



The Impacts of The Popularity of Imported Thrift Goods to the Local Fashion Industry in Yogyakarta

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Abstrak

Penelitian ini bertujuan untuk mengeksplorasi sejauh mana barang bekas impor memengaruhi bisnis lokal, serta meninjau preferensi konsumen dan dinamika pasar. Dengan menggunakan pendekatan kualitatif dan desain studi kasus, data dikumpulkan melalui wawancara semi-terstruktur dengan pemilik toko pakaian lokal dan tiga konsumen toko barang bekas. Temuan menunjukkan bahwa konsumen sangat menghargai barang bekas karena harganya yang terjangkau, kualitasnya, dan daya tariknya yang unik. Yang mengejutkan, popularitas barang bekas tidak berdampak signifikan terhadap bisnis pemilik toko lokal. Di sisi lain, pandemi COVID-19 menimbulkan tantangan yang lebih besar, karena mengganggu rantai pasokan, mengurangi daya beli, dan membatasi operasional bisnis lokal. Namun, tren barang bekas mendorong bisnis lokal untuk berinovasi melalui praktik berkelanjutan dan desain yang khas secara budaya. Studi ini menyimpulkan bahwa pasar barang bekas memberikan tekanan langsung yang terbatas pada bisnis lokal; faktor eksternal seperti pandemi memiliki dampak yang lebih besar. Inovasi strategis dan dukungan pemerintah diperlukan untuk memperkuat ketahanan industri mode lokal dalam lanskap pasar yang terus berkembang.

Kata kunci: Barang Thrift Impor, Dampak Bisnis, Pakaian Lokal, Preferensi Konsumen,

Abstract

This study aims to explore to what extent imported thrift goods affect local businesses and examine consumer preferences and market dynamics. Using a qualitative approach with a case study design, data were gathered through semi-structured interviews with a local clothing store owner and three thrift consumers. The findings reveal that its consumers highly value thrift goods for their affordability, quality, and unique appeal. Surprisingly, their popularity has not significantly affected the local store owner's business. Instead, the COVID-19 pandemic posed a more significant challenge, disrupting supply chains, reducing purchasing power, and limiting business operations for the local store. However, the thrift trend encourages local businesses to innovate through sustainable practices and culturally distinctive designs. The study concludes that the thrift market exerts limited direct pressure on local businesses; external factors like the pandemic had more profound impacts. Strategic innovation and government support are necessary to strengthen the resilience of the local fashion industry in an evolving market landscape.

Keywords: Business Impact, Consumer Preferences, Imported Thrifting, Local Fashion,

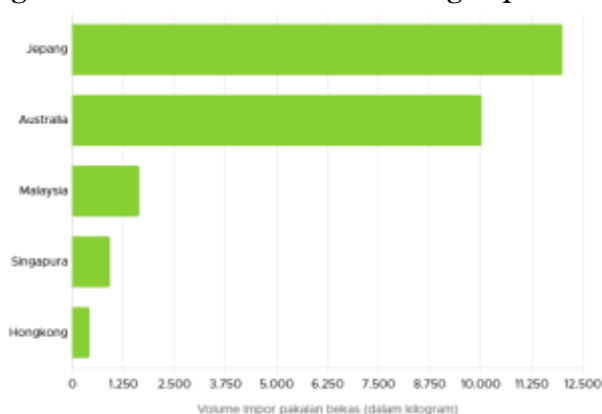
INTRODUCTION

In recent years, the fashion industry in Indonesia has undergone a significant transformation, especially with the rise of imported thrift. The popularity of thrift goods, or second-hand clothing imported from abroad, is now increasingly popular among the younger generation and university students who are looking for affordable yet trendy fashion options (Haryanti & Falah, 2023; Hur et al., 2023; Bick et al., 2018). Yogyakarta, a city known as one of Indonesia's centers of education and culture, makes this phenomenon more interesting. Not only does it have a large student population, but this city is also where global and local cultural trends often meet. Therefore, this makes thrift items attractive to local consumers with their affordable prices and diversity of unique models (Chen & Huang, 2018; Kim & Kim, 2020; Yrjölä et al., 2021).

