



Digital entrepreneurship on retail platforms: A way to formalise employment for young people in Nigeria and the UK

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Executive Summary

This study investigates the opportunities and barriers digital retail platforms offer to enable young people's entrepreneurship as a sustainable and formal income stream in Nigeria and the United Kingdom (UK). This innovative comparison sheds light on how these platforms might alleviate high levels of youth unemployment and provide sources of more formalised sustainable income and skills for them in the future. It also illustrates how these developments are becoming part of a wide entrepreneurial ecosystem in each country which can cross over between different platforms and the boundaries between the personal and public personas of the sellers involved.

The study found that, like any entrepreneurial endeavours, success and income depend on the sellers' degree of engagement in terms of time and resource commitment. In Nigeria, this offers young people a sustainable source of income at different levels. Students make themselves independent while they study and plan to scale up after graduation; others have moved into selling full-time. In the UK, only those who can break through as "top sellers" feel it is sustainable; others see it as a part-time role and a way to supplement their income, but they are not confident in transitioning to a full-time role without a guaranteed income.

Evidence from Nigeria and the UK illustrated how for some young sellers, there was the possibility of building full-time careers and transitioning from online platforms to establishing physical stores and/or creating their successful e-commerce websites; for others, this remained a marginal side activity.

In both countries, young people's involvement with digital platforms offers the opportunity to acquire new skills (business, core work, and socio-emotional skills), develop existing ones and pursue personal growth. Some of the business skills they developed include marketing, budgeting/accountancy, international logistics, problem solving and customer service. Some of these skills were supported by the platforms, and others they learned independently. This study aims to provide broader audiences with an understanding of the nature of skills acquisition through these platforms and the policies that could be used to make these platforms more resilient and sustainable. However, it is increasingly evident that this depends on the broader evolving digital ecosystem between platforms.

Introduction

The rise of digital platforms, particularly in the realm of e-commerce, has presented a significant opportunity for young people to engage in entrepreneurship and formal employment.¹ Despite very different labour market conditions in emerging economies and developed countries, these platforms have become an important source of income streams for young people in these countries.

Retail platforms for selling second-hand clothes have become an emerging market where many young people are active. In sub-Saharan Africa, companies like Jumia and Jiji.ng, are thriving, providing a means for transitioning from informal employment in the clothing sector to the formal economy.² In the UK, companies such as Depop and Vinted have also grown, providing new income streams for young people. While some companies in this space have achieved unicorn status (a start-up valued at over \$1 billion), these trajectories can be very unstable.³ These platforms are clearly becoming significant international organisations, but relatively little academic research has been conducted on them and the consequences this has for young people engaged on them.

The retail sector is a major employer of young people,⁴ and digital platforms provide them with new opportunities to formalise their income. Although there is a growing body of research in this area,⁵ there is very little research on how young people use these platforms, the quality of work it provides, and how this varies between countries in creating a stable source of formal income in emerging economies and developed nations.

We set out to understand the opportunities and barriers presented by digital entrepreneurship for young people operating on these platforms. We look at the opportunities, barriers, and quality of digital entrepreneurship for young people to access formal income streams, comparing the experiences of young sellers and platform providers in the UK and Nigeria.

¹ Gough, K., Langevang, T. and Owusu, G. (2013). Youth employment in a globalising world. *International Development Planning Review*, 35(2), pp.91–102. doi:<https://doi.org/10.3828/idpr.2013.7>.

² Bagozzi, R.P., Yap, S.-F. (Crystal), Herjanto, H. and Franklin, D. (2021). An Experimental Investigation of Second-Hand Clothing Consumption. *SSRN Electronic Journal*. doi:10.2139/ssrn.3990204.

³ <https://www.eu-startups.com/2019/11/lithuania-crowns-its-first-tech-unicorn-vinted-second-hand-fashion-marketplace-pockets-e128-million-and-secures-e1-billion-valuation/>
<https://african.business/2019/06/economy/jumia-builds-powerful-brand-as-africas-first-unicorn/>
<https://www.forbes.com/sites/korihale/2020/04/23/jumia-africas-failed-unicorn-is-hemorrhaging-millions/?sh=786a86da64e4>

⁴ Grotti, R., Russell, H., & O'Reilly, J. (2018). Where Do Young People Work? In O'Reilly et al. (eds.) *Youth Labor in Transition* (NYC: OUP).

⁵ <https://unctad.org/news/young-digital-entrepreneurs-leading-africa-new-era>

Baden, S., & Barber, C. (2005). The impact of the second-hand clothing trade on developing countries. Oxfam GB. Available at <https://policy-practice.oxfam.org/resources/the-impact-of-the-second-hand-clothing-trade-on-developing-countries-112464/>

Research questions

To understand how the second-hand retail market is changing with the development of digital technologies, this qualitative study engaging young sellers/ digital entrepreneurs asked the following questions:

- Can we differentiate between different types of young digital entrepreneurs on these platforms?
- To what extent does this provide a source of sustainable income for young people?
- Is there a career path and transitional pathway in this form of work?
- Does it provide young people with opportunities for skill development (digital and core skills)? And what kinds of skills do they learn?

The framework for data collection is conceptually informed by i) the concept of the connected worker⁶ and ii) business models accelerating online second-hand retail platforms to global markets and value chains.⁷

First, we will categorise different types of young digital entrepreneurs. In the second section, we examine the second-hand clothing business in Nigeria and its relationship to women's employment and empowerment in the informal sector. We also analyse the use of digital platforms by informal entrepreneurs, evaluating income sustainability and career trajectory in this context. Additionally, we explore how digital platforms can serve as a source of skills development and personal growth for young entrepreneurs in Nigeria.

In the third section, we focus on the UK, examining the nature of work on the digital platform Depop, including the income and boundaries associated with selling on the platform. We investigate how Depop supports and develops its sellers' skills and employability. We evaluate income sustainability among UK entrepreneurs and explore formalisation and career progression issues. Additionally, we examine the role of Depop and similar platforms in fostering conscientious entrepreneurship in the UK.

In the fourth section, we identify the challenges and benefits of digital platform employment for young entrepreneurs in both Nigeria and the UK. In both countries, evidence of cross-platform selling was found, for example, with the use of Instagram; in Africa, the use of WhatsApp was popular. This evidence suggests an evolving network of cross-platform activities contributes to a new digital ecosystem in which young people are clearly embedded, often bridging personal and public personas. In the conclusion and policy recommendations section, we discuss the implications for governments and opportunities for employers' organisations.

⁶ <https://www2.deloitte.com/uk/en/pages/consumer-industrial-products/articles/the-connected-worker.html>

⁷ Brooks, A. (2019) *Clothing Poverty: The Hidden World of Fast Fashion and Second Hand Clothes*. 2nd Edition Zed Books.

⁸ <https://www.inc.com/associated-press/how-small-businesses-use-instagram-to-boost-sales.html>

⁹ Howcroft, Debra, and Birgitta Bergvall-Kåreborn. "A Typology of Crowdwork Platforms." *Work, Employment and Society*, vol. 33, no. 1, 4 May 2018, pp. 21–38, <https://doi.org/10.1177/0950017018760136>.

Schor, Juliet. "Digit Debates: What Do Platforms Do?" *Digit Debates*, 18 Nov. 2020, digit-research.org/event/what-do-platforms-do-beyond-the-pro-con-debate-on-gig-labour/.

