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Evaluation of the potential of market entrance into the personal luxury goods resale market in Thailand

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Management Summary

Evaluation of the potential of market entrance into the personal luxury goods resale market in Thailand

The resale of luxury goods is a relatively new phenomenon that globally shakes up the luxury industry. Despite having a second-hand luxury market in place, the Thai market lacks service quality in international comparison, leaving the potential for companies to enter the market and close the quality gap. Past research focused on consumer behavior in relation to luxury consumption (Eastman et al., 1999), service quality (Parasuraman et al., 1988) as well as the relatively new pattern of second-hand consumption (Roux & Guiot, 2010). This study combined these approaches to evaluate the potential of market entrance into the personal luxury goods resale market in Thailand and addressed the questions whether there is potential for a second-hand luxury reselling business in Thailand and which service parameter is most important for Thai customers.

In order to answer these questions, the Thai market is analyzed with a review of secondary sources and through quantitative research methods (i.e. online consumer survey), measuring the Thai consumers' attitude towards luxury and second-hand consumption of personal luxury goods. The survey also included a section on service quality that sought to answer the second research question concerning the importance thereof.

The general market environment and the willingness of Thai consumers to engage in second-hand consumption of personal luxury goods suggest that there is potential for a second-hand luxury reselling business in Thailand. Furthermore, the results indicate, that Assurance is the most important service dimension for Thai consumers.

Overall, it was concluded that due to the potential of the Thai market, the readiness of consumers to engage in second-hand consumption as well as the current lack of service quality in the market for personal luxury reselling, there is potential for a market entrance by an international or Thai company. Yet, results might be limited by the overrepresentation of one demographic (i.e. 25-34-year old's) in the survey. Furthermore, the supply side of the second-hand market for personal luxury goods should be investigated further before deciding to enter the market. Future research should consider a dedicated investigation of the topic in regard to the millennial generation, which is bound to play an important role in the consumption of personal luxury goods in the future.

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List of abbreviations

AEC	ASEAN Economic Community
ASEAN	Association of Southeast Asian Nations
BIMSTEC	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
C2C	Customer to customer
CS	Consignment Service
e.g.	Exempli gratia
EUR	Euro
FDI	Foreign Direct Investment
FTAs	Free Trade Agreements
GDP	Gross domestic product
H1	Hypothesis 1
HBS	Heritage Brand Service
i.e.	Id est
MOS	Mixed Brand Online Shop
Offline IM	Offline Individual Merchant
Online IM	Online Individual Merchant
p.	Page
pp.	Pages
P2P	Peer-to-peer Marketplace Service
PCT	Patent Cooperation Treaty
PESTEL	Political, Economic, Social, Technological, Environmental and Legal Factors
SERVQUAL	Service Quality Model
THB	Thai Baht
TRIS	Technical Regulation Information System
UPS	Upfront Payment Service
USD	US Dollar
VAT	Value-Added Tax
WIPO	World Intellectual Property Organization

1. Introduction

"Some people think luxury is the opposite of poverty. It is not. It is the opposite of vulgarity."
Coco Chanel

The meaning of luxury is evolving as much as its consumers do. Throughout history, luxury has meant various things. Trends and developments give rise to new consumption patterns, consumer expectations and behaviors, thereby requiring a rethinking of strategies amongst international luxury companies.

Especially the developing countries in Asia are contributing to the recent surge in the luxury market (D'Arpizio, Levato, Kamel & Montgolfier, 2017), requiring luxury brands to put more attention on customers from the Far East. Thailand, one of the largest economies in South East Asia, has an aspiring middle class, which seeks to display its wealth (Deloitte, 2019). However, as country in the transition, the primary market for luxury goods is not the only place individuals look to quench their thirst for high-end goods.

In the past 30 years, second-hand consumption has increased dramatically (Guiot & Roux, 2010). More recently the phenomenon has also invaded the market for personal luxury goods, which has seen an increasing number of goods being sold on second-hand markets (Gorra, 2018). In Thailand, social media (e.g. Instagram, Facebook and Line) and individual merchants serve the market as main channels for the distribution of second-hand luxury goods. However, these outlets lack in service quality compared to their counterparts internationally, and open opportunities for international and Thai companies that are active in operating trading platforms, luxury retail or luxury companies themselves that want to take part in the increasing market of second-hand luxury reselling.

Considering the size of the luxury market, the rise of the Thai economy and the lack of professionalized second-hand retailers (in terms of service quality), a better understanding of the consumer behavior of the Thai population in regard to second-hand luxury consumption is required. If Thai consumers are willing to engage in second-hand consumption of personal luxury goods on a more frequent basis and refrain from doing so in the current setting due to the limited offering of individual merchants, there is potential for market entrants who want to exploit the current lack of service quality in the market. Thus far, no dedicated study has explored the second-hand market for personal luxury goods in Thailand nor has there been an attempt to evaluate the Thai consumers' attitude in regard to service quality in the context of second-hand luxury consumption. With this study, the researcher aims to gain a better understanding of these topic and lay the groundwork for a potential market entrance of an international or local business. Through exploring purchase motivations and desired service quality parameters, it will be become evident, which factors need to be taken into by any potential market entrant in order to optimally harvest the Thai market's potential.

In order to do so, this study seeks to first evaluate the overall market potential, given the business environment in Thailand, market outlook for the luxury and reselling markets as well as the Thai consumers' attitude towards second-hand consumption of personal luxury goods. In a second step, the expectations of Thai consumers regarding service quality will be explored in order to establish whether there is a need for a more professional market participant in the Thai reselling market for personal luxury goods (i.e. a market participant offering a higher level of service). In the process, the following research questions will be explored:

- Is there potential for a second-hand luxury reselling business in Thailand?
- Which service parameter is most important for Thai consumers in regard to second-hand luxury consumption?

The hypotheses that are defined throughout the theoretical section are tested in the empirical parts by means of an online customer survey. The aim is to answer the above questions and thus enhance existing literature as well as to fill academic voids in the field of luxury consumer behavior. By doing so, the study seeks to provide a blueprint for a potential market entry to luxury and retailing companies in Thailand and internationally.

This thesis will first review theoretical literature, which contains information from academic journal articles or other academic literature as well as internet sources. Based on this theoretical part, a questionnaire for quantitative research in the form of an online customer survey has been designed. Details regarding the research design, data collection and evaluation are discussed in section 3 of the study. The principal goal of the empirical part is to test the hypotheses, which are generated from the theory and propose answers to the research questions.

The present thesis is structured in six main parts. After this introduction, the paper continues with the theoretical part. The first section aims to analyze the overall market environment of Thailand and analyze the luxury and reselling market trends on a global and national level. Thereafter, the drivers behind luxury consumption as well as second-hand consumption behavior will be discussed, followed by the exploration of the importance of service quality. The third main section consists of the methodology of the empirical part of this thesis and lays out the research design, questionnaire setup, data sample and data evaluation methods. The following two chapters present and discuss the results. Whilst in the final section the major theoretical statements and the main practical evidence are summarized. Furthermore, implications and limitations are discussed and suggestions for further research are made.

2. Literature review

2.1. Market environment in Thailand

This chapter is set out to give a macro perspective of the current market environment in Thailand in regard to the overall business environment, the situation of the market for luxury goods as well as the second-hand luxury market.

2.1.1. Business environment in Thailand

In order to assess the business environment in Thailand, a PESTEL analysis will be conducted in the following. Kotler and Armstrong (2010) state that "PESTEL analysis is a useful strategic tool for understanding market growth or decline, business position, potential and direction for operation" (p. 43).

2.1.1.1. Political factors

Thailand is governed as a constitutional monarchy with a parliamentary government. Since December 2016, Maha Vajiralongkorn is the 10th Thai king and head of state. Despite having his power limited by the constitution, the king is a key figure in the country (BBC, 2019). Thailand's government is a unitary government consisting of three branches, executive, legislature and the judiciary. The head of the government is the prime minister, who is selected by the National Assembly of Thailand and is subsequently approved by the king (Reuters, 2019). Since the election in March 2019, General Prayuth Chan-ocha was elected the country's prime minister with the Palang Pracharath party, which is a pro-military party (BBC, 2019). The National Assembly is the bicameral legislative branch of the government, consisting of an upper (Senate) and lower (House of Representatives) chamber. The Senate is non-partisan and has limited legislative powers. It is composed of 250 members that are appointed by the Royal Thai Army. The House of Representatives is made up of 500 members of parliament, which are elected by the Thai population (Vanijaka, 2013).

According to BBC (2019), the Thai military interfered in politics twelve times since the collapse of the absolute monarchy in 1932. The current complex political situation began in 2011 following the conflict of the supporters and critics of the previous Prime Minister, Thaksin Shinawatra ("Thaksin"), who was exiled by the military in 2006. In 2011, the sister of Thaksin, Yingluck Shinawatra, was elected prime minister and got ousted by a military coup in 2014 (BBC, 2019). Until the 2019 elections, the military has been in power, and following the change of constitution in 2017, remains with substantial influence due to the military-controlled Senate's role in the prime minister's election (Reuters, 2019).

In terms of free speech, the government controls television and radio networks. Even though the media is able to criticize certain situations in the country and government's work, journalists usually avoid more sensitive topics concerning the military and the judiciary (BBC, 2019). The most restrictive law concerns any criticism of the royal family, Thailand has one of the strictest "lese majeste" laws in place (BBC, 2019). The restrictions in freedom of speech are also reflected in the Voice and Accountability index published by the World Bank, with a value of -1.05, ranking 155th among the 194 countries measured (The World Bank, 2019). In terms of the government effectiveness index, which measures the perceptions of the quality of public and civil services, the degree of its independence from political pressures, the quality of policy formulation and implementation and the credibility of the government's commitment to such policies, Thailand is above the world median of -0.12 with a score of 0.38 (60th rank globally) in 2017 (The World Bank, 2018). Despite the country's relatively low measure of political stability (-0.8 in 2017, 157th rank), the index measure has steadily improved over the past five years (World Bank, 2018a), indicating that the likelihood of political instability and/or politically motivated violence has decreased. However, since 2004, the southern border provinces of Thailand are continuously subject to violence from the ethno-nationalist insurgency of the Malay-Muslim minority in the region (CIA, 2019).

2.1.1.2. Economic factors

According to The World Bank (2019a), Thailand has shifted from a low-income country to an upper-income country in less than a generation. In 2018, the economy had its highest growth rate in the last six years at 4.1%, recovering from the turmoil following the political unrest in the past years (The World Bank, 2019a). Since 1986 the poverty rate has declined substantially from 67% to 7.8% in 2017, hinting at a growing middle class in the country (The World Bank, 2019a). This also had an impact on household consumption, which has increased by 1.3% annually from 2015 to 2017 (The World Bank, 2019a). Compared to other ASEAN countries, Thailand has the second-lowest unemployment rate at 0.7% in 2018, only surpassed by Lao (0.6%). Furthermore, Thailand is well-positioned in terms of productivity levels, higher education and health standards compared to other ASEAN and other upper-middle-income countries (The World Bank, 2019a).

Thailand's national strategy, Thailand 4.0, a 20-year economic plan to become a high-income economy by focusing on infrastructure development, target industries (i.e. Bioeconomics, Electronic, Robotics, Aviation and Medtech), enterprises and people, creates a prosperous business environment and a promising growth trajectory (Deloitte, 2018a). As seen in figure 1, Thailand's GDP per capita has experienced relatively stable growth in the past two decades, reaching 7,606 USD in 2018 (CEIC, 2019).

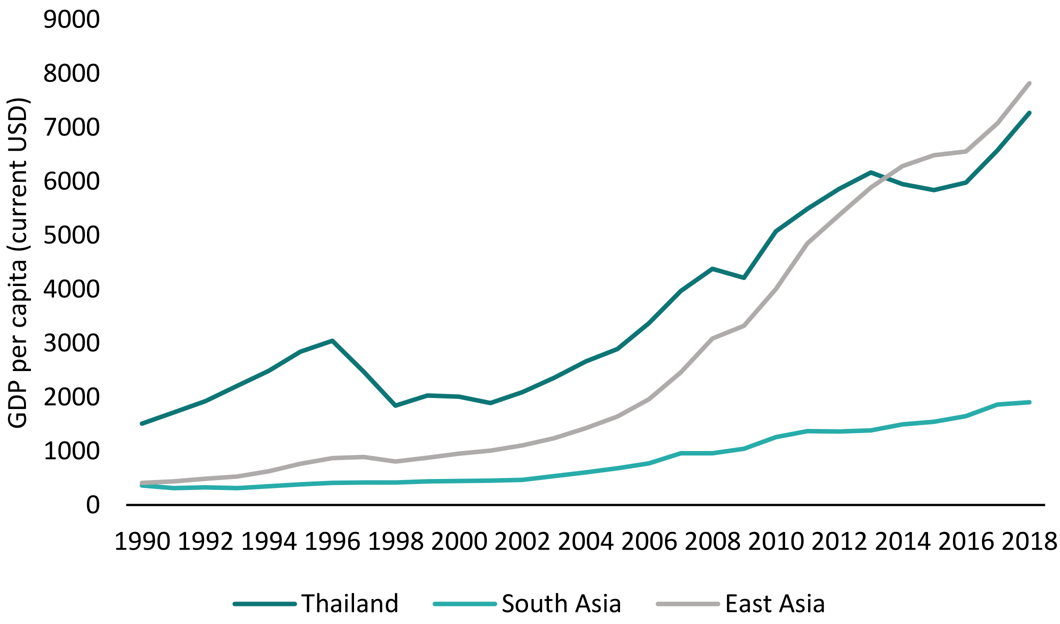

Figure 1: Thailand's GDP per capita development continent from 1990-2017, own illustration adapted from World Bank Group (2019)

Thailand is ranked 27th among 190 countries in the ease of doing business index with a score of 78.55), scoring substantially higher than neighboring countries such as Indonesia (67.96), Philippines (57.68), Lao (51.26) as well as the regional average (i.e. East Asia & Pacific, 63.41), only surpassed by Malaysia (80.60) (World Bank Group, 2019).

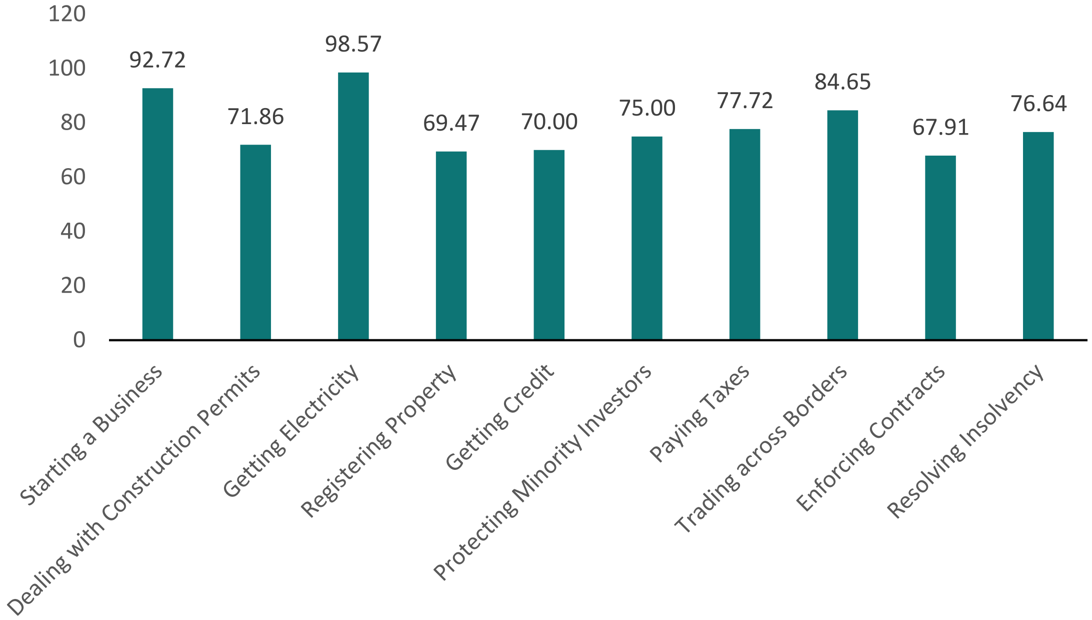

Figure 2: Thailand's Ease of Doing Business score in 2019, own illustration adapted from World Bank Group (2019)

Figure 2 depicts topics that are important in doing business globally and shows that Thailand can offer a positive environment for starting a business (92.72 out of 100) and trading across borders (84.65), both of which are crucial for international companies entering the market. However, the country's score in enforcing contracts calls for more secure methods when conducting business. In terms of the economic freedom index, which follows the approach that "basic institutions that protect the liberty of individuals to pursue their own economic interests result in greater prosperity for the larger society" (Beach & Kane, 2008, p. 39), Thailand scored 68.3 (out of 100), ranking 43rd globally (The Heritage Foundation, 2019). The overall score is close to its attribute of business freedom (69.9), reinforced by trade freedom (82.9) but weakened by the country's score in judicial strength (41.7) and government integrity (40.7) (The Heritage Foundation, 2019).

Currently, about two-thirds of the country's GDP stems from the export of electronics, agricultural commodities, automobiles and parts as well as processed food (The Heritage Foundation, 2019). Regarding Foreign Direct Investment (FDI), Thailand is considered an attractive destination due to many positive factors, such as the promotion and support activities of the government for the economic development and technological advancement of the country as well as the well-developed infrastructure (The Board of

Investment of Thailand, 2019). Moreover, according to the World Investment Report, published by UNCTAD (2015), the country was ranked 8th best FDI host economy globally in 2014. The largest foreign investors in Thailand are Japan and Singapore, which account for more than 50% of FDI inflows, followed by Taiwan, the Netherlands, Germany and Switzerland (UNCTAD, 2015). The manufacturing and financial sectors accounted for more than 70% of the FDI inflows (Santander, 2019).

Thailand is a founding member of the ASEAN Declaration, which was established in 1992 and currently consists of ten member states in the south-east-Asian region (ASEAN, n.d.). The main objective of the association is promoting economic growth and stability among its members, especially through the establishment of the AEC, the ASEAN Economic Community, in 2015. AEC constitutes a single market, promoting the free flow of goods, services, investment, labor and capital goods among the member countries as well as negotiating international trade agreements (i.e. with China) (Wood, 2017). Outside of this alliance, Thailand has free trade agreements (FTAs) with Australia, New Zealand, Japan, Peru and Chile in place. Furthermore, the country is currently negotiating FTAs with China, India, and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) (The International Trade Administration, 2019).

2.1.1.3. Social factors

Thailand has a population of around 69 million people, with the labor force (i.e. people aged between 15 and 64 years) accounting for around 38 million people (The World Bank, 2019b). The median age of the population is at 38.1 years, ranking 63rd globally (rank descending by age) (CIA, 2019). Currently, around 2.2 million legal and illegal migrants, mostly from neighboring countries, are staying in the country, mostly providing cheap labor and in some cases highly skilled labor and expertise (World Population Review, 2019). According to the World Bank, the current life expectancy of the Thai population is 71 years for men and 79 years for women. Like many developed economies, Thailand is going to face a problem with its aging population due to a decreasing labor force, impacting the country's productivity level and GDP growth (Deloitte, 2019, p. 55). This is also visible in figure 3, which depicts the current pear-shaped age pyramid of Thailand. However, the government is taking countermeasures and has developed a scheme to boost up the population growth rate as well as policies supporting elderly citizens (Deloitte, 2019). The population is estimated to remain steady in the mid-term but is expected to ultimately decline to 65 million by 2050 (World Population Review, 2019).

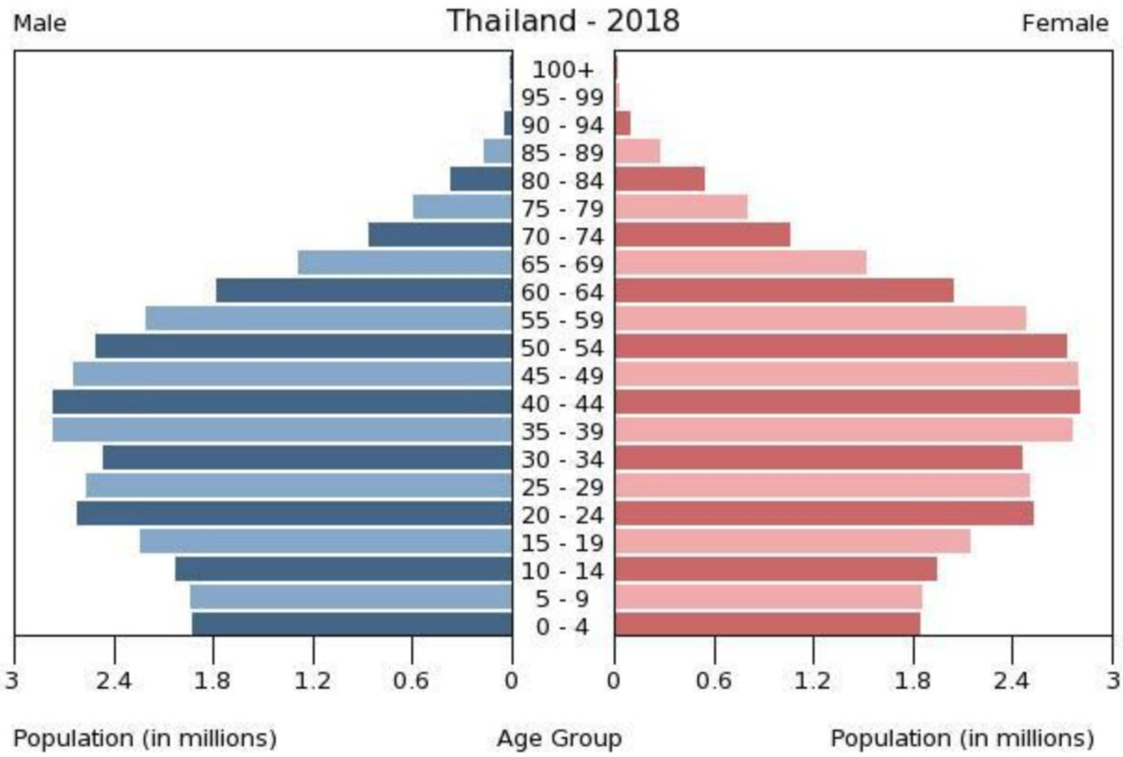

Figure 3: Thailand's age pyramid in 2018, illustration adapted from Board of Investment Thailand (2019)

Thailand hosts various ethnic groups within its population, including Ethnic Thai (75%), Thai Chinese (14%), Ethnic Malay (3%) and smaller minority groups such as hill tribes, Khmer and Mons (World Population Review, 2019).

The capital of Thailand, Bangkok, accounts for 13% of the total population and is the largest accumulation of wealth and population at the same time. Including the surrounding suburbs, the Bangkok Metropolitan region includes more than 14 million inhabitants (i.e. 22% of the total population) (World Population Review, 2019). The increasing urbanization is becoming an increasing problem since the most development efforts of the government are focused on the Bangkok area, omitting developments in other, usually less developed parts of the country (World Population Review, 2019).

The country has a high literacy rate of 92.9% and an increasing trend towards higher education (Index Mundi, 2018). In 2016, more approximately 22% of the labor force had completed tertiary education as the highest level of education (as compared to 19% in 2012), with 20% having completed high school, 19% secondary school, 35% primary school and less than 4% having no formal education. Around 800,000 people enter the workforce market each year (Trading Economics, 2019).

In terms of religion, the majority of Thai people is Buddhist, which has a major influence on the Thai culture that is also influenced by Brahmanism and the Chinese culture due to Thailand's location between two hubs of Asian civilization, China and India (Abad, 2013, p. 14). Moreover, the Sekhiyavatta of the Buddhist teaching is the fundamental of Thai etiquette that consists of loving, kindness, compassion and politeness through spirituality (Tangkuptanon, 2002 as cited in Chinnawong 2007, p. 1).

2.1.1.4. Technological factors

According to UNCTAD (2015), the Thai government promotes innovation in order to advance the technological level to be more competitive in an international setting (p. xi). Thailand, with its well-developed education system, has many important factors as a fundamental of an innovation-based economy, not only leading in automotive and electric component, agriculture and services sectors but also in research infrastructure (UNCTAD, 2015, pp. xi-xiii). Moreover, the digital Thailand 4.0 program, established by the government is set out to further boost digitalization within the country (Lago, 2019). The Thai e-commerce market is valued at 3.5 billion USD in 2019 and is estimated to reach 5.8 billion USD by 2022, with the growth being supported by the growing middle class with higher purchasing power and Chinese investors (Lago, 2019). The development of the e-commerce market and digitalization, in general, is supported by the high internet penetration rate of 82.4% (57 million people) (Lago, 2019). The Thailand Internet User Profile Report (2018) shows that Thai users spend about 3.5 hours per day on social media for both, personal and business purposes (ETDA, 2018). This includes the use of social media platforms such as Facebook for e-commerce, applications for transportation (e.g. Uber, Grab Taxi), food (e.g. Foodpanda, UberEats) and deliveries (e.g. Lineman, Honestbee) (Ende, 2018).

However, cybersecurity and cyber-compliance are issues that need to be addressed, concerning financial services and cryptocurrency, in order to successfully master the digital transformation (Ende, 2018). Furthermore, a transformation from a paper-based system in the public administration is much needed in order to increase the productivity of administration processes for private citizens and businesses alike (DGA, 2017).

