WRI INDIA

PRACTICE NOTE

Secondhand Shopping: Understanding Consumer Behavior toward Pre-owned Clothing in India

A Consumer Survey Report

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GLOSSARY

Circular business model	In the apparel industry, this model attempts to interrupt the linear process by reusing or recycling clothes before they become waste, where material retains its value as the waste from one life cycle becomes the raw materials for the next.
Consigner	An individual who would like to sell clothes previously owned/used by them.
Linear business model	Also known as the take-make-waste business model, a linear model in the apparel industry follows the progression of extracting raw material inputs and manufacturing the materials into clothes, which are used and then discarded as waste.
Reuse business model	A business model that is included in the larger circular economy, this business model makes profits through increased use that involves a financial transaction in exchange for used garments while extending the active life of those garments.
Secondhand clothing	A garment that has been previously owned or used by someone else. Also known as pre-owned clothing.

TYPES OF REUSE BUSINESS MODELS (NOT EXHAUSTIVE)^a

Models where ownership is maintained	Clothing provision service model	A model where the consumer pays for an apparel service or subscription for an extended amount of time or that is renewed at regular intervals (e.g., monthly), after which time the garments are returned and provided to another service user. Ownership of and responsibility for the garment are maintained by the merchant.
	Rental model	Consumers hire a garment for a specified time period and then return the garment to the merchant. After return, the garment is made available to an additional consumer. Ownership of and responsibility for the garment are maintained by the merchant.
	Repair service model	Consumers pay for a repair service or subscription at the point of garment sale or afterward to repair garments to as-new standards. Ownership of and responsibility for the garment are maintained by the consumer.
Models where ownership changes hands	Resale model	The merchant collects garments through various collection schemes, and the garments are sold again to a new consumer as "secondhand clothing." Ownership of and responsibility for the garment change hands. It is sometimes referred to as "recommerce."
	Lease model	An agreement between the consumer and merchant to exchange ownership of and responsibility for the garment for an extended period, after which the consumer returns the garment to the merchant, who leases it to a new consumer. Ownership of and responsibility for the garment are a mix between merchant and consumer.

Note: a. This practice note focuses only on the resale model.

HIGHLIGHTS

- Informal methods of clothing reuse have existed in India for years, either as hand-me-downs or resold clothes in the informal marketplace. However, businesses, mostly start-ups, are just beginning to formally tap the value of underutilized clothes for profits and to move toward circular fashion.
- Understanding consumer motivation, attitudes, and behavior toward pre-owned, or secondhand, clothing is critical to inform and guide the actions of stakeholders participating in the transition to circular fashion. One of the crucial aspects of the transition involves a shift toward circular business models such as rental, resale, subscription, and so on. Insights into consumer behavior can help design effective circular business models and strategies that can minimize unintended consequences.
- During WRI, WRI India, and Waste & Resources Action Programme's (WRAP) Clothing Reuse Market Makers project, the lack of India-focused literature on consumer behavior toward clothing reuse was identified. The available literature was from countries that are significantly different from India, demographically, culturally, as well as economically.
- This practice note is an attempt to fill the gap by understanding the behavior of a group of Indian consumers toward secondhand clothing. This study dives deep into the clothing resale model to understand the motivation and behavior of consumers toward their purchase, use, and end-of-life handling of secondhand clothing based on their experience.
- Most respondents purchasing secondhand clothing are largely motivated by low cost and awareness of the environmental impact of secondhand clothing. Fewer than a quarter of the respondents, largely dominated by female shoppers, reported purchasing secondhand clothing before. Most respondents who shopped for secondhand clothing reported an increase in their overall clothing purchases either "sometimes" or "all the time".

EXECUTIVE SUMMARY

Background

Understanding consumer demand can help promote relevant circular business models:

A circular business model in the apparel industry attempts to disrupt the take-make-waste linear process by reusing or recycling clothes before they become waste, where material retains its value as the waste from one life cycle becomes the raw materials for the next life cycle. Clothing resale, one of the circular business models, is the focus of this practice note. The limited literature available on clothing resale is based on the behavior of consumers in the United States and Europe; the literature on Indian consumers is negligible. Consumer behavior in the United States and Europe is different from that in India due to vast differences in culture, demography, economic development, and per capita consumption, highlighting the need for India-focused research. For instance, the per capita consumption in 2019 for the United States was \$65,118 and for the United Kingdom \$42,300, whereas for India it was \$2,104 (World Bank n.d.). India is also a growing and significant consumer market, driven by increasing incomes and an expanding middle class. Gaining a better understanding of Indian consumers would aid stakeholders in designing business models that are appealing to and convenient for the consumers and at the same time can deliver environmental benefits while minimizing unintended consequences (e.g., inadvertently reinforcing linear consumption through reuse business models instead of challenging it). These data would be helpful for resale-focused start-ups, clothing retailers, and other enabling organizations that are a part of this transition.

Overcoming challenges to the adoption of circular business models can have a positive climate impact: According to the Ellen MacArthur Foundation, if a piece of clothing is worn twice the average number of times it is worn, there would be 44 percent lower greenhouse gas (GHG) emissions throughout its lifecycle, due to avoided production (assuming that secondhand operations consume 10 times less energy than that required for the production of clothing). The GHG estimates are

based on data for 2014, extrapolated to 2015–2050 (Ellen MacArthur Foundation 2017). Clothing is being massively underutilized, and global consumers lose about \$460 billion (2015) annually because clothes are prematurely discarded. Over a period of 15 years (from 2000), the global clothing utilization rate decreased by 36 percent—this trend has largely been driven by the fast fashion phenomenon. Retailers, focusing on maximizing profits by maximizing sales, would quickly churn out new designs at low prices, which are bought by consumers who use and discard them just after a few uses (Ellen MacArthur Foundation 2017). Circular business models such as clothing reuse business models can help retailers generate profits through reuse instead of the linear model.

Cohesive actions from consumers and companies can increase clothing utilization:

Clothing utilization can be increased through the adoption by companies and consumers of a clothing reuse business model such as resale, which is focused on generating profits by reselling clothing after its first sale. Clothing reuse promises potential environmental benefits, which can be realized when such business models are scaled up and are able to successfully challenge the status quo. Companies based on the idea of fast fashion would have to change the way they operate and confront linear consumption. The benefits of reuse business models can be realized when they are able to partially displace the purchase of brand-new clothing with secondhand clothing, thus reducing additional consumption that would create negative environmental consequences.

The resale business model is gaining traction in India, and a few resale-focused start-ups already exist in India: India has had an informal sector for clothing reuse for years, and at the same time, clothes have also been handed down within families or as donations to the needy. The formal sector, however, is just beginning to tap into the value of underutilized clothes for profit. This opportunity is predominantly being captured by start-ups, and there is a need to evaluate its impact on overall

consumption. The size of the formal secondhand clothing market in India is unknown as it is still very nascent and fragmented. Comparing other market trends from both developed and developing countries, we can expect a strong growth potential from resale business models. Although quite a few clothing-resale-focused start-ups have come up in India that cater to different consumer segments, this practice note looks at the resale model adopted by Kiabza, an online platform for buying and selling branded secondhand clothing. Kiabza was the only working group member of WRI, WRI India and WRAP's Clothing Reuse Market Makers project in India with an existing clothing reuse business model. Throughout the engagement with Kiabza, interesting India-specific insights on the clothing resale model came to light. Our collaboration with Kiabza for this practice note gave us an opportunity to survey their consumers and share the findings with industry stakeholders such as apparel brands, start-ups, and researchers.

This is a first-of-its-kind study in India, which provides a preliminary understanding of consumer behavior for exploring the clothing resale model in India. The authors urge stakeholders to undertake further research to develop a better understanding of the consumer motives underlying the purchase of secondhand clothing across their target consumer segments and its potential impact on environmental indicators. The study findings show that consumers are primarily motivated to purchase secondhand clothing by low cost or environmental concerns. Stakeholders can delve deeper into this to understand how clothing reuse business models can make better environmental choices affordable and accessible to consumers.

About This Practice Note

This practice note is part of WRI, WRI India, and Waste and Resources Action Programme's (WRAP) **"Clothing Reuse Market Makers"** project supported by the Laudes Foundation (former C&A Foundation), under their Bridging the Gap initiative (edie 2018).

