

Impact of Thrifting Presence on Local Brands in Bandar Lampung According to Islamic Business Perspective

Rega Ardian¹, Vicky F. Sanjaya², Yeni Susanti³

^{1,2,3} Sharia Business Management, UIN Raden Intan Lampung, Bandar Lampung, Indonesia

Article Information

Article History

Received, December 31, 2025

Revised, January 19, 2026

Accepted, January 29, 2026

Published, March 2, 2026

Corresponding Author:

Rega Ardian, Sharia Business Management, UIN Raden Intan Lampung, Bandar Lampung, Indonesia.

Email:

ardianregarn@gmail.com

ABSTRACT

This study aims to analyze the impact of the presence of the thrifting phenomenon on the sustainability of local brands in Bandar Lampung, using the perspective of Islamic business as an analysis framework. The method used is a Combination of Field research and literature, employing a qualitative approach, involving interviews with local brand owners such as Otsky, Kaway, Market Donkey, and The Done House. The results showed that the accelerated thrift trend following COVID-2019 led to significant asymmetric competition, resulting in a decrease in sales and profit margins for local brands as consumers switched to thrift products that offered unique models at much lower prices. From an Islamic perspective, the practice of trafficking illegal imports is considered vulnerable to violations of the principles of Shiddiq and Ghirar in transactions, as well as violating the principles of Al-'Adl due to the unfair advantage of avoiding legal fees. Therefore, the policy of banning the import of used clothing is justified by the Shari'ah through the principle of Mashlahah Mursalah to protect Hifzh al-Mal and hifzh an-Nafs. It is recommended that local brands use ethical integrity as the main competitive differentiation by strengthening Shiddiq and Amanah, and adopting a slow Fashion narrative that is oriented towards Mashlahah.

Keywords: Thrifting, Local Brands, Islamic Business.

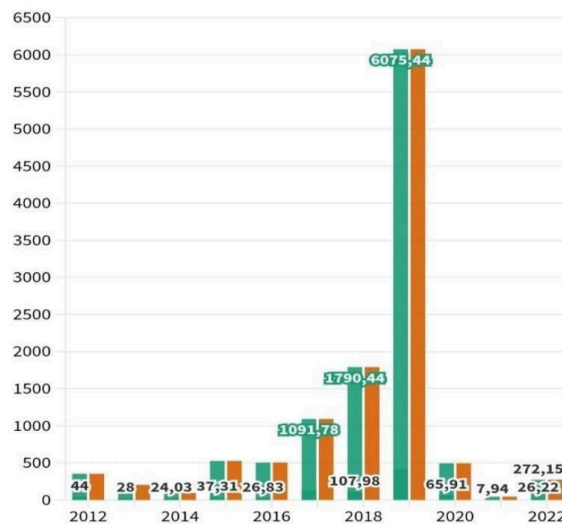
1. INTRODUCTION

Currently, the existence of such a lifestyle is a demand that must be met in everyday life, especially in urban areas (Rani & Hidayat, 2020). Lifestyle is generally associated with an individual's lifestyle that can be used as an identity for each person's personality. Consumers are considered active participants in the creation of social and cultural meaning from lifestyle consumption to the aesthetic processes of everyday life (Setiawan et al., 2024). Fashion trends are no longer a new phenomenon in Indonesia and even in the world. The development of fashion is also influenced by technological developments that make turnover and development faster. Of course, this makes the business actors engaged in fashion must be faster to adapt and creative in creating products both desired by consumers and needed by consumers (Nurazizah, 2023).

Today's Fashion doesn't just come from new products. Changes in fashion and the rapid growth of fashion make used clothes into products that can be sold, and it turns out that today there is a lot of demand, especially from teenagers (Shinta, 2022). Used clothes tend to have only one model in a large sack size, making it less likely to have many Twin clothes. At first, this used clothing is not accepted by all circles, but over time, the development of the fashion world makes used clothing in demand from every circle. Second-hand clothes with well-known brands are more

attractive to buying teenagers than local products, even though they are of the same price and quality. Generally, those who buy used clothes come from people with middle and lower economic classes who cannot afford to buy new products but still want to appear with branded clothes.

Buying or using used or thrift clothes at this time is not taboo. Nowadays, it can be a trend in itself where many teenagers are very interested in thrift clothing, and they put aside the used labels on the clothes (Rahmalia, 2024). Of course, this is an interesting phenomenon to be discussed further regarding the trend of buying thrift or used clothing, and to find out this, a small study must be carried out to obtain data that shows that many teenagers buy and wear thrift clothing.



Source: Central Bureau Of Statistics

Figure 1
Import used clothes in Indonesia

The Central Statistics Agency (BPS) released data that in 2022, Indonesia imported used clothing with an amount of 26.22 tons worth US\$272,144, which, if hired, would reach Rp4, 191, 289, 744.00 with a calculation value of US\$1 of Rp15, 400.00 in 2023. The import Data for 2022 has increased compared to the previous year which was 7.94 tons worth US\$44,136 or Rp679, 738, 536.00. However, the highest increase in imports occurred in 2019, where Indonesia imported used clothing weighing 417.73 tons worth US\$6.08 million or Rp104, 726, 800, 000.00. If viewed based on its territory, Indonesia will carry out import activities from 23 countries in 2022. The region with the most imports was obtained from Japan, with a lot reaching 12 tons worth US\$24,478, Australia with an import volume of 10.02 tons worth US\$225,941, and then from Malaysia, weighing 1.65 tons worth US\$1,774. It was also noted that Indonesia imported used clothing from Singapore, weighing 929 kilograms with a value of US\$6,060, and imported clothing from Hong Kong, weighing 424 KG worth US\$309. In Figure 1.1, the graph shows the increase and decrease of imported clothing in Indonesia. 2019 was the highest import in Indonesia during the last 11 years.

