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Understanding second-hand retailing: A resource based perspective of best practices leading to business success

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Understanding second-hand retailing: A resource based perspective of best practices leading to business success

by

Jinhee Han

A thesis submitted to the graduate faculty in partial fulfillment of the requirements for the degree of MASTER OF SCIENCE

Major: Apparel, Merchandising, and Design

Program of Study Committee:
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Iowa State University
Ames, Iowa
2013

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ABSTRACT

Second-hand clothing has been traded since the Renaissance era, and widely consumed by a majority of the populace. However, very few studies concerning second-hand retailing and consumer preferences have been conducted, especially in the United States. The present study was conducted to understand second-hand retailers’ current marketing practices, sourcing strategies, and resources that lead to their business success. Moreover, unique features and definitions of three specialized types of second-hand retailers (e.g., vintage stores, consignment stores, and thrift stores) were discussed through a typology.

Resource-based theory (RBT) (Barney, 1991) and the Four Experiential Realms (4Es) (Pine & Gilmore, 1999) were used to frame the qualitative study. Owner-managers (N=13) of three specialized types of second-hand retail stores (vintage, consignment, and charity/thrift) in the Midwestern U.S. were recruited for the study. To obtain candid responses from participants, an open-ended, semi-structured questionnaire was used. A grounded theory approach using open coding and axial coding was employed for data analysis and interpretation.

Four major themes were identified from the results of this study: business background and motivations, resources generated for second-hand retail business, marketing and management plans, and definition of second-hand retailing. Concerning the theme, definition of second-hand retailers, each specialized type of second-hand retailer (e.g., vintage, consignment, and thrift stores) was defined and classified by contrasting similarities and differences among formats. Unique features of each specialized type of second-hand retailer were also discussed. Although all types of second-hand retailers are similar in the sense of dealing with used items, this study revealed that each possesses distinctive characteristics.

Second-hand retailers’ business resources that lead to their business success were
discussed within the theme, *resources generated for second-hand retail business*. A majority of second-hand businesses are operated by owning one or two physical stores. Critical resources possessed by thrift stores are balers, used for baling unsold clothes and sending them to trading companies. Owner-managers were very supportive to assist their neighboring communities, and made efforts to maintain network relationships with counselors and business partners. Some vintage stores often sold exclusive items through alternative retail channels, such as websites, movie productions, and social connections. Finally, diverse types of sourcing methods and suppliers for each specialized type of second-hand retailer were discussed.

Second-hand retailers’ marketing and management plans that enhance business growth were discussed within the theme, *marketing and management plans*. First, a product strategy uniquely performed by second-hand retailers was agile inventory turnover and quick circulation from racks to stock. Second-hand retailers practiced some price strategies by providing affordable prices to approach various types of customers. Second-hand retailers specifically focused on maintaining relationships with customers and customer services, such as welcoming and greeting, finding a proper outfit for customers, and searching for items customers requested. Experiential, entertainment, esthetic, and escapist experiences were offered to customers so customers not only consume products and services, but also enjoy second-hand stores’ unique atmosphere.

This study is a beginning point for second-hand retailing research in the U.S. By identifying information about second-hand retailing and U.S. markets, this study inspires and encourages other researchers to conduct future studies by utilizing the findings from this study. For future studies, investigating each specialized type of second-hand retailers’ business practices should be considered. Examining consumers’ viewpoints towards second-hand business are also suggested.
CHAPTER ONE: INTRODUCTION

1.1 Background

The second-hand clothing trade began during the 1300s in several European cities, when newly finished garments were so expensive that the general population could not afford to buy them (Frick, 2005). The removal of guild regulations, and the preference for stylish clothes, fostered used clothing consumption during this time period (Hansen, 2000a). Used clothing was actively traded in Europe until mass produced clothes were available to the entire population and offered at affordable prices. However, because second-hand garments had been worn by previous owners and therefore lost much of their original monetary value, they became regarded as unwanted trash or rags (Palmer & Clark, 2005), negatively affecting consumers’ perceptions of the second-hand clothing trade. Today, second-hand markets are regarded as informal and small-scale business enterprises, unstructured retail formats, and a fringe market in many western cultures (Gregson & Crewe, 2003; Hansen, 2004; Mhango & Niehm, 2005; Williams & Paddock; 2003). However, second-hand clothing imported into third-world countries, such as Malawi and Zambia, has become an essential and desirable clothing source (Hansen, 2000b; Mhango & Niehm, 2005).

The current vintage clothing trend (Palmer & Clark, 2005), combined with emphases on sustainability and volatile economic concerns (Anderson & Ginsburgh, 1994), has drawn further attention to second-hand markets from both the retail distribution (Weil, 1999; Paddison, 2000) and consumer perspective (Guiot & Roux, 2010). For example, second-hand clothing retailers are locating “uptown,” especially in cities such as Boston, Los Angeles, and Washington, D.C.: The clothing displays and retail spaces in these stores are similar to prestigious boutiques (Weil, 1999). The Association of Resale Professionals (n.d.) reports that the number of resale, consignment, and not-for-profit resale shops currently exceeds 25,000 in the United States, with a growth rate of 67% between 1999 and 2012.
Stimulated by consumer interest in resale apparel, multiple second-hand retail formats have emerged including: vintage shops, charity/thrift shops, consignment shops, retro shops, garage sales, swap meets, flea markets, car-boot sales, dress agencies, auction clearances, antique fairs, and a jumble of miscellaneous sales (Gregson & Crewe, 2003; Guiot & Roux, 2010; Williams & Paddock; 2003).

Second-hand clothing shoppers appear to be motivated by several factors. According to Guiot and Roux (2010), fair price, ethics, environmental concerns, and recreational benefits have enabled the proliferation of second-hand markets. Fashion authenticity and vintage uniqueness are other characteristics appealing to today’s consumers (Palmer & Clark, 2005). stroeker (1995) identified price, uniqueness, desire to try on clothes, environmental consumerism, and hobbies as reasons for purchasing from second-hand retail sources. In addition, second-hand retailers are satisfying a need traditional retailers cannot provide (e.g. nostalgic feeling, treasure hunting, and bargain hunting), thus allowing second-hand retailers to compete with traditional retailers (Guiot & Roux, 2010).

Second-hand clothing markets in the United Kingdom (U.K.) are highly developed and have, like the U.S. market, observed a proliferation of second-hand clothing consumption over the last two decades (Gregson & Crewe, 2003; Palmer & Clark, 2005; Paddison, 2000). Guiot and Roux (2010) underscored the importance of second-hand markets, reporting that 40 percent of U.K. consumers have experience with second-hand clothing retailers. The increasing number of consumers and the advent of charity shops in high street locations during the late 1990s, also demonstrates the increased desirability of second-hand clothing in the U.K. (Paddison, 2000). Still, increasing consumer demand and the sheer number of second-hand clothing retailers are changing the way they do business. U.K. second-hand retailers are often locating in high streets with better product displays and store design (Parsons, 2000).
Although second-hand clothing has been widely consumed throughout European history and is enjoying a current resurgence in European and U.S. markets, very little is known about second-hand clothing retailers, second-hand shopping behavior, marketing strategies, and target markets—especially in the U.S. (Guiot & Roux, 2010). Several studies have focused on the introduction of second-hand clothing in international trade to developing regions, such as Sub-Saharan and several Southeastern Asian countries (Hansen, 2000a, 2000b, 2004; Mhango & Niehm, 2005; Palmer & Clark, 2005; Rivoli, 2009). As developing countries often become a final destination of second-hand clothing, international trade is becoming an important issue among scholars (Palmer & Clark, 2005). Research has focused on a sustainable point of view concerning second-hand clothing, such as design (Young, Jirousek, & Ashdown, 2004) and consumers’ disposal patterns (Shim, 1995). Some studies clarify second-hand shoppers’ motives and their attitudes toward second-hand clothing consumption (Catalani & Chung, 2005; Guiot & Roux, 2010).

However, the lack of information about second-hand retailers, and associated consumer shopping preferences, makes it challenging to predict consumers’ needs, and apply appropriate business models and marketing strategies for retailers. This knowledge gap also makes it difficult to facilitate expansion of second-hand markets and further their potential (Guiot & Roux, 2010). Compounding the issue is that some second-hand market retailers demonstrate unsophisticated business strategies, ignorance and indifference, contributing to the impression they are informal business enterprises or a fringe market (Mhango & Niehm, 2005; Parsons, 2000). Therefore, it is crucial to understand second-hand apparel retailers’ business behaviors—such as current retailers’ business practices and challenges—to build appropriate marketing strategies and business models that elicit potential customers’ attention and enhance retailer performance. The present study specifically attempts to understand U.S. second-hand clothing retailing practices from the retailer perspective. Particular emphasis is
placed on understanding current business practices, sourcing, and marketing strategies. A typology that illuminates the unique characteristics of specialized types of second-hand retailers (e.g., vintage stores, consignment stores, and thrift stores) is also developed.

### 1.2 Significance of the Study

The proposed study contributes to the understanding of specialized types of second-hand clothing retailers (e.g., vintage shops, consignment shops, and thrift shops) concerning their management and marketing practices. Understanding retailers’ current business practices permits the development and recommendation of viable business strategies to aid in their success. The study’s findings render a variety of implications. First, various second-hand retailer formats (e.g., charity shops, retro shops, dress agencies, auction clearance, antique fairs) can use this study’s findings to formulate appropriate marketing strategies to increase their performance. Additionally, second-hand retailing has been regarded as a fringe market, having only recently become accepted as a retail format (Horne, 2000). Since second-hand clothing retailers are often operated by small, independent traders or individual sellers, such as friends or neighbors, they are similar to small entrepreneurs (Parsons, 2000; Williams & Paddock, 2003). According to Hurst, Niehm, and Littrell (2009), small, entrepreneurial retail businesses sometimes operate informally without any specific strategic focus: This approach suggests a business strategy weakness that leads to missed opportunities and revenues. Therefore, this study helps to build appropriate marketing strategies for second-hand clothing retailers, and give possible directions for market expansion and customer growth.

The present study also has the potential to provide an indirect solution for sustainability issues challenging many countries—a crisis of waste disposal (Allwood, Laursen, Rodríguez, & Bocken, 2006). According to Thomas (2003), overall, the U. S. second-hand clothing market reports about $1 billion in sales annually. However, only very
small amounts of second-hand clothing, approximately $0.2$ billion, is exported to other countries, due to the regulation of second-hand clothing imports, licensing issues, and high tariff rates. An increase of second-hand clothing sales within U.S. markets is crucial for ecological consumption and environmental issues. Hence, results from the present study will foster growth of the second-hand clothing market, reducing the amount of new clothing consumption (Thomas, 2003). The proliferation of second-hand markets could be a valuable commodity to marketers and consumers, as well as good for the environment by reducing the need for waste disposal. Both aspects will make important contributions to the retailing literature.

1.3 Objective of the Study

The overarching purpose of the present study was to examine unidentified second-hand retailers’ business practices and marketing strategies that lead to business success. Also, second-hand retailers’ resources and their relationship to business success were investigated. This included an investigation of how resources were utilized and generated relevant to second-hand retailer marketing practices, efforts to maintain relationship with customers, and customer services provided. Additionally, this study examined differences and commonalities of specialized types of second-hand retailers (e.g., vintage stores, consignment stores, and thrift stores) to create a typology of this retail sector.

Several general research questions were generated to guide the study:

1) What are second-hand retailer’s business efforts to satisfy their customers, and what factors lead to business success?

2) What are the characteristics of specialized types of second-hand retailers (e.g. vintage stores, consignment stores, and thrift stores), and how can each type of second-hand retailer be defined?
1.4 Definitions of Terms

The following terms were defined and operationalized for this study.

**Second-hand clothing:** “Items of clothing that have been previously owned by someone else” (Charbonneau, 2008, p. 4).

**Second-hand market:** “The market including all consumer durables given away, sold or swapped with or without intermediary or third party, after disposal by a household” (Stroeker, 1995, p. 7).

**Second-hand retailers:** Includes physical stores, such as vintage shops/boutiques, consignment stores, charity shops, and thrift stores, and excludes online stores/auctions and individually trading methods, such as car-boot sales, swap meets, garage sales, and flea markets.

- **Vintage shop/boutique:** Usually operated by a private owner who sells “clothes that are not newly designed and come from past eras (Palmer & Clark, 2005, p. 174).” The store purchases all items from sources, such as rag houses, swap meets, and vintage fairs, and resells items for a premium (Kane, n.d.).

- **Consignment shop:** Location where individuals sell goods; the shop takes some percentage of the sales profit in return (Kane, n.d.). The shops usually trade “one-to-two year old apparel in good condition (Nellis, n.d.)” and return items to owners if they are not sold after a designated period of time (Kane, n.d.).

- **Thrift/charity shop:** Locations where donated items are sold; the store is usually operated for non-profits, and profits obtained from sales go to charity (for instance, the Salvation Army and Goodwill) (Kane, n.d.).
CHAPTER TWO: REVIEW OF LITERATURE

2.1 Introduction

The review of literature consists of five sections. In the first section, the history of second-hand clothing trades was explored to understand how second-hand clothing was economically and culturally influential in European societies through different time periods—pre-industrial revolution period, industrial revolution period, and post-industrial revolution period (Palmer & Clark, 2005). Motivations for wearing second-hand clothing were investigated in the second section. For example, consumers wear second-hand clothing because of socially responsible consumer behavior, uniqueness, nostalgia, price and so on. Second-hand shopping motivations and experiences have been fulfilled in diverse second-hand retail formats. In the third section various types of second-hand retail formats and characteristics were reviewed. The fourth section addresses appropriate theoretical frameworks to orient expected research findings and to frame the present study. Finally, the literature review and theoretical frameworks served as a basis for generating research questions used to provide focus and guidance during the study.

2.2 History of Second-hand Trades

Second-hand clothing trades have a much longer history than previously thought. DeLong, Heinemann, and Reiley (2005) reported the wearing of vintage clothing started in the 1980s, however, the consumption of second-hand clothing began with the poverty of humanity in the Renaissance era, influencing the cultures and economics in major European cities (Frick, 2005). This section reviews several historical records of second-hand trades in Florence, Venice, Edinburgh, London, and Madrid throughout the pre-industrial revolution period, industrial revolution period, and post-industrial revolution period.

Pre-Industrial Revolution Period (c. 1400 ~ 1700)

Second-hand clothing trades originated from guild marketplaces in several European
cities because removal of “guild regulations and sartorial dress rules” encouraged consumption of second-hand clothing (Hansen, 2000a, p. 248). In the Renaissance era, newly finished clothes were luxury commodities, available to only the rich who could afford their high cost. However, second-hand clothing was sold at a reasonable price to the general populace who could not afford to buy new clothes, and was widely traded along the entire social class spectrum (Frick, 2005).

The guild for the second-hand clothing trade was founded in 1280 in Florence, Italy, and the “regattiere” appeared—a guild class that dealt with second-hand clothing (Frick, 2005). The “regattiere” occupation greatly influenced garment commerce in the Renaissance era by forming the retail guild for second-hand clothing, fulfilling the local general population’s needs. Frick (2005) highlighted significant differences between “regattiere” and today’s second-hand retailers, such as the Salvation Army. The “regattiere” did not deal with “old” or “worn-out” clothes, but with revalued garments made from used clothing. To commercialize the revalued garments, it must be wearable and able to maintain value for at least several years.

Second-hand clothing trades during the 16th and 17th centuries in Venice were recorded in a study by Allerston (1999). The term “strazzaruoli” indicated the guild class dealing with second-hand clothing in Venice (Allerston, 1999; Frick, 2005). Although the guild had to register and follow the guild’s regulations, many unsophisticated or illegal activities were associated with second-hand clothing (Allerston, 1999). For example, the “strazzaruoli” was supposed to sell second-hand clothing from only registered shops or public markets, because of the fact the guild’s authorities had to control the second-hand clothing trades. Health officials also restricted trades, since second-hand clothing trade was thought to spread the plague. However, non-registered dealers—street peddlers or corrupt registered dealers—resold garment or used forbidden fabrics. The records indicate that despite
restrictions, second-hand trades were essential sources of clothing among the Florentines and Venetians before clothes were produced in mass volume and became inexpensive.

**Industrial Revolution Period (c. 1700 ~ 1850)**

In the early industrial revolution era before mass production totally satisfied the population’s needs for clothing, second-hand clothing trades flourished and became common in England with the rising abundance of materials (Ginsburg, 1980; Lambert, 2004; Lemire, 1991, 2005; Sanderson, 1997). However, second-hand clothing was exchanged under irregular, unsophisticated, informal, small-scale transactions, using self-advertisement, word of mouth, and local reputations (Lambert, 2004). Second-hand garment trades were pervasive in London and other major cities by the early 18th century owing to its increasing demand from the poorer populace, and despite an unsophisticated and lawless business environment. Like the Renaissance era, second-hand clothing was an alternative choice to new garments affordable to only the higher social classes (Lambert, 2004). Damme and Vermoesen (2009) reported second-hand clothing was in great demand by both the poor and wealthy. Thus, the general population preferred second-hand clothing during the industrial revolution era.

Trades during the industrial revolution were unregulated and undocumented, but several surviving criminal records provide historical accounts useful for studying pre-1800 era retailing (Ginsburg, 1980; Lambert, 2004). According to Lambert (2004), many second-hand clothing dealers flouted an aura of integrity and honesty for profit, when in reality they engaged in crime and illegal operations. The dealers operated small-scale businesses of irregular and unstructured business transactions. Sanderson’s (1997) study demonstrated through historical evidence that several irregular and unsophisticated types of second-hand clothing trades had been made by stay makers, wigmakers, tailors, pawnbrokers, and even legally-constituted shop owners. Diverse commodities such as accessories, dresses, wigs,
stays, and even stolen apparels and funeral coats were altered and mended for extended usage (Sanderson, 1997). The trades’ networks extended from London to other metropolitan areas, and circulated throughout the entire nation (Lambert, 2004; Lemire, 1991).

Damme and Vermoesen (2009) described circumstances of the second-hand clothing trades at the end of the 18th century in Erembodegem, the southern countryside of The Netherlands. Second-hand goods traded in Erembodegem during this era were mostly kitchen utensils—followed by clothes, bedding, furniture, and luxury items (Damme & Vermoesenm, 2009). “Bedding,” one of the most expensive items among second-hand goods, cost five to ten guilders. Considering that the cost for a gold ring was five guilders, used “bedding” was an equivalently luxury item and sometimes traded for dowries.

Active, second-hand clothing trades were pervasive in Madrid, Spain as well, becoming prevalent during the 18th century (Barahona & Sánzhez, 2012). According to Barahona and Sánzhez (2012), the influx of workers increased city size and society became more complex, prompting social polarization and divergent demands from a two-tiered social class. Throughout the entire 17th and 18th centuries, second-hand clothing market expansions were the consequence of the Industrial Revolution that brought about an impoverished population.

Post-Industrial Revolution Period (c. 1850 ~ present)

The flow of trades greatly changed after the Industrial Revolution though the number of second-hand trades in London peaked during the middle of the 19th century (Ginsburg, 1980). By the end of the 19th century, the number of trades diminished by half, coinciding with an increase in the number of ready-made clothes providing variety and reduced prices. Moreover, the emerging social class of working, unmarried women able to afford new clothes demanded new clothing as a symbol of pride in their abilities. Ready-made clothes were sufficient to fulfill these young, working women’s clothing needs as well as that of the
overall populace. Coincidentally, the development of the spinning wheel decreased the number of second-hand clothing trades (Ginsburg, 1980). This new machine, capable of converting tattered wool, cotton, or old clothing into yarn for “shoddy” fabrics, permitted old clothes to be recycled and played a significant role in producing ready-made garments (Ginsburg, 1980). With the advance of technology capable of producing ready-made clothes and recycling yarns, used clothes were welcomed by poor families only, who altered them (Ginsburg, 1980).

Presently, ready-to-wear clothing overflows the market and exists everywhere. This level of consumption has lead to a current waste disposal crisis faced by many developed countries (Allwood et al., 2006). Only a small portion of disposable or unwanted clothing has been donated or exported to African or Arab countries (Thomas, 2003). However, the meaning of wearing second-hand clothing has changed from the 1990’s, coinciding with new fashion styles, such as ‘retro’ fashion and the revivalism of 1970’s styles (DeLong et al., 2005). The current attitude that wearing vintage clothing is stylish differs from that of previous eras, when poverty forced the wearing of second-hand clothing. Today consumers recognize the importance of second-hand clothing as it relates to sustainability issues. The next section discussed what it means to wear second-hand clothing and the reasons people consume them.

2.3 Motivations of Second-hand Consumption

Why do people purchase and consume second-hand clothes? Second-hand markets are common and historically effective for economic reasons. For some individuals, and especially those in developing countries, economic factors drive the sale of second-hand clothing—with used garments becoming a crucial commodity (Hansen, 2000a). However, second-hand consumers’ motivation is not always limited to economic factors; today motivation reflects other considerations. For example, second-hand clothing in some
developed cultures is often preferred because of environmental sustainability issues in an
effort to reduce the amount of clothing disposal. Hedonic and recreational shopping
experiences, such as a feeling of nostalgia, need for uniqueness, treasure hunting, and social
interaction, exclusively provided by second-hand retailers are also influential shopping
motivators. In this section, various motivations for second-hand clothing consumption were
investigated.

Economical Motivations

Second-hand clothing is regarded by many as undesirable and often discarded—a
commodity that only poor people consume. Traditionally, wearing relatively low cost
second-hand clothing was a way to save money, accommodating the economic constraints
imposed by a lack of resources (Hansen, 2000a). In some cultures, second-hand clothing is
still consumed because of cost factors; some countries import second-hand clothing from the
West as an important clothing resource. For some, purchasing second-hand clothing instead
of new is an alternative decision-making process. The following is a review of economical
motivations driving second-hand consumption.

Third-World Countries: Final destination of second-hand clothes. Waste
disposal concerns faced by many developed countries have bolstered global trading in
reselling, reusing, repurposing, and recycling second-hand clothing. Unwanted second-hand
clothing in the West has become desirable and an important clothing source for many third-
world countries, such as those in South-Eastern Asia and Sub-Sahara (Hansen, 2000a, 2004).
The largest clothing sources are the United States, Canada, and several countries in Europe.
Garments arrive by container ships in ports such as Dar es Salaam in Tanzania, Durban in
South Africa, and Beira in Mozambique (Mhango & Niehm, 2005; Palmer & Clark, 2005).
Trade between the U.S. and Sub-Sahara countries is encouraged under a free trade agreement,
the African Growth Opportunity Act (AGOA) (Mhango & Niehm, 2005). While second-
hand clothing markets in African countries are regarded as the “dumping grounds for the West’s discarded garments,” it becomes a worthwhile commodity as soon as wholesalers place the clothing in marketplaces. In Zambia, the term “salaula” refers to, “selecting from a bale in the manner of rummaging” (Palmer & Clark, 2005, p. 103). According to Mhango and Niehm (2005), the market where second-hand clothing arrives from the West is a center of modernity and development. It fulfills consumers’ fundamental needs and preference for Western-style clothing, an important first item for which urban workers spend their wages. The retail spaces in Malawi’s domestic markets are usually informal, often non-physical, and sometimes private homes—generating great profits and incomes for many enterprises and traders.

**Economic advantages of frugal shoppers: Alternatives to new clothes.** For low-income consumers, purchasing second-hand clothing is a conflict-avoidance strategy, a consumer behavior alleviating the burden of poverty (Hamilton, 2009). DeLong et al. (2005) concluded that poverty is one of the motivations for vintage clothing shopping. Thrifty consumers are thought of as either price conscious, defined as “the degree to which the consumer focuses exclusively on paying low prices,” or value conscious, “a concern for price paid relative to quality received.” (Lichtenstein, Ridgway, & Netemeyer, 1993, p. 235). Guiot and Roux (2010) underscored the importance of economic advantages in second-hand clothing shopping. The desire to pay less, search for a fair price, hunt for bargains, and the gratification in having paid a bargain price were described as key motivational factors influencing second-hand clothing consumers. Therefore, since second-hand goods are generally cheaper than newer ones, indirect price discrimination between used and new goods encourages thrifty consumers to buy second-hand products with price advantages (Anderson & Ginsburgh, 1994; Stroeker, 1995).
Motivations of ethical consumerism

Second-hand clothing trades constitute part of ethical consumerism attempting to minimize or eliminate harmful effects to the environment or society by reducing clothing disposal (Brace-Govan & Binay, 2010; Ha-Brookshire & Hodges, 2009; Kim & Damhorst, 1998). Bekin, Carrigan, and Szmigin (2007) emphasize that activities related to second-hand clothing trades are a component of waste-reduction strategies. In response to the growing demand for environmentally-responsible clothing consumption, many recent studies have attended to disposition, donation, recycling, reselling, reusing, repurposing, and the purchase of second-hand clothing as important socially responsible consumer behaviors (Bekin et al., 2007; Ha-Brookshire & Hodges, 2009; Shim, 1995).

The consumer culture for ethical consumption started as a voluntary simplifier—a wealthy consumer group living in a seemingly simple manner of their free will (McDonald, Oates, Young, & Hwang, 2006). The voluntary simplicity life embraces “frugality of consumption, a strong sense of environmental urgency, a desire to return to living and working environments of more human scale, and an intention to realize our higher human potential, both psychological and spiritual, in community with others” (Doherty & Etzioni, 2003, p. 146). According to McDonald et al. (2006), consumer cultures among the voluntary simplifiers limit their expenditures, consume less when they purchase goods and services, and use non-materialistic sources. More specifically, Leonard-Barton (1981) pointed out several activities that voluntary simplifiers undertake: recycling, exchanging goods or services, contributing to ecology, growing vegetables, making clothes or furniture, buying at garage sales, and purchasing second-hand clothing.

As a part of the consumer culture, these simplified lifestyles and green consumerism have affected the consequent demand for second-hand clothing consumption (Kim & Damhorst, 1998). Guiot and Roux (2010) emphasized that ethical and ecological concerns
motivate second-hand shoppers. Purchasing second-hand clothing takes responsibility for reusing functional products, reducing the depletion of natural resources, and avoiding the unnecessary proliferation of products.

**Hedonic and recreational shopping motivations**

For low-income consumers, shopping in a vintage shop or a consignment store might not be a hedonic or recreational experience. In Hamilton’s (2009) study, low-income consumers’ shopping experiences were self-described as a “nightmare,” “hateful,” “struggle,” and “stressful,” and regarded as task-related activities rather than hedonic consumption; they have very limited choices in decision-making processes and choose second-hand clothing as an alternative to new clothing (Hamilton, 2009). However, many studies have found consumers in general purchase second-hand clothing and browse shops because of hedonic and recreational shopping motivations such as treasure hunting, authenticity, social interaction, and nostalgic pleasure (Gregson & Crewe, 2003; Guiot & Roux, 2010). Since characteristics of second-hand clothing retailers are different from conventional channels, experiences provided by second-hand markets offer social interaction, theatricality, and improvisatory products sales, encouraging browsing behaviors (Guiot & Roux, 2010).

**Nostalgic feeling.** *Nostalgic feeling* is “a longing for the past, a yearning for yesterday, or a fondness for possessions and activities associated with days of yore” (Holbrook, 1993, p. 245). The feeling is one of the most representative motivations by second-hand retailers, to make the “smelly old products” special, precious, irreplaceable, or fashionable (Catalani & Chung, 2005; DeLong et al., 2005; Palmer & Clark, 2005). According to DeLong et al. (2005), as a recreational activity, second-hand retailers offer opportunities to experience a museum-like atmosphere in the stores, with touchable merchandise. In addition, enjoying and knowing the history of vintage items are important motivational factors among vintage clothing shoppers, since it enables them to imagine
previous owners’ thoughts and lives. Guiot and Roux (2010) also described used items in second-hand retail stores as memorabilia that can attract customers by arousing memories. Moreover, used items have a history, soul, and authenticity that new products do not.

Gregson, brook, & Crewe (2001) and Palmer and Clark (2005) posited that what makes “smelly old garments” desirable is the sense of being “trendy”—wearing vintage fashions or a retro fashion. The term “retro” suggests “going back to the so-called ‘nostalgia-wave’ of the 70s” (Palmer & Clark, 2005, p.179), and the retro fashion trend in the late 1990s and early 2000s. A widespread desire for such fashion has increased second-hand clothing consumption.

Need for uniqueness. The need for uniqueness is elicited when consumers want to be distinguished from others, oppose conformity, and value special and unique items (Snyder, 1992). Satisfaction comes when consumers meet their need for uniqueness appeals, product-scarcity appeals, and appeals to counteract conformity among people around them (Lynn & Harris, 1997; Reiley, 2008; Snyder, 1992; Tian, Bearden, & Hunter, 2001).

Scholars argue that second-hand clothing is one of the items fulfilling consumers’ needs for uniqueness (Guiot & Roux, 2010; Palmer & Clark, 2005; Reiley, 2008; Stroeker, 1995). Palmer and Clark (2005) mentioned a second-hand clothing consumer group, referred to as “connoisseurs” or “collectors,” who seek items that are special, extraordinary, differentiated, and unique. Reiley (2008) and Tian et al. (2001) demonstrated that consumers having a high propensity to seek unique items tend to select small, nontraditional, and unique retailers such as antique stores, vintage stores, swap meets, or other types of second-hand retailers. Guiot and Roux (2010) also contended the need for uniqueness is a motivational feeling among second-hand shoppers wishing to find rare, unusual, and historical items.