Different types of young entrepreneurs

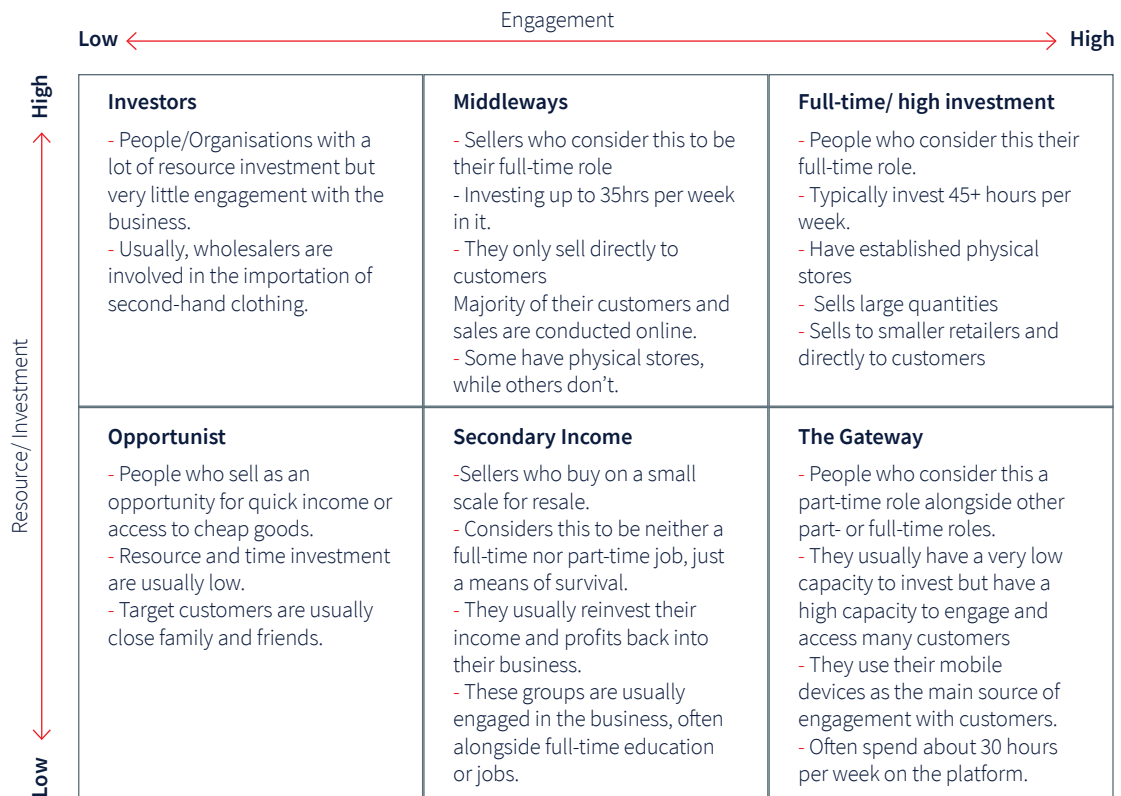
Digital retail platforms cover a spectrum of styles. Some are more universal such as Ebay or Jumia, others are more specific such as Etsy or Depop. Depop is particularly attractive to young sellers in the UK. Other platforms like Instagram are also increasingly being used by young entrepreneurs.⁸

Considerable attention has been given to differentiating types of workers operating on digital platforms.⁹ Here we provide a typology of young digital entrepreneurs based on their engagement levels and financial and other resource investments in the business (Figure 1). Engagement includes the amount of time spent on any activities related to sourcing, marketing, sales and research of products. This level of engagement is based on their investment capability, place in the supply chain, and engagement with technology.

Entrepreneurs we interviewed in Nigeria ranged from those selling shoes to bags and clothes, although some combined two or more options. Some specialise in clothing for a specific gender, while others in children's and household items like bedsheets, towels etc. Interestingly, entrepreneurs selling clothing focus on different categories, including tops, dresses, shirts, blazers, skirts, jeggings/legging, jeans, shirts, denim, corporate/office pants, kids' clothes, bedsheets/pillowcases, towels, cardigans/pullovers, swimsuits. These varieties greatly influence entrepreneurs' choice of business, their target market, and the platforms they use to promote themselves. In the UK, the Depop platform was more commonly used by young people for a range of clothing items.

Despite slight differences in the markets they targeted, Figure 1 allows us to distinguish between different types of sellers in both countries, distinguishing between their levels of engagement and the resources they could invest. This typology was developed based on research with sellers and companies in both countries and is used in the report to distinguish between young people's different experiences on these platforms. We examine the evidence from Nigeria and then the UK regarding income and skills before concluding how this evidence contributes to understanding its impact on the emerging ecosystems in each country.

Figure 1. Typology of young entrepreneurs working on retail platforms



Nigeria

The second-hand clothing business in Nigeria

The second-hand clothing business in Nigeria has progressed over time, becoming a profit-yielding industry.^{10 11} The largely informal business, which older entrepreneurs, mostly women, previously dominated, has more recently experienced a new wave of young digital entrepreneurs. Young people are more likely to use digital technologies to open up the market and earn an income for themselves.¹² Although not spared from challenges, entrepreneurs interviewed consider the business sustainable. This could be a way for young people in the informal economy to consider transitioning to the formal economy, earn an income and use their digital skills.

Clothing is considered a major human need, making the business increasingly profitable globally. Second-hand business is fast becoming a popular and lucrative business in many parts of the world. In Nigeria, sales of second-hand clothing items cover a wide range of clothing items and accessories. Second-hand clothing is popularly known in the country by names like: “Okrika”, “Akube”, “OK”, “Bend down select”, “Tokunbo” “UK used”, “Thrift”, and “Fairly used”, among others.^{13 14} Over time the controversies about having to wear a pre-owned item or thrift item considered dirty are gradually vanishing. People widely accept them since they are less expensive and sometimes considered better quality, especially those imported from developed countries.

Three generally accepted grades of second-hand items are distinguished by the quality of the products. The first grade is usually the best quality, the second is next to the first, and the third is also known as clearance. These grades affect the prices at which entrepreneurs sell their products. The first grade is the most expensive due to the great condition of such items, while the third grade (clearance) is usually the cheapest as they are not always in perfect condition. This third grade is generally taken to the market or strategic locations, displayed on the floor, and sold at negligible prices. This is where the name ‘bend down select’ originated from. As respondent 8 in Nigeria explained:

¹⁰ Olubajo, O. (2021). SPECIAL: ‘Na mumu dey go boutique’; Economy of second-hand clothing in Nigeria. Available at <https://gazettengr.com/special-na-mumu-dey-go-boutique-economy-of-second-hand-clothing-in-nigeria/>

¹¹ Zagumi E. (2021). Second-hand clothing market in Nigeria. Available at <https://hissenglobal.com/second-hand-clothing-market-in-nigeria/>

¹² Ohaha, V. (2022). How Nigeria’s Rising Resale Market Could Be Holding the Keys to True Sustainability. Available at <https://industriafrica.com/blogs/imprint/report-how-nigerias-rising-resale-market-could-be-holding-the-keys-to-true-sustainability>

¹³ Simwa, A. (2018). Origin of Okrika clothes in Nigeria. Available at <https://www.legit.ng/1174691-origin-okrika-clothes-nigeria.html>

¹⁴ Ohaha, V. (2022). How Nigeria’s Rising Resale Market Could Be Holding the Keys to True Sustainability. Available at <https://industriafrica.com/blogs/imprint/report-how-nigerias-rising-resale-market-could-be-holding-the-keys-to-true-sustainability>

“

“What I mean by first grade is, when the products arrive, I pick first, before the second-grade people would pick. So, you realise that we pick first, the price tends to be higher, so those that pick second and finally the last; the third grade is what they call clearance. So in a situation when, I’m just giving an instance when those that pick first-grade pick at a rate of 500 NGN (approx. US\$1) per item depending on the product, maybe a top, a pant or something is 500 NGN, the second grade, those that pick the second grade they’ll pick at 300 NGN (approx. US\$0.65), while those that pick the third grade also known as the clearance, can even pick for as low as 50 or 100 NGN (US\$ 0.1-0.2). So, we that pick the first grade, we pick more of the quality products and more of the neat products.”