This practice note aims to understand two main aspects of secondhand clothing, through the following questions:

1. Consumer Motivation
 - What motivates consumers in India to purchase and sell secondhand clothes?
 - What aspects of the resale model are important to them?
2. Consumer Behavior
 - What is the consumer purchase behavior toward secondhand clothes and how does it impact their overall clothing consumption?
 - Do consumers handle or discard secondhand clothes any differently compared to clothes used only by them?

This practice note presents insights from the analysis of primary data collected by the authors from potential and existing consumers of secondhand clothing, who buy from Kiabza as well as other sellers of secondhand clothing. Data were collected in May 2020 through two methods, an online survey and one-on-one interviews, to which the authors received 224 and 12 responses, respectively. The online survey was shared through the mailing lists and social media channels of WRI India and its partners, as well as through the Kiabza platform's mailing list. One-on-one qualitative virtual interviews were conducted only with customers of the Kiabza platform.

Survey respondents are from across age groups, with the majority being less than 35 years of age. The respondents are from diverse socioeconomic backgrounds. They are more likely to purchase clothes online. The collected responses were then analyzed, and we present our findings below. Because a practice note is aimed at providing analysis that is limited to the specific context presented, the survey findings should not be interpreted as being representative of potential and existing consumers for secondhand clothing. Although the survey was conducted during the COVID-19 pandemic, a period during which consumer behavior is likely to have changed, the survey focused on past shopping behavior.

The study shows that there is a potential market for secondhand clothing across lower-, middle-, and upper-middle-income groups. The following are insights from the study.

Key Insights

- Our survey suggests that buyers of secondhand clothing are more likely to be young (under 35) and female.
- Hygiene and the condition of clothes were reported as the top two barriers for respondents to purchase secondhand clothes. Respondents wanted to be assured of hygiene and the condition of secondhand clothes before they purchased them.
- Respondents are motivated by low price and the reduced environmental impact to purchase secondhand clothes. Our survey suggests that environmentally conscious respondents ensured that their overall purchases did not increase when they purchased secondhand.
- The formal secondhand clothing market in India is still in its early stages of consumer adoption, and there are opportunities to boost new circular business models such as resale. Our survey suggests that reuse business models can offer an opportunity for stakeholders to be both a buyer as well as a seller of secondhand clothing.

INTRODUCTION

The global fashion and clothing industry are at the threshold of a fundamental shift. The current fashion industry is not only wasteful and polluting, but continuing business as usual poses a profitability risk of about 3 percent to fashion companies by 2030 due to scarcer resources and the rising costs of materials, labor, and energy (Lehmann et al. 2019). There have been efforts in the past to mitigate the negative environmental and social impact of the fashion industry. However, those efforts were largely focused on incremental change related to doing “less bad” and were out of the reach of the masses, which limited the scale of adoption and the capability to achieve the desired change. More importantly, these earlier efforts were addressing the symptoms of the problem and not the root cause: unsustainable production and

consumption. The circular economy framework has the potential to address the root cause of the problem, which is unsustainable production and consumption, and reduce environmental impacts. The transition to a circular fashion system from the current wasteful and polluting “linear” fashion industry can help confront consumption, decouple a company’s success from resource use, and also go beyond the elite few. Consumers around the world, including in India, are showing interest in circular business models such as resale, rentals, and subscriptions, which make clothing reuse possible, instead of the wasteful linear business model (WRAP 2020).

According to research by the Ellen MacArthur Foundation, *clothing reuse* is one of the most direct levers that can be used to reduce waste and pollution in the fashion and clothing industry. An average consumer purchased 60 percent more clothes in 2014 than in 2000, but kept them for only half as long (McKinsey & Co. 2016). Estimates suggest that consumers discard more than half of fast fashion produced in under a year (Ellen MacArthur Foundation 2017). It is important to note that fast fashion is designed to make clothing obsolete after a few uses so that brands can maximize profits by selling more garments, as consumers would buy more apparel to replace obsolete ones. Increasing clothing utilization at scale is required to create a significant impact, which can be achieved by making longer-lasting clothes and maximizing their utilization by adopting circular business models such as clothing resale, which makes it possible for businesses to generate profits through reuse.

Resale is one of the clothing reuse business models that is gaining momentum—in 2019, resale of clothing grew 25 times faster than conventional retail, and in the next five years up to 2024, resale is poised to grow five times (\$64 billion in value), whereas conventional retail is expected to see a drop of about 4 percent (ThredUP 2020). In the wake of the supply chain disruptions caused by COVID-19, the growth of conventional retail turned negative (–24 percent) from its pre-COVID-19 growth levels, whereas ThredUp, a United States–based secondhand clothing platform, maintained growth at +20 percent (ThredUP 2020). The clothing resale market is poised to be worth \$80 billion by 2029, almost twice the size of fast fashion, which will be worth \$43 billion.

Secondhand clothing has been around as part of donations, hand-me-downs, and thrift stores. However, the new wave of looking at profits through reuse is something leading brands have either started tapping into or are keen to do. In the light of the COVID-19 pandemic, although the overall clothing demand is expected to decline, consumers are likely to buy secondhand clothing in an attempt to cut down on expenses (ThredUP 2020). These projections, however, are from the United States, which is a relatively more mature market than India for the resale business model.

Whereas the United States and United Kingdom have long had thrift stores, India has had an informal reuse economy powered mainly by street vendors or hawkers. Clothing reuse has also been a common practice in India. Clothes are handed down within families or as donations to the needy. The elder children's clothes get passed on to the younger ones, and after all those uses, if they are still in wearable condition, they might be given to domestic workers or to someone in need. If a garment is not in good condition, it is turned into a cleaning cloth. In recent years, fast fashion has made it relatively easier for consumers to buy more clothes. Clothing reuse through formal channels is still being explored by stakeholders such as apparel brands and start-ups, and growth is occurring in a fragmented manner at the level of individual firms; therefore, the size and growth of the clothing resale market in India are unknown.

Some of the leading retailers, such as H&M and Urban Outfitters, are exploring clothing reuse models such as clothing resale and subscriptions, and it is crucial that they realize the potential environmental benefits of reuse business models. Pilot-testing different reuse business models, understanding if they are able to displace some linear consumption, and working out how the model can influence consumer behavior, and vice versa, can help determine the success of these models when adopted at scale. Pilot-testing and adoption are predominantly occurring in more developed and mature markets, whereas in India, brands are engaging in research projects such as Clothing Reuse Market Makers to create enabling external conditions or to understand the market better.

This practice note is structured as follows: The authors first describe the clothing resale landscape in India. In the following section, the authors describe the

research design and the methodology employed to analyze the consumer responses obtained through online surveys and one-on-one interviews. Next, in the “Findings” section, the analysis of consumer attitudes, motivations, and behavior toward their purchase, use, and end-of-life handling of secondhand clothing is presented. The authors end the note by sharing the findings from their research and suggestions for stakeholders to advance research in this direction, as data crucial for the circular transition are lacking.

CLOTHING RECOMMERCE LANDSCAPE IN INDIA

India's textile and apparel sector is economically significant. In 2018–19, it contributed 7 percent to the industry output (in value terms) and 2 percent to the GDP. The sector is the largest employer in India; it employed more than 45 million people in 2018–19 (IBEF 2020). India is in the unique position of being both a major apparel-producing country as well as a consumption market. With a young population and a growing middle class, India is on track to becoming the sixth largest apparel market in the world in 2022 (McKinsey & Co. 2019). Factors such as an increase in income levels are expected to shift consumers from need-based purchasing to aspiration-based purchasing. With the growth of e-commerce and Internet penetration, consumers would have ready access to apparel from all parts of the country. *Changing Our Clothes*, a consumer demand report by WRAP (2020), which is a part of the Clothing Reuse Market Makers (henceforth referred to as Market Makers) suite of knowledge products, provides consumer insights. According to the report, relatively wealthier urban Indian consumers tend to shop more frequently than shoppers in the United States and United Kingdom. However, their average expenditure equals that of shoppers in the United States. The survey also identified a segment of shoppers that “love shopping”; they comprise young, frequent, and high-spending shoppers. Thirty-two percent of the respondents from India belonged to the “Love Shopping” segment as compared to 4 percent in the United Kingdom and 14 percent in the United States. Although the survey results are not directly comparable across countries because the India sample is not representative—being skewed toward urban wealthier citizens—they do give an idea about the potential shopping behavior

(WRAP 2020). As the emerging market grows, Indian businesses and consumers could adopt and scale new business models such as resale in order to leapfrog to a less wasteful fashion industry.