Treasure hunting. Treasure hunting is a hedonic and recreational motivation that second-hand clothing consumers experience while shopping with second-hand retailers
Guiot and Roux (2010) state that the process of wandering around and finding something valuable, rare, and original is a consumer hunting treasure behavior satisfied by unearthing buried riches. Weil (1999) also stressed the importance of searching for outstanding, good condition and well-fitted clothes from second-hand retailers. Unlike traditional retailers who provide logically arranged styles and sizes, second-hand retailers restrict their selections of styles, colors, and sizes. It is an arduous activity to find appropriate attire in second-hand shops, but the wandering and searching provide the pleasure of hunting.

**Social interaction.** Social interaction is another recreational motivation occurring during second-hand exchanges. Swap meets, flea markets, vintage/antique fairs, car-boot sales and rummage sales are sites where previous owners and buyers come in direct contact with one another and share information about their second-hand goods (Belk, Sherry & Wallendorf, 1988; Gregson & Crewe, 2003; Sherry, 1990). These second-hand shopping exchanges provide an occasion for social interactions between people of various races, genders, ages, and occupations. Guiot and Roux (2010) mentioned that wandering around sites and talking to people is a form of amusement. Sherry (1990) also described that the flea market as having social atmosphere, affording opportunities to see and meet with a variety of people representing different demographics.

The hedonic and recreational motivations defined above are the most representative pleasures enjoyed during second-hand shopping. Moreover, the pleasure of browsing (Chattoe, 2006; Stroeker, 1995), the bargaining (Guiot & Roux, 2010) and the freedom from daily routine (Belk et al., 1988; Mathwick, Malhotra, & Rigdon, 2001) are also pleasures uniquely provided by second-hand retailers. These unique characteristics attract many second-hand consumers who enjoy second-hand shopping, not merely for economic advantages or sustainability issues, but for spending leisure time.
Motivations to follow fashion trends

The reason for wearing used clothing in the 1990s became an attempt to follow a fashion trend—unlike previous times when wearing second-hand clothing was necessary for economic reasons and the garments regarded as undesirable commodities (DeLong et al., 2005). Second-hand clothing reflecting the seventies era became a desirable fashion among consumers from the late 1990s to early 2000 (Gregson et al., 2001). Retro fashion followers wore old used clothes mixed with new items of dress and new garments inspired by seventies garments. The seventies revivalism, lasting several decades, became a trend and created a new look, significantly increasing the demand for vintage clothes.

DeLong et al. (2005) distinguished the term “vintage clothes” from second-hand clothes. Most second-hand clothing had been traded and worn for economic reasons during the pre-industrial revolution era; vintage clothing constituted second-hand clothing worn as part of the 1970s clothing style trend. Thus, the term “vintage” defines outdated clothes designating a specific past eras and a past fashion styles, but it does not merely refer to historical, thrift, second-hand, consignment, or resale clothing (DeLong et al., 2005; Jenβ, 2004, Palmer & Clark, 2005). The quest for self-expression and personal identity promoting the desire to be different from mainstream fashion wearers who wear mass-produced clothes is a significant motivational factor for vintage clothes shoppers. Thus, vintage clothing shoppers create a new identity from various historical eras (DeLong et al., 2005); authenticity is a motivational factor for wearing vintage clothes and following a retro fashion style. Consumers who want to wear vintage clothes seek originality and authenticity in their outfits to construct identities (DeLong et al., 2005; Jenβ, 2004). Therefore, re-creation and revaluing of sixties or seventies fashion styles for retro trend followers is a consumer behavior longing for aesthetics and personal identity.
2.4 Types of second-hand Retailers

Second-hand retailers and trading methods adopt a variety of formats, including vintage shops/boutiques, consignment shops, thrift/charity shops, online auction sites, flea markets, antique fairs, swap meets, garage sales, car-boot sales, and classified ads. They are classified as informal, independent, and fringe markets, but little is known about them (Gregson & Crewe, 2003; Hansen, 2000a; Mhango & Niehm, 2005). Lack of information has prevented second-hand retailers from formulating appropriate business strategies and customer service. Therefore, it is crucial to review diverse retailers’ business management styles, marketing strategies, and challenges. Studying retailers’ business performance helps gain valuable insights into consumer’s needs and market trends. Since second-hand consumers’ needs and motivations are fulfilled through these diverse retailer formats, understanding retailers’ services and marketing strategies benefits the present study. The purpose of this section then, was to investigate various second-hand retailer formats, and review their similarities and differences.

Vintage, consignment, and thrift shops

*Vintage, consignment, and thrift shops* are major venues where second-hand clothing is traded in traditional brick-and-mortar stores. Retailers select various styles, colors, and brands with a wide product range, but cannot offer product depth or customized sizes. Methods of sales, consumers, and sources to obtain merchandise for *vintage, consignment*, and *thrift shops* are differentiated (Weil, 1999). This study reviewed and classified the characteristics of these retailers.

**Vintage shop/boutiques.** *Vintage shops/boutiques* sell second-hand clothing, and clothing reflecting a given fashion era (Weil, 1999). Palmer and Clark (2005) define “vintage” as “a huge spectrum of clothes that are not newly designed” (p. 174). Similar to “vintage” fashion, a “retro” fashion designates a fashion trend of the late nineties, which is a
revivalism of seventies’ fashions similar to that often found in 1970’ films. Vintage shops and boutiques proliferated and became important sources for “retro” fashion followers because of the “retro” fashion trend and interest in wearing vintage clothes. Therefore, the unique characteristic of vintage shop/boutiques is the focus on historical significance, rather than used goods exclusively.

Merchandise sold at vintage shops/boutiques or retro shops are organized and displayed as they relate to time periods, styles or types, and range from inexpensive shirts to luxury fur coats (Weil, 1999). Merchandise is obtained from antique fairs, vintage fairs, swap meets, thrift stores, auctions, and rag houses; sometimes shops are located in metropolitan areas and specialize in a specific fashion era. Shop atmosphere and displays are designed to attract a select type of clientele (Reiley, 2008; Weil, 1999). For example, shop owners create themes such as “the funky attic atmosphere” or “a gallery-like store” (Weil, 1999, p. 273) to provide desired experiences for customers. In general, shops are privately owned and dispersed in various areas, such as an antique/café/student-centered district, where rental costs are minimal.

**Consignment shops.** The term “consign” means to hand-over goods to be cared for while being sold for a commission—consignment shops play a role as a mediator between seller and customer (Weil, 1999). Sellers desiring to sell unwanted belongings can sell them throughout the shop, and have the advantage of avoiding advertising, display space, and storage costs, while the consignment store earns a percentage of the sales’ profits. In general, consignment shops only accept items in good condition: without stains, tears, mothball and smoke odors, animal hairs, missing buttons or broken zippers. Moreover, the goods must be current (one to two years old) and seasonal. If items are not sold within a given time period, they are returned to their owner.

Like vintage shops/boutiques, consignment shops sell diverse products with a wide
product range; the quality of items largely depends on store location and varies from store-to-
store (Weil, 1999). For instance, a store located in a modest to affluent-income area
arranges pricier, fancy, and upscale products under signs reading “exclusive” or “couture”
while a store located in a rural area where high fashion is not pervasive, merchandise is
promoted with signs saying “cheap” and “bargain.”

**Thrift shops.** *Thrift or charity shops* are of value by keeping old clothes out of
landfills and offering opportunities for low-income patrons to shop at reduced prices (Weil,
1999). *Thrift shops*, unlike consignment stores, generously accept goods from individuals or
charitable organizations, and serve a wide range of customers whose shopping motivations
are diverse as well. Thrift/charity shops are classified into three categories based on their
operating system—*nonprofit, charity-affiliated for-profit, and for-profit thrift shops*.

*Nonprofit thrift shops* are usually operated by major national charities such as the Salvation
Army and Goodwill, Inc., and sometimes by local religious groups, charities, or cultural
benefactors. Nationwide charities usually have extensive inventories with quick turnover.
They sell donated second-hand clothing and profits from the sales go directly or indirectly to
charities. *Charity-affiliated for-profit thrift shops*, on the other hand, sell goods for profit, and
goods are bought from the charitable organization to support their activities. *For-profit
thrift shops* sell goods obtained from individuals or wholesalers, but sell it for profit. These
different operating systems influence the store’s environment, product quality and types.

**Informal trades throughout non-store retailers**

There are several informal methods of selling second-hand trades: online auction
sites, flea markets, rummage sales, expositions, vintage/antique fairs, swap meets, car-boot
sales, etc. (Sherry, 1990; Weil, 1999). These informal second-hand trades are distinguished
from traditional second-hand retailers—the latter having physical stores and formally
operated by shop owners or organizations. Informal trades and non-store retailers operate
through flea markets, fairs, auctions, and expositions offered periodically or individuals unofficially.

**Swap meets and flea markets.** Belk et al. (1988) report flea markets or swap meets are locations where sellers and buyers exchange goods, similar to the basic form used by older medieval markets and fairs. In swap meets or flea markets, consumers take advantage of lower prices, more varieties, and browse the entire market place, even though they may not intend to make a purchase (Sherry, 1990). Consumers in flea markets or swap meets are not restricted to lower class shopping—their major shopping motivations are treasure and bargain hunting.

**Car-boot sales.** Car-boot sales involve a venue where second-hand exchanges occur—usually fields or urban fringe car parks selected under the jurisdictions of local authorities and commercial operators (Gregson & Crewe, 2003). Car-boot sales allow anyone to participate as a seller or a buyer and to interact with each other. The goods sold range from clothing to do-it-yourself items, electrical, and sporting goods (Gregson & Crewe, 1998).

**Online auction sites.** Online auction sites, such as eBay, exist on the Internet rather than on a physical site—where sellers and buyers have ‘promiscuous’ relationships exchanging their unwanted goods (Denegri-Knott & Molesworth, 2009). A characteristic of online auction sites is that they allow sellers to maximize the value of goods by transforming a disposal to a stock. For instance, in the case of parting with meaningful possessions, owners may be wistful and desire to find new owners. According to Denegri-Knott and Molesworth (2009), eBay plays a major role as mediator and alters unwanted goods into valuable merchandise.

As discussed above, there are many forms of second-hand exchanges or trades. Whether these retail options are formally or informally operated, have a physical store or not,
they offer opportunities to purchase or exchange second-hand goods. At exchange sites, consumers and sellers enjoy diverse experiences and fulfill their needs, including treasure and bargain hunting, social interactions—all in an atmosphere of nostalgia (Gregson & Crewe, 2003; Palmer & Clark, 2005; Sherry, 1990; Weil, 1999).

2.5 Theoretical Frameworks

Several theoretical frameworks helped to position the present study. First, this section addressed the Resource-Based View (RBV) developed by Barney (1991). RBV is a popular theory widely used by scholars to explain competitive advantages within a firm. Second, Four Experiential Realms (4Es), conceptualized by Pine and Gilmore (1999), were reviewed and explored relevant to apparel resale firms. The underlying concept of the 4Es accentuates the importance of consumers’ experiential values in continuously shifting markets with evolving consumer demands. Maxwell (2009) stated, “using theories in qualitative research can be both advantageous and adventurous” (p. 227). However, carefully organized theories used to understand issues important in the investigation of influential people provide a theoretical lens and guidance for research design (Creswell, 2009).

Resource-Based View (RBV)

The first theoretical framework this study applies is Resource-Based View (Barney, 1991). The RBV (Barney, 1991) has been debated, reconstructed by scholars (Grant, 1996; Hart, 1995) and integrated with diverse theoretical perspectives (Conner, 1991; Mahoney, 2001; Makadok, 2001; Oliver, 1997; Wan, Hoskisson, Short, & Yui, 2011). The theory is now sufficiently mature to be named the Resource-Based Theory (RBT), and increasingly referred as RBT instead of the commonly used name, RBV. The RBV is currently a widely used theoretical view regarded as one of the most fundamental theories explicating competitive advantages (Barney, Ketchen, & Wright, 2011).
RBV is a view defining relationships between firm resources and the sustained competitive advantage of firms. According to Barney (1991), to be successful in business firms should be able to analyze the potential of firm resources and generate sustained competitive advantages. The strength and weakness—internal factors of a firm and adjustable in a firm—are replaced with firm resources in the RBV when comparing the RBV to the strengths-weaknesses-opportunities-threats (SWOT) analysis (see Figure 1). Opportunity and threats—external factors of a firm and non-negotiable factors—are substituted for the environmental models of competitive advantages in the RBV. Barney (1991) assumed the relationship between the firm's resources and sustained competitive advantage is strongly bonded and determines the success of a firm. Next, this study reviews how Barney (1991) defines the early concept of firm resources and sustained competitive advantage.

Figure 1. The relationships between strengths-weaknesses-opportunities-threats analysis and RBV (based on Barney, 1991).

Firm resources. Firm resources, which can be controlled and adjusted by a firm, are comprised of assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. These resources can be categorized as physical capital resources, human capital resources, and organizational capital resources, depending on the resource’s
characteristics. Firm resources, such as plants or equipment physically utilized by a firm, are physical capital resources. Human capital resources include knowledge, experience, intelligence, know-how, or relationships possessed by individual workers. Firm resources, such as a firm’s reporting structure, planning, controlling, coordinating systems, and relations among groups within or between firms are defined as organizational capital resources. Of key importance is that a firm can control resources and implement strategies for profit and efficiency. In addition, the RBV does not suggest a firm encompass all resources, but suggests it pay attention to several potential critical resources to develop the sustained competitive advantage.

Barney (1991) emphasizes that heterogeneity and the immobility of the firm’s resources should be strongly considered for a potentially sustained competitive advantage. Resource heterogeneity and immobility enable a firm to keep a sustained competitive advantage by preventing other competitors from copying strategies. A firm’s competitive advantage is no longer valuable and sustainable when competing firms duplicate their strategic resources—given that physical, human, and organizational capital resources are highly mobile and homogenous. Therefore, to develop and sustain a competitive advantage, firms should appreciate the importance of resource heterogeneity and immobility, and should create unique firm resources that competing firms cannot duplicate.

**Sustained competitive advantage.** Sustained competitive advantage is distinguished from competitive advantage. Regardless of how long a competitive advantage has been possessed by a firm, Barney (1991) defines sustained competitive advantage as competitive advantage that cannot be easily duplicated by other competing firms. In other words, sustained competitive advantage is not a competitive advantage that can be sustained “forever,” but uniquely owned by a firm and possesses heterogeneity and immobility. There are four attributes that hold the sustained competitive advantage of firms.
First, firm resources should be sufficiently valuable to perform strategies and improve effectiveness and efficiency, generating a sustained competitive advantage. Second, resources should be rare. Although resources are sufficiently valuable, competitive advantage will not be sustained for long and will lose value when resources are shared with competing firms. Third, resources should be imperfectly imitable. Although firm resources are valuable and rare, if resources can be easily obtained by other firms they will lose value and rarity as well. Finally, firm resources should be irreplaceable to alternative resources that are equivalently valuable, rare, and imitable. If competing firms develop their own unique strategies of equivalent value, a firm will not be able to maintain a sustained competitive advantage despite valuable, rare, and imperfectly imitable resources. Therefore, implementing these four attributes of firm resources and retaining heterogeneity and immobility, a firm will be able to generate sustained competitive advantages.

On the basis of Barney’s (1991) theory, scholars have emphasized the importance of firm resources in small-medium sized enterprises (SMEs), and argue that deliberately generated and combined resources can help generate sustained competitive advantage. The lack of strategic management in SMEs as compared to large firms has generated discussion about increasing SMEs resources for better business performances and prevention of firm failure (Aragón-Correa, Hurtado-Torres, Sharma, & García-Morales, 2008; Rangone, 1999; Way, 2002). According to Way (2002) and Westhead, Ucbasaran, and Wright (2009), SME’s resources are relatively more labor-intensive and limited, while larger firms have more opportunities to possess resources. Wiklund and Shepherd (2003) as well, highlighted the potential of knowledge-based resources in SMEs. Therefore, human capital resources of SMEs, such as information searching ability, know-how, experiences, and knowledge can be critical forms of sustained competitive advantages since they are not perfectly mobile, replaceable, and replicable.
Although there are several means of defining and classifying resources, the RBV argues that a firm does not have to include all resources, but can generate a sustained competitive advantage using some critical resources (Rangon, 1999). Therefore, the present study intensively examined second-hand retailers’ human capital resources, such as know-how, experience, judgment, or relationships among workers. The literatures helped generate research questions and orient the present study.

**Four Experiential Realms (4Es)**

The second theoretical framework utilized for the present study is *four experiential realms* (Pine & Gilmore, 1990). The 4Es is a theoretical perspective, originated with Pine and Gilmore’s (1999) progression of economic value changes. The progression of economic value indicates transitions over time—from selling commodities to goods, selling goods to services, and finally selling services to experiences, meaning today’s consumers not only want to purchase commodities, goods, and better services, but also expect experiences while shopping (Carù & Cova, 2003; Gentile, Spiller, & Noci, 2007; Pine & Gilmore, 1998, 1999). Pine and Gilmore (1999) discuss the importance for marketers to understand these economic shifts and to establish appropriate marketing strategies that provide innovative experiences for consumers.

Pine and Gilmore (1999) emphasized the importance of selling experiences, and conceptualized four experiential realms: educational, entertainment, escapist, and esthetic experiences. The experiential realm is categorized according to how absorbable or immersive an event is, and how passive or active the participation (Jeong, Fiore, Niehm & Lorenz, 2009; Pine & Gilmore, 1998, 1999) (see Figure 2). When consumers and experiences are connected through absorption, entertainment and educational experiences follow. *Entertainment*, such as watching television or attending a concert, is likely to engage passive participation, while *educational* experiences, such as attending a class, are
more likely to involve active participation—absorbing the event. On the other hand, if connections between consumers and events are immersed, escapist and esthetic experiences occur. *Escapist* experiences, such as acting in a play, playing in an orchestra, or descending the Grand Canyon, involve active participation as well as immersion in the events. *Esthetic* experiences engage passive participation, such as viewing the Grand Canyon. Pine and Gilmore (1998) suggested that managers and business owners should always pay attention to the question, “what specific experience will my company offer?” (p. 102).

*Figure 2.* The four realms of an experience (based on Pine & Gilmore, 1999).

Pine and Gilmore (1999) argued that designing memorable experiences is as important as designing products or the management process, and suggested five key principles for experience design. First, an experience theme should be selected. For example, Hard Rock Café and Rainforest Café are designed with well-defined themes for customers to experience. Second, desired impressions with positive cues, such as interior decor or method of serving customers, should be created around a well-designed theme. Third, it is important to harmonize impressions by eliminating negative cues that interrupt the theme, and fourth, harmonized impressions should be reinforced with memorabilia, such as
souvenirs. It is prudent to provide reasonably priced merchandise such of T-shirts, logo cups, or postcards to help customers commemorate their experience. Finally, the theme should be enhanced through all five senses—auditory, olfactory, tactile, taste, and visual—making an experience more effective and memorable; managers and business owners must design creative and effective experiences that consumers will want to visit.

Studies have argued for the superiority of experiential marketing in contrast to traditional marketing; consumers are rational, but also emotional and seek pleasurable experiences (Holbrook & Hirschman, 1982; Richins, 1997). Pine and Gilmore (1999) argued that experiences should encompass ‘aspects of all four realms’ to insure the richest customer experience possible (p. 39). In the above cited literature several recreational motivations, such as nostalgia, searching for unique items, hunting treasures, bargaining for price, and social interaction were reviewed. These are experiences uniquely provided by second-hand retailers—experiences conventional retailers cannot offer. To examine the second-hand retailers’ business practice of providing various experiences and meeting customers’ demands, the 4Es were utilized to develop experiential research questions. The questions were generated from the essence of Pine and Gilmore’s 4Es. Moreover, to evaluate the effectiveness of retailers’ marketing strategies, this study also investigated how well the 4Es, educational, entertainment, escapist, and esthetic experiences, were combined and organized by second-hand retailers—accomplished by understanding consumers’ expectations and perspectives regarding second-hand retailers.
2.6 Research Questions

The literature and theoretical frameworks selected for this study aided in framing the following research questions. The questions were developed to frame the present study and provide methodological direction:

- How do second-hand retailers describe business resources (e.g. physical capital resources, human capital resources, and organizational resources) they possess?
- How do second-hand retailers relate business resources, and their sustained competitive advantages that lead their business success?
- How do second-hand retailers describe marketing and management styles they possess?
- How do second-hand retailers satisfy customers maintaining relationships with customers?
- How do second-hand retailers describe experiential realms they offer to customers and what types of experiential realms are offered?
- How do second-hand retailers describe current conditions of second-hand markets and consumers’ tastes?
- How do second-hand retailers define second-hand apparel and retail stores in terms of format and unique positioning in the market?
CHAPTER THREE: METHODS

3.1 Introduction

Based on the literature review and theoretical frameworks, a qualitative research method was designed. Qualitative methods were used to generate in-depth information, since there is a paucity of studies that have investigated second-hand retailers and related shopping behaviors. The strength of qualitative research is represented in “inductive approaches, focused on specific situations or people, and emphasis on words rather than numbers” (Maxwell, 2005, p. 22). The qualitative research method fits well with the present study, allowing for the unearthing of unclassified types of retailers, and investigating unidentified consumer motives and effective business practices for second-hand retailers. For the purpose of the present study, personal in-depth interviews were employed to understand second-hand retailers’ business practices. The personal in-depth interviews were conducted with business owners or managers who manage vintage, consignment, or charity shops. In-depth interviewing is a widely adopted method for interpretive research because it allows one to grasp the essence of phenomena and to reveal meanings of participants’ experiences (Wengraf, 2001).

3.2. Sample and Data Collection

Sample

In-depth interviews were conducted with owner-managers of second-hand retail stores in the Midwestern U.S. to understand their business strategies. The sample (n = 13) was recruited by utilizing a purposive sampling technique. This technique, also referred to as a qualitative sampling technique, is widely used in qualitative research when a researcher wants to recruit specific groups or individuals, who have particular experiences for specific research purposes (Teddlie & Yu, 2007). Unlike a random sampling technique (a probability sampling technique), the purposive sampling technique (nonprobability sampling
technique) provides researchers with the freedom to select a sample.

The personal, in-depth interviews were conducted with three representative types of second-hand retailers—vintage, consignment, and charity/thrift shops. Three different forms of retailers were recruited and distributed evenly (vintage shops = 5, consignment shops = 4, and charity/thrift shops = 4). To qualify for the study, participants had to be shop owners, managers, or owners-managers. Since the sample needed to reflect characteristics, experiences, knowledge, and management styles of interest to this study, it did not have to generalize to the larger population. Therefore, a purposive sampling technique was deemed appropriate.

Potential participants were contacted by the researcher by visiting physical stores, or through e-mail contact after obtaining approval from ISU Human Subjects Review (Appendix A). The purpose of the study, an introduction, and a description of interviewing procedures were briefly explained in a participant invitation (Appendix B). Those interested in engaging in a face-to-face interview were asked for possible scheduling times to arrange an interview.

**Data Collection**

Interview instruments included an open-ended and semi-structured questionnaire to obtain in-depth, and candid responses about second-hand business owners-managers’ marketing practices and management know-how, guided by the researcher. Interview instruments (Appendix E) employed the *resource-based theory (RBT)* (Barney, 1991) and the *Four Experiential Realms (4Es)* (Pine & Gilmore, 1999). The function of theories in a qualitative study is to explain issues of value and identify people valuable for study (Creswell, 2009). Moreover, a useful theory allows the researcher to focus on the research goal, frame the research methods, generate research questions, and prevent potential threats to validity (Maxwell, 2009). Therefore, the in-depth interview instruments were developed based on
the research questions established for this study, extant literature, and relevant theoretical frameworks.

After the ISU Human Subjects review, interviews were conducted at participants’ work places or areas where they feel comfortable being interviewed. An informed consent form (Appendix C) was provided for each participant and he/she was asked to sign it in advance of the interview. The participants were then asked to complete the questionnaire (Appendix D), which asks personal data for second-hand clothing retailers’ descriptive information. All interviews were audio-recorded to ensure accuracy and lasted approximately 45 to 60 minutes.

3.3. Data Analysis

A professional transcriptionist transcribed the content of all interviews, and each transcript was double-checked by the researcher for accuracy. For data interpretation, transcribed data were coded utilizing the following steps: First, the open coding process was applied to the data coding guidance. Open coding is a data reduction process of breaking down, categorizing, labeling, and comparing with theoretical frameworks. Corbin and Strauss (1990) suggest open coding provides new insights into the phenomena during the constant comparison process, and resolves ambiguities.

Interview data were overviewed at the first reading, and emergent themes were identified with the open coding guidance, based on the following process. Three interview transcripts were randomly selected from the raw data, and have were read thoroughly, jotting down key terms. This was a preliminary coding process, not the actual coding process, to identify emerging themes. After jotting down preliminary emerging themes on the selected raw data, the themes were categorized and labeled, based on research questions, and theoretical frameworks.

With the preliminary emerging theme lists, 13 interview transcripts were coded
utilizing color-coding and number coding techniques (Miles & Huberman, 1994). Microsoft Office Excel 2012 was used as a data analysis tool. Transcripts were transferred to Excel files and divided sentence by sentence or line by line. Each cell was color-coded entering a theme number, which automatically shows name of a theme (See Appendix F. Samples of data coding process). These emerging themes were removed from the theme lists, if the theme was: (a) mentioned less than five times, (b) irrelevant to the research questions, thematic contents, or business, and (c) negative terms such as “never,” “no,” or “we rarely do that” were mentioned during the interview. However, these emerging themes were continuously added and refined through a constant comparison process and reliability checking process (See Appendix G. Refined emerging theme).

The identified themes were categorized and labeled using the constant comparison process (Corbin & Strauss, 1990). The constant comparison process is a data analysis method developed by Glaser and Strauss (1967). Tesch (1990) suggests that this process is an intellectual tool “to form categories, assign segmentations, and establish boundaries among categories” through the continuous comparing and contrasting process between data and categories (p. 96).

Consequently, the axial coding process was employed. Axial coding (Corbin & Strauss, 1990) was used to check relationships between data and categories, and makes connections between categories, or between categories and subcategories. Since a single analysis method is insufficient to avoid biased data analyses and cannot verify the phenomena, data were repeatedly analyzed through the dual coding processes for clarification and verification (Corbin & Strauss, 1990).

The coded data were double-checked throughout inter-coder agreement to increase reliability, and codes were continuously modified until the agreement exceeds 90%. The average percentage of agreements calculated by dividing the total number of agreements by
the total number of codes was 96.87%. An inter-coder checking process was used to increase reliability of the present study. Inter-coder checking process is a method to increase trustworthiness of a research study, by lines, sentences, or paragraphs are coded by multiple coders until the agreement exceed more than 80% (Creswell, 2009). Miles and Huberman (1994) suggested that the agreement should exceed at least 80% to be reliable. Therefore, inter-coder checking process was utilized in this study, to maximize the “trustworthiness of qualitative research” that leads to more accurate findings and valuable studies (Golafshani, 2003).
CHAPTER FOUR: RESULTS

4.1 Introduction

Based on the research design and method discussed in previous chapters, thirteen face-to-face interviews with second-hand business owners-managers were conducted in several Mid-western cities. The purpose of this chapter is to report results of these personal in-depth interviews that addressed the following topical areas: (1) Second-hand retailers’ business resources and sustained competitive advantage, (2) experiential offerings and services towards customers, (3) and differences and commonalities of specialized types of second-hand retailers (e.g., vintage stores, consignment stores, and thrift stores).

This chapter incorporates two sections. The first section presents participants’ profiles and demographic information found in the questionnaires. The second section includes important quotations extracted from in-depth interview transcripts following data analysis, and describes how each quotation is related to research questions, theoretical framework, and literature review.

4.2 Profiles of Second-Hand Retailers

Before each interview, a brief survey questionnaire was provided to the participant along with an informed consent form. It required an average of three minutes or less to complete the form and survey questionnaire. The questionnaire was designed to collect interview participants’ demographic information and personal background, including experience owning and/or operating their business. SPSS 18.0 was used for descriptive data analysis.

The survey results showed that 7.7% of the participants were between 18-25 years of age; 23.1% were between 26-35 years; 38.5% were between 36-45 years; and 7.7% were between 56-65 years (See Table 1). The average age was 40.6. Participants were 84.6% female and 15.4% male. The highest level of education completed was 38.5% for those who
attended or graduated from high school, 7.7% for those who attended or graduated from college or technical school degree, 46.2% for those who completed a Bachelor’s degree, and 7.7% for those who completed a graduate degree (Master’s, MBA, Ph.D., etc.).