2.1.1.5. Ecological factors

Thailand is considered to have abundant natural resources, including, forests, watersheds, marine environments and mineral resources. However, there are various problems such as deforestations, water scarcity as well as air and water pollution (Opendevelopment Thailand, 2017). Dust pollution is also a widespread problem, affecting the population's health and lifestyle, making it more unattractive to be outside (Wipatayotin, 2018). The government is aware of the issues and has started to address the problem by restricting the use of vehicles emitting black fumes and burning fires in open areas. In the long term, a regulation of industrial plants emission will be implemented (The Straits Times, 2019).

2.1.1.6. Legal factors

The Thai legal system is based on the ancient Hindu code of Manu and also heavily influenced by the European law system during the 19th century (Gardner, 2019). The corporate and personal income tax rates are at 20% and 35% respectively, whilst the VAT is at 7% (Trading Economics, 2019a). According to World Justice Project (2019), Thailand is currently ranked 76th out of 126 countries in terms of the Rule of Law Index, which represents eight factors regarding efficiency of the judiciary system: constraints on government powers, absence of corruption, open government, fundamental rights, order and security, regulatory enforcement, civil justice, and criminal justice (p. 18). The relatively low ranking is driven by the high influence the executive branch and the military have on the judiciary system in Thailand, leading to frequent mistrials (World Justice Project, 2019, p. 129).

Despite having sound intellectual property protection, following the standards of TRIS, WIPO and PCT as well as the Madrid Agreement concerning the international registration of Marks, Thailand is considered to have a counterfeiting problem (Sukhapinda, 2018). This fact leads to Thailand being on the watch list of the United States Trade Representative, a watch body for intellectual property protection and enforcement (Sukhapinda, 2018). The country levies high tariffs on imported goods such as apparel

(60%), motivating many residents to purchase luxury apparel abroad (The International Trade Administration, 2018).

2.1.1.7. Overall business environment

Overall, the business environment of Thailand paints a mixed picture. Whilst the political situation in the country is tense, it has been stabilizing and improving in the past years. Despite political turmoil, the economy has shown resilience in the past and grew steadily and is expected to continue its upward trend in the future. Along with the sound economic outlook, Thailand offers a good environment for starting a business and is advanced in regard to the development of its e-commerce sector, which is set to further develop in the future due to the country's high internet penetration and explicit strategy to drive digitalization even more. Due to the increased environmental issues (i.e. smog in larger cities), the business environment for an e-commerce business might be more promising as the pollution might lead to consumers preferring to shop from home (i.e. online). However, the weak legal system calls for caution when confronted with the law. Furthermore, it is advisable to lay extra emphasis on the authenticity of goods due to counterfeiting. Finally, the high tariffs imposed on imported apparel favor a second-hand market as it will come with lower prices and allow people to resell goods that were bought for their own use for cheaper prices abroad.

2.1.2. Luxury goods industry

The following will give an introduction to the meaning of luxury in the context of this thesis, the luxury goods industry and its current trends, both globally and in particular in Thailand.

2.1.2.1. Meaning of luxury

Luxury consumption is the indicator exhibiting a professional position, social status, or differentiate oneself to others (Li, Li & Kambele, 2012, p. 1517). According to Shukla (2012), "luxury is subject to the pressure of social norms and the expectation of social institutional rules, such as those arising from family and other reference groups." (p. 8).

In the past, luxury goods belonged to the class of the elite and noble. Nowadays, luxury has been more reachable to more numbers of customers that have the buying power due to the rapid economic growth over the past century (Eastman, Iyer & Thomas, 2013, p.

57). Luxury becomes available to the mass consumer and moves towards the increasing democratization of luxury (Granot et al., 2013, p. 42). According to Thomas (2007), the higher tier luxury brands (e.g. Hermès, Louis Vuitton, etc.) offer lower-priced accessories such as sunglasses, scarves, wallets and other small items in order to approach broader numbers of consumers (p. 17).

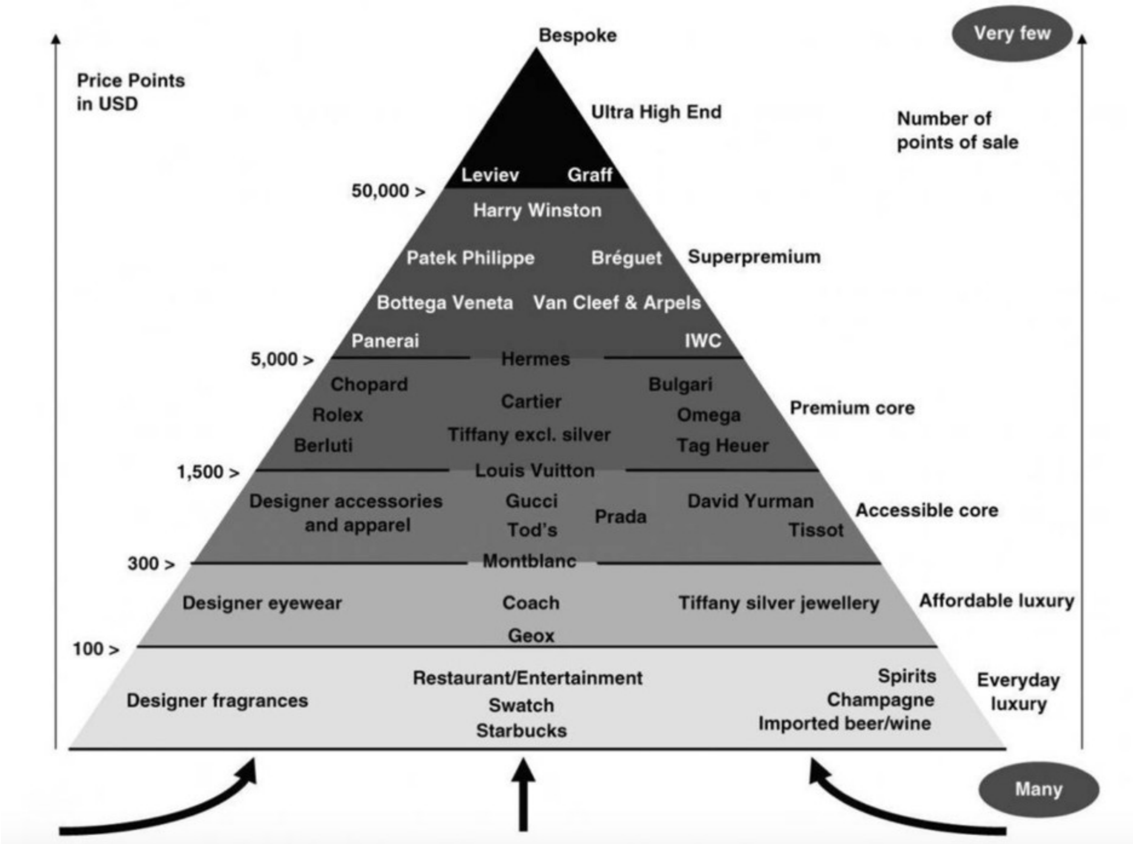

Figure 4: The Luxury Brand Pyramid according to Rambourg (2014), illustration adapted from Rambourg (2014)

According to Rambourg (2014), as cited in Willett (2015), Luxury goods may be categorized in a brand pyramid, ranking the brands by price points from everyday luxury (e.g. Swatch, Starbucks, etc.) to ultra-high end (e.g. Graff, Leviev) as depicted in Figure 4. Since the market for luxury goods is broad and too diverse to be analyzed in order to be able to draw a general conclusion, the thesis will focus on personal luxury goods, which dominate the second-hand market for luxury (Gorra, 2018). Within this category, only Designer Apparel and Footwear, Luxury Eyewear as well as Luxury Leather Goods are considered as these categories are most frequently subject to reselling (Reinhard, 2019). Furthermore, For the purpose of this thesis, the meaning of luxury was restricted to any categories in Rambourg's brand pyramid that lie above price points of more than 300 USD (i.e. above Accessible Core).

2.1.2.2. Luxury goods industry in a global context

As depicted in figure 5, the overall global luxury market grew by 5% in 2018, to an estimated 1.2 trillion EUR within nine segments, including personal luxury goods, luxury cars, luxury hospitality, luxury cruises, designer furniture, fine food, fine wines and spirits, private jets and yachts as well as fine art (D'Arpizio, Levato, Prete, Fabbro & Montgolfier, 2019). The sector relevant for this thesis, the personal luxury goods sector, is expected to grow at an even faster pace of 6% to 260 billion EUR (D'Arpizio et al., 2019). According to Deloitte (2018), the sales of luxury goods in Asia, Latin America, the Middle East and Africa combined will rise above 50% of the global market and continue to increase in 2018 (p. 5).

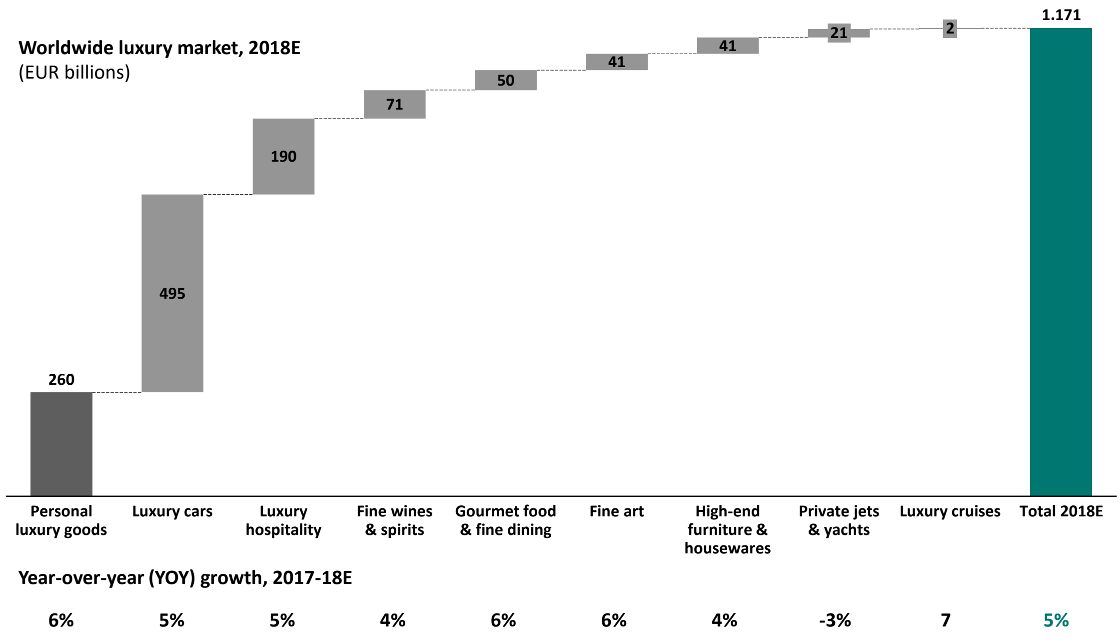

Figure 5: The global luxury market in 2018, (D'Arpizio et al., 2019)

Chinese customers accounted for 33% of spending on luxury goods globally, driving sales to 23 billion EUR in mainland China in 2018 (D'Arpizio et al., 2019). Whilst Europe, America and Japan reported declining sales growth by 3%, 5% and 6% respectively in the same period (D'Arpizio et al., 2019). Sales through online channels experience rapid growth (22% until 2025), with the most popular channels being e-tailers, the brands' own websites and websites of retailers (D'Arpizio et al., 2019). Moreover, consumer shifts will go towards younger consumers as generations Y and Z accounted for 47% of luxury consumers and 33% of luxury purchases in 2018 (D'Arpizio et al., 2019). The younger generations are expected to represent around 55% of the luxury goods market in 2025. Therefore, luxury brands increasingly aim to promote through social media platforms (D'Arpizio et al., 2019) and released less formal attire such as athleisure wear as a point of entry for younger customers (CBinsights, 2019). However, not only the generational focus is shifting, but also cultural and size preferences are progressively acknowledged by brands, such as Muslim designed or plus-size ready to wear clothes (D'Arpizio et al., 2019). Moreover, according to Deloitte (2019a), sustainability has become an important factor in the customers' considerations in terms of environment, animal welfare, fair labor production conditions and impact on communities, influencing the customers buying decision, retention and willingness to pay a premium (p.8).

2.1.2.3. Luxury goods industry in Thailand

According to Euromonitor International (2019a), the Thai market for luxury goods currently amounts to 242.2 billion THB and is forecasted to reach 340.0 billion THB in 2023 (i.e. growth of 40%) (p. 1). The market is growing due to the rising materialism of Thai consumers in addition to the growing economy and the promotion of Thailand as a luxurious shopping destination for tourists by the government (KenResearch, 2017). According to the Oxford Business Group (2016), Thailand's demographic characteristics are driving the luxury market growth due to the combination of a relatively large population in the age between 30 and 34 (7.2% of the population) and the rising prosperity of the whole country along with the flourishing middle class. This particular age group is anticipated to drive the top annual gross income of the country through 2030, accounting for 18% of the total population that is earning 150,000 USD or more (Oxford Business Group, 2016). This is also reinforced by numerous new competitors entering the Thai market for luxury goods (e.g. MCM, Jimmy Choo, Tiffany & Co, etc.) (Oxford Business Group, 2016). In 2018, the luxury car sector had the highest sales values amongst luxury sectors (125.1 billion THB), followed by the personal luxury sector (67.1 billion THB). In which the categories this thesis considers (Designer Apparel and Footwear, Luxury Eyewear as well as Luxury Leather Goods) together amounted to a retail sales value of

42.1 billion THB in 2018 (i.e. representing 17.4% of the overall market for luxury goods) (Euromonitor International, 2019b, p. 5).

Figure 6: Sales of personal luxury goods by category: Value 2018, own illustration, based on Euromonitor International (2019a)

Despite the volatile economic environment Thailand has experienced in the past years, the market for personal luxury items experienced a steady growth and is expected to do so in the future at a CAGR of 5% through to 2023 when the market is expected to reach a total volume of 86.9 billion THB (Euromonitor International, 2019b, p. 1). Bharadwaj, Chaudhary, Kittikachorn & Rastogi (2017) state that this trend is driven by the increasing income levels of Thai people. Furthermore, they found that Thai people have higher debt levels due to their spending behavior and do not like to save and invest. According to Bharadwaj et al. (2017), Thai consumers are very brand loyal and are willing to pay higher prices for their favorite brand. Furthermore, Deloitte (2016) states that Thai consumers are highly influenced by social media and the internet, where they conduct research on products before purchase as well as purchase online directly (p. 22). *The spread of luxury brand model* of Chadha and Husband (2006), has categorized the Asian luxury consumer behavior in five stages; Subjugation, Start of money, Show off, Fit in and Way of life (p. 18). Whereas, Tovikkai & Jirawattananukool 's research has clarified the Thai's luxury culture gradually developed from the Subjugation stage (i.e. Authoritarian rule, poverty and deprivation) to Start of money stage (i.e. Economic growth, increasing of rich and middle-class population) and currently reach the Show off stage (i.e. Materialism, acquire symbol of wealth and display economic status) (Tovikkai & Jirawattananukool, 2010, pp. 73-74).

According to Pattanayanon (2018), Thai consumers have various influences that impact luxury goods consumption. Friends are the most important factor in decision making, followed by family and media (Pattanayanon, 2018, pp. 15-16). Moreover, trendiness is also an important factor in the purchase decision for clothing and footwear products (Deloitte, 2016, p. 3). Furthermore, Buddhism shapes the consumers' behavior regarding belief in living and enjoying in the present, which is the only point in time that can be controlled by the individual, not the past or future. This also reflects on the high spending propensity and higher debt ratio in Thailand than in other countries in the region (Koh, 2018).

2.1.2.4. Overall luxury goods industry environment

Overall, the luxury goods industry and in particular the sale of personal luxury goods is increasing in the coming years, showing a favorable business environment for a luxury good reselling business.

2.1.3. Luxury reselling industry

The following will give an introduction to the second-hand luxury market (i.e. the luxury reselling industry), its trends as well as its business forms in Thailand and internationally.

2.1.3.1. Luxury reselling trends

The second-hand consumption's definition from Roux & Guiot (2008) is "the acquisition of used objects through often specific modes and places of exchange" (p. 66). However, second-hand consumption driving factors do not only revolve around saving money but can also be driven by other aspects, such as stretching income and spending money on various desires (Bardhi & Arnould, 2005, p. 232), these aspects will be explored in section 2.3 of this thesis. Slotterback (2007) claims that modern second-hand consumption became an important factor around the 1990s due to the rise of trading and consuming second-hand clothes globally. After, the global financial crisis in 2008, the second-hand market provided a new form of purchasing to consumers as they adapted to the bad economic situation (Tuttle, 2014) and various choices of brands across a wide range of categories (Quelch and Jocz, 2009. p. 54). Moreover, the increased consumer awareness in sustainability and particularly in sustainable fashion has a great impact on the popularity of second-hand shopping (De Brito, Carbone & Blanquart, 2008, pp. 13-14). Globally, influencers and celebrities like Beyoncé and Miley Cyrus contribute to a vintage trend by showing themselves in magazines and red-carpet events wearing retro clothing (Hansen& Zotte, 2019, p. 2). Moreover, the music industry and media are starting to emphasize sustainable trends, Macklemore's song "Thriftshop" (2013) revolved around second-hand consumption (Hansen& Zotte, 2019, p. 2). Furthermore, Marie Kondo, who hosts a Netflix show about organization urges viewers not to accumulate things and clean out their closets – this led to a surge in reselling immediately after the first show aired (Reinhard, 2019). Another trend triggered by the sustainability movement is the so-called sharing economy, which also focusses on convenience, price and transactional efficiency (Rinne, 2019). According to PWC (2015), the sharing economy allows individuals to make money from underused assets, including consumer goods – this inherently means the use and re-use of apparel (i.e. second-hand consumption) (p. 5). The ongoing digitalization also plays an important role in the advancement of second-hand consumption (Brake, 2014), giving a broad mass of consumers to either sell or buy used goods on C2C platforms like eBay, which has more than 180 million global active users in 2019 (eBay, 2019). According to Reinhard (2019), the internet-savvy millennials are a major driver of second-hand consumption and adopt this behavior 2-5-times faster than other generations. The resale market will increase to 41 billion USD by 2022, thereof 49% in the apparel market. Moreover, the second-hand online market of luxury goods reached 22 billion EUR in online platforms in 2018 (D'Arpizio et al, 2019) and it was estimated that the second-hand market could reach 9% of the total luxury goods market by 2020 (CBinsights, 2019). Furthermore, one in three women of 18 years and older purchased second-hand goods in 2017 (Reinhard, 2019). One of the reasons for second-hand consumption is that consumers tend to buy better brands that they would have never paid the full price for (Reinhard, 2019). Moreover, as seen in Figure 7, the second-hand market for personal luxury goods has grown 9% per year since 2015 (EUR 17bn to EUR 22bn), with especially in the online segment gaining importance (D'Arpizio et al, 2019).

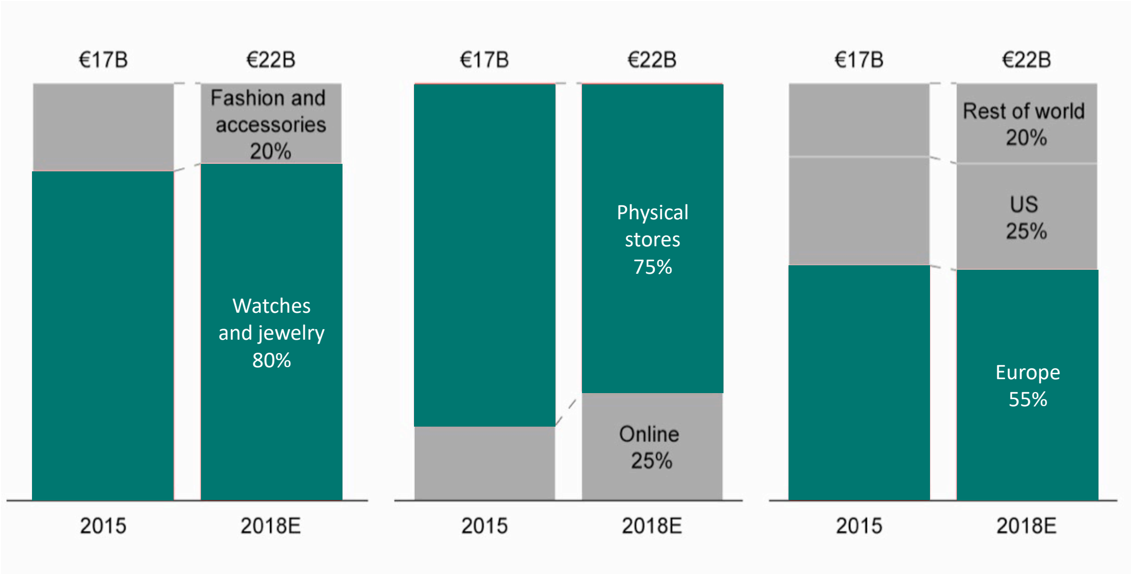

Figure 7: Share of global personal luxury goods second-hand market by category, channel and region in 2018, own illustration, adapted from D'Arpizio et al, (2019)

According to Zerbo (2018), the relationship between luxury resale and luxury brands is difficult. However, resale platforms lead consumers to have a higher retail purchase level especially when they know that they will be able to resell the goods. Moreover, the resale market can be an entry-level to reach young (i.e. lower income) luxury customers (Zerbo, 2018).

Euromonitor International (2019b) states that second-hand luxury consumption is expected to increase in Thailand due to the high number of products offered in sales channels (p. 2). Moreover, service offerings surrounding second-hand consumption, like bag and shoe spas as well as rental services for luxury bags, have experienced substantial growth in the past years (Euromonitor International, 2019b, p. 2). Nevertheless, Thailand does not have a resale market with adequate service quality yet. Most of the dealings are done on social media (i.e. Instagram and Facebook) and in standalone street shops (Euromonitor International, 2019b, p. 2).

2.1.3.2. Luxury reselling services

In general, there are six different business models of luxury reselling services, which should be considered. Firstly, individual retail merchants are individual retailers that sell products to end-consumers. The merchant acts as an intermediator between the seller and the buyer and is also responsible for marketing, sales and customer service. Individual merchants may also be present through the internet (Ecommerce Platforms, n.d.).

Secondly, heritage brands may decide to resell second-hand products by themselves (i.e. buying used products back from consumers, refurbishing it and selling it again on the secondary market).

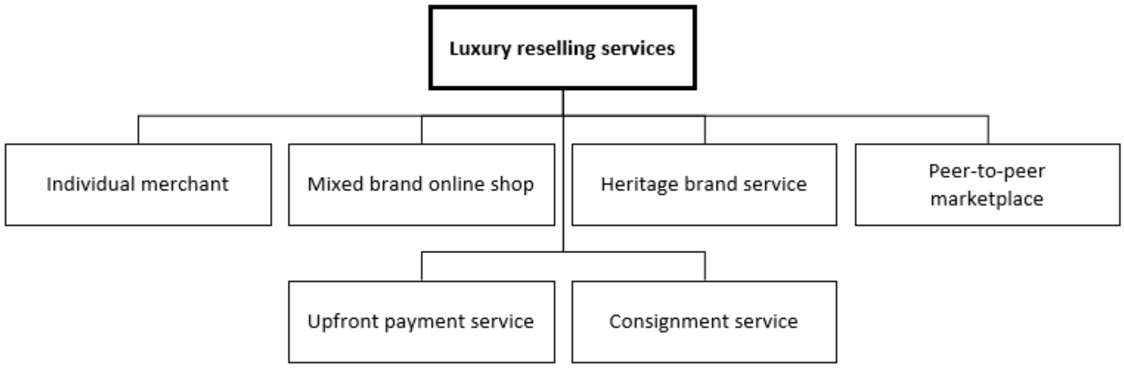

Figure 8: Types of luxury reselling services, own illustration based on own research

Gorra (2018), distinguishes three further models that are common in the secondary luxury market; *Peer-to-peer marketplace service*, *Consignment service* and *Upfront payment service*. Regarding *Peer-to-peer marketplaces,* the reseller completes transactions directly with the buyer on a hosted platform. Examples are eBay, Poshmark, and Tradesy in the USA. The resellers' commitment and participation are high because the whole selling process until customer servicing is the resellers' responsibility, such as posting the product pictures, delivery, pricing, etc. The *consignment service* has been developed from a brick-and-mortar store concept. The resellers' participation is less comparing to the Peer-to-peer service. The reseller brings in the item and receives a listing price upfront. The consignment service will provide pricing, photographing, and customer servicing. Examples are The RealReal in the USA and the Vestiaire Collective from France. Nevertheless, the reseller will receive the money once the product is sold. Regarding the *Up-front payment service*, the reseller's item is purchased outright at fair market prices and the platform takes care of the merchandising process afterward. A popular example in the USA is Rebag. The advantage of this type is the fast pace of the process and the buyers feel confident in the product's authenticity issue (Gorra, 2018). Finally, an upcoming model, the mixed brand online shop, where heritage brands collaborate with reselling platforms in order to be able to control the resale of their products whilst not watering down their own brand (Abad, 2018).

In Thailand, there are currently only individual merchants present in the resale market. Mostly, the stores are around the main shopping areas and easy to reach by public transportation, such as Siam square, Thong Lor and Sukhumvit Road (Bangkok, 2019).

Figure 9: Lux second-hand luxury shop at Sukhumvit Road, illustration from Bangkok (2019)

As online retailing is gaining popularity in Thailand, especially in terms of C2C channels that leverage the purchasing experience and fulfill the instant responses to customers' requests (Deloitte, 2019, p. 66). However, Deloitte (2019) also mentions that there are problems in the Thai online consumer space such as lack of trust and security concerns, which have been deemed problematic by more than 50% of respondents in their study (p. 66).