India has a large informal secondhand clothing market that operates by buying used clothing and selling it within India, usually from relatively higher-income groups to lower-income groups. For instance, members of the Waghri community of Gujarat bartered utensils for used clothes in cities and sold these to bulk buyers (Bapat 2016a). Though the import of secondhand clothing from other countries is restricted, they still make their way to consumers (Norris 2015). Apart from transactions that involve monetary exchange, non-monetary transactions include clothes being handed down within families or being donated to individuals or NGOs.

The formal clothing resale segment in India is fragmented and decentralized with not much literature available in the public domain. The segment comprises mainly start-ups of small and medium size, catering to different consumer segments and clothing types (casuals, Indian wear, designer wear, etc.). Although a large informal sector has been around for years, the Indian market is still at a nascent stage with respect to the adoption of clothing resale through formal channels. The resale business models can broadly be categorized as peer-to-peer marketplaces, managed/augmented marketplaces, and informal resale (see Table 1).

Through the course of the Market Makers project, the authors identified the lack of Indian-consumer-specific data on reuse of clothing. Most studies were either from the United States or European countries. India is significantly different, culturally and demographically, and in terms of per capita consumption and economic development, from other nations, and therefore an understanding of consumers and the market in a local context is required. This practice note is an attempt to fill that gap and prompt more stakeholders to follow suit.

To address the gap, a survey of Indian consumers was initiated in partnership with a clothing resale start-up called Kiabza (see Box 1). The Market Makers project had a working group in India comprising brands, manufacturers, and start-ups, and Kiabza was the only member with an existing clothing reuse business model. In the course of engagements with the founder, some interesting insights were learned about secondhand clothing and the resale model in the Indian context. Because the authors were aware of the lack of India-specific research on the subject, they created this case study to gather and share useful insights and understanding with stakeholders working toward advancing the transition to circular fashion in India.

Table 1 | **Resale Business Model Categories**

TYPES OF CLOTHING RESALE MODELS	ROLE OF THE BUSINESS
Peer-to-peer marketplace	This marketplace provides a platform for buyers and sellers (online) to conduct transactions by discovering each other and provides logistical and payment support, for which it charges a fee. No additional support such as quality checks, cleaning, and packaging is provided. One of the strengths of this model is creating a sense of community in like-minded people.
Managed/augmented marketplace	A managed marketplace (online), on the other hand, is more involved in the resale of a garment and removes the friction between buyers and sellers. It provides a managed platform, logistical support, payment support, sanitization of products, and quality checks as well as product packaging.
Informal resale	Informal resale usually occurs offline, either through hawkers in a local market or at the doorstep of the seller of used clothing.

Source: Adapted from ThredUP (2017) and Bapat (2016b).

Founded in 2018, Kiabza is one of the leading online B2C (buyer-to-consumer) marketplaces for buying and selling branded second-hand clothing in India. Due to their online presence, they have a country-wide footprint with 2,500+ consumers situated in metros as well as smaller cities and towns. Their annual turnover is about ₹33.6 lakhs (~\$45,273; figure provided by Nohar Nath, founder and CEO, Kiabza, in our discussions with him), and unlike large C2C (consumer-to-consumer) resale players such as OLX, Kiabza follows a B2C model focused only on resale of pre-owned fashion. Their business model is to generate profits by reselling secondhand clothing and extending their life, in contrast to the traditional business model, which extracts virgin resources to manufacture products and sells them to consumers, who discard them after use. In the case of Kiabza, instead of relying on the manufacturer, they source all the secondhand clothing listed on their website from consumers in India who purchase branded clothing, as import of used clothing in wearable condition is prohibited in India.

The platform caters to young (18–35 years), price-sensitive, environmentally conscious online shoppers from metros as well as non-metro cities and towns. It currently has an approved list of 1,500+ domestic and international brands they accept—from high street brands such as Zara and M&S to premium brands such as Armani and Hugo Boss. The price of the clothing listed on the website ranges between ₹300 and ₹3,000. Interested consigners can request a free pickup of clothing (a minimum of three garments) that goes through in-house quality checks including checking for brand authenticity. Approved clothes are sent for cleaning, after which they are photographed and listed on the website for sale. Clothes that do not pass the quality checks are donated to charity partners.

Source: Kiabza website

METHODOLOGY

The study was aimed at finding out consumer attitudes, motivations, and behavior toward their purchase, use, and end-of-life handling of secondhand clothing in India. As mentioned in the previous section, the authors wanted to capture insights by engaging with subscribers of Kiabza, as well as other existing and potential users of secondhand clothing. Because the focus was on learning from this specific case, the sample was not intended to be representative of the Indian market. This note presents an initial understanding of the motivations and behavior of different consumers belonging to various segments toward the purchase of secondhand clothing. The note also aims to help interested stakeholders understand an existing clothing resale model in the Indian market and the areas of further research. The survey is independent of any brands, and the authors anticipate that it will contribute to the ongoing discussions around circular business models in India. Two types of data collection methods were adopted as follows:

- **Online multiple-choice survey method (n=224):** Responses were received from those with and without prior experience of buying secondhand clothing, through an online multiple-

choice survey. The respondents comprised two groups—one, general respondents (n=202) who discovered the survey form through the mailing lists and social media channels (WhatsApp, Facebook, Twitter, LinkedIn, and Instagram) of WRI India and its partners. These individuals have access to the Internet, could be online shoppers, may have an interest in environmental issues, and are likely to hold views that might not represent those of the general population. No incentive was offered to the respondents of this group. The other set of respondents consisted of Kiabza subscribers (n=22), henceforth referred to as platform subscribers, who were reached through the platform's mailing list and social media accounts (Twitter and Instagram). Although these respondents were offered a reward for responding, the response rate was lower than expected. Respondents who had previously shopped from the platform were rewarded with an upgrade under their loyalty program, and those who were registered on the platform but had not purchased anything yet were given a gift voucher. The response rate is difficult to determine, as respondents

were contacted through multiple partners and channels, where tracking the overall reach is difficult. The online multiple-choice survey was designed by the authors, and they had referred to the questionnaire used for the consumer evidence report (WRAP 2020) to understand some general features of consumer shopping behavior. The survey captured insights into consumer attitude, behavior, and motivations toward different stages of their journey with secondhand clothes, from purchase and use to end-of-life handling (Appendix A). Although the survey was conducted during the COVID-19 pandemic, when consumer behavior could have changed, the survey questions focused on past shopping behavior.

- **One-on-one virtual guided interviews (n=12):** One-on-one virtual guided interviews were also conducted with a few customers of the platform (these were different from those who took the online survey) to obtain qualitative data. As very little is currently known about the subject, an open-ended data-gathering strategy was adopted. Kiabza reached out to customers with different kinds of shopping history to try and obtain heterogeneous responses. Twelve individuals, who agreed to be interviewed, shared their experiences in return for an upgrade under the platform's loyalty program and a gift voucher (Appendix B).

LIMITATIONS OF THE METHODOLOGY

Some of the limitations of the methodology are as follows:

- A practice note is aimed at providing analysis that is limited to the specific context presented, and this survey should not be interpreted as being representative of potential and existing consumers of secondhand clothing.
- The respondents are individuals who have access to the Internet, may have an interest in environmental issues, and are likely to have views that might not represent those of the general population.
- One of the other pitfalls of this methodology is that respondents might not differentiate secondhand clothes handed down to them from those purchased by them. Clothing reuse has been a common practice within Indian families, and consumer behavior toward them cannot

be treated in the same way as behavior toward clothes that have been purchased, as one of the major differences is monetary exchange, which may lead to differences in behavior.

- Although the authors have tried to validate the respondents' attitude toward the environment, readers must take into consideration possible non-response bias and self-reporting, due to which respondents might report socially desirable behavior.