Table 1

Profiles of Second-Hand Retailers

<table>
<thead>
<tr>
<th>Participants</th>
<th>Gender</th>
<th>Age</th>
<th>Type of a second-hand retailer</th>
<th>Occupation</th>
<th>Years in business</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Female</td>
<td>26-25</td>
<td>Vintage</td>
<td>Owner-manager</td>
<td>5</td>
</tr>
<tr>
<td>P2</td>
<td>Female</td>
<td>35-45</td>
<td>Vintage</td>
<td>Owner-manager</td>
<td>20</td>
</tr>
<tr>
<td>P3</td>
<td>Female</td>
<td>26-35</td>
<td>Consignment</td>
<td>Manager</td>
<td>N/A</td>
</tr>
<tr>
<td>P4</td>
<td>Male</td>
<td>56-65</td>
<td>Vintage</td>
<td>Manager</td>
<td>33</td>
</tr>
<tr>
<td>P5</td>
<td>Female</td>
<td>36-45</td>
<td>Vintage</td>
<td>Owner-manager</td>
<td>3</td>
</tr>
<tr>
<td>P6</td>
<td>Female</td>
<td>36-45</td>
<td>Consignment</td>
<td>Manager</td>
<td>8</td>
</tr>
<tr>
<td>P7</td>
<td>Female</td>
<td>36-45</td>
<td>Consignment</td>
<td>Owner-manager</td>
<td>N/A</td>
</tr>
<tr>
<td>P8</td>
<td>Male</td>
<td>36-45</td>
<td>Thrift</td>
<td>Manager</td>
<td>14</td>
</tr>
<tr>
<td>P9</td>
<td>Female</td>
<td>18-25</td>
<td>Thrift</td>
<td>Manager</td>
<td>2</td>
</tr>
<tr>
<td>P10</td>
<td>Female</td>
<td>46-55</td>
<td>Consignment</td>
<td>Owner-manager</td>
<td>2</td>
</tr>
<tr>
<td>P11</td>
<td>Female</td>
<td>46-55</td>
<td>Thrift</td>
<td>Manager</td>
<td>6</td>
</tr>
<tr>
<td>P12</td>
<td>Female</td>
<td>26-35</td>
<td>Vintage</td>
<td>Owner-manager</td>
<td>3</td>
</tr>
<tr>
<td>P13</td>
<td>Female</td>
<td>46-55</td>
<td>Thrift</td>
<td>Manager</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Of the second-hand retail businesses represented by the participants, 38.5% were involved with vintage shops; 30.8% were involved with consignment shops; and 30.8% were thrift shop owners or managers. Their occupations were 46.2% store owners and 53.8% store managers. The average number of years store owners-managers operated their businesses was 8.8 years. Most were single store operations, but two participants indicated that they were operating two stores; 76.9% were located in urban areas, while 15.4% were located in suburban areas. During the past year 53.8% reported making a profit, 23.1% broke even, and 7.7% lost money.

4.3 Findings from Interviews with Store Owners-Managers

A grounded theory approach (Corbin & Strauss, 1990) was utilized as a data analysis method, since the method allows for development of a conceptual framework and the creation
of a typology of second-hand retailers. The following steps were performed for data analysis (Corbin & Strauss, 1990). First, through an open coding process, transcribed interview data was coded using an emerging theme list during an ongoing comparison process. Insignificant themes were removed from an emerging theme list, but emerging themes were constantly added or refined through constant comparison processes. The refined emerging themes were identified, considering the best business practices and resources that enhance second-hand retailers’ business success.

Second, in the axial coding process, the final version of emergent themes were organized—making connections between theoretical frameworks, or between categories and subcategories resulting from emergent themes. Making linkages between the theoretical frameworks, emerging theme categories and subcategories, a conceptual framework was developed to aid in the reporting of results and to assure a logical flow (Corbin & Strauss, 1990) (See Figure 3).

![Figure 3](image.png)

**Figure 3.** A Conceptual framework, second-hand business owners-managers’ business practices regarding resources and marketing plans.
Several critical factors were constantly considered to determine correspondence of interview responses—research questions, theoretical frameworks, participants’ behaviors, or critical factors that lead to their business success. These major themes were identified, based on interview participants’ descriptions, or on unique and distinguishable characteristics among each type of second-hand retailer: vintage shops, consignment shops, and thrift shops. Four major themes were identified from the emergent theme list: (1) *business background and motivations*, (2) *resources generated for second-hand retail business*, (3) *marketing and management plans*, and (4) *definition of second-hand retailers*.

**Business Backgrounds and Motivations**

“Business backgrounds and motivations” were defined in this study as a story related to the business establishment and one’s purpose in operating a business. When asked, “How did you begin your business?” or, “Why did you decide to start your business?” most participants mentioned how the business owners or founders began their business, and the reason(s) motivating them to begin. However, there are decisive differences among three types of second-hand retailers: vintage shop owners, consignment shop owners, and thrift shop managers. Therefore, quotes were classified by second-hand retailer type.

**Motivations of vintage store owners.** Most vintage shop owners expressed an interest in wearing vintage clothes, or shopping in various second-hand retail venues. They also had family related experiences starting at a young age—selling their personal items in garage sales, street sales, pop-up sales, E-bay, and rag house—before opening their shops, and said these early experiences motivated them to begin their own business. For example, vintage shop owners, P1 and P12, expressed strong interests in vintage clothes and shopping experiences for a long time, and mentioned that they sold their own items by holding garage, street, and pop-up sales.

Growing up I was always interested in vintage... my dad… like our family had a
culture of garage selling… so we would go out.. like every week… (P1, a vintage store owner).

Friend and I.. of our love of vintage clothing... and... we started doing… just a couple of street sales to kind of get rid of our own vintage clothing............... so we traveled around town... doing pop-up sales... out of the trailer... and... that went really well... and then we decided that we thought we were ready to take on a permanent location (P12, a vintage store owner).

Motivations of consignment store owners. Unlike vintage shop owners, consignment shop owners reported they began their businesses by chance during turning points in their lives. For example, they tried to do something new outside the home instead of being a stay-at-home mom, or switching her/his job from nursing to small-business owner. While looking for a small-business type store, they realized they could open a consignment store in an area needing one. For example, a consignment store owner P10, reported that she/he began her/his business by chance in a locale without a consignment store.

We bought a friend's consignment store... she was going out of business and we bought that and... decided... the south side of Des Moines needed something like this... so… we just decided to open it up, and… we just kind of went on our way... I mean... we knew the South side needed something like this. So… we took the chance and opened it up (P10, a consignment store owner).

Motivations of thrift store founders. According to thrift-shop managers, their motivation for operating their businesses sets them apart from vintage or consignment shop owners. A majority of participants stated that their stores were founded in the 1960’s or 1970’s to make a profit from selling donated goods, and in turn, pass on profits to people in need. Thrift stores are operated by non-profit organizations rather than by a sole proprietor, and may have many groups involved in the organization. Moreover, thrift stores have a relatively long history when compared to other two types of second-hand businesses. For instance, thrift store managers, P8 and P11, mentioned that their businesses began in the 1960’s and 1970’s to earn money and help people. Also, they mentioned that the stores are operated by non-profit organizations.
The original business started back in the 60s................. it was started for the express purpose of earning money for the disabled American veterans chapters 20 and 53, which is a local two local chapters, and what they do with that money is...they helped provide benefits... to disabled vets (P8, a thrift store manager).

The stores is um... owned and operated by...the Junior league of Des Moines... which is a women’s none profit organization...............I think it was in the 7... in the late 70’s... one of their projects was (P11, a thrift store manager).

Motivations for operating second-hand businesses varied among the three types of second-hand retailers studied. The most distinctive difference was that vintage and consignment shops were operated by individual store-owners or co-owners for profit, whereas thrift stores were operated by non-profit organizations. Although three types of second-hand retailers were located where used clothes were traded, they managed their stores differently and with varying purposes. The following two sections discuss second-hand retailers’ business practices, as informed by RBV (Barney, 1991) and Pine and Gilmore’s (1998) 4Es model of experiential realms of offerings.

**Resources Generated for Second-Hand Retail Businesses**

“Resources generated for second-hand retail business” in this study refers to how a business’s resources and sustained competitive advantages influence business success. Marketing and strategic plan knowledge, know-how, and experiences are not included in this section; they will be reported in the next section. An axial coding technique was utilized to assist in the reporting of themes related to second-hand business owners-managers’ firm resources and sustained competitive advantages (Barney, 1991). Sub-themes were generated considering varying types of resources used for second-hand retail business. This section includes the following theme subcategories based on RBV: physical capital resources, organizational capital resources, human capital resources, and sustained competitive advantages.
**Physical capital resources.** “Physical capital resources” includes any tangible type of resource, such as stores, equipment, locations, and assets related to a business (Barney, 1991). This theme was identified when participants reported their “physical number of stores,” “locations,” and “assets.” Most participants indicated the physical scale of their operation, such as the number of stores or spaces. The majority of participants operated one to two stores, and some suggested that operating one store is sufficient for a second-hand business, despite its growth. For example, P1 and P2 each owned one store. P2, who once owned two and three stores, downsized due to the overwhelming amount of work involved in operating a vintage store.

I have one... and I have a belief that … if your shop is going really, really well… then just keep it (P1, a vintage store owner).

I have one store in... during the time I've been in business, there was a point where I had three stores... but now... I just have one store. I went down to one store……………… because it was too much... work. I had too many employees (P2, a vintage store owner).

Some participants discussed *balers*: equipment used by some stores for baling unsold clothes into container-sized bundles. Stores then sell the containers of “baled” clothes to other companies who deliver them to overseas countries. The process is beneficial in several ways: stores make extra profit, people needing clothing use unsold items, and unwanted garments are kept out of the landfill. For example, P8 described their equipment and how their unsold items are “baled-out” and traded.

If we can help it… and then that's brought back... and that's put into a baler... we make about a thousand pound bale... strap it up and then and then... we have companies who’ll buy that from us for a certain a dollar amount per pound.......................... merchandizers can't use... is being... is benefiting another you know... charity… instead of being just thrown away in the dumpster behind the building (P8, a thrift store manager).

Statements about “the number of physical stores” and “equipment” were categorized under *physical capital resources* since they are tangible business assets and owned by a
second-hand business.

**Organizational capital resources.** “Organizational capital resources” indicates any type of system in a store such as reporting structures, coordinating systems, controlling, and relations within or between other stores (Barney, 1991). Specifically, sub-themes were identified when interview participants mentioned their “relationship with a business counselor,” “supporting community and business partnerships,” “use of retail technology,” “use of alternative retail channel,” and “sourcing.”

**Maintaining relationships with business counselors.** “Maintaining relationships with business counselors” refers to networking or retaining relationships with competitors, organizations, mentors, or predecessors for counseling. The theme was determined when participants described how they interacted with people or an organization for small-business counseling. Many participants stated they maintained relationships with competitors, predecessor, advisor, or an organization to learn management styles or business trends. For example, P6 stated that they annually participated in a convention held by the Association of Resale Professionals (*NARTS*), and expressed how they played a role in the organization and interacted with other second-hand business owners.

> Convention… that we go to once or twice is very helpful… for that people are very good about you know… ‘This works for us…’ and ‘It doesn’t work for us…’ ‘Have you tried this…?’ You know… We’ve gained a lot of knowledge… from you know… and a lot of that is just you know… go and out and you know… just checking other… what people do… (P6, a consignment store manager)

Many participants said they maintain relationships with business counselors, such as those in an organization, a predecessor, or competitors—feeling that business know-how or experiences could be exchanged and learned from them. Therefore, “maintaining relationships with business counselors” was categorized under organizational capital resources.
Supporting community and business partnerships. “Supporting community and business partnerships” in this study is defined as networking or retaining relationships with neighboring business partners or a supporting community. Themes were identified when interview participants reported “giving profit to charity,” or “providing access and quality service to the community.” A majority of participants mentioned that they support their community and cooperate with business partners. Some participants donate a greater part of their profits to charity and help people who cannot take care of themselves, or who cannot afford to pay for utilities, food, or clothes. Non-profit thrift stores mostly used this method. For example, P13 stated that all people or customers who visit their store could be taken care of with their sale profits—assisting with clothing, food, and other social services.

You know, we have homeless guys that come in and all they need is some clothing… we make sure that they’re taken care of, we make sure that everybody does not go without food, clothing, if they need clothing we get a form. That’s one of the … things that we take pride in is… helping others (P13, a thrift store manager).

Others said they cooperate with other business partners in the community by sending customers to competing stores if they don’t have specific items that customers want. For instance, P7 reported how she/he interacts with other store owners and sends customers to competing stores.

I have networking over with… Shares, Bart Occasions… if I have uh… people that are calling and wanting to know if I have certain items and I don’t have them but I know but she does… I will send them over to her……………… it’s all… we are all kind of within this little circle… yes… there… there is cooperation and that… there has to be.. I mean we are small business, you have to support each other (P7, a consignment store owner).

As mentioned above, many participants reported they support their community by helping those in need and cooperating with business partners. According to their statements, helping people in need of clothing, food, and services, and spending money for people is part of coordinating and controlling their business. Also, networking and cooperating with neighboring business partners was important in coordinating and controlling their business, as
well as maintaining relationships with other stores. Thus, *supporting community and business partnerships* was categorized under organizational capital resources.

**Use of retail technology.** “Use of retail technology” in this study implies the use of software or an online database designed for tracking items from point of sourcing/consigning to point of sale. It also includes retail technologies designed for understanding customers’ profiles and offering customer services. The theme was indicated when participants addressed any type of technology used to control and manage their store. According to participants’ reports, several stores used a program or software to analyze customer profiles, to manage customer accounts, to offer rewards when customers spent a certain amount of money, or track consigners’ items and points of sale. For example, P3 and P6 discussed online databases or software used in their stores.

We have a really nice online database... on our website... where our consigners can look at the items that they brought in and see if they have made money (P3, a consignment store manager).

How that works… is, we sign them up. It’s free of charge… we just keep track of it… our... our um... point of sales thing... or consign pro which is about, we key everything in… and that what we scan everything through… that gives track of it for us... but how it works is that we sign you up… and then for every hundred dollars... you spend... you earn five dollar in store credit (P6, a consignment store manager).

As above, some second-hand retailers use retail technologies to manage their stores. Since they use these technologies for controlling their stores’ system and reporting point of sales, *use of retail technologies* was incorporated into organizational capital resources as a sub-theme.

**Use of alternative retail channels.** “Use of alternative retail channels” was designated when second-hand business owners-managers sold items through alternative retailers to avoid the relatively high cost of high-end products, or very unique styles. The theme was assigned when participants mentioned they sometimes use websites to sell items. Participants who used alternative retail channels were mostly vintage-shop owners.
According to their reports, decisions to sell items through alternative retail channels were made when items were not appropriate to sell in their store because of style, relatively high price, or exclusive brand quality. Vintage shop owners, P1 and P2, discussed what motivated them to sell items through alternative retail channels, and what types of retail channels were utilized.

Usually it's the stuff that never hits the retail floor... um... because... it's too delicate... or something................ and then take the expensive stuff... you know... and sell it online...(P1, a vintage store owner)

I put it online, I sell it to a movie, or production for more money... like... I wouldn't put designer's stuff here... because my designers’ stuff is too expensive (P2, a vintage store owner).

These statements suggest that second-hand business owners trade several types of items through online or movie productions. Since trading used items through alternative retail channel was to coordinating store system, use of alternative retail channel is grouped in organizational capital resources.

Sourcing plans. “Sourcing” refers to any type of plan or control related to sourcing: a preparatory stage before items go to a store’s floor. Any type of product plan following an item’s placement on the floor is excluded. Based on these sourcing plans, two sub-themes were identified and grouped under sourcing: suppliers and supplies.

Suppliers. “Suppliers” in this study refers to people or an organization that supply merchandise to sell. Donators, consigners, or individual sellers are representative types of suppliers who provide merchandise to thrifts stores, consignment stores, or vintage stores. This theme was identified when participants were asked, “Who are your suppliers?” “How do you trade with suppliers?” and “Do you travel and collect merchandise?” According to participants’ reports, many of them obtained their supplies from donators, consigners, or individual sellers, and sometimes merchandise came from middlemen, rag houses, or wholesalers. However, statements varied among the three types of second-hand retailers:
thrift stores, consignment stores, and vintage stores. Thus, several sub-themes were identified by type of second-hand retailer, and categorized under “suppliers.”

“Donators” are individuals or organizations that voluntarily donate their items to a store to help others, provide charity funds, or for personal reasons. Some participants, particularly thrift store managers, stated that they obtain supplies from donators. Donations usually arrive at the donation center in boxes or sacks, but in some instances picked-up by store trucks. For example, P13 reported that most donated items are collected by the store’s pick-up truck when people call the store, while P9 reported that all items sold in the store were donated by neighbors in a local area, and brought to the backdoor by those making the donation.

People just calling to us, we do not… do any calling of them or ask them for stuff, they just donate and goes through like fliers at the churches, like if we need something or in-need of something, we just put… maybe… you know, we are in-need of towels, or sheets for people, and umm… we have a truck that goes out and… we pick it up according to the zip codes (P13, a thrift store manager).

We, all of the things that we sell in our store come as donation... from the local area... so... everything we sell is donated………they all come to our backdoor (P9, a thrift store manager).

“Consigners” are defined as individuals who try to sell their items through consignment stores to make small amounts of money, and remove unwanted personal items from their closets. Some participants, particularly consignment store owners, said that a principal method of obtaining items was through consigners, and that the store takes a percentage of the sale’s profit for borrowing locations and providing services. For example, P6 mentioned that consigners bring their items to the store and leave them there until the items are sold. Once the items are sold, some percentage of the profit is taken by the store and the rest goes to the consigners.

Yes, most of our stuff is all from consigners... so you know the people bring the stuff in, and then we sell it for them... and then they get 40% back of what it’s sells for the... (P6, a consignment store manager)
“Collected by a store” is defined in this study as the various methods second-hand stores use to go out and collect items from others. Vintage shop owners predominantly stated they hunt for, and collect items from private houses (estate sales, garage sales) rag houses, thrift stores, and websites. There is no specific site where they look for items; they hunt for vintage items in a variety of locations using diverse methods. For example, P1 stated that she/he visited a private home when the owner passed away, at the invitation of a family member. P4 mentioned that she/he goes to thrift stores to hunt for items as well as taking items from a rag house and placing them in the store. P5 indicated that she/he obtained items by visiting garage or estate sales, or online.

I have gone to... um people's homes where they would say... hey, you can have everything in this room for this amount of money (P1, a vintage store owner).

I do thrift stores… for the people do thrift stores… and so... we find stuff at thrift stores sometimes too… so………………….we go out of state... um... probably for… four or five times a year... and buy big quantities……………….. Not quite that big… we would go to… warehouse... in Missouri… and ... pick through all their stuff that we want… and then they bale it… for… for us... and ship it up here (P4, a vintage store manager).

I can say we get things from several different places in Des Moines... and online... in town… sometimes uh… you can go to... garage sales or estates... or you can buy things online (P5, a vintage store owner).

According to the participant’s reports, second-hand business owners obtain their supplies in various ways. Individuals in the local community donate thrift store items, whereas consigners provide supplies for consignment stores. Consigners and consignment stores make money only when items are sold. Instead of obtaining items by individuals, vintage stores collect and hunt for their supplies by visiting various sites. Therefore, “donators,” “consigners,” and “collected by a store” are regarded as types of suppliers and sourcing methods, and grouped under the sub-theme, “suppliers.”
Supplies. “Supplies” in this study indicates anything given to a store, but still in storage before they are taken to the store floor. This theme is identified when interview participants are asked, “What are your criteria for selecting items?” or “How do you balance your supplies and customers’ needs?” Several remarkable sub-themes were identified regarding business owners-managers’ expectations, or criteria for accepting supplies: “product variety,” “brand quality,” “conditions and wearability,” and “owner’s tastes.”

“Product variety” in this study is considered when a store accepts all supplies with low-threshold criteria to meet a wide range of customer needs. The theme was identified when participants reported they have no criteria for acceptance, but try to put all items they can sell in the store. The majority of participants who mentioned “product variety,” were thrift store managers. Their reports suggested that they try to obtain diverse product types and quantity, and have no specific criteria as long as items can be used. Moreover, they cannot control supplies donated by donators, and the amount of items or product types differ daily. For example, P11 said they have few choices when items are donated.

I think... well... because we are specifically... it's all donations... I can't control what people donate obviously... you know... it's just... I can't... I mean I can request... maybe... to Junior League members... can you maybe donate more shoes... (P11, a thrift store manager)

“Brand quality” in the present study is defined as criteria—when a store accepts only high-end, quality, or brand-name items. This theme was chosen if participants reported they required a certain level of product quality or designer brands from consigners or other suppliers. Consignment store owners provided most participator statements mentioning “brand quality.” They have relatively high expectations of items accepted. Some only accept designated brands popular among customers, while some stores only accept high-end products. P3 stated that she/he considers product quality when obtaining items from consigners.
We look for qualities... you know, we look over the items very carefully... and try to take... you know ... very popular items... or designers brands... or couture labels (P3, a consignment store manager).

“Conditions and wearability,” used here means that a store only accepts clothes in wearable conditions. For instance, items should be clean, have no missing buttons, zippers, color fades, or tears. This theme was identified when interview participants considered conditions of clothes as important criteria when accepting supplies. The theme was mentioned many times by consignment store owners and vintage shop owners. They do not bring items into their stores if the items have flaws or damage. They also consider wearability of clothes, because most vintage clothes come from a past era (at least 20 years ago) and the body shapes of customers in the past were very different from those of today; the shape of clothes or designs should be wearable by present day customers. For example, P7 described her/his supply expectations: no pilling, no color fade, and good fabric condition.

I deny… the things that... you know… have looked like they’ve worn... quite a bit... or the cotton is kind of pilling… or the color is faded… you know… things like that... thin... the shirts that are real thin... and you know… shoes… that have been worn a lot... I don’t get those thing very much most… most... consumers know… know that there are certain things that I can’t resell if it’s damaged at all... of course I can’t resell it (P7, a consignment store owner).

“Owner’s taste” in this study refers to the criteria used for accepting items reflecting an owner’s fashion taste. This theme was chosen when participants mentioned they select items based on their own fashion tastes, using specific words such as “curated” or “collection.” Many vintage-shop owners mentioned the theme. They reported having personal tastes and fashion styles in mind when choosing clothes to be shown on the floor. Their intention is to create their own collection, or a store theme. For example, P2 and P12 expressed a desire to obtain items that fit into their existing collection.

I... get to choose what I want... but… way I do it... I pay more... but I choose exactly what I want and I don't choose what might not sell (P2, a vintage store owner).

We will buy it… for... if it's something that fits in our collection..................we
are... we kind of... work really hard to... only buy things that we'd like... and things that we can see ourselves wearing and loving... and that kind of sets us apart because we've got... we've been fusing our personal style... into our store (P12, a vintage store owner).

As mentioned above, there are several major criteria used by second-hand business owners when selecting items to bring into their storage space. Some participants indicated there are no prescribed criteria for donated items, and that it is not appropriate for the business to have high expectations of donators. On the other hands, some participants reported they have high expectations for items obtained from consigners, since the selection of items influences sales. They suggested that brand quality or condition of clothes affects sales and their store’s boutique-like atmosphere. Others indicated their fashion tastes dictate the criteria used for collecting vintage items. Therefore, “product variety,” “brand quality,” “conditions and wearability,” and “owner’s tastes” are sub-themes included under “supplies.”

Two themes, “suppliers” and “supplies,” were emerged when participants were asked, “Who are your suppliers?” And, “What do you obtain from your suppliers?” Since these themes include information related to sourcing, they are categorized as sub-themes under the theme named “sourcing.” Moreover, “relationship with business counselor,” “supporting community and business partnerships,” “use of retail technology,” “use of alternative retail channel,” and “sourcing” are grouped under the theme “organizational firm resources.”

**Human capital resources.** “Human capital resources,” a type of firm resource of Resource-Based View (RBV), refers to intangible resources, such as know-how, experience, knowledge, or business culture among employees (Barney, 1991). However, know-how, experience, and knowledge—all related to marketing and management plans—were not considered a part of human capital resources in this study. Content related to this will be reported in the next section, “marketing and management plan.” “Human capital resources” was identified when interview participants talked about their efforts in behalf of business
growth, trial and error, employees’ profiles, education, and business culture among employees. Most participants told how they worked for business growth, how they failed or succeeded, and how their business culture maintained positive relationships among employees. For example, P6 expressed how she/he educated her/his employees, and P13 described their employee business culture. Both maintained good relationships with employees through education and friendship.

We have trained all of our staff... how to be very respectful... and polite to our ... to our consigners... you know... so they treat their stuff with respect and saying you know... (P6, a consignment store manager)

We’re a team. We actually ...we have a… what we call a “pot luck,” once a month, where everyone can bring something, and we all sit down and eat together...we are going to be out having little picnics, we had a barbeque the other day…we think of each other as family (P13, a thrift store manager).

Reports regarding business culture, employees, and education, are considered representative types of human capital resources that are generated for second-hand retail business. Therefore, the theme “human capital resources,” is categorized under “resources generated for second-hand retail business.”

**Sustained competitive advantage.** “Sustained competitive advantage” in this study is regarded as unique and valuable store resources, management style, and marketing plans that cannot be shared, duplicated and replaced by other business owners-managers (Barney, 1991).

This theme was identified when interview participants were asked, “Which characteristics of your store are unique, and something other stores cannot duplicate?” And, “Do you think your unique characteristics affected your business success?” Most interview participants reported that they have unique characteristics and business strategies that have affected their business’s success and growth. Although participants’ answers regarding their unique characteristics or business strategies were not consistent, many participants addressed the importance of product variety—including product types only sold in their store. For
example, P3, P4, P6 and P7 thought that product variety appealed to customers. P3, P4 and P6, in particular, stressed that they have a variety of goods, a large inventory, and new items obtained from wholesalers--allowing for a mix of new and used items. P7 mentioned that she/he carries some brands that other store do not.

There are getting to be a lot more consignment stores out there... but, I think... our store is unique in that we... we take items for the entire family (P3, a consignment store manager).

I would guess... it’s our... it’s our variety of goods... that has kept us successful... and... and... just the amount of inventory... and... and then we do new and used.. I think that’s... that’s what keeps us successful (P4, a vintage store manager).

I think... yes... I think just the variety stuffs... that we have … with the new and the used... I think that make us kind of unique... to other businesses (P6, a consignment store manager).

I think I am... I am… pretty good in there... I do... have some different brands... that other stores don’t have (P7, a consignment store owner).

Some participants mentioned that their unique strategies include a pleasant store atmosphere: well organized displays, cleanliness, and visually appealing merchandise.

According to P13, cleanliness is one of the most important characteristics of her/his store.

Whenever I’ll… I take pride in as we’re a very clean store…you know, we’ve been in a lot of stores, we’re… you know, it smells or it’s dirty, but you know, that’s maybe lack of them of not being able to have time, but we take time to make sure our customers are happy (P13, a thrift store manager).

A majority of interview participants said they have unique store characteristics that separate them from other businesses, indicating their uniqueness affected their business success. Although interview participants’ unique strategies and characteristics were not identical, they stated that their stores’ characteristics were rare, valuable, irreplaceable, and immobile. Barney (1991) suggested that “sustained competitive advantages” are only reliable when firm resources are rare, valuable, irreplaceable and immobile. Therefore, the unique characteristics and business strategies were considered a “sustained competitive advantages,” and grouped under “resources generated for second-hand retail business.”
Marketing and Management Plans

“Marketing and management plans” in this study refers to business owner-manager’s strategic plans developed for the purpose of increasing sales and profits, for example product strategies, price strategies, promotional strategies, visual merchandising, customer services, and providing experiences. “Marketing and management plans” includes any type of business strategy from point of sale, but excludes plans before point of sale. It excludes previously reported sourcing plans and store resources. The theme was selected when interview participants mentioned product strategies, price strategies, promotional strategies, relationship or interaction with customers, customer services, and experiential realms provided by stores. Based on the content of interviews regarding “marketing and management plans,” sub-themes were identified, labeled, and categorized under “marketing and management plans,” including “product strategy,” “price strategy,” “promotional strategy,” “customer services/relationships,” and “experiential realms.”

Product strategy. “Product strategy” for the purposes of this study is defined as strategies regarding product selection, categories, and inventory turnover, however, the theme is distinguished from “sourcing,” “suppliers,” and “supplies,” reported in the previous part of this paper. A distinct difference between “product strategy” and “sourcing” is point of planning: plans after the point of obtaining supplies and plans at the point of obtaining supplies. Therefore, “product strategy” was determined only when interview participants reported any type of product strategy after obtaining supplies. Among the interview participants’ statements regarding “product strategy,” a sub-theme named “inventory turnover” was identified.

Inventory turnover. “Inventory turnover” in this study, indicates circulation of merchandise in a store, from the storage room to the store’s floor. The theme was identified if interview participants discussed their inventory system, and plans for balancing between
customer needs and their supplies. Many interview participants talked about their efforts to change the floor in their shop everyday, to keep inventory fresh and get customers’ attentions. For example, P2, a vintage store owner, reported that she/he intentionally changes the rack everyday. P7, a consignment shop owner, also reported his/her efforts to balance customers’ needs, seasons, and stock within a 60-day time limit. P11, a thrift shop manager, also stated that she/he regularly changes the floor with donated items and keeps the inventory fresh.

It's a good idea... in that situation... to move the rack... and switch the racks... and then see... if there's a difference... in sales... and see if it's the item that is selling or the location that is selling.................... I... daily... change stock...daily! yes... I will take... I will put new things in... and take new things out... you know, every single day... because it’s... people who come here are addicted... (P2, a vintage store owner)

I try to keep thing flowing... I try to keep things new to balance the needs......................during that 60 days... you know... I’d like to have things come and go... the flow of things needs to be... consistent I think (P7, a consignment store owner).

