sciendo

Croatian Regional Development Journal | Vol. 3 No. 2 | 2022

Paper type: Research article

The Retail Second-hand Clothing Sector in Developing Economy: Case study of Liberia

Peter Davis Sumo

College of Textile Science & Engineering and International Institute of Silk, Zhejiang Sci-Tech University, Hangzhou, Zhejiang, 310018, China. ORCID: 0000-0002-0750-1997

Abstract

The proliferation of environmental awareness and the growing recognition of the significance of sustainability has resulted in a new trend of retailers embracing second-hand reselling from unsold or unwanted inventories. Their numbers are increasing while also leveraging various business models, strategies, and procedures. This study uses a survey data of 154 responses from retailers of second-hand clothing across four cities in Liberia to evaluate the used clothing sector in the country. Findings from the survey highlight that while the SHC value chain encourages sustainable consumption, it is also a promoter of economic growth, particularly for developing countries emerging from war. Its retail growth potential is closely tied to the level of economic development geared toward supporting subsistence activities. Findings also show that respondents strongly oppose banning the importation of used clothes and the notion that second-hand undergarments pose health challenges. These findings are essential for providing business owners with understanding of the retailing process and how they can strengthen their foothold in the used clothing sector. They also emphasize the used clothing industry's significance in Liberia and create avenues for future research.

Keywords: second-hand clothing, retailers, Liberia, sustainability development, textile waste management

Received: 20.9.2022.
Accepted: 1.10.2022.

DOI: 10.2478/crdj-2022-0013

Introduction

The advent of fast fashion (FF) dates back to the early 2000s. This trend aims to produce fashion rapidly to achieve maximum profit. Global clothing consumption has increased from 7 to 13 kg per person over the last two decades, amounting to a total of 100 million tonnes, of which two-thirds are discarded in landfills (Hur, 2020). Inaccurate forecasts are a defining feature of the FF supply chain, resulting in an imbalance between supply and demand and a reduced product lifespan. 85% of clothing that are two weeks old is either deemed outdated or worn out, at which point it must be thrown away as garbage, disposed of for recycling, or given to charitable organizations (Maiti, 2020; Sunhilde & Simona, 2014). As a result of this enormous increase in textile waste, resource efficiency has become one of the most significant challenges the fashion industry must confront. The sector must rapidly implement new sustainable business strategies and models to lengthen garments' life cycles (Gopalakrishnan & Matthews, 2018). This desire for sustainable consumerism motivates customers to reuse, recycle, and resell fashion items while also drawing attention to the potential value of waste textiles as a renewable resource (Hansen & Le Zotte, 2019). Second-hand clothing (SHC) is a reselling movement that has matured tremendously over the last few decades with an annual growth rate of over 11%, significantly reshaping the fashion industry (Zaman et al., 2019). However, retailers who sell second-hand clothes are perceived as part of a shady industry that sells clothes of inferior quality and operates in a way that is not fully integrated with the mainstream economy. There is an inherent problem with this perception that also tends to impact customers' perceptions of the clothing items: it does not consider the possible expansion and flourishing of the SHC trade. The trade of SHC is an essential supply chain connecting developed and developing countries. This supply chain is worth hundreds of millions of dollars and is essential to many ancillary commercial operations (Mhango & Niehm, 2005).

The overwhelming majority of SHCs are processed for resale in emerging markets, a crucial step in delivering fashion products to customers in under-developed African nations (Katende-Magezi, 2017; Mhango & Niehm, 2005). More than 80% of the African population is believed to be wearing SHCs, imported chiefly from the United States, China, UK, Germany, Korea, etc., as shown in Figure 1 (Mwasomola & Ojwang, 2021; Statista, 2022). There is an immediate market for these garments across Africa because they are less expensive, durable, and more fashionable than those produced locally (Emefa et al., 2015). As a result, its demand is creating job opportunities for hundreds of thousands of people throughout Africa (Baden & Barber, 2005; USAID, 2017).

Studies on retailing of SHC in Africa are advancing, particularly in East Africa. However, studies on retailing used clothes in West Africa are limited, particularly for smaller countries such as Liberia that lack a well-structured local textile industry. Used clothes are a prominent example of an imported consumer commodity famous on the Liberian market. The United States, China, South Korea, Canada, and other European countries are the primary sources of used clothes brought into the Liberian market. Regardless of the volumes of these trades, the used clothes industry of Liberia is not well

documented. Still, its trade plays a vital role in providing affordable clothing and associated commodities to consumers across the country.

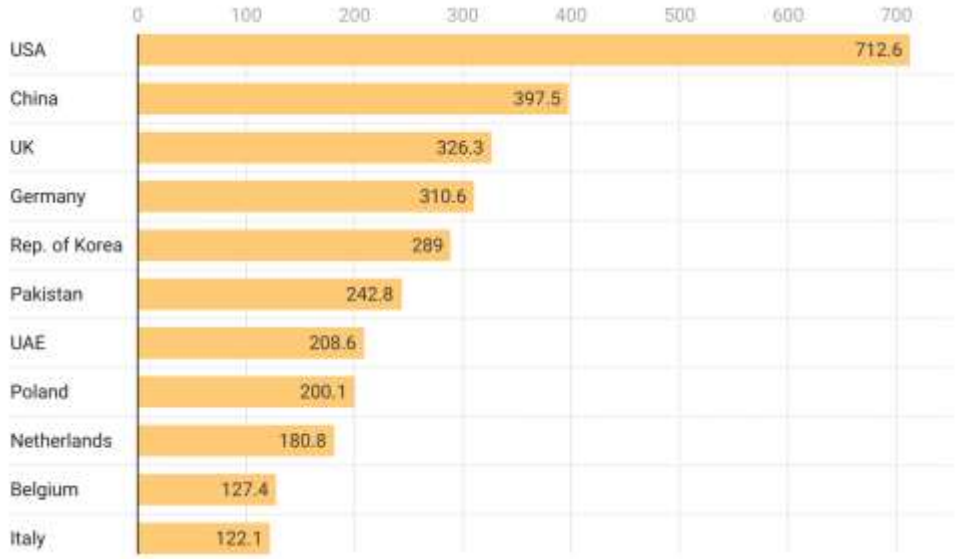


Figure 1: Used clothing leading exporters worldwide 2020. Trade value in US dollars. Source: (Statista, 2022).

Furthermore, the importance of the SHC supply chain in Liberia can be viewed from two angles: it creates markets for Liberians to take advantage of while also creating a sense of responsibility for sustainable growth. The increase in sales profits realized by many informal SHC vendors in the country could be attributed to this factor. Small and medium-sized enterprises have the potential to pursue lucrative business opportunities in the SHC trade at both wholesale and retail levels and to see competitive benefits from doing so. This, therefore, makes it possible for Liberia to benefit from an increase in the number of jobs available in the used clothing industry. This is, in fact, evidenced by new regulations issued by the government allowing only Liberian citizens to import and sell used clothing or own businesses engaged in such activities.

