

## Article

# Key Sustainable Factors of the Pawnbroking Industry: An Empirical Study in Taiwan

Tzu-Chiao Hung <sup>1,\*</sup> and Chieh-Yu Lin <sup>2,\*</sup>

<sup>1</sup> Ph.D Program in Business and Operations Management, Chang Jung Christian University, Tainan 71101, Taiwan

<sup>2</sup> Department of International Business, Chang Jung Christian University, Tainan 71101, Taiwan

\* Correspondence: summer37@mail.cjcu.edu.tw (T.-C.H.); jylin@mail.cjcu.edu.tw (C.-Y.L.)

**Abstract:** Numerous studies regarding the pawnbroking industry have examined Western or Islamic pawnbroking, but it is difficult to find studies concerning the pawnbrokers themselves or the Taiwanese pawnbroking industry. The current study was conducted to identify the factors of corporate sustainability (CS) in the Taiwanese pawnbroking industry. Questionnaires were completed by experts having more than 20 years of experience in the industry, resulting in a total of five dimensions and 16 factors. Samples were collected from pawnbrokers from different cities in Taiwan. Data were pair-wise compared and analyzed using the Analytic Hierarchy Process (AHP). The results indicate that customer satisfaction is the most significant dimension; capital management also plays a critical role. This study provides a basis for researchers to undertake subsequent studies with more data and suggests that the government should implement proper regulations.

**Keywords:** corporate sustainability; pawnbroking industry; key sustainable factor; Taiwan



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## 1. Introduction

Corporate sustainability (CS) is a significant management concern having a heterogeneous and global nature [1]. It is a critical component for companies to survive in the highly competitive market, and has attracted the attention of scholars and entrepreneurs for several decades within social science. Outstanding corporate sustainability performance boosts the revenue of a firm and meets the stakeholders' needs; nonetheless, a large number of complexities surround this issue, such as social responsibility, the environment, economic issues, finance, and time [2,3]. CS improves the financial performance of industries via the implementation of policies relating to governance and organizational culture [4], consequently reducing the unemployment rate and reaching the goal of corporate social responsibility (CSR).

One of the primary purposes of CS is to benefit stakeholders. This purpose has prompted a number of researchers to focus on a variety of topics related to CS in large companies or SMEs [5,6]; for example, CSR [7,8], CS assessment [9], CS strategy [10,11], related theories [12,13], and moderators and mediators in the field [10,14]. However, there are limited studies related to the pawnbroking industry.

Although the pawnbroking industry is one of the oldest industries in the world, the public has a negative impression of it. Why has it become one of the oldest industries in this circumstance? The original purpose of founding a pawnshop was to help friends or people in poverty [15,16]. The industry gradually developed over time; it plays the role of a financial service provider to people excluded by the mainstream financial organizations or people from low- to moderate-income families [17,18]. The interests and selling of the forfeited collateral provide benefits to the brokers [19]. The industry plays an essential role for the poor and contributes substantially to the economy of a country; it is vital that it is sustainable. The Texas Office of Consumer Credit Commissioner elaborated the definition of a pawnshop as follows: "A pawn shop is a business where a consumer may pledge

personal property as collateral for a loan. The property is held by the pawnbroker and may be redeemed by the consumer for a set price within an appointed period. Pawnbrokers must comply with laws and acts; the employees must be licensees and fully and accurately report the pledged goods to OCCC (Office of Consumer Credit Commissioner); otherwise receive injunction or administrative penalties" [20].

Numerous studies regarding the pawnbroking industry have focused on Western countries, or Islamic or Ar-Rahnu pawnbroking. The latter have been widely acknowledged as a financial tool for Muslims that provides services for the lower-income group, micro-corporates, or people excluded by formal financial institutions, and can even include Chinese pawnshops [21]. However, it is difficult to find studies concerning the pawnbrokers themselves or the Taiwanese pawnbroking industry. Furthermore, compared with the business models of other countries, the Taiwanese pawnbroking industry is distinct. In Taiwan, the pawnbrokers hire salespeople to expand their businesses and do not display the forfeited collateral in the shops to sell. Most pawnshops cannot be seen outdoors and are unknown to the public. Exploring this study gap will provide an understanding of the Taiwanese pawnbroking industry and identify its sustainability factors; therefore, the current study was conducted. Samples were collected via questionnaires completed by experts and in-depth interviews; data were analyzed using the Analytic Hierarchy Process (AHP). The presented results are of great significance to customer satisfaction and capital management.