FINDINGS

Consumer insights are presented in sections titled "Consumer Survey" and "One-on-One Interviews." The findings of these sections throw light upon two key aspects that authors are investigating as part of this note: consumer motivations and consumer behavior toward secondhand clothing throughout its lifecycle. We first introduce the reader to the demographic profile of the respondents and their general shopping behavior for clothing. Next, we try to understand consumer motivation and the barriers to purchasing secondhand clothing, as well as the aspects of the resale model that are important to consumers. Finally, we interpret consumer behavior toward purchasing, using, and disposing of secondhand clothing.

CONSUMER SURVEY

In this section, the demographic profile of the respondents and their general shopping behavior are presented, followed by findings that give an insight into consumer motivations and consumer behavior through two questions in each category.

Demographic Profile of the Respondents

Gender and Age: In terms of gender representation, there were more female respondents (60 percent) than male (39 percent), and some preferred not to choose either gender (1 percent). Young individuals under 35 dominated the responses among female (80 percent) and male (68 percent) respondents (see Figure 1).

Occupation and Income: Professionals (39 percent) had the highest representation among the respondents, and homemakers (3 percent) and part-time employed (1 percent) had the least representation. Students comprised 18 percent of the entire sample.

Figure 1 | Age and Gender Profile of Respondents

Source: WRI authors.

Nearly 63 percent of the respondents have a monthly family income either “between ₹1 and 3 lakhs (35 percent)” or “more than ₹3 lakhs (28 percent).” The sample was skewed toward the upper-middle and upper class (note: Income class described based on Kochhar [2015]). Income numbers are self-reported and indicative; some discrepancy is possible either because respondents did not differentiate between the monthly family income and personal income while responding, or because respondents were not open to disclosing accurate income-related data.

Geographical Distribution: Geographically, the respondents were from 41 Tier-I, Tier-II, and Tier-III cities (X, Y, and Z cities/towns as classified by the Ministry of Finance, Government of India, in 2015 [Ministry of Finance, 2015]), across 18 states of India. Indian cities are primarily classified based on the population according to the latest available census data. Tiers also indicate the level of development of the city, with Tier I being the most developed and Tier III being relatively less developed. Whereas most of respondents belonged to cities classified as Tier I (74 percent) and Tier II (21 percent), some also belonged to Tier III cities (5 percent). The largest number belonged to the western (58 percent) and northern (23 percent) parts of India (see Figure 2).

Table 2 | Income Distribution

CLASS	MONTHLY FAMILY INCOME	REPRESENTATION (%)
Lower	Less than ₹25,000	5
Lower middle	₹25,000–50,000	10
Middle	₹50,000–1 lakh	22
Upper middle	₹1 lakh–3 lakhs	35
Upper	More than ₹3 lakhs	28

Source: WRI authors.

Figure 2 | Region-Wise Respondents

Source: WRI authors.

India's consumers, especially the youth and non-metro-city consumers, are a crucial part of the country's journey to becoming one of the world's largest markets. Understanding consumer behavior and motivation among the young and those belonging Tier-II and Tier-III cities would help businesses tap into a significant consumer segment.

General Shopping Behavior

Frequency of Shopping and Monthly Expenditure

Fifty percent of the respondents shop for clothing "Once every few months," with most (66 percent) of them having an average monthly expenditure on clothing between ₹1,001 and ₹4,500. More than half (61 percent) of all respondents have a monthly expenditure in the range of ₹1,001–₹4,500. Shoppers with a relatively low average monthly expenditure of "Less than ₹1,000" shopped for clothing either "Once every few months" or "Once or twice a year" (18 percent); see Figure 3.

Relatively high shopping frequency behavior is observed across different categories of "average monthly shopping expenditure." Although sufficient data on how many pieces of clothing are purchased each time are not available, it is observed that purchase of low-priced clothing does not necessarily mean poor clothing quality, short use cycles, and in turn high consumption—low shopping frequency is observed among shoppers with low monthly average expenditure.

Which Are the Store Types from Which Respondents Prefer to Purchase Different Types of Garments?

Respondents were asked to share the types of stores from which they preferred to purchase clothing for four distinct clothing categories: Casual wear, Formal wear, Occasional wear, and Woolens (see Table A.1 in Appendix A). They were also asked to select the average price of the T-shirt they would usually purchase, to help the authors understand the preferred price range of the respondents.

Figure 3 | Average Monthly Expenditure and Shopping Frequency for Clothing

Source: WRI authors.

The largest number of respondents chose garment types in the mid-market segment (e.g., Shoppers Stop), and hence this segment recorded the highest number of responses overall. This was followed by garments in the value segment and the premium segment (e.g., Tommy Hilfiger). For the purchase of casual wear, the highest number of consumers purchased from the value segment (e.g., Pantaloons), closely followed by Mid-market and Local stores. The Local Stores and Supermarket segments (e.g., Fashion at Big Bazaar) were popular for casual wear, with very little interest in the other apparel types. Similarly, the Super Premium segment was popular mainly for occasional wear; see Figure 4.

When asked about the average price of a T-shirt that respondents usually purchase, from a range of “Less than ₹300 to above ₹5,000,” 72 percent of the total sample selected a price range of ₹300–₹1,200, with the highest responses recorded in the price range of ₹600–₹1,200 (42 percent).

Consumers showed significant interest in shopping for clothing from the mid-market and premium segments. However, considering the average price of a T-shirt purchased, a cost-conscious segment does exist.

Understanding this mindset is useful for the resale business model to embrace the style of shopping favored by Indian consumers.

Consumer Motivations

Our survey found that 22 percent of the total respondents have purchased secondhand clothing before. Answers to two key questions regarding consumer motivations are presented in this section:

- What motivates consumers in India to purchase and sell secondhand clothes?
- What aspects of the resale model are important to them?

Note: This section might also include a few responses based on experiences with hand-me-downs.

Figure 4 | Shopping Trend—Apparel Types and Stores

Source: WRI authors.

What Motivates Consumers in India to Purchase Branded Secondhand Clothing?

Respondents were asked to rank five of the listed motivations from 1 to 5, with 1 having the greatest influence and 5 having the least influence on their purchase decision (see Table 3).

The primary motivation for respondents to purchase secondhand clothing was to reduce their environmental impact, followed by being able to acquire branded secondhand clothing at a lower price point compared to brand-new ones. Respondents with relatively lower incomes were primarily motivated by the low price point of secondhand clothing. The least two influencing factors among respondents were getting an opportunity to try out brands at low prices before purchasing them and getting new styles in a pocket-friendly manner (see Figure 5).

In order to validate respondents' attitudes toward the environmental impact of the clothing industry, they were asked whether purchasing secondhand clothing gave them a feeling of satisfaction at having helped divert waste from the landfill and reduce the carbon footprint. Of the 49 respondents who had purchased secondhand clothing before, 88 percent said "Yes," 8 percent of the sample said "No," and 4 percent said that although they felt a sense of satisfaction, they also realized that it is a small part of a bigger lifestyle change that is required.

This was followed up with a question eliciting motivating factors that were not listed in the previous question. Some common factors included interest in vintage or unique pieces of clothing, or the emotional value attached to secondhand clothing. Some other responses that were received included purchasing secondhand clothing from a friend or known source, purchasing secondhand clothing to push for better

wages and in a way contribute to ethical fashion, and getting access to bigger brands that they would not normally purchase or brands that are rare to find in India. For some respondents, the ability to access new styles regularly was a motivating factor. Understanding the motivating factors can help brands design their product and service offerings as well as their communication strategies. Consumers motivated by the reduced environmental impact of secondhand clothing purchases might be interested in knowing the magnitude of the environmental footprint reduction they achieved with their purchase. To estimate this, the brand might need to use certain metrics and change what they communicate and how.

The reduced environmental impact owing to purchasing secondhand clothing and its low price were reported to be the two biggest factors influencing the purchase decision. Secondhand clothing offers both cost savings and lowers the environmental impact by helping reduce GHG emissions.

Barriers to Purchasing Secondhand Clothing

We found that 78 percent of the respondents had not purchased secondhand clothing.

They were asked if they had ever been interested in purchasing used clothing before. Respondents who said they had been interested before were asked what had held them back from making a purchase. Because this is a relatively larger sample size, it is more representative compared to the findings on purchase/use/disposal behavior in the section below titled "Consumer Behavior."

Table 3 | What Influences Consumer Choices When Buying Secondhand Clothing?

