

A CONCEPTUAL THRIFT-TEE BUSINESS MODEL: FOSTERING A SUSTAINABLE AND AFFORDABLE ONLINE BAZAAR FOR B40 COMMUNITY WHILE NURTURING B40 THRIFT-PRENEURS

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ABSTRACT: Thrift-Tee is a conceptual business model developed specifically for the group that represents the lowest-income earners in Malaysia categorized as B40, for a safer and convenient platform to buy, sell and donate preloved and thrift items. This paper outlines a conceptual business model that utilizes digital platforms and apps to address the challenges faced by various customer segments – both buyers and sellers - in finding suitable individuals and marketplaces for exchanging unused, yet quality items. The platform caters to individuals seeking extra income from their unused belongings, as well as those seeking affordable second-hand options, sourced primarily from the local residents around Malaysia. This initiative aligns with several Sustainable Development Goals (SDGs), particularly SDG 12: Responsible Consumption and Production, by promoting waste reduction through reuse and enhancing resource efficiency; SDG 4: Quality Education by upskilling the B40s as Thriftpreneurs, providing them with necessary knowledge; and SDG 8: Decent Work and Economic Growth, for the B40s and community in general. Employing the Design Thinking (DT) methodology, this paper identifies and addresses the challenges faced by customer segments, buyers and sellers, through effective problem-solving and sustainable business model. Literature reviews and surveys within the buyer's customer segment, as well as the seller's preloved and thrift items industry players, were conducted in gathering insights and understand the key challenges, pains, gains, and jobs-to-be-done faced by buyers/sellers; and gaps and current business models of sellers/providers of the preloved items industry. Various business modeling tools such as Environment Map (EM), Business Model Canvas (BMC), Value Proposition Canvas (VPC) and Strategy Canvas were employed. Finally, a low-fidelity prototype of the Thrift-Tee app was designed and tested together with the initial business model, in assessing its relevance and sustainability for the targeted customer segments. Hence, this paper offers a conceptual validated business model for Thrift-Tee embedded with a digital platform aimed at empowering the B40 community through the exchange of preloved and thrift items.

KEY WORDS: Platform business model, B40, Thriftpreneurs, Strategy Canvas (CS), Sustainable Development Goals (SDGs).

1. INTRODUCTION

The word thrift is a popular term nowadays where it refers to the used clothing products. According to Chan (2020), the mainstream rise of “bundle” clothing consumption in Malaysia mirrors the global trend of thrift shopping which essentially means purchasing second-hand clothes. In the current era, the used product waste has been developed into a business opportunity. One of the usable waste products that are developing in the business world is the used clothing business. Rather than viewing them as waste, people recognize the potential for these items to be repurposed and given new life.

The trend of thrift fashion arises to promote sustainability to overcome consumption behavior in the fashion sector due to higher consumer demand in line with increased production rates. With low prices and decent quality, there is no difference compared to new clothes. So, with the price of these new clothes, consumers can get some used imported clothes with not much different in quality (Rorong et al., 2021). Consumers of thrift fashion can acquire branded items at economical prices which gives a platform for the B40 community to find cheaper options. This is especially helpful for people with lower incomes.

Apart from that, the platform gives them the opportunity to earn extra income from their unused belongings. This double advantage, saving money on clothes and earning from unused items, helps individuals and whole communities become more self-sufficient. They are less reliant on others for income and better equipped to handle economic challenges. This initiative also makes the world a greener and more budget-friendly place. Manufacturing new clothes requires a lot of energy and resources. When people choose preloved clothes, it helps to conserve energy used in making a new one. This contributes to a more sustainable approach to fashion.

2. OBJECTIVES

The main objective of this paper is to develop a conceptual business model with digital platform and apps that offers and provides products/services as pain relievers and gain creators including:

- a. Establish a conceptual business model integrating digital platforms and apps tailored to empower the B40s as thriftpreneurs.
- b. Offer a convenient, secure and inclusive platform within communities, facilitating the buying and selling of affordable, good quality preloved items.
- c. Champion sustainability by fostering a culture of reuse, thereby reducing waste and environmental impact.
- d. Cultivate trust and loyalty within the customer segment through robust safety features and an enriching user experience.
- e. Develop a distinctive preloved item platform that addresses the unique needs of the B40 community, ensuring a safe and dependable marketplace.

3. METHODOLOGY

This paper adopts the Design Thinking (DT) methodology to address the challenges faced by the proposed business model/solution. This problem-solving approach aims to enhance the business by delving into literature review, user insights, questioning assumptions, reframing issues, and generating innovative solutions

through a five-stage iterative process: empathize, define, ideate, prototype, and test (Foundation, Interaction Design, 2022). Various tools are utilized in this study, including the Business Model Canvas (BMC), Value Proposition Design Canvas (VPC), Environment Map (EM), and Strategy Canvas (SC). Additionally, surveys serve as a means of collecting data to gather feedback, opinions, and responses from participants – in establishing the initial business model, and later after getting the feedback, establishing the validated business model using the BMC framework.

3.1. Business Model Canvas (BMC)

The BMC is a strategic management tool used to develop and document new or existing business models. It's a visual chart outlining the core elements of a business, fostering a clear understanding of its value proposition, customers, infrastructure, and finances. This model has 9 Building Blocks such as Customer Segments, Value Propositions, Channels, Customer Relationships, Revenue Streams, Key Resources, Key Activities, Key Partnerships and Cost Structure (Osterwalder & Pigneur, 2010).

3.2. Value Proposition Design Canvas (VPC)

The VPC is a strategic management tool used to develop and refine a compelling value proposition for your target customer segments. It's a visual framework that helps businesses focus on understanding customer needs, pains, and gains, and how their offerings can address them effectively. This model consists of Customer Profile – Job-to-do, Gains, Pains; and Value Map - Products & Services, Pain Relievers and Gain Creators (Osterwalder et al., 2014).

3.3. Environmental Map (EM)

There are four main areas of the business environment that will help people map their environment's forces in a structured and tangible way. The four areas are market forces, industry forces, key trends, and macroeconomic forces (Osterwalder & Pigneur, 2010).

3.4. Strategy Canvas (SC)

A strategy canvas is a tool that compares the product factors that a sample of incumbent products compete on, based on the value that a particular customer segment receives from them, in a two-dimensional chart (W. Chan Kim and Renee Mauborgne, 2004). By using the Blue Ocean Strategy tool, the business can create uncontested market space and capture a new demand among businesses (Blue Ocean Strategy, 2022)

4. LITERATURE REVIEW

4.1. The Megatrend of 4IR technologies caused by the impact of Covid 19 in retail industry.

The application of 4IR technologies during the COVID 19 pandemic waves has an enormous benefit in the technological interventions. The boom of 4IR technologies have been globally utilized across all the sectors including education, businesses,

society, manufacturing, healthcare, agriculture and mining to reduce human-to-human physical contact during the pandemic. Digitalization of an e-commerce platforms and online banking transactions have been improved tremendously while improving the business service delivery and unexpected renaissance of online retail industry because of the rapid spread of “contact-free consumption patterns” (Agbehadji, I. E., Awuzie, B., & Ngowi, A. (2021)).

Over the past few decades, the retail business has seen major changes due to the megatrends of digitalization and globalization. Within ten years, the pandemic is expected to have a significant development potential in e-commerce. It has been suggested that the retail industry embrace digital business strategies to go digital and take advantage of globalization. This megatrend of digitalization of retail industry is caused by the wave of bankruptcy within the sector. Insecurities and social distancing measurement have led to a change in customer behavior and a sharp decrease in consumer spending. Plus, as the pandemic reached a global magnitude, interconnected supply chains could not sustain the pressure and broke down the interconnectedness among the global stakeholders. Therefore, the digital transformation to online channel retail has digitally improved and innovated the customer’s journey and marketing purchase in terms of manufacturing, commercial and service business (Braun and Bergamin, 2021, pp 15-16). However, after the pandemic, the tendencies became more common place, and most retail stores now have their websites for online shopping, applications, and additionally social media sites like Facebook, Instagram, and TikTok.

