

The Future of Recommerce: Analyzing the Business Prospects of the Nueva Ecija Secondhand Motorcycle Market

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Received: 09 Nov 2022; Received in revised form: 03 Dec 2022; Accepted: 07 Dec 2022; Available online: 12 Dec 2022

Abstract— This study investigated the trends in secondhand retail trades for motorcycle units by assessing consumer and retailer perceptions of the business in the post-pandemic stage. Purposive sampling was used to select a sample population of 30 research respondents: five (5) secondhand motor parts retailers and twenty-five (25) secondhand motor parts consumers in Nueva Ecija. Respondents were sent an e-mail with a structured questionnaire. To analyze the data gathered, the study used both descriptive and inferential statistics. The findings revealed that their motivations for consumerism and perceptions of business prospects do not differ based on age or market exposure. Furthermore, the findings of this study confirmed the viability of the growing secondhand retail market, based on consumers' and owners' positive perceptions and opinions about the future of the secondhand business market in general, and the motorcycle business in particular, and its viability for long-term survival in the face of new and emerging trends such as the current oil crisis and inflation.

Keywords— Business viability, motorcycle parts and units, Nueva Ecija, perspective, recommerce

I. INTRODUCTION

The concept of recommerce, or acquiring previously owned merchandise and then reselling it to secondhand consumers, is central to the resale market. According to Borusiak et al. (2020), secondhand retail is an alternative market for consumers to purchase more cost-effective products than brand-new products. This has a positive impact on more sustainable goods consumption in the medium to long term.

In the Philippines, motorcycles are widely utilized for transportation due to their flexibility and mobility. They are also much more affordable than cars. A total number of 1,580,926 motorcycle units were reportedly sold in 2018, according to the 2019 report of the Motorcycle

Development Program Participants Association (MDPPA). The sales forecast is expected to increase by 20% in the succeeding years (Roces, 2018). This suggests the growing trend in motorcycle units, which will also significantly affect the motorcycle spare parts and units market. The growing community of motorcycle users in the country opened the doors for entrepreneurs to build a sustainable business that provides motorcycle-related services and products such as reselling units, parts, and accessories.

In terms of the future of motorcycle parts and unit retail, Zafri et al. (2021) predicted that 46% of motorcycle users would increase their motorcycle travel after the pandemic.

Motorcycles appeal to people of all socioeconomic backgrounds. Now that motorcycles are considered affordable with installation, people will turn to small-scale and low-cost motorcycle parts retailers, even if the part or product is not an OEM-produced part or product.

The increased demand for motorcycle repair and spare parts providers in the country prompted the establishment of a secondhand market accessible to the general public, who find purchasing in primary stores expensive. Thus, this research was conducted. This sought to analyze the business prospects of the Novo Ecijanos (Subia, Mangiduyos & Turgano, 2020) second-hand motorcycle market. Specifically, it described the demographic profile of the respondents in terms of gender, age, area of location, and employment background. Also, it explored the retailers' exposure to the secondhand market, the motivating factors influencing retailers and consumers in their engagement with the secondhand motorcycle market and the business perception and retail prospects of the retailers and consumers of the secondhand motorcycle market in 5-year time and in 10-year time. Lastly, it determined the significant difference between the motivators and perceptions of business prospects in terms of age group, background, and exposure to secondhand products.

II. METHODOLOGY

This study utilized a quantitative approach using descriptive and correlational analysis. According to Patten (2002), as cited by Subia, Salangang, and Medrano (2018) "correlational research is employed to test the degree of relationship between two or more variables". For the

general purposes and the completion of this study, the researchers crafted and used two (2) self-made structured survey questionnaires: (1) a Consumer Survey Questionnaire and (2) a Retailer Survey Questionnaire distributed among thirty (30) research respondents: five (5) secondhand motor parts retailers, and twenty-five (25) secondhand motor parts consumers residing in Nueva Ecija through e-mail or digital surveys. The researchers used a purposive sampling technique to determine the sample or representative of the population. Furthermore, the researchers selected the representative of the population based on their direct connection to secondhand retail of motorcycle parts. The data gathered from the questionnaire answered by the respondents were encoded and analyzed using appropriate statistical tools.

III. RESULTS AND DISCUSSION

1. Demographic Profile of the Respondents

Table 1.1. *retailers*

Results revealed that 100% of the retail store *retailers/owners* who participated in the study were male, and a good majority were aged 41 and above (60%). It is also apparent that most of the secondhand retail stores in Nueva Ecija are located in Zaragoza, Nueva Ecija (60%), and 80% of the respondents considered themselves entrepreneurs.

