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Situational Factors And Consumer Behavior Towards Secondhand Clothes In Kenya

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Abstract: ***There has been increased demand for secondhand clothes globally, a trend attributed to the global economic crisis, and comparatively low prices for those products in comparison with new garments. In Africa, there are millions of hawkers selling secondhand clothes in major cities and in local open markets in the rural areas. The purpose of the study is to determine whether situational factors have significant effect on the probability of consumers of secondhand clothes choosing open market retailers among other retailers in Kenya. This study adopted both descriptive and exploratory research design. Target population of this study was 15,513 respondents from 7 counties with the highest population according to Kenya National Bureau of Statistics (KNBS) (2019) population census. A sample of 384 respondents was selected using Krejcie & Morgan (1979) formula. Structured questionnaires were used to collect primary data from the selected respondents. All the situational factors identified for the study had significant effect on the consumer behavior in terms of the amount of money spent on secondhand clothes. The findings from the binary logit regression analysis revealed that time of purchase (end month) was associated with high probability of buying from open markets (including streets) than if the customers are buying during other times, and the association was significant. Results further indicated that, density (market crowding) was associated with low probability of buying second hand clothes from the open market than consumers consumer who rates them as of low density (less crowded, and the association was significant. It can also be observed from the results that, atmospherics (favourable) was associated with high probability of buying second hand clothes from the open market than if the consumers who considered atmospherics otherwise but the association was insignificant. Companionship was also associated with higher probability of buying from open markets including streets compared to if the consumers are not accompanied during shopping, and the association was significant. Second hand retailers would benefit from this study in that, the information generated would help them to understand drivers of consumers' behavior towards second hand clothes. This understanding would assist them when designing the marketing strategy of their clothes in order to maximize profits.***

Keywords: Consumer Behavior, Second-Hand Clothes, Personal Factors, Retailer Choice

I. INTRODUCTION

According to Belk (1979), consumer behaviour is not only influenced by individual characteristics of the consumer, internal factors, external factors and marketing factors. Situational factors also play a big role, and they include all conditions particular to time and place of observation that the shoppers react to, (Belk, 1975). They are different from individual (personal) and product characteristics. While personal characteristics are long lasting, situational factors are temporary and are particular to time and place. Firms need to understand consumer behavior so they can design proper marketing strategies. Consumer behaviour manifests itself in various ways: what products they buy, how much they buy, why they buy and from where ((Wambugu & Musyoka, 2016). This study will investigate consumer behavior towards second

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hand clothes in regard to where the consumers of secondhand clothes buy them from.

According to Ipsos Second Hand Fashion Survey **(**ISHFS) (2015), Africa is a major market for second hand clothes. Secondhand clothes businesses are growing very fast undercutting local manufacturing clothes and may be stifling domestic development. This happens through a complex global supply chain, where donated items that cannot be sold in thrift shops in high-income countries are resold in bulk to commercial textile recyclers. The garments are then sent to sorting centers, often located in the Middle East or Eastern Europe. These are then graded and sorted into bales. The bales are in turn resold to wholesalers to the African continent **(**ISHFS, 2015). Kenyans have a special liking of secondhand clothing, which is usually referred to as mitumba (a Swahili word referring to 'bundles'). Gikomba in Nairobi is the largest market for secondhand clothes, but every local market in Kenya has a section for second hand clothes. The high demand for secondhand clothes makes Kenya one of the largest importers of second-hand clothing in Sub-Sahara Africa. For the last 6 years, the nominal value of secondhand clothes imports into Kenya has increased by 80% from 10 billion shillings to 18 billion shillings (Country Report, 2021).

II. STATEMENT OF THE PROBLEM

In 2019, Kenya imported approximately 185,000 tonnes of second-hand clothing, approximately 8,000 containers (KNBS, 2021). Although the prices for secondhand clothes are more affordable to the consumers compared to the prices of locally manufactured new clothes, the government argues that production of new clothes locally has more multiplier effects than importation of secondhand clothes. The multiplier effect would lead to higher economic growth and development. Researchers need to investigate further why consumer behavior towards secondhand clothes is more favorable relative to behavior towards locally manufactured new clothes, which the government argues that they are more hygienically correct. Marketing theory does not restrict the factor that influences consumer behavior to cost-effectiveness of products/services. Thus, the role of other factors that influences consumer behavior towards secondhand clothes needs to be investigated, and this makes this study focusing on situational factors relevant.