- A 25 years old Middleway seller

In sales, an entrepreneur in Nigeria is either selling bales, buying bales, or ‘selecting’. A bale is a big bag filled with carefully packed, categorised clothing shipped to Nigeria from abroad. The bales are known by the countries they are purchased from.

“

“The quality of different types of clothes depends on the countries they are imported from. There is China bale, Korean bale, London bale and Italian bale. The bales are different, and you choose and price based on which country the bale is from.”

- Full-time/high-investment seller

These bales also vary in price as the London bale, also known as the UK bale, is considered the most expensive and of the best quality. The respondents further affirmed this:

“

“In terms of quality, I prefer London bale, because if you open London, it’s neat, most of it is still new.”

- A 25 years old Middleway seller

“London bales are not flashy, but they are of good quality.”

- An Investor

Wholesalers buy bales in large quantities and sell to the distributors who either resell the bale or open the content for people who sell to retailers.

Women's employment and empowerment in the informal sector in Nigeria: sources of income

There have been concerns that the largely informal business of importing and trading second-hand clothing threatens the Nigerian textile industry. This is because it provides cheap alternatives to locally produced clothing and, in effect, reduces employment opportunities in the industry.¹⁵ The scale and scope of the second-hand clothing industry in Africa are enormous, with an estimated \$219 million in 2019. Experts forecast that the second-hand apparel market will grow 185 per cent by 2029.¹⁶ Strategically located in Western Africa, Nigeria has a population of almost 219 million,¹⁷ with a median age of 18 years, and women account for 51 per cent of the population. The second-hand clothing market is dominated by women and has shown to make an impact as a source of financial empowerment and independence for women.

Sourcing for initial capital has always been an uphill battle for young African women entrepreneurs. Sales of second-hand clothing appeal to young Nigerians (especially students) because it is a low-capital business, and product sourcing is sensitive to an individual's financial capability. Scalability depends on how much sellers are willing or able to invest in the short to long term. An essential element of scalability is the seller's potential marketing and promotion skills to generate a large pool of customers.



“ I didn't need that much capital to start; I actually started with just 10,000 Naira [US\$ 20], and as time went on and the more profit I made, I'm now able to invest more... it doesn't put much pressure on you, and everybody buys clothes....My [whole] business is now worth about 1,200,000 Naira [US\$ 2200], and I mainly sell wholesale.”

- 26-year-old graduate, a Secondary Income seller

Selling second-hand clothing has offered lifelines to poor students who engage as a means of sustenance and a 'side hustle'. It empowers them to earn an income while they study and support their families.



“My parents couldn't support me...I used my first school fees to start trading, then reinvested the profit. I've been able to sustain myself for the last two years because of this business...it literally saved my life.”

- 3rd-year university student, a gateway seller

¹⁵ Majoni, L. (n.d.). An analysis of cheap clothing imports as a challenge affecting the revival of textile and clothing manufacturing sector: A case study of Zimbabwe (2000-2014). [online] Afribary. Available at: <https://afribary.com/works/an-analysis-of-cheap-clothing-imports-as-a-challenge-affecting-the-revival-of-textile-and-clothing-manufacturing-sector-a-case-study-of-zimbabwe-2000-2014> [Accessed 5 Dec. 2022].

¹⁶ <https://www.statista.com/statistics/1237898/fast-and-second-hand-fashion-market-growth-in-the-us/>

¹⁷ <https://www.cia.gov/the-world-factbook/countries/nigeria/#people-and-society>

Engaging in trading second-hand apparel offers the prospect of future employment to young people. The conventional approach of dreaming of an attractive job is losing significance because young Nigerian women earn more in their own second-hand clothing business, which secures their future and relieves them from the worries of a good earning.



“I don’t know what the future holds after school, but I can always continue selling, expand maybe...I already know the business, so I’m not anxious about the future.”

- 23 years old student, a Gateway seller

“I can’t wait to graduate...I’m not even going to try to get a job because I make more than the average graduate starting salary in Lagos. I’m going to focus on growing [the business].”

- 20 years old student, a Secondary Income seller

Digital Platform used by Informal Entrepreneurs

The World Bank in 2021¹⁸ revealed that the informal sector accounts for over 80 per cent of employment in Nigeria, and 82.1 per cent of women are employed in the informal sector. In 2020, when the COVID-19 global pandemic hit the world, it changed how we work and do business. The informal sector was not left out, as **entrepreneurs affirmed the need to integrate and adopt technologies and other digital platforms to reach customers and make sales. Entrepreneurs in the informal sector who saw little utility for technology and digital platforms in their businesses before the covid pandemic embraced it.**

The sale of second-hand clothing was the provenance of older Nigerians who never considered technology’s utility in their business. Young entrepreneurs, however, employ technology in their business, forming the basis of most of their business (sourcing, marketing, customer relation and sales). Some platforms they use include WhatsApp, Instagram, Facebook and Twitter.

We discovered that young Nigerians do not consider established retail platforms like Jumia and Jiji.ng to be the best marketplace for them when buying clothes. WhatsApp has become more significant for some of these young retailers.¹⁹ However, for other products, they were comfortable buying electronics, books, and other products from large-scale platforms like Jiji.ng, Jumia, Konga, AliExpress etc.

¹⁸ Adams, A. V., de Silva, S. J., & Razmara, S. (2013). Improving skills development in the informal sector: Strategies for Sub-Saharan Africa. World Bank Publications.

¹⁹ <https://retailingafrica.com/innovation/next/next-how-whatsapp-works-for-retail-in-2020/>
<https://www.callbell.eu/en/increase-retail-sales-with-whatsapp/>
<https://retailingafrica.com/innovation/how-whatsapp-drives-growth-for-the-retail-market/>
<https://tengo.com/blog/communication/whatsapp-business/>

Young entrepreneurs see social media and WhatsApp as a simple medium and “fool-proof way of getting [their] message across”. They simply update their WhatsApp status with pictures of their products to attract the attention of their customers. Family, friends and customers on the sellers’ contact list can see the status update of pictures and videos of new items available for sale. Sellers use social media such as Twitter, Facebook and Instagram to advertise their new ventures and products.



“...Even I won’t buy clothes on Jumia, especially Okrika [secondhand clothes]...The way I advertise my goods is mainly through my WhatsApp status and Instagram. I don’t have a personal Instagram account anymore; I use it for my business now.”

- a 22 years old Gateway seller

WhatsApp is the most utilised platform, followed by Facebook and Instagram. Most respondents affirmed that they get more engagement on their posts and more customers on WhatsApp than on any other platform.

This was confirmed by a full-time/high-investment seller, stating:



“I’m not really good at social media stuff, but the one I can’t do without is WhatsApp cos virtually everyone has your number, and then you do basically most of everything on WhatsApp. So, I do most of my buying and selling, everything on WhatsApp. Yes, I use Instagram and Facebook as well, but I don’t do so much on them like I do on WhatsApp.”

- 35-year-old Full-time seller

Another respondent also affirmed the utilisation of WhatsApp more than any other platform:



“I noticed that in this our environment, that is what people use most, especially WhatsApp, because mostly if I upload it on Facebook, they won’t comment on it, but if I use my WhatsApp and they check my status, if they see it, they will be asking, ‘how much?’.”