Thrifting is thrift shopping (Nika Nencyana Fadila et al., 2023). Thrift goods themselves are various types of second-hand goods, or second-hand goods both local and imported, that have good quality, and even the quality is almost the same as new goods, and there are also many well-known brands (Ghaffar et al., 2023). These Thrift goods can also come from old stock items or defective products that do not pass the selling stage. The price of Thrift goods is much lower than the selling price of new goods, so many people prefer to buy Thrift goods.

A case or phenomenon that occurs a lot today is the abuse committed by consumers against Thrifting. Thrifting actually has a very good benefit or impact, such as reducing clothing waste that can generate selling points, and can also rotate fashion styles that have ever existed. Therefore, there are currently many businesspeople who take advantage of this business opportunity (Laila, 2024). They not only sell in offline stores but have also spread widely on marketplaces and other social media. But it turns out Thrifting can also have a negative impact that can trigger consumptive behavior for thrifting because many consumers are tempted by relatively low prices and can get goods of good quality, even branded, which causes a thirst to buy Thrift goods and buy goods without seeing the benefits again. So, instead of minimizing spending, it actually wastes money (Hasanah, 2024).

Another impact of the rise of the fashion trend of thrift products is on micro, small, and medium enterprises (MSMEs). Grehenson 2023 made a report on the statement of Jurnasin (Economic Observer FEB, UGM) which stated that the government's policy in limiting the sale of used clothes must be balanced with the increasing quality of clothing products in the country, because according to him, the increased demand for imported clothing comes from problems among the lower middle class who need cheap clothes with good quality.

The government should provide a way out for the needs of people in the lower middle class, and not just focus on regulations prohibiting the sale of imported clothing or thrift. Focus on improving quality, attractive designs, materials that can last a long period of time, and at low prices to increase domestic MSMEs and the domestic textile industry subsector. Indonesian people are sensitive to prices, and therefore, if the government campaigns for a ban on buying used clothes by citing health or hygiene, it will be less effective (Nurazizah, 2023).

According to reports from Tempo.Co, Minister of Trade Zulkifli Hasan, or Zulhas, will follow up on President Jokowi's order banning the sale of imported used clothes or thrifting, which will now be rife. According to Zulhas, the business of imported used clothes harms domestic textile entrepreneurs and brings disease. Zulhas stated that the action will be carried out in areas where there are many thrift businesses, such as in Pasar Senen, Central Jakarta. Zulhas said that this imported second-hand clothing business has resulted in state losses of up to billions of rupiah and reduced export levels. It asks people who know the thrift clothing center to report. President Joko Widodo, or Jokowi, stated banning the business of imported used clothes or thrifting. The business of imported used clothes, according to Jokowi, disrupts the domestic textile industry. Jokowi stated that he had asked the relevant institutions to trace the business of importing used clothes and the business of selling imported used clothes. According to Jokowi, until now, there have been several businesspeople who were caught (TEMPO.CO, 2022).

The potential decline in performance in the textile and textile products (TPT) industry in Indonesia may result in several textile companies to terminate employment (PHK) of their employees. As more and more imported used clothing products are sold and marketed in Indonesia, sales of locally produced clothing are declining. This is because local products are less competitive with imported second-hand clothing products, whose prices are relatively more affordable. With the decline in demand for local products, the company will reduce the amount of production, including reducing the number of workers.

Based on data from the Central Statistics Agency (BPS), it can be seen that 2019 was the highest trading import volume in the last five years. Thrifting's import Volume in the year reached 392 tons with an import value of us\$6,075,000. Meanwhile, during 2022, imports of used clothing in Indonesia reached 26.2 tons with an import value of US\$272,146 or equivalent to Rp4.21 billion (assuming an exchange rate of 15,468 per US\$). The total import volume in 2022 shot up to 227.5% compared to the volume in 2021, which reached 8 tons (Islamiati, 2023). These numbers are proof that if the goods with the HS code 6309.00.00 have a large market in Indonesia. Data on imports of used clothing in 2022, which rose by more than 200%, also coincided with mass layoffs in various apparel industries (Natalia, 2023). Thus, it can be concluded that thrift goods successfully dominate

the domestic market, which then causes local industries to lose competitiveness in their own countries and results in job cuts.

Sharia values in the context of buying and selling, thrifting is basically the same as the practice of buying and selling in general, both parties have agreed and fulfilled the rights and obligations as contract actors. However, if viewed from the perspective of Islamic law, the buying and selling of the bal system can be categorized as light gharar buying and selling, because it does not cause conflict between the two parties, and no one feels disadvantaged. To meet the lifestyle should also pay attention to existing sharia values, such as using money as needed and not excessively, let alone just for lust and emotion alone.