Social media platforms like Facebook, Instagram and Line are used as channels to resell luxury goods. According to five consumer trends to watch in Thailand of BCG (2017), Thai consumers perceive shopping on social media as visiting a Thai market in the offline world, which they can choose the product and negotiate the price with the seller (Bharadwaj et al., 2017). The direct communication with merchants and customer-centric approach are important for Thai consumers (Setboonsarng, 2019). Moreover, online buying is extending the horizon of customers that are not in the urban area to reach a variety of products online (Bharadwaj et al., 2017). Most of the brick and mortar shops are using Instagram as a tool to widen their customer base (e.g. The Brand Bag, figure 10).

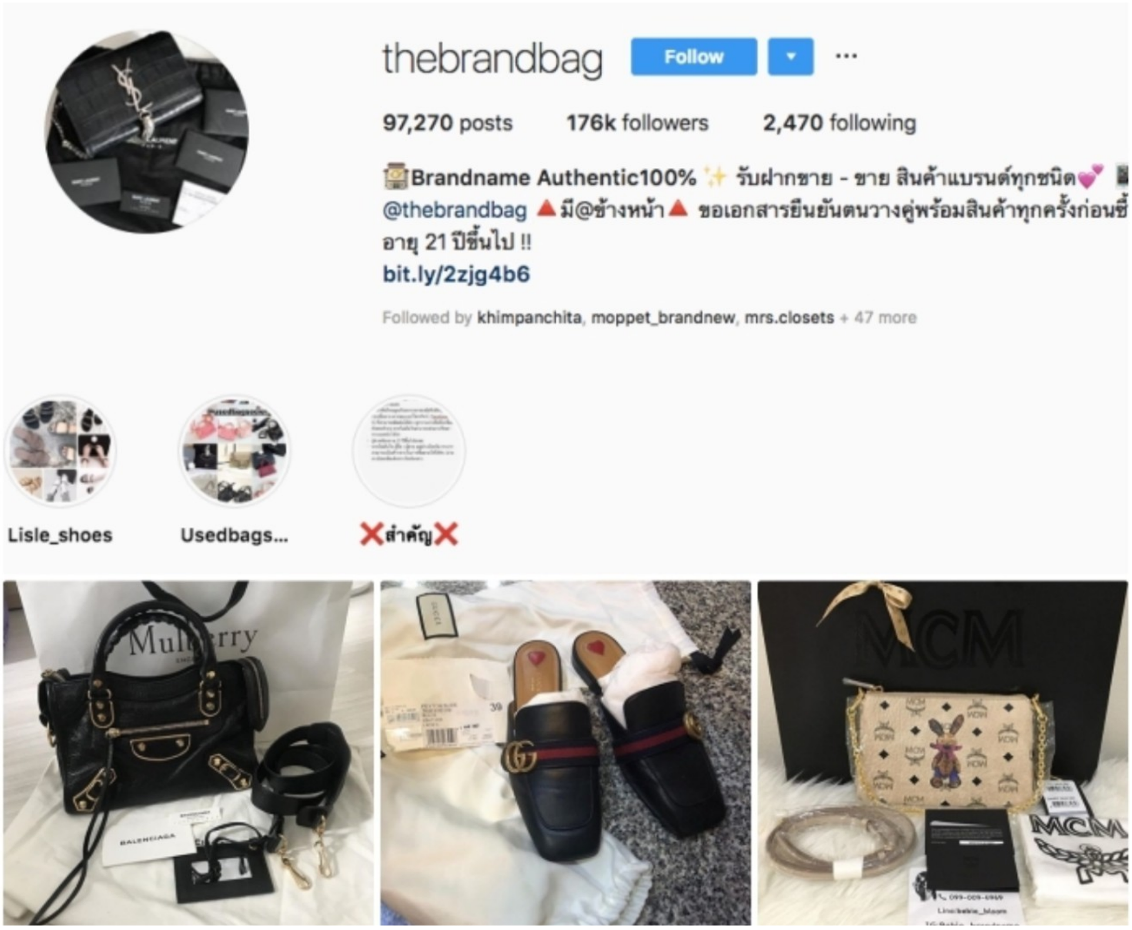

Figure 10: The brandbag Instagram shop, Screenshot from Instagram

On the Instagram page pictures of the products are shown with a detailed and a price. Customers can directly contact the seller for more information and are able to negotiate via messages. The payment can be completed via bank transfer or pickup. The customers will look for trustworthy shops based on the number of followers and comments on the channel. Due to the convenient and easy process that suits the Thai culture, this channel is popular and widespread among consumers. Moreover, Facebook Live is used as a tool to show and advertise the products and engage with customers in real-time, selling products in new ways. The customers can interact with the seller through comments and get the answer to their questions directly in the live show. This way of marketing is used by many second-hand store owners to attract customers and followers (EcommerceIQ Asia, 2016).

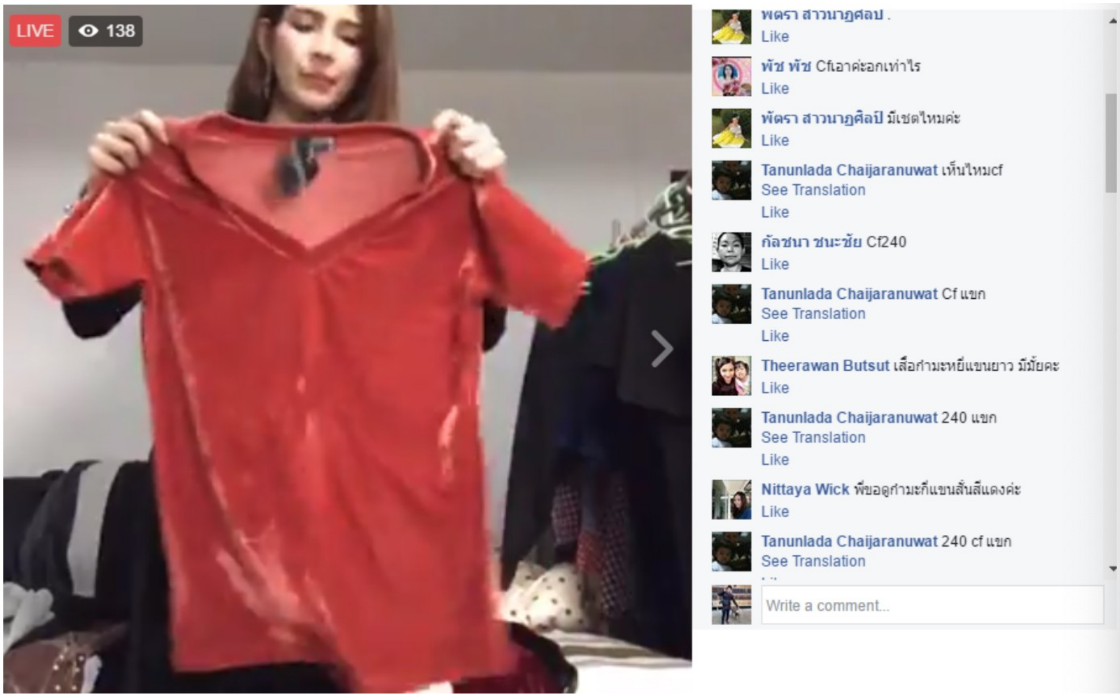

Figure 11: Facebook Live seller, Illustration from EcommerceIQ Asia (2016)

Despite individual merchants, there are several e-commerce multi-brand platforms, which at the moment do not engage in second-hand selling of personal luxury goods. The Thai market is dominated by the large Chinese players Alibaba and JD.com. According to Deloitte (2019), Lazada, a subsidiary of the Alibaba Group, dominates the B2C channel with 77% of buyers using it, followed by Shopee (23%) and Central Online (1%) (p. 66). The e-commerce platforms do offer second-hand goods, yet do not focus on the luxury segment.

In addition to local players, there are several international second-hand luxury platforms available in the Thai market. Reboonz and Style Tribute, which operate from Singapore, the international platforms Farfetch, Vestiaire Collective also offer delivery to Thailand. However, due to the high import tax and delivery fee, these offerings are more unattractive to Thai consumers.

2.1.3.3. Overall luxury reselling industry environment

Summing up, the luxury reselling market has been rapidly growing in the past years and is expected to continue at this pace for the years to come. It is especially suited for younger customers and lower-income individuals, who want to treat themselves to luxury that they otherwise could not afford. The market in Thailand is existent, yet not fully developed when compared to other markets internationally. The simple online and offline merchants pose a risk to consumers due to the lack of authentication services, which is important in a country that is subject to a counterfeiting problem (as explored in section 2.1.1).

2.1.4. Overall market environment

When analyzing the current market conditions in Thailand for entering into second-hand luxury reselling business, the overall picture is positive. Despite political turmoil in the past, the country is stabilizing and has a strong economic outlook. Especially the growth prospects of the luxury industry are promising and offer favorable condition for a luxury good reselling business. Finally, the market for second-hand luxury goods has been growing rapidly in the past and is expected to continue this trend in the future. The current lack of development of this market in Thailand in terms of variety and service offering constitutes a chance for potential market entrants.

2.2. Luxury goods consumption

The following chapter explores the drivers behind luxury consumption by first exploring motivational drivers as identified by Eastman, Goldsmith & Flynn (1999), followed by Hofstede's' comparative culture theory (Hofstede, Hofstede, & Minkov, 2010) in order to better understand the decision making in the context of Thai culture.

2.2.1. Motivational drivers

Motivation is one of the psychological factors that influences customer behavior. Understanding the motivation of purchasing is essential in order to explain luxury good consumption. Kilsheimer (1993) distinguished between three generic motivations. Firstly, *functional reasons* can be one of the motivations of purchasing. The high quality and practical features satisfy the needs of consumers, as cited from (Rieber, 2011, p. 4). For example, German consumers strongly associate luxury goods with functional characteristics, the product's performance, and the relationship between price and quality

(Hennigs et al., 2013). However, Kilsheimer (1993) states that consumers can also be influenced by signaling motives, which are *need for status* and *need for uniqueness* (O'Cass & McEwen, 2004, p. 26) that are meant to improve social standing (Eastman et al., 1999, p. 3), to gain social prestige (O'Cass & McEwen 2004, p. 26) and to obtain the approval and envy of others (Truong, Simmons, McColl & Kitchen, 2008, p. 198). Other motivations have been identified to be of internal nature like self-respect and self-esteem (Truong et al. 2008, p. 198), or self-reward (O'Cass & McEwen, 2004, pp. 26-27).

Eastman et al. (1999) developed a model of status consumption, explaining that luxury consumption is not only related to the functional purpose of the good but rather motivated from a subjective emotional perspective and summed up internal and external reasons in one model.

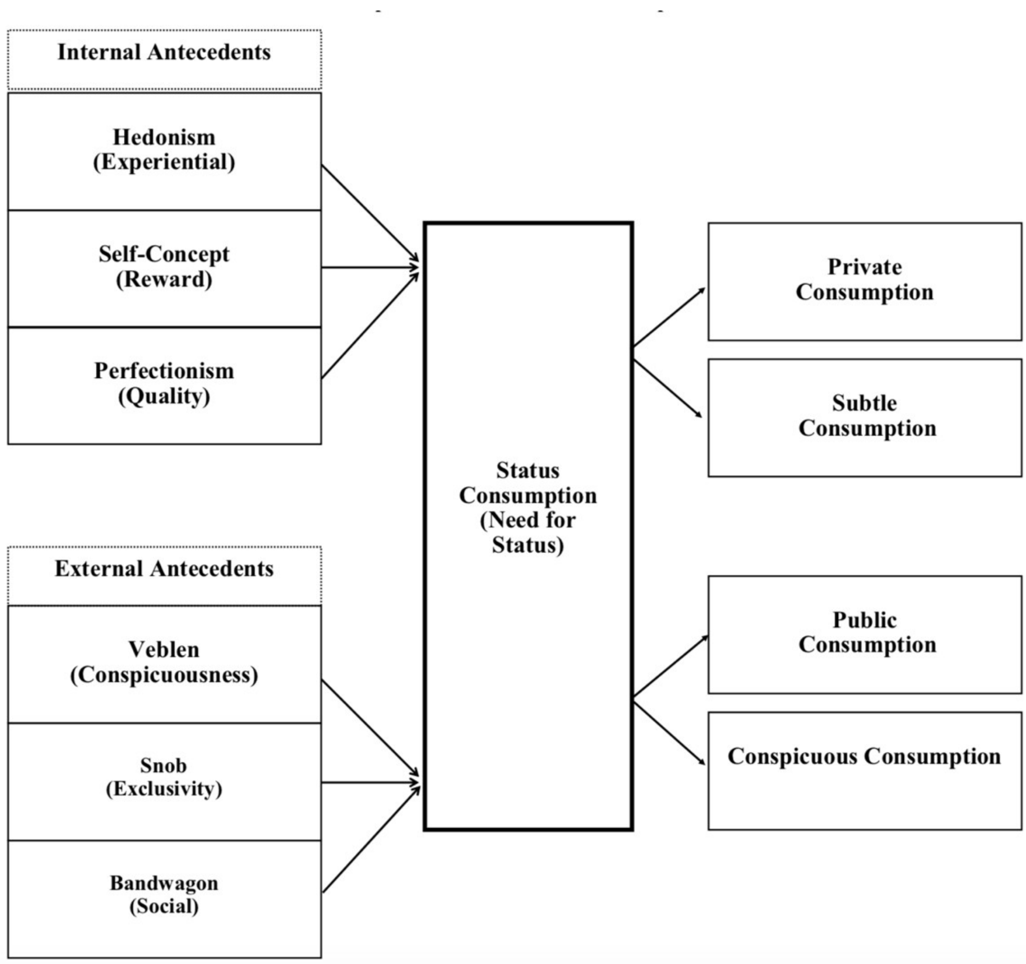

Figure 12: Conceptual Model of Status Consumption, Illustration adapted from Eastman & Eastman (2015, p. 4)

They recognize that consumers are trying to improve their social standing, internal and external motivations drive luxury consumption and status consumption may or may not be visible (Eastman & Eastman, 2015, p. 4). The model categorizes the antecedents of status consumption in two overarching groups, the internal and external antecedents. Internal antecedents comprise Hedonism (Experiential), Self-Concept (Reward) and Perfectionism (Quality). Whilst external antecedents include Veblen (Conspicuousness), Snob (Exclusivity) and Bandwagon (Social) effects as shown in figure 12. The internal antecedents, which are driven by one's own desires, firstly comprise *Hedonism*, which may be described as the internal desire of consumers to satisfy the emotional benefits (Eng & Bogaert, 2010, p. 58). These desires may be triggered by emotions, culture and lifestyle (Amatulli & Guido, 2012, p. 131) and relate to the emotive aspects of one's experience with products (Holbrook & Hirschman, 1982, p. 137), the satisfaction of intrinsic needs (Tsai, 2005; Troung & McColl, 2011, p. 555) and the aesthetic beauty and emotional excitement that luxury goods bring to consumers (Weidmann et al., 2009, p. 631). *Self-Concept* is the internal desire of consumers to express themselves through their clothing as they chose luxury brands with brand images which are in line with their self-perception (Tsai, 2005). It can be seen as a reward from their effort and hard work (Vigneron & Johnson, 2004; Eastman & Eastman, 2015, p. 5). Lastly, *Perfectionism (Quality)* is the internal desire for quality from the luxury brands which are known for a superior level of performance and quality as compared to non-luxury brands (Vigneron & Johnson, 2004; Wiedman, Hennigs & Siebels, 2007, p. 6). Moreover, according to Amatulli and Guido (2012), the quality of goods may be considered as an important characteristic for the user's purposes as compared to the signaling function for displaying social status (p. 131).

External Antecedents, on the other hand, are driven by external push or pull factors. Firstly, the *Veblen Effect (Conspicuousness)*, which explains (contrary to classical demand theory) that consumers' desire highly-priced goods more in order to display their wealth and signal their status and wealth (Bagwell & Bernheim, 1996, p. 349). Moreover, consumers purchase the goods of possessing something that others do not have (Truong& McColl, 2011, p. 556), to enhance their image or ego (O'Cass & McEwen, 2004, p. 27). The *Snob Effect* is the desire of consumers to own the rare and unique products that represent them as exclusive (Liebenstein, 1950, p. 189). It opposes with the bandwagon effect, claiming that snob consumers have a perception of a high price as a privilege and avoid purchasing popular items in order to have an inner-directed consumer experience (Vigneron & Johnson, 1999, p. 6). The need for uniqueness represents a consumers personal and social identity (Tian et al., 2001, p. 50) and was found to be a major influence on the purchase and use of consumer goods (Okonkwo, 2009, p. 288). In terms of the Snob Effect, goods are more valuable when they are only consumed by a small number of people (Vigneron & Johnson, 1999, p. 5). Throughout the Millennial generation, the need for uniqueness is also an important factor. So-called "Hipsters" pride themselves on being the first ones to adopt new trends (Greif, 2010).

The Bandwagon Effect is a psychological phenomenon, which observes that people do something because other people are doing it (Bloom & Bloom, 2017). It motivates the need for self-expression throughout the consumption of luxury goods and boosts up their self-concept by following the aspired particular group (Ghosh and Varshney, 2013, p. 153). According to Twenge (2013), the Bandwagon Effect has a large influence on millennials, driving them towards luxury goods influencers or their friends are displaying online (p.15).

2.2.2. Comparative culture theory

According to Ipsos (2018), there are three main luxury consumer trends in Asia. Firstly, luxury is reflected as a social marker in terms of personal empowerment, especially for women. Furthermore, Ipsos found that family and friends have the most influence on consumption (i.e. 44% of consumers). Moreover, consumers give less importance to the price and emphasize uniqueness and personality, in particular among millennials. The study also found that trust is an important factor for Asian consumers, who expect the luxury brands to guarantee the authenticity, high quality as well as sustainability of their goods. Finally, the study found, that Asian customers prefer a fluid customer experience with seamless service offerings when purchasing (omnichannel).

It is important to understand the local preferences of consumers in order to be able to draw conclusions regarding market opportunities. Hofstede, Hofstede & Minkov (2010) found that culture is "the collective programming of the mind that distinguishes the members of one group or category of people from others" and is mainly acquired during childhood and education as well as influences how a person most likely reacts and thinks (p. 6). In order to be able to explore the culture and its influences, Hofstede (1980) introduced six different dimensions to differentiate cultures from one another: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, Short- vs. Long-term orientation, and Indulgence vs. Restraint.

Hofstede (1980) briefly summarizes the dimensions as follows: *Power Distance* is the acceptance of hierarchical order, meaning that in countries with a high score, people with little power are afraid to speak up and express disagreement and vice versa. *Individualism vs. Collectivism* is the preference for a loosely-knit or tightly-knit social framework. The more individualistic a country is, the more someone is expected to look after him- or herself. Collectivist societies, on the other hand, have strong group ties and individuals decide what is best for their family or company. *Masculinity vs. Femininity* describes the degree to which culture is focused on assertiveness and achievements. The higher the score on the masculinity index, the more people with high earnings are regarded as successful and society is driven by performance. *Uncertainty Avoidance* is the level of coping in an unclear situation, meaning that in countries with low uncertainty avoidance scores people are less scared about what might happen in the future.

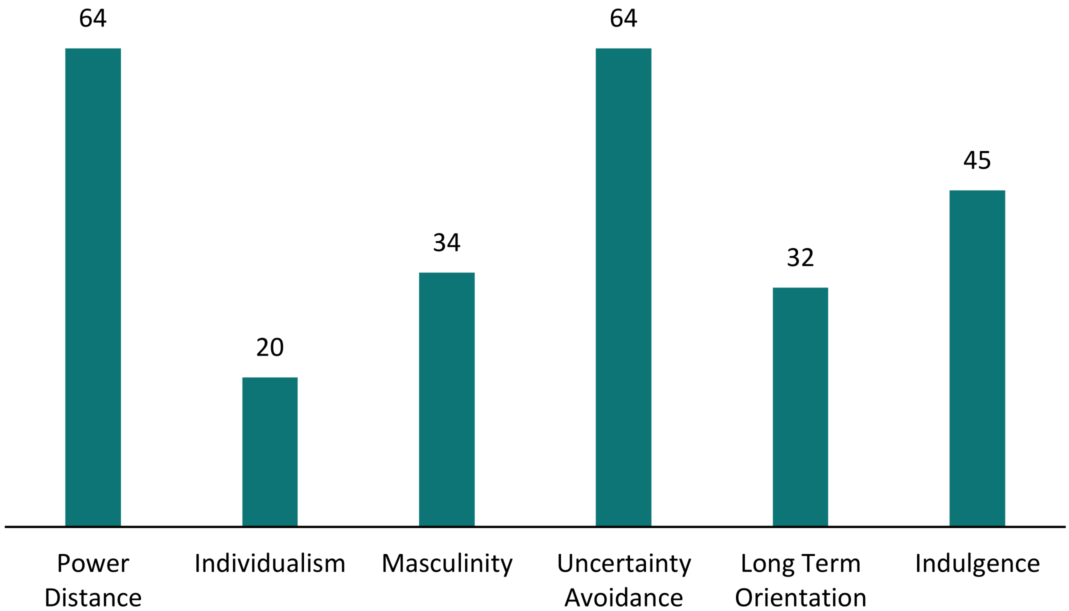

Figure 13: Thailand's values of Hofstede for the six dimensions, own illustration, adapted from Hofstede-Insights (2019)

Short vs. Long-term orientation measures the time horizon of thinking. Long-term oriented cultures give the future higher importance than short-term oriented cultures, which emphasize the present and past. Finally, *Indulgence vs. Restraint* is the degree to which social norms regulate life. In countries with a high score, it is socially acceptable to enjoy life and fulfill desires.

The website *hofstede-insights.com* allows extracting the scores of the six dimensions for a country. Figure 13 shows the values for Thailand. For Thailand, the highest scores among the six dimensions are Power Distance and Uncertainty Avoidance with scores of 64 (out of 100) each. Hofstede et al. (2010) offer explanations of the observed scores for each of the six dimensions. The relatively high score in the Power Distance dimension hints towards strong hierarchical structures. However, the score is lower than the average of Asian countries (71). The score indicates a strict chain of command and paternalistic management with frequent inequalities. The high score in uncertainty avoidance hints towards the Thai people favoring certainty in the future and relative risk avoidance. The third highest score, Indulgence, is considered to be intermediate at 45, meaning that people tend to give in to their desires and impulses at time, yet also try to control themselves. In the Masculinity dimension, Thailand scores below the average of Asian countries (53) and the global average (50), being considered a feminine country. The low score of 34 defines the low importance of competition in society, giving higher emphasis to the quality of life. Thai consumers also seem to be focused on the present, having a lower concern for the future, as is indicated by the low score of 32 in the Long Term Orientation dimension, which is far below the average of Asian countries (71) and globally. Finally, the data provided indicates that Thailand is a highly collectivist society, which is common in Asian countries (average of 24). Loyalty is important in the country's culture and stands over rules and regulations. Moreover, Thai consumers are more concerned about their peers and do not like to stand apart from the group (Hofstede, 2010, p. 156).

2.3. Second-hand consumption

This chapter is set out to explore possible motivations behind second-hand consumption in order to understand the consumers' decision making when purchasing used goods instead of new merchandise.

The amount of academic research on the topic of second-hand consumption has steadily grown since the beginning of the twenty-first century (Turunen, Leipämaa-Leskinen & Halkoaho, 2018). The findings concerning product-related motivations are relatively solid and often divided into economic motivations (i.e. price sensitivity) and critical motivations (ethical, ecological and sustainability drivers). However, in the context of second-hand luxury consumption, the latter play a minor role (Cervellon, Carey & Harms, 2012; McNeill & Moore, 2015). Another group of motivations found among publications are recreational drivers (i.e. purchasing experience, nostalgia) (Veenstra & Kuipers, 2013, p. 356; Ferraro, Sands & Brace-Govan, 2016, p. 263).

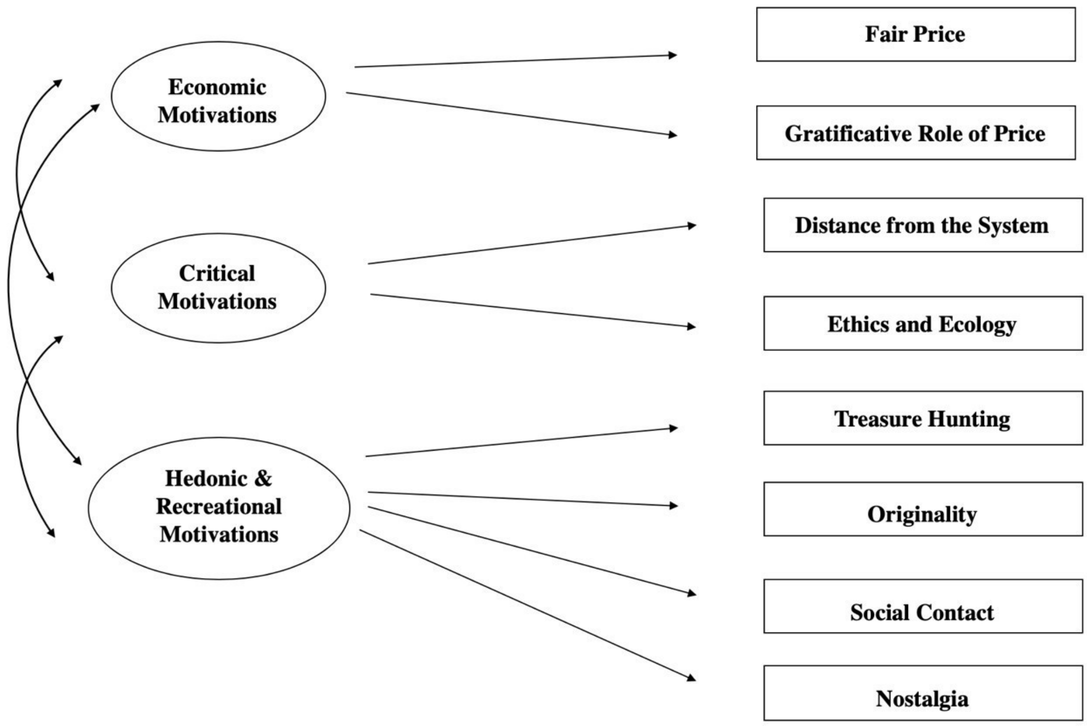

Figure 14: Hierarchical model of motives for second-hand shopping, illustration adapted from Roux & Guiot (2010)

The most comprehensive model is the hierarchical model developed by Guiot & Roux in 2008 and refined in 2010 (figure 14), considering Economic, Critical as well as Recreational motivations. The initial model introduced in 2008, considered two overarching motivations driving second-hand consumption, which are economic motivation and recreational motivation.