4.2. E-retail, secondhand/preloved industry and thrift-preneurship.

Economic uncertainties and job losses during the pandemic may have influenced both demand and supply within the preloved market globally. Traditional brick-and-mortar thrift stores and markets faced challenges due to lockdowns and reduced foot traffic. However, some adapted by expanding their online presence and some individuals turned to selling preloved items to make ends meet, others may have shifted towards secondhand shopping to save money.

According to the Observatory for Economic Complexity which monitors international trade, the United States was the biggest exporter of used clothing in 2019 (the most recent year for which data is available), with shipments totaling \$720 million, whereas Kenya (\$165 million), Ghana (\$168 million), Pakistan (\$189 million), and Ukraine (\$203 million) were the leading importers. The value of Malaysia's imports was \$105 million (Marcus, 2022)

Thrift-preneurship refers to entrepreneurship within the thrift of secondhand market, where individuals create businesses by buying and selling preloved items. With the rise of e-commerce, many thrift-preneurs leverage online platforms to reach a wider audience. Some thrift-preneurs use social media influencers to create dedicated accounts to showcase their curated collections. These platforms provide a convenient and cost-effective way to showcase and sell preloved items.

4.3. Existing Business Model, Digital Platform and Application.

There are a few business models that have been reviewed. One of them is Carousell. Carousell is a mobile app and web-based consumer-to-consumer (C2C) and business-to-business (B2B) multinational company founded in Singapore by Quek Siu Riu, Lucas Ngoo and Marcus Tan. It provides a convenient and user-friendly

platform for individuals to buy and sell items locally, with features such as ease of listing, browsing and communication. Carousell generates revenue mainly through premium features like promoted listings, advertising and transaction fees or sales commissions. Carousell make money by connecting buyers and sellers, acting as a mediator, advertiser, and payment facilitator. Advertising is the biggest source of income, with sellers bidding to occupy high visibility spots using in-app currency Carousell Coins. Other than that, Carousell charges sellers a listing fee for products in high-value categories and sells subscription plans to sellers giving them access to higher product quotas and business analytics among other perks (Cuofano, 2024). Carousell also fosters customer relationships through user feedback mechanism, messaging features for communication between buyers and sellers, and customer support services.

Next, mudah.my is another online marketplace platform, primarily serving users in Malaysia which have similar Business Model Canvas (BMC) framework as Carousell. Carousell owns and operates Mudah.my in Malaysia, Chotot in Vietnam and Onekyat in Myanmar. Mudah.my is a business-to-business (B2B) web-based platform. This platform serves individual buyers and sellers to sell products or services and possibly collectors or hobbyists seeking niche items in a wide range of new and used items, including electronics, vehicles, clothing, and services. Mudah.my generates revenue through various streams, including premium listings, advertising, promoted listings and transaction fees or commissions on sales. It includes its technology platform, user base, brand reputation, marketing channels, partnerships with payment gateways or logistics providers for shipping services and other online marketplace for cross-listing or integration purposes.

Lastly, eBay business model which also offers services to its users, such as payment processing, financing and advertising. eBay operates as both a peer-to-peer and business-to-consumer (B2C) marketplace. In addition to individual sellers, businesses and retailers can also list products for sale. eBay facilitates transactions on a global scale, with shipping options available for both domestic and international sales (Pareira, 2023). eBay has a broader appeal and attracts a wide range of users with its diverse product offerings span various categories, from electronics and fashion to collectibles and rare items. eBay charges the sellers various fees, including listing fees, final value fees based on sale price, and additional fees for optional listing upgrades and promotion tools.

4.4. Government Incentives

Based on the National Entrepreneurship Policy (NEP) 2030's strategies published by the Malaysian government to improve the standards of living and socioeconomic standing of the nation, Malaysia's goal to achieve the status of an entrepreneurial nation in 2030 requires an improvement of the entrepreneurship ecosystem in term of market, policies, funding, support, culture, skills and talent as well as technology and innovation. The government itself is prepared to support MSMEs in this endeavor by adopting several approaches such as workshops and scaling current business to become bigger. Partnerships with other companies are essential to achieving this goal because they allow a company to grow its network and increase its capacity to provide goods and services to a larger and more varied clients.

The NEP 2030 itself emphasizes several important concepts and details that heighten the importance of our suggested business endeavor, B40 Online Bazar, the Thrift-Tee. This indicates that should it be developed. It might contribute to achieving some of the goals set forth in the NEP 2030 policy. By assisting current and upcoming companies in forming partnerships, Malaysia's financial industry can concentrate on developing and growing to further impact its surroundings or enter the international market, which is in line with the objectives of NEP 2030 and is financially motivated.

4.5. Benchmarking of Business Model Using BMC Framework

Benchmarking is a valuable tool for organizations seeking to improve their performance, drive innovation, and maintain competitiveness in an ever-changing business environment. It enables organizations to learn from others, set ambitious yet achievable goals, and continuously strive for excellence. This research can also observe the business strategies that successful companies currently employ and how they achieve success with them thanks to this research. Additionally, it enables to recognize assets and shortcomings and can make corrections and develop plans of action for upcoming difficulties. The BMC framework chosen was the eBay's BMC framework. The BMC of eBay is shown in Fig. 1 below.

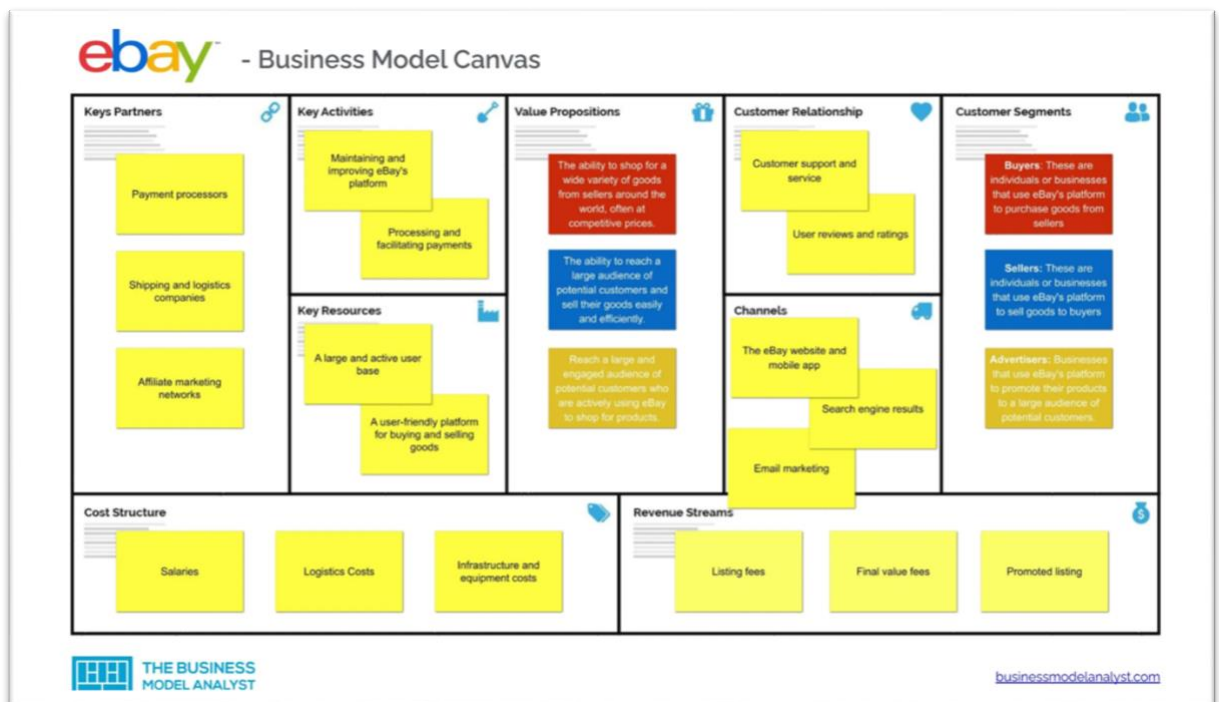


Fig. 1. The Business Model of eBay (<https://www.ebay.com.my/>)

4.5.1. Carousell's Business Model Canvas

In Carousell's business model canvas, users can purchase and sell a range of goods on a peer-to-peer marketplace. Transaction fees, seller-only premium services, and advertising are how it makes money. Through its website and mobile app, the platform focuses on user interaction, trust-building, and a frictionless buying and selling experience. The BMC of Carousell is shown in Fig. 2 below.