There is no prohibition for a Muslim to have fun and spend his money to make ends meet. As long as it does not exceed the limits that result in waste. As explained in the verses of the Qur'an:

يَبْنِيْ اَدَمَ خُدُوْا زِيْنَتَكُمْ عِنْدَ كُلِّ مَسْجِدٍ وَكُلُوْا وَاشْرَبُوْا وَلَا تُسْرِفُوْا اِنَّهٗ لَا يُحِبُّ الْمُسْرِفِيْنَ ﴿٣١﴾

It means: "O son of Adam, put on your beautiful clothes every time (entering) the mosque, and eat and drink, and do not be excessive. God does not love the extravagant." (Al-A'raf 7:31)

In the city of Bandar Lampung, thrift clothing sales are circulating both online and offline. The existence of thrift clothing in the city of Bandar Lampung can cause people, especially young people, to buy these clothes. Thrift clothing has an affordable price compared to the new price, so this can cause a sense of interest in buying among young people to follow the trend in everyday lifestyle. Thrift clothing that is sold usually has branded clothing from abroad, which, when buying a new item, has a price range of >Rp 100,000, depending on the brand and model of the clothing. The price of this thrift clothing has a cheap price compared to the new price, according to the conditions being traded. Judging from the price of thrift clothing being cheaper than new clothes, this can cause people, especially young people, to buy these clothes to minimize spending to meet their needs.

Based on interviews with representatives of several local brands in Bandar Lampung, namely Kaway, Market Monkey, The Done House, Oraql, and OTSKY, it can be concluded that the thrifting trend has slowly had a significant impact on sales and consumer spending behavior since this trend began to be popular among young people around 2019-2020. The majority of brands noticed a decrease in the frequency of purchases, especially in the lower middle segment, as many consumers switched to trying thrift items that were considered cheaper and had unique models. Faced with much lower price competition, local brands strive to be more creative and wise in sales, not only competing on price, but by issuing quality and interesting new designs/articles, and responding to trends through collaborations or events. Regarding the Islamic business perspective, the interviewees admitted that they did not know whether their business had implemented Islamic Business Ethics and highlighted concerns about the clarity of thrifted goods (such as brand authenticity or the existence of defects/tears) concerning the principles of honesty (shiddiq) and transparency (ghirar). In the context of competition justice ('adl), they expect wisdom from consumers and promise to continue to provide satisfaction and the best quality for local brand customers.

Table 1
Data on average sales of top local brands in Bandar Lampung 2025

No	Brand Name	Total Sales/Pcs
1	Kaway	600/Month
2	Market Monkey	700/Month
3	The Done House	800/Month
4	Oracle	700/Month
5	OTSKY	900/Month

Source: data processed by the author, 2025

Based on Table 1, the average monthly sales data (in units/Pcs) of the top five local brands in Bandar Lampung in 2025 showed a variation of 600 to 900 units. The OTSKY Brand was recorded as the market leader with the highest average sales, reaching 900 units per month, followed by The Done House, which sold an average of 800 units per month. The middle position is occupied by Market Monkey and Oracle, which both posted average sales of 700 units per month, while the Kaway brand has the lowest average sales figure among the five, which is 600 units per month. This Data indicates the varying levels of market demand and success among these local brands in the observed period.

The trend of thrifting or hunting for used clothes is now increasingly popular, not only as an environmentally friendly option but also as a way to get top brands at affordable prices.

Table 2
Thrifting with a famous Brand

No.	Brand Name
1	Nike
2	Adidas
3	Uniqlo
4	H&M
5	Zara
6	Levi's
7	Dickies
8	Champion
9	Gap
10	Stone Island
11	Patagonia

Source: data processed by the author, 2025

Brands like Nike and Adidas are highly sought after because of the quality of their materials and iconic designs. In addition, fast fashion brands such as Uniqlo, H&M, and Zara are also often found due to the availability and wide variety of models. For fans of classic style and workwear, thrifting offers a golden opportunity to get products from Levi's and Dickies that are known to be durable and timeless. Meanwhile, casual and streetwear-focused brands such as Champion, Gap, and Stone Island also have their own market share, with shoppers chasing unique or vintage items. Finally, Patagonia, known for its commitment to sustainability and the quality of its outdoor gear, is a target for those who want to have functional clothing with ethical values. The diversity of this brand makes thrifting an interesting and full-of-surprises hobby for fashion lovers.

The selection of local brand research objects in Bandar Lampung is crucial because this city is an economic center in Lampung Province with significant MSME growth, including local brands that are potentially affected by the thrifting phenomenon. The focus on local brands allows for an in-depth analysis of their adaptation and strategies in the face of competition from thrift products,

while identifying potential impacts on Business Sustainability and job creation at the regional level. From the perspective of Islamic Economics, this study can explore how the principles of justice, sustainability, and healthy competition are applied in the interaction between thrifting and local brands, as well as identify whether these phenomena encourage ethical business practices and contribute to the economic benefit of people in Bandar Lampung.

But the ban on buying and selling thrift items in Indonesia certainly requires a lot of study before the government takes decisions and actions. The range of government actions to assert a ban on the sale and purchase of thrifting is very diverse (Sulistyaningrum et al., 2023). These actions include burning imported used clothes and bags by the Ministry of Trade, taking down thrifting accounts by Kemenkop UKM, as well as various appeals to the general public not to buy imported used clothes either offline or online. This situation is due to the losses experienced by importing countries, the results of laboratory tests stating that thrifting is harmful to health, and the occurrence of environmental damage. Thus, it is expected of the wider community to obey the rules of the government for the sake of safety from the rules of the state and also religion.