This study aims to evaluate the hidden SHC trade's potential while shedding light on the growth of the second-hand clothing market in Liberia. In addition, issues of socio-economic benefits of SHC are discussed to serve as examples for other under-developed nations who are unsure about the viability of this industry. Our study provides a comprehensive overview of the retailing process and suggestions on how Liberian business owners can strengthen their foothold in the used clothing sector. Doing so will highlight the necessity for future research in the second-hand clothing sector in Liberia, as it is relatively unexplored and has excellent potential for future research. In addition, from a consumption point of view, it highlights a significant relationship between sustainability and socially responsible consumption.

The rest of the paper is organized as follows: in the next section, we present an overview of the second-hand clothing market of Liberia. Section 3 presents a brief

review of the literature followed by the study methodology in section 4. The results and discussion are presented in the fifth section. In the final section, we present a brief conclusion and highlight several recommendations for future studies.

Overview of Liberia's SHC Market

Second-hand clothes are imported to Liberia from the US, China, Korea, and other European countries such as Germany. SHC is a popular commodity in Liberia, even among those who can afford new clothes. This can mainly be attributed to the fact that it is widely available and is very affordable on the market. In Monrovia, for example, the most popular places for buying and selling used clothing are the Waterside, Red-Light, Duala markets, or the recently opened Omega market. Other inland cities also have large centers or markets for buying and selling second-hand clothes. Many types of clothing are traded, such as shirts, dresses, pants, jeans, trousers, towels, and underwear for men, women, and children. The clothes are either hung on stalls (similar to those you would see in boutiques), spread on the floor, or carried around in wheelbarrows by sellers for buyers to choose from.

Table 1: Value of second-hand imported clothing from USA and China to Liberia 2017-2021. Source: UN Comtrade

	USA		China	
Year	**Quantity (kg)**	**Value (US$)**	**Quantity (kg)**	**Value (US$)**
2017	8453879	9321761	1851120	718908
2018	9135983	9285737	1609251	567042
2019	8476779	8519554	1383812	578877
2020	8458390	8240008	1691290	1730974
2021	8132473	7398566	1523801	4450164

Most second-hand clothes sold in Liberia are brought in through bales of containers. As a result, it provides economic support that varies from emerging and structured businesses to subsistence activities that are created for the sole purpose of survival. Thus, the Liberian SHC supply chain follows four trade categories: survival activities, micro-enterprises, medium to large-scale enterprises, and importers (wholesalers of bales/containers). The survival category includes retailers only motivated by their level of poverty. The micro-enterprise class consists of those retailers with some level of microcredit support and has the potential to expand. This category also, in large part, plays the role of wholesaler and distributor in remote markets. The medium to large scale category is more economically effective and productive than the previous two categories. Some retailers in this category sometimes extend to the level of being importers or wholesalers. Until recently, the importation of SHCs has been largely dominated by Lebanese and other nationals of Asian origins. Many importers have storage facilities in the Waterside market close to the Free Port of Monrovia and Red-

Light, where bales are kept before being sold. As mentioned above, the function of importers does not extend to conventional sale activities such as inland distribution and sales. Monrovia is the only place of employment for those who fall into this category. Individual SHC traders can then acquire bales directly from them at their warehouses. These categories allow the Liberian market for used clothes to offer several distinct benefits and efficiencies that support entrepreneurial activities at different levels.

Traders recently lamented several challenges, such as the rising cost of bales and the poor quality of bales they receive. The quality of used clothes naturally varies, and the quality of bales is decided by the sorting process, which might sometimes contain items of lower quality. This is a severe challenge as buyers are not allowed to inspect the clothes in the bales they are purchasing. This presents a situation of being either lucky or unlucky. Those fortunate earn a lot of money from a good bale, while those poor quality bales wreak havoc with their finances. When such a poor quality bale is received, refunds are not granted. However, it could be communicated to the wholesaler, who will try to amend the situation by offering a discount for the next purchase. It's uncommon for a discount of this kind to be granted to a local retailer, but it may be possible if they buy a lot or are a regular client.

Items of good quality bales procured from wholesalers/importers are again classified into three categories by local traders: good quality, average and worn-out. Final selling prices are determined based on these classes. Local vendors find consumers for all these classes for the following reasons (Wetengere, 2018): The lower grade SHCs are exceptionally more affordable, to the point that the vast majority of the less fortunate can afford them. Compared to new clothing imported from Asia, most people believe that SHC, especially that which originates in Europe and the United States, is of a higher quality. Consumers believe the product will have a longer lifespan because of the superior quality of SHC. Customers have the conception that the SHCs, specifically those imported from Europe and the US, were manufactured by well-known brands, which confers fame and popularity on the wearer. In addition, many customers are under the impression that SHCs are more attractive and fashionable than newly imported ones. Economically disadvantaged consumers believe wearing brand-new clothing is only for important occasions, such as attending church or participating in other formal events. This is probably because brand new clothing is more costly, leading to a shift in demand for used clothing. Another reason to acquire SHC is the desire to have a one-of-a-kind appearance and be noticed for being outstanding. In contrast to newly manufactured garments from Asia, it is unlikely to discover two individuals wearing second-hand dresses of comparable quality and design.

Literature Review

The advent of fast fashion since the early 2000s has hastened the expansion of the volume of discarded clothing. Inaccurate forecasts are a defining feature of the FF supply chain, resulting in an imbalance between supply and demand and a decreased product lifecycle (Sunhilde & Simona, 2014). It has led to a worldwide textile consumption of 7 to 13 kg per person in the previous two decades, totaling 100 million tonnes, of which two-thirds end up in landfills (Hur, 2020). In the US alone, a recent study by (THREDUP, 2022) finds that tons of clothing items are thrown away, of which 95% could be reusable. Thus, the quest for a circular economy and sustainable consumption encourages customers to reuse, recycle, and resell while treating textile waste as a renewable resource (Gopalakrishnan & Matthews, 2018). The reselling model known as second-hand clothes has massively developed with 11% yearly growth (Zaman et al., 2019).

SHCs are considered valuable clothing consumption alternatives since people in third-world countries are experiencing extended economic decline, poverty, and declining purchasing power (Brooks & Simon, 2012; Hansen, 2006; Mhango & Niehm, 2005). It is estimated that the United States exports more than half a million tons of used clothing every year, with African countries, such as Kenya, Ghana, Mozambique, Senegal, Nigeria, and Zimbabwe, being amongst the top buyers of these second-hand clothes (Baden & Barber, 2005; Brooks, 2012; Manieson & Ferrero-Regis, 2022; Thompson & Peter, 2015). Because they are cheaper, simpler to wear, more durable, and more stylish than locally manufactured, SHCs have ready markets across the continent (Baden & Barber, 2005; Emefa et al., 2015). It also provides job opportunities in trade, distribution, repairs, laundry services, and upcycling (Baden & Barber, 2005). These employment opportunities sustain the livelihoods of hundreds of thousands of people across the continent (Baden & Barber, 2005; USAID, 2017).