Um, cause we put things out... I put out new arrivals everyday... because I get donations everyday... so I have to make sure that our inventory is stocked and fresh and everything is out on the floor, you know... (P11, a thrift store manager)

According to P2’s report, changing and circulating the inventory are unique characteristics of a second-hand business since inventories are relatively easy to change and replace with newly given or donated items—when compared to regular brick-and-mortar stores. P2 expressed how second-hand stores’ inventory turnovers are different from regular brick-and-mortar stores.

I have to physically lift it to my warehouse... and physically... whereas normal... working brick-and-mortar stores... they come in with these boxes... and UPS guys would sit down... and they will open the boxes... and there’s that... and then when maybe... it’s the season is over, clearance is done, hasn’t sold... they actually put it in the box and UPS comes back... and takes it out (P2, a vintage store owner).

Interview participants emphasized that inventory turnover and continuously changing floors are significant strategies that attract customers. Since most items are donated daily and given by individuals, it is very rare that second-hand retailers will replace merchandise
with exactly the same items they have sold. Moreover, changing stores’ floors and keeping inventories refreshed with new items apply only to the second-hand retailers, in contrast to regular brick-and-mortar stores. Therefore, the theme “inventory turnover,” managing a store’s floors and making inventory decisions, is grouped under “product strategy.”

**Price strategy.** “Price strategy” in this study is defined as strategies for pricing items in the store. This theme was considered if participants mentioned merchandise pricing methods or price-range. Most participants reported they have specific methods for pricing items, and often mentioned that they try to keep prices consistent and affordable, and price items individually instead of using unified pricing methods. Based on their reports, sub-themes were identified as “pricing items affordably,” and “pricing items individually.”

**Pricing items affordably.** “Pricing items affordably” in this study is designated when a store cares about customers’ ability to pay for items and tries to keep prices affordable. This theme was identified when interview participants reported that they try to balance between customers’ needs and a store’s profit—paying attention to customers’ ability to pay for items. Several participants reported they price items at a level commensurate with their customers’ ability to pay, so customers can easily come, enjoy, and purchase items in the store. For instance, P2 said that she/he tries to offer an opportunity for customers to purchase items, and keeps prices as low as possible.

Where everybody could shop at it... you know... so I would rather have... like everybody able to come... just buying a little something... and make them happy... and it’s good enough... it’s good flow... (P2, a vintage store owner).

**Pricing items individually.** “Pricing items individually” here refers to a method of pricing store items individually, based on a guidebook or criteria. This strategic concept contrasts with the standardized pricing method known as “flat-pricing.” The theme, “pricing items individually” was specified when interview participants talked about pricing items individually. For example, P8 reported they price each item individually according to
condition.

I mean we look at the specific item... and... and go, ‘Okay this item is... you know in-style... it's like new... it's, you know, not ripped or torn...’ and... sometimes it even has a tag on... so this item's gonna be worth more... than something that may be in the same condition but not in-style... or it's in-style but really worn..................................

and every items have its own individual price (P8, a thrift store manager).

According to participants’ reports, second-hand retailers use various criteria for pricing items. The most representative methods for pricing items are “pricing items affordably,” and “pricing items individually.” Therefore, the two themes were classified as sub-themes of “price strategy.”

Promotional strategy. “Promotional strategy” in this study indicates methods to promote sales and attract more customers to a store. The theme was determined when participants talked about any type of activity intended to increase profits and bring more customers into the store, or making efforts to better a store’s reputations, such as price promotions and advertisement. Most participants addressed methods they use to promote sales and attract more customers. Two sub-themes were identified under “promotional strategy:” “markdowns”, and “advertisement.”

Markdowns. “Markdowns” in this study refers to promotional strategies specifically offering price discounts. The theme was selected when interview participants mentioned promotional strategies offering product discounts to increase profit and customer attention. For instance, there were discounts, markdowns using diverse color tags, rewards, coupons, buy one, get one free offers, lotteries, gift cards, or gifts. The most representative types of markdowns were designated as sub-themes: “discounts,” and “markdowns using color tags.”

Discounts. “Discounts” in this study means a general way of offering markdowns to promote sales on a regular basis, or a special event. The theme was identified if participants said they offer 30 percent discounts, regularly or irregularly. According to
participants, they offer special discounts on certain product types, such as pants, skirts, or
televisions, offer discounts on products that have not sold for a given period of time, provide
discounts for certain people—such as seniors, or customers who bring pets—or, offer
discounts at an appointed time, such as every Monday or Thursday of the third week. For
instance, P3 mentioned they provide a markdown on items that have been on the store’s floor
for over 16 days. P6 reported that she/he provides markdown on certain types of products.
P13 stated that 10% discounts are offered every Thursday.

We have a markdown system... so after 16 days... we mark them to half-price (P3, a
consignment store manager).

5% off... 10% off....................... all skirts are on sale... you know... all jacket,
whatever they have too much of... they will run sales on those categories... to trying to
get those items to sell (P6, a consignment store manager)

We are just starting this week again umm… on Thursdays, every Thursday we will
have a 10% senior discount. Every Thursday (P13, a thrift store manager).

**Markdown using color tags.** “Markdown using color tags” in this study, means a
type of markdown that second-hand business owners-managers provide when certain color-
tags have passed a predetermined period of time on the floor, and have not sold. Second-
hand retailers provide this strategy for circulating their inventories on the floor and replacing
them with other newly donated items. Thrift-store managers who employ color-tag systems
for tracking inventory turnovers often determined the theme. According to their statements,
thrift store managers usually have color tag systems, giving color tags to each item to indicate
the time when it was donated to the store. They regularly offer markdowns for items
marked with a certain color tag to rotate their inventories. For example, P9 said that she/he
gives markdowns to a given color, three weeks after the color is assigned.

Sometimes there are different color tags… like a white tag... or pink tag... and we
have... four color rotation where we put... four different colors... on the items for the
pricing... and then... after three weeks... an item will go on sale… that colored item
will go on sale… so every week... we have... a certain color on sale (P9, a thrift store
manager).
According to interview participants’ statement, there are several types of markdowns, or ways of promoting. For example, discounts involving markdowns using color tags, rewards, coupons, lotteries, buy one get one free (or half price) and gift cards or gifts were reported. Among the reports, the most representative types of mark-downs—“discounts” and “markdown using color tags”—were identified as sub-themes of “mark-downs”.

**Advertisements.** “Advertisement” in the present study is defined as methods to advertise sales promotions offered by a store, or to advertise a store’s reputation. The theme was recognized when interview participants addressed their means of advertisement, such as word-of-mouth, holding events, sponsoring community events, or using media such as social networking sites, store websites, and emails. Many interview participants reported they make efforts to increase potential customers through various methods, and the most representative and evident themes were identified as sub-themes of “advertisement:” “events,” “social networking sites,” or “word-of-mouth.”

**Events.** “Events” in the study refers to a method of advertising a store’s reputation at events, hosting events such as shows, exhibitions, concerts, and other social gatherings, and cooperation with the community. The theme was assigned when participants discussed their efforts to advertise the store’s reputation by holding any type of event. Many interview participants stated they hold various types of events to increase sales. For example, P11 stated that she/he held a fashion show in the store to advertise her/his summer and spring products, and to promote sales.

To kind of you know... look at the cool spring stuff that... we had... and... and I was really excited cause we had a lot of great stuff... that I just couldn't wait to premiere... and like... get people excited about so... I did this whole... e..event ... we had drinks and ...like cocktails... and there's like... cheese... and stuff... and we had... um... a section... side for a... resort clothes (P11, a thrift store manager).

**Social networking sites.** “Social networking sites” in this study refers to a method
of advertising a store’s reputation, or offering e-coupons using social networking sites such as Facebook, Twitter, etc. The theme was determined if interview participants stated they use any type of social networking sites to advertise. Several interview participants stated that they recently started using social networking sites, and others reported using social networking sites for several years. Participants who have used social networking sites for several years said they post items to inform customers about new items, and update it frequently. For example, P6 reported posting several items in social networking sites to encourage customer visits.

Facebook we will put... like some big toy... that we get in... like we got a bike in today... so we will put them on Facebook… you know, trying to encourage people to come in and you know…to call about it (P6, a consignment store manager).

Word-of-mouth. “Word-of-mouth” here indicates a method to advertise a store’s reputation using a word-of-mouth approach. The theme was identified if participants stated they are very concerned about customers’ word-of-mouth reference to their store, since it could harm or benefit the store’s reputation. Many participants mentioned that they make every effort to maintain good relationships with customers and provide good customer service, which will ultimately affect a store’s reputations and attract potential customers. For instance, P10 and P6 illustrated the importance of word-of-mouth and its effect on the store’s reputation.

They will... they will either review us online... or they will tell other people... and that brings other people in... a happy customer brings more people in (P10, a consignment store owner).

We really count on their… customers for word of mouth... you know we try... we try and go over above customer’s service... so the customers are happy... so they would tell their friends... and family about us... and.. get the name out about us... (P6, a consignment store manager)

A number of participants said they utilize “events,” “social networking sites,” or “word-of-mouth” to advertise. Therefore, these sub-themes were grouped under
“advertisement.” Moreover, the sub-themes, “advertisement” and “markdowns,” as sub-grouped under “promotions.”

**Customer relationships/interactions.** “Customer relationships/interactions” in this study refers to anything related to customers, such as target customer groups, loyal customers, customer profiles, relationship with customers, services, and customers’ shopping trends and motivations. The theme was identified when interview participants provided information regarding customers’ profiles, shopping behaviors, motivations, customer services, or experiences offered by second-hand retailers. A majority of participants described their business efforts to preserve relationships with customers, and these interview revelations were sub-categorized under “customer relationships/interactions:” “customers’ profiles,” “customers’ shopping behaviors,” “customer services,” and “experiential realms.”

**Customer profiles.** “Customers’ profiles” in this study refers to the demographics of second-hand retailers’ target customers, such as age, occupation, life style, and the number of loyal customers and their profiles. The theme was designated when interview participants talked about loyal customers who visit their store frequently, specific age groups—“young adults,” “everyone,” and “retired people”—or customers’ lifestyles and interests. Many interview participants stated they value relationships with customers, and gave profiles of their loyal, or major customers. For example, P3, who deals with second-hand clothing, said the ages of her/his customers are between twenty and thirty. P7 reported that she/he deals with a wide age range, but specifically focuses on those between twenty and thirty.

We... rely heavily on... people in the neighborhood... and college age kids... so I think... you know... we deal mostly with... people in their... 20s and early 30s... although we have lots of older customers (P3, a consignment store manager).

Well maybe I should say... 20 and up... yeah maybe... 20 and up because I have a lot of 'um... like the Drake graduate students like to come... and... get things... for... interviews... and that kind of stuff... so probably... in your 20’s and up (P7, a consignment store owner).
**Customer shopping behaviors.** “Customers’ shopping behaviors” indicates customers’ motivations to shop at second-hand retailers, and customers’ shopping behaviors related to their current needs or demands. The theme was designated when interview participants displayed an understanding of customers’ shopping behaviors, especially when they are asked, “What makes customers visit a second-hand shop repeatedly?” And, “How do you feel about customers’ needs and trends? Are they always compliable? Or, is it difficult to meet customers’ needs?” Many participants gave customer reasons for shopping in second-hand retail shops, such as treasure hunting, economic consumption, ecologic consumption, uniqueness, and social interactions. Moreover, they addressed customers’ shopping needs and demands, such as looking for children and baby clothes, a desire for vintage clothes, the need for a specific decade style, brand quality, a party dress, and size fit. For example, P7 stated that her/his customers visit the store to find quality at inexpensive prices.

You know… a tight budget... that need... need… you know… that can only spend certain amount… the same with the prom dresses I had... I had... a lot of families... come in and say... you know... we can't afford a... 3 or 400 dollar prom dress... but we can afford... something under, you know... under… 70 dollars or under 50 dollars....................... they are looking for a different thing...like quality… and… things that are gonna last for a long time (P7, a consignment store owner).

**Customer services.** “Customer services” in this study refers to business owners’ or employees’ efforts to build relationships with customers when they interact with them, and methods to treat customers with good service. The theme was identified when interview participants shared their strategies when asked, “How do you satisfy customers with customer services?” Most participants reported using several methods for providing good customer service and maintaining healthy relationships with customers, including welcoming greetings, help finding a proper outfit for a customer, searching for items requested by other sites, memorizing customers’ names and life-style, providing trust, fixing items, respecting consigners and their items, and providing recall or return services. Among those statements,
the most frequently mentioned were designated as sub-themes: “welcoming and greeting,” “finding a proper outfit for customers,” and “searching for items customers requested.”

**Welcoming and greeting.** “Welcoming and greeting” in the study refers to welcoming customers and kindly saying “hello” when they visit. The theme was identified if interview participants said they try to provide a warm atmosphere for customers. Many participants said they intentionally spend time on the floor meeting customers and building relationships. For example, P9 and P1 described how important they think welcoming and greeting is, and reported greeting customers in front of the door.

I try to spend a lot of my time out on the floor… meeting customers... I try to open the door... for them in the morning... and greet them... and I try, um... just spend a lot of time on the floor... getting to know them (P9, a thrift store manager).

I think so... um... people... people wanna be somewhere that they feel comfortable... and they feel welcomed and they feel like… (P1, a vintage store owner)

**Finding a proper outfit for customers.** “Finding a proper outfit for customers” in this study refers to helping customers find a proper outfit, and providing information about merchandise in a store. The theme was determined if interview participants reported always paying attention to customers who need help finding a proper outfit, and as second-hand business owners or employees, they are willing to help customers in the store. Many participants reported how they are helpful to customers; P4 and P2 said that she/he treats customers by helping them choose clothes or find an outfit, while not bothering other customers.

Try to be helpful with them… help them find what they are looking for... if they, you know… if somebody is going to a 70s party... and they don’t know what to set… what that is... then you have to show them... what... what they should do... or… you know… kids are in now what for prom... and you have to help them… (P4, a vintage store manager)

You offer... that... that if they need your help, you are here... that's what you say… ‘if you need help, let me know,’ so that way you are not bothering them… but then sometimes... you have to ask them again... if they seem like they are struggling, then you ask them again… otherwise... you leave them alone… that's my technique (P2, a
vintage store owner).

**Searching for items customers requested.** “Searching for items customers requested” in this study is defined as a way to provide services to customers by searching for a desired item not available in a store but available outside the store, and making a customer waiting list. Once the item is obtained, a second-hand business owner brings the item to the store and contacts the customer. The theme was designated when participants stated that they search for an item out of the store and contact customers when the item is located, or tell them where the item can be obtained. For instance P7 told of her/his customer service regarding item searching.

I have ‘um written their name down and the phone number and what it is they want... and kind of what size what they are looking for... and that way if it comes through... or if I am chatting with somebody and if they say... oh, I have, you know... these cowboy boots... that I’ve wanting to get rid of for years... or you know... or for the summer where I can say... I got somebody... looking for those! you know... well... right... that’s how they... well that’s how they come back! (P7, a consignment store owner)

According to the reports, “welcoming and greeting,” “finding a proper outfit,” and “searching for items customers requested” were the most frequently mentioned statements regarding customer service. Therefore, the themes were coded as sub-themes of “customer services.”

**Experiential realms (4Es).** “Experiential realms (4Es)” in this study refers to methods used to provide shopping experiences to customers by creating store atmospheres or themes. “Experiential realms” and sub-themes, categorized under “experiential realms,” are from Pine and Gilmore’s four experiential realms (1998)—comparing interview contents to the four experiential realms through the axial coding process. The theme was determined when interview participants were asked, “How do you satisfy customers providing experiences that your customers only can feel in your store?” And, “Do you provide any specific shop atmosphere, theme for any recreation or enjoyment?” Many participants mentioned they are
providing not only services, but also other types of activities that customers can experience in
their store. Among those participants’ reports, four types of experiences were specified as
sub-themes of “experiential realms.” Four sub-themes—Educational, entertainment,
escapist, and esthetic experiences—were identified.

**Educational experiences.** “Educational experiences” in this study is the offering of
customer active participation through absorption, such as holding a class (Pine & Gilmore,
1998). The theme was identified when interview participants reported they provide
educational experiences to customers, leading to customers’ active participation by being
absorbed in the experience. Some participants stated that they offer opportunities for
customers to learn about second-hand clothing, or vintage clothing. For example, P1
reported that fashion shows held annually or biannually by her/him, are posted to provide an
opportunity to learn that vintage clothes are not outdated, but still wearable.

I guess another thing… is… education, okay, that sounds really boring and weird…
but umm… right, well, I… you should look this up, I think. There is link on my
website, if you look, uh… you can click on, certain blog post, and just click on
‘fashion shows,’ and it will just show you all the blog posts of my fashion shows, and
umm…………….. so I think that’s very important and it’s just kind of like… people
realized that… that it can be part of our… their style and they can look modern, they
don’t have to look grandma or something (P1, a vintage store owner).

**Entertainment experiences.** “Entertainment experience in this study means offering
experiences that customers participate in passively through absorption, such as exhibitions or
performances (Pine & Gilmore, 1998). The theme was referred to when interview
participants mentioned they provide entertaining experiences, inducing customers’ passive
participation by being absorbed in the store’s atmosphere. Some interview participants said
they held parties or fashion shows, allowing customers to enjoy and experience a store’s
themes. According to P2, she/he has held parties at the store to provide an enjoyable
atmosphere.

I have parties… yeah… they are fun! I will announce I am having a party… and
then I will have... stuff for the party... and then... like food and drinks... stuff and you know... and we will have some theme... and it's very lighthearted, like it's more... you know... it's a different atmosphere... than during the day... so...
(P2, a vintage store owner)

_Escapist experiences._ “Escapist experiences” here indicates offering experiences that invite customers’ active participation through immersion, such as being a model in a fashion show or taking part in an up-cycling contest (Pine & Gilrmore, 1998). The theme was designated when participants mentioned that they offer escapist experiences, by encouraging customers to actively participate in special events while they are immersed. Some participants reported that they are offering escapist experiences, especially while hosting special events. P2 stated how she has planned party themes and tried to offer escapist experiences to customers by employing photographers or a makeup person.

One of the... themes I am going to do... is a... you know that Betty Page... pin-up look... you know what I am... well a lot of those girls shop here... so I am thinking that I might have like a pin-up night... where we have it like... you can come... and I will have a photographer... here and I will have a makeup person... and you know... and it will be all up... and I will put more clothes that have to do with a look in the store.................. they look at each other's outfits, too, you know, 'cause that's fun for them... and then the other one is like... I am talking... a friend of mine about... there's a designer.................. everybody can wear that designer's (P2, a vintage store owner).

_Esthetic experiences._ “Esthetic experiences” in the study means offering experiences that lead to customers’ active participation while immersed. For example, setting up visual merchandising in such a way that customers enjoy the store’s atmosphere, as well as the store’s interior, for an esthetic experience. The theme was identified when interview participants reported efforts to make merchandise visually appealing or creating a special theme in the store. Many participants stated that they pay close attention to cleanliness in the store because of the notion that second-hand clothing is dirty, or not in wearable condition. For example, P13 reported that to provide esthetic experiences, she/he and employees maintain a clean store.
We wanna make sure that when you come in here, you have the best experience; our clothing is clean (P13, a thrift store manager).

Moreover, according to some participants, they offer special esthetic themes that can only be experienced in the store. P1 and P10 said she/he provided unique and fun experiences for customers, decorating the store with artwork, and playing music, as well as decorating the store with a motorcycling theme.

I want their experience to be so unique and fun, that they want to buy something to remember their experience like a souvenir, almost. So I try to create an environment that... is really conducive to... like this was so fun and I went to this vintage shop and not only was the owner really nice, the dressing rooms, or like you have to see them... are... the coolest things I’ve ever seen... and... you know there’s beautiful artwork everywhere and there’s like an awesome music.... (P1, a vintage store owner)

We kind of decorate the store. in that kind of theme, you know... like a littlemotor cycle jacket... or... you know... they will see that stuff... when they come in... that's what they would be interested in... (P10, a consignment store owner)

There are four representative types of experiences —educational, entertainment, escapist, and esthetic experiences— in the Pine and Gilmore’s (1998) four experiential realms. These experiential realms were designated sub-themes of “experiential realms,” and interview contents were categorized by grouping the types of experiential realms. Therefore, “educational experiences,” “entertainment experiences,” “escapist experiences,” and “esthetic experiences” were categorized under “experiential realms.”

While wrapping up the sub-categories under “experiential realms”, the upper theme, “customer relationships/interactions” are also wrapped-up here. “Customer relationships/interactions” includes sub-categories: “customers’ profiles,” “customers’ shopping behaviors,” “customer services,” and “experiential realms.” These sub-themes encompass second-hand retailers’ understanding of their customers, and their business efforts to maintain positive relationships with customers. Therefore, these sub-themes are categorized under “customer relationships/interactions.”

The bigger theme, “marketing and management plans,” consists of its sub-themes:
“product strategy,” “price strategy,” “promotional strategy,” and “customer relationships/interactions.” Second-hand retailers business strategies, as reported by interview participants, were labeled, grouped, and categorized under “marketing and management plans.”

**Definition of Vintage, Consignment, and Thrift Stores**

“Definition of vintage, consignment, and thrift stores” as used here refers to second-hand business owners-managers’ descriptions of their own stores. The theme was identified when interview participants were asked, “Please tell me your definition of vintage, consignment, or thrift stores,” and, “What do you think vintage, consignment, or thrift stores are?” A majority of participants showed a particular interests in answering the questions, whether they were vintage, consignment, or thrift store retailers. Therefore, descriptions were selected according to the type of second-hand retailer.

First, vintage shop owners frequently stated that they deal with clothes twenty years old, and older. They reported that the items should be unique, historic, rare, stylish, and nostalgic. Shop owners using their criteria select most items, and condition expectations are relatively high. For example, P1, P4 and P12 reported that vintage fashion usually has a twenty-year cycle; at the time of this writing, 90s fashion is most popular. Moreover, they are different than other types of second-hand retailers in that their supplies are neither donated by donators nor given by consignment. The stores’ owners hunt for items that satisfy their own criteria.

Well, it’s… vintage is always... like what’s vintage, you know, so… like I sell 90s clothes now in my vintage shop, 1990s… it’s vintage. So, I feel like it has a 20 year cycle, pretty much (P1, a vintage store owner).

The fact that... you know… retailers... vintage shops… they are buying their goods… nothing’s donated.........................Yeah... even 20 years… I think… I think… 20 years... makes something vintage (P4, a vintage store manager).

Vintage is... is kind of a funny business and so is second-hand... because it's very rare
that you are going to have exact same merchandize in... another store has................... I guess just following that vintage rule... anything that's... carrying clothing, anything 20 years or older... (P12, a vintage store owner)

Second, consignment store owners stated that a consignment shop is where people can sell their gently used items, no more than three years old, and possessing brand names and quality. On the other hand, customers can purchase quality products offered at comparatively inexpensive prices in a consignment store. According to P6, consignment stores are locations where people deal with their used items, and both consigners and customers can benefit by selling or obtaining quality items.

If someone asks what the consignment store was... I'd probably say that... it’s... a... shop that provides you the ability to resell your gently used clothing and items... um... so then you can make a little profit on ’um... but then... people then... turn around and buy them... reduced cost... so people can afford to have more... maybe they are able to afford that... brand name that they couldn’t afford (P6, a consignment store manager).

Third, thrift store managers described their business as a place to sell donated items with the purpose of helping those in needs. Unlike vintage stores and consignment stores, thrift stores are generally operated by a non-profit organization. For example, P8 reported that thrift stores are locations where they sell donated items and the profits help others.

My definition of the thrift store... is... any store... where... that... they are selling items... that... are not new... or that have... been um... donated by somebody else................ a non-profit entity... or set up to raise money for nonprofit... entity... (P8, a thrift store manager)

According to the reports, each type of second-hand retailer has her/his own definition of their business. Each type of second-hand retailer makes common statements about the nature of their business, but distinguished from other types of second-hand retailers. Therefore, the result showed there are distinctive differences among diverse types of second-hand retailers, and definitions of vintage, consignment, and thrift stores are differentiated.

On the other hand, the following statement delineates the common characteristics among the various types of second-hand retailers. For example, P9 stated that the second-
hand store is where people can explore and hunt for treasures.

The second hand store? My own definition? Um… they are interesting places to explore and… find your own treasure because every person has a different idea of what a treasure is… so they are just… kind of fun places to explore… and see what you can find (P9, a thrift store manager).

According to interview participant reports, second-hand retailers, although they all deal with used items and are regarded as second-hand retailers, have different definitions of what vintage, consignment, and thrift stores are. With these commonalities and differences among three types of second-hand retailers, they all operate and manage their stores based on their own needs and purposes.

In the previous parts of this paper, second-hand retailers’ business backgrounds and motivations for operating their businesses, their resource use and sustained competitive advantages, their marketing and management plans, and their own definitions of their businesses were discussed. Utilizing the overall findings of this study, second-hand retailers’ business efforts and management styles are discussed in the next section. Moreover, different types of second-hand retailers will be compared and contrasted in a proposed typology.
CHAPTER FIVE: DISCUSSION AND CONCLUSIONS

5.1 Introduction

The purpose of this study was to examine second-hand retailers’ business practices and marketing strategies leading to business success. For these study purposes, face-to-face interviews with 13 second-hand business owners-managers were conducted to induce in-depth information and to investigate second-hand retailers’ business practices. The interview data were interpreted through a grounded-theory approach, and a conceptual framework was developed based on these findings. In this chapter, major themes, such as business backgrounds and motivations, resources generated for their business, marketing plans, and definitions of three types of second-hand retailers (e.g., vintage, consignment, and thrift stores) are discussed.

The present chapter consists of four sections. In the first section, interview participant’s profiles, such as business backgrounds and motivations, are discussed. In the second section, a typology of specialized types of second-hand retailers (e.g., vintage stores, consignment stores, and thrift stores) is developed by relating second-hand retailers’ own definitions of second-hand retailers to the research question—‘how do second-hand owners-managers define their business’, and ‘what are their unique characteristics?’ Similarities and differences of their business resources and marketing plans are also compared and discussed. In the third section, second-hand retailers’ business efforts to maintain their store resources and sustained competitive advantages are interpreted and discussed to investigate how the results relate to the research question—‘What are second-hand retailers’ business resources and sustained competitive advantages?’ In the fourth section, second-hand retailers’ marketing and management plans, and experiential realms offered to customers will be revealed relating to the research question—‘How do second-hand retailers satisfy customers providing experiential realms and customer services?’ In the fifth section,
limitations of this study will be discussed. In the last section, implications for future studies and second-hand markets and industries will be provided and discussed.

5.2 Business Backgrounds and Motivations

This section discusses the essence of second-hand retailers’ profiles, such as business backgrounds, and motivations for operating their business. The theme, “business backgrounds and motivations,” was identified in this study, since most participants mentioned store origins and purpose for operating their businesses. In advance of discussing the core findings from this study, the objective of this section is to understand the basis for second-hand retailers: (1) How is a store founded by store owners? (2) What are the operating purposes and motivations?

According to the results, some participants operated their business for profit—consignment and vintage store owners. Specifically, consignment store owners mostly began to operate their business by chance, while they were looking for a new job or a new business. Whereas, vintage store owners seemed to always have been interested in trading second-hand clothes and, hence, decided to open their physical stores. On the other hand, thrift store managers reported their stores were founded by a non-profit organization, with the purpose of contributing to their neighbors and community, by spending stores’ sales profits on their behalf. Although all types of second-hand retailers have similarities as an aspect of dealing with used items, results showed considerable differences among these specialized types of second-hand retailers (e.g., vintage stores, consignment stores, thrift stores), regarding purposes and motivations for operating businesses.

The results support a previous study by Weil (1999), which showed vintage and consignment stores are privately owned and operated for profit, but thrift stores are mainly operated by non-profit organizations for charitable purposes. However, unlike Weil’s study (1999), the results of the present study specify dissimilarity between vintage store owners’
motivations and consignment store owners’ motivations, by indicating the fact vintage store owners mostly decide to begin their business with intense interests in vintage clothes and second-hand clothing trading, rather than beginning their business by chance. Therefore, it is concluded each type of the three second-hand retailers has distinctive motivations and originations for their business.

5.3 A Typology of Second-Hand Retailers

In this section, a typology will illustrate each specialized type of second-hand retailer by comparing and contrasting the retailer’s unique features. Although several features were similar between the specialized second-hand retailers, the results provide evident differences between these types of second-hand retailers (See Table 2). Unique characteristics of the retailers (e.g., vintage stores, consignment stores, thrift stores) will be summarized and discussed by comparing and contrasting of the differences and similarities of these three types of second-hand retailers.

First, definition of vintage stores in this study is, “locations where people buy stylish, unique, and historic items, which are 20 years or older from the present days. Items sold in the vintage stores are unique, so there are few possibilities that you will find same item in another store.” As defined above, vintage stores are places, which deal with items that are stylish, unique, clean, older than 20 years, and in good condition. Customers of vintage stores seek vintage styles, at the same time enjoying relatively inexpensive prices of the vintage clothing. The most important business efforts for vintage store owners are sourcing and supply chains. This is very labor intensive job, but vintage store owners are willing to collect items from various sites—garage sales, state sales, private homes, antique fairs, rag houses, and thrift stores—to fit their store’s themes or collections. Because of these active collections, vintage store owners have the freedom to choose any discovered items. Unlike other types of second-hand retailers or traditional retailers, they offer many types of customer
services and experiences to customers. In vintage stores, customers can have unique experiences, such as parties, fashion-shows, playing a fashion-show model, and immersed in store displays, which are very enjoyable and memorable. Moreover, vintage store customers also have feelings associated with nostalgia, uniqueness, treasure hunting, etc.