Although the phenomenon of thrifting or the sale of used clothing is increasingly popular in Bandar Lampung, existing research tends to focus on the impact of conventional economics or consumer behavior in general. A significant Research gap lies in the analysis of the impact of thrift's presence on local brands in Bandar Lampung from the perspective of Islamic economics. Previous research has rarely examined how the practice of thrifting, with its emphasis on the consumption of second-hand goods, aligns or conflicts with Islamic business principles such as fairness, sustainability, or equitable distribution of wealth, especially in the context of competition with local products that might support the MSME economy and domestic job creation. Therefore, an in-depth study is needed that explores the implications of thrifting on the growth of local brands, the sustainability of Islamic businesses in the area, as well as the views of Muslim consumers in Bandar Lampung towards this practice.

The Novelty of this study lies in an integrative effort to analyze this contemporary economic phenomenon, namely the thrifting culture, which is increasingly prevalent within the framework of Islamic Business thought in the specific geographical context of Bandar Lampung. This study offers a novelty by not only measuring the economic and social impact of thrifting on local brands in the region, but also assessing it from the side of Muamalah Sharia ethics, especially the principle of Justice ('Adl), *maslahat* (public good), and honest business practices (*Shidq*), to identify whether the competition generated by thrifting is within the Islamic Business Corridor or actually, contribute critical and normative thinking for the development of an ethical creative economy ecosystem in the area.

Based on the description and information on the background, the author is interested in researching more about branding and the existence of local brand fashion products in the city of Bandar Lampung. In studying this issue, the author uses the theory of the impact of thrifting and its impact on local brands, and raises Gap Research that refers to the novelty of previous research. Then, for the object of research, with reference to and focusing on researching the effect of thrifted adult clothes on adult clothing products on local brands. This study is entitled *The impact of the presence of Thrifting on local brands in Bandar Lampung according to the Islamic perspective*.

2. LITERATURE REVIEW

Marketing Theory

Marketing is a complex and dynamic discipline, focused on the process of creating, communicating, delivering, and exchanging offers that have value for customers, clients, partners, and the general public (Achmad Rizal, 2020). In essence, marketing theory seeks to explain how organizations identify and meet the needs and desires of their target markets. It is not just about selling products, but rather about understanding consumer behavior, analyzing the market,

developing effective product strategies, setting competitive prices, and promoting and distributing goods or services efficiently (Husna, 2025). The theory covers a wide range of concepts, from the Marketing Mix (Product, Price, Place, Promotion) to market segmentation, targeting, and positioning, all aimed at building strong and lasting relationships with customers.

In more depth, marketing theory also explores the evolution of marketing approaches, from production orientations in the past that focused on efficiency and availability, to sales orientations that emphasized aggressive promotion, and finally to modern, customer-centered marketing orientations (Suharyanto & Bisma Arianto, 2023). In the current context, marketing theory is constantly evolving, integrating aspects such as digital marketing, relational marketing, sustainable marketing, and value-based marketing. This all reflects a paradigm shift from a single transaction to the construction of a sustainable value ecosystem, where customer satisfaction and Social Impact are key considerations in every marketing strategy.

Thrifting

Thrift comes from the word thrive which means to develop or progress. The word thrifty itself can be interpreted as a way to use money and other goods properly and efficiently (Aswadana et al., 2022). So, thrifting can also be interpreted as an activity to buy used goods. Thrifting activities are not just about buying used goods, but also about personal satisfaction if you can get good or rare items at half price or cheaper. The beginnings of thrifting were made during the Industrial Revolution in the 19th century, introducing mass production of clothing and changing the way people viewed the fashion world at that time. At that time, clothes were very cheap, and people thought that clothes were disposable (disposable). This leads to the accumulation of discarded products, so humans become very consumptive. These used goods are generally used by migrants. Thereafter, the following year, the Salvation Army collected unused items as donations (Sella & Banowo, 2023).

They established a place called "Salvage Bridge" in 1897, at which time people felt they could donate extra clothing or other items to the Salvage Bridge place. Then, during the Great Depression in the 1920s, a full-scale crisis occurred in the United States. Many unemployed people then crash in the New York Stock Market into a "gong" at that time. People at that time did not even have the ability to buy new clothes, so they chose the alternative of buying from thrift stores (Ghilmansyah et al., 2022). As for the rich, this place is used to donate. Finally, the next years became a routine in society at that time, which became a trend until now. The habit of using used clothes has become a trend that we now call thrifting (Rizka Khairunnisa, 2024).

Local Brand

Understanding Brand is a name, term, sign, symbol, design, or combination of these things that are intended to identify goods or services from a person or group of sellers and to distinguish from competitors' products (Anang, 2023). By definition, a Brand is a name or term (term), sign (sign), symbol, or combination that becomes the identity of a product. Brand is one of the most important factors in marketing activities because activities in introducing and offering products and services are inseparable from the brand name that is relied upon. This means that the Brand cannot stand alone. The brand must be in accordance with other components of the marketing process (Samsul 2021). In addition, understanding the brand is not just something that can display its functional value, but can also provide certain values in the depths of the heart or mind of consumers. Brand has several roles for companies that market it. An important economic role is to enable companies to achieve economies of scale by mass-producing the brand. A brand has an important strategic role by being a differentiator between the products offered by a company and its rival brands (Candra et al., 2019).

Buying And Selling Thrifting In An Islamic Perspective

Thrifting is an illegal activity whose circulation is prohibited by the Indonesian government (Soritua & Tarina, 2024). Islamic economics considers that the activity of buying and selling illegal goods, including already injuring the contract in muamalah transactions, causes the sale and purchase to be invalid. According to the opinion of the scholars, especially the *bahtsul masail* forum, which said that the purchase of New Or Used Clothes that enter Indonesia illegally or illegally is not valid because one of the legitimate conditions of the object of sale and purchase is not met. The ability of both parties to hand over the product immediately failed because it was hindered by government excise regulations.