The trade is also equipping Africans with new knowledge about how old clothes can be creatively rebranded into new clothes and accessories, with more people already turning to these upcycled fashions for sustainable re-consumption in Nigeria and Ghana. These SHC rebrandings are also seen as new ways of adding African styles and values (James & Kent, 2020; Thompson & Peter, 2015).

The expansion of the SHC supply chain on the continent calls for an organizational structure and interconnection between sales and distribution channels that will lead to the growth of small and medium-sized enterprises in the SHC formal sector (Mhango & Niehm, 2005). Furthermore, the expansion of the industry is creating entrepreneur opportunities for Africans to benefit from globalization in unimaginable ways (Cooper & Rivoli, 2006). These entrepreneurship opportunities are crucial in the fight to alleviate the continent's widespread problem of extreme poverty, especially in Liberia (Sumo et al., 2022).

Methodology

Study Design and Sample Size

A survey was designed to evaluate the SHC retailing process while highlighting how Liberian business owners can strengthen their foothold in the used clothing sector. Liberia is located on the west coast of Africa. It is transitioning from a post-conflict society to a developing nation with long-term economic objectives and growing investments in infrastructure and natural resource utilization. The country is currently overcoming the effects of the conflict that lasted for 14 years. With progressive investment and political participation supporting long-term objectives, there is now evidence of expansions across industries and trade, encompassing the used clothing sector.

Due to Covid-19 restrictions, which hindered the researchers from traveling for in-person interviewing, an online questionnaire was constructed using the Microsoft Forms platform and administered to retailers using a purposive sampling method. We used the purposive sampling method rather than a random selection method because of the nature of our questionnaire, which required some reading and comprehension ability to fill out. Even though this approach highlighted some educational level requirements, we nonetheless tried to strike a balance to collect a wide variety of perspectives from participants of various levels that ranged from primary to tertiary.

The questionnaire was designed into four sections. The first section contained 12 questions for collecting information about respondents' social demographics, following the example of (Ren et al., 2018). Section two contained 12 questions evaluating the economic benefits of SHC (Nawaz et al., 2021). Retailers are essential to a circular economy because of their unique position in the supply chain between upstream suppliers and downstream consumers (Vadakkepatt et al., 2021). Thus, it was compelling to include questions on circular economy (13 questions) to evaluate retailers' attitudes toward sustainable retailing characteristics (Yang et al., 2017). The last section contained four questions on government policy action toward restricting the import of used clothes, as discussed in other papers (Katende-Magezi, 2017; USAID, 2017; Wetengere, 2018; Wolff, 2020).

The questionnaire was pilot tested, and based on feedback, several adjustments were made. The survey was administered online to SHC retailers in four cities across Liberia (Monrovia, Kakata, Gbarnga, and Voinjama) using various social media platforms, including Facebook, WhatsApp, Instagram, Messenger, and Telegram. The average time spent filling out the questionnaire was between 10 and 15 minutes. Study participants were eligible if they were 18 years of age or older, were retailers of second-hand clothes, could read and speak English, and had access to the internet via computer or smartphone. The survey generated a total of 154 responses between

November 24, 2021, and March 24, 2022. Two respondents (with master's degrees) willingly agreed to be interviewed for the study.

Data analysis

We used Microsoft Excel 2021 for data capturing, cleaning, and coding. The coded data was exported to SPSS version 26 software for descriptive statistics analysis, followed by a cross-tabulation to compare frequencies and percentages of responses to questions about different factors of SHC retailing in Liberia. In addition, a few statistical techniques were employed to assess the associations between demographic characteristics and features of SHC retailing. Reliability analysis using Cronbach's Alpha was also conducted, where an α-value of 0.96 was considered statistically significant.

Results and Discussion

Social-Demographic Characteristics

The social demographic characteristics of the study participants are summarized and presented in Table 2. As can be seen from Table 2, male respondents were 25.3%, while females were 74.7%. Gender distribution in our study was largely unbalanced, with more women (115) involved in retailing used clothes than men (39). The imbalanced gender distribution might be because most second-hand garments imported into the country are women- and children-targeted. Furthermore, women attach more passion to the sales of used clothing compared to their male counterparts and have a significantly rising comfort level with buying second-hand clothes, as they continue to compare deals and make more effort to spend less. For instance, in the 2021 ThredUp report (THREDUP, 2022), 60% of women were identified as open to buying second-hand clothes, up from 45% in 2016. On the other hand, men's clothing choices are more elegant, tough to decide, rare to find, and have higher market prices.

Our finding conforms to that of (Emefa et al., 2015), whose survey found 19% more women involved in the SHC wholesaling than men. Interestingly, our finding, coupled with that of (Emefa et al., 2015; James & Kent, 2020; Thompson & Peter, 2015), highlights a significant difference in gender participation in the SHC value chain between West Africa and the results of gender differences found in studies from East Africa (see Khurana & Tadesse, 2019).

Age-wise, 27.3% of the respondents were between the ages of 18 and 25, 31.8% reported being between 26 and 33, and 23.4% were 34 to 41. In comparison, 17.5% were between 42 and 49 years old, indicating that all the survey participants were in their youthful ages (below 50 years), which echoes in other studies such as (Khurana & Tadesse, 2019). This may be attributable to two significant factors: first, it may be due to the challenging nature of the second-hand clothing business (Emefa et al., 2015; Wetengere, 2018). Secondly, it may be that the youths, who comprise 53% of the entire

Liberian population, are becoming developmentally oriented and consider innovative, progressive ideas and potential, which should be explored in an empowering environment (Woods, 2011). Youth participation in national dialogues and various sectors of the Liberian society, including the economy and trade, is a step forward in the national reconstruction process following the end of the 14-year civil unrest. In contrast, the SHC retail sector seems to favor more single individuals (70.1%) compared to 29.9% who reported as married, engaged, divorced, or widow/widower.

The educational levels of respondents include those who have or are expected to complete primary education 37.7%, respondents who have or are expected to complete secondary education 58.4%, bachelor's (those pursuing or have obtained undergraduate level degrees), 2.6%, and 1.3% report as master's degree holders. Respondents for the three educational levels (primary, secondary & bachelor) reported as either completed or yet pursuing the educational level mentioned because questions on the engagement type of respondents revealed that 34.4% reported schooling while selling used clothes, while the rest are solely engaged in selling used clothes with no formal schooling attached. The higher representation of low education levels is a significant attribute of the SHC value chain. It highlights how informal and open the sector is for new entrants (Mhango & Niehm, 2005). In addition, it provides evidence that working in the second-hand clothes industry does not necessarily require high academic achievement; instead, it calls for the vendor's dedication, tenacity, and laborious effort (Emefa et al., 2015).