As for the demographic background of the *consumers*, most secondhand retail consumers were male (88%), aged 20-25 (52%). Most of them reside in Zaragoza, Nueva Ecija (68%) and are employed in various sectors (72%).

Table 1.1. Profile of Secondhand Shop Owners

Profile of Owners	Frequency	Percentage (%)
Gender		
Male	5	100%
Female	0	0%
Age		
30-35	1	20%
36-40	1	20%
41 and above	3	60%
Area of Location		
Aliaga, Nueva Ecija	1	20%
Cabiao, Nueva Ecija	1	20%
Zaragoza, Nueva Ecija	3	60%
Employment Background		

<i>Entrepreneur</i>	4	80%
<i>OFW</i>	1	20%

Table 1.2. Profile of Secondhand Consumers

<i>Profile of Consumers</i>	<i>Frequency</i>	<i>Percentage (%)</i>
<i>Gender</i>		
<i>Male</i>	22	88%
<i>Female</i>	3	12%
<i>Age</i>		
<i>20-25</i>	13	52%
<i>26-20</i>	5	20%
<i>31-35</i>	2	8%
<i>36-40</i>	0	0%
<i>41 and above</i>	5	20%
<i>Area of Location</i>		
<i>Aliaga, Nueva Ecija</i>	2	8%
<i>Cabanatuan, Nueva Ecija</i>	3	12%
<i>Jaen, Nueva Ecija</i>	1	4%
<i>San Isidro, Nueva Ecija</i>	1	4%
<i>Sta. Rosa, Nueva Ecija</i>	1	4%
<i>Zaragoza, Nueva Ecija</i>	17	68%
<i>Employment Background</i>		
<i>Accountant</i>	3	12%
<i>Service crew</i>	4	16%
<i>Entrepreneur</i>	2	8%
<i>Engineer, IT</i>	3	12%
<i>Farmer</i>	3	12%
<i>Gov't Employee</i>	1	4%
<i>Police</i>	1	4%
<i>Teacher</i>	1	4%
<i>N/A, unemployed</i>	7	28%

2. Exposure to Secondhand Market

Table 2.1. *retailers*

Although 40% of the retailers stated that they just opened their shop 0-12 months ago, 20% affirmed that their store began more than 5 years ago. Most retailers invest in secondhand retail as it is a business trend, a cost-efficient alternative for the consumers, and suffice the gap in the

supply-demand ratio in provinces. Consequently, the number of customers catered to by the stores is influenced by their service longevity. Shops that opened more than 3 years ago cater to 3 to 6 customers daily, which aids them in generating a weekly revenue of Php 100,000.00 to Php 150,000.00. The rise of the secondhand market is associated with the items' affordability, upholds similar quality to

brand-new items, and most motorcycle users in the provinces cannot afford to shop from main stores.

Table 2.2. consumers

Most consumers have been driving motorcycles for 5 years and more (48%), mainly for personal transportation (72%). They started considering secondhand shops 1 to 3 years ago

(32%). Usual purchases made in retail stores include oil, tires, battery, and accessories. This suggests that although secondhand retail has been around for some time, motorists did not directly recognize its position in the market.

2.1. Exposure to secondhand market (retailers)

<i>Exposure to the industry</i>	Frequency	Percentage (%)
<i>When did you start your secondhand retail shop?</i>		
<i>0-12 months ago,</i>	2	40%
<i>1-3 years ago</i>	1	20%
<i>3-5 years ago</i>	1	20%
<i>5 years and more</i>	1	20%
<i>Why did you decide to consider secondhand retail as a business?</i>		
<i>It's a business trend.</i>	5	100%
<i>To aid those who can't afford from main stores.</i>	5	100%
<i>Location-wise, the business is feasible.</i>	5	100%
<i>How many customers do you cater to per day?</i>		
<i>0-3 customers</i>	3	60%
<i>3-6 customers</i>	2	40%
<i>6-9 customer</i>	0	0%
<i>10 and more</i>	0	0%
<i>How much are the estimated projected sales per week?</i>		
<i>Php 10,000.00 – Php 50,000.00</i>	3	60%
<i>Php 50,000.00 – Php 100,000.00</i>	1	20%
<i>Php 100,000.00 – Php 150,000.00</i>	1	20%
<i>What is the competitive edge of the business from the main retail?</i>		
<i>Cost-efficient</i>	5	100%
<i>Uphold the same quality as original products</i>	5	100%
<i>The majority of motorcycle drivers cannot afford to purchase from the main stores</i>	5	100%