In addition to the inability to handover, the presence of illegal products is unacceptable *syara'*. Although the sellers seek sustenance in a halal way because it does not hide the defects or disgrace contained in the clothes, the way to obtain used clothes is not justified because the clothes are imported into the territory of the Unitary State of the Republic of Indonesia illegally and have been prohibited by the government of Indonesia from circulating (Firdiyanti et al., 2024).

Some of the principles in Islamic economics include resources that are seen as a mandate from Allah SWT to humans, so that their utilization must take into account the hereafter. The implication is that humans should use them in activities that benefit themselves and others. Employment is the main driving force of economic activity (Nur & Husen, 2022). Islam encourages people to work and struggle to obtain material wealth in various forms of ways as long as they follow the rules that have been established. The circulation of illegal products will have an impact on the destruction of the market. Meanwhile, there is a religious imperative to protect other competing products in a healthy manner as well as through strict observance of procedures. Buying and selling thrifting activities are not in accordance with the application of Islamic Business Ethics for producers and consumers. Therefore, the result of the entry of illegal goods resulted in damage to the domestic market, reducing state revenue, decreasing performance in the textile and textile products (TPT) industry sector, decreasing market share of local products, threatening consumer health, environmental damage, and other adverse effects on society (Firdiyanti et al., 2024).

Laboratory results stated that thrifting products contain *Staphylococcus aureus* bacteria and *Escherichia coli* bacteria, HPV virus (Human Papilloma Virus), and mussel fungus, which is very dangerous for consumers. When looking at the various contents contained in used clothing more negative impacts on their own health. It is not permissible to do anything harmful in the Qur'an, even to oneself, as Allah (SWT) says:

إِنَّ اللَّهَ لَا يَظْلِمُ النَّاسَ شَيْئًا وَلَكِنَّ النَّاسَ أَنفُسَهُمْ يَظْلِمُونَ

Meaning : “Indeed, Allah does not wrong the people in the least, but the people themselves do wrong to themselves”. (Q.S. Yunus:44)

Based on the above arguments, it can be understood that if something poses a real danger to others, preventive measures should be taken to mitigate the danger. The implications of this proposition on the practice of buying and selling imported thrift products include endangering yourself and others (Abbas et al., 2020). One of the principles of Islamic Business Ethics is to pay attention to the quality of consumer goods; if consumer goods can bring distress, then there has been a violation of ethics. In this case, the seller endangers himself by contributing to selling illegal goods and endangering others by selling products that contain diseases. Islam also considers that buying and selling are not permissible if the goods do not bring benefits but actually cause harm

(Hengki, 2024). Therefore, it can be concluded that the practice of buying and selling that does not provide benefits but actually brings harm and endangers oneself is not justified by the Shari'a.

3. RESEARCH METHOD

Types Of Research

This research is a type of field research. Which is essentially a method to find specifically and realistically about what is happening in society, so conduct research on some of the actual problems that are now raging and expressed in the form of symptoms or social processes (Sugiyono, 2022). In accordance with the problem that the author researched, then this type of research is categorized as a type of library research, namely research conducted by collecting data and information with the help of various books related to the problem that the author researched, which will be discussed in this study. This study focused on assessing the impact of the presence of thrifting on local brands in Bandar Lampung according to the Islamic perspective.

Population and sample

The population in this study is defined as the overall object of research, which in this context is all owners, managers, and employees of local brand clothing stores in the city of Bandar Lampung. Based on the observation, there are 60 local brands of clothing, assuming interviews were conducted with the owner and one employee of each store, so that the total population is 120 people. Following Sugiyono's suggestion that if the population is more than 100 people, the sample can be taken between 10-15% or 20-25%, but even though the total population reaches 120 people, the samples in this study were taken from all owners, owners, and employees of local brand clothing stores in Bandar Lampung city that meet the criteria as a reflection and representative of the overall population.

Data Analysis Techniques

Data analysis techniques used are descriptive qualitative approach with methods of field data analysis and literature studies. In practice, researchers conducted primary data collection through in-depth interview techniques to local brand owners in Bandar Lampung such as Otsky, Kaway, Market Donkey, and The Done House to explore the impact of the thrifting phenomenon on the sustainability of their business. The Data obtained were then analyzed using the Islamic business perspective framework to evaluate the suitability of the phenomenon with the ethical principles of muamalah, such as honesty (shiddiq), transparency (ghirar), Justice ('adl), as well as beneficial aspects in the economic protection of the Ummah.

4. RESULTS AND ANALYSIS

Impact of the thrift presence on local brands in Bandar Lampung

The local fashion industry in Bandar Lampung shows a high degree of operational maturity, characterised by the presence of a number of established and operating brands long before the surge in the thrifting phenomenon became a major concern. Brands such as ORAQLE since 2007, Market Monkey since 2011, Kaway since 2012, The Done House in 2009, and OTSKY since 2015 have substantial and long operational histories. This duration of existence not only indicates the resilience of the business but also indicates the presence of a loyal consumer base and the accumulation of significant market experience in understanding local consumer preferences. The operational focus of these brands on clothing, especially t-shirts and fashion with premium design and quality, reflects an industry that has been solid and proven to be able to survive in the midst of various market dynamics.