## 2. Main Concepts

Since the concept of sustainability was introduced, it has been developed with various interpretations and definitions, and categorized into different versions [22]; these include the three forms of capital (economic, natural, and social capital) and six criteria (eco-efficiency, socio-efficiency, eco-effectiveness, socio-effectiveness, sufficiency, and ecological equity), as asserted by Thomas Dyllick and Kai Hockerts [23]. In addition, the triple bottom line is regarded as standard. Given such varied theories, achieving the aim of the study object is difficult; thus, the researchers focused this study on the economic and social levels.

Corporate sustainability comprises external (reputation, customer demands and expectations, regulation, and legislation) and internal (leadership and the business case) constituents [3]. It also depicts the capacity of the viability of enterprises in an environment of changing circumstances [24]. Tomas Dyllick reckoned that reputation and know-how were intangible capital, and ample cash flow resulted in constant profit to the shareholders [23].

Based on the definitions of the European Union (EU), World Bank (WB), World Trade Organization (WTO), and the United Nations (UN), Taiwanese pawnshops are defined as small and medium enterprises (SMEs) or micro-enterprises because their start-up costs are similar to those of middle-income entrepreneurs [25,26]. SMEs and micro-entrepreneurs are not only predominant, accounting for 70 percent of employment and providing livelihoods to those having a middle or lower social status, but also represent 99 percent of firms in the European Union [27]. Their contribution is significant; thus, SMEs and micro-enterprises need to be sustainable [28]. Furthermore, the government should enact laws to meet the needs of SMEs to promote sustainability management [29].

Pawnbroking services can be mainly categorized into financial services and related services [30]. Pawnbrokers provide secured loans with collateral and merchandise sales. Most of the transactions in a pawnshop are from customers who pawn their items for quick money; the loan amount ranges from 30 to 75 percent of the value of the pledges [19]. If the customers do not redeem their collateral or pay back their loans within a certain period, their pledges are forfeited by the pawnbroker [31]. More than seven percent of American households have used pawn credit, and the repayment ratio is 85% in Sweden and the U.S. [17]. A successful pawn transaction involves various aspects, such as efficiency, less formality, convenient business hours and location, greater privacy, easy credit evaluation, and better service with mutual trust [31]. To generate sustainable value, a pawnbroker

needs to conduct competitive strategies and management to attract customers and to meet their goals. Although pawnbrokers are profit-oriented businesses, sustainability practices have been considered the key to their survival [32].

Five dimensions and sixteen factors were developed for the integrative conceptual model through literature scrutiny and discussion with pawnbroking experts. According to the literature [3,15,17,18,22,23,26,28,30–52], the five dimensions of corporate sustainability are shown in Table 1. The image dimension of corporate sustainability includes impacts on CSR, legal certificate, and positive reputation. The accessibility dimension is assessed by the indicators of simple processes, longer business hours, and credit checking. Customer satisfaction consists of four factors: loan rate, effective and quick service, renewing the contract, and feeling safe in the transaction. The capital management dimension directly impacts the loan, and consists of sufficient cash, more business people coming to the pawnshops for short-term cash flow, and capital accessibility. The pawnbrokers fund their own business with their funds and render loans to individuals at their own risk. Sufficient cash is essential to their business, in addition to a number of other factors: location, including the distances from customers to the pawnshops, population, and resident social level. The locations of the pawnshops are influenced by socioeconomic status and the number of factories, such as demographic factors, race, income, and education level.