- a 22 years old Middleway seller

Some respondents confirmed getting more customers on WhatsApp than on any other platform.



“On WhatsApp, you get more customers. I use Facebook because I know I’ll see a lot of people that will view my goods. Then, I use WhatsApp because I know I’ll get a lot of customers.”

- A 27 years old Secondary income seller

Most respondents agreed that the digital platforms they utilise benefitted their business. The fact that some respondents also own physical shops made it easy to compare the digital platforms they use with physical shops. Most agreed that the online platforms benefitted their second-hand business more than the physical store.

Another driving force for alternative channels being more utilised than digital retail platforms is personal, familiar, visual, and easy to use. Social media and WhatsApp are easier to understand and navigate because it’s a familiar technology, even for those not tech-savvy. The biggest advantage is that a personal element is involved when customers buy from these mediums. People are more confident when transacting directly with the seller on their personal number or page. When they can put a face to whom they are communicating, that automatically boosts their trust. This makes ordering and buying from these media smoother compared to digital platforms.



“We are not a trusting people in Nigeria, we like to see what we’re buying and who we’re dealing with, so the personal aspect of this business is very important to boost trust. When customers know your number, your face, they trust your product, and I got my repeat customers that way.”

- 25 years old seller

High fees on digital platforms in Nigeria are an obstacle for young entrepreneurs and discourage them from using the platform when other social media enables them to reach out to a broader network of family and friends. **Personal trust is very important in how young Nigerians use these platforms to get a foothold in establishing a retail outlet.** These dimensions of cost and trust are important for mainstream platforms in Nigeria to understand how they could work with young entrepreneurs in the future.

Income Sustainability/Career Trajectory

According to most of the respondents in Nigeria, the second-hand retail business provides quite a sustainable income as it is very lucrative and requires low capital investment, even for those with no other income source. Most respondents started by selecting (low investment retail), then progressed to buying bales (Mid-large investment) and expressed varying expansion and development plans to sell bales or start importing from other countries.

Full-time entrepreneurs confirmed that the business sustains their livelihood and has plans to continue long-term. One respondent revealed:



“I don’t see myself venturing into another business apart from this business.”

- 30 years old Full-time/high investment seller

All the participants in this study recommended selling second-hand clothing as a solution to youth unemployment and considering the unemployment rate in Africa and how lucrative the business is.



“It has taken me off the unemployment line and kept me sane for a while now; I would recommend it to young people to try.”

- 21 years old recent graduate

Despite the many positive aspects, especially in relation to income and skills, the development of these platforms also raised some significant challenges.

Skills development

The second-hand retail business requires skills for sustainability as it goes beyond just buying and selling. This was affirmed by most young Nigerian entrepreneurs who highlighted the various skills they had acquired while running their second-hand retail businesses. Some respondents were not social media savvy before starting the business but had to learn to utilise digital platforms through their sales. **The digital skills they mentioned included social media utilisation and management, communication skills, video editing, content creation, content marketing, graphics design, sales and marketing strategies and advertisements/sponsored ads creation.** The core skills ranged from customer relations to observation skills, negotiation skills, assertiveness, interpersonal/social skills, and people management.

All these imply that just like an entrepreneur needs to be equipped with adequate knowledge and skills to become successful in business, second-hand business entrepreneurs intentionally learn skills they think will help their businesses survive. One respondent elaborated on the importance of being equipped with skills when she shared:



“I paid for many classes. I have some coaches that I followed and paid for their classes. I paid for sales and marketing strategy classes, video edition, video animations, and all sorts of graphics training. I had training on content creation and sponsored advertisement training to equip myself for the digital world because all these things need to be put in place.”

- A midway seller

In Nigeria, sellers mainly learnt these on the job or by investing in specialised courses.

A source of skill development and personal growth

At the centre of empowerment is skills development. The young people interviewed felt they had developed valuable business skills by selling second-hand clothing. This business offered young Nigerian students opportunities to engage in real-life business problems and helped them overcome the knowing-doing gap absent from their academic studies.



“You hardly learn any real skill in universities; I can tell you that I’ve learnt more skills in my business than I’ve learnt in my four years of studying business management.”

- 19 years old student, a Gateway seller

“I had to develop a business plan in order to convince some family members to loan me some capital...it was an exciting experience to learn how to do that; in the last two years, I’ve learnt how to manage people, budget and handle customers.... I’ve experienced many first in this Business.”

- 22 years old, secondary income seller

Apart from business skills, participants revealed personal growth and the acquisition of core skills as the benefits of second-hand clothing. They believed that they improved their interpersonal and communication skills substantially and developed the confidence of handling any customer requirement.



“I’m a timid person, but now when I’m trying to get customers, I become extroverted, confident, my self-confidence has grown so much I can’t believe it.”

- 27 years old Middleway seller

All the young people who participated in this study acknowledged learning at least two new skills by engaging in the business. These skills are either learnt directly through experience or from other people. A 29-year-old middleway seller posited that:



“You can’t just go to market and say you want to start this business. You can’t just open a bale and start selling; you won’t get the actual amount you [invested]; you can learn from other people or learn on the job.”

The opportunity for developing business skills was very positively evaluated, as well as contributing a source of income.

In summary, **the experience of young digital entrepreneurs selling second-hand clothes in Nigeria illustrates how it provides an avenue for young people to gain skills and a source of income.** While this is highly valued, a lot of the costs of developing these skills rest on the resources of the individuals and their capabilities to develop these. There was increasing evidence that they were going outside the established retail platforms to use ones that incurred less fees and had greater personal contacts, such as WhatsApp and Instagram.

The experience in the UK was slightly different. There was a greater focus on the platform and more evidence of how reciprocal support mechanisms of skill development were provided for the benefit of sellers, especially top sellers.

In both countries, there was also evidence that the interaction between different platforms was also being developed, for example, using Instagram to promote sellers’ products, or in Africa, reverting to WhatsApp as a lower-cost platform for sellers. This suggests that in both countries, there is an evolution of these platforms, developing a new digital ecosystem of networks in which young people are clearly embedded, often bridging their personal and public personas.

United Kingdom

In 2020, American Bella McFadden (@igirl) was the first seller to earn seven figures (\$1.26 million) using the digital fashion marketplace Depop. Her **success** is not an isolated story but is one example of the thousands of Gen Z users generating vast income streams from their bedrooms. Depop's acquisition by Etsy– **valued at £1.1bn** - exemplifies this sector's rapid growth in value. A distinctive feature of Depop is its focus on a young user base, boasting **30 million registered users in 150 countries**.

Research into platform work has pointed to challenges associated with this form of working. Across the world today, many workers find themselves without protections and benefits: most social-protection systems were created with a single, stable, full-time employment relationship in mind.

The nature of work on Depop: income and boundaries

Some of the top sellers we interviewed in our study of Depop quoted annually earning six-figure incomes. We interviewed 18 young people, one parent, and a representative from Depop. One, aged 23, earned £26,000 monthly, capitalising on her international connections to source and resell high-end pieces. Another, aged 24, has a monthly revenue of £12,000 from reselling streetwear shoes – photos of which are taken against his kitchen cupboard.

However, some sellers found generating a sustainable income challenging. Volume and frequency of sales were uncertain. More affluent sellers tend to do better because they are not combining their Depop income with other work; they have reliable internet connections at home, sufficient space to store their stock, and better quality devices to take engaging photos of items.

Maintaining boundaries between online work and personal lives was a commonly cited challenge among those interviewed. Most sellers store stock at home, often in their bedrooms; family members help with packaging and postage, and selling from a personal device blurs with their social networks. In turn, this intensifies these various levels of communication and the risk of burnout for sellers.