In terminology, thrifting refers to the activity of buying second-hand goods. The term “thrift” is derived from the word “thrive,” which means to flourish or progress, while “thrifty” is defined as the efficient use of money. Thus, thrifting is buying used goods to save money (Savryaninda & Adiprabowo, 2024; Aryaputra et al., 2023; Sham et al., 2024). This phenomenon reflects the changing behavior of consumers, who are now more aware of sustainability in fashion. Many university students are now more aware of the importance of sustainability in fashion, and thrift shopping is one way to reduce the fashion industry's environmental impact, which often contributes to sustainability (Nuh et al., 2023; Papadopoulou et al., 2022)

Based on the *Badan Pusat Statistik* (BPS), Indonesia's used clothing imports reached a dozen tons in 2022. Japan is the top country sending the most used clothing to Indonesia. This year, Indonesia received 12 tons with more than US\$24,000, indicating that Japan accounted for more than 45% of Indonesia's total used clothing imports of 26.22 tons. Australia sent 10.02 tons of high-value second-hand clothing in second place, reaching US\$225,000. Meanwhile, Malaysia, Singapore, and Hong Kong also supplied secondhand clothing to Indonesia, each with lower import quantities and values. It shows that the thrift market in Indonesia is growing rapidly, creating economic opportunities for businesses in this sector.

Figure 1. The number of used clothing imports in Indonesia



Source : [Badan Pusat Statistik, 2023](#)

While thrifting allows consumers to get quality clothing at lower prices, it harms the local fashion industry. Thrift clothing is often perceived as more aesthetically appealing and cheaper, which reduces demand for local brands. It has resulted in local producers, especially MSMEs, experiencing a decline in sales and difficulty competing with the price and visual appeal of thrifted goods (Pratama et al., 2024; Yadav & Sijoria, 2024). To stay relevant, some local producers have started to adapt their designs, taking inspiration from vintage or retro styles that have become popular among thrift shoppers (Evans et al., 2022; Tambunan et al., 2025).

On the other hand, the increased interest in thrifted goods is also driving consumer awareness about sustainable fashion. It could incentivize local producers to implement environmentally friendly practices, such as producing clothes from durable materials or applying circular economy principles in textile production (Yanfika et al., 2020; Reike et al., 2023). While thrifted goods may hurt the sales of local products in the short term, this phenomenon can also be a driver for positive change in the local fashion industry.

From a business theory perspective, the thrift phenomenon can be analyzed using Porter's Five Forces framework. In this context, thrift goods function as substitute products that challenge the traditional fashion business model, creating a market where local businesses struggle to maintain consumer loyalty and innovation (Porter, 1980). Although there have been many studies on the thrift phenomenon and sustainable consumption, there is still a significant research gap



regarding the direct impact of thrift goods on the competitiveness of the local fashion industry, particularly in Yogyakarta.

This research aims to examine the diverse effects of imported thrift products on the local fashion sector in Yogyakarta. The inflow of imported secondhand apparel has transformed the fashion industry, imposing new competitive challenges that threaten the viability of local fashion businesses. The imported thrift products, frequently offered at reduced costs and valued for their uniqueness or vintage charm, have garnered the interest of consumers—especially the youth—resulting in altered consumer preferences and expenditure trends. Consequently, local fashion enterprises are witnessing a reduction in market share and client allegiance, as several patrons gravitate towards thrift items for both financial and aesthetic motivations. The existence of these alternatives not only heightens competition but also necessitates that local businesses reassess their business models, implement novel marketing techniques, and provide more unique products. This study examines local shop owners' perceptions of the thrift phenomenon and the adaptive tactics they employ to thrive in a saturated market. This research seeks to elucidate how imported thrift products alter the dynamics of the local fashion industry and their implications for its future resilience.

METHOD

This study employed a qualitative approach, using a case study design to examine the impact of imported thrift goods on the local fashion industry in Yogyakarta. This approach is ideal for capturing detailed insights into how local fashion businesses and consumers perceive and react to the growing thrift market. Given the unique dynamics of Yogyakarta's fashion industry, a case study allows for an in-depth understanding of the complex interactions between consumer behavior and local business responses.

Sampling

The target subject for this study comprised local fashion industry players and consumers who actively engaged in thrift shopping within Yogyakarta. The research context was set in Yogyakarta, a cultural and educational hub where thrift shopping has grown in popularity, particularly among students and young adults. This city offered a unique environment to observe the interactions between the imported thrift goods market and local fashion businesses, making it an ideal location for this study.