**Table 1.** Sustainable factors for the pawnbroking industry.

Dimension	Factor	Description	Sources
A. Image	A1 CSR	CSR is the intermediary to achieving the sustainability of enterprises.	[32,36,47,49]
	A2 Legal certificate	Pawnshops with valid legality are preferred; the license must be issued by government.	[18,48]
	A3 Positive reputation	Positive reputation represents a sustained competitive advantage.	[3,23,35,49,50]
B. Accessibility	B1 Simple processes	Loaning from pawnshops is a convenient and quick financial service without complicated processes.	[15,30,32,39]
	B2 Longer business hours	The pawnshops remain open during the hours that customers prefer.	[26,31,32]
	B3 Credit checking	An extensive credit check is not required when customers provide collateral and access credit rapidly.	[26,33,39,41]
C. Customer Satisfaction	C1 Loan rate	The greater the interest rate, the more the pawnbroker is avoided.	[17,39,46,48]
	C2 Effective and quick service	Loaning from pawnshops is convenient, efficient, and without complicated processes.	[38,39]
	C3 Renewing contract	Renewing loans is critical.	[39]
	C4 Feel safe in the transaction	Pawn shops must equip suitable safety and other related facilities to make customers feel safe in the transaction because, in general, the mortgaged goods are valuable objects.	[46,52]
D. Capital Management	D1 Sufficient cash	Abundant capital is essential to a pawnshop who offers cash to its customers. Pawnshops provide loans secured by highly liquid assets.	[22,30,41]
	D2 More business customers	More and more SMEs or micro-enterprises come to pawnbrokers for investment.	[26,46]
	D3 Finance access	Pawnbrokers are refused loans from formal financial organizations; therefore, private finance access or cash flow preparation is important.	[28]
E. Location	E1 Distance	Distance is the first reason for customers to choose the pawnshop. The distance between the pawnshop and their place of residence will affect their smooth access to the pawnshop.	[18,32,52]
	E2 Population	The locations of the pawnshops are influenced by the number of residents.	[18,37,40,42]
	E3 Resident social level	AFSPs are more likely to locate where the population is poor, includes minorities, and is poorly educated.	[17,18,42,44]

### 3. Study Methods

#### 3.1. Participants and Data Collection

Twenty-three pawnbrokers from different cities in Taiwan were interviewed to validate the study framework. Each owner is an expert in the industry with more than 20 years of experience. Ten of the twenty-three interviewees are chairmen of the Pawnshop Business Associations from different cities, and participated in the Taiwanese pawnbroking amendments of the ordinance in 2010. These interviewees have significant experience in the pawnbroking industry, including witnessing its most prosperous period and suffering from the recession and financial crisis. The chairman of the Pawnshop Business Association of Taiwan Province, Mr. Chang, is the only certified appraiser of movable property and provides a pro bono service to the Courts and District Prosecutors' Bureau.

The questionnaires to assess the significance of different dimensions of the sustainability factors of the pawnbroking industry in Taiwan were developed based on a review of related literature. The primary data were collected by a questionnaire survey distributed to the pawnshop owners to complete. The main dimensions, factors, and hierarchical structure were elaborated for the pawnbrokers. The pawnbrokers unanimously approved the factors they considered more relevant to trade sustainability. The selected pawnbrokers were asked to carefully select the answer to each question that was most appropriate. The collected responses were analyzed using the Analytic Hierarchy Process (AHP) to measure the weight of each dimension and factor.