Economic motivations, which encompass the desire to pay less and find a fair price but also the reward in having paid a giveaway price, have been identified as main motivational drivers influencing second-hand apparel consumers (Anderson & Ginsburgh, 1994, pp. 3-4). Hence, since pre-owned items are usually lower priced than new ones (vintage items might pose an exception), thrifty consumers are encouraged with price advantages to buy second-hand products due to indirect price discrimination (Anderson & Ginsburgh, 1994, pp. 3-4). This makes luxury more accessible to lower-income consumers that are concerned about their budget allocations due to financial pressure and allows them to satisfy their needs without deprivation of less essential acquisitions (Hamilton, 2009, p. 253).

Yet, economic motivations alone do not sufficiently explain the phenomenon of second-hand clothing consumption. Following Gregson & Crewe (2003), Roux & Guiot also acknowledged that hedonic as well as recreational motives such as treasure hunting, originality, social contact and nostalgic pleasure play a role in the consumers' purchase decisions. The second-hand market offers social contact, impulsive product sales, browsing behavior and theatricality due to their characteristics (Roux & Guiot, 2010, p. 388).

It is a special characteristic of the second-hand shopping experience and pleasure that differs from traditional commerce to experience the excitement in searching for unexpected goods or becoming a collector (Delong, Heinemann & Reiley, 2005, p. 39). This trait is referred to as treasure hunting, the process of wandering about and discovering something precious, unusual and unique (Roux & Guiot, 2010, p. 388). Unlike conventional shops, which offer neatly ordered merchandise, second-hand shops limit their collections of colors, sizes and styles, making it a difficult undertaking to discover suitable clothing, but encourages wandering and searching, ultimately providing the pleasure of hunting for treasures (Han, 2013, p. 17).

Originality in second-hand clothing is the pleasure an individual derives from fulfilling their need for uniqueness (Guiot & Roux, 2010, p. 396). The desire to be different from others lets consumer's value unique items as special (Snyder, 1992, p. 9). Gratification comes if the consumers find rare, unusual and historical items to counteract conformity among people around them (Roux & Guiot, 2010, p. 386).

Social contact is another recreational motive that occurs in second-hand markets. C2C marketplaces, such as antique fairs and flea markets, are opportunities in which former owners and potential new owners interact and share information about their goods (Gregson & Crewe, 2003 as cited from Han, 2013, p. 15). These exchanges provide shoppers with an opportunity for social interaction between individuals with different backgrounds, providing them with the opportunity to see and meet people of various occupations, genders, races and ages (Han, 2013, p. 17). The amusement drawn from strolling around and interacting with people is therefore regarded as an antecedent for second-hand consumption by Roux & Guiot, (2010).

Nostalgia completes the four motivations summarized underneath the overarching recreational drivers for second-hand consumption. Holbrook (1993, p. 245) describes nostalgia as "a longing for the past, a yearning for yesterday, or a fondness for possessions and activities associated with days of yore". According to DeLong, Heinemann & Reiley (2005), second-hand shops provide the opportunity to participate in a treasury-like experience in the stores with touchable goods as a recreational activity (p. 27). Furthermore, vintage apparel consumers are driven by getting to know the history of retro items as it allows them to imagine the previous owners' thoughts and lives. (Han, 2013, p. 16). Roux and Guiot (2010) describe second-hand goods as memorabilia that may attract consumers by arousing memories (p. 386). Furthermore, Gregson et al. (2001) state that used merchandise may be viewed as desirable in the sense of being in trend by wearing retro or vintage fashion (p. 13).

In their follow up study conducted in 2010, Roux and Guiot noted that there are so-called critical antecedents that drive the consumption of second-hand clothing. The respondents in their study, for example, claimed that they detach themselves from the stimulus to purchase new goods, which they see as characteristics of today's consumer society and as a waste of resources (Roux and Guiot, 2010, p. 385). They identified two critical motivations that (1) express the possibility of avoiding conventional channels and (2) supporting ethical and ecological concerns about recycling and combat waste. According to Brace-Govan & Binay (2010), second-hand consumerism constitutes a major part of sustainable consumerism, which attempts to diminish or remove damaging effects to the society or environment through the reduction of the disposal of clothing. (p. 80). Furthermore, Bekin, Carrigan and Szmigin (2007) highlight that the exchange of second-hand clothing activities is an important part of waste reduction strategies (p. 273). Moreover, according to McDonald, Oates, Young & Hwang (2006), claim that the so-called "simplifiers", who drive this ecological trend, limit their expenditures, consume less and use non-materialistic sources for their consumption (p. 2). Turunen and Leipämaa-Leskinen (2015) found out that second-hand consumption of luxury goods is enclosed with sustainability practices, regarding social and ethical motivation (p. 17). By consuming pre-owned luxury goods, consumers may communicate their objection towards the overconsumption trend. Roux & Guiot (2010) claim that purchasing second-hand may be influenced by these ethical and ecological concerns by taking responsibility for reusing functional products, reducing the depletion of natural resources and avoiding unnecessary proliferation of products (p. 396).

The motivation to distance oneself from the system derives from the movement against big business chains (Brace-Govan & Binay, 2010, p. 79) that promote fast fashion consumption and impact the environment and society in a negative way. Furthermore, Mano and Elliott (1997) developed a concept of smart shopping, expressing the desire to take smart advantage of products that other people no longer want. Roux & Guiot (2010) emphasize that the idea of a possible escape from the classic market system provides consumers with a sense of consumer sovereignty (p. 396).

2.4. Service quality model

In this chapter, the service quality model developed by Parasuraman, Zeithaml and Berry (1985) will be introduced in order to be able to understand how service offerings from the investigated business models differ in terms of the consumers' observed quality of services.

2.4.1. Introduction to the model

Service quality is an important factor in the purchase of luxury goods as it is one of the traits that distinguish the purchase (experience) of a luxury good from ordinary consumer goods (Eastman et al., 2013, p. 67) and SERVQUAL allows researchers as well as practitioners to assess and manage service quality. The model was developed by Parasuraman et al. (1985, pp. 41-50) and subsequently developed further by the identical researchers in 1988. Despite its age, the model has served as the basis for numerous studies assessing service quality over the years and remains a practical framework to use in service quality management (Adil, Al Ghaswyneh & Albkour, 2013, p. 67). The model has been adapted in different environments like retail, banking and transportation across different countries (Hartwig & Billert, 2018, p. 2). SERVQUAL measures service quality through customers' expectation (i.e. what firms should provide in the industry being studied) and their perception of how a given service provider performs against these criteria (East, 1997 as cited in Adil et al., 2013, p. 67). As Parasuraman et al. (1985), state, the problem about measuring service qualities is that it is intangible (i.e. difficult to quantify prior to the consumer's use), heterogenic (i.e. can differ regarding the employees or customers it is applied to) and inseparable (i.e. is dependent on the shopper and its support) (p. 46). Therefore, Parasuraman et al. (1985) concluded that the difference (gap) between customer expectations and perception of the service results in service quality results (i.e. when the expected service quality equals the perceived service, the customer is satisfied) (p. 46). The gaps between expectations and actual experience service are measured by SERVQUAL. The model considers five gaps, which are illustrated in figure 15.

- Gap 1: The difference between consumers' expectations of the service and management perceptions of the customers' expectations
- Gap 2: The difference between management perceptions of consumers' expectation and service quality specifications
- Gap 3: The difference between service quality specifications and service delivery
- Gap 4: The difference between service delivery and external communications to the customers
- Gap 5: The difference between customers' expectation and consumers' perception of the service

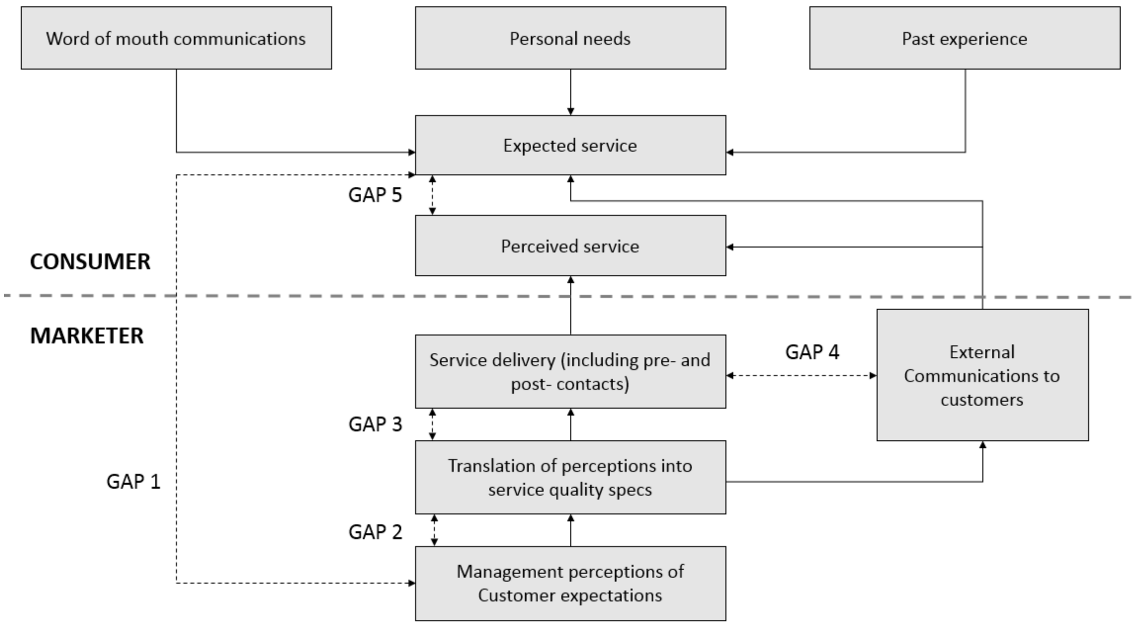

Figure 15: The SERVQUAL Model (Service Quality Model), own illustration adapted from Parasuraman et al. (1985, p. 44)

Regarding the consumer side, Parasuraman et al. (1985, p. 46) proposed ten dimensions of service quality, which are shown in figure 16. Whereas *Access* is the dimension determining the ease of getting access to the right department; *Communication* refers to the accurate and swift information for customers; *Competence* means the expertise and know-how of the organization; *Courtesy* is the good manners and friendliness practices; *Credibility* means the output from the firm is reliable and trustworthy; *Reliability* indicates the accuracy and straightforwardness of the service. *Responsiveness* is the professional and instant answer of customer requests or complaints; *Security* is the trust of customers that they will get quality service and confidentiality of transactions; *Tangibles* are the tangible information in terms of the instant visibility of staff, the proper office and facilities and *Understanding/Knowing the customer* shows a personal approach and responding well to customer-specific needs.

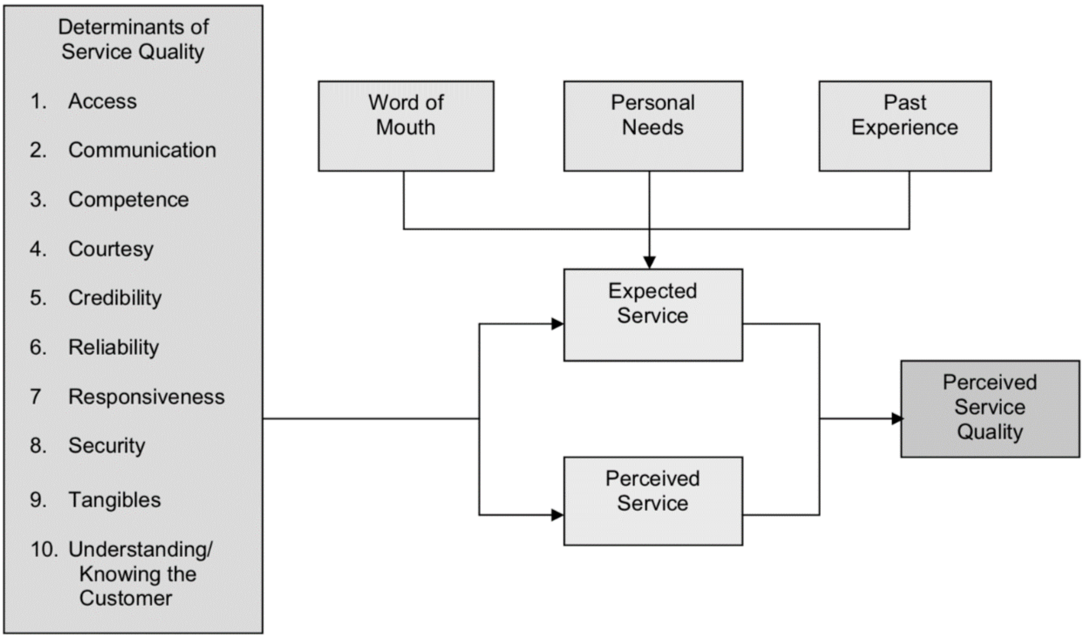

Figure 16: The determinants of perceived service quality, Illustration adapted from Parasuraman et al. (1985. p. 48)

In 1988, Parasuraman et al. refined their model in regard to the above-mentioned service dimensions, reducing them to five dimensions (p. 23):

- Reliability: Ability to perform the promised service dependably and accurately
- Responsiveness: Willingness to help customers and provide prompt service
- Assurance: Knowledge and courtesy of employees and their ability to convey trust and confidence
- Tangibility: Appearance of physical facilities, equipment, written materials and personnel (for websites: appearance for website, materials and customer service)
- Empathy: Caring, individualized attention the firm provides its customers

Communication, Competence, Credibility, Curtesy and Security have been summarized within the *Assurance* dimension, whereas Access and Understanding/Knowing the customer are now part of the *Empathy* dimension. In order to be able to apply the SERVQUAL model in this thesis, in the following section, the researcher will use her own understanding of reselling services in order to apply a SERVQUAL-based scoring system for the various available business models.

2.4.2. Application to reselling services

Applying the introduced dimensions of service quality to existing reselling models in Thailand as compared to successful retailers in the other aforementioned categories outlines the differences in the level of service offered. Table 1 shows a Likert type five-point-scale which has been applied to distinguish the levels of service of the reselling business models introduced in section 2.1.3.2.

Points	Service rating
5	Excellent / Exceptional
4	Very Good / Above average
3	Satisfactory / Average
2	Weak / Less than Average
1	Poor / Inexistent

Table 1: Likert-type scale for service quality evaluation, own illustration

Based on her experiences and research on the business models, Points have been allocated by the researcher to the five service dimensions introduced by Parasuraman et al. (1988).

- Online Individual Merchant (Online IM): In terms of *Reliability*, this business model is considered less than average (2) due to the lack of secure delivery / secure payment as the merchant is responsible for the entire process and might choose not to perform the services. On the other hand, due to easy communication, facilitated by social media, *Responsiveness* is considered above average (4), but not perfect as the merchant may not be available at times. *Assurance* may be considered as weak (2) as the merchants rarely offer guarantee and customers cannot touch and feel products to ensure the authenticity of products. The merchant relies solely on its reputation. Due to the nature of the business, the *Tangibility* score is less than average (2), driven by a lack of professional appearance and the possibility to touch and feel the merchandise. *Empathy* will be considered average (3) as there is the possibility to communicate with the merchant, however, communication through online channels may be not as satisfactory as in person.
- Offline Individual Merchant (Offline IM): In terms of *Reliability*, the Offline IM is considered average (3) since processes are conducted in person and there is low

risk involved in the transaction. In terms of *Responsiveness,* the business is rated as average (3) due to the physical availability of sales personnel. However, the shops are located only in large cities, offering low accessibility to customer groups living in the countryside. *Assurance* is rated below average (2) as merchants rarely offer a guarantee on authenticity and merchandise may only be checked by experts. *Tangibility* is also considered average (3) due to the usual small size (variety of choices) of the stores. Finally, *Empathy* is considered to be above average (4) due to good, physical customer service availability offering individualized attention.

- Heritage Brand Service (HBS): This model offers the highest *Reliability* (5) as it is run by the actual brand. *Responsiveness* is also rated as excellent (5) since heritage brands usually have physical locations as well as an online customer service center available. *Assurance* and *Tangibility* are both rated excellent (5) due to the previously mentioned factors. However, *Empathy* is rated below average (2) since HBS are large corporates that might be perceived as distant by customers looking for the second-hand shopping experience.
- Peer-to-peer Marketplace Service (P2P): The *Reliability* of the P2P service is rated average (3) due to the securities offered by the platform provider in case a seller does not comply. *Responsiveness* is also considered as average (3) as it is highly dependent on the individual seller and may not be enforced by the platform. *Assurance* is considered average (3) due to the guarantees of the platform provider, however, it is heavily dependent on the seller. Due to the professional website appearance and the lack of touch and feel, *Tangibility* is considered average (3). Finally, *Empathy* may be considered average (3) due to the possible interaction with the seller and the lack of customer service by the seller.
- Consignment Service (CS) & Upfront Payment Service (UPS): These two business models will be discussed together due to their similarity from a customers' perspective. *Reliability* is considered above average (4) due to the usually large size of these businesses and the guarantees/security options offered associated with it. In terms of *Responsiveness*, the services are considered above average (4) due to the convenient online access and professional customer service offered. *Assurance* is considered to be above average (4) since the merchandise

has been checked by the services before, yet does not have an authenticity guarantee from the heritage brand. *Tangible* is considered to be average (3) due to the lack of touch and feel offered in an online environment. *Empathy* is considered average (3) since the customers can rely on customer service, however, are subjected to rather standardized services.

- Mixed Brand Online Shop (MOS): This business model is considered to be similar to CS and UPS models in terms of *Reliability*, *Responsiveness, Tangibility* and *Empathy*. However, Assurance is considered higher (i.e. excellent, 5) due to the license to sell goods that such shops received from heritage brands.

Dimension	Online IM	Offline IM	HBS	P2P	CS	UPS	MOS
Reliability	2	3	5	3	4	4	4
Responsiveness	4	3	5	3	4	4	4
Assurance	2	2	5	3	4	4	5
Tangibility	2	3	5	3	3	3	3
Empathy	3	4	2	3	3	3	3
Total	**13**	**15**	**22**	**15**	**18**	**18**	**19**

Table 2: Comparison of Thai (blue) reselling channels to other business models, own illustration based on research

The previous analysis results in the scores shown in Table 2. It may be noted that typical Thai reselling channels, which are dominated by individual merchants (i.e. Online IM, Offline IM), fall behind in terms of the dimensions of the SERVQUAL framework and offer inferior service quality (as indicated by their low overall score) as compared to other reselling business models available internationally. It may be noted the previous analysis could gain more validity when conducted with an international expert panel, with more experience in the field of luxury reselling than the researcher. However, for an initial evaluation, the applied approach is deemed sufficient.

2.5. Research Gap

In the past, a lot of research has been conducted on consumer behavior in relation to luxury consumption (O'Cass & McEwen, 2004; Eastman et al., 1999), service quality

(Parasuraman et al., 1988) as well as the relatively new pattern of second-hand consumption and its antecedents (Turunen et al., 2018; Roux & Guiot, 2010). However, past studies have rarely taken into account the rising economy of Thailand and its growing middle class. Motivational drivers of Thai luxury consumers and Thai second-hand luxury consumers remain unexplored by academics and service quality of luxury reselling business models has not been explored to date. The latter two have not been explored as a dedicated topic in other countries, underlining the pioneering spirit of this study. In evaluating the potential of the Thai second-hand luxury market, this thesis seeks to close these gaps with exploring Thai consumers' motivations in the context of luxury and second-hand luxury consumption as well as their service expectations to a second-hand luxury reselling business.

In doing so, the researcher aims at gaining a better understanding of the Thai consumers in order to be able to lay the groundwork for a potential market entrance of an international or local business reselling luxury apparel. Through exploring purchase motivations, it will become visible, which factors need to be taken into account by such a business and the evaluation of the expected service quality will help in determining the best-suited business model for the Thai market.

As outlined in section 2.1, Thailand has a promising economic outlook and sound business environment as well as strong growth prospects in the luxury sector, making this study of great interest to practitioners in the luxury industry (in particular to international providers of luxury reselling services).

2.6. Hypothesis Development

This section derives hypotheses regarding the potential for a second-hand luxury reselling business in Thailand and the importance of service quality in relation to second-hand luxury consumption.

Research Question 1

Is there potential for a second-hand luxury reselling business in Thailand?

In recent years, Thailand has developed vastly from a low-income country to an upper-income country (World Bank, 2019a). However, in terms of GDP per capita, Thailand still falls substantially behind developed economies around the world. Yet, the Thai market for luxury goods is predicted to grow, driven by the rising materialism of Thai consumers (KenResearch, 2017) and is forecasted to reach 340.0 billion THB in 2023 (Euromonitor International, 2019b, p. 1). Thai consumers spend more money on luxury and due to their, in comparison to the price of luxury goods, lower income levels end up accumulating high debt levels in comparison with other Asian countries (BCG, 2017).

Since second-hand consumption is generally associated with a lower price level as compared to purchasing new merchandize (Anderson & Ginsburgh, 1994, pp. 3-4), luxury is more accessible to lower-income consumers that are concerned about their budget allocations due to financial pressure and allows them to satisfy their needs without deprivation of less essential acquisitions (Hamilton, 2009, p. 253). This fact and trends like sustainability, the sharing economy as well as digitalization lead to a promising outlook for second-hand luxury goods consumption in Thailand (Euromonitor, 2019b, p. 5), therefore:

> **H1**: Thai consumers are more likely than not to engage in second-hand luxury consumption in the future

In line with Hypothesis 1, it is assumed that in terms of the motivations for second-hand consumption, as proposed by Roux & Guiot (2010), economic motivations will be the main driver for Thai consumers to engage in second-hand luxury consumption. Particularly, the possibility to purchase a good for a fair price is expected to outscore other antecedents due to the relatively low-income level of the Thai population compared to the price of personal luxury goods:

> **H2**: Thai consumers purchase second-hand luxury goods is driven by the motivation to achieve a fair price more than other drivers

In terms of the motivations for the purchase of luxury goods, introduced by Eastman et al. (1999), it is expected, that the bandwagon effect will be the strongest motivation for Thai luxury consumers. Due to the characteristics of the cultural dimensions discussed in section 2.2.2, it is expected that the bandwagon effect is driven by the low score in the Individualism dimension (i.e. classifying Thailand as collectivist country), making consumers follow their peers due to their fear of standing out – as Hofstede et al. (2010, p. 117) states: “consumption patterns in collectivist societies show dependence on others”. Furthermore, according to Pattanayanon (2018), friend followed by family and media, are the most important factors in decision making for Thai consumers (pp. 15-16). On the other hand, the Veblen and Snob effect are expected to be low due to a low score in the masculinity dimension – Hofstede et al. (2010, p. 165) found that status products are more common in masculine societies, which are more focused on achievements. Moreover, the collectivist culture does not encourage standing out from peers. Perfectionism, which is associated with functional traits like quality is expected to be low due to the lower investment horizon of short-term oriented societies like Thailand (Hofstede et al., 2010, p. 243). The internal antecedents of Hedonism and Self Concept are believed to be low due to the collectivist culture of Thailand, which leads individuals to be more concerned about their peers and what they think of them instead of focusing on their own desires (i.e. their main desire is to fit in the group). Since the cultural dimensions suggest low scores in five of the antecedents as defined by Eastman et al. (1999), the bandwagon effect is expected to outscore the other five antecedents:

> **H3**: Thai consumers are more motivated by the bandwagon effect than the other antecedents

<u>Research Question 2</u>

Which service parameter is most important for Thai consumers in regard to second-hand luxury consumption?

According to Sukhapinda, (2018), Thailand is believed to have a counterfeiting problem. Since Thai consumers will spend a large proportion of their income on a personal luxury good, the most important service quality dimension is expected to be Assurance, which is the ability of the reseller to convey trust and confidence:

> **H4**: Assurance is the most important service dimension for Thai consumers, compared to the other dimensions

Overall, it is expected that Thai consumers prefer to buy from second-hand luxury resellers with higher service ratings (ratings of >15 according to the rating developed in section 2.4.2):

H5: Thai consumers prefer to buy from second-hand luxury resellers with high service ratings compared to low service ratings

Due to the high internet penetration rate of 82.4% (Lago, 2019) and the ongoing push towards digitalization led by the Thai government (Lago, 2019), it is likely that resale through online channels will be preferred as compared to offline channels:

H6: Thai consumers prefer to buy second-hand goods through online channels as compared to offline channels

3. Methodology

The following section will discuss the research setup of the study and briefly discuss possible limitations thereof.