The study used a non-probability sampling method, explicitly targeting individuals directly involved with or affected by the thrift market. The sample included one local clothing store owner to provide insights into the competitive pressures and adaptive strategies from the business perspective and three consumers of imported thrift goods to capture consumer motivations and preferences. This selection method ensures that the data collected represents a variety of perspectives on the challenges and adaptations within the local fashion industry.

Data Collection

Primary data for this study were collected through semi-structured interviews (Price & Smith, 2021). This format provided flexibility to explore predefined topics while allowing follow-up questions to capture more profound insights. Interviews with consumers explored motivations, preferences, and attitudes toward thrift shopping and local fashion products. Meanwhile, interviews with local industry players focused on understanding the effects of thrift goods on their business strategies, customer engagement, and sales performance.

The interview guide included a set of core questions that covered themes such as market competition, consumer behavior, and adaptation strategies, with additional questions asked based on participant responses. This approach allows the researcher to maintain focus while also

adapting to the individual insights of each participant. Semi-structured interviews are ideal for capturing context-specific details and providing the depth to analyze complex interactions between thrift goods and local businesses. The interviews consisted of five main questions, each supplemented by follow-up questions to gather more detailed information. The interviews were conducted in Bahasa Indonesia, ensuring clarity and comfort for participants. Each session lasted approximately 10-15 minutes, balancing depth and efficiency while respecting the participants' time.

Measures

This study employed thematic analysis to measure and interpret qualitative data gathered from the interviews. Thematic analysis was chosen for its ability to identify and analyze patterns within qualitative data, providing insight into recurring themes and perspectives among participants. This analysis began with transcription of all interviews, followed by initial coding to identify key ideas or themes. Codes were then categorized, grouping similar responses to create broader themes reflecting respondents' shared viewpoints.

Each theme was carefully reviewed to ensure it aligned with the study's objectives and accurately represented participant perspectives. Themes were interpreted to provide a comprehensive view of how thrift goods influenced the local fashion industry, from consumer preferences to industry adaptations. This structured approach ensures that the findings are reliable and valid, contributing to a thorough understanding of the impact of imported thrift goods on Yogyakarta's local fashion market.

RESULT AND DISCUSSION

Reasons	Interviewee 1	Interviewee 2	Interviewee 3
Branded	✓	✓	✓
Quality	✓	✓	✓
Lower Price	✓	✓	✓
Unique Design	✗	✗	✓
Limited Edition	✗	✗	✓

Based on the data shown in the table, it can be seen that all three interviewees agreed that the products they find in the thrift market are branded. It aligns with the consumer perception that thrift markets provide access to branded products, often viewed as more desirable and reputable. The popularity of these branded thrift items demonstrates their advantage over local products in terms of market dynamics and consumer appeal. As Interviewee 3 said, "Because even though thrift is a second-hand item, the quality is still good and branded."

Based on the table, all interviewees highlighted the quality of the products as a reason for shopping at the thrift market. All three interviewees also agreed that the items they purchased were better quality than local products. Consumers prioritize quality alongside affordability, making thrift items a preferred choice for those seeking high-quality products at lower prices. As Interviewee 1 said, "Because with a more affordable price, I can get quality goods without having to drain my pocket."

The table shows that all three interviewees agreed that the thrift market offers products at a lower price. Interviewee 1, Interviewee 2, and Interviewee 3 highlighted affordability as a significant factor in their shopping decision, particularly during the pandemic when purchasing power declined. The ability of thrift goods to combine quality with affordability gives them a



competitive edge over higher-priced local products. As Interviewee 2 said, “Get a lot of branded clothes at low prices.”

According to the table, only one interviewee mentioned unique design as a reason for preferring thrift items. Interviewee 3 emphasized that the uniqueness and exclusivity of thrift goods attracted consumers seeking alternatives to mainstream market products. These distinctive and uncommon designs make thrift goods appealing for those looking to stand out or own exclusive items. Interviewee 3 said, “I enjoy it for daily use because the impression is more fashionable and not cheap, and the model is unique and cute.”

The table indicated that only one out of three interviewees (Interviewee 3) considered limited edition items as a reason to shop in the thrift market. While this was less emphasized in the table compared to other factors, the exclusivity aspect of thrift goods may include rare or limited-edition items. This exclusivity appeals to consumers seeking unique and hard-to-find products. As Interviewee 3 said, “Limited edition items are rare finds that make shopping at thrift markets exciting.”

