# ANALYSIS OF OPPORTUNITIES AND OBSTACLES OF THE THRIFTING PHENOMENON AS A SHOPPING TOURISM ATTRACTION OF PASAR BARU JAKARTA

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Abstract - Urban tourism has become an important part of economic and socio-cultural development in many regions around the world. Jakarta, the capital of Indonesia, has a rich and varied history in business and tourism. Various traditional markets in Jakarta, such as Pasar Baru, are trade centers and tourist attractions rich in history and culture. Apart from that, the phenomenon of thrifting or buying used goods has also become a trend that has grown rapidly in Jakarta in recent years. This practice is a way to save money and a form of self-expression and environmental awareness. However, despite promising tourism and business opportunities, several challenges need to be overcome, including the social stigma against second-hand goods, product hygiene and quality, and a lack of effective promotion. This research aims to determine the opportunities that exist in developing the thrifting phenomenon in Pasar Baru, including market potential, tourist interest, and market needs. As well as knowing the obstacles faced in developing the thrifting phenomenon in Pasar Baru, such as social stigma, product quality, and lack of promotion. This type of research is qualitative with data collection techniques, namely interviews, observation, documentation, and literature study. The data processing techniques in this research are data reduction, data presentation, and conclusion. This research concludes that there are opportunities and obstacles to thrifting. Opportunities include thrifting becoming a global trend that is popular with various groups, including tourists, with a high interest in fashion, uniqueness and diversity, affordable prices, and tourist attractions. As for obstacles, government regulations for thrifting are still prohibited from being imported on a large scale, negative stigma in Indonesia, the quality of thrifting goods varies in terms of health aspects for the user, and lack of promotion

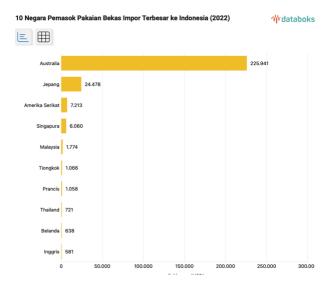
Keywords: Tourism, Thrifting, Shopping Tourism, Pasar Baru

### INTRODUCTION

Tourism is one of the factors in creating regions with economic and socio-cultural development in recent decades (World Tourism Organization (UNWTO), 2020). Urban tourism has developed since the 1980s and continues to grow today (Fuentes-Moraleda et al., 2020). The challenge in researching urban tourism is determining the mindset in various current opinions, models, and research frameworks. Jakarta, as the capital city of Indonesia, has various traditional markets that are not only trade centers but also tourist attractions rich in history and culture. Pasar Senen, established in 1735, Pasar Glodok in 1740, Pasar Tanah Abang in 1735, Pasar Mangga Dua in 1980, and Pasar Baru in 1820.

One of the historic markets in Jakarta is Pasar Baru, formerly known as Passer Baroe. This market is one of the oldest trading centers, established since the Dutch East Indies era in 1820. Initially, Pasar Baru was a simple market serving the trade of indigenous people and Chinese itinerant traders. In the early 1900s, Pasar Baru became a highly sought-after trade center by Jakarta residents, offering new products imported from various countries. At that time, Pasar Baru was considered a prestigious shopping area, viewed from the middle to upper-class visitors and the quality of the products sold. However, with the development of other prestigious shopping centers in Jakarta, the popularity of Pasar Baru declined (Meisani Nurun, 2013).

Thrifting, or the practice of buying second-hand items, was first widely known in the United States in the late 19th and early 20th centuries, in line with urbanization and changes in the economy. Thrifting became popular for various reasons, including the availability of quality items at lower prices compared to new items, as well as the drive to save money and live more simply. The history of thrifting clothes in Jakarta began in the 1980s when the concept of buying second-hand clothes started gaining popularity among urban communities. Initially, this practice was more informal and limited to flea markets or personal sales among friends and family. However, in the early 2000s, there was a surge of interest in second-hand clothes in Jakarta, driven by economic factors and global fashion trends promoting sustainability and individuality. This phenomenon was further reinforced by the emergence of specialized thrift stores and bazaars offering more diverse choices for shoppers wanting to express their style in a unique and affordable way.