Second, consignment stores are, “locations where consigners give their gently used items—less than three years and in good conditions—, and other parties purchase those consigned items. If the items are sold within 90 days, some percentage of sales profits are taken by the store, and the rest of money go to consigners. If the items are not sold during the period, items are returned to consigners or marked down.” As defined here, consignment applies two types of people—consigners and customers. Consignment store owners not only make efforts to maintain good relationships with customers, they also maintain relationships with consigners. They are both important, since consigners are people who bring quality items, and customers are people who purchase these items, and finally produce profits. The store deals with items that have brand quality, wearable, in good condition, and less than 2-3 years old. Although consignment store owners have also the freedom to choose their items like vintage store owners, sometimes their choices are limited to only what consigners bring to the store. They also provide quality services to community, consigners, and customers, offering entertainment and esthetic experiences.
Table 2

*Table of Vintage, Consignment, and Thrift Stores*

<table>
<thead>
<tr>
<th></th>
<th>Market positioning</th>
<th>Supply chain/ sourcing</th>
<th>Customer relationships/interactions</th>
<th>Unique approach</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vintage stores</strong></td>
<td>• Mainly 20s -30s</td>
<td>• Suppliers: Individual sellers (garage sales, private homes, state fairs, antique fairs), Mediators.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Motivations: Hunting treasures, Uniqueness, Ecological consumption</td>
<td>• Sourcing criteria: 20 years or more older, Good conditions (no tears, no stains, no missing button or broken zippers), Fitness to store’s collection</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Threshold for supplies: High</td>
<td>• Involved in community and support community</td>
<td>• Use of alternative retail channel</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Freedom of choices</td>
<td>• Helping customs finding a proper outfit for them</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Agile inventory turnover</td>
<td>• Searching for items customers requested</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Experiential offerings: educational, entertainment, escapist, and esthetic experiences</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Use of alternative retail channel</td>
<td></td>
</tr>
<tr>
<td><strong>Consignment stores</strong></td>
<td>• Young mother, Seniors, Entire family, College students.</td>
<td>• Suppliers: Consigners</td>
<td>• Involved in community and support community</td>
<td>• Use of retail technology</td>
</tr>
<tr>
<td></td>
<td>• Motivations: Economic Consumption, Hunting treasures, Social Interactions</td>
<td>• Sourcing criteria: Less than 3 years old, Good conditions (no tears, no stains, no missing button or broken zippers), Brand quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Threshold for supplies: High</td>
<td>• Helping customs finding a proper outfit for them</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Freedom of choices, but somewhat restricted to items consigners bring.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Agile inventory turnover</td>
<td>• Searching for items customers requested</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>• Experiential offerings: educational, entertainment, escapist, and esthetic experiences</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Use of retail technology</td>
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<td></td>
<td></td>
<td></td>
<td>• Markdowns using color tags</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Operated by non-profit organizations</td>
<td></td>
</tr>
<tr>
<td><strong>Thrift stores</strong></td>
<td>• College students, Seniors, Entire family, People who need social services</td>
<td>• Suppliers: Donators</td>
<td>• Involved in community and support community</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Motivations: Economic Consumption, Hunting treasures, Social interactions</td>
<td>• Sourcing criteria: Usability</td>
<td>• Helping customs finding a proper outfit for them</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Threshold for supplies: Low to High</td>
<td>• Experiential offerings: entertainment, escapist, and esthetic experiences</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Less freedom of choices, restricted to donated items.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Possessing ‘balers’</td>
<td>• Markdowns using color tags</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Agile inventory turnover</td>
<td>• Operated by non-profit organizations</td>
<td></td>
</tr>
</tbody>
</table>
Third, thrift stores are, “locations where people donate items and purchase the donated items. The sales profits are utilized for supporting community, helping neighbors in needs, or operating social service center. The rest of money is utilized for operating the stores.” Because of these operating motivations—helping other people—thrift stores provide many social services to customers as well as people who need their help. Using the sales profits, thrift store owners continuously build their social service programs. Moreover, many thrift stores are operated by fulltime employees and volunteers. Because most items are donated, thrift stores have less freedom to choose items. They sort and sell items when received from donators. Also, they are highly involved in the community. These thrift stores provide quality customer services to customers and their neighbors and retain family-like relationships with these people. Moreover, they also provide entertainment, escapist, and esthetic experiences to customers.

5.4 Resources Generated for Second-Hand Retail Business

The purpose of this section is to discuss core findings of second-hand retailers’ unique resources and their sustained competitive advantages, which lead to their business successes. A majority of the interviewed participants reported stores’ resources, and the interview contents was classified into “physical capital resources,” “organizational capital resources,” and “human capital resources,” based on Barney’s Resource-Based View (1991). Moreover, participants reported their store’s unique characteristics, which enhance competitiveness among other second-hand retailers. This content was determined as a “sustained competitive advantage.” Therefore, the objective of this section is to discuss second-hand retailers’ resources that lead to second-hand retailers’ sustained competitive advantages and successes, by comparing with Barneys’ Resource-Based View (1991) and previous studies.
Physical Capital Resources

The “physical capital resources” is initiated from Barney’s Resource-Based View (1991) and categorized under the “resource-based view” in this study. This theme was determined when participants reported their tangible resources, such as the scale of their business, locations, and equipment. According to the results, a majority of the participants operated one to two stores, but no more than three stores. Two private store owners stated that operating one store is sufficient, despite its prosperity, since business expansion of second-hand business is risky and requires a lot of work, when comparing with other types of businesses. Through their reports about scales of second-hand businesses, this study concludes the scale of second-hand retailers are relatively smaller than other types of retailers, because of the huge burden of work, when operating more than two stores. Thus, we must conclude second-hand retailers, especially vintage stores or consignment stores, are a type of small business operated by a private owner possessing one or two physical stores. Moreover, it is concluded that second-hand retailers, compared to other types of retailers, have more duties and task responsibilities. This finding is interesting to note, since it is new to the previous studies.

Furthermore, some participants, specifically thrift store managers, reported they possess equipment called, ‘baler’, which is utilized for baling unsold items. Then, they sell the baled items to a company where second-hand clothes are traded to third world countries. The results indicate second-hand clothes not sold in thrift stores goes to third world countries, and the ‘baler’ plays an important role as equipment for internationally traded second-hand clothes. Therefore, it is concluded the ‘baler’ is an important physical capital resource for second-hand retailers, especially for thrift stores, to trade unsold items to third world countries. Previous studies pointed out that second-hand clothes imported from western countries are critical sources in third world countries (Hansen, 2000a, 2004, Mhango &
Niehm, 2005). Unlike previous studies, however, results of this study elaborated the process of second-hand clothing trades—from donators to thrift stores, from thrift stores to a trading company, and from the company to third world countries.

**Organizational Capital Resources**

“Organizational capital resources” is also reflected from Barney’s Resource-Based View (1991), and determined in this study as a sub-theme of “resource-based view.” The “organizational capital resources” is a store’s reporting structures, coordinating systems, controlling, and relations within a store or between other stores in this study. A majority of the participants addressed that their organizational capital resources are “maintaining relationship with business counselor,” “supporting community and business partners,” “the use of retail technology,” and “the use of alternative retail channels.” Also, “sourcing” was identified as a sub-theme of the “organizational capital resources.”

**Maintaining relationships with business counselors, partners, and neighbors.**

According to the participants’ statements, second-hand retailers make efforts to maintain relationships with business counselors (e.g., competitors, organizations, mentors, or predecessors), who provide know-how, knowledge, or experiences to second-hand retailers. Retaining relationships and interacting with counselors allow second-hand retailers to exchange their experiences and business know-how, so second-hand retailers learn from others’ experiences. On the other hand, many participants illustrated that they interact with other people to provide access and quality service to the community. For example, they reported they spend a greater part of their sales profits to charity or cooperate with other competing stores. According to their statements, these types of business practices are required, since most second-hand retailers are a type of small business, which needs cooperation from their neighbors and neighboring business partners. Therefore, this study concludes that second-hand retailers are a type of small business strongly linked to the
community and neighboring businesses. Although this finding is new to second-hand retailing research, it is similar to the idea of Niehm, Swinney, and Miller's (2008) study, which examined the linkage between community-level social responsibility and small family firms. According to Niehm et al. (2008), small family business owners possess positively associated feelings toward commitment to the community, since they regard the behavior as a success of their business and an ability to commit to the small community area.

The use of retail technology. The results indicated second-hand retailers, specifically consignment store owners, utilize retail technologies. For example, software, called “Consign Pro,” was utilized by consignment store owners to track items, from the point of consigning to the point of sale. This software is also designed to track customers’ records and to provide coupons or rewards to loyal customers. Systematic management, using technology, allows delivering prompt and precise services to customers. As traditional retailers use point-of-sales (POS) systems to assist forecasting customers’ demands, planning orders, tracking point-of-sales, and stock-on-hands (Jonsson & Mattsson, 2013), the results from this study also suggest that consignment store owners also use the software specialized for consignment stores’ operating and inventory planning.

The use of alternative retail channels. Interestingly, the results indicated vintage store owners sometimes sell their items through the Internet online or to movie production agents, rather than their physical stores. Several participants, specifically vintage shop owners, illustrated that they decided to use alternative retail channels, when items are too exclusive or too unique. Sometimes, they sold luxurious brand items through the Internet. According to their statements, it is more profitable when the items are sold through the alternative retail channels. This finding suggests coordinating and controlling vintage stores are more flexible, since items not sold during the same season can be held and sold using other methods. This is a valuable finding of this study, by concluding that flexibility of
using alternative retail channels are a noteworthy characteristic and practice of vintage stores, comparing the other types of second-hand retailers (e.g., consignment stores, thrift stores) or traditional retailers.

**Sourcing plans.** Second-hand retailers’ sourcing plans were reported by a majority of participants in the previous results section. The theme “sourcing” includes its sub-themes, “suppliers” and “supplies.” Several sub-themes—“donators,” “consigners,” and “collected by store owners”—were identified as categorized under “suppliers,” and sub-themes—“product variety,” “brand quality,” “conditions and wearability,” and “owner’s tastes” were grouped in “supplies.” To discuss these themes regarding second-hand retailers’ sourcing plans, a conceptual framework is provided (See Figure 4), and second-hand clothes’ distribution channels will be discussed using the framework.

![Figure 4](image-url). Second-hand clothes’ distribution channels.

According to participants’ reports, there are four representative types of suppliers, who provide second-hand items to three specialized types of second-hand retailers (e.g.,
vintage stores, consignment stores, and thrift stores). Individual sellers (who sell their items holding garage sales, antique fairs, state sales, or private home) and mediators (who buy a large quantity of second-hand items at state sales or private homes as their job, and re-sell the items to vintage shop owners, taking some profits) are suppliers who deal with vintage store owners. Unlike consignment stores or thrift stores, which passively accept used items from consigners or donators, vintage store owners actively collect items from individual sellers or mediators. The theme “collected by store owners” was named in this study, instead of “individual sellers” or “mediators,” since vintage shop owners actively hunt used items, traveling to diverse trading sites, such as garage sales, state sales, thrift stores, or online auctions. This finding supports previous studies (Gregson & Crewe, 2003; Reiley, 2008; Weil, 1999), which reported retro traders’ sourcing strategies. According to their studies, retro traders, known as vintage store owners in this study, search for items through multiple sites and spaces—local antique fairs, people’s homes, car-boot sales, charity/thrift shops, and rag houses. Searching methods are unlimited and the retro traders sometimes travel to other cities, if needed (Gregson & Crewe, 2003).

Because of these active collections, vintage store owners have relatively a variety of choices to select their items. When vintage shop owners are asked for their criteria for selecting supplies, they expressed items should be 20 years or older, in good condition, and fit into stores’ collections and owners’ tastes. Since vintage store owners actively hunt and collect items through various sites, they could have a relatively wide range of choices with higher expectations towards items. Thus, our findings indicate that vintage store owners select items regarding their fashion tastes, condition, and wearability. This study determined that the threshold for accepting vintage clothes is high. This finding is similar to Weil’s (1999) study, which argued that vintage stores specifically focus on history of items, and styles or types are also selected and organized by a store owner.
On the other hand, consignment stores and thrift stores passively accept second-hand items from consigners and thrift stores with relatively small choices for supplies. Instead of traveling and collecting items from other sites like vintage store owners, the items are mostly brought to stores by donators or consigners. According to these results, most consignment stores deal with consigners, who bring gently used items to the stores, and the stores sell the items for those consigners and take some percentage of the sales profits. When the items are not sold for a certain period of time, usually 90 days, the items are returned to consigners. Since consigners provide the used items, keeping a good relationship with consigners is crucial to consignment store owners for bringing better quality items and brand names. Similar to Weil’s (1991) study, these findings demonstrated consignment store owners’ methods to trade used items.

Although consignment stores passively accept supplies from consigners, they also possess high expectations toward supplies. When the items are brought to a store, consignment store owners or employees first check if the items can be sold in the store, and then accept or deny them. According to consignment store owners’ reports, they only accept items in good condition (no tears, no missing buttons or broken zippers, quality of fabrics), are no more than three years old with brand qualities. Sometimes, only seasonal items are accepted. This finding is in line with the ideas by Weil (1999), who demonstrated that consignment stores only accept items in good condition, and the quality of items mostly rely on store locations.

Thrift stores are locations where people donate items and the donated items are thrift stores’ major supplies. As previously discussed, thrift stores passively obtain their supplies at their stationary sourcing places—donation centers, but sometimes they actively obtain items using pick-up trucks, which collect the donated items from homes or businesses. Moreover, the results showed donators are distinguished from other second-hand retailers’
suppliers, since donators do not take economic advantage, while consigners or individual sellers sell their items in consignment stores or vintage stores to make profits.

Furthermore, it is shown the thrift stores’ level of expectations towards supplies is low to the expectations of former retailers. When compared to vintage stores and consignment stores, the thrift stores generously accept items, if items can still be utilized for any purpose. The results found no strict criteria for accepting items, and most of items donated are accepted and sorted to sell. Also, it is demonstrated, because the items are voluntarily donated by donators, thrift stores have relatively few choices for selection, and cannot control product variety, product categories, quality, and brands. These results are also consistent with a previous study (Weil, 1999) that examined ways of obtaining supplies.

When considering second-hand retailers sourcing methods and supplies, our findings were consistent with previous studies (Gregson & Crewe, 2003; Reiley, 2008; Weil, 1999). However, our study concludes, from the perspective of second-hand retailers, by suggesting thrift stores have less freedom to choose supplies and lower expectations towards supplies; whereas, vintage stores have the freedom to choose and hunt their vintage items to fit their collection with higher expectations. Consignment stores have relatively less choices to choose supplies than vintage stores, but high expectations towards supplies. Despite these different sourcing methods and supply chains, this study concludes that all specialized types of second-hand retailers compete for the same resources.

Human Capital Resources

In the present study, “human capital resources” was regarded as an intangible type of store resources. The theme was extracted from interview contents, considering second-hand retailers’ know-how, experiences, employee education, and business cultures among employees. In this study, employee education and business cultures were emphasized among human capital resources. The results showed second-hand retailers make efforts to
maintain family-like relationships among employees, to build good business cultures, and to educate customer services to employees. Therefore, it is concluded that maintaining positive relationships among employees and education are types of human capital resources for second-hand retailers. This finding is a new idea, unknown in previous second-hand retailing research.

Sustained Competitive Advantage

The theme, “sustained competitive advantage,” also originated from Barney’s (1991) Resource-Based View (RBV). The theme was identified when second-hand retailers reported their unique resources, which cannot be shared, replaced, mobile, or duplicated, and helped strengthen their businesses and lead to their success. The results showed many participants possess their own unique, sustained competitive advantage. Among the interview statements, product variety, store cleanliness, and organized product displays were most frequently mentioned as their unique strategies or store characteristics influencing business success. From these results, this study can conclude second-hand retailers can appeal to their customers by dealing with various product types, sizes, or brands, that competing stores cannot possess, but only sold in these stores. Also, store cleanliness, organized product displays, and visually appealing merchandise are also unique characteristics of stores. They brought a great impact on their gross sales. The findings revealed in the present study are new concepts in second-hand retail business fields, since it was not previously reported in the literature.

This section reviewed various types of second-hand retailers’ resources—physical capital resources, organizational capital resources, and human capital resources—and sustained-competitiveness of these resources. Also, this section concludes several key points discussed in this study: (1) Each second-hand business is managed with owning one or two stores, (2) some thrift stores possesses balers used for baling unsold clothes and sending
them to international trading companies, (3) second-hand retailers make efforts to maintain relationships among counselors, business partners, or neighboring communities, and these networking and supporting behaviors assist in performing their business, (4) vintage stores often trade their items using alternative retail channels, (5) consignment stores utilize retail technology to facilitate tracking items and to provide quality services to customers, and (6) various types of suppliers and sourcing methods of second-hand retailers are also discussed in this section. By investigating stores’ sustained competitive advantages of resources, this section helped in understanding unidentified second-hand retailers’ characteristics, features, assets, and unique business practices.

5.5 Marketing and Management Plans

This section discusses second-hand retailers’ marketing and management plans. The theme was considered when participants reported, for example, their strategies to manage inventory and products, to price items, to promote their sales, and to keep relationships with customers and satisfy their needs. Based on the types of second-hand retailers’ strategies, interview contents were labeled using four sub-themes—“product strategy,” “price strategy,” “promotional strategy,” and “customer relationships/interactions.” Each sub-theme serves as an essential point of this study’s findings.

Product Strategy

“Product strategy” in this study meant second-hand retailers’ marketing strategies, such as product selection, categories, or inventory turnover. Strategies or marketing plans occurring before the point of obtaining supplies were placed in “sourcing plans,” but excluded here. In the results, second-hand retailers’ inventory turnover was emphasized as an important product strategy. Therefore, this section discusses second-hand retailers’ product strategies regarding inventory turnover.

Second-hand retailers’ major efforts for inventory turnover aimed to keep their
inventory fresh, and to balance between supplies and customers’ needs. According to the results, changing store displays daily and circulation from stock to the store’s floor greatly attracted customers and influenced gross sales. Also, this agile inventory turnover facilitated second-hand retailers to bring new supplies to the store. The agile inventory turnover is only allowed to specific types of fashion retailers. According to Christopher, Lowson, and Peck (2004), continuously changing product ranges is required in fashion markets, due to the characteristics of fashion markets—short life-cycles, high-volatility, low-predictability, and high-impulse purchasing. These constantly changing fashion markets make fashion market predictions difficult, and force fashion retailers to perform agile inventory turnover. For example, ZARA, one of the succeeded global fashion retailers, performs at least 20 season changes and inventory turnover in annually (Christopher et al., 2004).

This agile inventory turnover is also possible for second-hand retailers, because second-hand retailers can appropriately manage the point of releasing their items from stock or the point of holding items in the stock. This inventory turnover strategy is a unique characteristic of second-hand retailers to traditional retailers, since traditional retailers usually have less flexibility to change their floors, due to limited product varieties, types, and styles. Therefore, the present study concludes that second-hand retailers have more flexibility to manage their inventories than other types of fashion retailers. These are noteworthy findings in the field of second-hand research areas, by providing unidentified product strategies of second-hand retailers and informing the importance of agile inventory turnover in second-hand retail business.

**Price Strategy**

“Price strategy” in this study indicated second-hand retailers’ strategies for pricing their items. The most outstanding reports in the theme were “pricing items affordably” and
“pricing items individually.” The results pointed out that a majority of second-hand retailers price items, considering their customers’ abilities to purchase items. Because of the wide range of target customers’ demographics and life styles, second-hand retailers provide prices on items as lower as possible. Moreover, instead of giving standardized prices on items, most participants in this study preferred to price item individually by using a guidebook. Each second-hand retailer has his/her own criteria for pricing, such as popularity, uniqueness, styles, item replacement, condition, fabric, brand, or years of use. This finding is interesting to note—second-hand retailers price items individually, based on customers’ needs and function of items. Whereas, traditional retailers have registry (reg.) prices, which have already been calculated during supply chain (manufacturers –wholesalers-retailers) and have less flexibility until these prices are marked down. Therefore, this study discovered different pricing systems between traditional fashion retailers and second-hand retailers, which have been not identified in previous studies.

Promotional Strategy

In this study, “promotional strategy” referred to second-hand retailers’ methods to promote sales or to bring customers to their stores. Two major methods—“markdowns” and “advertisement”—were identified in this study. According to the results, there are various types of “markdowns,” such as discounts, markdowns using color tags, rewards, coupons, buy one get one free offers, lotteries, gift cards, or gifts. The most representative types of “markdowns” among the statements were traditional price discounts (e.g., 10 or 30% discounts) and markdown using color tags. Markdowns using color tags is a unique promotional strategy of thrift stores, because thrift stores apply a color tags system to identify the time items donated or when released to the floor. After a specific color tag stay on the floor for a certain period of time, items are marked down.

This method using color tags is not only beneficial to customers, but also efficient for
inventory circulation. By offering markdowns using color tags, thrift stores can remove items from the rack after items are placed for a period of time and then replace with new items. Although a traditional method of discounts is widely used in traditional brick-and-mortar stores or nationwide retailers, color tags for markdowns are only utilized by thrift stores. This is an interesting finding from the present study, discovering a new method of promotional strategy with second-hand retailers.

The results also specified diverse advertising methods of second-hand retailers. For example, second-hand retailers advertise stores’ reputations, through word-of-mouth, holding events, sponsoring community events, or using media. Specifically, utilizing events, social-networking sites, and word-of-mouth were the most prominent types of advertising utilized by second-hand retailers. The fact second-hand retailers actively network, with their community, neighbors, business partners, or counselors, is parallel with their efforts to advertise their stores in the community. By hosting events (e.g., fashion-shows, concerts, exhibitions, social gatherings) for community, they contribute and provide quality services to community and neighbors. At the same time, second-hand retailers can take advantage by advertising in the community. Some participants stated they recently began to use social networking sites, such as Facebook or Twitter, from one to three years ago. Moreover, second-hand retailers build their reputation using customers’ word-of-mouth. According to their reports, they strongly believed that word-of-mouth is a useful way to approach their potential customers.

This section reviewed several types of promotional strategies offered by second-hand retailers. By understanding these marketing efforts, this study concludes second-hand retailers offer a variety of markdowns and advertisements, which fit to their stores.

**Customer Relationships/Interactions**

“Customer relationships/interactions” in this study was defined as any type of
marketing strategies towards customers or business efforts to retain relationships with customers. This theme was identified, determining customer profiles and shopping behaviors from second-hand retailers’ viewpoints, second-hand retailers’ business efforts to build positive relationships with customers, or experiential offerings. Among participants’ statements, important features are selected and discussed as follows—customer profiles and shopping behaviors, customer services, and experiential realms.

**Customer profiles and shopping behaviors.** “Customer profiles” and “shopping behaviors” in this study are second-hand retailers’ basic understandings about their customers, such as target customers’ demographics, life styles, shopping motivations, or shopping demands. So, this study discusses several key features of second-hand shoppers, from second-hand retailers’ perspectives. Many participants reported they possess a variety of customer groups. According to the findings, customers’ age, life styles, income, and occupations are not restricted to certain groups, but vary from young to senior customers, from poor to wealthy customers, etc. However, several participants pinpointed customer ages between twenty and thirty. This finding supports ideas of previous studies (Palmer & Clark, 2005; Stroeker, 1995), which demonstrated second-hand store customers are usually young people, who possess lower incomes.

Moreover, their shopping motivations and demands vary. According to our results, motivations for second-hand shopping were treasure hunting, economic consumption, ecological consumption, uniqueness, and social interactions. These findings are similar to previous studies (DeLong et al., 2005; Gregson & Crewe, 2003; Guiot & Roux, 2010; Palmer & Clark, 2005; Reiley, 2008; Sherry, 1990; Weil, 1999), who examined second-hand customers’ shopping motivations. According to Guiot and Roux (2010), hunting treasures in second-hand stores are one of hedonic and recreational motivations of second-hand consumers, by wandering and browsing stores. They also indicated customers, when
purchasing second-hand clothes instead of new clothes, can take economic advantages because of the relatively inexpensive prices of second-hand clothing. Moreover, environmentally conscious customers sometimes consume second-hand clothing, as a waste reduction effort (Bekin, Carrigan, & Szmigin, 2007; Ha-Brookshire & Hodges, 2009). Therefore, this study concludes second-hand retailers have a wide range of customers, but those who most frequently visit are between twenty to thirty. Moreover, customers’ shopping motivations in second-hand retailers are for treasure hunting, minimizing harmful effects on environment, and saving money.

**Customer services.** “Customer services” in this study was second-hand retailers’ business efforts to maintain relationships with customers and methods to provide quality services when they treat customers. The results showed many participants are very conscious about providing good services to customers and retaining long-run relationships with them. Second-hand retailers stressed significance relationships between customer relationships and business success. Unlike other types of retailers (e.g., department stores, retailers in a large mall), who have less opportunities to interact with individual customers and difficult to remember every customer, second-hand retailers are willing to have more opportunities to interact with customers, thinking of customers as a family member and memorizing customers’ lifestyles or important features. Since second-hand retailers are a type of small business established via communities and neighbors, they believed retaining good relationships with customers are crucial for operating their businesses. Specifically, thrift stores’ purpose for operating their businesses is to help people in need, and to provide quality services and clothing to the community. The thrift store managers in this study seemed very familiar with helping others with the store’s profits.

Therefore, welcoming and greeting, finding a proper outfit for customers, and searching for items customers requested were designated as second-hand retailers major
efforts to provide customers with services in this study. Second-hand retailers’ business efforts or marketing strategies related to customer services have not been distinguished in previous studies. So, this study suggests second-hand retailers create each store’s own methods to treat customers, build more in-depth customer relationships, and provide quality services.

**Experiential realms.** “Experiential realms” in this study was second-hand retailers’ business efforts to offer shopping experiences that could be only found in the store. By creating unique and interesting store atmospheres or themes, customers can experience several feelings associated with second-hand shopping, such as nostalgia, uniqueness, treasure hunting, and social interactions. Because these shopping experiences offered by second-hand retailers, are unique to traditional retailers’ offerings, this study specifically investigated second-hand retailers’ experiential offerings, based on Pine and Gilmore’s (1998) four experiential realms. Several types of experiential offerings are classified into educational, entertainment, escapist, and esthetic experiences.

First, second-hand retailers provided educational experiences, offering opportunities to learn about second-hand clothing or vintage clothing. Interestingly, the results designated posting fashion-show movies on a store website is not only an entertaining experience, but also offers educational experiences to customers. According to the participant’s statement, she/he posts fashion-show pictures and movies (fashion shows are annually or biannually held by her/him) to inform customers and public about vintage clothes, and to show vintage clothes are still modern, fashionable, wearable, and trendy. On the website, the vintage fashion-show pictures are compared with designers’ brands or couture fashion-show pictures, by indicating that vintage fashion styles and couture label fashions are exactly same. Therefore, this study concludes second-hand retailers sometimes offer educational experiences by providing information about vintage styles. Although these experiential
offerings are not widely utilized by second-hand retailers for education purposes, this study’s finding is important to note, as second-hand retailers’ efforts offer educational experiences to their customers.

Second, second-hand retailers provided recreational and enjoyable experiences to customers. Entertainment experiences are more frequently observed in the present study than other types of experiential realms. Several participants underscored they provide entertainment experiences, since they desire to provide a memorable experience when a customer visits their stores, and want to inform customers their stores are fun places, instead of just selling items. According to the results, the most representative methods of offering entertainment experiences were hosting parties or fashion-shows. These may be unique experiences only offered by second-hand retailers, comparing with other traditional retailers. These experiential offerings are not only beneficial for customers. Hosting these types of events allow second-hand retailers to maintain relationships with customers as well as advertise their stores, as previously discussed. Thus, through these entertainment experiences or social events, second-hand retailers are able to promote sales, advertise their store name, contribute to communities or neighbors, and finally provide customers with memorable experiences to their stores.

Third, second-hand retailers offer escapist experiences as well. These experiences can be offered, when customers actively participate in the events while they are immersed in the store. Up-cycling contests, customers playing as a fashion-show model, and employing photographers, a make-up person, and fashion designers in the hosted parties were regarded as types of escapist experiences, offered by second-hand retailers. The escapist experiences are not entirely different side ideas from entertainment experiences. While second-hand retailers offer entertainment experiences to customers, they also include several elements, which induce customers’ active participation. Therefore, this study concludes second-hand
retailers offer various opportunities that customers can play an escapist role in hosted parties. Moreover, retailers’ escapist experiential offerings are not completely separated from entertainment experiential offerings, but they sometimes involve entertainment experiential offerings.

Finally, second-hand retailers also provided esthetic experiences. The esthetic experiences lead customers’ active participation while they are emerged. Esthetic experiences can be offered by setting up visual merchandising, or creating store themes. For example, creating a boutique-like atmosphere, a store cleaning, or decorating a store with a theme were reported in the results, as second-hand retailers esthetic experiential offerings to customers. These types of offerings provide opportunities to enjoy more visualized store themes or atmosphere. Therefore, this study suggests several esthetic elements can be included in store decorations or visual presentations.