RANK	WHAT INFLUENCES CONSUMER CHOICES WHEN BUYING SECONDHAND CLOTHING?
1	Purchasing pre-owned clothing can reduce the environmental footprint
2	Lower price point compared to brand-new clothing
3	Being able to purchase more branded clothing with the same amount of money
4	You get to try out clothing from a brand at a low price before you buy brand-new clothing from it
5	You get to wear new styles every few weeks in a pocket-friendly manner

Source: WRI authors.

Figure 5 | What Influences Consumer Choices When Buying Secondhand Clothing?

Source: WRI authors.

Have You Ever Been Interested in Purchasing Secondhand Clothing Before?

Our survey found that more than half (58 percent) of the respondents had not been interested in purchasing secondhand clothing, whereas 37 percent had been interested earlier. About 6 percent of the respondents gave qualitative answers to the question—some respondents said the concept was new to them and they were yet to explore it, or that they had used hand-me-downs but had not purchased used clothing. Respondents also said they would be more comfortable purchasing outerwear such as jackets than clothes that come directly in contact with their skin. One of the respondents said they purchased used clothes as a student because of a limited budget, but would not do so otherwise.

What Aspects of the Resale Model Are Important for More Consumers to Buy Secondhand?

Understanding the factors that hold back consumers from purchasing secondhand clothing (see Appendix A): The top two common barriers that held back respondents from purchasing secondhand clothing pertained to the hygiene

factor and the condition of clothing (see Figure 6). The maximum number of respondents felt that secondhand clothing sounded unhygienic, followed by their perception that secondhand clothing might be damaged, faded, or stretched. These findings are representative because the sample size is relatively larger compared to those who have purchased secondhand clothing before.

Respondents were also asked if they would be interested in purchasing secondhand clothing if the barriers chosen by them were effectively tackled. We found that 46 percent of the respondents would be interested, 35 percent were undecided, and 19 percent said their lack of interest in buying secondhand clothing would not change even if the barriers were effectively tackled.

When asked about what would motivate them to buy secondhand clothing, the largest number of respondents wanted quality and hygiene assurance followed by an interest in knowing the magnitude of the positive environmental impact the buyer is

Figure 6 | **Top Two Barriers to Purchasing Secondhand Clothing**

Source: WRI authors

able to create by purchasing secondhand clothing. Among respondents with a relatively low income, the low price point of clothing was the most popular response, followed by the ability to know the magnitude of the positive environmental impact created by their purchase of secondhand clothing.

Assurance regarding both the hygiene and the condition of secondhand clothing can increase interest among consumers in buying secondhand clothing. Moreover, low price and the ability to know the magnitude of the positive environmental impact created by purchasing secondhand clothing can motivate consumers to shop for it.

Motivation to Sell Secondhand Clothing

The key motivation to sell secondhand clothing was to not let used clothing sit idle in their wardrobe, and instead allow someone else to wear it. For some respondents, the motivation was to be able to generate some money by selling used clothing. Seventy-eight percent of the respondents said they have sometimes used the money received by selling secondhand clothing to purchase new clothing. Motivating consumers to sell their used clothing will be a critical aspect of the resale business model, to ensure that the demand for secondhand clothing is catered to.

It would be important for consumer motivations to be tapped into, in order for them to adopt a new behavior of selling their used garment for someone else to purchase. Introducing new behaviors through the business model and communications could influence the movement of secondhand clothing.

Respondents who have purchased secondhand clothing before are motivated by low price and the reduced environmental impact. Those who have not purchased secondhand clothing before reported hygiene and the condition of clothing to be the top barriers to buying secondhand clothing. Stakeholders such as start-ups and retail brands that are already engaged in, or that may be interested in, adopting the clothing resale model can conduct their target-segment-specific research to understand the consumer barriers and motivations. Business model offerings can then be designed in a way that motivates consumers to buy secondhand clothing and addresses their concerns such as hygiene.

Key motivators for consumers to sell secondhand clothing are extending the life of clothing or being able to generate some money by selling clothing.

Consumer Behavior

In this section, the authors present answers to two key questions on consumer behavior:

- **Purchase behavior** – What is the consumer purchase behavior toward secondhand clothing and how does it impact their overall clothing consumption?
- **Consumer use and disposal behavior** – Do consumers handle or discard secondhand clothing any differently compared to clothing used only by them?

Consumer Behavior: Purchase

WHAT IS THE LEVEL OF CONSUMER INTEREST IN PURCHASING SECONDHAND CLOTHING, THE PROPORTION OF SECONDHAND CLOTHING IN THE WARDROBE, AND FROM WHERE DO THEY BUY IT?

Our online survey found that 22 percent of the respondents had purchased secondhand clothing before, out of whom 71 percent are women, 27 percent are men, and 2 percent individuals who preferred not to choose binary genders. Among those who had purchased secondhand clothing,

45 percent purchased only from physical stores (offline), and 31 percent purchased from online platforms. Twenty-four percent of the respondents said they acquired secondhand clothing from both online platforms as well as physical stores.

To understand the proportion of secondhand clothing owned by the respondents, they were asked to provide an estimate of the proportion of secondhand clothing in their wardrobe in terms of low (0–20 percent), medium (21–50 percent), and high proportion (>50 percent).

Overall, 73 percent of the total number of respondents have a low proportion, 18 percent have a medium proportion (only female respondents), and 8 percent have a high proportion of secondhand clothing in their wardrobe. More male respondents (92 percent) have a lower proportion of secondhand clothing in their wardrobe as compared to female respondents (68 percent). None of the male respondents reported having a medium proportion (21–50 percent) of secondhand clothing in their wardrobe, but 9 female respondents (26 percent) reported having a medium proportion (see Figure 7).

Overall, it is observed that more women tend to purchase secondhand clothing compared to men. Our findings show that men and women exhibit equal interest in secondhand clothing among those who are a part of a platform offering secondhand clothing. This is a consequence of consumer interest and awareness of secondhand clothing among those individuals. Although more data are needed to determine whether women purchase clothes for only themselves or for the entire family, it is observed that in addition to cost and environment benefits, brands could benefit by aligning their resale model for female consumers.

HOW FREQUENTLY DO RESPONDENTS PURCHASE SECONDHAND CLOTHING?

More than half of the respondents said they shop for secondhand clothing either once or twice a year (37 percent) or once every few months (29 percent). Only 6 percent of the respondents said they shopped for secondhand clothing a few times a month. About 37 percent of the sample showed a similar shopping frequency for conventional retail and secondhand clothing. About half (51 percent) the sample shopped for secondhand

clothing less frequently than for conventional retail, and 12 percent of the respondents reported purchasing secondhand clothing more frequently.

Most male (38 percent) and female (37 percent) respondents shopped for secondhand “once or twice a year.” It was observed that respondents who were platform subscribers shopped for secondhand clothing more frequently as compared to those who were not.

Respondents could also select an option other than those provided, and 14 percent of the respondents opted to do so. These respondents shopped for secondhand clothing once or twice in a few years, either when they traveled abroad or felt a specific need to buy secondhand, and one of them said all their secondhand clothes were hand-me-downs from relatives. Understanding the frequency of purchasing secondhand clothing gives an insight into both the respondent’s level of interest in and purpose of purchasing secondhand clothing. A one-off purchase of secondhand clothing, although better than buying brand new, would not help much unless the behavior is seen more frequently and across different clothing categories. In an ideal scenario, those purchasing

Figure 7 | Proportion of Secondhand Clothing in Wardrobe (N=49)

Note: One respondent who preferred not to select binary genders, had a proportion of secondhand clothing in their wardrobe of above 50 percent.
Source: WRI authors.

secondhand clothing at a low frequency should move to buying them at a higher frequency in order to reduce their environmental footprint (see Figure 8).

It was observed that platform subscribers shopped for secondhand clothing more frequently as compared to other respondents. One-on-one surveys show that the platform caters well to the consumers' need to acquire branded clothing at low prices or interest in adopting sustainable lifestyles, as the case may be. We recommend conducting additional research. Our observations show that well-informed customers can enable the scale-up of resale by choosing secondhand clothing over new clothing.

Does secondhand clothing lead to an increase in overall purchases of clothing?

It is critical to examine whether respondents who purchase used clothing do so in addition to purchasing the brand-new clothing they generally shop for, whether they do not change their overall shopping for clothing, or whether their usual purchases are displaced by the secondhand clothing in any way.