3.1. Research Design

A research design contains the research strategy, the conceptual frameworks the research builds on, the information on data sample and data collection (Punch, 2005, p. 37). Since data about consumer behavior is gathered from the social environment, the present study depicts primary research. In marketing research, various methods to gain insights into the fashion and apparel industry exists discussions with sales staff or management, panel analysis, field trials, observations as well as surveys (Punch, 2005, p. 95). However, when analyzing consumer behavior, merely having a managerial perspective (i.e. asking industry experts) may lead to misinterpretation as it may not concur with the actual perspective of consumers (Esch et al., 2010, p. 9). Therefore, data will be gathered directly from consumers in order to assess their behavior. For this purpose, a consumer survey is most suitable in this context as consumers can give their own opinion. "Quantitative research method emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data collected through surveys by using computational techniques and generalizing it in order to explain a particular phenomenon" (Babbie, 2010). Therefore, the primary research conducted qualifies as quantitative method.

In order to be able to satisfy the requirements of this thesis, the format of an online survey has been selected: Firstly, due to the size requirements of a representative sample, an online survey is time efficient. Secondly, due to the fact that the research was conducted in Thailand and the researcher is based in Switzerland, the online survey enabled a budget-friendly alternative to conduct a real survey. In addition, the format of an online survey guarantees anonymity to the participants and in the absence of physical contact between the data collector and the participants, the influence of the interviewer on the respondents is minimized (Punch, 2005 p. 97). Moreover, according to Punch (2005, p. 97), a survey is appropriate when past or future behavior is investigated. More detailed information on data collection and sample setup is provided in the following sections.

After an introduction and demographical section, the survey will be organized into three sections in order to address the two research questions defined in section 1:

- Is there potential for a second-hand luxury reselling business in Thailand?
- Which service parameter is most important for Thai consumers in regard to second-hand luxury consumption?

In order to address the first question, the study will rely on the frameworks developed by Eastman et al. (1999) as well as Roux and Guiot (2010), defining purchase motivations of luxury goods and second-hand goods respectively. As introduced in chapter 2, consumers might be motivated to buy luxury goods due to internal and external antecedents or in the case of reselling by economic, critical and recreational motivators. The degree to which these motivations influence the consumption behavior of personal luxury goods is analyzed using a Likert-type test. In order to answer the second research question, participants of the survey will be asked to answer a Likert-type scale in order to evaluate the importance of service factors as specified by the SERVQUAL framework introduced by Parasuraman et al. (1988). Descriptive statistical methods are used to verify whether statistically significant differences exist.

3.2. Questionnaire setup

As described before, a survey will be set up for the purpose of answering the defined research questions. Due to the international setup with data collection in Thailand, an online format was chosen. The provider *SurveyMonkey* satisfies the requirements for this study as it allows the researcher to use Likert-type scales as well as normal questions and allows for the collection of large ($n > 100$) samples. In order to enhance the understanding of the surveyors, the questionnaire was presented in Thai, the national language of Thailand. In order to capture an accurate representation of the questions addressed, the researcher has created the questionnaire in English in the first step then translated into Thai. Additionally, the researcher has translated the Thai version back to English to be able to spot any difference that might arise due to the translation and thus be able to minimize any translation effects.

Due to the standardized questions in the survey (i.e. formulation of questions and answers is predetermined by the interviewer), the comparability and analysis of the results between respondents is simplified (Punch, 2005, p. 82). However, as not every possible answer may have been included in the standardized answer, participants are given the possibility to reply “Other” at selected points and leave additional information in form of an open answer to not dismiss interesting consumer insights. Due to the time-consuming process of analyzing open questions, the number of possibilities to add open questions was limited. Moreover, even though the respondents do not purchase luxury products today does not mean that they will not do it in the future, especially in the case of younger participants, hence their point of view can be useful to participants in the second-hand luxury retail market as well.

The questionnaire will be structured in four major parts: Starting with a demographic part, including a section on the participants’ geographic and social-demographic backgrounds. Participants will be asked about their gender, age, country of residence and origin, their educational background as well as their employment status and income. The information collected in this part of the survey will be used to increase the understanding of Thai consumer specialties target get in personal luxury goods.

The second part of the questionnaire focuses on Thai consumers’ behavior towards luxury goods consumption. The questions aim to find out the purchasing behavior such as the frequency in buying luxury goods and types of goods. Furthermore, a Likert-scale has been used to find out the motivation behind the luxury consumption of Thai consumers. This part of the questionnaire is built on the conceptual model of status consumption from Eastman et al. (1999, pp. 41-50) that consists of three internal antecedents and three external antecedents motivating consumption behavior. The participants will be asked to rank their opinion under discussion on a scale of one to five (i.e. 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree).

In the third section of the questionnaire, the questions address the reselling theme. The researcher aims to find out whether Thai consumers’ behavior and standpoint towards second-hand luxury goods consumption. This part of the questionnaire is built on the hierarchical model of motives for second-hand shopping from Roux and Guiot (2010, pp. 383-399). Whereas, each question will be asked regarding each motivation from the model. Thereafter, participants will be asked to rank their opinion under discussion on a scale of one to five (i.e. 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree).

Finally, the last part of the questionnaire aims to find out the important service factors that Thai consumers consider when buying second-hand luxury goods utilizing the SERVQUAL framework of Parasuraman et al. (1988, pp. 12-38), asking participants to rank their perceived importance of the five dimensions of service on a scale of one to five (i.e. 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree). Appendix A1 gives an overview of how the questions have been attributed to the five SERVQUAL dimensions. Furthermore, it should be noted that the questionnaire only focuses on the expectations of customers towards a second-hand reselling service and does not reflect the actual experiences made with such a service (i.e. no gap analysis will be conducted between expected service and experienced service).

Before the launch of the online survey, a pre-test with a small group has been carried out. Five friends/members of the researcher's family filled the survey to test the understanding of questions that were asked.

One of the most frequent feedbacks received was concerning the definition of what brands are considered as luxury goods, which was visualized using the pyramid depicted in figure 4. The corresponding explanation was amended accordingly and other, previously unclear, sections of the survey were revised. Thereafter, the survey was launched online from June 3rd, 2019 to July 22nd, 2019.

3.3. Data collection

Tidy data collection is a crucial part of empirical research as the collection method affects the quality of the data and therefore, the quality of a study's findings. As this study revolves around luxury goods, it will be important to survey people with sufficient purchasing power or who in the future will be likely to possess this purchasing power and who are living in a wealthy environment. Therefore, participants will be chosen from top-employers, wealthy communities as well as university students from leading educational institutions.

Data will be collected at large companies (>500 employees) as well as listed Thai companies under the assumption that these firms will pay attractive salaries and enable their employees to consume luxury goods. Furthermore, social media groups, that revolve around luxury will be utilized to gather data from self-employed wealthy individuals as well as other wealthy individuals interested in luxury. However, since second-hand luxury consumption of luxury goods is also open to lower-income classes that are not able to otherwise afford luxury goods. Therefore, participants from all income classes will be accepted as part of the valid sample.

Punch (2005, p. 98) lays emphasis on the importance of the survey participants being approached in a professional way, meaning that they should be informed about the purpose and context of the study, about confidentiality, anonymity and about how and by whom the data will be analyzed. Therefore, an introductory text will be given to the participants.

3.4. Data sample

First, in order to determine the required sample size for representative results, Cochran's formula for sample size calculation is applied (Cochran, 1977, p. 77):

$$n_0 = \frac{z^2 pq}{e^2}$$

where n_0 is the sample size, z is the selected critical value of desired confidence level, p is the estimated proportion of an attribute that is present in the population, $q = 1-p$ and e is the desired level of precision. Assuming the maximum variability, which is equal to 50% (p = 0.5) and taking a 95% confidence level with ±5% precision, the required sample size for this study is 384. This constitutes the number of valid surveys that need to be collected. A valid survey has to be fully completed by a participant within five to 30 minutes. This research will be conducted in the form of snowball sampling starting from a known network and relying on referrals from one contact leads to another. To incentivize participants, a 1000 THB Starbucks voucher was offered (winner chosen by draw). In order to judge comparability between the samples, socio-demographic characteristics of the samples will be assessed.

In total, 483 surveys were collected, of which 422 could be accepted. 61 people did not fill the questionnaire within the specified time window, did not complete all questions or did not reside in Thailand. No other restrictions were applied to the sample. For certain in-depth analyses, the total sample of n=422 was split into sub-groups in order to receive more detailed results and to draw more sound conclusions.

Out of the 422 completed participants, 285 (i.e. 68%) were female, 135 (i.e. 32%) male and two other sex, which enables fairly good representation of both genders. The respondents spread among all age groups from underage (below 18) to retired (more than 65 years old). As depicted in figure 17, almost two thirds (63%) of participants were aged between 25 and 35. The second most represented age group was the one containing subjects with age between 35 and 44. Overall the lowest and highest age group were underrepresented with four and five participants respectively. It should be noted that the collected sample does not represent Thailand's current demographic structure. The deviation from the age pyramid was most likely caused by the employed snowball method of sampling, which started in the personal environment of the researcher, leading to a relative overrepresentation of the researcher's age group.

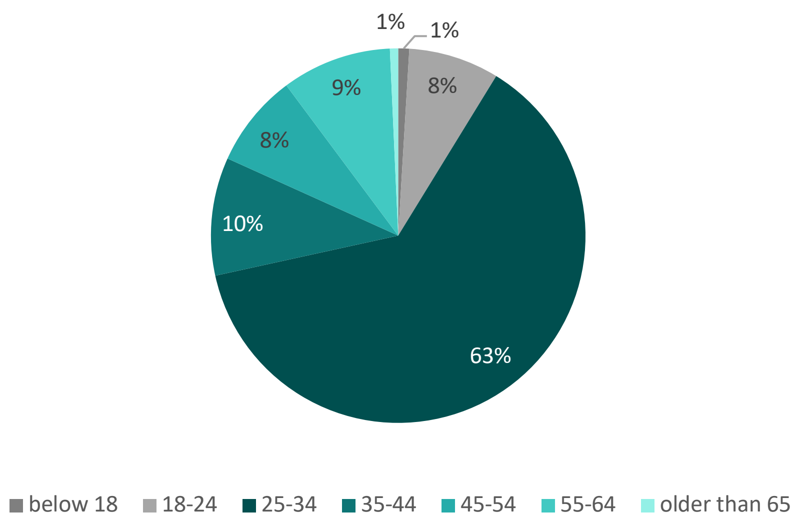

Figure 17: Age distribution of participants (n=422), own illustration based on survey data

All of the respondents were Thai nationals, with the majority (i.e. 48%) living in Bangkok, the capital city of Thailand. As shown in figure 18, the second-largest group of participants was collected from undefined provinces, which was mostly accounted for by

Lampang (51 responses, i.e. 12% of total responses), a large office location of the national electricity company of Thailand (PEA), the researcher's father's employer. Another 19% of participants are residing in Chiang Mai, the second-largest city in Thailand. The remaining respondents were collected from other provinces in Thailand.

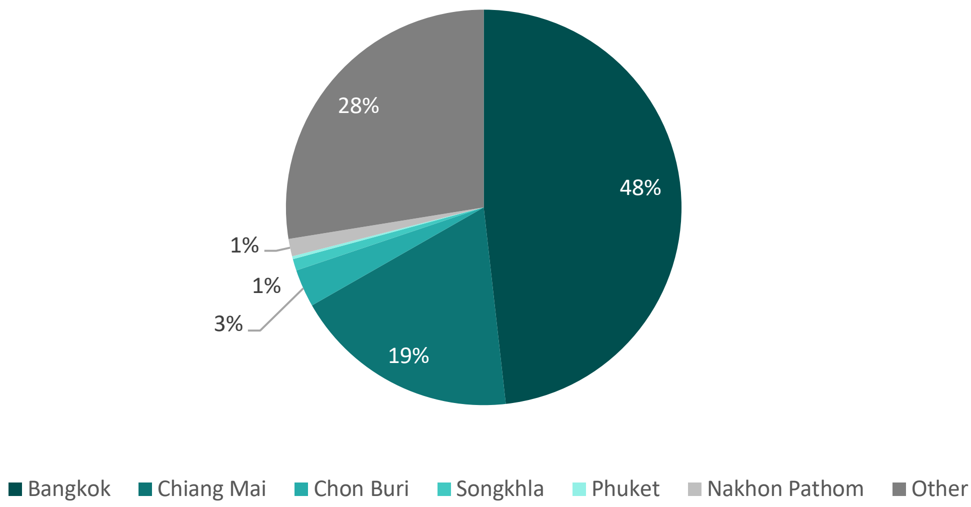

Figure 18: Province of residence of participants (n=422), own illustration based on survey data

As shown in figure 19, the majority of participants is University educated (i.e. 90%), with 109 (26%) participants holding a Master's degree and 274 (65%) participants holding a Bachelor's degree. It has to be noted that the high level of education represented in the survey is not representative of the Thai population.

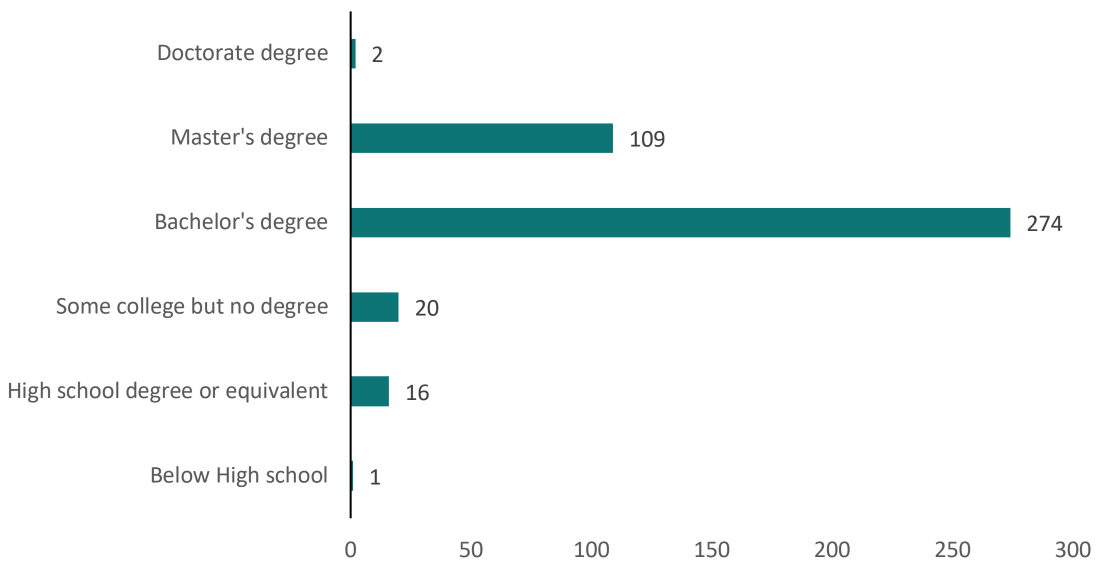

Figure 19: Educational Background of participants (n=422), own illustration based on survey data

According to figure 20, over 76% of participants were employed and 14% were business owners. Whilst the participants, who did not pursue an occupation at the time of the survey were categorized as not employed (5%), retired (4%) and disabled (1%).

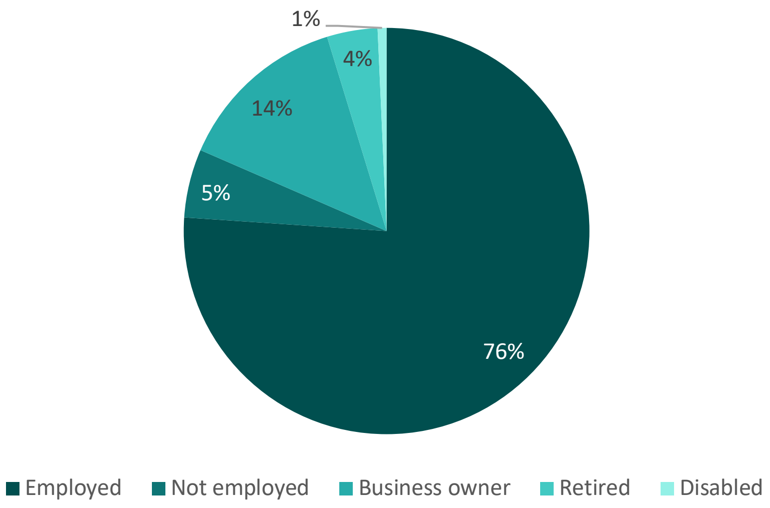

Figure 20: Employment status of participants (n=422), own illustration based on survey data

The high number of relatively young survey participants explains the low monthly income (given the relatively high level of education of participants) of a large number of participants. 27% of respondents indicated to have a monthly income between 15,000 and 30,000 THB, which is just above the Thai minimum wage for university graduates of 15,000 THB and within the median household income range of the Thai population (Deloitte, 2016a).

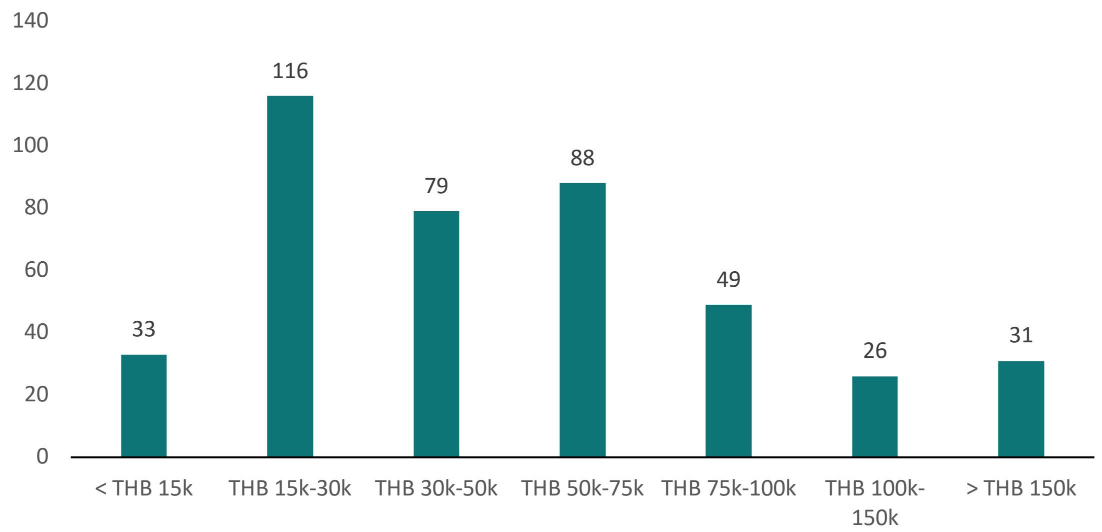

Figure 21: Income range (THB) of participants (n=422), own illustration based on survey data

The second most frequent answer indicated a monthly income in the range of 50,000 to 75,000 THB (21%), followed by 30,000 to 50,000 THB (19%). The least represented income groups were at the extremes of the spectrum.

3.5. Data evaluation

After the data collection was completed, the data was exported from the SurveyMonkey platform to Microsoft Excel. Where necessary, answers were converted into binary variables and provided with a variable name. Furthermore, proxy variables were created to introduce subgroups into the sample (e.g. millennials). Depending on the research question and hypothesis, different evaluations were performed in Microsoft Excel and, where appropriate, the statistics program Stata 13.

Where applicable, standard descriptive statistical measures like mean, median and standard deviation were employed to analyze the data. Where a comparison of means between to variables was performed, a t-test was conducted to test for statistical significance. The t-test allows to evaluate whether the difference of two means or the difference of the mean to a benchmark arises due to chance or if there truly is a significant difference (Boslaugh & Watters, 2008, p. 152):

$$H_0 = \mu_1 = \mu_2 \ \textbf{or} \ H_0 = \mu_1 = 50\%$$

The null hypothesis is rejected (i.e. the alternative hypothesis confirmed) should the resulting p-value be smaller than the predefined significance level of α. This means that the observed difference between two means or the mean and a benchmark is statistically significant if the p-value is smaller than α. In this research, a significance level of 95%, conforming with general conventions in social research (Boslaugh & Watters, 2008, p. 143) was chosen, setting α=5% respectively α=0.05.

In order to conduct a t-test, the investigated data needs to meet three main conditions. Firstly, the investigated attribute needs to be interval scaled. Secondly, the attribute is required to follow a normal distribution and thirdly homogeneity of variances is needed. Yet, there are studies that suggest, that the results of a t-test are valid even if the previously outlined conditions are violated. In that case, it is important that the investigated samples are of substantial size (ideally > 30 observations) and approximately of the same size

(Rasch, Friese, Hofmann & Nauman, 2014, pp. 42-44). In the present analysis, it is assumed that the three requirements of the t-test are fulfilled and therefore no other special non-parametric method is required.

In order to aid understanding, the results were visualized and prepared graphically to a large extent. The detailed results of the statistical analyses may be found in Appendix A2 to A7.

3.6. Limitations

Due to the research design and methodology outlined in the previous chapter, several limitations of this research need to be considered. Firstly, the data set is only representative for the age group of the researcher, which represents 63% of the total sample, other age groups are relatively underrepresented. Whilst data for other age groups is available, the sample may not be considered as representative and the consumer behavior of these consumers might, therefore, differ from the study's findings. In addition, due to the use of an online survey, the self-report bias described by Punch (2005) may cause deviations from actual behavior. Therefore, it might not be possible to use the results of this study to explain actual consumer behavior, especially with respect to answers that would portray the respondents with negative habits. Additional research has to be conducted to verify whether the stated behavior is equal to the actual consumer behavior in this context. Furthermore, there is a risk that the people who took the survey did not take it seriously and did not answer the questions honestly or just "click-through" the survey to leave their email address and participate in the lottery for the Starbucks voucher. As the survey can be answered on an anonymous basis, there is no possibility to ensure the authenticity of the observed results. Finally, despite all explanations offered throughout the survey, some business models of second-hand luxury selling are new to Thai consumers and might have led to confusion (i.e. selecting only the known options, instead of new, unknown ones). In terms of ethical aspects, no major problems are identified. The subjects were told the background and purpose of the study in the introduction of the survey, mitigating the problem of the use of the data without consent.

4. Data Analysis

This section analyses whether there is potential for a second-hand luxury reselling business in Thailand. In order to answer this question, the results of the survey will be evaluated, and the hypotheses developed in section 2.6 will be tested.

4.1. Research Question 1: Is there potential for a second-hand luxury reselling business in Thailand?

Firstly, it has to be noted that out of the 422 respondents, 394 (or 93%) had experienced the purchase of personal luxury goods as defined in the survey (Figure 22).

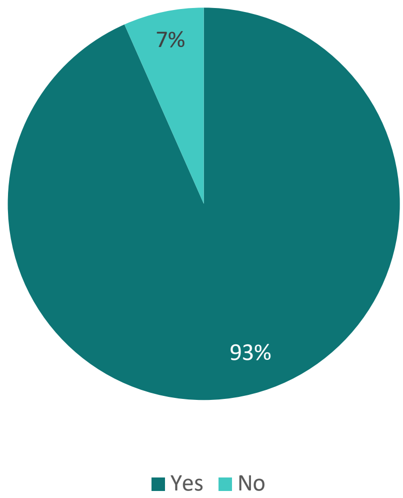

Figure 22: Purchase of luxury goods (n=422), own illustration based on survey data

Since it is logical to assume that the 28 participants, who previously did not engage in the purchase of personal luxury goods, have not purchased any second-hand luxury goods in the past, they were excluded from the calculation of the mean for the question regarding the respondents' second-hand luxury consumption experience. Yet, these participants will be included for any analysis regarding future consumer behavior, since they might develop into a consumer of personal luxury goods in the future.

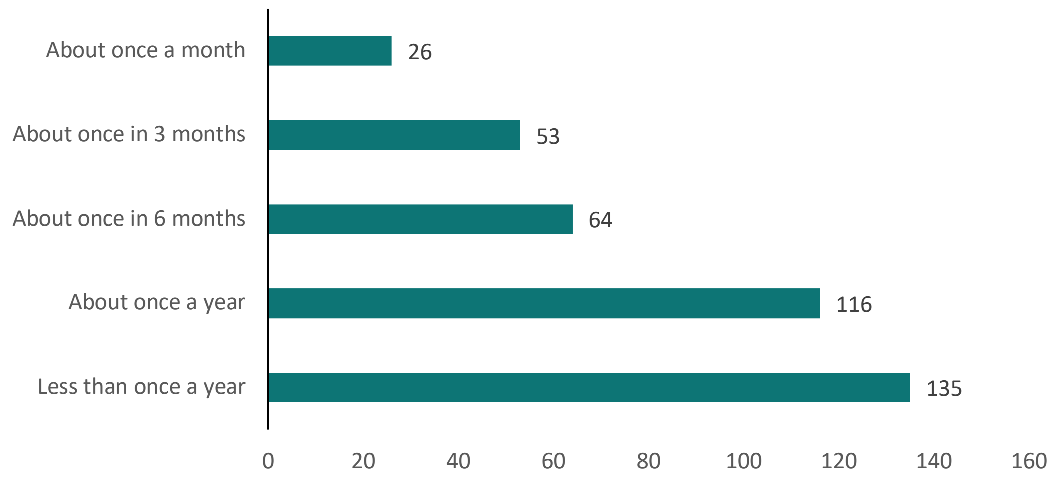

Figure 23: Frequency of personal luxury goods purchases (n=394), own illustration based on survey data

As visible in figure 23, participants mostly claimed to purchase luxury goods less than once a year, with the increasing purchase frequency decreasing in number of responses. Yet, 26 participants claimed to purchase personal luxury goods about once a month, which is surprising given Thai income levels. When asked about the type of good they purchased (multiple answers possible), participants claimed that Designer apparel and footwear (57%) and luxury leather goods (66%) were most popular (figure 24).

