

Demand for Secondhand Goods and Consumers' Preference in Developing Countries: An Analysis Using the Field Experimental Data of Vietnamese Consumers¹

Keisaku HIGASHIDA (School of Economics, Kwansei Gakuin University)

Nguyen Ngoc MAI (Faculty of International Economics, Hanoi Foreign Trade University)

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Abstract

Using the field experimental data in Hanoi, Thai Ping and Thai Hong in Vietnam, we examine the relationship between consumers' preference for secondhand goods and consumers' and products' attributes. In particular, we carried out a series of field experiment to extract their risk, time, and social cooperative preferences. In addition, we surveyed their personal attributes and conducted a type of conjoint questionnaire about motorbikes and fridges. Regarding product attributes, we focus on the age, brand, size, quality labeling, origin, and so on. We find that product attributes influence the consumer utility as expected. For example, Honda brand positively influences the consumer utility. Moreover, we obtain several important results about the relationship between personal attributes and demand, in particular, about the preference for secondhand good: For example, the more far-sighted consumers and/or older consumers have stronger preference for secondhand goods as compared with the less far-sighted and/or younger consumers; the older and/or male consumers have stronger preference for Japanese brands as compared with the younger and/or female consumers. We also provide policy implication on the quality certification and international trade of secondhand goods.

Keywords: Consumer behavior, field experiment, secondhand goods, time preference.

JEL classification: C93, Q53, Q56.

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