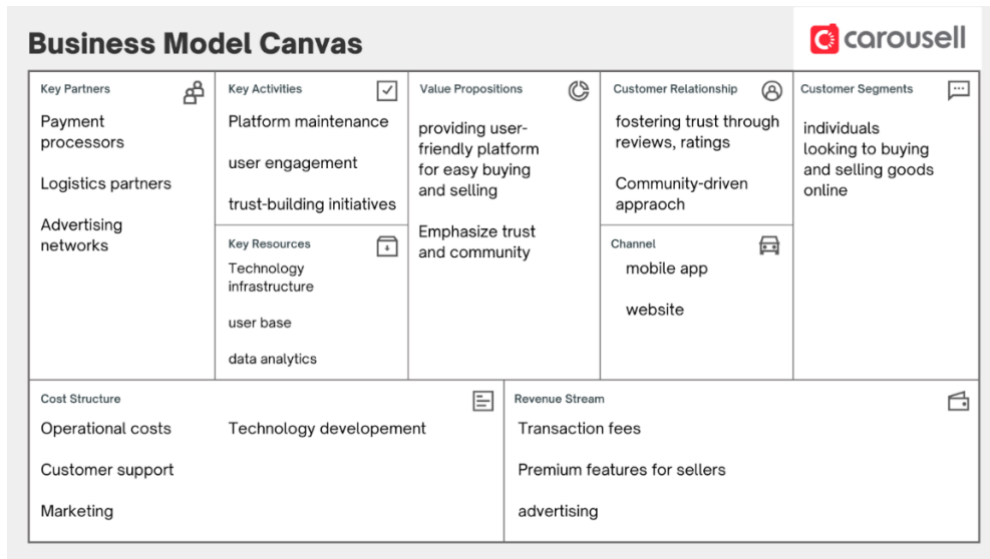


Fig. 2. The Business Model of Carousell (<https://www.carousell.com.my/>)

4.5.2. Mudah.my, Chotot and Onekyat Business Model Canvas

(<https://www.mudah.my/>) (<https://www.chotot.com/>)

Mudah.my, Chotot and Onekyat all operate as online classified platforms, and their business models may have similarities, but also key differences based on factors such as geographic focus, user behavior and market conditions. Mudah.my primarily serves the Malaysian market, Chotot focuses on Vietnam and Onekyat targets users in Myanmar. This geographic focus impacts various aspects of their business models, including language support, marketing strategies and partnership. Monetization strategy may be different based on market dynamics, user preferences in each region, cultural factors and regulatory environment. Therefore, Onekyat is only available as an application and not as a website. The BMC of Mudah.my, Chotot and Onekyat is shown in Fig. 3 below.

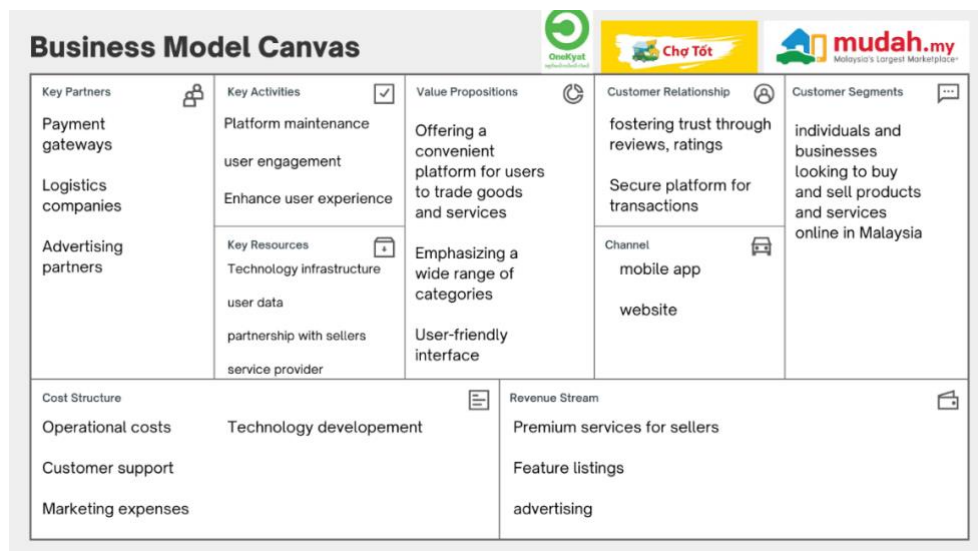


Fig. 3. The Business Model of Mudah.my, Chotot, Onekyat

5. INITIAL BUSINESS MODEL (BM) – USING BMC & VPC

5.1. Initial Business Model Canvas (BMC)

Fig. 4 depicts the initial Thrift-Tee business model, constructed using the BMC framework, based on the preceding literature evaluations on the business model canvas.

Key Partners - Certified and authorized administration - Local businesses	Key Activities - Promote safe buying/selling practices - Develop and improve features, keep it user friendly. - Provide help centre for customer support	Value Propositions - Fast and easy transactions (payment) - Safer transactions (provide COD option) - Pick up on the go (COD) - Affordable options (local as buyer/seller, support fellow community) - Promote sustainability and reduce waste	Customer Relationship - Chatbot customer support for inquiries (help centre) - Gather user reviews and feedbacks - Personalized recommendations (using AI) - Designated meeting zones (lounge)	Customer Segments 1. Sellers - Local residents 2. B40 prelovedpreneurs 2. Buyers - Local residents - B40 Community
	Key Resources - Physical Resources 1. Mobile devices (users' gadgets) 2. Network connection (wifi) - Human Resources 1. Development team (programmer, UI, UX) 2. Marketing team (promotion/pubpro) - Financial Resources 1. Bank services (payment transaction)		Channel - Online platform (appstore) - Social media platform (whatsapp, telegram, instagram, tiktok, facebook) - Designated meeting zone (lounge) Delivery (COD)	
Cost Structure - App development and maintenance - Cloud storage costs		Revenue Stream - Featured listings for sellers (advertisement) - Buyer protection feature		

Fig. 4. The Initial Business Model Canvas of Thrift-Tee

The proposed Thrift-Tee's business model fosters a thriving second-hand marketplace among the local residents, the B40 thriftpreneurs and others B40 community. Its strengths lie in inclusivity, creating a diverse community for buying and selling. The platform prioritizes affordability and convenience, catering to individuals' budgets with easy transactions. Sustainability is also a focus, promoting a circular economy through item reuse which aligns with SDG 1 and SDG 12 (MOE, 2021). However, challenges exist. Effective marketing to drive user adoption within the community is crucial. Striking a balance between free and premium features will be essential to attract and retain users. Additionally, robust community management practices are needed to ensure a safe and trustworthy environment. Competition from existing online marketplaces or offline options is also a factor. By addressing these challenges, Thrift-Tee can become the go-to platform for affordable buying and selling within the community, fostering a vibrant and sustainable marketplace.

5.2. Initial Value Proposition Design Canvas (VPC)

The Thrift-Tee VPC provides a structured approach to align products or services with the specific values and needs of customers. It distinctly delineates customer

segments and value propositions. The customer profile aids in elucidating customer understanding, while a value map articulates how the business intends to deliver value to customers. The convergence of these elements results in achieving the crucial "Fit" (Osterwalder et al., 2014). This canvas is instrumental in evaluating the value of Thrift-Tee for various customer segments, including the local residents and the B40 Thriftpreneurs (Fig. 5), and the B40 community (Fig. 6).