By reviewing second-hand retailers’ marketing and management plans—product strategy, price strategy, promotional strategy, and customer relationships/interactions strategy—several key features of these strategies were discussed in the present section. We conclude several findings in this section: (1) Agile inventory turnover and quick circulation from racks to stock, are unique strategies of second-hand retailers, which facilitate second-hand retailers to attract more customers with these newly displayed items. (2) Second-hand retailers price items affordably, to approach various types of customers. (3) Several promotional strategies, such as discounts, markdowns using color tags, word-of-mouth, social networking sites, and social events, were applied by second-hand retailers, and each strategy was specialized to the stores’ needs. (4) Second-hand retailers specifically focus on customer services, such as welcoming and greeting, finding a proper outfit for customers, and searching for items customers requested. These services were to provide quality services and maintain positive relationships with customers. (5) Finally, various types of experiences were
offered to customers so customers not only consume products and services, but also consume experiences that could be only felt in the second-hand store. Through these reviews and discussions, this section provided valuable insights to understand second-hand retailers’ marketing and management plans.

The purpose of this study was to examine unidentified second-hand retailers’ business practices and marketing strategies that lead to business success. To understand second-hand retailers’ business practices, Barney’s (1991) Resource-Based View (RBV), and Pine and Gilmore’s (1998) Four Experiential Realms (4Es) were applied to the research design. The qualitative research methods were selected to prompt in-depth information from participants. After interviews with 13 second-hand business owners-managers in selected Midwestern cities, data were transcribed, refined, and analyzed through a constant comparison process. Through the inter-coder checking process, a second-coder verified the coded data. The total score of agreement was 96.87%.

The results from this study were obtained at four stages: (1) business backgrounds and motivations, (2) a typology of second-hand retailers, (2) resources generated for second-hand retail business, and (3) marketing and management plans. In the next section, limitations and implications for this study are discussed.
5.6 Limitations

Although this ground-breaking study discovered some new results and identified various business practices of second-hand retailers, the study posits several limitations. First, the lack of studies and fragmented body of literature on second-hand retailing provided limited opportunities to bring coherency and consistency for this study. According to Golafshani (2003), the external validity of qualitative studies is a degree of generalization among the findings of the present study and previous studies, and consistency of the findings when similar research studies were replied. Therefore, this study is confined to provide the study’s coherency and external validity.

Second, this study only investigated three specialized types of second-hand retailers (e.g., vintage store, consignment store, thrift store). We could not generalize all methods for second-hand trades. The three types of second-hand retailers were selected for this study because they are the most formal and representative types of second-hand trades, and their locations are stationary. Therefore, investigating other informal types of second-hand trades is suggested for future studies.

Third, this study examined business practices of second-hand retailers and second-hand markets only from retailers’ perspectives. However, it was difficult to forecast customer demands, trends, and motivations, since they were only predicted from second-hand retailers’ viewpoints. More reliable results and ample information may be provided, if customers’ behaviors for second-hand consumption are investigated from customers’ viewpoints. Therefore, it is recommended for future studies, to examine current conditions of second-hand markets and retailers’ business practices from customers’ viewpoints.
5.7 Implications and Future Research

This study highlights valuable implications for future research as well as for second-hand markets and industries. First, this study revealed second-hand retailers’ business practices and their management styles may inform second-hand business owners-managers to understand general or specialized methods for second-hand trading. By understanding these business efforts for second-hand retailers, other second-hand store owners-managers who are thinking to start or currently own their business can build appropriate marketing strategies for their stores.

Second, the present study will play an educational role for customers. Consumers, who were indifferent and ignorance about second-hand retailing and consumption, will become more aware of the importance of second-hand consumption and its impact on the environment. Also, this study will moderate consumers’ prejudices toward second-hand clothes. People were had perceptions that second-hand clothes are too worn or outdated. However, this study provided positive impressions towards second-hand clothes. These clothes are wearable, fancy, and fashionable, but offered with inexpensive prices.

Third, this study will indirectly provide solutions to reduce waste disposal of clothes. An increasing number of clothing consumption and mass production have negatively affected the environment, since the post-industrial revolution period (Ginsburg, 1980), and have become an important environmental issue these days. By educating people and facilitating second-hand market expansion, the present study will encourage ecological consumption and retain waste disposal of clothes from landfills. Therefore, this study demonstrates a variety of implications for second-hand retail industries, market expansion, and customers’ awareness of second-hand consumption.

Finally, findings from this study will provide various opportunities for researchers to conduct research studies regarding second-hand retailing, markets, or customer behaviors.
The lack of previous studies and unidentified second-hand retailers’ business efforts have restrained researchers from conducting further studies about second-hand retailing, offering few opportunities to understand second-hand retailers’ business practices and consumer behaviors. Therefore, the results obtained from this study, such as a typology of specialized types of second-hand retailers, and business resources and marketing plans, will allow researchers to conduct further research.

For future studies, the following recommendations are provided: (1) each specialized type of second-hand retailer’s business practices can be examined to reveal more detailed information, (2) consumers’ perceptions towards second-hand business practices can be examined from consumers’ perspectives, (3) informal types of second-hand retail formats, such as online auction sales, garage sales, flea markets, or antique fairs found in the U.S. can be investigated, and consumers’ perceptions towards the informal retail formats and/or diverse consumers’ shopping motivations can be examined, and (4) distribution channels and suppliers of second-hand retailers can be explored. Therefore, this study is valuable by fulfilling research gaps and satisfying second-hand consumers, markets, and business owners-managers. Moreover, this study provides indirect solutions for the vast amount of clothing disposal, by providing considerable benefits to society and the environment.
REFERENCES


the world of second-hand goods in the space of the car boot sale. *Gender, Place and Culture, 5*(1), 77-100.


APPENDICES

Appendix A. ISU Human Subjects Review

IOWA STATE UNIVERSITY
OF SCIENCE AND TECHNOLOGY

Institutional Review Board
Office for Responsible Research
Vice President for Research
1138 Pearson Hall
Ames, Iowa 50011-2207
515-294-5365
FAX 515-294-4187

Date: 4/24/2013

To: Jinhee Han
2919 Bristol Dr. #107, Ames IA 50010

CC: Dr. Linda Niehm
1066 LeBaron Hall

From: Office for Responsible Research

Title: Second-hand Retailing: Effective business practices and customers' perspectives toward second-hand apparel merchandise.

IRB ID: 13-184

Study Review Date: 4/24/2013

The project referenced above has been declared exempt from the requirements of the human subject protections regulations as described in 45 CFR 46.101(b) because it meets the following federal requirements for exemption:

- (2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey or interview procedures with adults or observation of public behavior where
  - Information obtained is recorded in such a manner that human subjects cannot be identified directly or through identifiers linked to the subjects; or
  - Any disclosure of the human subjects' responses outside the research could not reasonably place the subject at risk of criminal or civil liability or be damaging to their financial standing, employability, or reputation.

The determination of exemption means that:

- You do not need to submit an application for annual continuing review.

- You must carry out the research as described in the IRB application. Review by IRB staff is required prior to implementing modifications that may change the exempt status of the research. In general, review is required for any modifications to the research procedures (e.g., method of data collection, nature or scope of information to be collected, changes in confidentiality measures, etc.) modifications that result in the inclusion of participants from vulnerable populations, and/or any change that may increase the risk or discomfort to participants. Changes to key personnel must also be approved. The purpose of review is to determine if the project still meets the federal criteria for exemption.

Non-exempt research is subject to many regulatory requirements that must be addressed prior to implementation of the study. Conducting non-exempt research without IRB review and approval may constitute non-compliance with federal regulations and/or academic misconduct according to ISU policy.

Detailed information about requirements for submission of modifications can be found on the Exempt Study Modification Form. A Personnel Change Form may be submitted when the only modification involves changes in study staff. If it is determined that exemption is no longer warranted, then an Application for Approval of Research Involving Humans Form will need to be submitted and approved before proceeding with data collection.

Please note that you must submit all research involving human participants for review. Only the IRB or designee may make the determination of exemption, even if you conduct a study in the future that is exactly like this study.

Please be aware that approval from other entities may also be needed. For example, access to data from private records (e.g., student, medical, or employment records, etc.) that are protected by FERPA, HIPAA, or other confidentiality policies requires permission from the holders of those records. Similarly, for research conducted in institutions other than ISU (e.g., schools, other colleges or universities, medical facilities, companies, etc.), investigators must obtain permission from the institution(s) as required by their policies. An IRB determination of exemption in no way implies or guarantees that
INSTITUTIONAL REVIEW BOARD (IRB)
Application for Approval of Research Involving Humans

Title of Project: Second-hand Retailing: Effective business practices and customers' perspectives towards second-hand apparel merchandise.

RECEIVED

Principal Investigator (PI): Jinhee Han
Degrees: B.S., M.S.

University ID: 936447461
Phone: 515-728-1330
Email Address: jinheehi@iastate.edu

Correspondence Address: 2510 Bristol Dr. #107, Ames, IA

Department: Apparel, Events, and Hospitality Management
College/Center/Institute: Iowa State University

PI Level: Tenured, Tenure-Eligible, & NTI Faculty
Adjunct/Affiliate Faculty
Collaborator Faculty
Emeritus Faculty
Visiting Faculty/Scientist
Senior Lecturer/Clinician
Lecturer/Clinician, w/ Ph.D. or PVM
P&I Employee, PI7 & above
Extension to Families/Youth Specialist
Field Specialist III
Postdoctoral Associate
Graduate/Undergrad Student
Other (specify: )

FOR STUDENT PROJECTS (Required when the principal investigator is a student)

Name of Major Professor/Supervising Faculty: Linda Niehm

University ID: Phone: 515-294-1930
Email Address: niehmli@iastate.edu

Campus Address: LeBaron 1066, Iowa State University, Ames, IA, 50011
Department: Apparel, Events, and Hospitality Management

Type of Project (check all that apply): Thesis/Dissertation Class Project Other (specify: )

Alternate Contact Person: Linda Niehm
Email Address: niehmli@iastate.edu

Correspondence Address: LeBaron 1066, Iowa State University, Ames, IA, 50011
Phone: 515-294-1930

ASSURANCE

- I certify that the information provided in this application is complete and accurate and consistent with any proposal(s) submitted to external funding agencies. Misrepresentation of the research described in this or any other IRB application may constitute non-compliance with federal regulations and/or academic misconduct.
- I agree to provide proper surveillance of this project to ensure that the rights and welfare of the human subjects are protected. I will report any problems to the IRB. See Reporting Adverse Events and Unanticipated Problems for details.
- I agree that modifications to the approved project will not take place without prior review and approval by the IRB.
- I agree that the research will not take place without the receipt of permission from any cooperating institutions, when applicable.
- I agree to obtain approval from other appropriate committees as needed for this project, such as the IACUC (if the research includes animals), the IBC (if the research involves biohazards), the Radiation Safety Committee (if the research involves x-rays or other radiation producing devices or procedures), etc.
- I understand that approval of this project does not grant access to any facilities, materials, or data on which this research may depend. Such access must be granted by the unit with the relevant custodial authority.
- I agree that all activities will be performed in accordance with all applicable federal, state, local, and Iowa State University policies.

Signature of Principal Investigator: 4-1-13
Date: 4-1-13

Signature of Major Professor/Supervising Faculty: 4-1-13

(Required when the principal investigator is a student)

Signature of Department Chair: 4-1-13
Date: 4-1-13

I have reviewed this application and determined that departmental requirements are met, the investigator(s) has/have adequate resources to conduct the research, and the research design is scientifically sound and has scientific merit.

For IRB Use Only

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Office for Responsible Research
Revised: 07/06/12

Page 1
Research Involving Humans Study Information

Please provide answers to all questions, except as specified. Incomplete forms will be returned without review.

PART A: KEY PERSONNEL

List all members and relevant qualifications of the project personnel and define their roles in the research. Key personnel include the principal investigator, co-principal investigators, supervising faculty member, and any other individuals who will have contact with the participants or the participants’ data (e.g., interviewers, transcribers, coders, etc.). This information is intended to inform the committee of the training and background related to the specific procedures that each person will perform on the project. For more information, please see Human Subjects – Persons Required to Obtain IRB Training.

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<tr>
<td>Jinhee Han</td>
<td>☑</td>
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<td>☑</td>
<td>Principal researcher, responsible for managing collected data, procedures, and data</td>
<td>Bachelor of Science, a current master's student.</td>
<td>9/12/2010</td>
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<tr>
<td>Linda Niehm</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
<td>Advisor, guiding Jinhee in this process</td>
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### PART B: FUNDING INFORMATION AND CONFLICTS OF INTEREST

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1. Is the project federally funded?

   - □ Yes  □ No

   If Yes, please provide the complete name(s) of the funding source(s); please do not use acronyms.

2. Attached is a complete copy of the federal grant proposal from which the study is funded.

   - □ Yes  □ No

   If No and proposal is not available, please explain why.

3. Do or will any of the investigators or key personnel listed on this application have a conflict of interest management plan in place with the Office of Vice President for Research & Economic Development?

   - □ Yes  □ No

### PART C: GENERAL OVERVIEW — PURPOSE, EXPECTED BENEFITS, & TIMEFRAME

1. **Research Objectives** — Briefly explain in language understandable to a layperson the purpose and specific aim(s) of the study.

   The overarching purpose of the present study is to examine second-hand business owners' business practices and marketing strategies that lead to business success. Additionally, consumers' perceptions and preferences regarding second-hand apparel merchandise, and retailers' marketing strategies will be investigated. To understand second-hand markets from dual perspectives, interviews and focus group interviews will be utilized for this study. First, personal in-depth interviews with second-hand shop owners will be conducted in selected Mid-Western cities. Second, focus group interviews with second-hand consumer groups will be conducted in these same markets. The findings from the present study will be analyzed and combined to assess marketing strategies of second-hand retailers, and to make propositions for future research and recommendations for best practices for second-hand apparel retailers.

   Specific objectives of the present study are to:
   1) examine second-hand retailers' business performances; and
   2) examine consumers' perceptions toward second-hand retailers and merchandise.

2. **Broader Impacts/Significance** — Explain in language understandable to a layperson why this research is important, and how the information gained in this study is expected to advance knowledge, and/or serve the good of society.
The proposed study will contribute to the understanding of specialized types of second-hand clothing retailers (e.g., vintage shops, consignment shops, and thrift shops) concerning their management and marketing practices. Understanding retailers' current business practices will permit the development and recommendation of viable business strategies to aid in their success. The study's findings will render a variety of implication. First, various second-hand retailers' formalities, such as charity shops, retro shops, dress agencies, auction clearance, and antique fairs, can use this study's findings to formulate appropriate marketing strategies by reducing marketing budgets and increasing effectiveness. Second, the present study also has the potential to provide an indirect solution for sustainable issues challenging many countries—a crisis of waste disposal. Hence, results from the present study will foster growth of the second-hand clothing market, reducing demand for new goods, and reducing material consumption (Thomas, 2003). The proliferation of second-hand markets could be a valuable commodity to marketers and consumers, as well as good for the environment by reducing the need for waste disposal. Both aspects will make important contributions to the retailing literature.

If Yes, please describe the expected benefits to participants. This study is beneficial to the participants, since various formats of second-hand retailers, such as charity, consignment, vintage shops, auction clearance, and antique fairs can use this study's findings to formulate appropriate marketing strategies by reducing marketing budgets and increasing effectiveness. More specifically, the retailers have been regarded as a fringe market and, recently, have become accepted as a retail format. Since second-hand clothing retailers are operated by small, independent traders or individual sellers, such as friends or neighbors, it is very similar to small entrepreneurs. Retail service of these small entrepreneurs is provided informally and lacks a specific strategic focus. Also, they can point out weaknesses in business strategies that lead to missed opportunities to attract consumers and increase marketing revenues. Therefore, this study will help to build appropriate marketing strategies for second-hand clothing retailers, and provide possible directions for market expansions and growth of consumer demands.

4. Timeframe – Approximately what date do you anticipate beginning recruitment of participants for your study? Note: Research activities, including recruitment of participants, may not commence until IRB approval has been granted.

1) Recruiting second-hand business owners or managers for in-depth interviews will begin after IRB approval (April 24th).
2) Recruiting consumer groups for focus group interviews will begin after the first in-depth interviews with owners or managers (May 24th).

5. Timeframe – How long do you anticipate it will take to complete all data collection with all participants (specify in months or years)?

1) Collecting data for in-depth interviews with second-hand retailers will take a month.
2) Focus group interviews with consumer groups will take a month.

Since in-depth interviews and focus group interviews will be conducted consecutively, the time period for overall data collection will be less than three months.
PART D: PARTICIPANT SELECTION

1. How many individuals do you plan to include in the study (including those involved in screening procedures)?
   1) Personal in-depth interviews with at least fifteen business owners or managers.
   2) Eighteen to twenty-four consumer participants will be included for three focus group interviews (six to eight participants for each group).

   Therefore, maximum 50 individuals will be anticipated for the present study, in total.

2. Inclusion Criteria – Describe the specific characteristics of persons that will be included in your study, and provide justification for these requirements.

   Recruiting criteria for personal in-depth interviews with second-hand business owners-managers is a selection of vintage shop, consignment shop, and charity shop owners-managers. Since these second-hand retailers are traditional and representative types of formal physical stores, these three types of retailers are selected for the participants’ criteria. Each type of retailer includes at least five participants and the total number of personal in-depth interviews will be fifteen or more participants.

   Recruiting criteria for focus group interviews with consumer groups is a selection of individuals who have experiences with second-hand retailers more than three times. Three focus groups consists of each different customer group of vintage shops, consignment shops, and charity shops. Since this study needs particular groups who already have specific experiences, the purposive sampling technique will be applied for the focus group interviews.

3. Exclusion Criteria – Describe the characteristics of persons who will not be allowed to participate in your study, and provide justification for their exclusion.

   Individuals who will not meet the criteria above will be excluded, due to non qualification for this study.

4. Do you intend or is it likely that your study will include any persons from the following vulnerable populations? (Check all that apply.)

   □ Children (any persons under age 18; including ISU students who may be under age 18)
   □ Specify age range:
   □ Prisoners
   □ Persons with impaired decision-making capacity, such as those with dementia or severe cognitive impairment, those declared incompetent, persons in life-threatening situations, etc.
   □ Wards of the State
   □ Persons who are institutionalized
   □ Pregnant women or fetuses
   □ Neonates
   □ Educationally disadvantaged
   □ Economically disadvantaged
   □ Students in a class taught by the researchers
   □ Employees or subordinates of the researchers
   □ Other vulnerable population, given the setting of your research; please describe:
5. **Will ISU students or other college students be asked to participate in your study?**

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<thead>
<tr>
<th>Yes</th>
<th>No</th>
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</table>

If Yes, do you plan to include college students who may be under age 18?

- Yes
- No

If No (i.e., students under 18 will be excluded from your study), please describe how you will ensure ISU students under 18 do not participate in the study. For focus group interviews, there are possibilities that some participants may be ISU students as a consumer group. Before recruitment, I will state prospective participants must be age 18 or more to qualify for this study, in the informed consent form.

If Yes (i.e., students under 18 will be included in your study), please be sure to describe the parental consent and minor assent processes in Part E.

### PART E: RECRUITMENT PROCEDURES

1. **How will you identify or search for potential participants?** (Check all that apply.)

- [ ] Review of public records (e.g., voter lists, utilities lists, phone directory, ISU directory, etc.)
- [ ] Review of private records (e.g., medical records, student records, other private records)
- [ ] Purchased mailing lists
- [ ] Participant contacts/knowledge
- [ ] "Snowball" sampling
- [ ] Participant responses to posted advertisements (electronic or hardcopy) or flyers
- [ ] Other: please describe: e-mail addresses on websites and yellow pages

2. **Please describe the details of how each of the methods checked in 1. above will be implemented.**

1) To conduct in-depth interviews with three representative types of second-hand retailers (e.g., vintage shops, consignment shops, and thrift stores), the purposive sampling technique is used as a recruiting tool. This technique is widely used in qualitative research when a researcher wants to recruit specific groups or individuals who have particular experiences for specific research purposes (Teddie & Yu, 2007). Since this study attempts to recruit second-hand business expertise, those who have experiences with consumers and business management, the purposive sampling technique will be appropriate for the purpose of in-depth interviews. The participants will be recruited by the principal researcher with personal contact informations, visiting their stores, or through e-mail contact. The participants will be recruited in several cities of Iowa (Ames, Ankeny, and Des Moines), and Minnesota (Minneapolis and St. Paul) area.

2) To recruit participants for focus group interviews, the purposive sampling technique is adopted as well. Since, this study needs specific groups who already have experience with second-hand retailers, purposive sampling is an efficient method for a recruitment tool. To be eligible for the focus group, participants should have more than three experiences with second-hand clothing retailers. This information will be elicited during recruitment. Potential participants will be recruited, using a list of consumers provided by business owners or managers (previous in-depth interviews’ participants). Potential participants who are clients of second-hand business owners or managers will be asked by the owners or managers, if they want to participate in the focus group interviews. Those who want to participate will be asked to leave their contact information, including their name, email address, and phone numbers in the referral letter. The participants will be recruited in several cities of Iowa (Ames, Ankeny, and Des Moines), and Minnesota (Minneapolis and St. Paul) area.

3. **What methods will you use to contact potential participants?** (Check all that apply.)

- [x] Letter or email
- [x] Phone call
4. Please describe the details of how each of the methods checked in #3 above will be implemented.

1) For personal in-depth interviews, the potential participants will be recruited by researchers with personal contact information, visiting their stores, or through e-mail contacts (See Appendix Item 1 for invitation letters, visiting or emailing contacts). Potential participants will be asked if they are interested in engaging in face-to-face interviews. Those who are interested in participation will be asked for possible scheduling times to arrange an interview.

2) For focus group interviews, participants will be recruited using the following steps. First, second-hand business owners or managers (previous in-depth interview participants) will be asked at the end of the interview if they will be able to provide a list of consumers, with contact information, who may be interested in focus group interview participation. Owners or managers will not be asked, if they do not want to provide consumer’s contact information. Second, clients of the owners or managers will be asked if they want to participate in focus group interviews by the owners or managers. Those who want to participate in focus group interviews will be asked to leave their contact information in a referral letter (See Appendix Item 5). Third, potential participants who leave their contact information will be randomly selected by researchers and contacted through e-mail or phone. Forth, consumers who desire to participate will be invited to a conference room on the ISU campus at an appointed time via invitation letter (See Appendix Item 6).

5. Attached are copies of any letters, emails, phone/verbal scripts, flyers, announcements, or advertisements that will be used. Please know the IRB must review final and complete copies of all materials used to contact or recruit subjects. For verbal processes, a script or list of points to be covered during the discussion must be provided.

If No, please explain why:

### PART F: SCREENING PROCEDURES

1. Will participants be asked to provide any information about themselves (e.g., medical history, personal characteristics) for screening purposes prior to enrollment in the study?

If Yes, please describe: They are qualified for the present study, if
1. they are owner-managers of second-hand business, for personal in-depth interviews. Only business owner-managers will be contacted using yellow page listings or their web-site, and visiting their store. And only business owner-managers will be asked to participate in the interviews. Participant's qualification will be informed in an invitation letter (Appendix item 1).

2. and, consumers, who have three or more experiences with second-hand shopping for focus group interviews. Participant's qualification will be detailed in a referral letter (Appendix item 5) and an invitation letter (Appendix item 6).

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>2.</td>
<td>Will participants be asked to take part in any interventions (e.g., fasting, blood draws, etc.) for screening purposes prior to enrollment in the study?</td>
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<tr>
<td></td>
<td>If Yes, please describe:</td>
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<tr>
<td></td>
<td>3. If Yes to question 1 and/or 2, please describe how you will obtain the informed consent of participants PRIOR to their participation in screening activities.</td>
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PART G: COMPENSATION

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>1.</td>
<td>Will participants receive any of the following types of compensation for their participation in your research? (Check all that apply.)</td>
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<tr>
<td></td>
<td>Money (cash or check)</td>
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<td>Gift cards</td>
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<tr>
<td></td>
<td>Gifts</td>
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<td></td>
<td>Reimbursement for expenses (i.e., costs of travel to lab, child care, meals, etc.)</td>
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<td>Course credit (including extra credit)</td>
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<td></td>
<td>Other; specify:</td>
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<td></td>
<td>2. If Yes, please answer questions 2a through 2d. This information should also be provided in the informed consent document.</td>
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<tr>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>2a.</td>
<td>Describe the specific amount of compensation to be provided (i.e., in monetary terms, points for course credit, value of gifts, etc.).</td>
</tr>
<tr>
<td></td>
<td>1) For personal in-depth interviews with second-hand business owners, there is no monetary compensation. But small thank gift for participation will be provided.</td>
</tr>
</tbody>
</table>
PART H: RESEARCH PLAN

1. **Research Procedures** — Using *layperson’s terminology, please describe in detail your plans for collecting data from participants. Include a description of all procedures, tasks, or interventions participants will be asked to complete during the research (e.g., random assignment, any conditions or treatment groups into which participants will be divided, mail survey or interview procedures, observation protocols, sensors to be worn, amount of blood drawn, etc.).

   Note: When referencing attached documents (i.e., surveys, interview protocols, copies of stimuli, instructions for tasks, etc.), please ensure that each attachment is clearly labeled and clearly referenced in this section.

2) For focus group interviews, the participants will be invited to a conference room on the university campus (See Appendix Item 6). When a focus group meets in a conference room, the researcher will introduce the purpose of the study, the goal of the focus group sessions, and procedures for a relaxed mood of conversation (See Appendix Item 7). A moderator will assign consent forms (See Appendix item...
8) and questionnaire sheets (See Appendix item 9) to the participants, requesting their permission to participate in the study, collect individual demographic information, respectively, before the interview starts. The researcher will guide the focus group interviews in a systematically-designed method, but with flexible directions to promote the conversation. Focus group interviews will be recorded using a digital audio recorder and continue for 45-60 minutes. Questions eliciting consumers' attitudes and feelings about second-hand goods and retailers' services will be generated from the literature review and research questions (See Appendix Item 10). Additionally, the interview instrument will partially include questions that second-hand business owners want to know from their customers to gain practical and direct information, and to help the business compete. These questions will integrate information from previous in-depth interviews with second-hand business owners/managers. Since business owners/managers may have issues and concerns regarding their business performance and customer services, and may want to know consumers' perceptions, previous in-depth interviews will be used to inform the development of focus group questions.

### RESEARCH INVOLVING DECEPTION OR INCOMPLETE DISCLOSURE

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>2. Will participants be deceived or misled about anything during the study?</th>
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<tr>
<td></td>
<td></td>
<td>If Yes, please answer questions 2a through 2d in Appendix A.</td>
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<td></td>
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<td>If No, please skip to question 3.</td>
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<tr>
<th>Yes</th>
<th>No</th>
<th>3. Do you plan to intentionally withhold information from participants, such as the full purpose of the study, a full description of procedures, etc.?</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>If Yes, please answer questions 3a through 3d in Appendix A.</td>
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<td>If No, please skip to question 4.</td>
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### RESEARCH INVOLVING EXISTING DATA OR INFORMATION FROM RECORDS

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<tr>
<th>Yes</th>
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<tr>
<td>Yes</td>
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<tr>
<th>4. Does the research involve the collection or study of currently existing data or information to be gathered from records, such as the following? (Check all that apply.)</th>
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</thead>
<tbody>
<tr>
<td>☐ Student/educational records</td>
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<tr>
<td>☐ Medical records (If checked, submit the Application for Use of Protected Health Information.)</td>
</tr>
<tr>
<td>☐ Data collected for a previously conducted study</td>
</tr>
<tr>
<td>☐ Information from government databases, such as the US Census, Iowa Dept. of Public Health records, etc.</td>
</tr>
<tr>
<td>☐ Samples from specimen/tissue banks</td>
</tr>
<tr>
<td>☒ Other; please describe: E-mail addresses and physical addresses of second-hand retailers, and e-mail addresses or phone numbers of second-hand consumers.</td>
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If Yes, please answer questions 4a through 4g in Appendix B. If No, please skip to question 5.

### RESEARCH INVOLVING OBSERVATION

<table>
<thead>
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<th>Yes</th>
<th>No</th>
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<tr>
<td>Yes</td>
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<tr>
<th>5. Does the research involve collection of data from observation of people's behaviors or activities, including verbal responses?</th>
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<tbody>
<tr>
<td>If Yes, please answer 5a through 5d in Appendix C.</td>
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<tr>
<td>If No, please skip to question 6.</td>
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</table>
RESEARCH INVOLVING INTERNATIONAL RESEARCH

☐ Yes ☒ No 6. Will the research take place in an international setting? If Yes, please answer 6a through 6c in Appendix D. If No, please skip to question 7.

RESEARCH INVOLVING INVESTIGATIONAL DRUGS, DEVICES, DEXA/CT SCANS, X-RAYS, OR HUMAN CELLS OR TISSUES

☐ Yes ☒ No 7. Does this project involve an investigational new drug (IND)? Number:

☐ Yes ☒ No 8. Does this project involve an investigational device exemption (IDE)? Number:

☐ Yes ☒ No 9. Does this project involve DEXA/CT scans or X-rays?

☐ Yes ☒ No 10. Does this project involve human blood components, body fluids, or tissues?

☐ Yes ☒ No 11. Does this project involve human cell or tissue cultures (primary or immortalized)?