The competitive structure of these local fashion brands is based on a clear product differentiation strategy and focuses on two main dimensions, namely product quality and attractive/unique design. Brands such as Kaway, Market Monkey, OTSKY, and ORAQLE consistently highlight these two elements as their main selling points. Quality differentiation is

emphasized through the selection of raw materials, product durability, and strict production standards. Meanwhile, design differentiation is seen from the uniqueness of screen printing images, motifs, and authentic styles. By sticking to quality and design, these brands seek to justify their premium prices and establish a strong identity in the minds of consumers. Although the target market of these brands is wide, the continuous effort to offer attractive designs and the best quality indicates a strategy aimed at capturing market segments that value long-term value and brand identity. With a focus on quality and uniqueness, they seek to create loyalty that goes beyond mere price considerations to reach consumers who see purchases as an investment and a means of self-expression. This makes Bandar Lampung local brands solid competitors and ready to face market challenges, including threats from thrifting, because they have built a business foundation based on value and differentiation rather than just sales volume.

The differentiation strategy relied on by local brands centered on premium quality and design uniqueness shows that they have positioned themselves in a market that values the intrinsic values of a product. However, the analysis shows that these painstakingly built positions are vulnerable to disruptions caused by the thrift trend. The uniqueness of the models is the main attraction of thrifting, as they often offer vintage, rare, or old editions that are no longer produced. This emotional appeal, related to extrinsic value, effectively mimics the unique design elements offered by local brands, but with a different narrative. Although the quality of new products guarantees durability, consistency, and uniqueness warranty thrift models offer a strong functional substitution, providing style and individuality at a much lower price.

As a result of this disruption, local brands are forced to compete on two dimensions at once that are difficult to beat by conventional business models, namely price and model uniqueness. In terms of price, local brands are unlikely to match the selling price of thrift goods that have close to zero production costs because they are second-hand goods. In terms of uniqueness, thrifting has an inherent advantage in that its stock is always changing and often includes truly unique or one-of-a-kind items. This asymmetric competition, in which local brands have to bear the costs of R&D, production, and marketing, while thriftily reselling goods, becomes a fundamental challenge to the sustainability of local brand strategies. This threatens their ability to maintain profit margins and finance innovation cycles that are essential to maintaining their relevance in the marketplace.

The thrifting trend in Bandar Lampung began to show a significant and simultaneous acceleration in the period 2019 to 2020, coinciding with the beginning of the COVID-19 pandemic. These rapid chronological associations indicate that thrifting not only arose organically, but also acted as a disruptor dramatically accelerated by the macroeconomic crisis. The pandemic caused a massive economic shock, which directly affected the decline in people's real purchasing power, especially in the lower middle segment. This condition drastically increases the price elasticity of demand for fashion products. Consumers are becoming much more price sensitive, making them look for the most economical solutions to meet their clothing needs.

In this economic emergency, the thrift market at very low prices appears as an economically rational urgent solution. This market allows consumers to maintain the standards of style and function of their clothing without the need to significantly sacrifice their shopping budget. Thrifting offers sufficient functional utility and even uniqueness, at a cost that is only a fraction of the price of new items of local brands. Increased price elasticity means consumers are quickly switching from guaranteed premium goods to affordable goods, although it carries a higher quality risk. Thus, the COVID-19 crisis created the perfect market conditions for thrifting to thrive. The economic crisis that drives this demand is also exacerbated by supply-side factors, namely a surge in the supply of illegally imported used clothing that takes advantage of the situation. This increased volume of illegal imports provides a source of goods at prices that are impossible for legal local brands to compete with. This abundant and very cheap supply flooded the market, cementing thrifting's position as the dominant alternative. Local brands that operate legally and bear the costs

of production, taxes, and other overheads become direct victims of this unhealthy and asymmetric price competition, making the challenges they face much more complex than just the usual changing consumer trends.

The most noticeable impact of the thrifting trend is a significant change in consumer spending behavior. This shift is driven by the appeal of two main factors, namely very low prices and the availability of models that are unique or difficult to find in the regular retail market. Consumers who had previously routinely and loyally purchased products from local brands began to switch to thrift as a more affordable alternative, and allowed them to express a different personal style. The move to thrifting shows that more and more consumers, especially in the lower middle segment, are prioritizing value (price) and individuality (uniqueness of models) over simply buying new things. This change in consumer behavior is directly manifested in the performance of local brands, which are beginning to feel a significant shift in their sales and profit margins. The most critical impact is the decrease in the frequency of purchasing new products, especially felt in the lower middle market segment, which is sensitive to price. Local brands now have to deal with the fact that their consumer base no longer has the same purchase attachments as before, as they have attractive and economical alternatives. As a result, the brands are forced to reevaluate their pricing, product design, and marketing strategies to compete with the growing thrifting phenomenon.

The drastic drop in purchase frequency in the lower middle segment is a strong indicator that thrifting has been successfully positioned as a strong functional substitution for this consumer group. Although thrift goods carry a higher quality risk due to their second-hand nature, this market offers utility in the form of clothing styles and functions that are considered adequate, even unique, at much lower prices. For price-sensitive consumers, this option becomes more economically rational than buying premium new items from local brands. This implies that the premium values offered by local brands, such as quality assurance and production ethics, are no longer sufficient to maintain regular purchase loyalty. Consumers are now prioritizing function and cost, making local brands vulnerable in a highly competitive market.