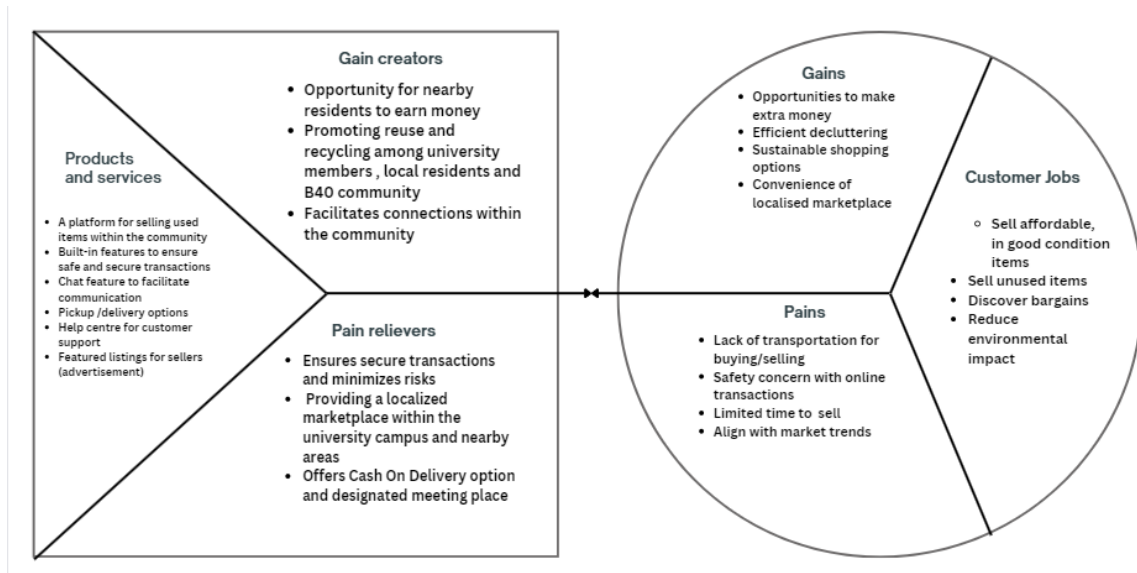


Fig. 5. The Initial VPC – Sellers (Local resident and B40 thriftpreneurs)

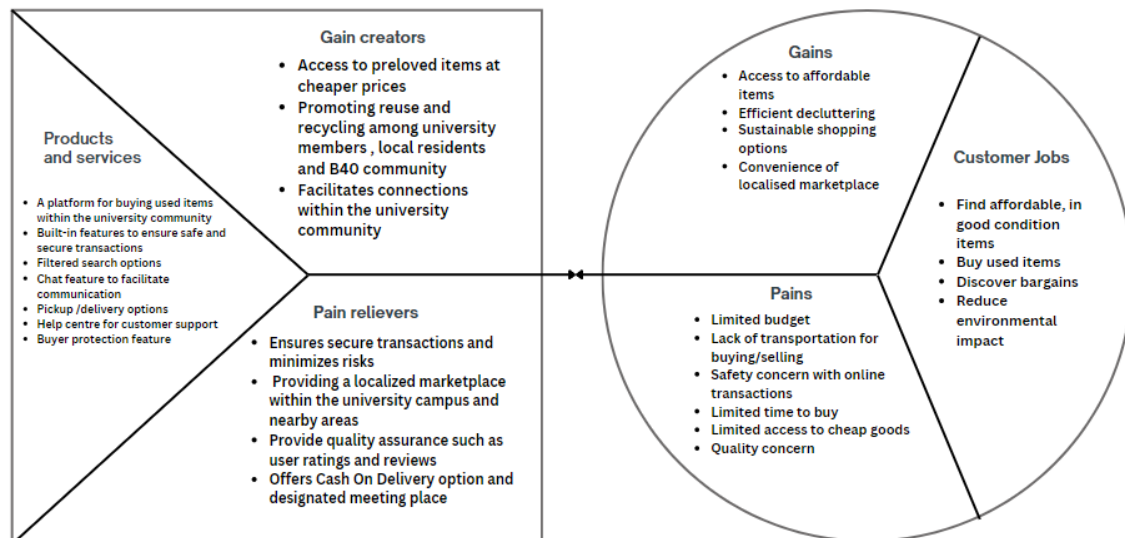


Fig. 6. The Initial VPC – Buyers (Local residents and B40 community)

The VPC models provide a clear visual representation of everyone involved in the customer segment, reflecting an understanding of their demands and motivations. They are also tailored to certain gain points and provide advantages to different consumer categories, displaying a customer-centric strategy. Gain producers and pain relievers provide alternatives to fulfil the wants of various customer segments.

While the models anticipated significant advantages, some consumer groups might benefit from a more detailed list of possible pain points. There are certain parallels between the gain creators and pain relievers' parts, which can be differentiated to provide a greater emphasis on Thrift-Tee's advantages. While the answers have been detailed, the solutions offered are distinguishable from the current approaches to better group targets.

6.CONDUCT VALIDATION OF INITIAL BM & KEY FINDINGS

To validate the Thrift-Tee business model, an online survey through *Google Form* has been conducted consisting of 16 questions. Responses were collected from 15 participants representing various income brackets (B40, M40, T20) and employment sectors, including both business and non-business fields. This survey was distributed among university students and individuals in the neighboring communities to gather different perspectives and feedback. The analysis of the data collected from the online survey presented in the following diagrams below:

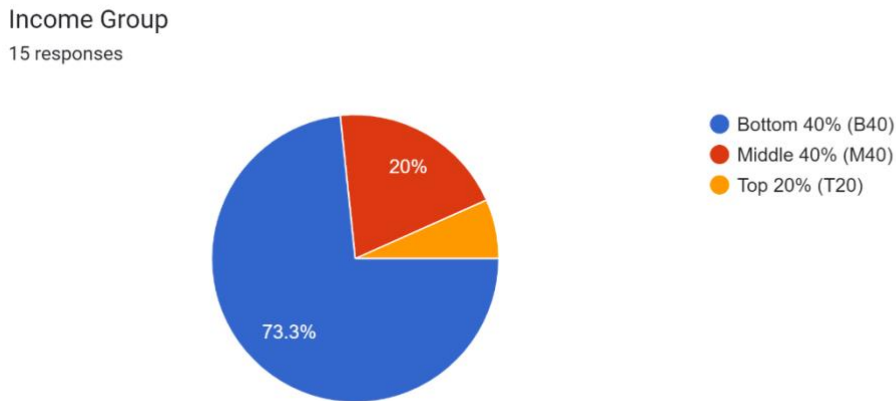


Fig. 7. Income Group.

The first question asked people about their income group. Illustrated in Fig. 7, the findings indicate that 73.3% or 11 individuals among the respondents fall under the B40 group. Meanwhile, 20% or 4 participants are classified as M40, with a minor representation of 6.7% or 1 respondent in the T20 category. Most responses came from the B40 group.

Do you face any difficulties in searching for used items at a low and affordable prices?

15 responses

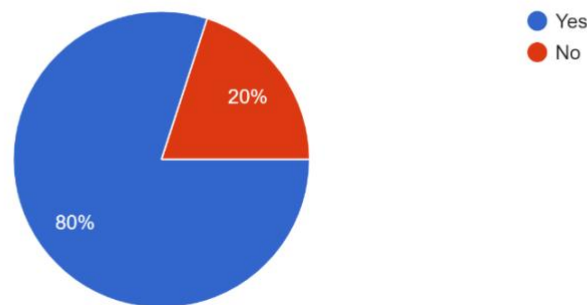


Fig. 8. Face any difficulties in searching for used items at a low and affordable prices.

The next question inquired whether respondents encounter challenges in finding inexpensive used items. As depicted in Fig. 8, 80% of the participants answered affirmatively, whereas 20% responded negatively. This indicates that most respondents are indeed having trouble finding affordable secondhand items.

Do you think that local residents and B40 prelovedpreneurs are interested in buying and selling second-hand clothes?

15 responses

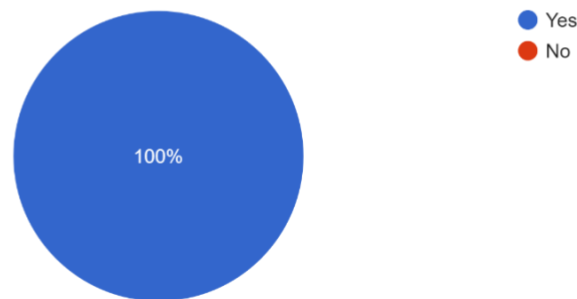


Fig. 9. Think that local residents and B40 thriftpreneurs interest in buying and selling secondhand clothes.