If you answered Yes to either question 10 or 11 and the cells, body fluids, etc., have not been documented to be free of bloodborne pathogens, personnel handling these substances are required to take Bloodborne Pathogens Training annually.

Bloodborne Pathogens training is on-line via the EH&S website: http://www.ehs.iastate.edu/cms/default.asp?action=article&ID=426

If you have any questions, contact EH&S at (319) 294-9359.

PART I: DATA ANALYSIS

1. Describe how the data will be analyzed (e.g., statistical methodology, statistical evaluation, statistical measures used to evaluate results).

A professional transcriptionist will transcribe the content of all interviews, and each transcript will be double-checked by the researcher for accuracy. For data interpretation, transcribed data will be coded by utilizing the following steps: First, the open coding process will be applied to the data coding guidance. Open coding is a data reduction process of breaking down, categorizing, labeling, and comparing with theoretical framework. Corbin and Strauss (1990) suggest open coding provides new insights into the phenomena during the constant comparison process, and resolves ambiguities.

Based on open coding guidance, interview data will be overviewed at the first reading, and emergent themes will be identified. Additionally, themes regarding the research questions or theories in use will be selected. During the second reading, the identified themes will be categorized and labeled using the constant comparison process (Corbin & Strauss, 1990). The constant comparison process is a data analysis method developed by Glaser and Strauss (1967). Tesch (1990) suggests that this process is an intellectual tool to form categories, assign segmentations, and establish boundaries among categories through the continuous comparing and contrasting.
process between data and categories. 
In consequence, the axial coding process will be employed. Axial coding is a technique to check relationships between data and categories, and makes connections between categories, or between categories and subcategories. Since a single incident is insufficient to avoid biased data analyses and cannot verify the phenomena, data will be repeatedly analyzed through the dual coding processes for clarification and verification (Corbin & Strauss, 1990).

The coded data will be double-checked throughout inter-rater agreement to increase reliability, and codes will be continuously modified until the agreement exceeds 25%. Agreement will be calculated by dividing the total number of agreements by the total number of codes. Golafshani (2003) proposed that maximizing the “trustworthiness of qualitative research” could lead to more accurate findings and valuable studies. Many scholars argue triangulation is a strategy to enhance both validity and reliability, using multiple methods during the elaborate research design and data analysis to render the study more valuable and credible (Creswell, 2009; Golafshani, 2003). Therefore, the present study attempts to apply multiple research methods such as personal in-depth interviews and focus group interviews, multiple data coding methods, and reliability checking processes. The dynamic research methods investigating a dual perspective, and multiple validity and reliability checking process will help to understand second-hand retailers' business practices more credible and beneficial.

PART J: CONSENT PROCESS

According to federal regulations, participants can only be included in research if they, or their legally authorized representative, provide legally-effective informed consent. In some cases, the IRB can waive this requirement.

1. Consent for Adult Participants

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<th>Yes</th>
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<tbody>
<tr>
<td>A. Will you obtain the informed consent of all participants?</td>
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If A is Yes, please answer the following questions:

1. Describe the process you will use to inform participants about the study.
   1) For in-depth interviews with business owners or managers, the goal of in-depth interviews, and data collection processes will be briefly introduced in an invitation letter (See Appendix Item 1). The principal researcher will obtain the informed consent form before the in-depth interview will begin. Research goal, purpose of the interview, data collection process, privacy, confidentiality, security, risk, and compensation will be explained in the consent form (See Appendix Item 2). Participants will be asked to give a signature in the last page of the informed consent form.

   2) For focus group interviews, the goals for this study and focus group interview, and data collection process will be briefly introduced in a referral letter (See Appendix Item 5) while recruiting. After recruiting a sufficient number of participants, the invitation letter, including explanation of this study, meeting date and place, will be provided again via e-mail (See Appendix Item 6). Before focus group interviews begin, research goal, purpose of the interview, data collection process, privacy, confidentiality, security, risk, and compensation will be explained (See Appendix Item 7). Participants will be asked to leave a signature at the end of the consent form as well (See Appendix Item 8).

2. Who, in general, will obtain informed consent from participants (i.e., explain the study, collect signed forms, etc.)? Please do not list actual names of study staff; rather, describe their role such as "the principal investigator," "research assistants," etc.
   1) The principal investigator will obtain consent in personal in-depth interviews.
   2) The principal investigator and moderator will obtain consent in focus group interviews.
2. What training have they received or will they receive regarding how to appropriately obtain informed consent? IRB training

3. Information given to participants must be in a language understandable to them.
   Please describe the measures you are taking to ensure the information is understandable (e.g., translation into another language, using commonly understood terminology, assessing reading level of the consent form, etc.).
   To prevent confusion, difficult terminologies will not be used. Several important terms will be explained before the interviews.

3.a. If translation is required, please provide the name of the person(s) who conducted the translation(s) and his/her qualifications for doing so.

4. When informed consent will be obtained in relation to beginning data collection?
   1) Before the interview starts, the informed consent form will be obtained from a participant. Participants will take time to read it and provide a signature, if they agree to participate. The principal researcher will provide a questionnaire sheet, which includes fundamental questions regarding their business and demographic information. If the participant decline to participate, the interview session will discontinue.
   2) Before focus group interview starts, the informed consent form and fundamental questionnaire sheet will be obtained by the moderator. Participants who do not agree to participate or decline to participate will be free to leave the meeting.

☐ Yes ☐ No

5. Will participants sign a consent form to document the consent process? Note:
   Signatures must be handwritten by the participant; typing one's name on a form does not constitute a legally valid signature according to federal regulations. If No, please explain why.

☐ Yes ☐ No

6. Does anyone involved in the study have a supervisory, evaluative, or other position of "power" over participants? If Yes, please describe the measures you are taking to minimize any coercion or undue influence (real or perceived).

☐ Yes ☐ No

7. Are any participants likely to be unable to provide consent for themselves, such as those who have severe cognitive impairments, dementia, are in life-threatening situations, cannot communicate, etc.? If Yes, please describe plans to obtain consent from the participant's legally authorized representative.

7.a. To the extent possible, given the condition of the participant, how will you ensure they agree to take part in the research?

If this item is No, (i.e., you will NOT obtain informed consent from all participants, please answer the following):

8. Please provide strong and compelling justification for why you cannot carry out your study if you had to obtain informed consent. Note: The fact that obtaining consent would be inconvenient or time consuming is not considered to be sufficient justification.
9. Please explain why participants' rights and welfare will not be adversely affected if you do not obtain their consent.

2. Parent/Legal Guardian Consent and Child Assent (applies when participants are under age 18 or are considered to be children in the country where the research takes place)

<table>
<thead>
<tr>
<th>Yes</th>
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<tr>
<td>A. Does your study involve children?</td>
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If A is Yes, please complete the questions in Appendix C.

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**PART K: RISKS**

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<tr>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>1. Are there any foreseeable risks or discomforts to participants from taking part in your research?</td>
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</table>

If Yes, please answer Yes or No to items 1.a through 1.g below. Indicate whether the following types of risks/discomforts are foreseeable. When Yes, please describe the risks/discomforts and explain how each will be mitigated or minimized.

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>1.a. Physical Risks (e.g., injury, bruising from a blood draw, pain, side-effects from drugs administered, allergic reactions, etc.)</td>
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<tr>
<td>1.b. Psychological Risks (e.g., emotional discomfort from answering questions, stress or anxiety from procedures, mood alterations, viewing offensive or &quot;shocking&quot; materials, etc.)</td>
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<tr>
<td>1.c. Social Risks (e.g., harm to reputation, embarrassment, or stigmatization if participation becomes known, disruption of personal or family relationships, etc.)</td>
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<tr>
<td>1.d. Economic Risks (e.g., loss of money, loss of employment, etc.)</td>
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<tr>
<td>1.e. Legal Risks (e.g., criminal liability if information about participants' illegal behaviors is collected)</td>
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<tr>
<td>1.f. Informational Risks (e.g., harm if information collected about the participant were disclosed or overheard, such as embarrassment, retribution, stigmatization, disruption of personal relationships, legal liability, etc.)</td>
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</tbody>
</table>
1. Describe how participants' privacy will be protected during recruitment and data collection (e.g., discussions/procedures will be conducted in private locations, messages regarding the research will not be left on answering machines without permission of participants, documents or recordings will be kept secure, etc.).

(1) For personal in-depth interviews, second-hand business owners' name, and physical and e-mail addresses will be collected for recruitment. All identifiable information (e.g., name, physical and e-mail addresses) will be removed and disguised during data collection.

2) For focus group interviews, consumers contact information, including name, phone numbers, and e-mail addresses will be provided by business owners (previous in-depth interview participants). However, all identifiable information will be removed and disguised during data collection.

2. Please answer the following questions to describe the methods you will employ to maintain confidentiality and security of the data at all points in the research process (e.g., during data collection, during analysis, etc.):

2a. Who will have access to the data and study records?
   Principal researcher.

2b. Describe how/where physical copies of data and study records will be stored (e.g., in cabinets, desks, shelves, etc.).
   Physical copies and records will be kept during the data collection and data analysis time in principal researcher's personal computer, and all stored records will be destroyed after one year from the end of the study.

2c. Describe security measures in place to maintain security of physical/paper data or study records (e.g., how access will be controlled, locks, etc.).
   All records will be saved as electronic versions. They will be stored in the principal researcher's personal laptop computer and a copy of the records will be stored in a back-up disk. To access to the data, a passcode must be used.

2d. Describe how/where electronic data will be stored (e.g., a desktop computer, laptop, portable drive, shared drive, etc.).
   Electronic data will be stored in a personal laptop computer and a back-up disk.

2e. Describe the measures in place to maintain security of electronic data (e.g.,
encryption, password-protection, firewalls, using university controlled systems, etc.). A passphrase will be used for security.

**2f.** Will any identifiers or identifiable information (e.g., names, social security numbers, addresses, phone numbers, exact dates of birth, etc.) be collected with the study data? If Yes, please answer the following:

2f.a. Why is it necessary to collect identifiers?
   It will be necessary for the recruiting process.

2f.b. When will identifiers be separated or removed from the data?
   When securing data collection, ID codes (random letters) will be given to participants. They are told not to use their names and any identifiable information during data collection. However, any identifiable information unintentionally made will be removed or disguised after the data collection.

2f.c. Please describe any coding systems you will use to maintain confidentiality of identifiable data (e.g., plans to replace names with ID codes or pseudonyms). Each participant will be asked to use random letters instead of name.

**2g.** Have you or will you obtain a Federal Certificate of Confidentiality for this study? If Yes, please submit a copy of the certificate materials with this application. **Note:** Certificates of Confidentiality are designed to protect identifiable research records against forced disclosure (e.g., subpoena). Certificates can be sought from the National Institutes of Health in certain circumstances. Visit the **Certificates of Confidentiality Kiosk** for more information.

**2h.** Will the data be shared or submitted to a repository or registry, such as the Clinical Trial Registry Databank (ClinicalTrials.gov), the Database of Genotypes or Phenotypes, or via other data sharing agreements? If Yes, please describe.

**3.** What specific steps will you take to ensure participants are not identifiable (directly or indirectly via "deductive disclosure") when research results are reported?

The principal researcher will inform participants that confidentiality and privacy will be kept in a strict manner, in advance of the interview, and an informed consent form will also contain this information. Contact information will be used only for recruiting purpose. Any identifiable information (e.g., names, email or physical addresses) will be disguised from data collection (Appendix item 2, Appendix item 7, Appendix item 8). Any identifiable information in the questionnaire (Appendix item 2, Appendix item 8) will be analyzed only for descriptive statistic analysis. Answers from the questionnaire sheets will be stored separately, to avoid any identification. These questionnaire will not be used in qualitative data analysis for in-depth interviews and focus group interviews.
### PART M: REGISTRY PROJECTS

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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</table>

1. **Does this project establish a registry or databank?**

*Note:* To be considered a registry or databank: 
(1) the individuals whose data are in the registry/databank might be contacted in the future; and/or 
(2) the names and/or data pertaining to the individuals in the registry/databank might be used by investigators 
other than the one maintaining the registry/databank.

If Yes, please answer the following questions:

1.a. What information/data will be included in the registry?

1.b. What is the reason for establishing a registry (i.e., how will data from the registry be used)?

1.c. Who will be involved in establishing and providing oversight of the registry?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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</table>

1.d. Will the data in the registry be available to anyone other than the investigator(s) who maintain the registry?
### APPENDIX

The sections in this appendix are color-coded to correspond with the colored sections in the main application. Please complete the items in the appendix only if directed to do so in the main application. Please ensure all questions in the main application and any necessary appendices have been addressed before sending to the IRB for review.

### A. RESEARCH INVOLVING DECEPTION OR INCOMPLETE DISCLOSURE

<table>
<thead>
<tr>
<th>Continuation from Part H: #2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a. Please explain in detail how persons will be deceived or misled.</td>
</tr>
<tr>
<td>2b. Please provide strong and compelling justification for why it is scientifically necessary to deceive or mislead participants in order to conduct the research and why a non-deceptive methodology is not possible.</td>
</tr>
<tr>
<td>2c. Please explain the steps you will take to ensure participants' rights and welfare are not adversely affected by deceiving or misleading them.</td>
</tr>
<tr>
<td>2d. Please describe the process you will use to &quot;debrief&quot; participants and explain the ways they were deceived or misled during the study. A copy of the information to be provided during debriefing must be attached.</td>
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</table>

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<tr>
<th>Continuation from Part H: #3:</th>
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<tbody>
<tr>
<td>3a. Please explain in detail what information will be withheld.</td>
</tr>
<tr>
<td>3b. Please provide strong and compelling justification for why it is scientifically necessary to intentionally withhold information from participants in order to conduct the research.</td>
</tr>
<tr>
<td>3c. Please explain the steps you will take to ensure participants' rights and welfare are not adversely affected by withholding information from them.</td>
</tr>
<tr>
<td>3d. Please describe the process you will use to &quot;debrief&quot; participants and explain the information that was withheld. A copy of the information to be provided during debriefing must be attached.</td>
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*Continue to Part H: #4 [Existing Data]*
### B. RESEARCH INVOLVING EXISTING DATA OR INFORMATION FROM RECORDS

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<tbody>
<tr>
<td>124</td>
<td></td>
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</table>

Continuation from Part H: #6:

<table>
<thead>
<tr>
<th>4a.</th>
<th>What is/are the source(s) of the data/records?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1) Personal contact information: e-mail addresses and physical addresses of second-hand retailers</td>
</tr>
<tr>
<td></td>
<td>2) Personal contact information: e-mail addresses or phone numbers of second-hand consumers.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>✗ Yes</th>
<th>✗ No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4b.</td>
<td>Are the data/records <strong>publicly</strong> available, without restriction?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4c.</th>
<th>Describe the specific information or content that will be obtained from the data/records.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1) E-mail addresses and physical store addresses of second-hand retailer will be available on the websites or yellowbooks.</td>
</tr>
<tr>
<td></td>
<td>2) E-mail addresses and contact number of potential focus group participants will be provided by second-hand business owners.</td>
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<tbody>
<tr>
<td>✗ Yes</td>
<td>✗ No</td>
</tr>
<tr>
<td>4d.</td>
<td>Is the use of the data/records subject to any restrictions, such as the following? (Check all that apply.)</td>
</tr>
</tbody>
</table>

- [ ] FERPA—The Family Educational Rights and Privacy Act (applies to student records) |
- [ ] HIPAA—The Health Insurance Portability and Accountability Act (applies to medical records) – If checked, submit the Application for Use of Protected Health Information. |
- [ ] Institutional policies (for personnel records or other private records) |
- [ ] Confidentiality provisions promised to the persons whose data you will obtain, such as those described in previously signed informed consent documents |
- [ ] Other; please describe: |

| 4d.1 | If Yes, please describe how you will meet or address those restrictions when obtaining the data. |

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<tr>
<td>✗ Yes</td>
<td>✗ No</td>
</tr>
<tr>
<td>4e.</td>
<td>Will any of the following identifiers be included with the information you obtain from these records? (Check all that apply.)</td>
</tr>
</tbody>
</table>

- [✓] Names: [ ] First Name Only [ ] Last Name Only [ ] First and Last Name |
- [ ] Phone/fax numbers |
- [ ] ID codes that can be linked to the identity of the participant (e.g., student IDs, medical record numbers, account numbers, study-specific codes, etc.) |
- [✓] Addresses (email or physical) |
- [ ] Social security numbers |
- [ ] Exact dates of birth |
- [ ] IP addresses |
- [ ] Photographs or video recordings |
- [ ] Other; please specify: |

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<tr>
<td>✗ Yes</td>
<td>✗ No</td>
</tr>
<tr>
<td>4f.</td>
<td>Is there a reasonable possibility that participants’ identities could be ascertained from any combination of information in the data? If Yes, please describe:</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
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<td></td>
<td><img src="image" alt="Yes" /></td>
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</table>

### 4g. Will you obtain the permission/consent of the persons to whom the data/records pertain to use their information in your research?

**4g.1. If Yes, please describe this process.** To obtain participants' consent to use information in this study, consent forms will be provided for signature at the beginning of the interview sessions.

**4g.2. If No, please provide strong justification for why obtaining permission/consent is not necessary or not possible.** Note: The fact that obtaining consent would be inconvenient or time-consuming is not considered to be sufficient justification.

**4g.3. If access to the data/records is subject to any restrictions, please attach documentation from the record-holder indicating that you may have access to the data/records without the written consent of the participant.**

*Continue to Part H: #5 (Observation)*
C. RESEARCH INVOLVING OBSERVATION

<table>
<thead>
<tr>
<th>Continuation from Part H: #5:</th>
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<tbody>
<tr>
<td><strong>5a.</strong> Please describe the specific behaviors or activities that will be observed.</td>
</tr>
<tr>
<td><strong>5b.</strong> How will you record information during observation (e.g., field notes, audio/video, etc.)?</td>
</tr>
<tr>
<td>[ ] Yes  [ ] No</td>
</tr>
<tr>
<td><strong>5c.</strong> Will any identifying information about participants be recorded during the observations? If Yes, please describe:</td>
</tr>
<tr>
<td>[ ] Yes  [ ] No</td>
</tr>
<tr>
<td><strong>5d.</strong> Will participants give informed consent to be observed? If No, please provide strong justification for why obtaining permission/consent is not necessary or not possible. <strong>Note:</strong> The fact that obtaining consent would be inconvenient or time consuming is not considered to be sufficient justification.</td>
</tr>
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</table>

Continue to Part H: #6 (International Research)
### D. RESEARCH INVOLVING INTERNATIONAL RESEARCH

Continuation from Part H: #6:

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<table>
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<tbody>
<tr>
<td>6a.</td>
<td>Please describe the experience, knowledge, or other qualifications the investigators have related to conducting the research in this international setting(s).</td>
</tr>
<tr>
<td>6b.</td>
<td>Please describe the specific steps you are taking to ensure the research is conducted in accordance with the local norms and customs, cultural expectations, language needs, etc., in the international setting(s).</td>
</tr>
<tr>
<td>6c.</td>
<td>Please describe the specific steps you are taking to ensure the research is conducted in accordance with any policies, laws, or governmental requirements in each country where the research will take place.</td>
</tr>
</tbody>
</table>

*Continue to Part H: #7 (Investigational Drugs, Devices, Etc.)*
E. CONSENT PROCESS FOR CHILDREN INVOLVED IN RESEARCH

Parent/Legal Guardian Consent and Child Assent (applies when participants are under age 18 or are considered to be children in the country where the research takes place)

According to federal regulations, children can only be enrolled in research if their parent(s) or legal guardian(s) have given consent, unless the IRB waives this requirement. Children must also agree to participate in the research to the extent such agreement is possible, given the child’s age, communication abilities, etc.

<table>
<thead>
<tr>
<th>☐ Yes</th>
<th>☐ No</th>
<th>B. Will you obtain the informed consent of the parent/legal guardian for all children included in the study?</th>
</tr>
</thead>
</table>

If B is Yes, please answer the following questions:

1. Describe the process you will use to inform parents or legal guardians about the child’s participation in the study (i.e., how you will make contact with parents/guardians, what will be shared with them, etc.).

2. Who, in general, will obtain informed consent from parents/legal guardians (i.e., explain the study, collect signed forms, etc.)? Please do not list actual names of study staff; rather, describe their role such as “the principal investigator,” “research assistants,” etc.

2.a. What training have they received or will they receive regarding how to appropriately obtain informed consent?

3. Information given to parents/legal guardians must be in a language understandable to them. Please describe the measures you are taking to ensure the information is understandable (e.g., translation into another language, using commonly understood terminology, assessing reading level of the consent form, etc.).

3.a. If translation is required, please provide the name of the person(s) who conducted the translation(s) and his/her qualifications for doing so.

4. When will parental consent be obtained in relation to beginning data collection with children?

5. How will you ensure that all children have the consent of their parent/legal guardian before including them in the study?

<table>
<thead>
<tr>
<th>☐ Yes</th>
<th>☐ No</th>
<th>6. Will parents sign a consent form to document the consent process? Note: Signatures must be handwritten by the parent; typing one’s name on a form does not constitute a</th>
</tr>
</thead>
</table>
legally valid signature according to federal regulations.

If No, please explain why.

If B is No, (i.e., you will NOT obtain informed consent from all parents/legal guardians), please answer the following:

7. Please provide strong and compelling justification for why you cannot carry out your study if you had to obtain parent/guardian consent. Note: The fact that obtaining consent would be inconvenient or time consuming is not considered to be sufficient justification.

8. Please explain why participants' rights and welfare will not be adversely affected if you do not obtain parent/guardian consent.

The goal of the assent process is to ensure children are informed about the study and freely agree to take part. The process for obtaining assent from children must be appropriate for the age and development of the children involved in the study; in some cases, true assent may not be possible (such as with infants). Documentation of assent may not be appropriate for children who cannot read or write. Additionally, multiple assent processes may be necessary to ensure both younger and older children are adequately informed.

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>C. Will you obtain assent for all children included in the study? If Yes, please answer the following questions:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>If C is Yes, please answer the following questions:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Describe the process you will follow to obtain the assent (i.e., &quot;affirmative agreement&quot;) of each child.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Who, in general, will obtain assent from each child (i.e., explain the study, collect signed forms, etc.)? Please do not list actual names of study staff; rather, describe their role such as &quot;the principal investigator,&quot; &quot;research assistants,&quot; etc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2a. What training have they received or will they receive regarding how to appropriately obtain assent, given the age range and developmental status of the children?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. What steps are you taking to ensure information about the study is presented to children in a language understandable to them (e.g., translation, simplified language, assessing reading level of any assent document, etc.)?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. When will assent be obtained in relation to beginning data collection?</td>
</tr>
</tbody>
</table>
5. How will you know that children have given assent (i.e., agreed to take part in the study)? (Check all that apply.)

- [ ] Children will sign an assent document following a verbal overview of the study (applicable for children who can read and understand an assent document).

- [ ] Children will verbally indicate their agreement to participate (applicable for children too young to read, who cannot read, or where a verbal process is most appropriate, given the age and ability of the children).

- [ ] Other indication of assent (Please describe)

If C is No, (i.e., you will NOT obtain assent from all children), please answer the following:

6. Please provide strong and compelling justification for why you cannot carry out your study if you had to obtain the children's assent. Note: The fact that obtaining assent would be inconvenient or time consuming is not considered to be sufficient justification.

7. Please explain why the children's rights and welfare will not be adversely affected if you do not obtain their assent.
Checklist for Attachments

<table>
<thead>
<tr>
<th>Listed below are the types of documents that should be submitted for IRB review. Please check and attach the documents that are applicable for your study:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Federal grant application (only for federally funded research)</td>
</tr>
<tr>
<td>☑ Recruitment fliers, phone scripts, or any other documents or materials participants will see or hear</td>
</tr>
<tr>
<td>☑ A copy of the informed consent document or letter of introduction containing the elements of consent</td>
</tr>
<tr>
<td>☐ A copy of the assent form, if minors will be enrolled</td>
</tr>
<tr>
<td>☑ Data-gathering instruments (including surveys, interview questions, focus group protocols, cognitive tests, observation protocols, etc.)</td>
</tr>
<tr>
<td>☐ When applicable, copies or detailed descriptions of stimuli participants will be exposed to, instructions for testing, investigator’s brochures, etc.</td>
</tr>
</tbody>
</table>

The original signed copy of the application form and one set of accompanying materials should be submitted for review in hard copy to the Office for Responsible Research 1138 Pearson, or electronically to IRB@puras.edu.
Addendum to IRB #13-184

"Second-hand Retailing: Effective business practices and customers' perspectives towards second-hand apparel merchandise"

Reviewer Question & PI Response

Question: I want to confirm with you my understanding of how you will keep confidentiality of participants. My understanding is that you will not disseminate any directly identifiable information, such as names, e-mail addresses, physical addresses, etc.). Additionally, any information that could be linked together to identify an owner/manager, business, or customer, will not be linked together when you disseminate your results so that you can maintain confidentiality. Please confirm if my understanding is correct.

Response: What you understood in the first question is right. I will keep any identifiable information separately to maintain confidentiality.

Question: I see that you included some additional questions in your revised interview/focus group protocols. In the interview guide for the owners/managers, I see that the last question is asking whether they have any questions for the customers. As a reminder, if you will add any questions from the owners/managers to the interview questions that you will ask the customers, you will need to submit a modification form (Modification Form for Exempt Research) and get approval for those additional questions before you conduct the focus groups. Please submit this modification form at least 2 weeks prior to the first focus group to allow us time to review the modification.

Response: And, I will resubmit the modification form as you requested, if there are additional questions obtained from business owners or managers.

(Per PI e-mail on 4/24/2013, KE)
Appendix B. Participant Invitation

I am a graduate student in Apparel, Events, and Hospitality Management at Iowa State University. Drs. Linda Niehm, Deanne Brocato, and Telin Chung are guiding this study—“Second-hand retailing: Effective business practices and customers’ perspectives towards second-hand apparel merchandise.” The purpose of our study is to examine second-hand retailers’ business practices and marketing strategies that lead to business success. Additionally, consumers’ perceptions and preferences regarding second-hand apparel merchandise, and retailers’ marketing strategies will be investigated. In this interview, you will be asked to respond to second-hand market environments regarding your business, management, and marketing strategies. Your opinions and experiences will provide valuable information for our study, which aims to understand second-hand retailers’ business practices and marketing strategies.

The interview will take between 45 to 60 minutes and will be audio recorded. Information obtained from this study will not be released for any commercial purpose, but shared solely with researchers for research purposes. We will protect privacy and confidentiality of your responses in a strict manner. There is no monetary compensation. However, after the interview, you will receive a small thank you gift as compensation for volunteering your precious time.

In addition, we are looking for individuals who may be interested in future focus group interviews for this study to examine consumers’ perceptions and preferences regarding second-hand apparel merchandise and retailers. These potential participants can be your customers or someone who enjoys shopping in second-hand stores, but should have visited more than three times second-hand retailers and not under age 18. We would appreciate, if you could recommend someone in your community or among your consumers, and provide us with their contact information.

Thank you in advance for your interest in our study and for recommending some potential participants for future interviews. If you have any questions about this project, please call me at 515-708-1120, or contact me by email at jinheeh@iastate.edu.

Sincerely,

Jinhee Han
Graduate Student
Department of Apparel, Events, and Hospitality Management
Iowa State University

Contact number: 515-708-1120
Email: jinheeh@iastate.edu
Appendix C. Informed Consent Form


Principal investigator: Jinhee Han (M.S. Student)
Apparel, Events, and Hospitality Management
Iowa State University
jinheeh@iastate.edu
(515) 708-1120

Informed Consent Statement

Thank you for your interest in our study—“Second-hand retailers’ management and customer services.” The purpose of our study is to examine second-hand retailers’ business practices and marketing strategies that lead to business success. Additionally, consumers’ perceptions and preferences regarding second-hand apparel merchandise, and retailers’ marketing strategies will be investigated. You will be asked to respond about your business, management, marketing, and consumers. Your opinions and experiences will provide valuable information for our study, which aims to understand second-hand retailers’ business practices and marketing strategies. The interview will take between 45 to 60 minutes and will be audio recorded. There will be no monetary compensation for your participation. However, after the interview, you will receive a small thank you gift as compensation for volunteering your precious time.

A benefit you will expect from this study is you have access to the results of this study. These results will show second-hand retailers’ efforts, business practices, customer services, and customers attitudes toward retailers and their merchandise. Since little information is known about second-hand retailers’ business practices and marketing strategies, and customer prospective towards second-hand retailers’ business efforts, these results will provide you with new insights to the markets.

There are no known physical or psychological risks, and no costs for participation in this study. One potential unforeseen risk is that sensitive information about relationships between other businesses can be asked. However, you have the right to not respond to questions you feel uncomfortable or you don’t want to share. If this occurs, the researcher will discontinue with the questions.

Participation is completely voluntary and anonymous. Using any identifiable information will be avoided during the interview. The researcher will use a specific code instead of using your name. All names will be deleted and disguised. The code number will be destroyed after data interpretation. The privacy and confidentiality of your responses will be protected in a strict manner.

If you have any questions or concerns after this interview, you may contact me at (515) 708-1120 or at jinheeh@iastate.edu. If you have any questions regarding your rights as research subjects, you may contact the IRB Administrator at (515) 294-4566, IRB@iastate.edu, or Director at (515) 294-3115, Office for Responsible Research, 1138 Pearson Hall, Iowa State University, Ames, IA 50011.
If you agree to participate in this study, please sign below.