In contrast, as shown in Table 2, religion plays a significant role in the SHC value chain from the global north to the point of consumption in the global south. This was highly reflected in our survey as more Christian retailers (77.3%) were involved in the trade than their Muslim counterparts (22.7%). Unlike Christians who view used clothing as donations and a blessing from the majority Christian charities from the global north (Brooks, 2013; Hansen, 2014), Muslims consider the vending of most used clothing as not in accordance with Islamic business ethics (Abjadi & Huzaini, 2018).

As previously mentioned, SHC's retail growth potential is closely tied to the level of economic development solely geared toward supporting subsistence activities, mainly for most retailers in the survival activities category. From Table 2, the majority of respondents (57.1%) with number of children between 1 to 3 are in this category. The same holds for respondents with 4 to 7 children (22.1%). An exciting discovery from this attribute was that many respondents who reported having children also reported being single. This is not entirely surprising as many women were left widowed in the Liberian civil war that lasted for 14 years. As such, these retailers mainly sell to sustain themselves and their children since they lack the infrastructure, the capability, and the capital to develop to the level of the micro-enterprises category.

Table 2: Sociodemographic characteristics of respondents

Demographic Attribute		Frequency	Percentage (%)
Gender	Male	39	25.3
	Female	115	74.7
Marital Status	Single	108	70.1
	Married	17	11.0
	Engaged	11	7.1
	Divorced	10	6.5
	Widow/widower	8	5.2
Age	18-25	42	27.3
	26-33	49	31.8
	34-41	36	23.4
	42-49	27	17.5
Educational Level	Primary	58	37.7
	Secondary	90	58.4
	Bachelor(undergraduate)	4	2.6
	Masters	2	1.3
Religion	Christianity	119	77.3
	Islam	35	22.7
Engagement Type	Schooling & Selling	53	34.4
	Only Selling	101	66.6
Number of Children	0	32	20.8
	1-3	88	57.1
	4-7	34	22.1

Economic Benefits

On a scale of LD$0.00 to above LD$110,000, respondents were asked to select a range that best describes the level of their monthly income before and after joining the SHC trade. 37.7% of respondents earned between LD$0.00-10,000 before joining the used clothing business as compared to 26.0% after entering the trade. Furthermore, 11.7% reported earning between LD$20,000 and LD$40,000 before joining the industry. Interestingly, this figure was increased to 18.8% in the same range for respondents after joining. More exciting discoveries were made in the monthly income questions section because no respondent reported earnings above LD$80,000 before joining the SHC trade, whereas 5.2% and 6.5% reported making LD$90,000-110,000 and LD$110,000 and above, respectively, since engaging in the used clothes business (see Figure 2).

The influence of the SHC supply chain, particularly in nations with low purchase ability, is evident. Even though the value of the SHC industry accounts for just 5% of the entire textile industry, it accounts for more than 30% of the value of imports to least

developed nations and more than 50% of the volume of those imports. In Monrovia, a retailer can earn between LD$20,000 and LD$110,000 a month by selling second-hand clothes. The responses from the participants highlighted that a significant portion of the Liberian populace favors SHC over boutique shops and, to a somewhat lesser extent, over inexpensive clothes imports from China. The product's excellent quality, long lifespan, and competitive pricing were cited as the primary reasons for customer interest. In addition, in contrast to the low-cost polyester garments imported from China, most used clothes in the nation are made of cotton, making them more appealing to buyers.

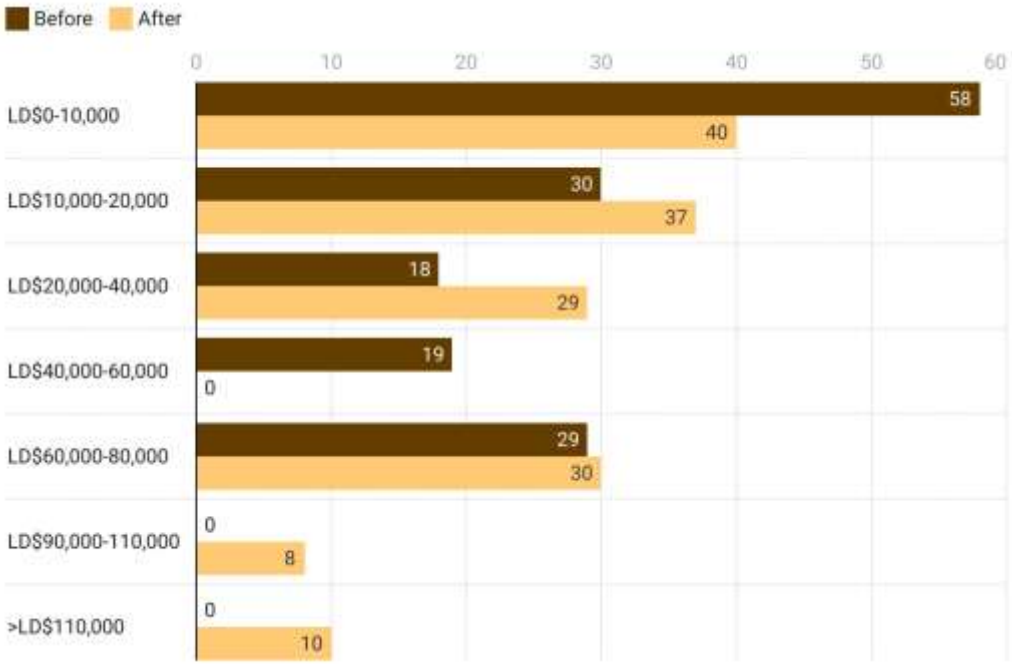


Figure 2: Monthly income of respondents before and after engaging in SHC trade

A recent regulation by the government allowing only Liberian citizens to import and sell used clothing or own businesses engaged in such activities is promoting the involvement of youthful Liberians. This policy change is reflective of the number of new entrants observed in our survey (see Table 3). Close to half (46.1%) of the total respondents in the survey were new entrants with selling experience of less than a year. The rising number of retailers is also indicative of the affordable SHC pricing and the rise in sustainable fashion consumption. Additionally, the high rise in the number of new entrants could also be linked to the flexibility of the SHC sector in terms of experience and educational qualification.