The third question asked if the respondents believe that the local residents and the B40 thriftpreneurs are keen on buying and selling secondhand clothes. As shown in Fig. 9, all respondents indicated that they believe the B40 individuals would indeed be interested.

If yes, why do you think they are interested ?

13 responses

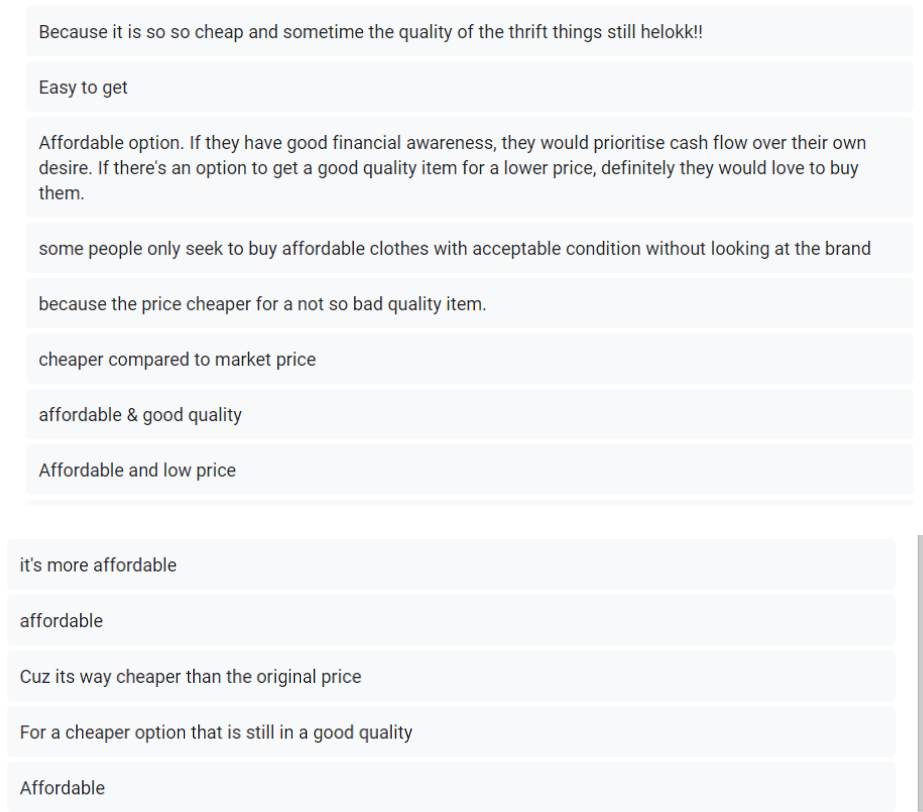


Fig. 10. Reasons the B40s are interested in buying and selling secondhand clothes.

The following question inquired about the possible reasons behind why the B40 individuals are interested in buying and selling secondhand clothes. As illustrated in Fig. 10, the responses mainly revolved around affordability and cost-effectiveness.

Do you prefer the face-to-face negotiation during the buying-selling process?

15 responses

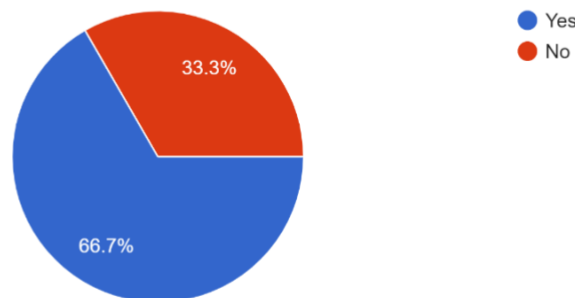


Fig. 11. Preference on face-to-face negotiation during the buying-selling process.

The fifth question queried whether respondents favor a face-to-face negotiation during the buying and selling process. Illustrated in Fig. 11, 66.7% of participants

indicated a preference for a face-to-face interaction, while 33.3% expressed a preference for other methods. This indicates that the majority prefer direct interaction to ensure secure delivery and avoid frauds.

Do you think by gathering user reviews and feedback will help to improve the platform?
15 responses

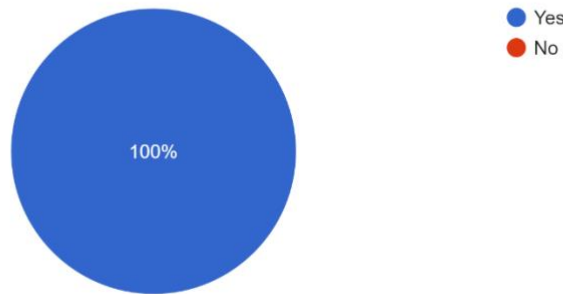


Fig. 12. Gathering user reviews and feedback helps improve the platform.

The sixth question asked if gathering user reviews and feedback contributes to enhancing the platform. As depicted in Fig. 12, all respondents agreed that incorporating these features would indeed improve the platform.

Do you think people willing to donate or pay to use the listed features of the platform?
15 responses

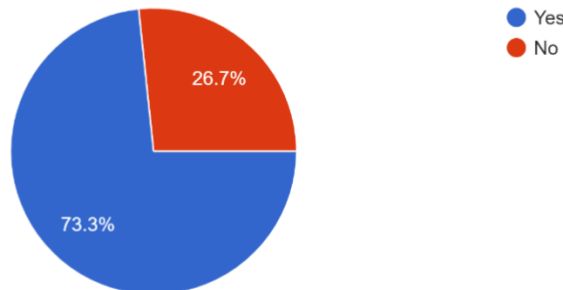


Fig. 13. People willing to donate or pay to use the listed features of the platform.

In the seventh question, it queried whether people are willing to donate or pay to use the listed features of the platform. As shown in Fig. 13, 73.3% of the participants answered affirmatively, while 26.7% responded negatively. This suggests a strong likelihood that people would utilize the listed features to endorse the product and gain visibility on the front page.

Do you think this platform will give opportunity for users to gain any income?

15 responses

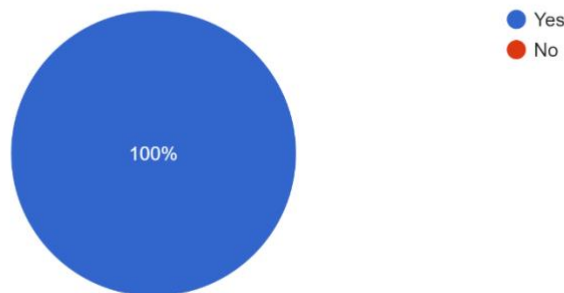


Fig. 14. Platform will give opportunity for users to gain any income.

The eighth question explored whether the platform offers users the chance to gain any income. As shown in Fig. 14, all respondents concurred that this platform provides such an opportunity by connecting potential buyers and sellers.

Rate yourself, how often you will be using this platform to buy or sell used items?

15 responses

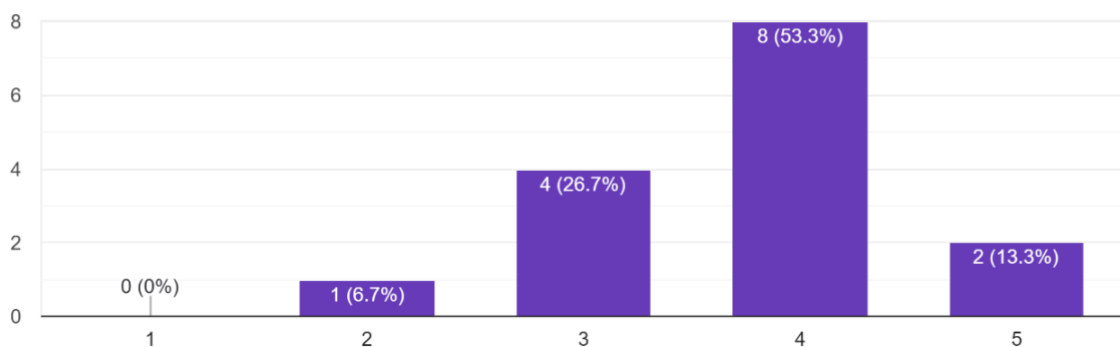


Fig. 15. Frequency using this platform to buy or sell used items.