Table 2.2. Exposure to secondhand market (consumers)

<i>Exposure to the industry</i>	Frequency	Percentage (%)
<i>When did you start driving motorcycles?</i>		
<i>0-12 months ago,</i>	1	4%
<i>1-3 years ago</i>	7	28%
<i>3-5 years ago</i>	5	20%

5 years and more	12	48%
Why did you decide to drive and get a motorcycle?		
For private transportation	18	72%
For livelihood; public transportation; habal-habal	2	8%
Both	5	20%
When did you start purchasing secondhand motorcycle parts and units?		
0-12 months ago,	7	28%
1-3 years ago	8	32%
3-5 years ago	4	16%
5 years and more	6	24%
What do you usually purchase in secondhand motorcycle retail?		
Brakes	0	0%
Bike Chains	7	28%
Tires	14	56%
Oil	23	92%
Battery	11	44%
Accessories (light, side mirror, rim, signal light, spray paint)	8	32%

3. Motivating Factors in Secondhand Motorcycle Market Engagement

Table 3.1. retailers

Upon operating in the secondhand industry, retailers mostly consider the economic status, such as the profitability and supply-demand ratio of the business in the market (mean = 4.50.) Secondhand products did not necessarily equate to rejected parts. Good quality was still ensured before putting up the parts and units for sale (mean = 4.50). Accordingly, instances incurred that secondhand products have the same quality as brand-new items. Some retailers also consider the locale of the business (mean=3.70).

Table 3.2. consumers

Consumers often purchase from secondhand retailers due to the cost-efficient prices incurred for the products. This means they were buying to save money while trying not to skimp on product quality. (mean=4.12). The consumers' responses also supported those of the owners as they purchased secondhand goods due to the same quality they possess with brand-new products. (mean=3.20). Customer service and location were also essential factors affecting the customers' behaviors. (mean=3.95). The unavailability of the products in the main market was unlikely considered in purchasing from secondhand stores, which suggests that it is the consumers' preferences and perceptions as to why they considered the secondhand market.

Table 3.1. Motivators of retailers

Construct	Mean
Motivators	
Economic	4.50
Quality	4.50
Location/Service	3.70

Table 3.2. Motivators of consumerism

Construct	Mean
Motivators	
Economic	4.12
Quality	3.20
Location/Service	3.95

4. Business Perception and Retail Prospects

Table 4.1. Five years from now, the owners perceived strong stability in the business, which means they are highly likely to continue handling secondhand retail in the future (mean=5.00). As perceived, motorcycle users were expected to increase in number, which means there is a probability of an increase in the number of secondhand retail consumers and business competitors. In 10 years, operating the business is likely to happen (mean=3.80), directly proportional to the increase in customers and competitors.

Table 4.2. Five years from now, the consumers perceived moderate stability in their continued use of secondhand

retail products (mean=4.30) as they considered purchasing from primary stores (mean=3.60). Motorcycle users are expected to increase as consumers continue using motorcycles (mean=4.30), which means there is a probability of an increase in the number of secondhand retail consumers and business competitors (mean=4.00). In 10 years, purchasing from secondhand retail is likely to a certain extent (mean=4.10) as the number of motorcycle users may decline (mean=3.80). The consumers' insights on the future and longevity of the business also set forth a positive implication as most of them were likely to continue purchasing from secondhand stores

Table 4.1. Business perception and prospects (retailers)

Owner's Perceptions of business prospects	Mean	DR
<i>In 5 years, time, describe your perceptions of secondhand retail products</i>		
<i>I will still be handling my business.</i>	5.00	Highly likely
<i>The number of customers will increase</i>	5.00	Highly Likely
<i>More competitors will surface</i>	4.00	Likely
<i>The business will be dull and slow</i>	1.60	Unlikely
<i>Profits will decrease</i>	1.60	Unlikely
<i>I will be closing my business</i>	1.00	Very Unlikely
Mean Response	3.03	Neutral
<i>In 10 years, time, describe your perceptions of secondhand retail products</i>		
<i>I will still be handling my business</i>	3.80	Likely
<i>The number of customers will increase</i>	3.80	Likely
<i>More competitors will surface</i>	3.80	Likely
<i>The business will be dull and slow</i>	2.40	Unlikely
<i>Profits will decrease</i>	2,40	Unlikely
<i>I will be closing my business</i>	2.40	Unlikely
Mean Response	3.10	Neutral

