

Search in second Hand market : The case of mobile phone

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Abstract

In this paper, I analyzed the search behavior of used mobile phone sellers and buyers in online trading platform by using sequential search model. The identification of search is achieved by variations in the duration and posted prices. I find that sellers face different selling costs which are mainly induced by the competition in the market. When competition level among the sellers is high, the more price dispersion is observed. It is consistent with the literature that studied positive relationship between the number of sellers and price dispersion. In equilibrium, consumers have higher search costs for the less competitive brand.

Keywords: *smartphone; secondhand; search.*