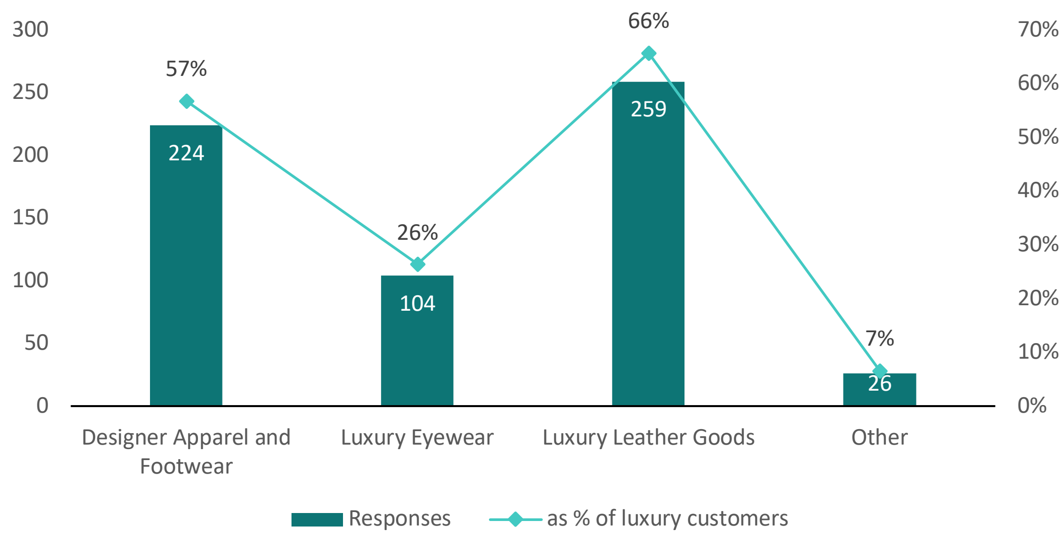

Figure 24: Type of personal luxury goods purchased (n=394), own illustration based on survey data

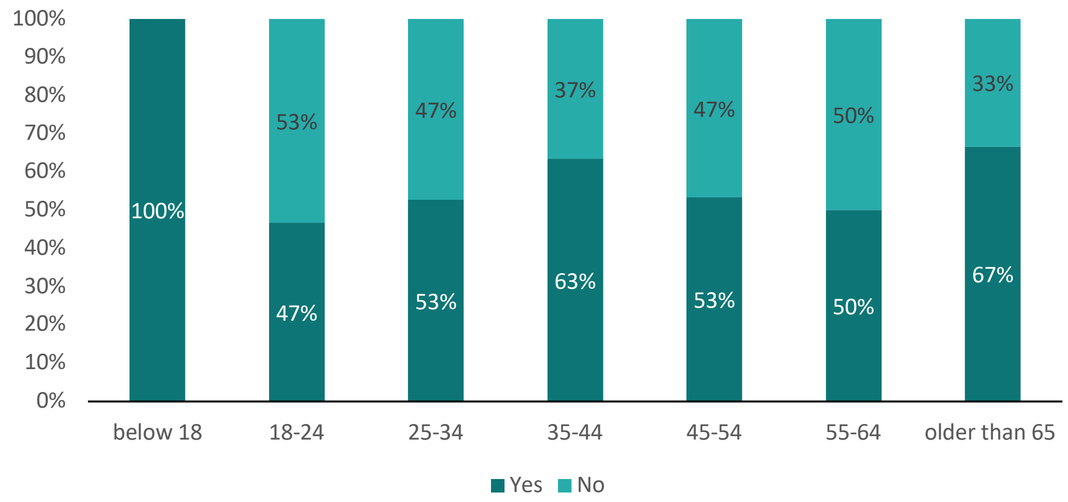

Figure 25: Second-hand luxury consumption experience by age group (n=394), own illustration based on survey data

Of the remaining 394 participants, 53% (212) claim to have engaged in second-hand luxury consumption before. Figure 25 and 26 show that second-hand luxury consumption is popular throughout age groups and income classes. Even participants in very high-income classes with a monthly income of THB 150,000 and more (ca. 5,000 USD) the majority of participants has purchased second-hand luxury consumption, indicating that the search for a fair price might not be the only driver behind second-hand luxury consumption in Thailand.

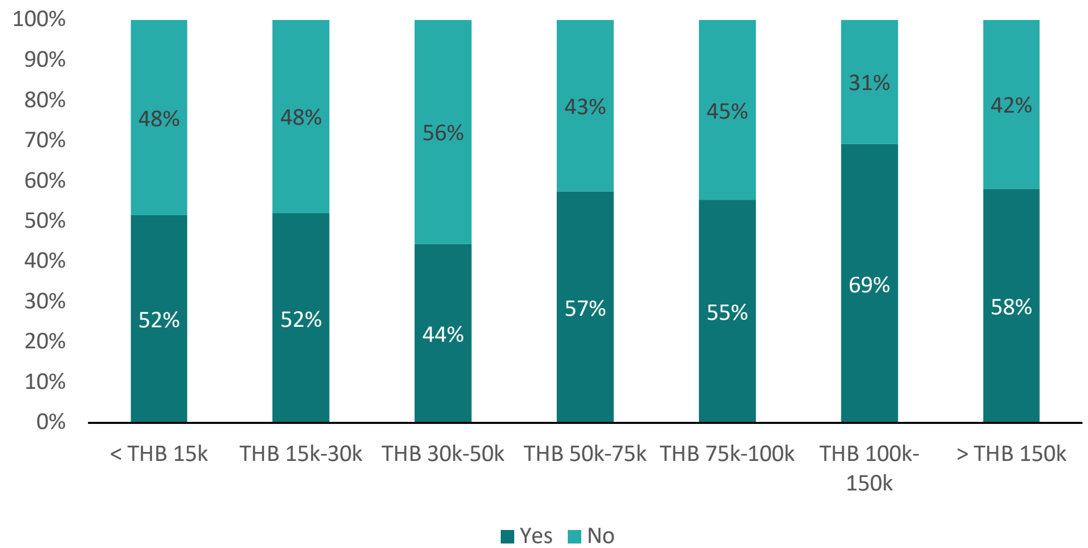

Figure 26: Second-hand luxury consumption experience by income (n=394), own illustration based on survey data

In order to make a sound judgment if the majority of Thai consumers engaged in second-hand luxury consumption in the past, it has to be tested if the difference of the mean is statistically significantly larger than 50% (i.e. more people engaged in second-hand luxury consumption than not). Therefore, the data of the two questions was converted to a dummy variable (yes=1, no=1) and a t-test with a 95% confidence level was performed.

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
nd_bin	**394**	**.5279188**	**.0251823**	**.4998547**	**.4784099**	**.5774277**

```
    mean = mean(nd_bin)                                           t =   1.1087
Ho: mean = 0.5                                   degrees of freedom =      393

   Ha: mean < 0.5              Ha: mean != 0.5              Ha: mean > 0.5
 Pr(T < t) = 0.8659       Pr(|T| > |t|) = 0.2683         Pr(T > t) = 0.1341
```

Figure 27: One-sample t-test of the second-hand purchase experience, illustration based on Stata 13 output

The results in Figure 27 indicate, that the observed mean of 52.7% lies within the 95% confidence interval of the test with a null hypothesis that the mean equals 50% and therefore not statistically significantly different from a mean of 50% based on a 95% confidence level. Moreover, the observed p-value of the alternative hypothesis that the mean is greater than 50% is 0.1341, or 13.41%, which lies above the 5% p-value necessary to conform with statistical significance on a 95% confidence level.

However, in order to evaluate the potential of the second-hand luxury market, not the past consumption behavior, but the future expected behavior is relevant. Also, it has to be considered that the lack of appropriate offerings (in terms of goods or the services offered) might have prevented consumers to purchase second-hand luxury goods in the past. In the questions whether they would like to engage in second-hand consumption of personal luxury goods when the offering was in accordance to their idea of service quality according to the dimensions introduced to them in the survey, 70% of all participants (i.e. 295) responded “Yes”. When performing the same t-test, with a 95% confidence level, the p-value of 0 for the alternative hypothesis (mean > 50%) confirms Hypothesis 1 that Thai consumers are more likely than not to engage in second-hand luxury consumption in the future. Furthermore, this indicates that the consumers are not satisfied with the current offering and would be more likely to take part in the market for second-hand luxury goods if a more suitable offering were available.