Several studies have been done on situational factors and consumer behaviour. Wambugu (2015) studied the effect of situational factors and perception of product packaging characteristics on the consumer behavior. Amir et al. (2012) had investigated the influence of situational factors (money and time available) on impulse buying behavior among different ethics in Malaysia. Docrat (2007) investigated effect of situational factors on the purchase decision in Durban South Africa, while Anic & Radas (2006) applied Belk's model (1975) to investigate the impact of situational factors on the purchase outcomes in Croatian supermarkets. Tan (2002) investigated the relationship among situational factors, price perceptions and purchasing outcomes in Klang Valley. while Zhuang et al, (2006) studied the impact of situational factors on buying decisions in shopping malls in USA, China and Hong Kong. Before then, Machleit et al. (2000) had examined crowding in retail stores and its relationship with customer satisfaction. Most of those studies focused in an enclosed environment where the goods are displayed for sale, mainly the supermarkets. This selling environment is quite different from when the goods are sold in open markets and in the streets, which is a phenomenon in developing countries. This study focuses on one particular product (secondhand clothes), and a different selling environment from what is captured in the previous studies, mainly open market environment.

III. OBJECTIVES OF THE STUDY.

The objective of this paper was to investigate whether situational factors influence consumer behavior towards secondhand clothes in Kenya in terms of amount bspent on these clothes and the choice of retailers. Specifically, the paper addressed the following objectives.

- ✓ To analyze whether physical situation (atmospherics and density) has significant effect on the amount of money spent on second hand clothes in Kenya
- ✓ To determine the effect of temporal situation (time of purchase) has significant effect on the amount of money spent on second hand clothes in Kenya
- ✓ To establish the effect of social situation (companionship) has significant effect on the amount of money spent on second hand clothes in Kenya
- ✓ To investigate whether situational factors have significant association with the probability of choice of retailers of secondhand clothes (open market retailers including street retailers)

IV. THEORETICAL LITERATURE REVIEW

The paper was anchored on stimulus-response theory offers several insights about some aspects of behavior of considerable interest to marketers (Paul & Olson, 2008). Behaviorists' theories explain behaviour in terms of stimuli and responses (Chauhan, 2012). According to Mwangi (2009), a stimulus 'is a factor or agent that provokes interest, feelings, perception, enthusiasm or physical response' while a response 'is the action taken after the reception of stimuli'. Behaviorists recognized that learning of behavior is an internal event. Behavior learnt is not recognized until it is displayed (Chauhan, 2012). Thus the focus of the behavioral approach is on how the environment impacts overt behavior of an organism. The organism is treated as a 'black box'. What is going on in the box is only known through organism's overt behavior (Chauhan, 2012 & Jisana, 2014). In this study situational factors are the stimuli, and they include all conditions particular to time and place of observation that the shoppers react to, (Belk, 1975). They are different from individual (personal) and product characteristics. While personal characteristics are long lasting, situational factors are temporary and are particular to time and place. Situational factors include: antecedent states (cash available during purchase); temporal states (situational factors that are specified in units such as time of the day when shopping is

done and the time spent during shopping); physical Environment (the geographical locations, atmospherics and the crowding of the shopping venue). Atmospherics includes the supermarket décor, music, display of milk, colors and sales personnel). The other category of situational factors is the social environment. It describes the presence or absence of companions during the milk shopping activity.