Table 3: Summary of attributes for the economic section of the questionnaire

Economic Factors		Frequency	Percentage (%)
Selling Experience	Less than a year	71	46.1
	1-3 years	22	14.3
	4-7 years	16	10.4
	8-12 years	34	22.1
	12 years and above	11	7.1
Replenishment	Once a week	46	29.9
	Twice a week	71	46.1
	Once a month	10	6.5
	Twice a month	27	17.5
Source of Replenishment	Waterside Market	114	74.0
	Red-Light Market	29	18.8
	Duala Market	11	7.1
Ownership	Myself	135	87.7
	My partner	11	7.1
	My mother	8	5.2

As part of the economic characteristics of the questionnaire, respondents were asked about the frequency of their replenishment. The majority of them, 46.1%, indicated that they replenish stock at least twice a week. As shown in Table 3, other replenishment frequencies included once a week 29.9%, once a month 6.5%, and twice a month 17.5%. Demand for these clothing items is enormous, particularly during festive seasons such as Independence Day (July 26) and Christmas and New Year celebrations. During these festive seasons, replenishment circles could change from twice a month to once or twice a week for some retailers, particularly those dealing in women's and children's clothing.

Another question in this section was about determining among the three biggest market centers in Monrovia, where the responders usually purchase the bales of used clothes for replenishment. The majority of respondents, 74%, replied that they purchase replenishment bales from the Waterside market (see Table 3). 18.8% source their replenishment goods from the Red-Light market, while the rest, 7.1%, get their goods from the Duala market. The rapid growth of the used clothing industry in Liberia, particularly in the Waterside market, is providing Liberia with the opportunity to benefit from a rapid increase in the number of job opportunities available within the used clothing sector.

Next, we asked each respondent to provide us with information regarding the ownership of their business. The majority (87.7%) of the respondents revealed that they are the sole owners and are selling for themselves. 7.1% reported that the business was either started by or belonged to their partners, while 5.2% reported selling for their mothers (see Table 3). In addition to other factors already mentioned above, the start-up expenditures for the used clothing trade in Liberia are far lower

than those of conventional clothing shops. This is a significant advantage for owning a used clothing business compared to launching a mainstream retail clothes shop. Used clothes businesses often have a better profit margin and are more likely to prosper during weak economic development.

The retailers' replies to this survey demonstrate the relevance of SHC in supporting economic development and circularity in the textile supply chain. Small and medium-sized businesses make up a considerable portion of the supply chain and are key role players in expanding the economy in Liberia. Enhancing SHC entrepreneurship and SME programs has the potential to act as a vehicle for creating greener goods and processes. SMEs stand the chance to increase their market shares as the demand for environmentally friendly goods and services increases. In addition, compared to large corporations, SMEs are more suited to develop significant breakthroughs and effectively compete.

In addition, since they have a better understanding of the needs and preferences of customers, small and medium-sized businesses have the ability to promote environmentally friendly goods more successfully. This specific component is also evident in the survey; the vendors connect more effectively with the customers. As a result, they can efficiently procure consumer demands from wholesalers. These entrepreneurship and SME programs, mainly for women entrepreneurs, have already kicked off and were primarily supported by the previous government of Ellen Johnson-Sirleaf, Africa's first female president.

Also, as in previous studies (Katende-Magezi, 2017; Khurana & Tadesse, 2019), pricing was considered an essential feature of our research. The pricing questionnaire covered 16 new and second-hand textile items sold on the Liberian clothing market. The items included men's, women's, children's apparel, and other categories. Other household textile items include linens, curtains, towels, etc. From respondents' replies, and for the ease of analysis, we categorized the items as those for both Men & Women, those for Women & Children, and Household and Others items (see Table 4). Retailers' responses on pricing new and used clothing products revealed a significant price difference. Information provided by retailers showed that the price of new apparel is two to five times more than that of second-hand clothing. As shown in Table 4, the product categories surveyed covered clothing for men, women, children, sportswear, etc. The majority of the brand-new clothes are imported from China and other Asian countries.

Table 4: Prices of new clothes compared to prices for second-hand ones. All figures are expressed in Liberian dollar ($LD)

Category	New Clothes (average prices)	SHC (average prices)
Men & Women		
T-shirts & tops	500-10,000	150-2,000
Trousers	400-5,000	100-1,000
Socks	100-1,000	40-500
Underpants	250-2,000	75-1,000
Jackets	500-10,000	75-1,000
Women & Children		
Bra	200-2,000	75-1,000
Dresses/skirts	500-5,000	100-2,000
Nightwear	500-10,000	200-5,000
Children wear	250-2,000	100-1,000
Household		
Towels	350-5,000	100-1,000
Curtains	600-10,000	200-5,000
Linens	500-5,000	200-1,000
Others		
Sportswear	600-10,000	250-5,000
Swimwear	600-10,000	250-5,000
Mixed T-shirts	300-5,000	100-2,000
Pullovers	300-5,000	100-2,000

It is important to note that even though this research questionnaire was explicitly developed for SHC retailers, the SHC retailers possess a vast amount of knowledge regarding the prices of both new and used clothing and that this knowledge helps them adjust the costs of their SHC products.

Sustainable Retailing and Consumption

Our survey also extended to understanding respondents' knowledge about sustainable retailing and clothing consumption. This is of utmost importance because significant factors such as the growing appreciation of sustainability have resulted in a recent vogue of retailers adopting the practice of second-hand reselling from unsold or unwanted inventories. These factors are critical contributors to the spread of environmental awareness. All respondents (n=154) expressed being knowledgeable about the effect of textile waste dumping on the streets and in the market places. For instance, in conversation with the two master's degree holders, they expressed being highly knowledgeable about dumping unsold clothes and other items on the streets as they tend to clog sewage systems, reflecting the same views as the rest of the respondents.

Other questions included in this section were also geared toward understanding respondents' approaches to disposing of their unsold clothing items. We asked respondents if they find badly worn-out clothes in the bales that do not meet direct retailing requirements. 35.7% replied yes to finding such items every time they purchase replenishments. 29.9% replied no to finding worn-out items, while the rest, 34.4%, said they sometimes find and sometimes not (see Table 5).

Table 5: Selected attributes for the sustainable retailing section of the questionnaire

Economic Factors		**Frequency**	**Percentage (%)**
Do you find badly worn-out items?	Yes	55	35.7
	No	46	29.9
	Sometimes	53	34.4
What do you do when you find them?	Repair them	79	51.3
	Throw them away	31	20.1
	Reduce the cost	44	28.6
Is selling SHC good for the environment?	Yes	154	100.0
	No	0	0
Would you encourage others to purchase SHC?	Yes	154	100.0
	No	0	0

Concerning the question about what they do when these worn-out items are found, 51.3% replied that they repair them either by themselves or through tailors who mend them for payment. 28.6% responded that they reduce the cost for such items for their customers to purchase and repair the broken parts for onward consumption. In contrast, the remaining 20.1% replied that they discard them by either throwing them in the bin or giving them to fashion upcyclers who will transform them into new clothing products (see Table 5). The upcycling of second-hand clothing has emerged as a new source of income for sustainable fashion designers and has proven to be a lucrative business model, especially for poor African countries (Ahmed, 2021; Baden & Barber, 2005; James & Kent, 2020; Thompson & Peter, 2015). This fashion upgrade model could, for example, consist of replacing, altering, customizing, renewing, or upcycling garments with new fabrics, giving them a new look. In this process, old clothes are repaired, transformed into valuable products, and then reintroduced to the market at mass-market prices (Sinha et al., 2016).