Despite these challenges, all of those interviewed enjoyed the work. Most saw this as their full-time career trajectory, sometimes gaining personalised support from the platform to grow and develop their shop.

Supporting and developing sellers

Depop provides a wealth of support to all users: advertisements on their Explore Page or featured categories; support via email; the automatic creation of spreadsheets with sales information, and a safety mechanism to mitigate sexual harassment and fraudulent transactions.

More ‘bespoke’ support offered to a select group of ‘**Top Sellers**’ and those who sell high volumes frequently included greater exposure, higher ranking in keyword searches, access to mentoring through Slack, and 1-2-1 contact with Depop staff. Interviewees appreciated this support and reciprocated by promoting the Depop brand:



“They put me on their Instagram! I’ve done other social media for them. They’re fantastic, and that’s why I’m so grateful, and I genuinely champion Depop because I’ve never had a company invest so much time in me.”

- UK Top Seller, aged 23

“I had a message from Depop, and this was quite early on before I became a Top Seller. They wanted me to go in and meet them [...] They told me all the things I could do to push my account more and how I can make it, step it up. That’s when they told me: ‘You could do it full-time’ [...] For us that’s been highly motivational.”

- UK Top Seller, aged 23

At the same time, there were limits to Depop’s relationship-building.



“We’re not legally allowed to provide advice on tax. We’re not an accountant or tax specialist so we can’t provide advice, but the seller’s team can point people in the right direction for resources.”

- Depop representative

This may disproportionately impact sellers without the social or economic resources to secure the tax advice they need: sellers who can outsource taxation to family, friends and networks are more likely to prosper. External groups and forums on Reddit and Facebook help fill in some information gaps. Still, there is taxation guidance and business support for young and often inexperienced digital entrepreneurs, if needed.

Skills and employability

The experience of selling on the platform can help to build a wealth of transferable, employable skills. Examples include product presentation, social media engagement and content creation, creativity, understanding market dynamics, problem-solving, procurement, scaling up businesses, and customer service.



“I organised an event for Depop in Hackney [...] they gave me a budget and were like: ‘run a party event where different sellers and buyers can come and meet’ [...] They try to do a lot for the community. But I think their community is growing so quickly that it’s hard to cater to everyone.”

- UK Top Seller, aged 23

Overall, the research findings show that these second-hand retail platforms can, in some circumstances, create valuable income streams for young people depending on their levels of engagement, access to reliable internet, space to store stock, and secure procurement strategies. **The platform provides and supports opportunities to develop employability skills.**

This might lead to the conclusion that Depop’s community-driven platform – coupled with encouraging conscientious consumerism – is emblematic of a new and valuable type of platform work.

Income sustainability

Can Depop be a source of sustainable income for young people?

The interview with online marketplace sellers revealed a range of perspectives on the issue of income sustainability. Some stated that income from their sales on the platform was sustainable, others viewed it as unsustainable, and a few viewed it somewhere in between. However, some sellers believed that their income was sustainable but were not describing ‘sustainable’ money inflows as regular, consistent, predictable income streams.

“

“Yeah, I think it does, completely. Especially, more so now I have a following [on the platform] and have customers compared to when I first started. It’s definitely a good amount of money I’m making.”

- UK Top Seller, aged 21

“At the moment, I wouldn’t say quite yet it does [offer sustainable income], but it’s certainly getting to that stage [where it is sustainable]. I’ve only been on Depop around a year now, and I plan [to] hopefully in a year or two for it gets to that stage where I can quit [my] job and do it full-time.”

- UK Top Seller, aged 23

“I don’t think it was [sustainable] at the beginning. I think it’s one of those things that when you start it, you need to have another job. I didn’t, but I was living at home, and I had money saved up, and I had an obvious take; I was taking other people’s clothes or something to do. But I think if you’re starting out, I don’t think you can just have it. Just alone because I think it’s something that takes patience and growth, and I also think it’s a very over-saturated market now.”

- UK Top Seller

“I wouldn’t really be able to stay sustainable only because it has only been sustainable for the last six months. It’s always evened out, even if I have a bad beginning of the month. It’ll always even out to above what I want it to be.....I don’t know if I could 100% give it over and say, ‘yes, it’s fine, I’ll get that money every month’ because you can’t guarantee. You don’t know trends might change suddenly. I think that, yeah, you’re guaranteed to get some money, but I can’t say what I can.”

- UK Seller, aged 26

For example, the standard answer was that fluctuations in sales is ‘the nature of business’ and that volume of items sold varied greatly between weeks or months but that the income often ‘evened out’. Several sellers stated that income is sustainable only if you are a high-performing, full-time seller. Otherwise, it is unsustainable and fluctuates.

“

“It does that, like with every single business. It’s so up and down you can have a really dry week, and then you have a really good week. I think back in March when Corona hit sales was literally like nothing because everyone was first not

going out saying things like “I don’t need it for the event”, ‘I’ve lost my job’, ‘I got no money’. And then it picked up again in April and May and then in June when the shops reopen, it went down again.”

- UK Top Seller, aged 23

One of the key themes that emerged from the study was the sense of uncertainty that many of the sellers experienced. They acknowledged that their income depended on the actions of buyers and the platform itself.

Additionally, there was a sense of worry about the complete reliance on the platform for their business, with some sellers expressing concerns about what would happen if the platform were to crash or the platform operators went bankrupt. To mitigate these risks, some sellers reported building their presence on social media platforms and personal websites as a backup.

Another discovery from the interviews was the role of social and economic capital in determining success on the platforms. The sellers who reported income sustainability tended to come from higher socioeconomic backgrounds.

Sellers revealed that they had a clear roadmap to generating more sales and upscale their business. However, the time commitment required to ensure income sustainability is significant, with one seller saying, “*You get out what you put in*”.

Additionally, many sellers reported the need to change their product sourcing strategies during the Covid-19 national lockdown, which was credited for increased sales despite the initial challenges of maintaining a high stock level.

The perspective of the platform operators on income sustainability is to offer a digital platform that provides appropriate tools and opportunities that empower sellers to engage in diverse scales of entrepreneurship.



“It’s been incredible to see that businesses and entrepreneurship that people have built from using Depop to sell. So really wanting to empower people to grow to the size that they want to be, whether we have casual sellers where it’s not a key income source, but then if you do want to really push it forward, making sure that they have the right tools, the tight information to help the successful and help them grow into whatever they see the vision for their business and also internally like you say, this is quite, we’re growing quickly there’s a young workforce and also making sure that we’re giving opportunities for people that want to be on the inside of Depop and help drive that in in a different way as well.”

- Depop representative

Some of these tools include sending sellers weekly reports of revenue earned and volume sold by email. Depop also created a feature whereby sellers can download a spreadsheet with items sold, revenue, and buyer's name. This helps sellers with documentation. Table 1 below shows the respondents' reported annual income and profit as of October 2020 and the financial performance of the sellers in this study.

Table 1 Annual income and profits of sellers interviewed

(empty cells represent undisclosed information)

Oct 2020				
	Top Seller? Y/N	Age	£ revenue pm	£ profit pm
Respondent 1	Y	23	£12,000	
Respondent 2	Y	24		
Respondent 3	Y	22	£3,600 (100k annually inc website)	
Respondent 4	Y	19		
Respondent 5	Y	22		£1,800
Respondent 6	N	24		£600
Respondent 7	Y			
Respondent 8	Y	23	£26,000	£13,000
Respondent 9	Y	31	£1,400	
Respondent 10	Y	26	£8,000	£2,500
Respondent 11	Y	19	£2,000	
Respondent 12	N	26		
Respondent 13	Y	23		£400
Respondent 14	Y	20	£2,500	
Respondent 15	Y	21	£2,000	
Respondent 16	Y	24		£6,000
Respondent 17	Y	23	£2,700	
Respondent 18	N	25		£450
Respondent 19	N	24		£450
Respondent 20	Y	22		£10,400

Source: author interviews

*Respondent 4 earns over £100,000 annually from both Depop and personal website revenue. They earned £47,000 from Depop alone.