Figure 8| Frequency of Purchasing Secondhand Clothing

Note: One respondent who preferred not to select binary genders, shopped for second-hand clothing "once every few months"; "Others" include hand-me-downs, purchases made once in a few years, or one-off purchases.
Source: WRI authors.

More than half (59 percent) of the respondents admitted to purchasing used clothing in addition to their usual clothing purchases. Thirty-seven percent of the respondents observed this shopping behavior in themselves "sometimes," whereas only 4 percent said that buying secondhand clothing does not increase their overall clothing purchases (see Figure 9).

It is observed that purchasing secondhand clothing may result in increased overall clothing purchases. Start-ups and brands adopting resale business models need to understand this aspect of consumer behavior among Indian shoppers, in order to create the desired impact: displacement of conventional retail purchases by secondhand clothing.

Consumer Behavior: Use and Disposal

DO CONSUMERS HANDLE OR DISCARD SECONDHAND CLOTHING ANY DIFFERENTLY (USE PHASE AND END-OF-LIFE PHASE) COMPARED TO CLOTHING USED ONLY BY THEM?

Those who had purchased secondhand clothing before were asked if they cared for them any differently compared to brand-new clothing. Fifty-five percent of the respondents said they do not care for secondhand clothing any differently from brand-new clothing, whereas 20 percent said they care for secondhand clothing differently. About 24 percent of the total respondents said they care for secondhand clothing differently sometimes (see Figure 10).

Respondents who selected "yes" were asked how they cared for secondhand clothing differently. They were provided with multiple choices and were asked to select all the applicable answers. The highest number of respondents said they would repair secondhand clothing if something needed to be fixed. This was followed by respondents saying they would wash secondhand clothing less often or wear them more often compared to non-secondhand clothing. The use phase behavior of consumers can impact the overall use of resources such as water throughout the lifecycle of the garment. If consumers perceive that secondhand clothing has to be washed more often, higher water usage would occur than had they purchased brand-new clothing.

In addition to the handling of secondhand clothing throughout its active life, the authors were also interested in understanding consumer behavior toward the end of life of such clothing. Respondents

were asked if they tend to discard secondhand clothing sooner than non-secondhand clothing. Half (51 percent) of the respondents disagreed, saying they do not discard secondhand clothing sooner. Thirty-three percent of the respondents admitted to doing so sometimes, and relatively fewer respondents selected yes (10 percent). Further, the authors attempted to understand what respondents did with the secondhand clothing after they were done using it. Most respondents (78 percent) said they would give their used clothes away to someone who could still use them. Understanding the end-of-life handling of clothing is useful for understanding whether the clothing is being underutilized and whether strategies can be adopted to bring the garment back for someone else to purchase or as recycled inputs for a new garment.

It is observed that consumers who buy secondhand clothing and handle it differently tend to take extra care in maintaining the clothing in comparison to their new clothing. It is also observed that a significant number of consumers retain secondhand clothing longer than new clothing.

At the end of the life of secondhand clothing, most respondents reported further extending the life of the clothing by giving it away to someone who could continue using it. It is important to understand how to care for secondhand clothing as well as its life span to enable business models that allow collection of clothing at different lifecycle stages of secondhand clothing.

Consumer Behavior: Interest in Selling Secondhand Clothing

Respondents who had purchased secondhand clothing before were also asked about their interest in selling their used clothing. Our survey found that 82 percent of the respondents had not sold their secondhand clothing before, whereas the remaining 18 percent had.

Out of those who had sold their secondhand clothing before, 56 percent of the respondents sold used clothing at a very low frequency (i.e., once or twice a year or less frequently). Out of the remaining 44 percent, half of them sold used clothing at a medium frequency (i.e., once every few months) and the other half at a high frequency (i.e., almost once every month or more frequently). The largest number of

Figure 9 | Do You Purchase Secondhand Clothing in Addition to the Clothes You Generally Purchase?

Source: WRI authors

Figure 10 | Caring for Secondhand Clothes

Source: WRI authors.

respondents had previously sold their secondhand clothing online. Our findings also show that only around 18 percent of respondents who shop for secondhand clothing are also sellers of such clothing.

In addition to understanding consumer motivations and attitudes, the actual impact is reflected in consumer behavior toward secondhand clothing throughout its lifecycle: purchase, use, and end-of-life handling. Only 22 percent of the respondents reported having purchased secondhand clothing before, and these were mostly women. Most of the respondents reported that secondhand clothing makes up less than 20 percent of their wardrobe. It was reported that for the most respondents, purchasing secondhand clothing led to an increase in their overall clothing purchases. The impact of purchasing secondhand clothing on overall clothing consumption is a critical aspect to consider, as it determines whether the potential of secondhand clothing to reduce the environmental impact can be realized. Strategies can be formulated to disincentivize additional purchases that can add to the problems of underutilization and waste generation. The use phase and end-of-life treatment also affect the overall impact of secondhand clothing, based on whether they are handled any differently or discarded any differently compared to non-secondhand clothing. More than half the respondents reported that they do not handle secondhand clothing differently, nor do they discard secondhand clothing sooner than non-secondhand clothing.

Selling used clothing is not a very popular concept among Indian consumers. Only 18 percent of the respondents who are buyers of secondhand clothing have sold their used clothing.

ONE-ON-ONE INTERVIEWS

In addition to the survey method of data collection, one-on-one virtual interviews were conducted with 12 consumers who had previously purchased from the platform. The sample comprises 7 female respondents and 5 male respondents belonging to various Indian cities, with most respondents from Tier-I and Tier-III classified cities. More than half of the respondents (7) were either students or recent graduates between 20 and 25 years of age.

The two main types of respondents were frequent shoppers (n=5), that is, those who shop a few times a month; and low-consumption shoppers or environmentally conscious consumers (n=4).

Secondhand clothing is appealing to young students who are frequent shoppers as well as environmentally conscious consumers belonging to Tier-I, Tier-II, and Tier-III cities.

Purchasing Secondhand Clothing: Motivation

The primary motivation for half the respondents to purchase secondhand clothing was to be able to acquire branded clothing at affordable prices. Four of the respondents consider the lower environmental impact of secondhand clothing as a motivation. They opted for secondhand clothing because they wanted to try and move away from fast fashion and make more sustainable choices. Of the remaining two respondents, one of them was interested in the platform as they were doing social good by donating to NGOs and at the same time offering branded clothing to buyers at affordable prices. It was also interesting to note that one of the respondents did not believe in climate change or the need to adopt a sustainable lifestyle to reduce one's environmental footprint. This respondent's consumption, however, was inherently low, characterized by shopping for clothes once or twice a year and using them for long periods of time (between 5 and 10 years). The motivation to purchase secondhand clothing came from an online advertisement about branded clothing available at lower prices.

Consumers who buy secondhand clothing are motivated to do so because they either want to buy branded clothing at affordable prices or are making a conscious effort to adopt a sustainable lifestyle. Consumers continue to emphasize hygiene whether their consumption is high or low.

Experience with Purchasing and Using Secondhand Clothing

Eleven out of 12 respondents had not purchased any secondhand clothing before they shopped on the platform. Their shopping experience on the platform could have begun from anywhere between two years before to two months before the date of the interview. Some may have made one-time purchases, whereas others may have purchased multiple times. The lone respondent who had prior experience in shopping

Respondent Perspective:

"Learning about the negative environmental impacts of the clothing industry made me more open to the idea of using secondhand clothes."

for secondhand clothing before buying from the platform had done so in the United States and in India, through physical as well as online channels.

Because almost all (92 percent) the respondents were shopping for secondhand clothing for the first time, some of them expressed a little hesitation while placing the first order as they were going to receive a used product and not a brand-new one. In our interactions with the respondents, two aspects of shopping secondhand stood out as part of the consumer shopping experience:

- **Communication of the condition of the product:** Purchasing secondhand clothing was a first-time experience for many consumers, and they experienced some uncertainty about the condition and quality of the product they would receive. The online medium of purchase does not allow the consumer to touch and feel the product before making the purchase decision. Accurate descriptions of the condition of the garment listed on the platform were appreciated by consumers and in turn helped build trust and reduce any consumer friction toward making subsequent purchases.
- **Standardizing the sizing of the listed clothing:** Secondhand clothing is sourced from consumers and not from clothing manufacturers, making standardization a concern. These clothes often feature various domestic apparel brands and international brands that could have been purchased from different countries. Clothing sizing charts differ from brand to brand, but the same brand might also adopt different sizing charts across different clothing types and geographies. This can make it tricky for consumers to ascertain the correct size. The platform has tried to solve this problem by creating its own sizing chart and displaying the size according to this chart alongside the brand size in the product description for the convenience of the buyer.

