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**Source:** van Weelden, E., Mugge, R. & Bakker, C. (2016) Paving the way towards circular consumption: exploring consumer acceptance of refurbished mobile phones in the Dutch market. *Journal of Cleaner Production*. 113: 743-754. DOI:10.1016/j.jclepro.2015.11.065

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## Science for Environment Policy

# Refurbished mobile phones: consumer perceptions and how to increase uptake

A recent survey of Dutch mobile phone owners has identified why some consumers buy refurbished mobile phones while others buy new ones. Some consumers perceived refurbished phones to be inferior, which was a major barrier to their purchase. The study's authors make a number of recommendations to increase consumer uptake of refurbished mobile phones, including promoting the financial and environmental benefits and offering warranties.

In a circular economy, the life of consumer goods is extended by recovering, repairing and re-using already-used products. This cycle reduces waste and use of precious resources. The concept is at the heart of the EU's drive towards sustainable consumption and production and is the basis for the EU Action Plan for the Circular Economy.

This study explored consumer perceptions of refurbished mobile phones. The researchers conducted 20 semi-structured interviews with Dutch mobile phone users. Ten participants had recently purchased a refurbished mobile phone (defined as 'a used phone, which is collected, restored, updated and resold by a professional company') and 10 had purchased new phones of the same brand as the refurbished phones.

Based on a theoretical model of the consumer decision-making process, the researchers analysed the interviews to look for patterns that might reveal what drives people to choose new and refurbished products.

The results suggest there are four main barriers to consumers choosing refurbished phones. First, interviewees were unaware that refurbished phones existed. Second, some interviewees misunderstood what refurbishment means, equating refurbishment to second-hand and believing that phones may be damaged and not fully functioning. Third, refurbished phones are not readily available at established retail channels and searching for one was seen as a 'hassle'. Fourth, consumers felt purchasing a refurbished phone would not provide the same enjoyment as owning a new phone.

When consumers weighed up the benefits and risks of buying refurbished phones, the most important benefit cited was the cost saving. Other benefits were that refurbished phones do not include unwanted new features and were perceived as more reliable than second-hand products. Environmental benefits were a minor consideration for consumers, with many being unaware of them. Only one buyer of a refurbished phone said the environmental benefits played a part in their decision.

Among the perceived risks of buying refurbished phones, the most important were that the phone would not work as well or might break down more quickly than a new phone. Other risks included returning the phone for maintenance and it becoming out-of-date quickly.

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# Refurbished mobile phones: consumer perceptions and how to increase uptake (continued)

Other factors that influenced consumers included how familiar they were with refurbished phones – the more familiar they were, the more they trusted the product. If a consumer thought the price of a refurbished phone was too high, they may be discouraged from purchasing one, while too low a price may signal an inferior product. Getting the price right is therefore an important consideration in promoting refurbished phones. Trust in the seller and brand and being able to use the phone before purchase were also important. Consumers were also concerned about the performance of a refurbished phone, and wanted to ensure the phone was fully functional, had a long lifetime, a good battery life and up-to-date software.

The researchers say that, although they only interviewed 20 people, their study provides valuable insight into what consumers consider when deciding whether to buy a refurbished phone. They also offer some practical proposals to increase consumer acceptance of refurbished products. They say manufacturers should build a product based on designs that facilitate easy refurbishment. To attract consumers, refurbished phones should be promoted and readily available in both physical and online outlets. To convince consumers of the merits of refurbishment, information about the refurbishment process, including the financial, functional and environmental aspects, should be readily available. Finally, the researchers say warranties, quality labels and independent reviews of refurbished phones could help to counter consumer worries over quality.