Both questions about the environment and sustainable fashion consumption received the highest positive replies as all respondents said that selling SHC is good for the environment and that they would encourage others to purchase SHC. This is very encouraging as the notion of critical motivation is giving insights into the paradigm change in both retailers' and consumers' behaviors. Consumers, in particular, are becoming more interested in buying second-hand clothes. Other than cost reductions, they have a variety of motives for using these alternative retail channels. Originality, self-expression, etc., are stimulants that draw attention to pleasure-seeking impulses

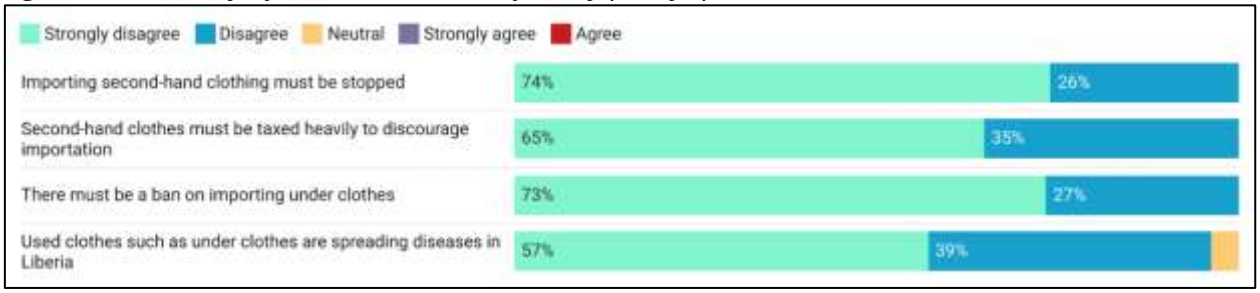
arising from the desire for second-hand clothing. Consumers are drawn to second-hand shopping for various recreational reasons, including engaging in social interaction and the hunt for hidden treasures (Hamdan et al., 2019; THREDUP, 2022). Furthermore, as societies become plagued by fast fashion, hedonism, and commercialization, consumers have created a critical strategy that bypasses the regular retail channels and instead voices their social and environmental concerns (Guiot & Roux, 2010). Thus, because of the interconnected nature of consumer incentives for alternative channels, it is recommended that consumers steer clear of conventional marketplaces and instead purchase second-hand.

Policy

The survey also contained four questions on government policy action toward restricting the import of used clothes, as discussed in other papers (Katende-Magezi, 2017; USAID, 2017; Wetengere, 2018; Wolff, 2020). As shown in Figure 3, SHC retailers in Liberia expressed utterly different views. 74% strongly disagreed with the government banning the importation of second-hand clothes, while the rest, 26%, disagreed. Similar responses were given when asked if they would agree for government to impose heavy taxes to discourage the importation of used clothes (see Figure 3).

Their opposition to banning the importation of used clothes echoes that of other studies that SHC contributes to creating jobs in both the exporting and the importing countries (Wetengere, 2018). The employment opportunities cover transportation, washing, repairing, reconstruction, packaging, and restyling (Baden & Barber, 2005). For example, the SHC trade offers employment for thousands of Ghanaians in the Kantomanto market in Africa (Amankwah-Amoah, 2015; James & Kent, 2020; Manieson & Ferrero-Regis, 2022), an estimated 355,000 jobs in East Africa (USAID, 2017), and over 40,000 jobs in the recycled clothing and shoes supply chain in the United States (Wetengere, 2018). Additionally, it promotes environmentally responsible consumption and circularity in the textile industry. Thus, based on the survey results, it is evident that a prohibition on the importation of SHC would result in a loss of revenue for a significant number of SHC retailers. Such an approach would also lead to a rise in poverty levels and a recurrence of anti-social behavior such as drug misuse and a surge in crimes, which would derail the little peace gained from the nation's 14-year-long civil upheaval.

Figure 3: Summary of Likert scale result for key policy questions



An in-depth conversation with the two respondents who hold master's degrees appeared to disagree with the assertions in (Frazer, 2008) that the importation of SHC was the cause of the collapse of the textile industry in Africa. Four key reasons underlined their opposing opinions: they contended that the textile industry in Liberia, even if there is any, is not developed enough to satisfy the clothing needs of the country's populace. Second, even if there were a textile sector in the nation, it would be unable to meet consumers' expectations since the market for fashion items is continually shifting with the unparallel demands of young consumers. In addition, the sector would need full budgetary support from the government, which does not currently have the financial or infrastructural capacity to provide such support. Thirdly, the textile industries in Asian nations such as China are already very advanced and capable of mass manufacturing at reduced costs. Competing with an economy of this level is almost difficult. Lastly, the WTO's decision to abolish the Multi-Fiber Agreement, which was designed to restrict textile imports via a system of quotas, has altered the competitive landscape of the global textile industry. The abolition has made it difficult for regional textile makers to compete with the low-priced new apparel imported from China. Given these significant causes, it is impossible to assert that the SHC was the primary cause of the decline of the African textile industry. Instead, according to (Wetengere, 2018), one should make the case that the collapse of the textile industry in Africa was the cause of the spread of SHC.

One of the findings from a study published by (Emefa et al., 2015) indicates that wearing second-hand clothing can have health implications for its user. This finding was also supported by a study by (Chipambwa et al., 2016), which avers that consumer perceive second-hand undergarments to pose health hazards. Against this backdrop, we asked retailers about their agreement with the notion that second-hand undergarments spread diseases. More than half of respondents (57.1%) strongly refuted the claim that undergarments pose health implications for their users; 39% disagreed, while 3.9% maintained neutrality. In conversation with the two interviewees, they expressed that throughout their many years of marketing second-hand clothes, non of their customers have ever returned with complaints that they contracted any illness from using second-hand undergarments. In addition, the two retailers argued that since the health implication reported by (Chipambwa et al., 2016) could not be verified because the respondents could not directly link them to certain diseases or ailments, it is irrelevant to claim that undergarments spread diseases. Their views were also stressed by the replies of other retailers who strongly disagreed with a ban on importing undergarments (73.4%).