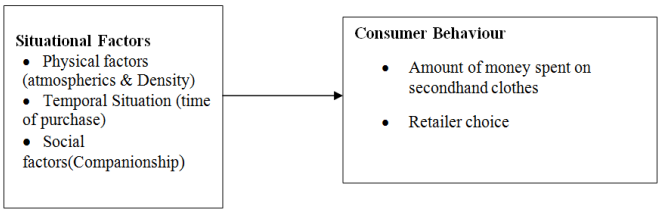

Figure 1: Conceptual Frame Work

V. METHODOLOGY

This study adopted both descriptive and exploratory research design. This study adopted purposive sampling to select 7counties with the highest number of population according to Kenya National Bureau of Statistics (KNBS) (2019) population census and simple random sampling was used to select the sample size of 15513 from the selected seven counties since it gave every member of the population equal chance of being picked for the study. The sample size was 384 respondents selected by Krejcie & Morgan (1979) table and formula. Structured questionnaires were used to collect primary data from the selected respondents. Data was obtained using close ended questions, and it was analyzed quantitatively in order to address the objectives. Correlation analysis was done before running multiple regression and binary logit regression model to test the relationship between explanatory variables and the consumer behavior. Multiple Regression model was stated as indicated below:

$$Y = \alpha_0 + \alpha_1 X_{1i} + \alpha_2 X_{2i} + \alpha_3 X_{3i} + \alpha_4 X_{4i} + \mu_i$$

Where: X_1= Atmospherics, X_2= Density, X_3= Time of Purchase, X_4= Social surrounding while u_i = random error term. Binary logit regression model was expressed as follows:

$$Logit(P(Y = 1/X_1 .....X_n))$$

$$= \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \beta_4 X_{4i} + \mu_1$$

Y= Choice (open air market =1, other retailers=0) where:

$Y = \alpha_0 + \alpha_1 X_{1i} + \alpha_2 X_{2i} + \alpha_3 X_{3i} + \alpha_4 X_{4i} + \mu_i$ where:

X_1= Atmospherics, X_2= Crowding, X_3= time of purchase,

X_4= Social surrounding while u_i = random error term

VI. RESULTS AND DISCUSSION

Correlation analysis was done as indicated below, and the 6 explanatory variables were considered for regression analysis.

Variable	Obs	Mean	Std. Dev.	Min	Max
Atmospherics	340	.0617647	.2410825	0	1
Density	340	.7117647	.4536087	0	1
Time of purchase(end month)	340	.3588235	.4803622	0	1
Companionship	340	.2523529	.4961329	0	1

Table 1: Overall Summary of the Mean and Standard Deviation of each Variable

From the results, only 6% of the consumers considered the atmospherics of the market visited when buying secondhand clothes as good, and 71% of the consumers viewed those markets as crowded with people. Approximately 35.9% of the consumers purchased second-hand clothes at the end of the month and 25.2% of the consumers usually have companions when buying secondhand clothes.

	1	2	3	4		
1. Amount of money spent	1					
2. Retailer Choice	0.437 0.000	1				
3. Atmospherics	0.517 0.001	0.476 0.000	1			
4. Crowding	0.624 0.000	0.572 0.012	0.712 0.000	1		
5.Temporal situation (time of purchase)	0.513 0.000	0.181 0.121	0.724 0.000	0.678 0.010	1	
6.Social environment(Sec)	0.481 0.002	0.653 0.000	0.567 0.113	0.698 0.000	0.145 0.102	1

Table 2: Correlation Analysis Results

The Pearson correlation results shows the relationship between the variables, and only the relationship between time of purchase and retailer choice and social surrounding and store atmospherics are not significant (r=0.181, p-value=0.121) and(r=0.145, p-value=0.102) respectively.

Source	SS	df	MS		
				Number of obs	= 340
				F (4, 335)	= 9.51
Model	85405292.9	4	17 081058.6	Prob > F	= 0.0000
Residual	658337775	335	2030954.74	R-squared	= 0.1705
				Adj R-squared	= 0.0985
Total	793655179	339	2252932.68	Root MSE	= 0.342.1

Table 3 ANOVA for Regression Model 2 (Effect of External Factors)

The ANOVA test results indicated that, R-squared is equal to 0.1705. This implies that explanatory variables explained 17.05 % of the variation. Adjusted R-squared is equal to 0.0.0985, an indication that a reliable correlation between the dependent variable and the independent variable existed within the model. The F test result was F (4, 335) 9.51, with a significance of 0.000. Consequently, the hypothesis that all regression coefficients in the model are zero is rejected. Therefore, a significant relationship was present between consumer behavior in terms of the amount he spent on secondhand clothes and the explanatory variables in this regression model. RMSE was 0.342 which was below 0.500, an indication of goodness of fit of the regression model.

