Investigating Online Second-hand Fashion Reselling Experience: The case of Depop.com

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***Introduction:*** Second-hand buying is defined as “the acquisition of used objects through often specific modes and places of exchange” (Roux & Guiot, 2008, p. 66). The acquisition transfers the ownership of the product permanently (Iran & Schrader, 2017). A second-hand product may not be flawless. Therefore, the price is often less than the price of a similar new product (Guiot & Roux, 2010). However, the original owner gets some value of the product returned or a secondhand retailer earns revenue. Thus, a second-hand fashion purchase displaces a new item, and the environment gets less disruption by avoiding manufacturing and disposing of it. The fraction of the original economic value of the clothing is also retained through the recirculation of the product in the system (Farrant, Olsen, & Wangel, 2010).

There are 5 mechanisms to regain the used product value: recycling, reuse/repair, refurbish, remanufacture, and cannibalization, which is appropriate in recovering the value of used fashion products (Kumar & Malegeant, 2006). Second-Hand Fashion (SHF) consumption is a way to recycle used clothing. In recent years, the SHF industry has become an emerging market all around the world. Fashion leaders in developed nations recognize SHF as a trend. On the other hand, it is an affordable alternative clothing for the consumer who lives under the poverty line in under-developed countries (Khurana & Tadesse, 2019). The approximate amount of global trade of SHF was $5 billion in 2012 (UN Comtrade, 2014). However, as SHF are usually sold at 10- 20% of the price of its original price (Fields, 2004), it should be compared by the volumes of products involved. The second-hand fashion industry is growing. In near future, it might capture a significant portion of the global fashion supply.

***Research Rationale:*** Nowadays, there are a variety of offline marketplaces such as auctions, flea markets, vintage stores, garage sales, church thrift stores, community thrift stores, and charity shops, and online marketplaces such as poshmark.com, threadup.com, depop.com, etc. to sell second-hand fashion (SHF) (Xu et al., 2014). In these marketplaces, any individual can resale fashion items, at a cheap price, that are consumed gently (Todeschini et al. 2017). These are often second-hand and/or informal modes of goods acquisition (Isla, 2013). The online marketplace has a greater reach to the consumer. It makes it easy to do consumer-to-consumer exchange for SHF, which is absent in the firsthand fashion marketplace. The virtual marketplace mediates the relation between consumers. To have the exchange fruitful and long term economically sustainable, buyer and seller as peer consumers value perception needs to be investigated. According to the customer value theory, it is the net benefit of acquiring or using a service or product given the associated cost (Boksberger & Melsen, 2011). Consumer as a user of an online second-hand reselling site would infer some value for using the service. The perceived values should indicate the economic sustainability of the service. Therefore, the objective of this research is to investigate the cost and benefit of online second-hand fashion marketplace from user reselling experience.

***Research Method:*** A data-mining approach was applied in this study. Depop.com, a social online fashion reselling marketplace where any individual can buy and resell second-hand fashion (Depop, 2021), was selected to examine SHF consumer experiences. Currently, Depop.com has over 2 million active users in the US, which has been increased by 2.5 times since February 2020 (Statista, 2021), showing the importance of online fashion reselling. The site mobilizes unused clothing between two different consumers and has already generated one billion US Dollars in revenue (Depop, 2021). Third-party consumer experiential reviews site trustpilot.com was used to collect consumer reviews (Trustpilot, 2021). A python transcript using the ‘beautifulsoup’ library has been developed to scrape all the available reviews from the site. In total 4040 useable reviews are considered from 4052 scraped reviews. Reviews come with consumers’ overall rating stars of the service, i. e. 1 for bad and 5 for excellent. A downloadable Excel file containing all the reviews shows that 2720 reviews are of positive sentiment (4 & 5 stars) and 1000 reviews are of negative sentiment (1 & 2 stars). The rest of the reviews are considered 320 average or neutral (3 stars). LDA (Latent Dirichlet Allocation) analysis has been done using python transcript to extract discussed topics with keywords. The top 10 topics are identified both for positive and negative sentiments. Positive sentiment should infer benefits and negative sentiment should infer costs of reselling marketplace service (Lang, Xia, & Liu, 2020).

***Data Analysis, Results, and Discussion:*** Positive sentiment sentences mainly discussed the benefit of ease of use of the platform. This is frequently cited by using the keywords ‘easy app’, ‘great platform’, ‘easy sell’. As a seller says, “The Depop app is easy to use and not overrun with ads by big companies.” Another seller says, “Depop has truly inspired me to start selling some of my favorite thrift finds and gently used items!” On the other hand, the negative sentiment sentences mainly discussed topics related to the cost of security issues (i.e. buyer protection, refund, account suspension, scamming) and customer service. As one user says, “…poor customer service. Account suspended due to breaching their terms of service, due to people messaging to pay via PayPal, which is out of my control.” Another user says, “The buyer protection is non-existent. The links they ask you to go to are all dead ends.” Overall, the findings of this study indicate that online platform makes transaction more convenient between peers. However, because it is not a face-to-face transaction, scopes are there to do a fraudulent activity. Trust issues should be inherent in any online marketplace site. In addition, not having good customer service does not help to grow the platform. The customer might expect necessary support from the marketplace authority, otherwise, it may soon lose credibility and reduce the potentiality of growing online second-hand industry. The reviews hardly discuss the product itself and mainly focus on the buyer-seller relationship and the platform service. Products along with platforms should be investigated in future research to identify any potential issues caused by the site performance.

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