In order to try and understand the differences in the use phase consumer behavior toward secondhand clothing, the interviewees were asked if they handled secondhand clothing any differently from their brand-new clothing; for example, if they washed it more frequently or less frequently. Ten out of 12 respondents said they treated secondhand clothing similarly to how they treated brand-new clothing, one of the respondents was a little more careful while handling secondhand clothing, and one respondent was not in a position to observe this behavior as the secondhand clothing was purchased recently.

Online shopping cannot replace store shopping for secondhand clothing, but online platforms must maintain transparency to ensure that the shopping experience is close to the offline shopping experience. Transparent communication about the condition of clothing, and standardizing and simplifying sizing are an important aspect of the consumer's secondhand clothing shopping experience.

Impact of Purchase of Secondhand Clothing on Shopping or User Behavior

Varied responses were received from the interviewees. Three of the respondents did not share any insights into the impact of purchasing secondhand clothing on their shopping trend or user behavior. It was either due to one-off purchases or because they had not had the chance to use the clothing they purchased at the time of their interview.

Six responses were captured from the group of environmentally conscious consumers who either purchase clothing based on their needs or are more inclined toward the sustainability aspect and are trying to be mindful of their environmental footprint. For this group, purchasing secondhand clothing has not added to their overall purchase of clothing. It was interesting to note that two of the respondents shared that secondhand clothing made up between 20 percent and 50 percent of their wardrobe.

Respondent Perspective:

"I don't like purchasing something that has been used by someone else, so I purchase secondhand clothes that still have tags on."

The remaining three interviewees noted that purchasing secondhand clothing did not lead to any reduction in their purchase of clothing; in fact, either there was no change in consumption or there was an overall increase in clothing purchases due to the purchase of secondhand clothing. One of the consumers shared that since the introduction to secondhand clothing, their purchase of brand-new clothing has been displaced by secondhand clothing. However, the overall number of pieces of clothing purchased has increased as the lower price enabled them to acquire more clothing of their choice.

Secondhand clothing is available at a comparatively lower price. Consumers who buy secondhand clothing to reduce their environmental impact also need to ensure that they are not increasing their overall clothing purchases.

End-of-Life Treatment and Interest in Consigning Secondhand Clothing

In order to understand what happens to secondhand clothing after the end of its useful life, we asked the interviewees about what they generally do with the secondhand clothing after its useful life.

For most respondents, the condition of the clothes—and not whether they were firsthand or secondhand garments—determines whether they would be handed down to relatives or donated. Two of these respondents shared that they used some of their clothes over many years, ranging from 5 to 25 years, and if the clothes were still in good condition, they would give them to someone who could use them. In India, used clothes that are not in wearable condition are often used as a cleaning cloth, and one of the respondents mentioned this as a possible option.

In addition to purchasing secondhand clothing, the platform also allows individuals to sell their branded secondhand clothing on the platform after

it has gone through the necessary quality checks. In our interviews, we asked interviewees about their interest in selling their used branded clothing on the platform. All the respondents were unaware of such an option being available to them, but half of them expressed interest in considering selling their secondhand clothing on the platform. Half of those who have been donating used clothes said they would consider exploring the option of selling secondhand clothing on a platform such as Kiabza, and most respondents said that the money they earn from it would not necessarily be used to purchase additional clothing. Four of the 12 respondents said they would prefer passing on clothing to someone in the family or donating them rather than monetizing them.

Irrespective of whether a piece of clothing is firsthand or secondhand, if it is in wearable condition, consumers prefer handing it down to relatives or donating it. Additional research is needed to ascertain what happens to clothing that is handed down.

According to research by ThredUp in 2017, 69 percent of shoppers of secondhand clothing in the United States also sell secondhand clothing (ThredUp 2017). When we compare this figure to the percentage of our respondents who do both—buy and sell secondhand clothing—it is clear that the Indian market is at a nascent stage of adopting this model. There is a lot of scope for buyers of secondhand clothing to also sell their used clothing and similarly for a lot of consignors to buy secondhand clothing and displace their brand-new purchases. When we try and achieve this, it will be important to ensure that the purchase of secondhand clothing does not increase the overall clothing purchases; rather, the goal should be to displace the purchase of brand-new clothing to some extent. The ease of selling used clothing on online platforms can influence consumer behaviors.

INSIGHTS

The concept of using secondhand clothing has been around in India for a long time. Secondhand clothing has been handed down, donated, bartered, imported illegally, and sold in informal markets. Purchasing and selling secondhand clothing through the formal sector is gradually becoming popular, which is evidenced by the growing number of clothing resale start-ups such as Kiabza, Stylflip, and Etashee, among others. Our focus on Indian consumers and a start-up based in India gave us a glimpse into their behavior toward the purchase, use, and end-of-life handling of secondhand clothing. *(Note: Although the survey was conducted during the COVID-19 pandemic, a period during which consumer behavior is likely to have changed, the survey focused on past shopping behavior.)*

Respondents buying secondhand clothing are largely motivated by low cost and awareness of the environmental impact of secondhand clothing.

- Data collected by the authors showed that purchase of secondhand clothing is mostly seen among young shoppers (under 35). They include frequent shoppers as well as those who are environmentally conscious.
- A higher number of female shoppers reported having purchased secondhand clothing and tended to have a larger proportion of such clothing in their wardrobe.
- India is a cost-conscious market, and the fact that the low price point of secondhand clothing is an important influencing factor in purchase decisions reinforces this perception. Reducing the environmental impact is also reported to be a primary motivating factor. Buying secondhand clothing instead of new clothing can help reduce the reliance on virgin materials and in turn help reduce resource consumption and waste generation.
- Our survey suggests that interest in buying secondhand could be increased by transparently providing assurances about the hygiene and condition of secondhand clothing.

Buying secondhand clothing can help increase utilization if consumers ensure that their overall clothing purchases do not increase. Environmentally conscious consumers can better balance their needs and aspirations.

- It was observed that respondents engaged on a secondhand clothing platform tended to shop for such clothing more frequently. Most consumers who shopped for secondhand clothing increased their overall clothing purchases. However, those who purchased secondhand clothing to reduce their environmental footprint did not increase their overall clothing purchases.

More than half (55 percent) the respondents reported that they do not care for secondhand clothing differently compared to non-secondhand clothing, whereas the other half do, either sometimes or regularly. They tend to wash or wear secondhand clothing at a different frequency. More research is required to improve our understanding of how consumers use and dispose of secondhand clothing.

- Respondents who handle secondhand clothing differently compared to non-secondhand clothing tend to maintain the garment by repairing it when needed or by washing it less often. Some respondents made it a point to wear secondhand clothing more often.
- More than half the respondents in our survey reported that they do not discard secondhand clothing sooner than their regular clothing. Consumer behavior at the end of the garment's life is similar for most respondents across the online survey and one-on-one interviews. They prefer to further extend the life of the garment by giving it away to someone who could continue using it.

Resale is slowly emerging as an alternative business model.

- With the growing number of different types of resale platforms, consumers today have the option of selling their used clothes on such platforms instead of discarding them. In the current scenario, about 73 percent of clothes are landfilled or incinerated (Ellen MacArthur Foundation 2017), and brands can play an important role in reducing this by taking back the garment at the end of its complete life and returning it to the apparel industry as material input.
- Apart from donating, discarding, or utilizing their used garments as cleaning cloths, consumers can also sell them. The concept of selling used clothing is not popular among consumers of secondhand clothing in India. If they were to sell their used clothing, the key motivators for them to do so would be to extend the life of clothing or to be able to earn some money.

Start-ups and brands adopting resale business models to address environmental concerns would have to understand how consumer motivations and behavior can be influenced to create the desired impact. They should focus on at least partial displacement of conventional retail by secondhand clothing and ensure that these models do not reinforce consumerism through incentives that encourage consumers to buy more. They would also have to focus on redesigning garments and innovation, as products from the linear business models would have to be made suitable for the circular business model.