As a result, the lower middle segment has turned into a major battleground where local brands face economic vulnerabilities exploited by the highly affordable thrifting market. Although the data collected was qualitative, based on interviews with business owners, there was a strong consensus among four local brands regarding the significant economic impact of thrifting's popularity. Its main impact manifested itself in a significant decline in sales and profit margins in the last 1 to 4 years. This impact manifested itself in two main ways, with the first and most urgent being the decrease in the frequency of purchases. Consumers who switch to thrifting automatically reduce purchases of new items, breaking the cycle of routine purchases that have long been the backbone of local brand revenue. This decrease in purchase frequency creates a major challenge in maintaining inventory turnover. When consumers reduce purchases of new goods, the speed at which goods are sold slows, resulting in working capital being embedded longer in accumulated stock. This delay in stock turnover directly limits the liquidity of the company. Local brands must bear the cost of storage, while seeing their assets (stock) tied up and cannot be converted back into cash to fund new operations or investments. Therefore, thrifting not only reduces revenue but also threatens the operational financial health of local brands, forcing them to look for creative solutions to free up working capital trapped in inventory.

The second and more dangerous impact of a decrease in liquidity and sales volume is the emergence of the risk of innovation failure. The main strategy of local brands to justify their premium prices and differentiate themselves from the market is through a rapid cycle of innovation, that is, by constantly issuing new designs and collection trends. However, limited research and Development (R&D) and marketing budgets, which directly result from falling profit margins, significantly hamper their ability to maintain this pace of innovation. This slowdown in innovation created a vicious cycle that compounded the decline in sales, i.e., the new items they offered consumers were no longer worth the utility value of the highly affordable styles offered by thrifting.

In short, the impact of thrifting threatens not only short-term profits but also the long-term viability and adaptability of local brands.

Faced with impossible-to-win price competition with the ultra-cheap thrifting market, all local brand respondents recognized the need for a fundamental strategic shift. The focus should shift from price competition to value differentiation. The tactical adaptation strategies they implement include several crucial aspects: constant design innovation to always offer authentic novelty, carrying out collaborations and campaigns that are in line with brand values, and Strengthening Quality and customer satisfaction. The goal is to build an edge in areas that thrifting can't afford to justify their premium prices. Local brands intelligently take advantage of the intrinsic weaknesses of thrifting, namely the lack of warranty, the uncertainty of product integrity, and the risk of defects. They respond by explicitly guaranteeing that the items they sell are brand new and of guaranteed quality. This strategy is an attempt to strengthen the credibility and trust of consumers. This guarantee is not only about physical quality, but also about giving the consumer peace of mind, something that second-hand goods cannot imitate. By asserting the status of new items and their quality, local brands seek to shift the focus from mere price to investment security and long-term utility.

Impact of Thrifting Presence in the Islamic Business Perspective

1. Critical analysis of Thrifting practices through the lens of Shiddiq and Ghirar

The principles of Islamic Business Ethics serve as a framework of moral and legal regulation aimed at ensuring that economic activity not only generates profit, but also harmonizes with the goals of Shari'a. The two main pillars that are the foundation of every transaction (muamalah) are Integrity, which is realized through the principles of Shiddiq (honesty) and trust. Shiddiq demands full transparency from sellers, ensuring transactions occur based on '*an taraadhin minkum* (consensual) and are free from fraud or exploitation. In the context of buying and selling, especially used goods, the application of Shiddiq requires the seller to honestly explain any defect (aib) or condition of the goods, because failure in this case will damage the validity of the transaction.

The second very relevant pillar of ethics is the Prohibition of Ghirar, that is, it prohibits any vagueness, ambiguity, or speculation attached to the object of the transaction or its price. The Ghirar ban is a vital consumer protection mechanism in Islam. If a transaction contains Ghirar Kabir, the transaction may be considered void or defective (fasid). Ghirar can appear when the seller does not have sufficient knowledge of their merchandise or fails to provide sufficient explanations to eliminate losses, especially if there are hidden defects. Consumer protection mandated by Islam requires sellers of goods, including second-hand goods, to eliminate potential disputes resulting from obscurity. A critical analysis of imported thrifting practices, particularly through the balpres system or illegal imports, shows structural vulnerability to violations of the principles of Shiddiq and Ghirar.

This Ghirar risk is structural to the imported thrift supply chain. Because goods come in large quantities and are covered, sellers at the retail level are often unable to thoroughly examine or verify internal defects or product history. As a result, retail sellers in Bandar Lampung cannot fully meet the Shiddiq principle regarding the clarity of the condition of the goods. Looking at thrifting's vulnerability to Ghirar and potential violations of Shiddiq, local brands have an ethical and strategic opportunity to use integrity as a key competitive differentiation. By strictly guaranteeing the novelty, quality, and traceability of their products, local brands meet the demands of customers. The emphasis on the guarantee of new goods and the best quality, as proclaimed by ORAQL, serves as a mechanism for building trust that cannot be replicated by the vagueness-prone second-hand market. By making product integrity a

Unique Selling Proposition (USP), local brands not only compete in the fashion market but also in the realm of business ethics, offering higher moral value to consumers.

2. Critical analysis of thrifting practices through the lens of Al-'Adl (justice) principles

The principle of al - ' Adl (justice) in Islamic business demands the existence of healthy competition and freedom from zhulm (tyranny) or practices that harm others. The competition that exists between local brands that produce new goods legally and the thrifting market that sells used goods at very low prices raises serious questions about the establishment of this Justice. Local brand respondents ' doubts arise because thrifting sells without bearing the initial production costs, resulting in significant price distortions. Although the sale and purchase of used goods is permitted in fiqh Muamalah, this competition is considered unfair due to adverse external factors. This structural injustice stems from the unfair cost advantage gained by trading illegal imports. The first source is the source of illegal goods due to evasion of payment of import taxes and customs duties. The second source is the failure to internalize external costs, such as the cost of Public Health and the cost of disposing of goods that are not worth selling. Local brands that operate legally, pay taxes, and comply with production standards face significant financial losses as a result of this unfair advantage. This practice directly threatens the sustainability of investment and honest Local brand Capital, thus creating a market structure that is far from the principles of Islamic justice.