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
ndfutu~n	422	.6990521	.0223542	.4592145	.6551124	.7429919

```
    mean = mean(ndfuture_bin)                                  t =   8.9045
Ho: mean = 0.5                                degrees of freedom =      421

   Ha: mean < 0.5             Ha: mean != 0.5                Ha: mean > 0.5
 Pr(T < t) = 1.0000       Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

Figure 28: One-sample t-test of second-hand purchase expectation in the future, illustration based on Stata 13 output

However, in order to be able to provide an appropriate offering to the consumers that would motivate them to purchase second-hand luxury goods, it is crucial to understand what is important for potential customers. Therefore, the survey covered the motivations behind second-hand consumption and luxury consumption. Figure 29 illustrates the scores of the motivations for second-hand luxury consumption as introduced by Roux & Guiot (2010).

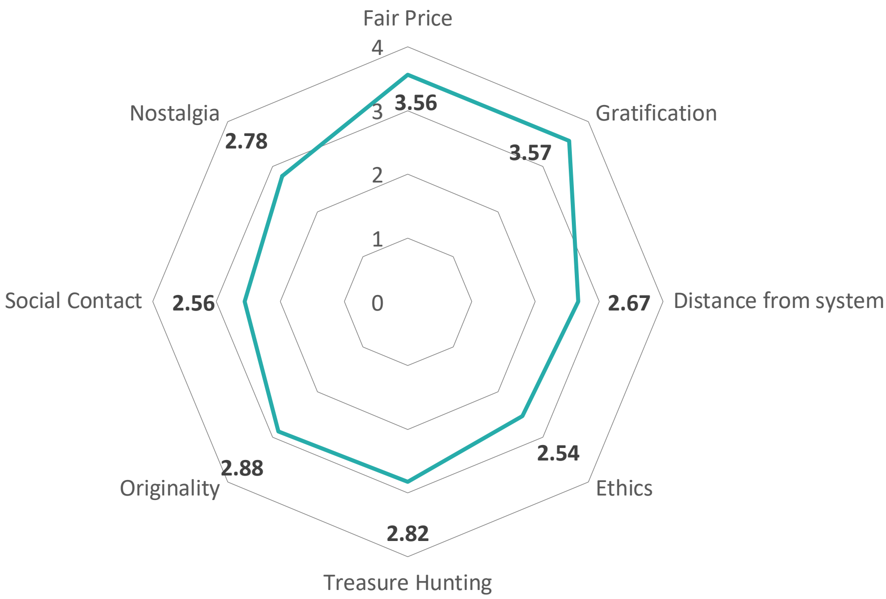

Figure 29: Second-hand consumption motivators according to Roux & Guiot (2010), own illustration based on survey data

According to the data from the survey, the gratification role of the price, which Roux & Guiot (2010) define as the satisfaction of having purchased something at a bargain price

(p. 387), has the highest importance for Thai consumers (score of 3.57 out of 5). The desire to pay a lower (fair) price achieved the second-highest score (3.56). This also leads to the falsification of Hypothesis 2, which assumed that the fair price would be the strongest motivator. However, when summing up the motivations in their overarching categories, a clear trend is visible: Economic motivations (fair price & gratification) have the highest mean and seem to be more important to Thai consumers than hedonic & recreational motivations as well as critical motivations. In order to be able to make a valid statement, it has to be tested whether the mean of economic motivations is significantly different from the mean of other motivations. Several paired t-tests have been performed, with a fair price as proxy variable for economic motivations[1] and summarized in table 3.

Fair price vs.	Degrees of freedom	Mean difference	t-value	PR (T > t)		
				H_a: diff < 0	H_a: diff $\neq 0$	H_a: diff > 0
Gratification	421	-0.012	-0.36	0.361	0.722	0.639
Distance from system	421	0.891	17.05	1.000	0.000***	0.000***
Ethics / Ecology	421	1.026	19.89	1.000	0.000***	0.000***
Treasure hunting	421	0.737	13.13	1.000	0.000***	0.000***
Originality	421	0.685	10.06	1.000	0.000***	0.000***
Social contact	421	1.002	16.64	1.000	0.000***	0.000***
Nostalgia	421	0.779	12.49	1.000	0.000***	0.000***

Table 3: Results table of paired t-tests, comparing the means of Fair price to the other motivators (n=422). Significance levels: 10%,5% **, 1%***, own illustration based on Stata 13 results (Appendix A3)*

When compared to other means, the alternative hypothesis of the t-test that the difference of the two means is more than 0 (i.e. the mean of fair price is larger) is accepted at the 1% level in all cases. Therefore, it is possible to conclude, that economic motivations are most important for Thai consumers when purchasing second-hand personal luxury goods.

[1] Since the difference in the means is very small, either of the two economic variables could have served as proxy variable. In a conservative approach, the variable with the lower mean has been selected.

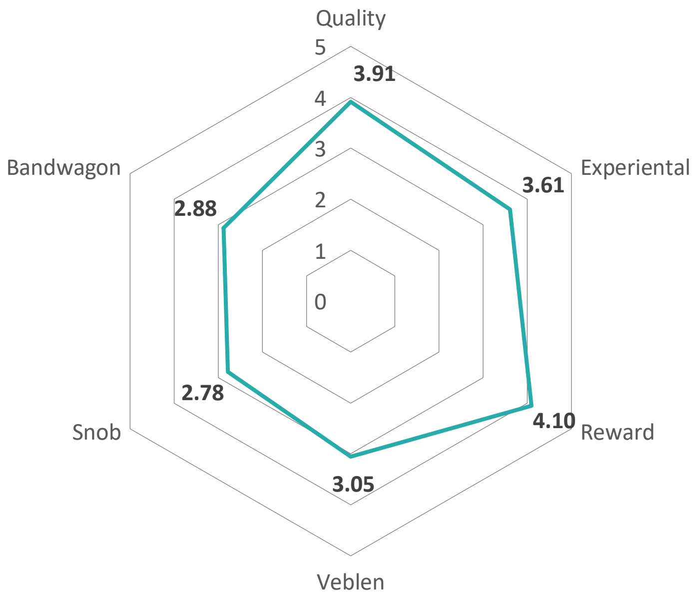

Figure 30: Luxury consumption motivators according to Eastman et al. (1999), own illustration based on survey data

Finally, it is important to understand why Thai consumers purchase personal luxury items. Due to the characteristics of the cultural dimensions introduced by Hofstede et al. (2010), it was hypothesized that due to the collectivist culture of Thailand, the bandwagon effect will yield the highest score among the six antecedents proposed by Eastman et al. (1999).

Reward vs.	Degrees of freedom	Mean difference	t-value	PR (T > t)		
				H_a: diff < 0	H_a: diff $\neq 0$	H_a: diff > 0
Quality	421	0.182	4.14	1.000	0.000***	0.000***
Experiential	421	0.483	10.60	1.000	0.000***	0.000***
Veblen	421	1.035	20.12	1.000	0.000***	0.000***
Snob	421	1.317	24.46	1.000	0.000***	0.000***
Bandwagon	421	1.220	22.95	1.000	0.000***	0.000***

Table 4: Results table of paired t-tests, comparing the means of Reward to the other antecedents (n=422). Significance levels: 10%,5% **, 1%***, own illustration based on Stata 13 results (Appendix A4)*

However, contrary to Hypothesis 3, the bandwagon effect yielded the second-lowest score (2.88 out of 5), whilst Thai consumers claim that self-concept (reward) is their primary driver when purchasing personal luxury goods. By performing several t-tests, it is possible to show that the mean of self-concept is statistically significantly larger than the other antecedents. Table 4 shows that when compared to other means, the mean of reward is the highest with a statistical significance of 99%. To be able to optimally harvest the potential of the Thai second-hand market for personal luxury goods, a potential market entrant needs to understand, which factors in terms of service are important to potential customers. By having a good understanding of these factors, new entrants may choose the ideal business model (and corresponding level of service) in order to attract customers and optimize their internal processes and margins.

4.2. Research Question 2: Which service parameter is most important for Thai consumers in regard to second-hand luxury consumption

In section 2.4 the service quality model, SERVQUAL, of Parasuraman et al. (1988) was introduced. It identifies five dimensions of service quality: Reliability, Responsiveness, Assurance, Tangibility and Empathy. Due to the counterfeiting problem in Thailand (Sukhapinda, 2018) as well as the relatively high value of personal luxury goods as compared to Thai income levels, it has been hypothesized that Assurance, which revolves around trust and confidence in the service, would be most valued by Thai consumers.

The survey encompassed eleven questions revolving around service, which have been summarized in the overarching five dimensions as depicted in table 5.

Determinant	Definition	Responses (mean)
Reliability	Ability to perform the promised service dependably and accurately	• Reasonable Price (4.27) • Secure Payment (4.26) • Secure Delivery (4.20)
Responsiveness	Willingness to help customers and provide prompt service	• Convenient Access (3.91)
Assurance	Knowledge and courtesy of employees and their ability to convey trust and confidence	• Authenticity (4.43) • Condition (4.40) • Reputation (4.35) • Guarantee (4.09)
Tangibles	Appearance of physical facilities, equipment, written materials and personnel	• Touch & Feel (3.86) • Variety of Choices (3.79)
Empathy	Caring, individualized attention the firm provides its customers	• Customer Service (3.88)

Table 5: Allocation of survey questions into overarching service dimensions according to Parasuraman et al (1988), own table based on Parasuraman et al. (1988) and survey data

In order to be able to analyze the results in with the overarching dimensions, the average scores of the single questions have been taken to create a score for the five dimensions, resulting in the characteristics shown in figure 31.

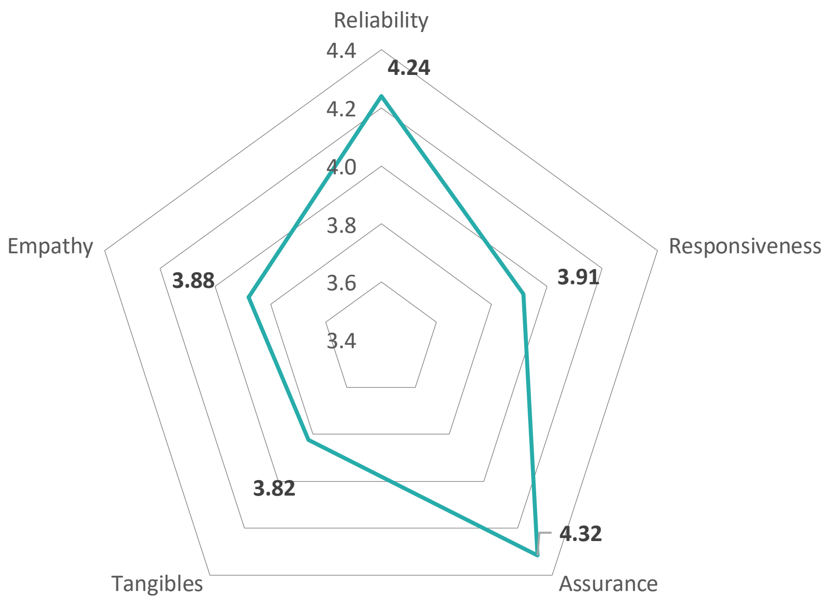

Figure 31: Dimensions of service quality according to Parasuraman et al. (1988), own illustration based on survey data

In line with Hypothesis 3, the chart shows that the mean of Assurance is highest with an average score of 4.32 (out of 5), followed by Reliability with a score of 4.24. The score for the remaining dimensions all lies above 3 (i.e. neutral opinion), indicating that Thai consumers are expecting a high level of service quality when purchasing second-hand personal luxury goods. In order to make a sound judgment if the mean score of Assurance is the highest among the SERVQUAL dimensions, several paired t-tests have been employed to test the statistical significance of the mean difference.

Table 6 shows that when compared to other means, the mean score of Assurance is the highest with a statistical significance of 99% as the alternative hypothesis of the mean difference being greater than zero is accepted with a p-value of 0 in all cases. The t-value is lowest in the case of the comparison with Reliability, which also has the second-highest mean, and is highest in the comparison with Tangibles.

Assurance vs.	Degrees of freedom	Mean difference	t-value	PR (T > t)		
				H_a: diff < 0	H_a: diff ≠ 0	H_a: diff > 0
Reliability	421	0.076	4.44	1.000	0.000***	0.000***
Responsiveness	421	0.401	12.96	1.000	0.000***	0.000***
Tangibles	421	0.491	17.31	1.000	0.000***	0.000***
Empathy	421	0.437	8.32	1.000	0.000***	0.000***

Table 6: Results table of paired t-tests, comparing the means of Assurance to the service quality dimensions (n=422). Significance levels: 10%,5% **, 1%***, own illustration based on Stata 13 results (Appendix A5)*

In addition to the SERVQUAL dimension, participants were asked for additional factors that they would desire. Firstly, it was pointed out that alternatives to credit card payment should be provided as Thailand is still a cash-based economy. Secondly, in-person pickup should be available so the buyer can verify the condition of the merchandise. Also, a price comparison to the original price of the good was requested to be included in the offering.

In line with the high expectations for service quality, Hypothesis 5 states that Thai consumers prefer from second-hand luxury resellers with high service quality ratings (>15) compared to low service quality ratings according to the analysis conducted in section 2.4.2.

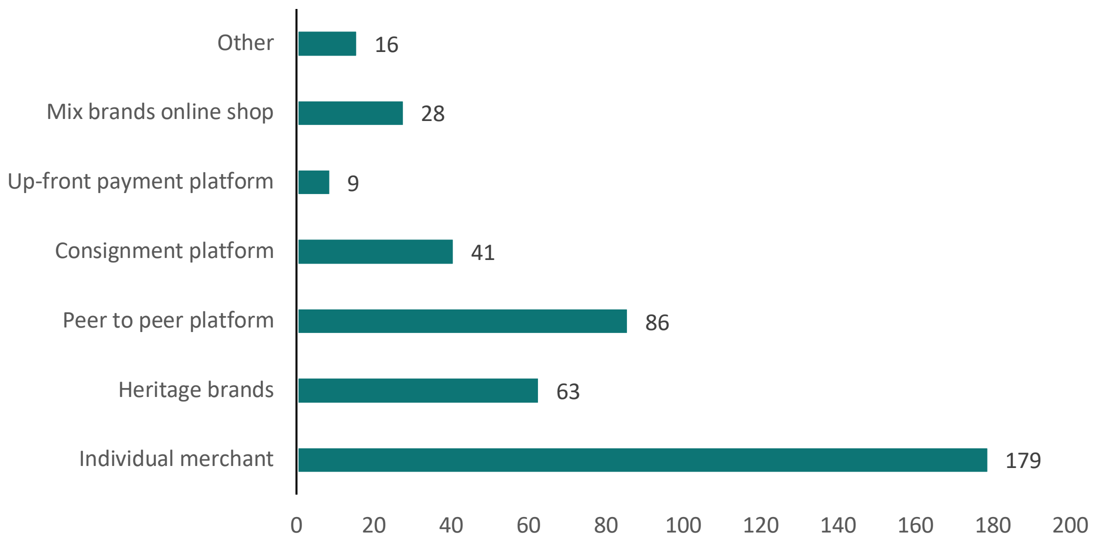

Figure 32: Preferred second-hand luxury reselling channel by Thai customers, own illustration based on survey data

Figure 32 shows that the survey participants prefer individual merchants (42%) and Peer-to-peer platforms (20%), which have both been classified as low service providers in section 2.4.2. In their type, these business models resemble markets, where it is possible to bargain and communicate with the buyers directly, which according to (Deloitte, 2019, p. 66) is part of the Thai culture. However, since only the business model for luxury reselling that is currently available in Thailand is Individual Merchants and Peer-to-peer platforms are a common trading concept outside the luxury reselling space (e.g. eBay, Lazada marketplace), respondents might have been biased towards an option that is known by them. In order to draw a more accurate conclusion, a dummy variable has been created, separating businesses by their service quality according to the analysis in section 2.4.2 (where high=1 and low=0). When investigating the mean of 0.34 it is evident that Hypothesis 5 has to be rejected as the observed mean is below 50% with a statistical significance of 99%.

Finally, Hypothesis 6, *Thai consumers prefer to buy second-hand goods through online channels as compared to offline channels*, can also be answered. Figure 33 shows the preferences of survey participants in regard to the purchase channel for second-hand personal luxury goods. All age groups, except participants older than 65, would prefer to purchase their goods online. When using a t-test to test the hypothesis that the observed mean is statistically significantly different from 50%, the t-value of 9.8 permits to accept the hypothesis that Thai consumers prefer the online channel on a 99% significance level.

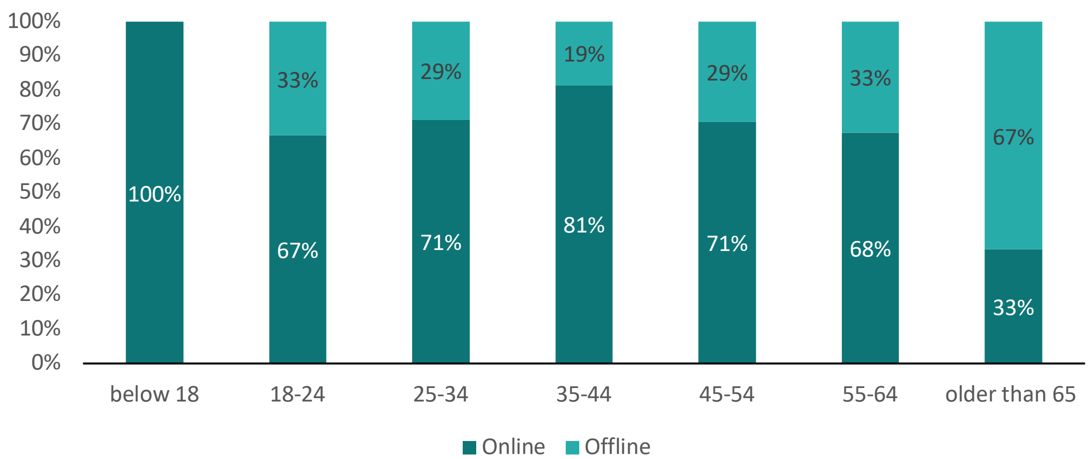

Figure 33: Preferred purchase channel of survey participants, own illustration based on survey data

In the following paragraphs, the meaning of the observed results will be discussed in the context of the two research questions and it will be evaluated how a potential market entrant can harvest the potential of the Thai second-hand reselling market for personal luxury goods in an optimal manner.

5. Discussion

Purpose of this study was to evaluate the potential of the second-hand market for personal luxury goods in Thailand and explore the possibility of market entrance by an international or Thai company. Regarding the potential of the second-hand market, the research has found that Thailand has an attractive business environment and that a potential customer base of second-hand luxury consumers exists. In terms of the possibility of market entrance by a new reselling business, the study has produced mixed results as on one hand, Thai consumers desire high service quality in second-hand luxury reselling and on the other hand, they chose providers with low service quality as their favorite means of reselling.

Research question 1, *is there potential for a second-hand luxury reselling business in Thailand?,* was tackled with secondary and primary research. When considering the economic outlook and general business environment, Thailand offers a mixed picture, whilst the political situation in the country is tense, it has been stabilizing over the past years. Yet, the economy has shown resilience in the past and grew steadily and is expected to continue its upward trend in the future. In the south-east Asian region, Thailand offers a good environment to start a business, especially in the digital sector, which is being pushed by the government in its initiative "Thailand 4.0" (Deloitte, 2018a). A major risk factor for a business active in the second-hand retail of personal luxury goods is the prevailing counterfeiting problem of the country, which needs to be addressed by any business that considers entering the market. This is also underlined by the results presented in section 4.1 that showed the importance of assurance and in particular authenticity, which had the highest score (4.41 out of 5) among the questions related service quality, for Thai consumers in relation to the second-hand purchase of personal luxury items.

In addition to the favorable overall business environment, both internationally and in Thailand, the luxury industry is expected to grow in the forthcoming years (Euromonitor International, 2019b, p. 1). Despite the volatile economic environment of Thailand has experienced in the past years, the market for personal luxury items experience a steady growth and is expected to do so in the future at a CAGR of 5% through to 2023 when the market is expected to reach a total volume of 86.9 billion THB (Euromonitor International, 2019b, p. 5). Globally, the market for second-hand luxury retailing is expected to grow to a total market volume of 41 billion USD by 2022 (D'Arpizio et al. 2019). According to Euromonitor International (2019b, p. 5), the Thai market is expected to follow along fulfilling the prerequisites of a successful market entrance for a second-hand luxury reselling company. Furthermore, Reinhard (2019) states that the internet savvy millennial age group is a major driver for second-hand consumption and adopts this behavior 2-5 times faster than other generations. Therefore, it might be worthwhile for any business looking to enter this market, to focus on this particular age group. Millennials, who according to Bolton et al. (2013) are nowadays aged between 20 and 39 years (i.e. born between 1980 and 1999), currently account for 20.6% of the Thai population (Population Pyramid, 2017). This generation is bound to replace the traditional luxury consumer (i.e. the baby boomers) and is bound to transform the luxury industry (Barton, Fromm & Egan, 2012, p. 3). Furthermore, Eastman & Liu (2012) mention that millennials have the highest level of status consumption when compared to other generations (p. 94). According to D'Arpizio et al., (2019), more than 40% of the overall luxury goods market will be represented by millennials and Generation Z consumers, who expect to interact with brands across digital platforms rather than through traditional channels. It has to be the goal of any market entrant in the second-hand luxury reselling space to target this large customer group as good as possible.

The analysis of the primary data in chapter 4.1 has revealed that more than 50% of the survey participants have had experience with purchasing second-hand luxury goods in the past and even 70% would consider doing so in the future. In the promising age group of millennials, 79% expressed their desire to engage in second-hand luxury consumption when given an appropriate opportunity. In terms of drivers for second-hand luxury consumption, the survey participants stated economic motivations as their main driver, which was also hypothesized due to the country's relatively low-income levels in comparison with the price of luxury goods. Unlike hypothesized, Thai consumers are not driven by the Bandwagon effect when engaging in the consumption of second-hand personal luxury goods. However, it may be seen as positive that the score for the Veblen effect is below 3 (i.e. neutral opinion), indicating that Thai consumers are not motivated to purchase luxury goods due to their desire to buy a good merely because it is expensive and signals their status. A high score for this antecedent would have weakened the business proposition as second-hand luxury consumption is not associated with a high status. The observed high score for the reward dimension shows that Thai consumers primarily want to reward themselves by purchasing luxury goods, which is also possible when buying pre-owned items. According to Hofstede et al. (2010, p. 243), it would have been expected that the Quality antecedent, which received the second-highest score in the survey, scores low due to the short-term orientation in Thai culture. The mispredictions made in the hypothesis might suggest that the data gathered by Hofstede might be outdated and not correct anymore, a separate investigation into the matter of cultural studies is suggested.

Considering the outcomes of primary and secondary research that was conducted in this study, it may be claimed that there is potential for a second-hand luxury reselling business in Thailand. The general market environment, as well as the willingness of Thai consumers to engage in second-hand consumption of personal luxury items, suggest that the first research questions may be answered with *yes*.

The second research questions, w*hich service parameter is most important for Thai consumers in regard to second-hand luxury consumption?,* was investigated with primary research in the form of aforementioned survey and in particular the SERVQUAL model proposed by Parasumaran et al. in 1988. The primary objective of this research question was to find the appropriate business model, which should be pursued by a market entrant in order to be able to harvest the maximum potential from the market.

As hypothesized, Assurance is the most important service parameter for Thai consumers in regard to second-hand luxury consumption. Within the overarching dimension of Assurance, Authenticity (4.43 out of 5) and Condition (4.40) of merchandize were most important for the survey participants. Therefore, it is crucial for a market entrant to ensure these two traits of the merchandise, for example by employing an expert (so-called authenticator) who is able to offer authenticity certificates such as they are employed in successful international second-hand reselling platforms such as Rebag (Liu, 2018). Along with Assurance, all other service dimensions have received great importance from the survey respondents, with the lowest score being Tangibility (3.86). However, when asked directly, which business model they would prefer, individual merchants were chosen by the majority, followed by peer-to-peer platforms, which have been classified as business models with low service quality is section 2.4.2, leading to the rejection of Hypothesis 5. The fact that participants chose these options despite having claimed to value service quality in other sections of the survey might be driven by the availability bias, which leads individuals to choose options (or answers), which come to mind with ease (i.e. are known) (Tversky & Kahneman, 1973, p. 207). As outlined in section 4.2, only the business model of individual merchants is currently available in the second-hand luxury reselling market in Thailand and survey participants are likely familiar with the concept of a peer-to-peer marketplace from other industries (e.g. eBay, Shoppee) and therefore chose what is known by them despite the short explanations that were provided in the survey. In an attempt to find the ideal second-hand reselling business model, Table 7 matches the survey results with the analysis conducted in section 2.4.2.

Dimension	Survey results	Online IM	Offline IM	HBS	P2P	CS	UPS	MOS
Reliability	4.22	2	3	5	3	4	4	4
Responsiveness	3.90	4	3	5	3	4	4	4
Assurance	4.30	2	2	5	3	4	4	5
Tangibility	3.81	2	3	5	3	3	3	3
Empathy	3.86	3	4	2	3	3	3	3
Total	**20.09**	**13**	**15**	**22**	**15**	**18**	**18**	**19**

Table 7: Comparison of service quality dimensions from the survey (green shading) with available business models as analyzed in section 2.4.2. Green font indicates the closest match in a dimension and blue shading the highest overall fit, own illustration based on survey results

The most matches per dimension are achieved with the business model of a Consignment service ("CS") and Upfront Payment Service ("UPS"). Mixed Brand Online Shops ("MOS") could also be considered since a higher score in the Assurance dimension would be perceived as positive, yet might be associated with higher prices. Since, according to the previously discussed results of this study, the major motivation for second-hand consumption in regard to personal luxury items are economic motivations, the business models of a Consignment service or Upfront Payment Service most suggestive from the consumers' point of view. However, this study did not investigate the opinions of the sellers (i.e. the previous owners of the second-hand goods) and therefore does not take into consideration their opinions. The proposed business models yield the same score from a service quality perspective of the customer; however, a seller might prefer a Consignment Service as it will offer the seller a higher return (or prefer an Upfront Payment Service as it offers higher transaction security) (Gorra, 2018). This remains to be investigated before a final market entrance decision is made.

Finally, the analysis in section 4.2 showed that the online channel is preferred by Thai consumers for purchasing second-hand personal luxury goods. Only participants with an age of over 65 years preferred the offline channel. Online businesses have the advantage that they are easily accessible throughout the country and not only in metropolitan areas, where most of the offline merchants for second-hand luxury goods are located today. The use of dedicated online platforms might help to engage more consumers that have previously not been able to purchase second-hand luxury goods since they are only sold online via social media channels at the moment. Especially with the growing importance of the millennial generation, the use of digital platforms is of great importance. They are unique from previous generations due to their mindset, which has been heavily influenced by technological advancement (Mark, 2017, p. 18). This technological affinity led many luxury brands to engage with the younger generations through social media platforms (Deloitte, 2019, p. 66) and is also encouraged to any market entrants in the second-hand personal luxury market. To answer the second research question, it is possible to say that Assurance is the most important service parameter for Thai second-hand luxury consumers. Furthermore, it may be noted that the consumers expect high overall service quality and prefer to conduct business through the online channel – these traits should be kept in mind by potential new market entrants.

Since the age group of millennials made up about 63% of the sample, the averages scores for the antecedents for second-hand consumption (Roux & Guiot, 2010) and luxury consumption (Eastman et al., 1999) or service quality (Parasumaran et al., 1988) do not differ significantly (i.e. less than 3%) from the complete sample. Therefore, no separate conclusions for this, for the future of luxury consumption, important age group may be drawn. Future research taking into account special traits of millennials should be conducted in order to gain a deeper understanding of the future of the industry and be able to better take into account their tastes.

6. Conclusion

This thesis was set out to investigate the potential of a market entrance into the personal luxury goods resale market in Thailand. The aim was to gain a better understanding of the Thai consumers' attitude towards second-hand personal luxury consumption as well as the underlying service quality in order to evaluate the potential of a market entrance into the personal luxury goods resale market.

Firstly, a literature review was conducted, based on which six hypotheses were developed. The empirical part in the form of an online customer survey was designed to answer these hypotheses. The results suggest that there is potential for a market entrance into the personal luxury goods resale market in Thailand and that Thai consumers expect a high level of service quality form market participants.

The survey results confirmed some of the hypotheses developed previously, yet also delivered results that led to the disproval of two hypotheses. Firstly, in an attempt to evaluate the potential of the second-hand market for personal luxury goods, the market was evaluated by conducting a PESTEL analysis of Thailand and review secondary literature analyzing the luxury and second-hand luxury market globally and on a national level. Despite an ambiguous political situation and a legal system that is not up to the highest standards of developed economies, the overall market conditions were found to be favorable due to the sound economic outlook, friendly business conditions and strong growth perspectives offered in the markets in questions. In a second step, with the help of the empirical analysis, it was confirmed that Thai consumers are interested in purchasing second-hand personal luxury items.

In line with expectations, second-hand consumption of personal luxury items is driven by economic factors, most likely due to the relatively high price of such items in relation to the income levels of Thai consumers. Other motivators for second-hand consumption that have been identified by previous literature did not yield high approval and were affiliated with a neutral attitude. In terms of motivators for luxury consumption, participants of the online survey chose self-concept (i.e. reward) as their main motivator for the purchase of luxury goods and claimed that status-related motives are not the driver in their decision to purchase personal luxury items. The low score for status-related motives (i.e. Veblen and Snob effect) is a positive signal for the second-hand market of personal luxury items since second-hand consumption is not associated with status and might even contradict it. Therefore, it may be concluded that the potential of the second-hand personal luxury market in Thailand is existent and may be seen as attractive due to the high willingness of consumers to engage in this form of consumption, which is supported by the behavioral traits explored, as well as the sound business conditions in the country.

In order to evaluate whether this potential may be exploited effectively, the attitude of Thai consumers toward service quality in the personal luxury reselling business was investigated. Ambiguous results have been yielded due to the fact that the survey respondents claimed to prefer business models, which have been classified as being associated with a low service quality by the researcher (i.e. individual merchant, peer-to-peer platforms), despite proclaiming their desire for high service quality when prompted. It is assumed that the survey participants suffer from the availability bias and therefore chose business models that are well known and currently available in Thailand. Hence, it was concluded that the direct expression of desire for a high level of service quality in the survey would be more relevant. Due to the absence of any providers of such a high level of service, it was concluded that there is a gap in the market offering which might be filled by a new market entrant.

In order to lay the groundwork for a potential entrant, the survey results have been evaluated to determine the best-suited business model for the Thai personal luxury goods reselling market. Based on the analysis of the answers provided one of two models is suggested: Either a Consignment Service or an Upfront Payment service best suit the Thai consumers' service expectations. Furthermore, the study found that distribution through an online channel is preferred by the survey participants, which is would be suggestive in any case due to the expected future importance of the internet savvy millennials for the personal luxury goods market. Furthermore, the survey showed that Apparel as well as Luxury leather goods are most important among consumers, suggesting that any market entrant should lay emphasis on this category.

However, in the course of this study, several limitations of the research were uncovered. Firstly, there are methodological limitations. The sample largely (63%) consisted of the researcher's age group and therefore might not have representative qualities for the Thai population. This may be mitigated by engaging in a wider spread sampling method. Furthermore, due to the use of an online survey, it might be possible that the self-report bias causes deviations from the actual behavior of consumers, who might avoid socially unacceptable answers (e.g. being perceived as materialistic). Therefore, it might not be possible to use the results of this study to explain actual consumer behavior. Additional research has to be conducted to verify whether the stated behavior is equal to the actual consumer behavior in this context. Moreover, it is possible that the availability bias distorted results as only a few people in Thailand know some of the business models introduced in this thesis and therefore might have responded what is known to them. For future research, a more detailed explanation of the business models is recommended before it is possible to answer questions addressing them. In terms of ethical aspects, no major problems are identified. The research subject's privacy will be ensured mostly due to the anonymity of an online survey and the use of the snowball method (i.e. most of the participants will not be known by the researcher). In addition, the analysis of the SERVQUAL dimension in regard to the business models of luxury reselling businesses was done by the researcher and is therefore biased subjectively. To mitigate such bias in future research, an expert panel should be questioned in order to determine more objective ratings for the service quality.

Finally, this study uncovered new areas that researchers might tackle in the future. Firstly, the scores for the cultural dimensions which have been developed by Hofstede et al. (2010) seem to have lost their validity and may need to be updated. A large-scale study of Thailand's cultural dimensions might benefit future researchers when trying to project behavior based on cultural traits. Furthermore, this study only focused on the consumer side of the second-hand market, which by definition also has former consumers as sellers. In order to find the ideal business model, it is recommended that the preferences of those sellers are explored and taken into account by a successful market entrant. Furthermore, potential market entrants should consider characteristics that are specific to Thailand (e.g. offer cash-payment at 7-Eleven). Finally, due to the importance of the millennial generation for the second-hand personal luxury goods market, an investigation of this specific age group's preferences may be of interest for practitioners and academics alike.

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Appendix

Appendix A1: Allocation of survey questions into overarching service dimensions according to Parasuraman et al (1988)

Determinant	**Definition**	**Questions 29-30**
Reliability	Ability to perform the promised service dependably and accurately	• Q36 - Reasonable Price • Q29 - Secure Payment • Q35 - Secure Delivery
Responsiveness	Willingness to help customers and provide prompt service	• Q31 - Convenient Access
Assurance	Knowledge and courtesy of employees and their ability to convey trust and confidence	• Q30 - Authenticity • Q34 - Condition • Q37 - Reputation • Q38 - Guarantee
Tangibles	Appearance of physical facilities, equipment, written materials and personnel	• Q32 - Touch & Feel • Q33 - Variety of Choices
Empathy	Caring, individualized attention the firm provides its customers	• Q39 - Customer Service

Appendix A2: Stata 13 results Hypothesis 1

```
. ttest  ndfuture_bin ==0.5

One-sample t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
ndfutu~n |     422    .6990521    .0223542    .4592145    .6551124    .7429919
------------------------------------------------------------------------------
    mean = mean(ndfuture_bin)                                     t =   8.9045
Ho: mean = 0.5                                   degrees of freedom =      421

   Ha: mean < 0.5             Ha: mean != 0.5              Ha: mean > 0.5
 Pr(T < t) = 1.0000       Pr(|T| > |t|) = 0.0000        Pr(T > t) = 0.0000

. drop if  Luxury_bin==0
(28 observations deleted)

. ttest nd_bin ==0.5

One-sample t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
  nd_bin |     394    .5380711    .0251484    .4991824    .4886288    .5875134
------------------------------------------------------------------------------
    mean = mean(nd_bin)                                           t =   1.5139
Ho: mean = 0.5                                   degrees of freedom =      393

   Ha: mean < 0.5             Ha: mean != 0.5              Ha: mean > 0.5
 Pr(T < t) = 0.9346       Pr(|T| > |t|) = 0.1309        Pr(T > t) = 0.0654
```

Appendix A3: Stata 13 results Hypothesis 2

```
. ttest FairPrice == GratificationRoleofPrice

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr~e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Gratif~e |     422     3.57346    .0455876    .9364901    3.483852    3.663067
---------+--------------------------------------------------------------------
    diff |     422   -.0118483    .0332943    .6839538   -.0772922    .0535955
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - GratificationR~e)              t =  -0.3559
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 0.3611         Pr(|T| > |t|) = 0.7221          Pr(T > t) = 0.6389

. ttest FairPrice == Distancefromthesystem

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr~e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Distan~m |     422    2.670616    .0472842    .9713419    2.577674    2.763559
---------+--------------------------------------------------------------------
    diff |     422    .8909953    .0522477    1.073306    .7882964    .9936941
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - Distancefromth~m)              t =  17.0533
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest FairPrice == EthicsEcology

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr~e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Ethics~y |     422    2.535545    .0425043    .8731503    2.451998    2.619092
---------+--------------------------------------------------------------------
    diff |     422    1.026066    .0515824    1.059639    .9246752    1.127457
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - EthicsEcology)                 t =  19.8918
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

```
. ttest FairPrice == TreasureHunting

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr~e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Treasu~g |     422    2.824645    .0518171    1.064459    2.722792    2.926497
---------+--------------------------------------------------------------------
    diff |     422    .7369668    .0561333    1.153126    .6266304    .8473032
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - TreasureHunting)               t =  13.1289
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest FairPrice == Originality

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr~e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Origin~y |     422    2.876777    .0514119    1.056135    2.775721    2.977833
---------+--------------------------------------------------------------------
    diff |     422    .6848341    .0680651    1.398237    .5510443    .8186239
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - Originality)                   t =  10.0615
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
. ttest FairPrice == Socialcontact

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr~e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Social~t |     422    2.559242    .0428375    .8799954     2.47504    2.643444
---------+--------------------------------------------------------------------
    diff |     422     1.00237    .0602534    1.237764    .8839346    1.120805
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - Socialcontact)                 t =  16.6359
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

```
. ttest FairPrice == Nostalgia

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
FairPr-e |     422    3.561611    .0463635    .9524292    3.470479    3.652744
Nostal-a |     422    2.781991    .0498753    1.024571    2.683955    2.880026
---------+--------------------------------------------------------------------
    diff |     422    .7796209     .062433    1.282538    .6569017    .9023401
------------------------------------------------------------------------------
     mean(diff) = mean(FairPrice - Nostalgia)                     t =  12.4873
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

Appendix A4: Stata 13 results Hypothesis 3

```
. ttest Reward == Quality

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
  Reward |     422    4.094787    .0367703    .7553586    4.022511    4.167063
 Quality |     422    3.912322    .0396819    .8151708    3.834323    3.990322
---------+--------------------------------------------------------------------
    diff |     422    .1824645    .0440637    .9051846    .0958522    .2690767
------------------------------------------------------------------------------
     mean(diff) = mean(Reward - Quality)                          t =   4.1409
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest Reward == Experiental

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
  Reward |     422    4.094787    .0367703    .7553586    4.022511    4.167063
Experi~l |     422    3.611374    .0432459    .8883856     3.52637    3.696379
---------+--------------------------------------------------------------------
    diff |     422    .4834123    .0455976    .9366944    .3937851    .5730396
------------------------------------------------------------------------------
     mean(diff) = mean(Reward - Experiental)                      t =  10.6017
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest Reward == Bandwagon

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
  Reward |     422    4.094787    .0367703    .7553586    4.022511    4.167063
Bandwa~n |     422    2.874408    .0488722    1.003963    2.778344    2.970471
---------+--------------------------------------------------------------------
    diff |     422    1.220379     .053183    1.092519    1.115842    1.324916
------------------------------------------------------------------------------
     mean(diff) = mean(Reward - Bandwagon)                        t =  22.9468
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

```
. ttest Reward == Veblen

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
  Reward |     422    4.094787    .0367703    .7553586    4.022511    4.167063
  Veblen |     422    3.059242    .0489398    1.005353    2.963045    3.155438
---------+--------------------------------------------------------------------
    diff |     422    1.035545    .0514597    1.057118    .9343951    1.136695
------------------------------------------------------------------------------
     mean(diff) = mean(Reward - Veblen)                           t =  20.1234
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest Reward == Snob

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
  Reward |     422    4.094787    .0367703    .7553586    4.022511    4.167063
    Snob |     422    2.777251    .0497125    1.021226    2.679536    2.874967
---------+--------------------------------------------------------------------
    diff |     422    1.317536    .0538637    1.106502     1.21166    1.423411
------------------------------------------------------------------------------
     mean(diff) = mean(Reward - Snob)                             t =  24.4606
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

.
```

Appendix A5: Stata 13 results Hypothesis 4

```
. ttest  Assurance == Reliability

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Assura~e |     422    4.315758    .0287636    .5908802     4.25922    4.372296
Reliab~y |     422    4.240126    .0304956    .6264608    4.180184    4.300069
---------+--------------------------------------------------------------------
    diff |     422    .0756319    .0170319    .3498811    .0421537    .1091102
------------------------------------------------------------------------------
     mean(diff) = mean(Assurance - Reliability)                   t =   4.4406
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest  Assurance == Responsiveness

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Assura~e |     422    4.315758    .0287636    .5908802     4.25922    4.372296
Respon~s |     422    3.914692    .0358966    .7374104    3.844133    3.985251
---------+--------------------------------------------------------------------
    diff |     422    .4010664    .0309499    .6357931    .3402307     .461902
------------------------------------------------------------------------------
     mean(diff) = mean(Assurance - Responsiveness)                t =  12.9586
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000

. ttest  Assurance == Tangibles

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Assura~e |     422    4.315758    .0287636    .5908802     4.25922    4.372296
Tangib~s |     422    3.824645    .0327474    .6727186    3.760276    3.889013
---------+--------------------------------------------------------------------
    diff |     422    .4911137    .0283736    .5828694    .4353421    .5468854
------------------------------------------------------------------------------
     mean(diff) = mean(Assurance - Tangibles)                     t =  17.3088
 Ho: mean(diff) = 0                              degrees of freedom =      421

Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

```
. ttest  Assurance == Empathy

Paired t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Assura~e |     422    4.315758    .0287636    .5908802     4.25922    4.372296
 Empathy |     422    3.879147    .0431528    .8864733    3.794325    3.963969
---------+--------------------------------------------------------------------
    diff |     422    .4366114    .0524161    1.076765    .3335815    .5396412
------------------------------------------------------------------------------
     mean(diff) = mean(Assurance - Empathy)                       t =   8.3297
 Ho: mean(diff) = 0                              degrees of freedom =      421

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 1.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 0.0000
```

Appendix A6: Stata 13 results Hypothesis 5

```
. ttest Servicebin ==0.5

One-sample t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Servic~n |     406    .3472906    .0236581    .4766965    .3007827    .3937986
------------------------------------------------------------------------------
    mean = mean(Servicebin)                                       t =  -6.4549
Ho: mean = 0.5                                   degrees of freedom =      405

   Ha: mean < 0.5              Ha: mean != 0.5              Ha: mean > 0.5
 Pr(T < t) = 0.0000       Pr(|T| > |t|) = 0.0000         Pr(T > t) = 1.0000
```

Appendix A7: Stata 13 results Hypothesis 6

```
. ttest Channel_bin ==0.5

One-sample t test
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Channe~n |     422    .7156398    .0219857    .4516446    .6724244    .7588553
------------------------------------------------------------------------------
    mean = mean(Channel_bin)                                      t =   9.8082
Ho: mean = 0.5                                   degrees of freedom =      421

   Ha: mean < 0.5              Ha: mean != 0.5              Ha: mean > 0.5
 Pr(T < t) = 1.0000       Pr(|T| > |t|) = 0.0000         Pr(T > t) = 0.0000
```

Appendix B1: Online Survey, English Version

Luxury goods consumer behavior in Thailand

This survey is part of a study conducted by Piyatida Hirunyatrakul, ZHAW master's degree student of the International Business Program. The study analyses the Thai 's luxury goods consumer behavior as a part of a master thesis.

