



# Collection and Sales of Second-hand Clothes

## Building second-hand customers growth

DAPP Malawi has for the past years invested in training its wholesale customers in how to run and grow a business. When the customer adopts and treats retailing as a business, it helps both the customer and the second-hand wholesale outlets to thrive and make a profit.

The supplier-retailer business relationship needs to be protected, supported and nurtured in various ways. The current stiff competition facing second-hand trade calls for formulation of new innovative approaches, which helps to achieve customer satisfaction, loyalty and business growth.

Mercy Muwa and Malombo Ziwa work as a wholesale Outlet Manager and Area Manager respectively. Both have been part of second-hand activities in DAPP Malawi for many years. They have been working with sales promotion and running retail shops, among other similar responsibilities.

Assessing what the customer wants gives the second-hand wholesale outlet an opportunity to respond to concerns effectively and it helps to maintain a friendly relationship.

***“We do market visits each week. We visit our customers, looking at how they run their businesses. What are their problems? What do they want? If there are any problems, we discuss. Upon coming back we meet with the Commercial Manager and come up with measures on how to help customers on their issues,” says Malombo.***

Equal treatment of customers is key. The friendly environment created in the shop starts with building friendship between the wholesale outlet staff and the customers. DAPP Malawi understands that each customer means potential for a continuous business relationship in the future, thus customer care must be built around inclusive and non-biased customer handling.

***“Our competitors are profit oriented, thus they target mainly customers who buy for example 300 to 400 kgs and above. However, DAPP Malawi treats each customer as deserving equal support. When a new customer comes to our shop, we’ll make sure the customer is assisted and, there after, we also make a follow up with the particular customer”, says Malombo.***

***“We discuss and find out how best we can support the customer. We go for knowing for example, how was the quality of clothes bought? How was the clothes sold? Any problems, like failure to make a profit? What was the pricing? Next time the customer comes to buy we offer training on how to price right,” says Malombo.***

***Malombo and Mercy use the customer database to check whether their customers are growing in their business over a certain period. Such an evaluation has been useful in creating individual support to the customers.***

***“We have a customer database where we trace the way the customers are buying. And then we know that this customer is capable of buying maybe 100 kgs, or 145 kgs, and then we call the customer. We share with customer the idea of business growth and inform our opinion on going for more quantity”, says Malombo.***

***“We had a customer last month in Limbe who came to us and wanted to start a business. ‘What can I do?’ And then looking at his capital, we advised him to open a retail shop at a bus site about 20 kilometers outside Blantyre city. The place doesn’t have anyone who has a second-hand retail shop operating. He found the shop and now he is our regular customer,” says Malombo.***

***“Three days ago he bought 435 kgs in a big bale at our wholesale outlet in Limbe. Every two weeks he is managing to buy between 400 kgs to 500 kgs of second-hand clothes. Recently he said he plans to open another shop within Blantyre,” says Malombo.***

Getting a better handle of basic business management processes is another area, in which DAPP Malawi helps its customers to run profit-making small businesses. The trainings offered cover areas like basic finance management, profit calculation, how to determine price and saving.

***“During our monthly open days, we meet and interact with our customers. At each open day we invite, for example someone from a money lending institution. The micro-financing institutions offer training to our customers on how to invest and manage savings, because customers need to grow and make a living from selling bales,” says Mercy.***

***“We assist customers to calculate the price after knowing the total pieces of clothes in each bale. It is important to know that if I can sell each piece of clothes at such a price, how much profit will I make,” says Mercy.***