Discussion

Based on the data gained, the most reasonable factors for shopping in the thrift market are affordability, quality, and access to branded goods. It aligns with Rahmawati (2022), who mentioned, “Thrift goods provide an economical solution for consumers, particularly in challenging economic conditions, by offering quality products at affordable prices.” During the COVID-19 pandemic, when purchasing power significantly declined, affordability became even more critical for consumers, as noted by Fadila et al. (2023). They highlighted that thrift markets gained popularity among younger demographics, particularly students, as these markets offered trendy and cost-effective alternatives to mainstream fashion. The findings also showed that consumers perceive thrift goods as high-quality items, often superior to local products in durability and style. It reflects the broader appeal of thrift markets as a source of branded and well-maintained products at a fraction of the original price. As stated by one participant, “Because with a more affordable price, I can get quality goods without having to drain my pocket.” It is consistent with the concept outlined in Zhao et al., (2021) Five Forces framework, where thrift goods represent a strong substitute product. Their competitive pricing and the perception of higher quality shifted consumer preferences, reducing market share and demand for local products.

The impact of COVID-19 is especially relevant in this context. The pandemic decreased consumer purchasing power and accelerated shifts in shopping behavior. As consumers became more cost-conscious, the appeal of thrift markets grew stronger. This economic downturn intensified the pressure on the local fashion industry, which struggled to compete with the affordability and quality offered by thrift goods. Additionally, the challenges of sourcing materials and maintaining production during the pandemic further hindered local businesses.

However, the rising interest in thrift markets also presents opportunities for local producers. As consumers become more aware of sustainability and uniqueness in fashion, local businesses can adapt by creating vintage-inspired designs or incorporating sustainable practices into their production processes. By leveraging these trends, local fashion brands can differentiate themselves and cater to a growing segment of eco-conscious consumers. While the thrift market's popularity has posed significant challenges to the local fashion industry, amplified by the economic effects of COVID-19, it also serves as a call to action for innovation and adaptation. Local producers must focus on unique designs, sustainable practices, and cultural narratives to regain consumer attention and market share (Wiaranatakusuma et al., 2024). This dual impact highlights the need for strategic efforts from local businesses, supported by government incentives and policies, to balance the growth of thrift markets with the sustainability of the local fashion industry.



CONCLUSION

In conclusion, based on the interview, the popularity of imported thrift goods in Yogyakarta is not impacted by the selling of the local industry. However, based on the consumers, the popularity of imported thrift goods is driven by factors such as affordable prices, the perception of better quality, and the unique appeal these goods offer. These factors, amplified by the decline in purchasing power during the pandemic, have had a major impact on consumers' purchasing decisions. On the other hand, the local fashion industry faces tough challenges in competing on price, innovation, and digital marketing. While digitalizing marketing provides opportunities for local products, challenges such as limited raw materials, the need for cheap raw materials, and lack of innovation are significant obstacles. To survive and grow, local industries need to improve design innovation, make optimal use of marketing digitalization, and highlight the uniqueness of local culture as the main selling point. Support from the government and related institutions is needed to provide incentives, improve access to raw materials, and limit the impact of the dominance of imported thrift goods on the domestic market.

The advantages covered imported thrift goods such as low prices and good quality. In challenging economic conditions such as the pandemic, consumers tend to focus more on economic value, further strengthening the position of thrift goods in the market. For local industry players, this situation requires them to find creative solutions. One of them is to develop products that are not only competitive in price but also have added value, such as authentic design, sustainability, or a strong cultural narrative. In addition, collaboration between local designers, MSMEs, and the government can create an ecosystem that supports the survival of local industries amidst the pressure of increasingly fierce competition.

LIMITATION

This study is constrained by its limited sample size, focusing on one local fashion store owner and three consumers, which may not fully represent the diverse experiences within Yogyakarta's fashion industry. Furthermore, the qualitative design lacks quantitative measures, restricting the ability to assess the broader economic impact of thrift goods on the local industry. The findings are also influenced by the context of the COVID-19 pandemic, which may not reflect long-term market conditions. Finally, the study prioritizes perspectives on consumer behavior and business owner challenges, offering a limited exploration of systemic factors like government interventions and industry-wide policy frameworks.

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