3. Critical Analysis Of Thrifting Practices Through The Lens Of Mashlahah

Mashlahah is defined as any effort aimed at bringing good or benefit to mankind and avoiding losses (mafsadah), including the maintenance of the five essential needs. An analysis of the impact of thrifting on illegal imports must be judged by its contribution to this public good. The practice of illegal import thrifting negatively touches two main pillars, namely Hifzh al-Mal (protection of property) and Hifzh an-Nafs (protection of Life/Health). The damage caused by this illegal competition threatens the capital, investment, and survival of local brands in Bandar Lampung, where they must be protected from fraudulent practices that damage the market.

The issue of Hifzh al-Mal not only includes the protection of Local brand Capital, but also includes the protection of state assets. The practice of illicit imports evades the payment of import taxes and customs duties, resulting in a significant loss of state revenue. The efforts of local brands, as emphasized by ORACLE, to highlight local products to support the domestic economy is a direct manifestation of efforts to maintain Hifzh al-Mal and regional economic stability. Thus, this unfair competition due to illegal imports has a macroeconomic impact that harms public and private property. Aspects of Hifzh an-Nafs are also threatened by thrift imports. Some local brand respondents voiced concerns about the number of unsellable items in thrifting's supply. Imported used clothing, which is often packaged in less hygienic conditions or carries the risk of skin diseases, is a real threat to public health. Although thrifting provides tangible price benefits to some consumers, the health risks and unworthiness of these goods pose a greater mafsadah 'ammah (general damage).

Analysis of the interviews revealed a significant knowledge gap between Islamic businesses ' ethical demands on local brands and their explicit awareness of these principles. When asked about the application of Islamic values such as Shiddiq and Amanah, the respondents showed very low understanding, answering with general ignorance or expectations that were not tied to a clear Sharia framework. A key contradiction arises here: local brands demand justice (Al-'Adl) from the illegal thrifting market, but they themselves fail to actively use the Islamic ethical framework as their base of operations and differentiation. Failure to consciously implement and promote this ethical integrity is causing them to miss out on a great opportunity to attract a segment of consumers who seek the certainty of halal, thayyib, and assured products.

Based on interviews with Islamic economics experts, Dr. H. Syamsul Hilal, M.Ag., the practice of thrifting is considered to have a different market segmentation from new products, so it cannot be directly equated in the context of price competition. He emphasized that in the second-hand clothing business, the quality of goods depends heavily on the price (premium, medium, or lower) and the buyer's accuracy in checking the physical condition of the goods. From the point of view of business ethics, he argues that the element of *gharar* (uncertainty) in this transaction can be minimized because the seller usually displays the goods openly, so that the buyer has full freedom to choose and check the presence or absence of defects before buying. This is in line with his statement: "*The gharar element in buying and selling thrifting yes, I think there is no yes, because the goods are on display in general and we can choose freely depending on our accuracy in choosing goods.*"

Furthermore, the impact of the thrifting phenomenon on the local economy must be addressed by local brand manufacturers with more specific segmentation strategies. Dr. H. Syamsul Hilal suggested that local brands focus on working on niche markets that are not touched by imported used clothing, such as the muslim clothing category. He emphasized that although thrift prices are much lower due to the absence of production costs from the beginning, local brands still have advantages in terms of longer product life than used goods that have reached a certain usage limit (limit). This assessment provides a perspective that fairness in competition can be achieved if local brands can emphasize quality standards and added value that are not owned by thrifting products, as his quote: "*local products must be able to address which segments are not worked on by thrifting clothing... if the product is new, we can wear it longer.*"

In practical terms, these findings confirm that the government's ban on the import of second-hand clothing is a very reasonable action, both in conventional economics and in *fiqh*. For local brands in Bandar Lampung, the practical implication is that they must change the basis of competition from just standard quality to verified ethical integrity. They must internalize the value of *Shiddiq* and *Amanah* into every business process, generating value that is fundamentally and ethically different from thrifting, ensuring they compete in a realm of integrity that the imported secondhand market cannot enter.

5. CONCLUSION

The phenomenon of thrifting or the sale of illegally imported used clothing in Bandar Lampung significantly harms local brands, forcing them to compete asymmetrically at much lower prices, which leads to a decrease in sales and profit margins. From the perspective of Islamic Business Ethics, the practice of thrifting illegal imports, especially through the *balpres* system, is considered problematic because it violates the principles of *Shiddiq* (honesty) and *Ghirar* (obscurity) due to lack of transparency regarding the condition and origin of goods, and violates the principle of *Al-'Adl* (justice) due to unfair price competition due to tax and customs evasion. The ban on the import of used clothing by the government can be justified based on the principles of *Mashlahah Mursalah* and *Sadd al-Dhara'i* to protect the public interest and legal business actors. To survive, local brands are advised to change strategies by promoting ethical integrity as a unique competitive advantage and adopting a value-based narrative that emphasizes their positive contribution to the local economy and the guarantee of hygienic products.

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