The final question investigated the frequency with which respondents intend to use the platform for buying or selling used items. As illustrated in Fig. 15, 53.3% or 8 respondents chose option 4, 26.7% or 4 chose option 3, 13.3% or 2 chose option 5, 6.7% or 1 chose option 2, and none selected option 1. This indicates that most people plan to use the platform regularly, as it serves their needs and offers benefits.

7. VALIDATED BM – BMC FRAMEWORK

7.1. Validated Conceptual Business Model

According to the survey results, respondents from different customer segments are generally satisfied with the business model and believe that some improvements on the cost structure and value proposition are required. As a result, Fig. 16 illustrates the validated business model canvas for Thrift-Tee.

Key Partners - Certified and authorized administration - Local businesses -Banks	Key Activities - Promote safe buying/selling practices - Develop and improve features, keep it user friendly. - Provide help centre for customer support	Value Propositions - Fast and easy transactions (online or offline) - Offer face-to-face buying and selling process (negotiation) - Offer pick up on the go options (COD) - Affordable options (local and B40 as buyer or seller) - Promote sustainability and reduce waste -Help in generating income for poor people	Customer Relationship - Chatbot customer support for inquiries (help centre) - Gather user reviews and feedbacks - Personalized recommendations (using AI) - Designated meeting zones (lounge) -ThriftTee digital platform and mobile applications	Customer Segments 1. Sellers - Local residents - B40 entrepreneurs 2. Buyers - Local residents - B40 Community
	Key Resources - Physical Resources 1. Mobile devices (users' gadgets) 2. Network connection (wifi) - Human Resources 1. Development team (programmer, UI, UX) 2. Marketing team (promotion/pubpro) - Financial Resources 1. Bank services (payment transaction)		Channel - Online platform (appstore or google store) - Social media platform (whatsapp, telegram, instagram, tiktok, facebook) - Designated meeting zone (lounge) Delivery (COD) -Thrift Tee digital platform and mobile applications	
Cost Structure - App development and maintenance - Cloud storage costs - Payment gateway fee		Revenue Stream - Featured listings for sellers (advertisement) - Buyer protection feature		

Fig. 16. The Validated Business Model Canvas of Thrift-Tee

The nine blocks of the BMC for Thrift-Tee are detailed below:

7.1.1. Customer Segments

Customer segments for the business model consist of sellers and buyers. The sellers are the local residents and the B40 entrepreneurs, with the latter group representing entrepreneurs from the lower 40% income tier who specialize in secondhand or preloved items. The buyers are the local residents and the broader B40 community, with interests ranging from finding affordable items to supporting local entrepreneurship and sustainability through reused goods. This structure supports a local, community-focused business model with a sustainability and income-enhancement angle.

7.1.2. Value Propositions

The value propositions emphasize a flexible and user-friendly experience, with fast and easy transactions available both online and offline. It accommodates face-to-face buying and selling processes, allowing for negotiation, while also providing convenient pick-up options like cash-on-delivery (COD). This setup enables affordable transactions, catering to the local residents and the B40 community as buyers or sellers, fostering economic inclusion. The model promotes sustainability by encouraging the reuse and repurposing of preloved items, thereby reducing waste. Additionally, it supports income generation for lower-income individuals, contributing to a more inclusive and sustainable economy.

7.1.3. Channels

In this business model, it employs various channels to connect with and serve its customer segment. It uses an online platform, accessible through app stores like Google Play or the App Store, allowing users to interact digitally. Social media platforms such as WhatsApp, Telegram, Instagram, TikTok, and Facebook are used to engage customers, promote the business, and facilitate communication. A designated meeting zone like a lounge and Network-of-Mosque (Dahlan et al., 2017; Saleh et al., 2013) provides a physical space for the face-to-face interactions between buyers and sellers. For delivery, the business offers cash-on-delivery (COD) as a convenient payment option. Additionally, the business leverages the Thrift-Tee digital platform and mobile applications, providing a dedicated digital interface for users to browse, buy, sell, and connect with the business. These combined channels ensure a versatile and robust approach to customer engagement and service delivery.

7.1.4. Customer Relationships

This business model uses various methods to foster customer relationships. A chatbot customer support system is in place to answer customer inquiries quickly and efficiently, acting as a virtual help center. The business actively gathers user reviews and feedback to understand customer needs and improve the platform's offerings. Personalized recommendations, powered by AI, guide customers to products that match their preferences. There are also designated meeting zones like a lounge and Network-of-Mosque (Dahlan et al., 2017; Saleh et al., 2013), enabling buyers and sellers to meet face-to-face for a more personal experience. Additionally, the business operates the Thrift-Tee digital platform and mobile applications, providing customers with a convenient and effective way to interact with the business and access its services. These elements collectively create a comprehensive and customer-centric approach to building relationships.

7.1.5. Revenue Streams

The revenue stream of this business model is through featured listings for sellers, where sellers can pay to have their products or services prominently displayed, providing them with increased visibility and potentially more sales. This feature functions as a form of advertisement within the platform. Additionally, the business offers a buyer protection feature, where buyers can pay for extra security or insurance, ensuring their transactions are safe and protected. This approach creates a revenue stream by providing premium services that enhance the customer experience and confidence in the platform.

7.1.6. Key Resources

In the Thrift-Tee business model, the key resources contain physical resources that include mobile devices (the gadgets used by users) and network connections like Wi-Fi, ensuring smooth online transactions and communication. Human resources encompass a development team, including programmers, UI/UX designers, and others who create and maintain the platform, along with a marketing team responsible for promotion and public relations. Finally, financial resources are represented by bank services for handling payment transactions, which play a crucial role in facilitating secure and reliable financial operations within the business model.

7.1.7. Key Activities

The key activities include promoting safe buying/selling practices, ensuring that transactions are secure and that both buyers and sellers are protected from fraud or scams. Additionally, the business focuses on developing and improving platform features to keep them user-friendly and engaging, providing a smooth experience for users. It also involves providing a help center for customer support, where customers can get assistance, ask questions, and resolve issues, reinforcing a positive relationship with the platform.

7.1.8. Key Partners

In this business model, certified and authorized administration represents regulatory or governing bodies that ensure the business operates within legal frameworks and meets compliance requirements. Partnerships with local businesses, NGOs, and Network-of-Mosques create a network that supports community engagement and may also offer resources, referrals, or collaborative opportunities. Finally, collaboration with banks is crucial for secure financial transactions, providing services like payment processing, account management, and other financial infrastructure. These partnerships collectively help the business to function smoothly, ensure compliance, and build strong community connections.

7.1.9. Cost Structure

Thrift-Tee business model's cost structure covers significant costs, including app development and maintenance, which encompass the ongoing expenses of creating, updating, and enhancing the mobile application to ensure it remains functional and user-friendly. Cloud storage costs are another major expense, covering the storage of user data, application resources, and backups in a secure and scalable environment. Additionally, the business incurs payment gateway fees, representing the charges for processing payments and transactions through financial services. These costs are central to the operation of the business and impact its profitability and sustainability.

7.2. Environmental Map

7.2.1. Market forces

Market forces are a major factor in shaping the business environment for Thrift-Tee. By studying market forces, the company can gain insights into supply and demand dynamics, pricing trends, and competition. This involves looking at customer preferences, purchasing power, and market saturation (Kotler, Keller, Burton, & Moriarty, 2020). Analyzing market forces helps Thrift-Tee adjust its strategies to keep up with the changing market conditions, staying relevant and competitive.

7.2.2. Industry forces

Thrift-Tee operates in an industry with various influential factors. These include competition levels, the possibility of new businesses entering the market, the power buyers and suppliers hold, and the availability of alternative options for customers (Porter, 2008). Recognizing these industry forces helps Thrift-Tee pinpoints the possible risks and chances for growth, aiding in decisions related to market position, pricing methods, and unique selling points. Hence, by staying vigilant to industry changes, the company can address challenges proactively and take advantage of new trends.