Source: Badan Pusat Statistik (BPS)

Figure 1. Statistical Data of the Top 10 Countries Supplying Imported Second-Hand Clothing to Indonesia

Based on statistics provided by the Central Bureau of Statistics (BPS) in 2022, Indonesia imported about 26.22 tons of second-hand clothes and used textiles with the HS code 63090000. The total value of these imports reached USD 272,146 or equivalent to IDR 4.18 billion, using the exchange rate of IDR 15,375 per USD. In the same year, the largest source of imports was Australia, with a value reaching USD 225,941 or around IDR 3.5 billion. This data indicates an increasing interest and attraction toward the phenomenon of thrifting. This may be due to various factors, including increased awareness of the importance of financial management, sustainable shopping trends, and more people opting to buy second-hand items as an alternative to reducing excessive consumption and environmental impact. Spending has also increased, but income growth is greater, suggesting that thrifting may be a more economical choice for many people. Therefore, the phenomenon of thrifting can be seen as an indicator of changing consumer behavior towards a more sustainable and cost-effective lifestyle.

The phenomenon of thrifting at Pasar Baru is not just a shopping activity but also a tourist attraction offering a unique experience for visitors. Additionally, the more affordable prices compared to new products are also an attraction for tourists who want to get quality products on a limited budget. However, behind these promising opportunities, there are several obstacles that need to be overcome. Issues such as social stigma against second-hand goods, challenges in ensuring the quality and cleanliness of products, and lack of effective promotion are some of the obstacles faced by the thrifting market at Pasar Baru. The aim of this research is to identify the opportunities and challenges of thrifting at Pasar Baru Jakarta.

#### **METHODS**

The research in this article uses a descriptive qualitative method. The study was conducted at Pasar Baru. This research was designed using primary data collection techniques through observation, in-depth interviews with informants, and secondary data through documentation and literature review. The results are then described in detail. The sample for this study includes market managers, traders, government officials, and visitors. The data analysis method follows steps such as data reduction, data presentation, and conclusion drawing.

# RESULTS AND DISCUSSION

A. The Potential of Thrifting as a Shopping Tourism Attraction

There are several factors influencing why thrifting is popular among millennials. These include Initially stemming from economic disparity, the increasing visibility of economic gaps in various countries makes people consider alternative choices for meeting daily needs. Thrifting becomes a popular alternative due to its more affordable prices compared to buying new items. Thrifted items are generally sold at much lower prices than new ones (Sharky, 2023). Thrifting is an appealing option for people because of its advantages, from more affordable prices to the opportunity to find unique and rare items. Moreover, thrifting can also have a positive impact on the environment by reducing waste production and the need for new raw materials.

# B. Opportunities and Challenges for Buyers and Sellers

# 1. Negative Impacts

a. Hindrance to the Indonesian Product Market.

Thrifting affects the job market by reducing employment levels, decreasing local income, and hindering the development of an innovative and rapidly growing domestic industry. The rise in imported second-hand clothing poses a threat to the sustainability of Micro, Small, and Medium Enterprises (UMKM).

b. Loss of National Revenue.

National revenue can decrease due to illegal import sales. According to Law No. 42 of 2009 concerning luxury goods sales tax and value-added tax on goods and services, value-added tax (VAT) applies to imported products as they are taxable items.

c. Environmental and Health Impact.

The waste generated pollutes the environment, and in terms of health, infectious diseases like fungal infections such as tinea versicolor and ringworm, as well as parasitic and lice infections, can spread.

#### 2. Positive Impacts

a. Changing Modern Lifestyles Among Students.

Thrifting allows us to obtain affordable, well-made items on a tight budget, providing students with cost-effective shopping alternatives.

b. Environmental Benefits of thrifting

By extending the lifespan of clothing and other items and reducing the need for new manufacturing, thrifting promotes sustainability.

- c. For Buyers:
  - Opportunities: Finding unique products, saving money, supporting local businesses, and acquiring quality items.
  - Challenges: Uncertain product availability, imperfect item conditions, difficulties in returns/exchanges, and lack of information about the products.