Stakeholders in India can tap into circular business models, which have the potential to reduce the environmental footprint and recover otherwise lost economic value; however, several changes are required to fully realize this. One of the most important changes apparel brands and manufacturers have to make is to create clothing designed for durability, reparability, and recyclability in order to move consumers away from discarding apparel after a few uses and to create conditions for apparel to have more than one life. Policy can play an important role in bringing about the changes required for a transition to a circular fashion system.

APPENDIX A: ONLINE MULTIPLE-CHOICE SURVEY QUESTIONS

(Note: The original survey used the term “pre-owned” instead of “secondhand”)

Understanding Consumer Behavior toward Purchasing Pre-owned Clothing

(SECTION 1 OF 4)

- Name**
- Gender (select one):**
Female, Male, Prefer not to say
- City**
- Age group (select one):**
Below 20 years, 21-25 years, 26-30 years, 31-35 years, 36-40 years, 41-59 years, 60+ years
- Occupation (select one):**
Student, Professional, Entrepreneur, Homemaker, Full-time employed, Part-time employed
- Monthly family income:**
Less than ₹25,000; ₹25,000–₹50,000; ₹50,000–₹1 Lakh; ₹1 Lakh–₹3 Lakhs; More than ₹3 lakhs
- How frequently would you say you shop for clothes (online and offline)? (select one)**
About once per week or more, Few times a month, About once a month, Once every few months, Once or twice a year
- How much on an average do you spend in a month on purchasing clothes?**
Less than ₹1,000; ₹1,001–₹2,500; ₹2,501–₹4,500; ₹4,501–₹9,000; ₹9,001–₹15,000; Above ₹15,000
- Please select the types of stores from where you purchase different kinds of clothes you use. (See Table A.1. Select all applicable options. Mark “Not Applicable” for store types you do not purchase from at all.)**
- What is the average price of the T-shirts you generally purchase?**
Less than ₹300; ₹300–₹600; ₹600–₹1,200; ₹1,200–₹1,700; ₹1,700–₹5,000; Above ₹5,000.
- Have you ever purchased pre-owned clothing?**
Yes; No

Table A.1 | Types of Stores from Which Consumers Purchased Clothes

	CASUAL	FORMAL (OFFICE WEAR)	OCCASIONAL WEAR	WOOLENS
Local stores				
Supermarket segment (e.g., V-Mart, Fashion at Big Bazaar)				
Value segment (e.g., Pantaloons, Reliance Trends)				
Mid-market segment (e.g., Shoppers Stop)				
Premium segment (e.g., Tommy Hilfiger, Nautica)				
Super premium segment (e.g., Hugo Boss, Armani Exchange)				

Your Experience with Buying Pre-owned Clothing

(SECTION 2 OF 4)

(those who selected "Yes" in Q. 11 will be directed here)

12. **Which platform/store have you purchased pre-owned clothing from? (select all applicable options)**

Online – Kiabza, Online – Other Platforms, Store (Offline)

13. **What proportion of your wardrobe is made up of pre-owned clothes?**

0–10%, 11–20%, 21–30%, 31–40%, 41–50%, Above 50%

14. **How often do you find yourself purchasing pre-owned clothing?**

About once a week, Few times a month, About once a month, Once every few months, Once or twice a year, Other

15. **Below are examples of motivations behind purchasing branded pre-owned clothing. Please rank the following motivations in the order of their level of influence on your purchase. (1 being most influential and 5 being least influential)**

- Lower price point compared to a brand-new one
- Being able to purchase more branded clothes with the same amount of money
- Purchasing pre-owned clothing can reduce your environmental footprint
- You get to wear new styles every few weeks in a pocket-friendly manner
- You get to try out clothes from an apparel brand at a low price before you buy brand-new clothes from it

16. **Is there any other motivation for you to purchase pre-owned clothing other than the ones listed in the previous question?**

17. **Does purchasing pre-owned clothes give you a sense of satisfaction of helping divert waste from the landfill and reducing your carbon footprint?**

Yes, No, Other

18. **Do you purchase pre-owned clothes in addition to the clothes you generally tend to purchase?**

Yes, No, Sometimes

19. **Do you care for pre-owned clothes differently as compared to brand new clothes? For example, wash it more/ less often because they are pre-owned?**

Yes, No, Sometimes

20. **How would you say you care for pre-owned clothes differently? (select all applicable options)**

- Not applicable – Selected "No" in the previous question
- Wash it less often
- Wash it more often
- Wear pre-owned clothes less often compared to other clothes
- Wear pre-owned clothes more often compared to other clothes
- Discard the pre-owned clothes instead of repairing
- Repair pre-owned clothes if something needs to be fixed

21. **Do you tend to discard pre-owned clothes sooner than you would discard clothes owned only by you?**

Yes, No, Sometimes, Other

22. **What would you do with the pre-owned clothes after you are done using them?**

- Give away to someone who could still use it
- Throw away in the garbage bin
- Use it as a cleaning cloth
- Send it for a textiles recycling program
- Other

23. **Have you ever sold your pre-owned clothes to a platform/store that purchases pre-owned clothing?**

Yes, No

Your Experience with Selling Pre-owned Clothing

(SECTION 3 OF 4)

(those who selected "Yes" in Q. 23 will be directed here)

24. **How frequently would you say you sell your pre-owned clothes to a clothing re-sale platform/ store?**

Low frequency (i.e., once or twice a year or less), Medium frequency (i.e., once every few months), High frequency (i.e., once or more almost every month)

25. **Where do you usually sell your pre-owned clothing? (select all applicable options)**

Online – Kiabza; Online – Other Platforms; Store (Offline)

26. **Why do you generally sell your pre-owned clothes? (select one)**

- To get rid of clothes I don't use anymore
- The fashion trend for that particular design is almost over, and I don't see myself wearing it again
- Free up my wardrobe space for new clothes by giving away clothes I don't use anymore
- Generate some money by selling used clothes so I can purchase new ones
- There is market value even for a used product and I would like to claim that value
- I feel someone else could use these clothes instead of them just sitting in the wardrobe

27. **When you sell your pre-owned clothing, do you tend to spend the money to purchase more clothes? (select one)**

Sometimes, Always, Never, Other

Interest in Buying Pre-Owned Clothing

(SECTION 4 OF 4)

(those who selected "No" in Q. 11 will be directed here)

28. **Have you ever felt interested in purchasing pre-owned clothing?**

Yes, No, Other

29. **Which of the following holds you back from purchasing pre-owned clothing? (select all applicable options)**

- Items might be damaged, faded, stretched
- The clothes might not look new
- It sounds unhygienic
- The size might not fit me
- The price wouldn't be worth it vs. buying new
- Sounds like too much work

30. **Would you be interested in purchasing pre-owned clothing if the issues marked in the previous question are addressed?**

Yes, No, Maybe

31. **What would motivate you to buy pre-owned clothing? (select all applicable options)**

- Low price point
- Quality and hygiene assurance
- Hassle-free purchase experience
- Low effort purchase experience
- Free returns
- Knowing the extent of positive environmental impact I'm able to create by purchasing pre-owned clothing
- Better accessibility to pre-owned clothes

APPENDIX B: VIRTUAL INTERVIEW QUESTIONS

1. How frequently do you shop for brand new clothes?
2. What made you shop for pre-owned clothing from Kiabza? How frequently do you shop for pre-owned clothing?
3. Are you brand/price conscious or did you choose Kiabza because of sustainability/circularity reasons?
4. Has purchasing pre-owned clothing changed how many clothes you shop for? Both brand new vs. pre-owned?
5. Are you able to purchase products from brands you weren't able to buy from earlier? Is it because of the price point?
6. Do you handle pre-owned clothing differently? That is, use, wash them differently?
7. For how long do you keep pre-owned clothing vs. brand new clothing? What happens at the end of its life?
8. Would you be willing to consign your branded products on Kiabza?
9. What would motivate you to consign your branded products on Kiabza?
10. If they have consigned their branded products on Kiabza in the past: How often do you consign your branded products on Kiabza? Do you like to purchase more clothes from those earnings as a result?

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