The survey takes approximately 10 minutes to complete.

Only for the purpose of the data interpretation, some demographic data is collected at the beginning of the survey. However, the data will be treated confidential and all answers are analyzed anonymously.

Your participation is crucial for the success of this research project. By participating in the survey, you have the chance to win a 1,000 THB Starbucks voucher.

1. What is your gender?

- ○ Female
- ○ Male
- ○ Other

2. What is your age range?

- ○ Under 18
- ○ 18-24
- ○ 25-34
- ○ 35-44
- ○ 45-54
- ○ 55-64
- ○ More than 65

3. Are you Thai?

- ○ Yes
- ○ No

4. Please indicate the country you currently reside in.

- ○ Thailand
- ○ Other (Please describe)

5. Please indicate the city you currently reside in.

- ○ Bangkok
- ○ Chon Buri
- ○ Songkhla
- ○ Chiang Mai
- ○ Nakhon Pathom
- ○ Phuket
- ○ Other (Please describe)

6. What is the highest level of school you have completed or the highest degree you have received?

- ◯ Less than high school degree
- ◯ High school degree or equivalent
- ◯ Some college but no degree
- ◯ Bachelor's degree
- ◯ Master's degree
- ◯ Doctorate degree

7. Which of the following categories best describes your employment status?

- ◯ Employed
- ◯ Not Employed
- ◯ Business Owner
- ◯ Retired
- ◯ Disabled

8. What is your monthly income?

- ◯ Under 15,000 THB
- ◯ Between 15,000 and 29,999 THB
- ◯ Between 30,000 and 49,999 THB
- ◯ Between 50,000 and 74,999 THB
- ◯ Between 75,000 and 99,999 THB
- ◯ Between 100,000 and 150,000 THB
- ◯ More than 150,000 THB

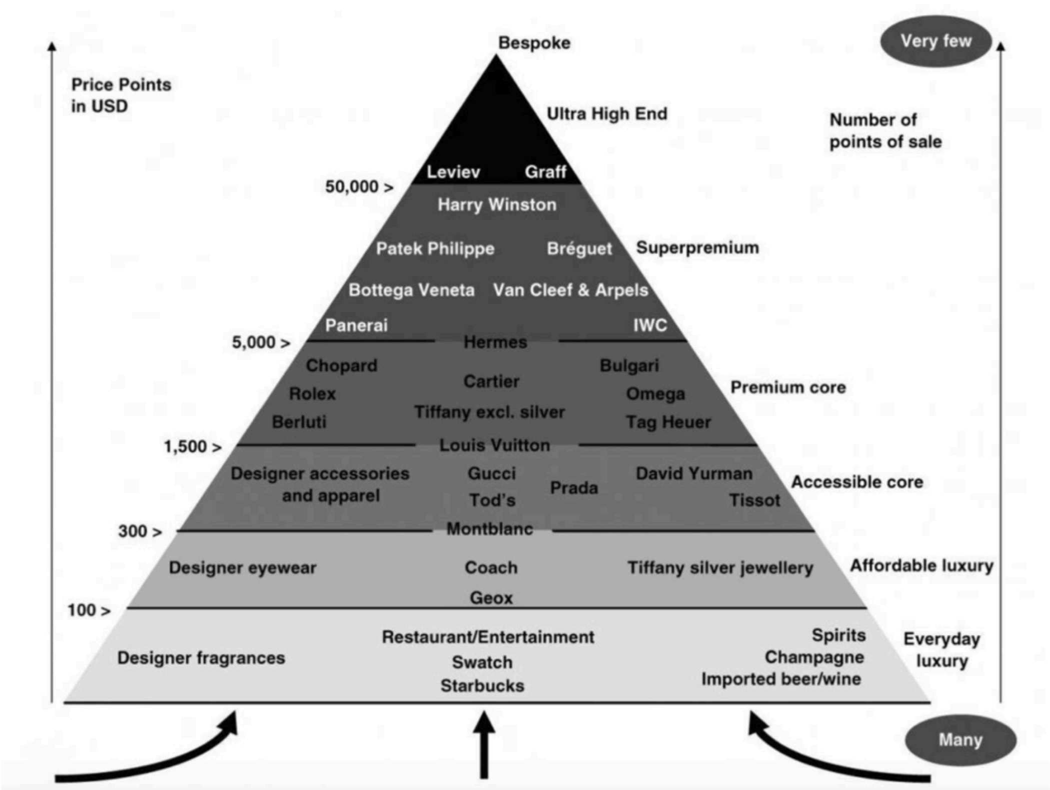
Luxury goods consumer behavior in Thailand

Luxury goods consumption questions

This study focuses on personal luxury goods. For the purpose of this research, personal luxury goods will be defined as designer apparel and footwear (e.g. Gucci belt), luxury eyewear (i.e. Dior sunglasses) and Luxury Leather Goods (e.g. Chanel handbag).

In terms of brands that are classified as luxury, for the purpose of this survey, please consider goods, which in the below shown brand pyramid according to Rambourg (2014) are referred to as "accessible core" or higher (i.e. price of more than 300 USD or 10'000 THB). For instance, this would include brands such as Hermes, Louis Vuitton and Gucci. NOT included would be brands such as Coach, Swatch or Starbucks.

Brand Pyramid from Rambourg (2014)



9. Have you ever purchased personal luxury goods?

◯ Yes

◯ No

10. How often do you purchase personal luxury goods?

◯ About once a month

◯ About once in 3 months

◯ About once in 6 months

◯ About once a year

◯ Less than once a year

11. Which kind of personal luxury goods do you buy? (multiple answers possible)

- ☐ Designer Apparel and Footwear
- ☐ Luxury Eyewear
- ☐ Luxury Leather Goods
- ☐ Other (please describe)

12. I (would) purchase luxury goods because of their high quality.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

13. I (would) purchase luxury goods because of the exclusive and personalized shopping experience

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

14. I (would) purchase luxury goods because I want to reward myself.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

15. I (would) purchase luxury goods because they are exclusive (expensive).

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

16. I (would) purchase luxury goods because I want to stand out.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

17. I (would) purchase luxury goods because it is the current trend, celebrities and my friends do so.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

Luxury goods consumer behavior in Thailand

Second-hand luxury goods consumption questions

18. Have you ever bought a pre-owned personal luxury good?

○ Yes

○ No

19. I (would) buy a pre-owned luxury good because it is more affordable.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

20. I (would) buy a pre-owned luxury good because I feel like making a bargain.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

21. I (would) buy a pre-owned luxury good because it is convenient (i.e. It's easier than buying it from the official store that has a long queue and social pressure.)

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

22. I (would) buy a pre-owned luxury good because it is sustainable to use things that are not used by others any more.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

23. I (would) buy a pre-owned luxury good because of the fun in treasure hunting (i.e. feel pleasure when discovering cheap or rare items.)

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

24. I (would) buy a pre-owned luxury good because of nostalgia (i.e. feeling pleasure to own vintage items that are otherwise not available any more).

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

25. I (would) buy a pre-owned luxury good because of its unique characteristics.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

26. I (would) buy a pre-owned luxury good because I enjoy the social interaction with the owner (i.e. learn about the history of the item, bargain).

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

27. Which channels would you / do you prefer to buy pre-owned luxury goods?

○ Online

○ Offline

28. Which channels would/ do you prefer to buy pre-owned luxury goods?

○ From individual merchant (e.g. Second hand Brick and Mortar store / Instragram shop)

○ From heritage brands opening their own service

○ From peer to peer platform (e.g. the reseller completes transactions directly with the buyer on a hosted platform like eBay)

○ From consignment platform (e.g. the reseller brings in the item, whether by shipping, dropping off in-store, or requesting a concierge service, and receiving a listing price upfront. The consignment service will provide pricing, photographing, and customer servicing)

○ From up-front payment platform (e.g. the reseller's item is purchased outright at fair market prices and the platform company takes care of the merchandise process afterwards)

○ From mix brands online shop e.g. the website that provides many brands products in the same site (e.g. Lazada)

○ Other (Please Describe)

Luxury goods consumer behavior in Thailand

Service Quality Questions

29. When purchasing a pre-owned luxury good, secure payment is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

30. When purchasing a pre-owned luxury good, authenticity is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

31. When purchasing a pre-owned luxury good, convenient to get access is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

32. When purchasing a pre-owned luxury good, touch and feel before purchase decision is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

33. When purchasing a pre-owned luxury good, variety of choices is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

34. When purchasing a pre-owned luxury good, condition of product is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

35. When purchasing a pre-owned luxury good, secure delivery process is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

36. When purchasing a pre-owned luxury good, reasonable price is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

37. When purchasing a pre-owned luxury good, reputation of platform (credibility) is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

38. When purchasing a pre-owned luxury good, product's guarantee is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

39. When purchasing a pre-owned luxury good, customer service is important to me.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Your opinion	○	○	○	○	○

40. Is there any other factor that you would consider when buying a pre-owned luxury good?

○ No

○ Yes (Please describe)

41. If the pre-owned luxury goods market offered an appropriate service quality, as described in question 29-39, I would consider buying pre-owned luxury goods in the future.

○ Yes

○ No

You have successfully completed the survey! Thank you very much!

If you wish to participate in winning the 1,000 THB Starbucks Voucher, please click on the next button and enter your e-mail address. Your email address will only be used for the purpose of the prize selection and will not be used for any marketing purposes. The survey results will be analyzed anonymously.

If you have suggestions or questions regarding the survey, please contact: Hirunpiy@students.zhaw.ch

42. Your email

Appendix B2: Online Survey, Thai Version

แบบสอบถามการบริโภคสินค้าแบรนด์เนมในประเทศไทย

แบบสอบถามนี้เป็นส่วนหนึ่งของ วิทยานิพนธ์ระดับปริญญาโท สาขา International Business จาก ZHAW University School of Management and Law ประเทศ Switzerland โดย นางสาวปิยธิดา หิรัณยตระกูล ทั้งนี้งานวิจัยชิ้นนี้มีจุดประสงค์ ในการวิเคราะห์พฤติกรรมการบริโภคสินค้าแบรนด์เนม ในประเทศไทย

ระยะเวลาการทำแบบสอบถามประมาณ 5 นาที

ข้อมูลส่วนตัวของผู้ตอบแบบสอบถาม ในส่วนแรก จะถูกเก็บเป็นความลับ และใช้เพื่อวัตถุประสงค์ด้านการศึกษาเท่านั้น

การให้ความร่วมมือของทุกท่าน เป็นส่วนหนึ่งของความสำเร็จ ในงานวิจัยครั้งนี้ ทุกท่านที่ตอบแบบสอบถาม มีสิทธิ์ลุ้นรับรางวัล Starbucks Giftcard มูลค่า 1000 บาท จำนวน 1 รางวัล

1. เพศของคุณ

- ○ หญิง
- ○ ชาย
- ○ อื่นๆ

2. ช่วงอายุของคุณ

- ○ ต่ำกว่า 18
- ○ 18-24
- ○ 25-34
- ○ 35-44
- ○ 45-54
- ○ 55-64
- ○ มากกว่า 65

3. คุณมีสัญชาติไทยหรือไม่

- ○ ใช่
- ○ ไม่ใช่

4. ประเทศที่คุณอาศัยอยู่

- ○ ไทย
- ○ อื่นๆ (โปรดระบุ)

5. จังหวัดที่คุณอาศัยอยู่

- ◯ กรุงเทพมหานคร
- ◯ เชียงใหม่
- ◯ ชลบุรี
- ◯ นครปฐม
- ◯ สงขลา
- ◯ ภูเก็ต
- ◯ อื่นๆ (โปรดระบุ)

6. ระดับการศึกษาสูงสุดของคุณ

- ◯ ต่ำกว่ามัธยมศึกษา
- ◯ ปริญญาตรี
- ◯ มัธยมศึกษาหรือเทียบเท่า
- ◯ ปริญญาโท
- ◯ ประกาศนียบัตรวิชาชีพ
- ◯ ปริญญาเอก

7. สถานะการทำงานของคุณ

- ◯ มีงานทำ
- ◯ เกษียณอายุ
- ◯ ไม่มีงานทำ
- ◯ ไม่สามารถทำงานได้
- ◯ มีธุรกิจส่วนตัว

8. รายได้ต่อเดือนของคุณ

- ◯ ต่ำกว่า 15,000 บาท
- ◯ ระหว่าง 75,000 ถึง 99,999 บาท
- ◯ ระหว่าง 15,000 ถึง 29,999 บาท
- ◯ ระหว่าง 100,000 ถึง 150,000 บาท
- ◯ ระหว่าง 30,000 ถึง 49,999 บาท
- ◯ 150,000 บาท ขึ้นไป
- ◯ ระหว่าง 50,000 ถึง 74,999 บาท

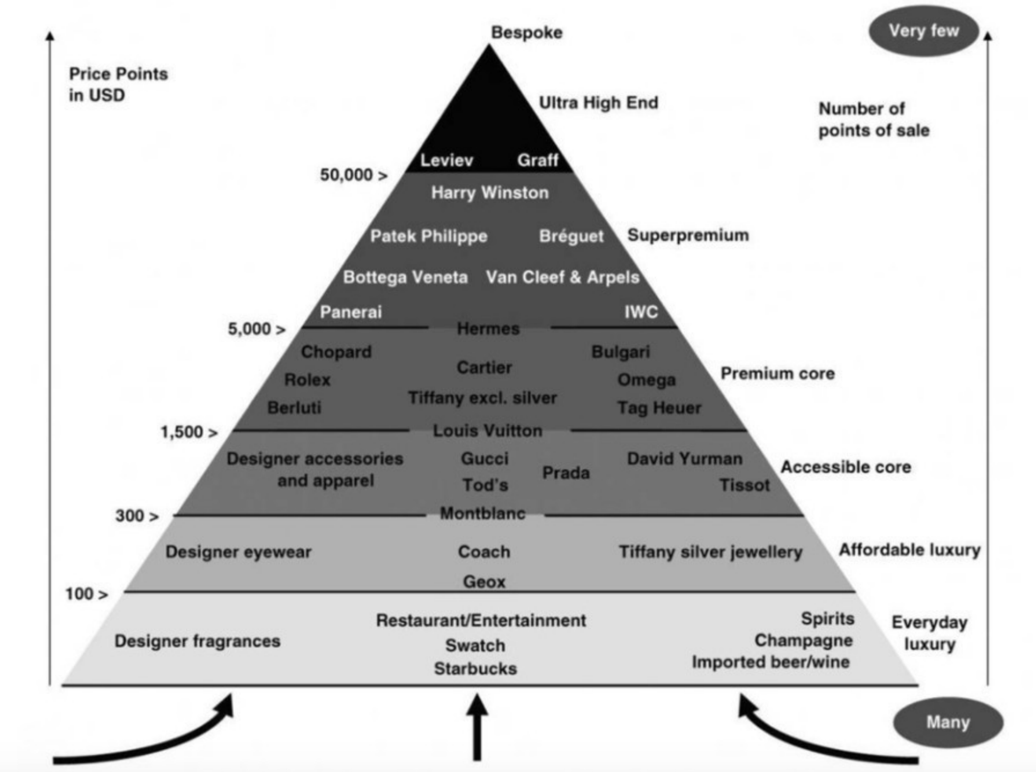
แบบสอบถามการบริโภคสินค้าแบรนด์เนมในประเทศไทย

คำถามเกี่ยวกับการซื้อสินค้าแบรนด์เนมของผู้บริโภคชาวไทย

คำจำกัดความของคำว่า "สินค้าแบรนด์เนม" ในงานวิจัยชิ้นนี้หมายถึง Personal luxury goods เพื่อให้ตรงกับวัตถุประสงค์ของงานวิจัย Personal luxury goods ประกอบด้วย เครื่องแต่งกายและรองเท้าจาก designers (เช่น เข็มขัด Gucci) แว่นตาแบรนด์เนม (เช่น แว่นกันแดด Dior) และ กระเป๋าแบรนด์เนม (เช่น กระเป๋า Chanel)

เพื่อให้ตรงกับวัตถุประสงค์ของงานวิจัย สินค้าแบรนด์เนม ในที่นี้ จะถูกอ้างอิงโดย Brand Pyramid ของ Rambourg (2014) ในระดับ Accessible core หรือสูงกว่านั้น (ราคามากกว่า 300 USD หรือ 10,000 บาท ขึ้นไป) ในที่นี้ หมายถึงแบรนด์ เช่น Hermès, Louis Vuitton หรือ Gucci เป็นต้น ซึ่งไม่รวมถึงแบรนด์ เช่น Coach, Swatch หรือ Starbucks

Brand Pyramid from Rambourg (2014)



9. คุณเคยซื้อ สินค้าแบรนด์เนมหรือไม่

- ◯ เคย
- ◯ ไม่เคย

10. ความถี่ ในการซื้อสินค้าแบรนด์เนมของคุณ

- ◯ ประมาณเดือนละครั้ง
- ◯ ประมาณ 3 เดือนต่อครั้ง
- ◯ ประมาณ 6 เดือนต่อครั้ง
- ◯ ประมาณปีละครั้ง
- ◯ น้อยกว่าปีละครั้ง

11. ประเภทของสินค้าแบรนด์เนม ที่คุณซื้อ (ตอบได้มากกว่า 1 ตัวเลือก)

- [ ] เครื่องแต่งกายและรองเท้าจาก designers
- [ ] แว่นตาแบรนด์เนม
- [ ] กระเป๋าแบรนด์เนม
- [ ] อื่นๆ (โปรดระบุ)

12. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนม เพราะสินค้ามีคุณภาพสูง

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

13. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนม เพราะประสบการณ์ ในการซื้อที่ทำ ให้ฉันรู้สึกพิเศษและการบริการชั้นดี

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

14. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนม เพราะฉันอยากที่จะ ให้รางวัลกับตัวเอง

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

15. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนม เพราะสินค้าชิ้นนั้นมีความพิเศษ (ราคาแพง)

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

16. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนม เพราะฉันอยากที่จะไม่เหมือนใคร

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

17. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนม เพราะสินค้านั้นกำลังเป็นที่นิยม ในสังคมและเหล่า celebrities และเพื่อนของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

แบบสอบถามการบริโภคสินค้าแบรนด์เนมในประเทศไทย

คำถามเกี่ยวกับการซื้อสินค้าแบรนด์เนมมือสองของผู้บริโภคชาวไทย

18. คุณเคยซื้อสินค้าแบรนด์เนมมือสองหรือไม่

○ เคย

○ ไม่เคย

19. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะราคาที่เข้าถึงได้มากกว่าสินค้ามือหนึ่ง

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

20. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะฉันรู้สึกว่าฉันสามารถซื้อของราคาแพงได้ในราคาถูก

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

21. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะความสะดวก (มันง่ายกว่าการซื้อสินค้าจากแบรนด์เนมช็อปที่ต้องต่อคิวยาวและทำ ให้ฉันรู้สึกกดดันกับการตัดสินภาพลักษณ์จากสังคม)

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

22. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะเหตุผลในเชิงอนุรักษ์ ในส่วนของการใช้ของที่คนอื่นไม่ต้องการแล้ว

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

23. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะความสนุกประหนึ่งการตามล่าหาสมบัติ (ความรู้สึกพึงพอใจที่ได้ค้นพบสินค้าราคาถูกหรือสินค้าหายาก)

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

24. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะความถวิลหาอดีต (ความรู้สึกพึงพอใจที่ได้ครอบครองสินค้าวินเทจ ที่ไม่มีขายในท้องตลาดแล้ว)

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

25. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะคุณลักษณะเฉพาะที่แตกต่างของสินค้ามือสอง

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

26. ฉันซื้อ (จะซื้อ) สินค้าแบรนด์เนมมือสองเพราะฉันชอบที่จะพบปะพูดคุยกับผู้ขาย (เรียนรู้เกี่ยวกับที่มาของสินค้านั้น หรือ ต่อรองราคา)

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	◯	◯	◯	◯	◯

27. ช่องทาง ใดที่คุณเลือก ใช้(ชอบ) ในการซื้อสินค้าแบรนด์เนมมือสอง

◯ Online

◯ Offline

28. ช่องทางการซื้อขาย ใดที่คุณเลือกใช้ (ชอบ) ในการซื้อสินค้าแบรนด์เนมมือสอง

◯ จากผู้ขายรายย่อย (ร้านขายแบรนด์เนมมือสอง หรือ ร้านค้า ใน Instagram)

◯ จากทางแบรนด์สินค้าโดยตรง

◯ จาก Peer to peer platform (ผู้ขายสินค้ามือสองดำเนินการขายโดยตรงกับผู้ซื้อสินค้าผ่านทางเวปไซต์สื่อกลาง เช่น eBay)

◯ จาก Consignment platform (ผู้ขายสินค้ามือสองดำเนินการ"ฝากขายสินค้า" ผ่านทางผู้รับฝากขายที่จัดการทุกอย่าง ให้ทั้งการตั้งราคาสินค้า การถ่ายรูปสินค้า รวมถึงบริการหลังการการขาย)

◯ Up-front payment platform(ผู้ขายสินค้ามือสองได้ขายสินค้า ให้กับบริษัทรับซื้อ ในทันที ที่ราคาตลาด และทางบริษัทได้ดำเนินการขายทุกขั้นตอนต่อจากนั้น)

◯ จากเวปไซต์รวมหลายๆแบรนด์สินค้าเข้าด้วยกัน (เช่น Lazada)

◯ อื่นๆ (โปรดระบุ)

แบบสอบถามการบริโภคสินค้าแบรนด์เนม ในประเทศไทย

อุปสรรค ในการซื้อสินค้าแบรนด์เนมมือสอง

29. ระบบการชำระเงินที่ปลอดภัยนั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	◯	◯	◯	◯	◯

30. ความมั่น ใจว่าสินค้านั้นเป็นของแท้นั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	◯	◯	◯	◯	◯

31. ความสะดวก ในการเข้าถึงช่องทางการซื้อนั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	◯	◯	◯	◯	◯

32. การได้สัมผัสสินค้าจริงก่อนซื้อนั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

33. ความหลากหลาย ในตัวเลือกของสินค้านั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

34. การที่สินค้ายังอยู่ ในสภาพที่ดีนั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

35. ช่องทางการจัดส่งสินค้าที่น่าเชื่อถือนั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

36. ราคาสินค้าที่สมเหตุสมผลนั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

37. ชื่อเสียงและความน่าเชื่อถือของร้านค้าหรือ เวปไซต์นั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

38. ประกันหลังการขายของสินค้า (การันตี)นั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

39. บริการลูกค้าสัมพันธ์ (Customer Service) นั้น สำคัญสำหรับการซื้อสินค้าแบรนด์เนมมือสองของฉัน

	ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เป็นกลาง	เห็นด้วย	เห็นด้วยอย่างยิ่ง
ความคิดเห็นของคุณ	○	○	○	○	○

40. มีปัจจัยข้ออื่นอีกหรือไม่ที่ส่งผลกระทบต่อการตัดสิน ใจซื้อสินค้าแบรนด์เนมมือสองของคุณ

○ ไม่มี

○ มี (โปรดระบุ)

41. ถ้าสินค้าแบรนด์เนมมือสอง มีการจัดจำหน่ายโดยมีคุณภาพด้านการบริการดังที่กล่าวมาข้างต้นในคำถามข้อที่ 29-39 คุณมีแนวโน้มจะซื้อสินค้าแบรนด์เนมมือสองในอนาคต

○ ใช่

○ ไม่ใช่

แบบสอบถามได้สิ้นสุดลงแล้ว ขอบพระคุณอย่างสูงค่ะสำหรับการให้ความร่วมมือ

ถ้าคุณต้องการที่จะร่วมชิงรางวัล Starbucks gift card มูลค่า 1,000 บาท กรุณาแจ้ง email ติดต่อของคุณไว้ ทั้งนี้ email ของคุณจะถูก ใช้ในวัตถุประสงค์สำหรับการแจกรางวัลเท่านั้น และไม่ถูก ใช้ในวัตถุประสงค์ทางการตลาดอื่นๆ รวมถึงคำตอบ ในแบบสอบถามจะถูกวิเคราะห์อย่างไม่เปิดเผยนามเช่นกัน

ในกรณีที่คุณมีข้อแนะนำหรือข้อสงสัยเกี่ยวกับแบบสอบถาม กรุณาติดต่อที่ Hirunpiy@students.zhaw.ch

42. email ของคุณ

Prev Done

Declaration of Authorship

"I hereby declare that this thesis is my own work, that it has been created by me without the help of others, using only the sources referenced, and that I will not supply any copies of this thesis to any third parties without written permission by the head of this degree program."

At the same time, all rights to this thesis are hereby assigned to ZHAW Zurich University of Applied Sciences, except for the right to be identified as its author.

Last name/first name of student (in block letters)

Piyatida Hirunyatrakul

Student's signature