#### d For Seller:

- Opportunities: Reaching a wide audience, earning high profits, building a community, and supporting environmental sustainability.
- Challenges: Intense competition, price uncertainties, the need for sorting/cleaning items, and marketing difficulties

#### C. Optimizing Opportunities and Overcoming Challenges

The phenomenon of thrifting has great potential to become a unique and sustainable shopping tourism attraction at Pasar Baru in Jakarta. However, several challenges need to be addressed to maximize this potential. Here are some strategies to optimize opportunities:

- 1. Improving the Quality and Condition of Thrifted Items:
  - Thrift vendors should curate and select items more carefully to ensure good quality and condition.
  - Offer repair and cleaning services for thrifted items to increase their value.
  - Provide clear information about the origin, materials, and condition of items to buyers.
- 2. Enhancing Thrifting Education and Promotion:
  - Conduct educational campaigns on the benefits of thrifting for both the environment and the economy.
  - Organize workshops and training on responsible and safe thrifting practices.
  - Use social media and online platforms to promote thrifting to tourists.
  - Collaborate with influencers and media to raise awareness about thrifting.
- 3. Increasing Thrifting Competitiveness:
  - Create a comfortable and attractive shopping atmosphere at Pasar Baru.
  - Offer a variety of unique and interesting thrifted products for tourists.
  - Provide good and friendly customer service.
  - Organize events and activities that attract tourists, such as fashion shows or thrift night markets.
- 4. Building a Thrifting Community:
  - Support the existing thrifting community at Pasar Baru.
  - Organize events and activities that bring thrifting enthusiasts together.
  - Build an online platform for the thrifting community to interact and exchange information.
- 5. Strengthening the Role of Government:

- Conduct research and development to optimize the potential of thrifting as a shopping tourism attraction.
- Formulate policies and regulations that support the sustainable development of thrifting.
- Provide adequate infrastructure and facilities to support shopping tourism activities at Pasar
  Baru

To overcome the challenges:

- 1. Changing the Negative Stigma Toward Second-Hand Items:
  - Educate people on the benefits and value of thrifted items.
  - Share inspirational stories about successful thrifting experiences.
  - Collaborate with influencers and media to change the negative stigma toward second-hand items.
- 2. Increasing Collaboration and Partnerships:
  - Build collaboration among thrift vendors, thrifting communities, businesses at Pasar Baru, and the government.
  - Work with non-governmental organizations and international bodies to support the growth of thrifting.
  - Form partnerships with online platforms and marketplaces to expand the market reach of thrifting.
- 3. Creating a Sustainable Thrifting Ecosystem:
  - Promote environmentally friendly thrifting practices, such as recycling and using sustainable materials.
  - Support small and medium enterprises involved in the thrifting industry.
  - Develop an effective waste management system to handle waste from thrifting activities.

By optimizing opportunities and overcoming challenges collectively, thrifting can become a unique, sustainable, and beneficial shopping tourism attraction for everyone. Thrifting can provide economic benefits to the local community, attract tourists, and enhance Pasar Baru's image as a trendy, contemporary, and eco-friendly shopping center.

#### **CONCLUSION**

The phenomenon of thrifting presents both opportunities and challenges as a shopping tourism attraction in Pasar Baru, Jakarta. Thrifting offers several opportunities, including its status as a global trend popular among various demographics, including tourists. Jakarta has a large population with a high interest in fashion, which could serve as a potential market for thrifting. Pasar Baru, Jakarta, offers a wide variety of unique and diverse thrifting items that could attract tourists. Thrifted items are generally cheaper than new ones, appealing to budget-conscious travelers, and thrifting could become a new tourism attraction for Jakarta, potentially increasing tourist visits and local revenue.

However, thrifting also faces challenges, such as being prohibited from large-scale imports by the government due to strict regulations on imported goods in Indonesia. Thrifting still carries a negative stigma in Indonesia, which could deter tourists from shopping at thrift markets. The quality of thrifted items varies, and some items may not be in good condition, raising concerns about health for users. Additionally, thrifting has not yet been widely promoted as a tourist attraction in Jakarta.

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