

Sales and self: The non-economic value of selling the fruits of one's labor

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Researchers from Technical University of Munich, University of Vienna, Erasmus University, WU Vienna University of Economics and Business, and Cornell University published a new paper in the *Journal of*

Marketing that suggests that the rise of people selling their self-made products on electronic platforms cannot be explained by a desire to make money. The research finds that selling self-made products increases individuals' happiness beyond any economic returns from sales.

The number of people selling their handcrafted goods on electronic platforms such as Etsy, Amazon Handmade, Artfire, Aftcra, and Folksy is at an all-time high. The increase in sellers on these platforms has become a major source of competition for traditional firms in several industries. For example, in 2020, Etsy reported a total transaction volume of around \$10 billion, with almost 4.4 million sellers offering handmade products to almost 82 million buyers. Its revenue growth accelerated to 185% in 2020 compared to 2017. The research team explains that "We show that individuals who sell their self-made products are happier than individuals who do not sell or sell less of their self-made products, even when those who sell more do not earn more money from those sales. We demonstrate that this effect exists because individuals offering their self-made products interpret sales as a positive signal from the [market](#). The sales are like customers telling them they are skilled and competent producers. In other words, artisans who sell more of their self-made products feel more competent, which in turn makes them happier." The researchers conducted eight studies to examine the non-economic benefits of selling. The first study analyzes survey data of Etsy sellers reporting their happiness during the last four weeks and finds that Etsy sellers were happier when they sold more products even when controlling for the profits and revenues from their sales.

Several additional experiments reveal the following:

- Sales increase sellers' happiness more when buyers make a deliberate choice to purchase sellers' products than when buyers choose sellers' products at random.

- Sales increase sellers' happiness more when buyers incur higher monetary costs, even when those higher costs do not translate to higher monetary income for the seller (such as when buyers have to bear higher shipping costs).
- Individuals who sell more of their self-made products are happier than individuals whose self-made products receive more "likes," even when the monetary cost of liking a product to a customer equals the monetary cost of buying a product.
- Sales increase sellers' happiness more when they sell their self-made products than when they sell products that are made by someone else.
- There is also a flipside to the positive effect of sales. Failing to sell a self-produced item decreases artisans' happiness. In fact, they are less happy than those who are not trying to sell their own products, even when both make the same amount of money.

Overall, the research elucidates the non-economic value of sales: Selling makes people happy above and beyond the monetary rewards from those sales. The findings show that engaging in market exchanges can provide a positive source of meaning and happiness for people.

More information: Benedikt Schnurr et al, EXPRESS: Sales and Self: The Non-Economic Value of Selling the Fruits of One's Labor, *Journal of Marketing* (2021). [DOI: 10.1177/00222429211064263](https://doi.org/10.1177/00222429211064263)

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