Table 4.2. Business perception and prospects (consumers)

Consumer's Perceptions of business prospects	Mean	DR
In 5 years, time, describe your perceptions of secondhand retail products		
<i>I will still be using a motorcycle for personal use.</i>	4.30	Likely
<i>I will still be using a motorcycle for income generation.</i>	2.90	Unlikely
<i>I will still purchase from a secondhand retail store.</i>	4.20	Likely
<i>I see myself purchasing from primary stores with new products.</i>	3.60	Likely
<i>The price of secondhand products will be higher.</i>	3.00	Neutral
<i>There will be more secondhand retailers.</i>	4.00	Likely
Main Response	3.67	Likely to a certain extent
In 10 years, time, describe your perceptions of secondhand retail products		
<i>I will still be using a motorcycle for personal use.</i>	3.80	Likely
<i>I will still be using a motorcycle for income generation.</i>	3.00	Neural
<i>I will still purchase from a secondhand retail store.</i>	4.10	Likely
<i>I see myself purchasing from primary stores with new products.</i>	3.00	Neutral
<i>The price of secondhand products will be higher.</i>	3.20	Neutral
<i>There will be more secondhand retailers.</i>	3.00	Neutral
	3.35	Neutral

5. Correlational Analysis (Significant Difference among Variables)

Table 5. Results revealed that the motivations for purchasing secondhand products and their perceptions of business prospects show no statistical difference between age groups ($p > 0.05$). However, the analysis of their motivation and perceptions of the business based on their

backgrounds in the industry shows statistical variation. ($p < 0.05$). This suggests that the motivators and business prospects in the market vary in their knowledge about secondhand retail. Although their exposure to the secondhand product industry also influences their motivators to purchase secondhand items ($p < 0.05$), this construct does not affect their perceptions of the future of the business.

Table 5. Kruskal-Wallis on correlational variables

Construct	Motivator	Perceptions of business prospects
Age	0.0707	0.4434
Background	0.0000*	0.0000*
Exposure to the secondhand product industry	0.0013	0.8933

*significant at 0.05 level

IV. CONCLUSIONS

To meet the objectives of this study, the findings revealed that the trend in secondhand motorcycle units and parts retail is likely to continue in the future. This line of business focuses on practical costs because it provides critical motor parts for vehicle longevity. The presence of secondhand

retail in the provinces and cities helps consumers meet their demands while also meeting their socioeconomic indicators. Consumers and retailers saw a stable and viable positioning of the secondhand market in the industry, indicating that investing in secondhand retail is profitable.

The study's findings can be very useful and insightful to business investors who are testing the waters of the secondhand market in general, and those who are thinking of starting a business in recommerce to forecast the prospects of secondhand retail of motorcycles.

V. RECOMMENDATIONS

Secondhand Retail Market

As consumers' purchasing intentions and preferences are more likely to be economically and quality-driven, businesses must perform a quality assessment and evaluate the depreciation of available items before selling. This will also provide a positive impression on the viability of the business, which satisfies the service motivators of consumerism to maximize their profit. It is also important to ensure the affordability of the products at a feasible retail price to establish good customer retention.

Retailers

Retailers must continuously provide good products (and services) anchored on business ethics to encourage and maintain consumers' satisfaction in buying or availing of secondhand motorcycle parts and units. It is also recommended that they establish more stores as consumers are forecasted to increase in number in the future. Moreover, retailers are recommended to promote or maintain friendliness in dealing with customers' needs and queries. They must establish online advertisement platforms (e.g., *FaceBook, Instagram, TikTok, Twitter, etc.*) aside from the traditional ones (e.g., *word of mouth, flyers, tarpaulins, etc.*) to encourage more and more customers and to advertise their products in an accessible manner.

Consumers

Secondhand retail involves the selling and purchasing of preowned products. It is recommended for consumers be meticulous when purchasing goods and products; that is, to check the materials and quality of the item and carefully assess the longevity of the product. Word-of-mouth referrals, reading feedback from buyers of the same shop, and asking for information about the item are also advised, as this will give them an insight into the performance and quality of the product. Moreover, it is also important to check the legality of the unit by going through the proper process, which involves the application of a deed of sale for the unit and ensuring that it comes with a complete document to avoid incidents of purchasing HOT and ALARM vehicles.

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