7.2.3. Key trends

It is important for Thrift-Tee to keep up with the key trends to stay ahead of market changes and meet customer preferences. This involves monitoring technology, consumer behavior, sustainability, and economic factors (Thies, 2023). Furthermore, by keeping informed about these trends, the company can predict market shifts and adapt its products and strategies accordingly. For instance, by acknowledging the rise in online shopping and the focus on sustainability, Thrift-Tee can customize its platform to align with changing customer needs and wants.

7.2.4. Macroeconomic forces

Macroeconomic forces are substantial economic factors that impact businesses on a national or global level. These include inflation, unemployment, interest rates, and economic growth. Thrift-Tee can analyze these forces to predict economic trends and how they may affect consumer behavior and purchasing power (Board of Governors of the Federal Reserve System, 2024). Thus, adjusting its strategies based on macroeconomic conditions, Thrift-Tee can minimize risks and take advantage of opportunities that arise from changes in the economy.

7.3. Strategy Canvas

Strategy Canvas is a tool that makes it possible to see how rivals attract clients, allowing businesses to compare the operations and approaches of various companies moving towards a blue ocean strategy (Kim & Mouborgne, 2005). By using this tool for the Thrift-Tee platform, it helps to compare our solution with other sectors in the market. We are focusing on preloved items sectors which makes us go deeper and examine the number of business owners who can form alliances with one another on a national or worldwide scale.

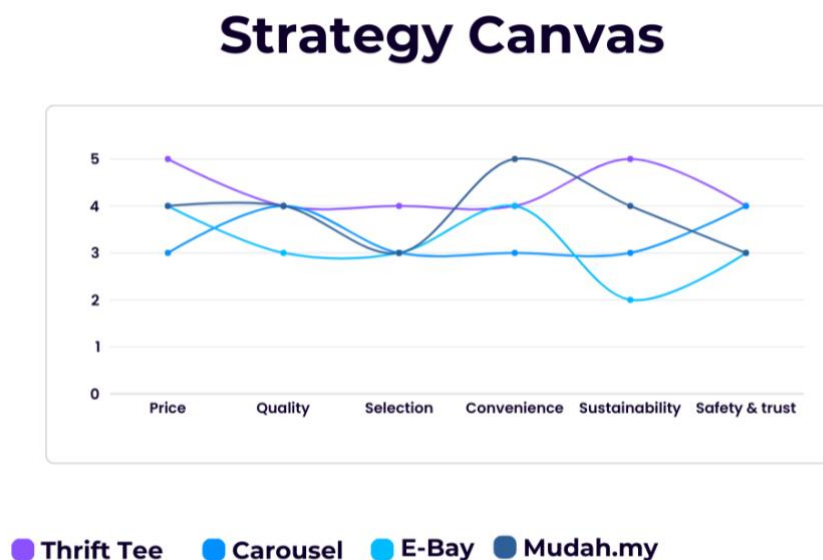


Fig. 17. Strategy Canvas

Using this strategy canvas, we compare the online platform Thrift-Tee business model with the three major players in the online thrift market, namely Carousell, eBay and Mudah.my. The canvas in Fig. 17 is based on the key factors that influence consumers' buying decision, which are the price, quality, selection, convenience,

sustainability, safety and trustworthiness. Compared to the other online platforms, Thrift-Tee has the following key differentiators:

- **Price:** Thrift-Tee offers more affordable prices than Carousell, eBay and Mudah.my as it develops a distinctive preloved item platform that addresses the unique needs of the B40 community.
- **Selection:** Thrift-Tee offers a wider selection of preloved products compared to Carousell, eBay and Mudah.my.
- **Sustainability:** Thrift-Tee focuses more on sustainability than Carousell, eBay and Mudah.my with the highest score in this area. It champions sustainability by fostering a culture of reuse, thereby reducing waste and environmental impact.
- **Safety and trust:** Thrift-Tee focuses on face-to-face negotiations to see that the items they purchase are genuine and not counterfeit or a replica. Sellers with positive ratings and a good brand reputation may enhance the overall perception of the platform. Plus, Thrift-Tee ensures secure transactions and minimizes risks, making it the safest platform.

Overall, the online platform Thrift-Tee business model differentiates itself from competitors by offering more affordable products with a wider selection, a strong focus on sustainability, safe to use and trusted platform. Thrift-Tee also offers affordable options for the locals and the B40 buyers and sellers, ensuring that none of the items are overpriced in the current global market. Fitting and sizing can be done in the face-to-face negotiations, making it safer and a more trusted platform than the other platform. Thrift-Tee also provides a chatbot customer service to support any inquiries. People are ready to pay or donate to access the platform's specified features and willing to donate preloved and thrift items. Therefore, these key differentiators can be leveraged to create a unique value proposition and competitive in the online thrift marketplace.