*Most lucrative shops sold shoes (e.g. Nike Jordans 1 - ~£14k revenue per month) and designer wear.

Formalisation

We interviewed sellers regarding aspects within the formalisation process, breaking this down into:

- a) Registering as a sole trader or a company
- b) Hiring a storage facility or a studio to hold or create stock
- c) Opening a physical store
- d) Creating social media pages to drive traffic to the Depop store
- e) Creating a website
- f) Taxation (understanding, budgeting, and paying tax)
- g) Using business advisory services

Registering as a sole trader or a company

At the time of the interviews, we found that six (6) out of nineteen (19) respondents had their businesses formally registered as companies. In contrast, five (5) were registered as sole traders. Two (2) respondents reported that they were in the process of registering as a company. On the other hand, seven (7) respondents were not registered for various reasons. Some had not considered registering, while others believed they were not yet at the threshold. Additionally, one (1) respondent revealed having no intention of registering.

Hiring a storage facility or a studio to hold or create stock

At the time of the interviews, five (5) respondents had acquired a storage facility, office space, or studio for their business operations. On the other hand, fourteen (14) respondents had not hired any additional space for their business. However, five (5) of these fourteen (14) respondents reported that they were in the process of renting a studio, purchasing a storage facility for their garden, or renting a storage facility shortly.

Storage is a key differential between sellers: those with larger houses and income high enough to afford to rent a studio or storage facility had the highest revenue streams. **Storage was one of the most frequently reported challenges by sellers, expressing that it was one of the main barriers to expansion.**

Opening a physical store

None of the sellers interviewed for this study currently owned a physical store; some, however, showed interest in opening physical stores but still had no plans. Many respondents cited the benefits of operating solely online, such as higher footfall, access to international markets, and support from platforms like Depop. However, a few sellers expressed an interest in running pop-up stores²⁰ in the future, typically as

²⁰ "Pop-up retail is a trend of opening short-term sales spaces that last for days to weeks before closing down, often to catch onto a fad or scheduled event." https://en.wikipedia.org/wiki/Pop-up_retail

a way to sell their stock in a marketplace alongside other Depop sellers. Additionally, some sellers expressed an interest in opening a physical store, separate from pop-up stores, in the future.



“There’s a benefit because of the traffic that comes from online. I would like to sell in person because everything is so tactile; it enables a customer to look and feel the garment. I think that’s important with buying clothes and fashion in general if you’re interested in it, you want to know how it’s made and be able to see it and touch it. Being online is great for getting a certain number of customers through.”

- UK Top Seller, aged 24

Creating social media pages to drive traffic to the Depop store

All the young entrepreneurs interviewed in this study had an Instagram page that actively drives traffic to their online retail stores. The leading social media platforms used to promote their stores are Instagram and TikTok. Sellers felt that these platforms provided their customers with a “behind-the-scenes” glimpse into their businesses and personalities, which helped to foster a sense of connection and involvement among buyers. This approach aligns with the values of sustainability among Gen Z buyers, who gain satisfaction from supporting small businesses that are helping the environment.



“[I] was posting [on social media] daily, and I was doing collabs with [social media] influencers. Since the start of this year to this day I’ve gained 65,000 followers on Instagram. In the time that I’ve had the business, most of the growth has been in the last year, which is all thanks to social media marketing.”

- UK Top Seller, aged 19

Giving giveaways was also an effective strategy for boosting engagement with shops and social media pages.

Additionally, engaging with social media influencers successfully created a buzz around Depop stores. The platform regularly promotes sellers who are creative and reposts celebrities’ photos of items bought from a Depop store. Depop’s Instagram account has grown significantly since 2016, boasting over 719,000 followers. They also started a TikTok challenge to engage with their community which is a great way to increase brand awareness. See the Manager explaining the challenge below:



“It was a Depop backing track and a Depop filter, and it was all around coming up with a way to link your local area with a name for a style and how you would call it. Someone, for example, was like East London: Easter Pastels. This kind of thing gets people to connect themselves with where they’re from and makes it really localised, which is cool.”

- Depop representative

Creating a website

Only (8) eight out of the (19) nineteen entrepreneurs interviewed had a website. One of these sellers had used it as a “look book” in the past to promote their online store. Two sellers reported that they were keen to create a website in the near future; one has since moved all of her designs onto her website and started selling other items on Depop.



“In January 2019, I launched a website. We did a very short lookbook [on] the website to showcase the type of items I was selling at the time...That was a shift towards a more personalised approach to help launch the website.”

- UK Top Seller, aged 19

Sellers reported that having a website conveys greater professionalism and that platforms like Depop can act as a stepping stone to eventually selling solely through their websites.



“I want a website and to maybe move away from Depop at some point, just because I feel like it’s more professional to have a website.”

- UK Top Seller, aged 21

Taxation (understanding, payment, and budgeting)

One significant issue that emerged from this study is the lack of awareness among sellers regarding their tax liabilities from income made on these platforms. Our findings indicate that while some sellers were well-informed about their tax obligations, most were not. This variation in knowledge was largely influenced by using Depop subreddits, having family connections with people with knowledge of business taxation, or asking more successful sellers for advice. However, a significant number of sellers were unable to provide any information on tax thresholds and how to pay them.



“I feel like Depop doesn’t really inform me about that kind [of thing] at all. So, I personally don’t really know a lot about being taxed.”

- UK Top Seller, aged 20

It is important to note that while digital platforms such as Depop provide an excellent opportunity for young people to earn an income, they are not specialists in taxes and do not offer guidance to sellers on taxation. However, platforms like Depop can provide advice on their platforms on where to get relevant tax information.

Some sellers had their budgeting and taxation handled externally by family, friends or relatives, again spotlighting socioeconomic disparities contributing to business growth.

Using business advisory services

This study found that many young entrepreneurs had not considered using business advisory services or viewed it as an option. This suggests that employer and business-membership organisations may not effectively target young people, although some sellers reported already receiving advice from their accountants or relatives.

Sellers revealed having developed a good rapport with Depop employees and/or more successful sellers who could advise on product presentation, portfolio diversification, and social media engagement strategies such as engaging influencers and making TikTok “day-in-the-life” videos of them sourcing stock. These young entrepreneurs showed interest in participating in mentorship schemes before contacting advisory services.

The most commonly cited areas of interest for support amongst young digital entrepreneurs were: how to scale up their business, portfolio diversification, and knowledge on taxation and budgeting. This is an opportunity for employer and business membership organisations, especially in countries which classify these entrepreneurs as self-employed or independent contractors. This can increase the membership base and diversify the service offerings to a more diverse client base. This can add value and contribute to employers’ organisations’ competitiveness, productivity, and sustainability.

Career progression

Here we questioned whether there is a career path and transitional pathway for young entrepreneurs in this form of digital platform work.

Most of the sellers interviewed expressed a desire to continue selling items on Depop as a form of income, whether part-time or full-time. Specifically, ten (10) sellers expressed their intention to sell on Depop as a full-time role, while seven (7) sellers intend to engage Depop as a part-time, supplementary role. This includes two (2) sellers migrating their brand to another website but will continue selling on Depop on a much smaller scale, either part-time or hobby.

