Van Plaza: The Rise of a Market of Unshipped and Leftover Clothing from the Export-Oriented Apparel Industry

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Introduction and Literature Review: Bangladesh is one of the leading manufacturers of apparel products (Statista, 2023). In 2023, Bangladesh alone exported 1.3 billion pieces of garments, making a total revenue of $47 Billion (Bangladesh Bank, 2024). Throughout the production process, development samples and excess products emerge as a routine procedure to overcome quality concerns (Kavitha & Manimekalai, 2014). The industry practice is to produce 5–15% excess to cover any shortfall (Akter et al., 2022). Therefore, at least 100 million pieces of leftover garments emerge as apparel waste in Bangladesh on average every year, posing a threat to the achievement of a circular economy and violating the 12th Sustainable Development Goal (SDG-12) of the United Nations, which focuses on sustainable production and consumption (The Global Goals, 2024). Traditional practice is to sell these products to local resellers as "Stock Lot" (Akter et al., 2022) which creates a unique marketplace in the Bangladeshi streets, consisting of countless sellers moving around with vans (human-pulled three-wheelers), carrying clothing products of numerous big brands and attracting potential customers on the way. How does this marketplace, famously known to the local people as Van Plaza (shopping mall on a van), influence Bangladeshi fashion consumers? How do Bangladeshi fashion consumers react to these clothes and what purpose do they serve to them? These research questions emerge as a topic of great interest which have not been investigated much. In this study, the objective is to understand the cause and impact of the meteoric rise of this leftover clothing market from the perspective of both consumers and sellers. Due to the rise of fast fashion, the increased consumption of apparel products has been a concern regarding both increased textile waste streams and environmental impacts (Shamsuzzaman et al., 2023). Approximately 577,000 tons of waste is reported to be generated from the apparel industry and fabric mills of Bangladesh (Pavarini, 2021), of which a significant portion is the overproduced apparel leftovers, defective apparel, rejected apparel, and shipment canceled apparel (Akter et al., 2022). Bangladesh and China have been developing their capabilities to adopt proactive sustainability strategies and practices to achieve a competitive advantage in sustainable development (Su et al., 2022). Aus et al. (2021) suggested a flexible approach from the brand's end to minimize this waste generation, acknowledging that it might not always be an easy process. Runnel (2017) suggested that leftover and rejected apparel products might be a huge business opportunity that is still untapped. While there is only a brief mention in prior studies about the leftovers being sold in the local marketplace (Akter et al., 2022), the research gap remains prominent regarding the characteristics and impact of this local market. Hence, this study intends to better understand the rise of this leftover clothing market by analyzing the perspectives of local resellers and consumers.

Methodology: To achieve the research goal, a qualitative approach with a purposive sample was adopted by conducting in-depth interviews. A snowball sampling strategy was used to enroll the participants and 2 sets of questionnaires were prepared. One set for local resellers, and the other for Gen Z consumers in Bangladesh who have a frequent purchase record of these leftover products. A total of 19 interviews were conducted (10 consumers (6 male, 4 female), 9 resellers) and the sample size was established based on the data saturation (Hodges, 2011). Among the respondents, consumers were identified as P1 – P10, and sellers as P11 – P19. Interviews were conducted in person and online (Zoom and WhatsApp). The sellers were asked questions like "Whom would you say are your target customers?", "What are the factors that increase your sales?" while consumers were asked, "What attracts you to these leftover clothes?", and "How do these clothes perform compared to the local branded clothes?" After interviewing, all the interviews were transcribed, and the authors analyzed the data, generated themes, and wrote up the findings (Braun & Clarke, 2006).

Results and Discussion: Several themes emerged from the data which are organized based on the perspectives of both consumers and sellers as well as the causes and impacts of the rise of this "Van Plaza" market. Figure 1 illustrates the themes and subthemes from the findings.

Causes Behind the Rise of Van Plaza: The findings suggest that there is a lack of implementation policy for brand protection. The sellers sell clothes with the original brand label and accessories, even with original tags. Apart from this weak brand protection policy, local consumers' desire to wear products from renowned foreign brands is also found as a primary reason for the growth of this marketplace. With growing awareness of brands, Bangladeshi Gen Z consumers tend to love buying these leftover garments, creating a high demand for these products. P8 stated, "These products are extremely cheap and good for regular use, so, I can take a feel of foreign clothes at a cheap price. This is a win as a customer".