Conclusion and Recommendation

The growing consciousness among consumers worldwide is driving the fashion and textile industries towards sustainability. This shift toward sustainability is particularly evident in Liberia, where low-income earners are becoming part of a sustainable fashion reconsumption process. The process of achieving sustainable development in this context has been accelerated by a better organization and channeling of the second-hand clothing retail sector in the country. The country's used retail clothing market presents many opportunities that encourage entrepreneurship activities. The industry is blossoming, creating new local employment and allowing consumers to purchase quality apparel at affordable prices. To date, however, no research has highlighted the importance of this trade to the country. As a contribution to filling this gap, this paper has assessed the potential of the hidden second-hand clothing trade as well as highlighted the expansion of the SHC market in Liberia. It has helped answer questions about the socio-economic advantages of SHC while playing a pioneering role for other countries in the region that are uncertain about the feasibility of this sector.

According to our survey results, SHC has been given more priority than locally produced or imported clothes owing to its lower price and availability. The retailers' responses also indicated a significant connection between SHC and revenue generation, job opportunities, the empowerment of women, and livelihood support. Many new retail opportunities have been created in the fashion industry, particularly in the Waterside and Red-Light markets districts, as a result of the success of SHC. In addition, these retail opportunities play a tremendous role in strengthening the economy, not only within these two market districts but also across the country in general. For instance, the industry is contributing immensely to the expansion and development of the four cities included in our survey while also generating revenues for the government through import taxes and consumer spending. Thousands of people in the industry get livelihood support in merchandising, packaging and delivery, inventory control, logistics, and financial administration (Baden & Barber, 2005).

While the SHC trade in East Africa is constrained by threats of government plans to ban its importation, which can be heard across the continent, as our interviewees noted, Liberia lacks the financial resources required to establish textile industries that can withstand competition from China and other Asian countries while offering low prices to the local majority. In light of these remarks, one can argue that banning the trade of SHC in Liberia would be counter-productive since it would have a profound effect on the lives of many low-income earners nationwide.

Our study is a conduit to providing Liberian business owners with an understanding of the retailing process and ideas for how they may enhance their position in the used clothes market. It emphasizes the significance of the used clothing industry in Liberia and creates avenues for future research. From a consumption point of view, it highlights a significant relationship between sustainability and socially responsible

consumption. Finally, it shows how SHC serves as a potential trade network in Liberia that generates socio-economic benefits.

In conclusion, it is paramount for government and regulatory bodies to set up policies and initiatives that will promote employment opportunities for young entrepreneurs and continue to design policies that will provide them with better access to financial resources. By remanufacturing, rebranding, and upcycling second-hand fashion products, African styles and values can be added at low costs. Proper regulation of the SHC value chain will translate to more blessings, particularly for the underprivileged and those unschooled. The investment of public funds into such initiative will open up more employment opportunities, which will translate to higher employment rates, especially for women empowerment initiatives.

References

Abjadi, K., & Huzaini, M. (2018). *Ethics of Islamic Business and the Welfare of Secondhand-Clothes Vendors at Karang Sukun Market in Mataram*. *20*, 69–75. https://doi.org/10.9790/487X-2006026975

Ahmed, S. (2021). *The Future of Sustainable Fashion in Africa: How Traditional Methods Are Paving the Way - Causeartist*. https://causeartist.com/sustainable-fashion-in-africa/

Amankwah-Amoah, J. (2015). Explaining declining industries in developing countries: The case of textiles and apparel in Ghana. *Competition and Change*, *19*(1), 19–35. https://doi.org/10.1177/1024529414563004

Baden, S., & Barber, C. (2005). The impact of the second-hand clothing trade on developing countries. *Interdisciplinary Science Reviews*, *2*(February 2005), 10–12.

Brooks, A. (2012). Riches from rags or persistent poverty? The working lives of secondhand clothing vendors in Maputo, Mozambique. *Textile: The Journal of Cloth and Culture*, *10*(2), 222–237. https://doi.org/10.2752/175183512X13315695424239

Brooks, A. (2013). Stretching global production networks: The international second-hand clothing trade. *Geoforum*, *44*, 10–22. https://doi.org/10.1016/j.geoforum.2012.06.004

Brooks, A., & Simon, D. (2012). Unravelling the Relationships between Used-Clothing Imports and the Decline of African Clothing Industries. *Development and Change*, *43*(6), 1265–1290. https://doi.org/10.1111/j.1467-7660.2012.01797.x

Chipambwa, W., Sithole, L., & Chisosa, D. F. (2016). Consumer perceptions towards second-hand undergarments in Zimbabwe: a case of Harare urban dwellers. *International Journal of Fashion Design, Technology and Education*, *9*(3), 176–182. https://doi.org/10.1080/17543266.2016.1151555

Cooper, R. N., & Rivoli, P. (2006). The Travels of a T-Shirt in the Global Economy: An Economist Examines the Markets, Power, and Politics of World Trade. *Foreign Affairs*, *85*(2), 191. https://doi.org/10.2307/20031930

Emefa, F. A., Selase, G. R., Joana, A., & Selorm, G. (2015a). The Impact of the Use of Second-Hand Clothing on the Garment and Textile Industries in Ghana: A Case Study of the Ho Municipality. *Online)*, *5*(21), 2225–0484.

Emefa, F. A., Selase, G. R., Joana, A., & Selorm, G. (2015b). The Impact of the Use of Second-Hand Clothing on the Garment and Textile Industries in Ghana: A Case Study of the Ho Municipality. *Online)*, *5*(21), 484–2225.

Frazer, G. (2008). Used-clothing donations and apparel production in Africa. *Economic Journal*, *118*(532), 1764–1784. https://doi.org/10.1111/j.1468-0297.2008.02190.x

Gopalakrishnan, S., & Matthews, D. (2018). Collaborative consumption: a business model analysis of second-hand fashion. *Journal of Fashion Marketing and Management: An International Journal*, *22*(3), 354–368. https://doi.org/10.1108/JFMM-05-2017-0049

Guiot, D., & Roux, D. (2010). A Second-hand Shoppers' Motivation Scale: Antecedents, Consequences, and Implications for Retailers. *Journal of Retailing*, *86*(4), 355–371. https://doi.org/10.1016/j.jretai.2010.08.002

Hamdan, L., Al-Abbadi, M., Zuhier, R., Almomani, Q., Rajab, A., Alhaleem, A., Rumman, A., Mohammad, A., & Khraisat, I. (2019). *Impact of Human Capital Development and Human Capital Isolation Mechanisms on Innovative Performance: Evidence from Industrial Companies in Jordan*. *11*(15). https://doi.org/10.7176/EJBM

Hansen, K. T. (2006). *Helping or hindering ? 20*(May).

Hansen, K. T. (2014). The Secondhand Clothing Market in Africa and its Influence on Local Fashions Secondhand Clothing Market in Africa and its Influence on Local Fashions. *DRESSTUDY Autumn*, *64*.