7.4. Low Fidelity prototype

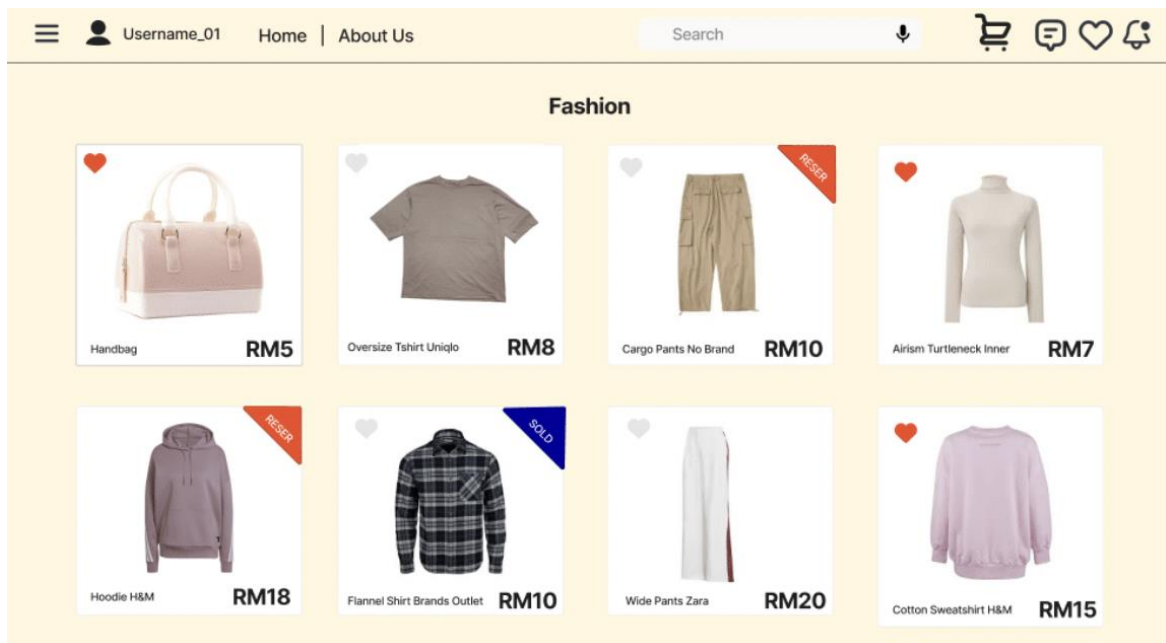


Fig. 18. List of products page

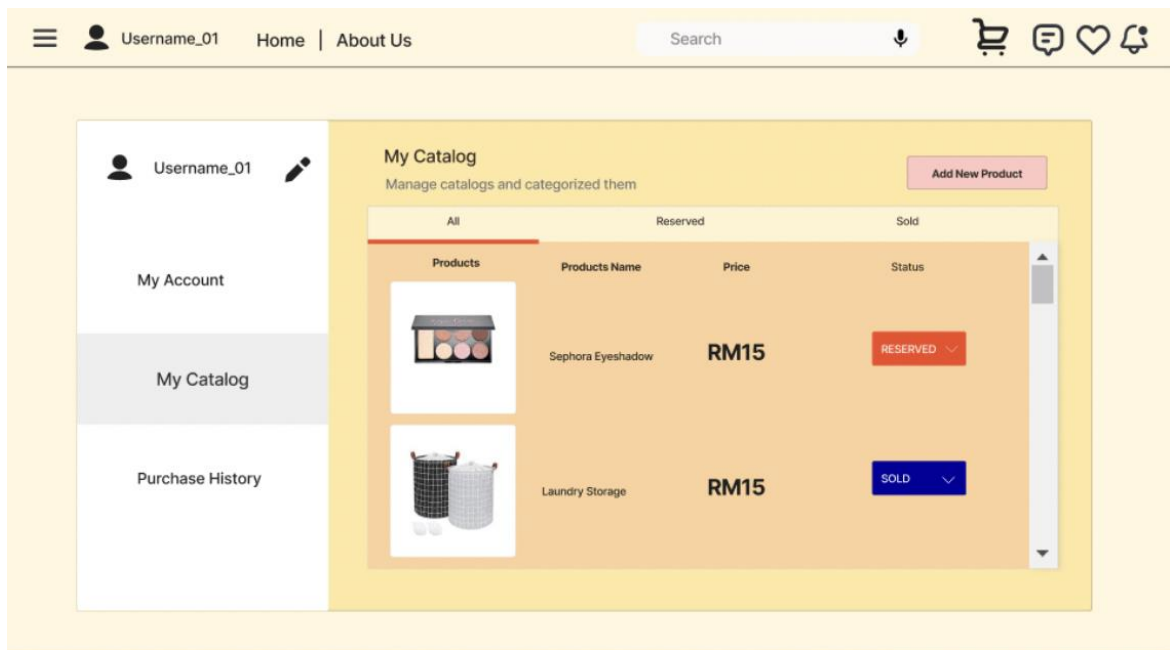


Fig. 19. User catalog page

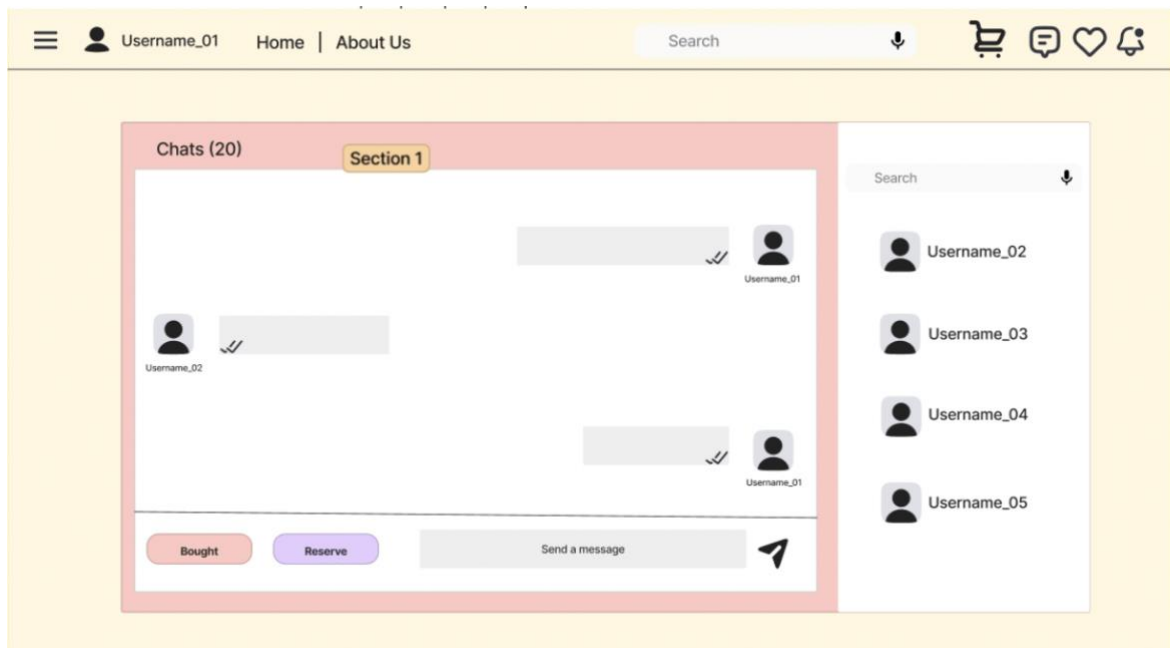


Fig. 20. Chat with seller features

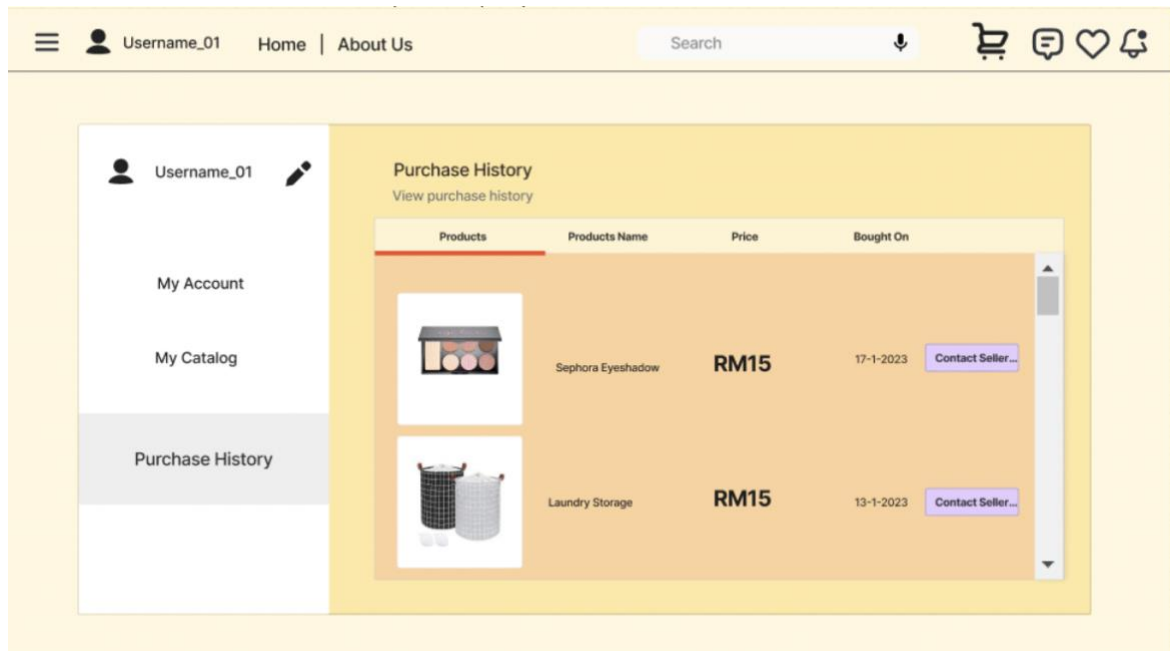


Fig. 21. User purchase history

8. CONCLUSION AND FUTURE WORKS

In conclusion, the conceptual Thrift-Tee business model addresses several key challenges and opportunities for its various customer segments. For the sellers, including the local residents and the B40 thrift-preneurs, the job-to-be-done is to efficiently sell unused items and generate income. The extreme pain points include the hassle of finding buyers and negotiating prices, while the essential gains include earning extra money and decluttering their homes. Thrift-Tee's solution differentiates itself by providing a user-friendly platform for sellers to list their items easily, negotiating prices conveniently, and reaching a broader audience through digital channels. For the buyers, comprising the local residents and the broader B40 community, the job-to-be-done is to find affordable and good quality preloved items. The extreme pain points include limited access to affordable goods and concerns about product quality. The essential gains include saving money and accessing unique items. Thrift-Tee's solution differentiates itself by offering a wide range of affordable products, ensuring product quality through seller verification processes, and providing a secure platform for transactions. Hence, Thrift-Tee's business model, products/services, and key features of its digital platform/app are designed to meet the specific needs of sellers and buyers, offering a unique and inclusive marketplace for the B40 community.

The next stage in turning this theoretical business model into a workable business solution is to use the V2MOM (Vision, Values, Methods, Obstacles, and Measures) model for the creation of a business plan. Since it will be our guide to starting and running the company, a thorough business plan is necessary. It also serves to organize and clarify every aspect of how our company will run to maintain profitability and long-term viability, along with being the vital force behind the B40 entrepreneurs' ability to continue operating their firms until they can innovate their lives and escape poverty independently, Thrift-Tee may also be a dependable resource for business owners looking to optimize the performance of their startup or current ventures.

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