The overall sentiment from the respondents was:

- I.** Unless you break through as a Top Seller with extensive advertising and a built Instagram account, selling on Depop is a great part-time role (“side hustle”) for most users. **It is a way to supplement their income and was mainly used to cushion the impact of fewer hours during the Covid pandemic.**
- II.** For some, the income is not sustainable enough for sellers to feel confident transitioning to a full-time role without a guaranteed income.
- III.** Some entrepreneurs with the largest accounts/online stores consider selling on digital platforms a long-term trajectory. For example, some want to springboard to wholesale selling with a family member or employee running their stores for them or to continue selling clothes through Depop.
- IV.** Other sellers see Depop as a way of gaining a larger footfall and building a brand, migrating to an external platform, and using the skills gained on Depop - mainly through websites and Instagram.

Future career and business expansion plans

- Typical business expansion strategy:
 - Selling a consistent number of items
 - Securing a consistent supplier, be it domestic or international
 - Build an Instagram page to create a brand
 - Create a website to build professionalism
 - Formalisation: Register as a sole trader or company
 - Migrate away from Depop to physical stores
- Internal hiring:
 - Seeking the help of family and friends with mundane tasks (packaging, posting).
 - Hired seamstresses to further their label (product portfolio diversification)
 - Plans to create paid internships: digital marketing and content creation

Skills Development

Here we question the skill development potential of young people's involvement with digital retail platforms. Does Depop provide young people with opportunities for digital and core skills development?

What are the skills?

Key skills that were developed/gained by entrepreneurs are:

- Product presentation skill
- Social media outreach/engagement
- Creativity
- Understanding demand
- Entrepreneurship
- Budgeting/accountancy
- International logistics
- Sourcing stock
- Registering as sole trader/company
- Customer service
- Problem-solving
- Upcycling clothing
- Scaling up
- Digital marketing
- Understanding taxation
- Sewing



“[I developed] customer service skills because you are talking one-on-one with customers, and every case is so different. You have to be able to remain professional within the app.”

- UK Top Seller, aged 24

Sellers revealed that through their entrepreneurship on a digital platform, they were able to develop their creativity: upcycling items, photography, editing, modelling, outfit inspiration, and portfolio diversification inspiration from other sellers. It was generally recognised that sellers on the platform develop their skills through their entrepreneurship endeavour rather than the platform (Depop), which fostered creativity as a skill.



You have to, of course, be creative. That's something you have to learn mainly because you need to bring an audience to your page and get them to engage with anything that you post. Customer Service also means speaking to different customers with a purchase and answering their questions to the best of your ability. Problem-solving, as well..it's important to be a problem solver as that can affect my reviews. Those are qualities I've developed by being on Depop."

- UK Top Seller, aged 24

It was also revealed that several participants could leverage the skills and knowledge acquired by engaging with digital retail platforms to pursue new career opportunities. One participant secured employment in a vintage clothing store due to their knowledge of pricing for women's clothing. Another was hired in a product-sourcing marketplace based on the skills acquired on Depop. One opened a wholesale store, another created a business involving buying in bulk and selling 'fill-a-bag'²¹, and one started a business for Depop mentoring, advising further expanding shops.

Environment - fostering conscientious entrepreneurship

- Many of the sellers were conscientious of their impact on the environment:
 - Increasing usage of biodegradable packaging
 - Upcycling old garments or materials
 - Sourcing deadstock items that otherwise would have been sent to landfill
 - Considering the sustainability of their pipeline

²¹ Fill-a-bag: This is a marketplace where buyers are handed a bag(s) upon entry, which can then filled with your vintage bargains with as many, stated number or weigh of mixed items (Clothes, shoes, bags, jewelries etc).

Benefits of retail platforms for young entrepreneurs at Depop in the UK

1. Depop provides a range of **support** to sellers



“They put me on Instagram. I’ve done other social media for them. So yeah. they’re fantastic, and that’s why I’m so grateful and like I genuinely champion depop because I’ve never had a company invest so much time into me.”

- UK Top Seller, aged 21

Examples of how Depop supports sellers:

- Top Seller Program
- Slack page for Top Sellers
- Reporting mechanism for safeguarding purposes
- Features on the Explore Page
- Features and promotes sellers in certain categories, e.g. ‘One of a Kind.’
- ‘Level Up’ and ‘Rising Stars’ programs with mentorship and workshops (discuss taxation, product presentation, increasing customer base)
- Automatic spreadsheet made with ‘download sales’ function
- Portfolio diversification and business expansion strategies
- Hosting events for active sellers
- Features sellers on push notifications and emails

2. **Ease of application use**, particularly when compared with competitor apps



“Depop is so familiar to use, it’s like the perfect mix of like eBay and Instagram, and it has the perfect age range of people that you can sell to. The app is so clever, as are the people that created it because they properly went in on the perfect target, and I think that’s why it’s so successful.”

- UK Top Seller, aged 22

3. A strong sense of **community** (e.g., commenting on other sellers' Instagram posts, events, pop-up stores, Facebook community groups, Slack platform, mentorship program, workshops, office invites, Depop parties etc.)



“So the main thing, and it’s what we always say internally, is that Depop isn’t a platform; it’s a place. It’s not just about the transactional element; it’s not just about buying and selling; it’s about the culture; it’s about the Community and the fact that 90% of our users are gen Z and from a similar age range because it’s such a focused market. it’s easier for them to build connections and to make it more of a place than just a transactional platform.”

- Depop representative

4. Platforms can be **accessed remotely**; Sellers can sell and interact with customers on the platform anytime and anywhere. Workers can do their full-time jobs while running their online store remotely.

5. Access to a **higher footfall** than in a physical store - Depop is present in 140 countries, and all sellers reported having sold internationally.

6. **Skill development** - (digital, core, and practical) This includes applying degree content (e.g., fashion marketing) to practice, budgeting, problem-solving, customer service, understanding demand, and pricing.

7. **Be your own boss** - allows sellers to fit their work schedule around their lives and other commitments. Sellers with mental health conditions can plan to continue earning in tougher periods.



“I think it’s great that an app has allowed me to be my own boss; I have my own business. So, I think that’s crazy that an app has just allowed creativity.”

- UK Top Seller, aged 26

8. **Aligned with post-materialist values**, thus, giving greater job satisfaction. Many sellers reported a sense of achievement and pride in contributing positively to the environmental damage caused by fast fashion - recycling, upcycling, and passing on clothes that would otherwise be destined for the landfill. Depop also runs campaigns on Black History Month and mental health awareness, which align with Gen Z’s social values of inclusivity and diversity; some sellers donate their profits to charity.



“Last year we redefined our statements....We want to be a community-powered fashion ecosystem that is kind on the planet and kind to people. So, it’s multi-dimensional...it’s not [only] about transforming the way that people consume clothes but doing it in a way that’s making the world a bit better as well.”

- Depop representative

9. Greater job security during Covid due to a spike in sales. Although there were initial difficulties with changes in supply pipelines, all sellers reported increased sales during the covid pandemic.

In summary, evidence from the UK sellers shows that;

- Sellers with larger houses (high-income parents) and those with high incomes to afford to rent a studio or storage facility had the highest revenue streams. Storage was one of the sellers’ most frequently reported challenges, expressing that it was one of the main barriers to expansion.
- All sellers discovered Depop through word-of-mouth, which has been Depop’s primary effective marketing strategy.
- Average age of sellers interviewed was 23; 90 per cent of Depop sellers are aged 13-24, so this shows that older sellers with more knowledge and experience do best
- Sellers are ‘juggling several job’ roles, e.g. Bartending, barista, e-commerce digital marketing associate, recruitment, NHS worker (health records clerk & receptionist), sports coaching, special educational needs (SEN) teacher, tennis coach, air hostess, vintage clothing store assistant, and students.