_________________________________  ______________
Signature                        Date

_________________________________  ______________
Consent obtained by              Date
Appendix D. Questionnaire for Demographic Information

To understand characteristics of second-hand retailers and identify retail formats, basic descriptive information is required before the interview. Please complete this questionnaire.

1) Respondent

- Occupation in this retail business
  - Owner-manager
  - Manager
  - Other

- Age
  - 18-25
  - 26-35
  - 36-45
  - 46-55
  - 56-65
  - Other

- Gender
  - Female
  - Male

- Highest level of education
  - High school
  - College
  - Bachelor’s degree
  - Master’s degree
  - Doctorate or professional degree
  - Other

2) Business Information

- Business type
☐ Vintage shop
☐ Consignment shop
☐ Charity shop
☐ Other

☐ Number of shops you own

☐ Urban area
☐ Suburban area
☐ Rural area
☐ Other

☐ Location of stores

☐ Number of years of operating your business

☐ In the past year (2012) did your business make a profit, break even or lose money?
☐ Lose money
☐ Break even
☐ Make a profit

Participant code
(Researcher use only)
Appendix E. Interview Instrument

*Interview Instrument*

**Business performance of second-hand retailers**

1. How did you begin your business? Please share your story why you decided to start your business and how you knew operating a second-hand shop will be beneficial? Is there anyone who prompted you to begin the business?

2. Please explain how you operate your shop?
   - How many stores do you have? (If you have many, why and how did you expand your business?)
   - Who are your suppliers? How do you trade with suppliers? Do you travel and collect merchandise? Or, does merchandise come in bulk periodically? Please explain in detail.
   - What is customers’ role in inventory development? Do they engage in co-production? How important the role of customers is?
   - How many employees do you have? Do you have a specific motto sharing with them?
   - How do you balance your supplies and customers’ needs? Do you think sales profits and outcomes for operating your business are balanced?

3. Please share your business strategies, such as
   - Promotions
   - Products
   - Show window and displays
   - Prices
   - People (relations with customers/ employees/ suppliers/ or other retailers)

4. Do you own specific knowledge, experiences, or know-how related to your business? If you have, please specify it, and why do you think it is important to your business?

5. Which characteristics of your store are unique, and something other stores cannot duplicate? For example, it can be your management style, assets, strategies, or loyal customers, whatever. Do you think your unique characteristics affected your business success?

6. To bring more customers to your store, do you make any efforts to provide special experiences to them?
• How do you satisfy customers with your merchandise?
• How do you satisfy customers with customer services?
• How do you satisfy customers providing experiences that your customers only can feel in your store? Do you provide any specific shop atmosphere, theme for any recreation or enjoyment? Please provide a few examples.

7. Please share your opinions and feelings about the current conditions for second-hand markets?
   • When comparing with the past, do you think the market is growing and it is easy to increase your sales profits? Compare the market environments of the past and the present?
   • What types of second-hand retailers, for example, vintage shops, consignment shops, thrift shops, charity shops, etc., are in fashion?

8. How do you feel about customers’ needs and trends? Are they always compliable? Or, is it difficult to meet customers’ needs?

9. Do you think your business is successful? Why and Why not?

10. Please tell me your definition of vintage / consignment / thrift shop. What do you think vintage / consignment / thrift shop are?

11. We will conduct focus group interviews with customer groups in the future to understand customers’ viewpoints. Please feel free to share your ideas. Do you have any specific questions you want to know from customers?
Appendix F. Samples of Data Coding Process

Interview 2

1. How did you begin your business? Please share your story why you decided to start your business and how you have operated a second-hand retail business?

2. Name anyone who inspired you to begin the business?
   Yes, my grandmother.
   Oh, grandmother?
   Yes.

3. Please explain how you operate your shop? How many stores do you have?

   Okay, I have one store, and during the time I've been in business, I have been one store, but now I have two stores. One is downtown. One is downtown. The downtown is where there are two stores. One is downtown and one is downtown.

4. Do you have any store employees to operate the shop?

   Yes, I have one store, so I actually have two employees.

5. Who are your regular customers? How do you make new customers? Do you travel and solicit new customers?

   I am, I buy my clothing from my stores from people who call me, and it's a lot, and they have clothing to sell.

6. In your opinion, do you believe customers or do they think of you as a business?

   Sometimes I feel sometimes I have gone to, you know, some businesses, or others, but there is not always the opportunity to go and sort of see what they have, and then there are others that I've gone to, where they are very, very different and there is not always the opportunity to see what they have, and then there are others that I've gone to, where they are very, very different.

7. How much do you think you make from your customers?

   Sometimes I just feel sometimes I have gone to, you know, some businesses, or others, but there is not always the opportunity to see what they have.

8. How do you think you make your customers feel?

   Sometimes I just feel sometimes I have gone to, you know, some businesses, or others, but there is not always the opportunity to see what they have.

9. How do you think you make new customers?

   Sometimes I just feel sometimes I have gone to, you know, some businesses, or others, but there is not always the opportunity to see what they have.
Here is the interview content from the spreadsheet:

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<thead>
<tr>
<th>Question</th>
<th>Response</th>
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</thead>
<tbody>
<tr>
<td>Q14.1</td>
<td>Usually strategic of the store is more important to us, try to be better, so we ah, tried to keep, img, tend to see what, ah, what is selling.</td>
</tr>
<tr>
<td>Q14.2</td>
<td>Usually demand is more trend, more agree.</td>
</tr>
<tr>
<td>Q14.3</td>
<td>Demand is more agree.</td>
</tr>
<tr>
<td>Q14.4</td>
<td>Turns of more Inventory rarely happen, and rare.</td>
</tr>
<tr>
<td>Q14.5</td>
<td>Usually agreement.</td>
</tr>
<tr>
<td>Q14.6</td>
<td>Usually agreement.</td>
</tr>
</tbody>
</table>

Note: The table format is used to represent the responses to each question.
and then it really made huge differences. Huge differences, yeah. Because people would run it and be like, 

I saw this on (unintelligible) and it will be like, "I'm right here."

I couldn't help but notice that they felt they needed to do it. Yeah, yeah! I would try to

stay grounded, so anyway, that's why did I feel it. I feel it. It was just, I was, physically, I was irritable, it was in me. It was, it's a very new way of doing things, when I'm doing, doing something, I'm changing at the time, I was, ya know, a little bit.

(Interviewer) saying, "Yeah, yes, yes, yes. Yeah, yeah, yeah, yeah, yeah, yeah, ya know. I don't know about this. I don't know about this."

I was, I was here, I was here. I was here. I was here. I was here. I was here. I was here. I was here.

(Interval interviewer) saying, "You're doing something. You're doing something."

I was, I was here, I was here. I was here. I was here. I was here. I was here. I was here. I was here.

(Interval interviewer) saying, "You're doing something. You're doing something."

I was, I was here, I was here. I was here. I was here. I was here. I was here. I was here. I was here.
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<td>1</td>
<td>Daily change work, daily, yeah.</td>
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<td>3</td>
<td>Uplifting change work, daily, yeah.</td>
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**Note:** The text is excerpted and may not represent the complete content of the document.
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<tr>
<td><strong>Q1</strong>: Do you think it's important for retail stores to offer special experiences for customers?</td>
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<td><strong>Q2</strong>: Do you provide any specific scene or atmosphere for your store?</td>
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<tr>
<td><strong>Q3</strong>: How do you satisfy customers' needs for providing special experiences?</td>
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<td><strong>Q4</strong>: Please share your knowledge and experience about the current conditions for second-hand stores.</td>
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<td><strong>Q5</strong>: What are the advantages of second-hand stores?</td>
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<td><strong>Q6</strong>: What factors contribute to the success of second-hand stores?</td>
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</table>
145

Yes, but the thing is, someone I know has a consignment store, that is, uh, you know, a second-hand store or, and I think that is very good, that you have a very, very... I think that is a very good business to get into, I think it might be that there's a demand for vintage clothing, but there's... I know, I think it's better to have, like, the vintage stuff that looks, like, cool, you know, and I think that's what I think, because I like my own clothes... I like clothes...

Q: How do you feel about customers' needs and goals? Are they always competitive? Or is it difficult to meet customers' needs? How much can you really talk to, like, people who have ideas? Is that hard? Is there nothing to do with really, I mean, I think, like the way you think they know, but it's going to be difficult, but with the same time you can only do, you can't just have to try to work really hard, in order to really get a lot out of it. I think to make sure, whatever, in the end, you know, and things that are, I think, the real problem of things, so then the focus is, so forth, but you will never be able to satisfy everyone... because comes down to, well, you need any help?

Q: Do you think your business is successful? Why and why not?

It is successful, I don't think that way, and I am not, I mean, I don't think that, that... I mean really, seriously? It's because I won't really have, I didn't work really here, it wouldn't be successful. That's really the case, that's anything, you can't just, you know, I mean not. Like, there's nobody, who owns a store that's not, it's not like, you know, you can just work hard...

Q: Please tell me your definition of success / management / strategy. What do you think success / management / strategy should be?

Oh yes, men that are 25 years or older, yeah, that's what I tried to say, so I think...
Interview 6

<table>
<thead>
<tr>
<th>1. How did you begin your business? Have you ever been to meet the business owners, and how did you know communicating a second-hand shop was beneficial? Is there anyone or anything that influenced you to begin this business?</th>
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<tbody>
<tr>
<td>Yes, but, where it was located, the town was growing, and then New and New was interested in the site, too. They managed to buy the town, they wanted to sell it, so then in 2009, New and New bought Data from the original owners, and it was the date we were in place, on the street, on a corner, and then we decided to go back to this location, so we moved Data, and started. 2010, then we decided to open a new shop, and then we were all in place, in the town, near the main street, and the town was growing, and the town was growing. In the town, people would come, and the town was growing. In the town, people would come. Then Data was renovated, and then the town was growing, and then you get your first customers. The opportunity was there, to have a place in the town, to have a place in the town.</td>
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<tr>
<th>2. Are you the person who runs the shop? How many stores do you have? If you have many, why and how did you expand your business?</th>
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<tbody>
<tr>
<td>Yes, runs our shop, we have two shops, and...</td>
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<tr>
<th>3. Are you going to open another shop? Do you have any plans or ideas for future expansion?</th>
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<tr>
<td>Yes, we plan to open another shop in the town, but we also have ideas to open other locations, such as in the city center, near the train station, or in the suburbs. We also plan to expand our product range and offer more services, such as repair and maintenance services, to cater to the needs of our customers.</td>
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<th>4. Who are your suppliers? How do you purchase supplies? Do you have a preferred supplier?</th>
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<tbody>
<tr>
<td>We purchase supplies from local suppliers, such as the local farmers market, and we also have long-term relationships with our suppliers. We prioritize sustainability and quality in our purchases, and we ensure that our suppliers are ethical and responsible.</td>
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<th>5. What is the future of your business? Do you see yourself continuing to run this shop in the future?</th>
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<tbody>
<tr>
<td>We see a bright future for our business. We plan to expand our store footprint, improve our online presence, and diversify our product range to meet the evolving needs of our customers. We are committed to sustainability and ethical practices, and we believe this will set us apart in the competitive market.</td>
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<td>Question</td>
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<tr>
<td>Do you travel and contact retail members frequently?</td>
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<td>What do you think about the wholesaler's role?</td>
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<td>What is a customer's role in inventory development?</td>
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<tr>
<td>What is the role of the retailer?</td>
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<td>How many employees do you have?</td>
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<tr>
<td>How many customers do you have?</td>
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<tr>
<td>How do you balance your supplies and customers needs?</td>
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<td>Do you see any changes in the industry?</td>
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<td>Are you satisfied with the current system?</td>
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<td>Are you satisfied with the current technology?</td>
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<td>Are you satisfied with the current prices?</td>
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<td>Are you satisfied with the current inventory levels?</td>
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<td>Are you satisfied with the current orders?</td>
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<td>Are you satisfied with the current customer service?</td>
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<td>Are you satisfied with the current product quality?</td>
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<td>Are you satisfied with the current delivery times?</td>
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<td>Are you satisfied with the current order processing?</td>
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<td>Are you satisfied with the current returns policy?</td>
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<tr>
<td>Are you satisfied with the current pricing strategy?</td>
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<tr>
<td>Are you satisfied with the current marketing strategy?</td>
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<tr>
<td>Are you satisfied with the current distribution strategy?</td>
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</table>
1. What about for kids?
   "I'm not really sure... kids... they're... they're little, you know."

2. How about the school-age kids? We don't know, it's probably yes. It's probably yes. We're starting to actually buy more stuff, I mean, we're starting to actually buy more nursery stuff, even for a little more of the kids, you know, the younger kids."

3. What about the college kids? We don't know, the younger kids, the middle and high school kids..."
1. Which characteristics of your store are unique, and threatening other stores cannot duplicate? For example, it can be your management style, menu, atmosphere, or loyal customers, whatever. Do you think your unique characteristics afford your business success?

2. I think with a Laxx, I think we really luck; um, again; it’s very clean, um, very organized. Um, I think that the store, the store... You know, it’s very clean, um, very organized. Um, I think that the store is organized..."
1. Please share your opinions and feelings about the current conditions for secondhand markets. When looking at the chart, do you think the market is growing and it is easy to find your ideal products?

2. What are the major factors that influence your decision to purchase secondhand items?

3. How do you determine the value of secondhand items?

4. What types of secondhand items are you interested in? For example, vintage, retro, brand new items, collectibles, etc. How do you approach these markets?

5. How do you feel about customers' need for variety? Are there any limitations to this? Is it difficult to maintain consistent demand?

6. Are you satisfied with the current pricing and quality of secondhand items?

7. What are your concerns regarding the ethical sourcing of secondhand items?

8. Do you think the secondhand market is becoming more accessible to consumers?

9. How do you think the secondhand market is evolving? Are there any changes in customer behavior or preferences?

10. Do you think secondhand items are seen as a status symbol in certain circles?

11. How do you think the secondhand market can be improved?

12. What advice would you give to someone who is new to the secondhand market?
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</table>
Interview 12

1. How did you get involved in this organization? Is it a formal organization or informal organization? Do you know who founded it and when?

2. How has your role changed over time? Have you had any other roles within the organization?

3. Have you ever participated in any training or workshops offered by the organization?

4. How do you stay updated on the latest news and developments within the organization?

5. What are some of the biggest challenges that the organization faces?

6. How does the organization measure its success?

7. Are there any upcoming events or projects that the organization is working on?

8. How do you feel about the impact the organization is making?

9. Have you had any opportunities to volunteer or contribute to the organization's initiatives?

10. How important is it for individuals to be involved in community organizations?

11. What advice would you give to someone who is interested in joining a community organization?

12. Have you made any personal contributions to the organization? If so, what were they and how did they help?

13. Have you ever had any conflicts or disagreements within the organization?

14. How does the organization handle conflicts or disagreements?

15. What are some of the most rewarding experiences you have had while working with the organization?

16. What do you think the future holds for the organization?

17. What are your hopes and aspirations for the organization?

18. How do you think the organization can continue to grow and flourish?

19. Are there any areas where the organization could improve?

20. What are some of the most important lessons you have learned from your involvement in the organization?

21. How does the organization support the development of its members?

22. Are there any other organizations that you think are doing great work in the community?

23. How do you feel about the overall impact that community organizations have on the community?

24. Have you ever had any concerns or issues with the organization?

25. How does the organization address concerns or issues that members may have?

26. Are there any events or programs that the organization is planning for the future?

27. How do you stay connected with the organization and its members?

28. What are some of the biggest challenges that the organization faces?

29. How do you think the organization can better engage with its members?

30. Are there any specific initiatives or projects that you would like to see the organization undertake?
Interview 11.xlsx

1. Do you think that employees are motivated?

2. How do you identify the needs of your customers?

3. What is the role of salespeople in the sales process?

4. How often do you review your sales performance?

5. What is your sales strategy?

6. How do you manage your sales team?

7. How do you keep track of your sales leads?

8. What is your approach to selling?

9. How do you handle customer complaints?

10. How do you ensure customer satisfaction?

11. How do you motivate your sales team?

12. How do you measure sales success?

13. How do you evaluate your sales performance?

14. How do you handle customer feedback?

15. How do you keep up with industry trends?

16. How do you handle competing products?

17. How do you handle customer service?

18. How do you manage your sales pipeline?

19. How do you handle customer service requests?

20. How do you handle customer retention?

21. How do you handle customer complaints?

22. How do you handle customer feedback?

23. How do you handle customer retention?

24. How do you handle customer service requests?

25. How do you handle customer complaints?

26. How do you handle customer feedback?

27. How do you handle customer retention?

28. How do you handle customer service requests?

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30. How do you handle customer feedback?

31. How do you handle customer retention?

32. How do you handle customer service requests?

33. How do you handle customer complaints?

34. How do you handle customer feedback?

35. How do you handle customer retention?

36. How do you handle customer service requests?

37. How do you handle customer complaints?

38. How do you handle customer feedback?

39. How do you handle customer retention?

40. How do you handle customer service requests?

41. How do you handle customer complaints?

42. How do you handle customer feedback?

43. How do you handle customer retention?

44. How do you handle customer service requests?

45. How do you handle customer complaints?

46. How do you handle customer feedback?

47. How do you handle customer retention?

48. How do you handle customer service requests?

49. How do you handle customer complaints?

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51. How do you handle customer retention?

52. How do you handle customer service requests?
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<th>Please share your business strategies, such as production or prices?</th>
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<td>We have a lot of business here... we are very, very... We don't price high and make less, because inventory is always changing, and so... We just, we cannot price it very high here.</td>
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<td>3</td>
<td>Because we do not offer a lot of options, but we do offer a lot of variety, and so... We just, we cannot price it very high here.</td>
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Do you sometimes go to other stores and ask on a price?

... I compare prices. I guess so. I get it. Good will not market and stuff like that, and compare and I notice these stores are a lot bigger than ours and they house these smaller things. I don't think they have the same quality. When we have little store we have to be very careful... we can't just put out any kind of stuff, we have to compare with others.

Do you have... I think donations from women coming in... financially very well, these women who we don't expect... they donate things that are unexpected, so we design different displays. Then we have... these women are just shoppers, so they are very good at... something that they enjoy, and when they put a lot of their things, they just donate it to us, so, um...

Show window and display?

decision... we have lots of mannequins and stuff, our Facebook page will put up pictures about our fashion like that, um... what else do we do... is that you have mannequins on our windows and stuff, and I try to change every other week, but it's not very easy. We'll put something up here and then like I'll remove those, customer want it, and we only have a lot of those, I just like... it's good idea, that we have mannequins cause that's the main, that's the whole point, to sell our stuff, but then I am just... um... that you can use it, then...

What about the display?

... new right now, we used to do that at our old store, when we had more space, but right now we just have the windows, actually... we have to cut it, in front of the store, the one you walked in, that's our new window... and then that's our new window... and it's only women's... um...women's are our top customers, I probably should tell you that... yeah, women are our top customers, and so... they want to see... we have them... and the rest of the store we have...

What about people? Do you have any promotions something like that?

Well, there's not... it being with the... with the people, that is, um... we have to be very careful about... people, um... as far as we don't want too many... in our budget for advertising, or anything like that, so we have to be very careful on how to just get the customers in there, and we do a lot of stuff and also a lot of stuff on Facebook, because it's all free, um... we put up nice, pictures, in the store...

... and we make sure, every customer knows about the sales going on, um... and I probably have... I have an ad, and take out every... um... two weeks, and every month, um... so, um... we推广, and the target audience, we have five different color tags, that is, we use color tags... so when we ask that is, we use a yellow tag, um... so that we see can kind of keep track of what... things come in... and the sale going on right now actually, it's 70% off and blue tag sale, our green tag has been in the store longest, that's why they are on the sale right now, so kind of... lingers, up every month, um... so, we have tags go... very months, that's kind of customer really enjoy... that.

recently we did the big, like... like a lot right... giveaways, like... discounts have been a lot... once, a certain time, like right at the end of the year... and we only really use these, we used to put out the stuff, through... throughout the... we have... the... end... we have... and we had all this stuff... spring and summer, that was just sitting in the bank, so obviously, we want to buy spring and summer stuff during the winter, so I bought about... put together some kind of event, um...
Do you make any efforts to keep relationships with people (customers, employees, suppliers, or others)?

umm... yeah, I try to get to know everyone, as best as I can, because I think that's really important. It's something that every manager should strive to do. You know, I think it's really important to know my employees and if there's something you need, I want to know about it. That's really important.

Do you do anything specifically to keep relationships with customers?

Well, I try to get to know our donors, well, because most of our donors are active donors. I'm in the ActiveDonor database, so I do see their names and I try to call them and see how they're doing.

Do you ever have any big events or special occasions?

Yes, we have a donor appreciation event. We have a donor appreciation dinner where we recognize our donors and show them how grateful we are for their support.

Do you ever do anything to encourage or support other businesses?

Yes, we support other businesses by volunteering at local events. We also have a mentorship program where we pair our employees with community leaders to help themgrow in their careers.

Do you have any specific knowledge or experience in a particular area that you find helpful to your business? The more specific, the better.

Yes, I have a lot of experience in customer service and marketing. I think those skills are really valuable in any business setting.

Do you feel that these skills and experiences have been helpful to you in your current position?

Yes, I think they have definitely helped me. I have been able to apply what I learned in these areas to my current role, which has been very rewarding.

What skills or experiences do you think would be most helpful for someone in your current position?

I think strong communication skills, the ability to think critically, and a strong work ethic are essential. Additionally, having experience in customer service or marketing would be very beneficial.
5. Which characteristics of your store are unique, and something other stores cannot duplicate? I've found that the quality of our store, the stock we have, from a lot of other thrift stores, am. I also think that being part of the London, Ontario, business, and being part of the community, it's very, uh, I mean, people know what it is, and what it's about, they know that you are coming to a clean, environment, and a very welcoming, environment, and you know, you're a store on the main street.

6. To bring in more customers to your store, do you make any efforts to provide special experiences to them? Yes, yes, what a customer sees, I have, in the small list, right outside the door, we have some, uh, that are really good, especially for the, uh, for the people that come in, to visit them, they bring them here, so, always, making sure they are happy.

How do you satisfy customers providing experiences that your customers only find in your store? Do you provide any specific store atmosphere, theme for any occasion or event? Please provide few examples.

I think when you get to know the customers, and you get to know what they like and what they don't like, then that is something the most of a lot of their stores don't do, am, you know what something comes in, you get excited for them, because you know that this is, what they are looking for, what they have been looking for, that one on the street from another place, uh, I think if you go to the local store, and you are, uh, you know, what children, and it's just, uh, to know, you know, make them feel good, make them feel good, if you, uh, to make them feel good, and it is, just, you know, so, you know, you know, really make them feel good, make them feel good, make them feel good, make them feel good, make them feel good, make them feel good, make them feel good, make them feel good.
we meet a girl... um, she had a big bag, like a kind of... um, she had some of our, um, housewares... um, walking around in the next stall, um, and then, we went, we did... uh, some... um, what was it called...? oh, yes, Lennox... um, where they...? um... we didn't know... um... we didn't know where we were going... um, and we had made some... um, and, you know, we... um, we didn't know what we were doing... um... we didn't know... um... we went into... um... we... um... we didn't know... um... we didn't know...
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<tr>
<td>94</td>
<td>How do you feel about customers' needs and returns? Are they always complicated? Or is it difficult to meet customers' needs?</td>
<td>Yes, I think we are very sensitive to their needs. I try to meet them as much as possible. Sometimes it can be challenging, but I always try to find a solution.</td>
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<td>95</td>
<td>Sometimes we will have to reject returns. Are we ever concerned about customer satisfaction?</td>
<td>Yes, we make sure that we handle returns properly and fairly. We want our customers to be satisfied with their purchases.</td>
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<td>96</td>
<td>Do you think your business is successful? Why or why not?</td>
<td>I think it's successful. We have a good reputation, we collect a lot of money, and our customers come back.</td>
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<td>97</td>
<td>Do you think it's important to have a strong community?</td>
<td>Yes, I think it's very important. We have a strong community and we support each other.</td>
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<tr>
<td>98</td>
<td>Do you think it's important to support local businesses?</td>
<td>Yes, I think it's very important. We should support our local businesses.</td>
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Appendix G. Refined Emergent Themes

1. Resource Based View
   1.1. Firm resources
      1.1.1. Human capital resources
         1.1.1.1. Store backgrounds
         1.1.1.2. Efforts for business growth
         1.1.1.3. Trial and error
         1.1.1.4. Business culture
            1.1.1.4.1. Employees
            1.1.1.4.2. Educations
      1.1.2. Physical capital resources
         1.1.2.1. Location
         1.1.2.2. Scale of business
      1.1.3. Organizational firm resources
         1.1.3.1. Counselor
         1.1.3.2. Supporting community and business partners
         1.1.3.3. Sourcing
            1.1.3.3.1. Suppliers
               1.1.3.3.1.1. Donators
               1.1.3.3.1.2. Consigners
               1.1.3.3.1.3. Individual sellers
               1.1.3.3.1.4. Middleman
               1.1.3.3.1.5. Rag house
               1.1.3.3.1.6. Collected by a store
               1.1.3.3.1.7. Wholesalers
            1.1.3.3.2. Supplies
               1.1.3.3.2.1. Scale of supplies
               1.1.3.3.2.2. Criteria for acceptance
                  1.1.3.3.2.2.1. Conditions & wearability
                  1.1.3.3.2.2.2. Decades of styles
                  1.1.3.3.2.2.3. Seasons
                  1.1.3.3.2.2.4. Customers’ needs
                  1.1.3.3.2.2.5. Trends
                  1.1.3.3.2.2.6. Owner’s tastes
                  1.1.3.3.2.2.7. Brand quality
                  1.1.3.3.2.2.8. Product variety
                  1.1.3.3.2.2.9. Product safety
            1.1.3.3.3. Co-Production
            1.1.3.3.4. Sorting, preparing, and organizing
      1.1.4. Use of retail technology
      1.1.5. Use of alternative retailer channel
      1.1.6. Recycling or trading internationally
   1.2. Sustained competitive advantage
      1.2.1. Unique strategies of the store
      1.2.2. Comparison to competitors

2. Management and Marketing Practices
   2.1. Products strategy
2.1.1. Criteria what to sell
2.1.2. Product categories
2.1.3. Inventory turnover

2.2. Pricing strategy
2.2.1. Criteria for pricing
   2.2.1.1. Negotiating price with consigners
   2.2.1.2. Pricing items individually
   2.2.1.3. Standardized pricing
   2.2.1.4. Affordable prices
2.2.2. Price range

2.3. Promotions strategy
2.3.1. Motivation for promotion
2.3.2. Types of promotions
   2.3.2.1. Price promotions
      2.3.2.1.1. Discounts
      2.3.2.1.2. Color tags
      2.3.2.1.3. Rewards
      2.3.2.1.4. Coupons
      2.3.2.1.5. Buy one get one free (Half price)
      2.3.2.1.6. Lottery
      2.3.2.1.7. Gift card or gift
   2.3.2.2. Advertisement
      2.3.2.2.1. Events
      2.3.2.2.2. Medias
      2.3.2.2.3. Social networking sites
      2.3.2.2.4. Emails
      2.3.2.2.5. World-of-mouth
      2.3.2.2.6. Websites
      2.3.2.2.7. Sponsoring

2.4. Customers
2.4.1. Customers’ profiles and backgrounds
   2.4.1.1. Loyal customers
   2.4.1.2. Age group
   2.4.1.3. Life styles
   2.4.1.4. Motivations
      2.4.1.4.1. Treasure hunting
      2.4.1.4.2. Economic consumption
      2.4.1.4.3. Ecologic consumption
      2.4.1.4.4. Uniqueness
      2.4.1.4.5. Social interaction
   2.4.1.5. Customers’ shopping behaviors
      2.4.1.5.1. Looking for children and baby’s clothes
      2.4.1.5.2. Looking for vintage clothes
      2.4.1.5.3. Looking for decades of styles
      2.4.1.5.4. Looking for brand quality or value of clothes
      2.4.1.5.5. Looking for a party dress
      2.4.1.5.6. Looking for a size fit to customer’s body shape
2.4.2. Customer relationships / Interactions
   2.4.2.1. Welcoming and greeting
   2.4.2.2. Memorizing
   2.4.2.3. Family-like relationships
2.4.2.4. Trusting relationships
2.4.2.5. Finding a proper outfit for customers
2.4.2.6. Fixing items
2.4.2.7. Searching for an item that customer asks for
2.4.2.8. Respectful for consigners and consigners’ items
2.4.2.9. Customer recalls and returns

2.4.3. Experiential Realms
2.4.3.1. Store themes
2.4.3.2. Experiences
   2.4.3.2.1. Educational experiences
   2.4.3.2.2. Entertainment experiences
   2.4.3.2.3. Escapist experiences
   2.4.3.2.4. Esthetic experiences
      2.4.3.2.4.1. Visual merchandising
         2.4.3.2.4.1.1. Show windows
         2.4.3.2.4.1.2. Mannequins
         2.4.3.2.4.1.3. Floor
         2.4.3.2.4.1.4. Organizing merchandise/displays
         2.4.3.2.4.1.5. Seasonal displays
         2.4.3.2.4.1.6. Cleanness

3. Definition of their business
3.1. Vintage store
3.2. Consignment store
3.3. Thrift store