic and even self-defeating in some case [sic], like for building trust" (p. 8). Nissenbaum (1999) argued that attempts to somehow enforce trust "make its emergence impossible" (p. 11). The more eBay introduces non-community based "security measures," then, the less eBay foments community-based trust. Anders (1999a, p. B1) suggested that these measures are meant to manage "a community with too many strangers." A community is not supposed to be peopled by strangers, but rather by community members you haven't yet met.

The new control mechanisms also remove problem-solving a level from the community—the community doesn't deal with the problem, an outside organization does. The use of an escrow service relies not on trust between parties but on a trusted third party (Rea,

2001). In announcing SafeHarbor 2.0, which introduced many of these non-trust-based security measures (e.g., the delayed Verified User plan, $200 insurance with a $25 deductible, and alterations to the feedback system), eBay indicated a paternalistic change in stance toward its community, calling the new plans "comprehensive programs that help promote safe online trading as well as protect the community from fraud . . . . eBay vigilantly looks to protect its community" ("eBay launches," 1999). Rather than the community policing itself, reporting deadbeats and frauds and remaining vigilant on its own behalf, the community will be (passively) protected by eBay management. Certainly the feedback forum still creates a touchstone of community involvement, but there is clearly a move toward control rather than reciprocal cooperation.

Some users have questioned these "improvements." CM Qxq wrote a fable: "The owners decided that all the users were untrustworthy, out to create scams, cheat each other, but worst of all, cheat eBay out of their rightful fees. They felt they needed to control the users, and began manipulating them" (AuctionWatch, eBay Outlook, "eBay . . . A Cautionary Tale," 24 August 1999). CM Oldman wrote, "Kind of makes you wonder about the meaning of eBay community and if it ever really meant anything to the leaders of eBay" (AuctionWatch, eBay Outlook, "Business ethics and the Internet," 29 July 1999). CM Tedfos asked why, if eBay is as safe as it purports to be, iEscrow was being pushed by the company—"maybe I just don't get it" (eBay Discuss New Features, 16 August 1999). As the community grows, continuing community security means indoctrinating new community members (and there are thousands each day) with an understanding of why community is trustworthy. Measures intended as supplements could become substitutes, undermining the community that has helped build trust at

eBay for seven years.

Conclusion

As e-commerce grows in reach and importance, so will grow the importance of online security communication. eBay has shown that "community trust" can succeed as a method of rhetorically communicating trust and safety. The number of complaints has consistently been a remarkably small percentage of all eBay transactions, and feedback profiles contain very few negative comments.

At any web site linking people, the community model merits serious consideration. In addition to sharing the burden of security with users, the community model also provides much more flexibility than corporate control allows. When users are responsible for spotting fraud and enforcing ethical guidelines, they have the ability to forgive legitimate problems and delays that a more rigid, authoritarian security system does not provide. The self-interested motives of the community security system also reduce the temptations to defraud others or to break rules—doing so makes further participation on the site almost impossible because of the loss of status and even legitimacy that comes with negative feedback. The ability to positively influence one's individual identity in an Internet community (through a feedback system) also represents an opportunity for other Internet communities to learn from eBay's "community trust." And eBay's success in building shared narratives is another facet of "community trust" that other online communities would do well to imitate. Perhaps community-building values such as reciprocal influence and status can begin to construct safe places elsewhere on the web where offline strangers are brought together with the need to trust and be trusted.

As one of the most successful e-commerce sites, eBay provides important lessons about

establishing a community of commerce and maintaining "community trust" even through explosive growth. But its success includes a cautionary note for other sites that would imitate the community security philosophy: in its haste to add more tools to users' security possibilities, eBay could end up damaging the very foundation of its first seven years of secure operation. A danger inherent in all interest-oriented communities is that they can disband more easily than communities with more traditional bases (Moemeka, 1998). Castelfranchi and Falcone (2000) argue that depending on the situation, control (e.g., guarantees, surveillance) can either reduce or increase trust. This essay has argued that in eBay's case, the change from a cooperative system to a controlled system will lead to a reduction in trust. But the question remains: can community be coupled with non-trusting security measures, or will such a combination harm eBay's community trust and safety?

Today users can visit eBay and click on "Why eBay is Safe" (1999).[10] But of the five reasons offered, only the first and most heavily emphasized is community-dependent (check the bidder's or seller's feedback). The community at eBay may have been originally built on trust,[11] but only time will tell if it remains built on trust or if that trust—and perhaps even that community—disappears.

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Notes

[1] An eBay user's feedback rating is the difference between positive comments from unique users and negative comments from unique users. In other words, if a bidder leaves positive feedback for the same seller two separate times, it only ups the seller's feedback rating by 1. Given that the author has received no negative comments, his feedback rating of 118 means that he has either bought from or sold to 118 different satisfied community members.

[2] Berg, Dickhaut, and McCabe (1995) have found that history is not necessary for trust; in some instances, a social expectation of reciprocity engenders trust even with strangers.

[3] A reserve price is the minimum price the seller will accept for an item. It is often higher than the minimum bid, meaning that an item could receive bids but not reach the reserve price and therefore fail to sell.

[4] Rothenbuhler (1991) noted that maximum involvement in a community includes both having ideas for the community and working for change. On eBay, the people who most exemplify that kind of involvement are those who participate in open discussions of eBay, its new features, and its problems. Comments by community members come from publicly available bulletin boards about eBay operated by eBay.com and by AuctionWatch.com. Although the comments were posted in this open forum, I have changed the usernames for this paper. I will preface these pseudonyms with "CM" for "Community Member" and provide internal citations of the bulletin boards to which comments were contributed.

[5] Shill bidders act as secret agents for sellers, bidding only in order to drive up the bids of others involved in the auction. If shill bidders accidentally end up as high bidder, they sometimes cancel their earlier bids as "mistakes" after learning how high the high bidder is willing to go. In live auctions, shill bidders are usually confederates of the seller, but at eBay, shill bidders can actually be the seller using a different username and e-mail address.

[6] "Bidder stealing" occurs when a person other than the seller e-mails the high bidder from an auction and instructs the bidder to send payment to a given address. A prompt payer who doesn't check to make sure that the e-mail came from the seller's e-mail address may end up paying a "bidder-stealing" scam artist.

[7] "Bid siphoning" takes place when someone e-mails the high bidder on a piece, offering that person a substantially similar item for a fixed price. This causes one or more bidders to drop out of the bidding at the auction and depresses prices for the seller.

[8] As recently as April 2001, an e-mail to the author invoked eBay's identity as "the online community." Today, however, www.ebay.com describes itself as "the world's online marketplace," arguably another sign of a move away from community-based trust.

[9] In interviews with three eBay executives, each was asked why the Verified User program had not been implemented, at that time four months after it was scheduled; the question received three completely different answers. Perhaps the most forthright came from associate general counsel Brad Handler, who said, "That is a fun and exciting story which we can't actually talk about" (personal communication, August 11, 1999).

[10] This opportunity used to exist on the homepage, but is now located a page away after clicking on "Welcome New Users—Learn More" on the homepage, then "Find out why eBay is safe" on

the next page.

[11] The eBay User Agreement in 1999 actually defined the "community" as "built on trust." Such language is now absent.