Hansen, K. T., & Le Zotte, J. (2019). Changing Secondhand Economies. *Business History*, *61*(1), 1–16. https://doi.org/10.1080/00076791.2018.1543041

Hur, E. (2020). Rebirth fashion: Secondhand clothing consumption values and perceived risks. *Journal of Cleaner Production*, *273*, 122951. https://doi.org/10.1016/j.jclepro.2020.122951

James, A. St. J., & Kent, A. (2020a). Clothing Sustainability and Upcycling in Ghana Alberta. *Paper Knowledge . Toward a Media History of Documents*, 12–26.

James, A. St. J., & Kent, A. (2020b). Clothing Sustainability and Upcycling in Ghana Alberta. *Paper Knowledge . Toward a Media History of Documents*, 12–26.

Katende-Magezi, E. (2017a). *The Impact of Second Hand Clothes and Shoes in East Africa*. 5–39. http://repository.eac.int/handle/11671/1848

Katende-Magezi, E. (2017b). *The Impact of Second Hand Clothes and Shoes in East Africa*. 5–39. http://repository.eac.int/handle/11671/1848

Khurana, K., & Tadesse, R. (2019a). A study on relevance of second hand clothing retailing in Ethiopia. *Research Journal of Textile and Apparel*, *23*(4), 323–339. https://doi.org/10.1108/RJTA-12-2018-0063

Khurana, K., & Tadesse, R. (2019b). A study on relevance of second hand clothing retailing in Ethiopia. *Research Journal of Textile and Apparel*, *23*(4), 323–339. https://doi.org/10.1108/RJTA-12-2018-0063

Maiti, R. (2020). Fast Fashion: Its Detrimental Effect on the Environment. In *Earth.Org - Past Present Future*.

Manieson, L. A., & Ferrero-Regis, T. (2022). Castoff from the West, pearls in Kantamanto?: A critique of second-hand clothes trade. *Journal of Industrial Ecology*. https://doi.org/10.1111/jiec.13238

Mhango, M. W., & Niehm, L. S. (2005). The second-hand clothing distribution channel: Opportunities for retail entrepreneurs in Malawi. *Journal of Fashion Marketing and Management*, *9*(3), 342–356. https://doi.org/10.1108/13612020510610462

Mwasomola, U. L., & Ojwang, E. (2021). *The Influx of Second-Hand Clothing Trade and its Impacts on the Growth of the Local Textile Sector in Tanzania*. 10.

Nawaz, S., Jiang, Y., Nawaz, M. Z., Manzoor, S. F., & Zhang, R. (2021). Mindful Consumption, Ego-Involvement, and Social Norms Impact on Buying SHC: Role of Platform Trust and Impulsive Buying Tendency. *SAGE Open*, *11*(4), 215824402110566. https://doi.org/10.1177/21582440211056621

Ren, Y., Tomko, M., Salim, F. D., Chan, J., & Sanderson, M. (2018). Understanding the predictability of user demographics from cyber-physical-social behaviours in indoor retail spaces. *EPJ Data Science*, *7*(1), 1. https://doi.org/10.1140/epjds/s13688-017-0128-2

Sinha, P., Muthu, S. S., & Dissanayake, G. (2016). *Remanufactured Fashion*. Springer Singapore. https://doi.org/10.1007/978-981-10-0297-7

Statista. (2022). *Used clothing leading exporters worldwide 2020 | Statista*. https://www.statista.com/statistics/523673/used-clothing-leading-exporters-worldwide/

Sumo, P. D., Himbye, K. S., Sanoe, A. A., Gono, M., & Sumo, D. Z. (2022). Assessment of factors influencing natural rubber production among smallholder farmers in Liberia using Fuzzy AHP. *International Journal of Research in Business and Social Science (2147-4478)*, *11*(4), 421–431. https://doi.org/10.20525/ijrbs.v11i4.1799

Sunhilde, C. U. C., & Simona, T. (2014). *Fast Fashon And Second Hand Clothes Between Ecological Concerns And Global Business*. 5.

Thompson, D., & Peter, G. S. (2015a). A Survey of Fashion Reconsumption Techniques Employed by Second Hand Clothing Retailers in Port. *American Journal of Environmental Policy and Management*, *1*(4), 72–77.

Thompson, D., & Peter, G. S. (2015b). A Survey of Fashion Reconsumption Techniques Employed by Second Hand Clothing Retailers in Port. *American Journal of Environmental Policy and Management*, *1*(4), 72–77.

THREDUP. (2022). *2021 Fashion Resale Market and Trend Report*.

USAID. (2017a). *Overview of the Used Clothing Market in East Africa : Analysis of Determinants and Implications*. *July*, 1–32.

USAID. (2017b). *Overview of the Used Clothing Market in East Africa: Analysis of Determinants and Implications*. *July*, 1–32. https://d3n8a8pro7vhmx.cloudfront.net/eatradehub/pages/3552/attachments/original/1503313183/East_Africa_Trade_and_Investment_Hub_Clothing_Report-_COMPRESSED.pdf?1503313183

Vadakkepatt, G. G., Winterich, K. P., Mittal, V., Zinn, W., Beitelspacher, L., Aloysius, J., Ginger, J., & Reilman, J. (2021). Sustainable Retailing. *Journal of Retailing*, *97*(1), 62–80. https://doi.org/10.1016/j.jretai.2020.10.008

Wetengere, K. K. (2018). Is the Banning of Importation of Second-Hand Clothes and Shoes a Panacea to Industrialization in East Africa? *African Journal of Economic Review*, *6*(1), 119–141. https://doi.org/10.22004/ag.econ.274747

Wolff, E. A. (2020). The global politics of African industrial policy: the case of the used clothing ban in Kenya, Uganda and Rwanda. *Review of International Political Economy*, *0*(0), 1–24. https://doi.org/10.1080/09692290.2020.1751240

Woods, M. (2011). *The Role of Youth in Post-Conflict Reconstruction (The Case of Liberia)*. https://digitalcollections.sit.edu/capstones

Yang, S., Song, Y., & Tong, S. (2017). Sustainable Retailing in the Fashion Industry: A Systematic Literature Review. *Sustainability*, *9*(7), 1266. https://doi.org/10.3390/su9071266

Zaman, M., Park, H., Kim, Y.-K., & Park, S.-H. (2019). Consumer orientations of second-hand clothing shoppers. *Journal of Global Fashion Marketing*, *10*(2), 163–176. https://doi.org/10.1080/20932685.2019.1576060

About the authors

Peter Davis Sumo is a PhD student at the College of Textile Science & Engineering and International Institute of Silk at Zhejiang Sci-Tech University. His research interest includes reverse logistics, textile supply chain, second-hand clothing, multicriteria decision-making, and textile remanufacturing. He has a comprehensive logistics and supply chain background, mainly in production and service supply chains. He played a vital role as a UI designer, supervisor of Adobe Creative Suites, and supply chain lead for products and services promotion at the Zhejiang Cross-Border Trading Town in 2018. He can be contacted at petersumo3@gmail.com.