Challenges of digital platform employment for young people

Challenges in Nigeria

Older entrepreneurs in Nigeria did not see the need to utilise digital platforms for their second-hand business, mainly because they did not know how to operate them. Young digital entrepreneurs, however, still face some challenges in utilising these different digital platforms. Some of the challenges are highlighted below:

- Lack of customers' trust in online vendors due to internet fraudsters
- Complaints from customers about differences in the product they ordered online versus what they received.
- Delivery charges making the total cost more expensive
- Limited/lack of knowledge on digital platforms utilisation, e.g., how to run ads
- Funding issues affecting sustainability, e.g., friends and family purchasing on credit
- Time constraints and consistency in attending to all online customers
- High level of competition with other numerous online vendors
- Issues with reliability and cost of internet connection

Other non-digital related challenges include damaged goods in bales unfit for sale and getting to satisfy customers requesting varieties that are not available.

Challenges in the United Kingdom

- There is usually a period of learning the ropes and developing the required knowledge and skills to get it right and earn a sustainable income. This involves investing long hours at the initial stage.
- The job makes some sellers **feel isolated**. Depop as a platform seeks to mitigate this by organising community events for Depop users, Top Seller launch events, Slack for Top Sellers and also a Facebook Community Group (made by users).
- Work-life balance: many sellers mentioned it was **difficult to switch off** and find a healthy work-life balance
- Sellers often compete with shops that source products from other platforms sold at low prices. Some sellers buy directly from them and sell products to customers without physically being with them, which is called **drop-shipping**.

Depop actively deletes listings which violate these rules.

5. Technological pressure: sellers felt pressured to have a DSLR camera or the latest iPhone to compete with those with these devices. Those with access to editing software with skills were also at an advantage.

6. Logistical limitations: stock levels were limited by their house sizes and whether their house had good natural lighting and a decent background to take photos.

7. Sellers' photos/ideas being stolen; some stores post photos without giving due credit or permission on Instagram and Pinterest pages. Two sellers reported intellectual property theft by other stores, who copied their designs.

8. Leaves sellers open to being **scammed**, for example, through buyers falsely reporting missing items to damage the account's reputation and to receive a refund.

Conclusion and policy recommendations:

Digital retail platforms allow young people to gain an income stream from retail by selling second-hand clothing, creating an avenue for entrepreneurship, and overcoming the traditional cost associated with bricks and mortar outlets. This study examines how young people engaged on these digital retail platforms in Nigeria and the UK can earn a sustainable income and develop skills and a career outside the business.

Increased accessibility and connectivity

- Governments should create more favourable environments for broadband and other ICT infrastructure investments, particularly in rural areas, to decrease urban-rural divides and tackle digital poverty.
- Governments should develop policies to increase internet access to young people (e.g., working at a local level with libraries, schools, and the private sector).
- Governments should develop policies aimed at increasing digital infrastructure efficiency by funding ICT-developing projects
- Providing equitable, affordable access to digital ICTs (Internet, mobile phones, mobile money, etc.) for all citizens, and in particular to under-represented groups, such as youth and women

Reducing the digital skills gap

- Governments, social partners, the private sector, academia, civil society, and other key stakeholders must ensure that young people are equipped with the digital skills to benefit from employment and entrepreneurship opportunities and ensure an inclusive digital economy and society.
- There is a need to include digital skills in education programmes at all levels and across disciplines as a core competency.
- Adequate efforts should be made to incorporate digital skills training programmes in national and regional strategies.
- There should be the development of adequate policies to tackle digital exclusion and unemployment through education on the potential of digital entrepreneurship on digital platforms.
- Governments should review the careers education system to ensure all pathways to employment are clear to all young people.

Adopting concrete ICT gender equality goals and allocating adequate resources to achieve them, especially through access to credit and finance for young entrepreneurs.

The formalisation and business registration process should be made easier, less cumbersome, and less time-consuming to encourage young people to take advantage of available opportunities.

Platforms could offer more support with the following:

- Tax information - although they are not legally liable to give individualised recommendations about taxation, they could signpost to all sellers.
- Platforms should make information available to young entrepreneurs to smoothen the formalisation process for sellers wanting to expand beyond the platform

Opportunities for employers' organisations

- Employers' organisations can offer their services by providing information on accounting and tax requirements

This study shines a light on an emerging economic sector that is attractive to young people. It illustrates the opportunities and obstacles they face and how this is embedded in the evolution of a digital economy ecosystem as sellers work between different platforms.

Appendix I – Method

Methods for collecting and analysing data

This project will use a multi-methods approach:

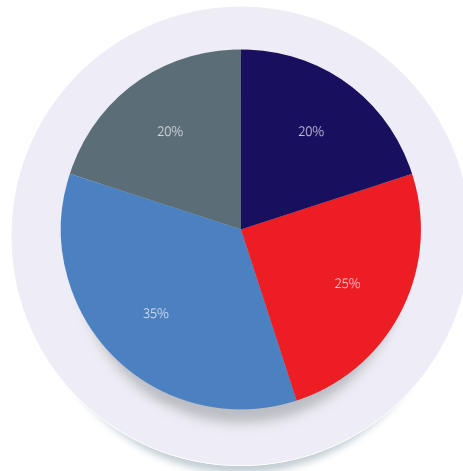
- i. digital ethnographies with sellers in the UK and Nigeria
- ii. expert interviews with companies and charities supplying clothing and market traders in Africa.

Digital ethnography permits the examination of geographically dispersed virtual spaces, digital cultures, practices and experiences. With this, we documented participants' social media practices and engagement pattern of interaction around their platform employment. The study focuses on young people between 16 and 30 in the UK and Nigeria.

We conducted Interviews with a total of thirty-four (34) young entrepreneurs, nineteen (19) in the UK and fifteen (15) in Nigeria. Discussion in these interviews related to participants' motivation for selling second-hand clothing, the entrepreneurial practices engaged in to sustain themselves, and the opportunities, barriers and quality of work provided by these platforms. This helped to provide insight into whether employment on digital platforms can promote sustainable digital entrepreneurship among young people in the global south and north. An expert interview was conducted with a key manager of a digital platform to examine the causes of their growth and their efforts to integrate and encourage young people's engagement. Data from these interviews were continuously supplemented and triangulated with data collected during engagement with and observing sellers' online retail stores and social media. This helps to contextualise better structures, cultures and the socio-economic dynamics of emerging and developed economies to reveal the impact of adopting and using digital platforms as entrepreneurial tools.²²

²² Esser F. and Vliegenthart, R. (2017) Comparative research methods. *The international encyclopedia of communication research methods*, pp.122.

Appendix II – What do Depop entrepreneurs sell?



■ Vintage Clothings ■ High-end Clothings ■ Own Product ■ High volume, low price products

Twenty-five per cent of those interviewed in this study sell vintage clothing, 35% sell High-end clothing, 20% make their products for sale, and 20% sell High volume, low-price products often sourced from wholesale suppliers. Sellers are often seen mixing between these categories, for example, with sellers selling their products and items sourced from charity shops, markets, eBay, or private suppliers. The most sought-after products are 90s clothing, vintage clothing, sportswear, accessories, shoes, Afghan jackets, corset tops, blazers, and summer dresses.

Appendix III – Where do entrepreneurs source their products?



(r)Depop: a 'Repop' is where an item bought on Depop is resold on the platform by the buyer



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