Impacts of Van Plaza: The market has created a large number of small businesses and generated a significant number of employment. P9 said, "I randomly find these street sellers everywhere. Never had to actively look for them." This marketplace is introducing global brands to local consumers. One of the sellers stated, "Women from all over Dhaka city visit my van to find cheap clothes. Everyone knows the name of the brands." Because of the extremely low prices, this marketplace has become a shopping zone for people of almost all social classes. P7 expressed, "Where it will take you 1200/1500 taka to buy a top from a local brand, you can buy a good quality top for only 150/200 taka from a van, making it at least 6 times cheaper." The fabrics and trims used in the leftover apparel are significantly better in quality than most of those from the local brands. P1 candidly admitted that "The fabric quality is so good that I keep coming back to these vans". Because of the high demand for these products among young consumers, copy and counterfeit products have also become very common in this marketplace.

Consumer Perspective: Participants agree on the fact that these leftover clothes sold at a cheaper price give them more and more options, keeping them up to date with the trends of fast fashion. As the sellers are available almost everywhere, they make it convenient for the consumers to get

access to these products. While previously it was seen as a stigma to buy cheap and defective clothes, even a few years back, Gen Z consumers proudly own their purchase decisions now and express a sense of satisfaction when they can purchase something for a lower price.

Seller Perspective: Sellers are confident about the stability of the supply chain of these leftover clothes. P11 stated, "I was in the garment business before so I know how it works. I collect readymade garments from local and sub-contract-based export factories. So many clothes get rejected during the quality check. I collect them at a very cheap price. Bangladesh exports a lot of clothes so there is a little chance that I will not find supply". Sellers also mentioned that the business is easy to start because of the low initial investment. Sellers mentioned that location and season are the most important factors that affect their business. P11 expressed, "I have more sales in the winter season. Hoodies, sweatshirts, and heavy jacket items are sold a lot. Also, during Eid-ul-fitre, there is a huge sale."

Conclusions and Implications: The findings of this study provide an in-depth understanding of the different aspects of the unshipped and leftover clothing marketplace generated by the export-oriented apparel industry. This study will contribute to the existing literature on brand protection at the manufacturing end, sustainable consumer behavior, and apparel waste management. Future research may further explore the impact of this marketplace from a cultural and economic point of view.

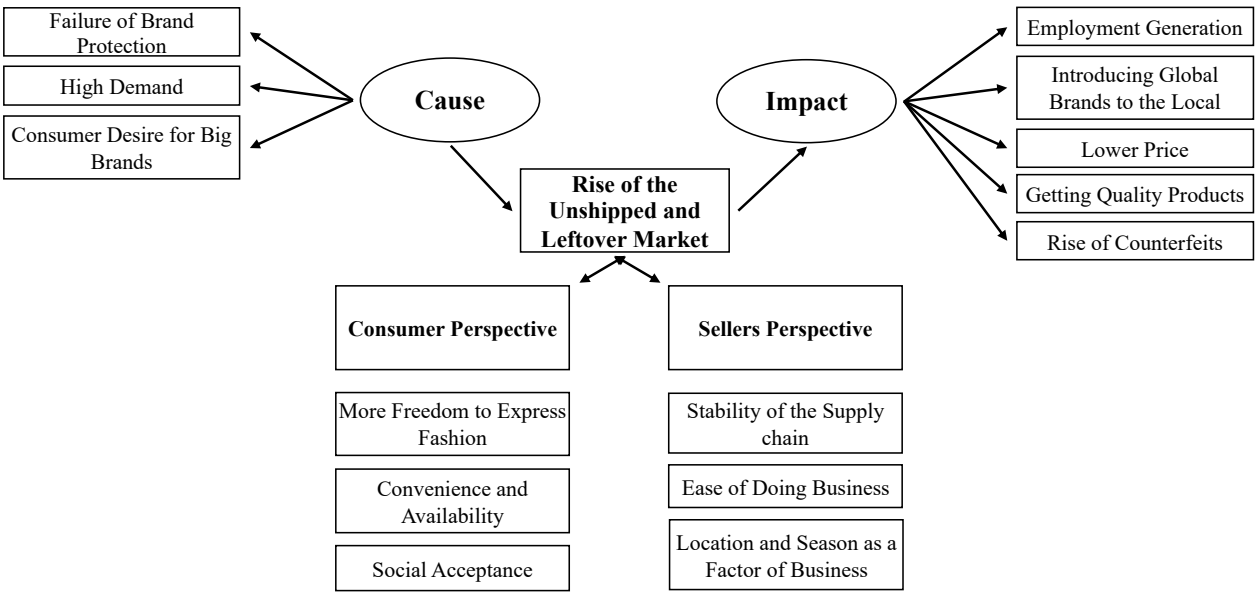

Figure 1. Themes and Sub-themes

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