	Coef.	Std. Err.	t	P>|t|
Atmospherics	314.70	226.60	1.389	0.015**
Density	-143.20	221.35	-0.647	0.005**
Time of purchase (End month)	48.30	36. 00	1.342	0.028**
Companionship	74.30	96.30	0.772	0.003**
_cons |	55.830	27.35	1.42	0.000**

** *P-value is significant at 0.05*

Table 4: Regression Results for Model 2 (Effect of External Factors)

Favorable atmospherics had a positive and significant effect on the amount spent on secondhand clothes (coefficient = 314.70, p-value = 0.015). This implies that, holding all other factors constant, the amount of money spent on secondhand clothes in Kenya is expected to be higher by 314.70 Kenya Shillings for consumers who rated the atmospherics favourable than for those who rated it otherwise. Crowding had a negative but significant effect on the amount spent on secondhand clothes (coefficient = -143.20, p-value = 0.005). This implies that, holding all other factors constant, the amount of money spent on secondhand clothes in Kenya is expected to decrease by 143.20 Kenya Shillings for consumers who rated their shopping environment as crowded than compared to those who rated it otherwise. Time of purchase 9end month) had a positive and significant effect on the amount spent on secondhand clothes (coefficient = 48.30, p-value = 0.028). This implies that, holding all other factors constant, the amount of money spent on secondhand clothes in Kenya is expected to be higher by 48.30 Kenya Shillings for consumers who shop for secondhand clothes during end-month compared to those who usually buy during other times. Companionship had a positive and significant effect on the amount spent on secondhand clothes (coefficient = 74.30, p-value = 0.003). This implies that, holding all other factors constant, the amount of money spent on secondhand clothes in Kenya is expected to be higher for consumers who are usually accompanied during shopping by 74.30 than for consumers who are not usually accompanied.

Logistic regression — Number of obs = 340; LR chi2(4) = 224.02; Prob > chi2 = 0.000; Log likelihood = 207.41213; Pseudo R2 = 0.0054

Typeofthemar~d	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
Time of purchase	.15996	.24605	0.65	0.016	-.64222	.322292
Atmospherics	.40076	.47294	0.85	0.397	-1.327702	.52617
Density	-.14938	.25877	-0.58	0.004	-.3578003	.65655
Companionship	.52346	.46284	1.131	0.013	1.32421	.54326
_cons	.72292	.25020	2.89	0.004	.23253	1.2133

Table 5: Results for Binary Logit Regression Model for Situational Factors

Results in table 4.28 indicates that Log likelihood statistic was 207.41213, while chi-square = 224.02 and was significant since (p-value =0.000) at 0.95 confidence interval. Consequently, it was concluded that goodness of fit for this model was existed, and the hypothesis that all regression coefficients in this model are zero is rejected. It was concluded that a significant relationship was present between consumer behavior in terms of choice of retailers of secondhand clothes and the explanatory variables in this binary logit regression model. The results indicates that time of purchase (end month) was associated with high probability of buying from open markets (including streets) than if the customers are buying during other times, and the association was significant (coef = .15996, p-value= 0.016). Results further indicated that, density (market crowding) was associated with low probability of buying second hand clothes from the open market than consumers consumer who rates them as of low density(less crowded, and the association was significant (coef = -.14938, p-value=0.004). It can also be observed from the results that, atmospherics (favourable) was associated with high probability of buying second hand clothes from the open market than if the consumers who considered atmospherics otherwise but the association was insignificant (coef = -.40076 , p-value= 0.397). Companionship was also associated with higher probability of buying from open markets including streets (coef 0.52346, p-value=0.013) compared to if the consumers are not accompanied during shopping.

VII. CONCLUSION AND RECOMMENDATION

A conclusion was made that a significant relationship was present between consumer behavior in terms of choice of retailers of secondhand clothes and the situational factors. Lower association between probability of choosing open markets against other markets and the crowded market environment detected requires the government to plan the open markets in a way that enough space is provided wherever they are located.

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