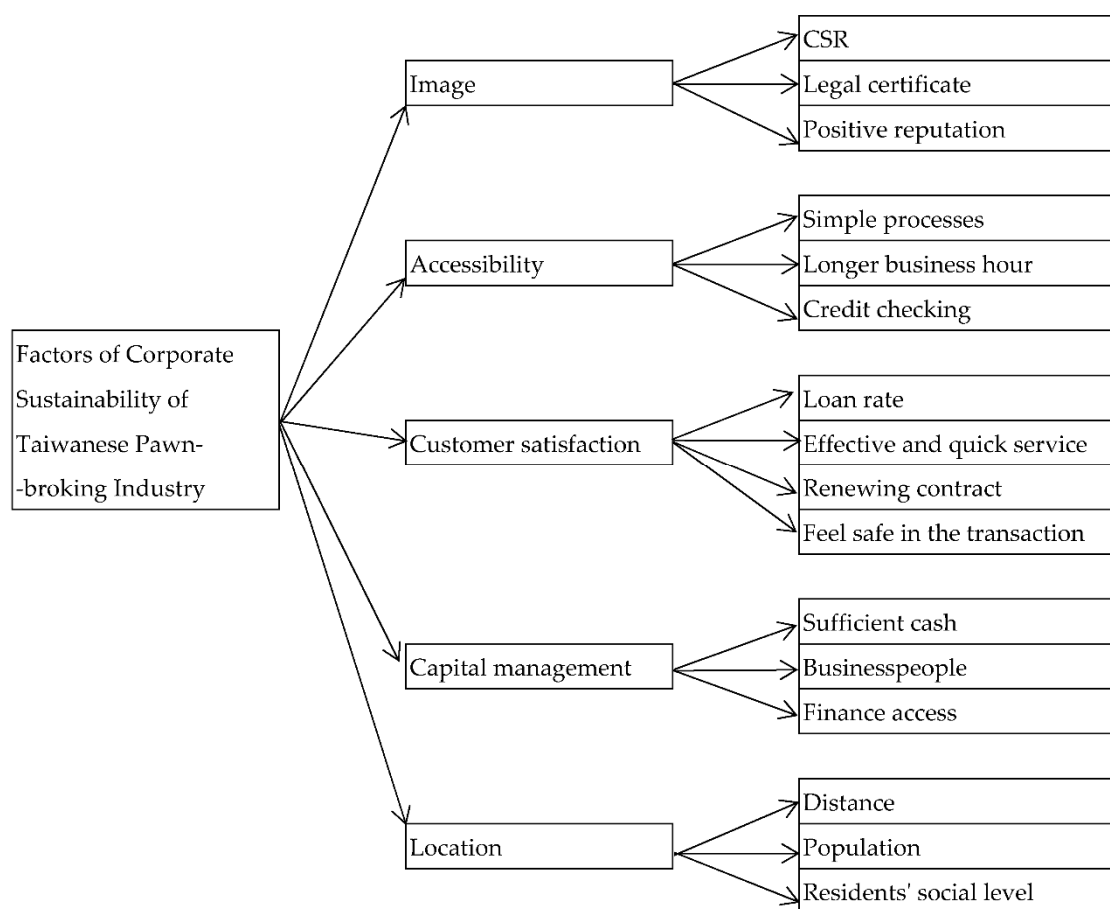
#### 3.2. Data Analysis

An AHP hierarchical structure consists of at least three levels; therefore, the questionnaire was designed with three levels. In Figure 1, the top level is the goal; the next level comprises the dimensions, composed mainly of image, accessibility, customer satisfaction, capital management, and location. The third level comprises the independent factors. Saaty claimed that “the Analytical Hierarchy Process is a multi-criteria decision-making approach in which factors are arranged in a hierarchic structure” [53,54]. The framework is shown in Figure 1.

To analyze ratio scales from discrete or continuous pairwise comparisons and illustrate the importance of each dimension and factor or strength of preferences, the criteria can be tangible or intangible [55]. The fundamental scale ranges from equal, moderately more, strongly more, and very strongly more to extremely more, and equals respectively the numerical judgments 1, 3, 5, 7, and 9 (Table 2). The AHP has been extensively employed to solve multi-criteria problems including intuitive, rational, quantitative, and qualitative facets.

**Table 2.** AHP evaluation scale [55].

Score	Importance	Equivalent Judgement
1	Equal	Both criteria are equally important
3/ or 1/3	Moderately	One criterion is moderately more or less important than the other
5/ or 1/5	Strong	One criterion is strongly more or less important than the other
7/ or 1/7	Very Strong	One criterion is very strongly more or important than the other
9/ or 1/9	Extreme	One criterion is extremely more or less important than the other
2,4,6,8	Intermediate Values	Compromise is needed sometimes



**Figure 1.** AHP framework for the sustainability factors.

#### Step 1: Building a paired comparison matrix

According to Table 2, the comparison matrix of the relative importance of the scales between the evaluation factors was established, and the matrix type is as follows:

$$a = \begin{bmatrix} 1 & a_{12} & \cdots & a_{1n} \\ 1/a_{12} & 1 & \cdots & a_{2n} \\ \vdots & \vdots & \ddots & \vdots \\ 1/a_{1n} & 1/a_{2n} & \cdots & 1 \end{bmatrix}$$

where  $a_{ji} = 1/a_{ij}$ ,  $a_{ij} > 0$ ,  $ij, i, j = 1, 2, \dots, n$ ,  $n$  represents the importance of element  $i$  to element  $j$ .

This paired comparison matrix  $A$  can be called a positive reciprocal matrix. In the case where all the comparison measures conform to the recurrence law; then  $i, j$ , and  $k$  are all valid, and  $A$  is the consistency matrix. If the matrix  $A$  is obviously represented as  $a_{ij} = w_1/w_2$ ,  $i = 1, 2, \dots, n$ ;  $j = 1, 2, \dots, n$ , then, in the formula,  $w_1, w_2, \dots, w_n$  represents level  $i$  as the weight of  $n$  evaluation elements under a certain element at level  $i - 1$ .

#### Step 2: Calculation of eigenvalues and eigenvectors

Multiply the matrix A by the weight vector of each element  $w = (w_1, w_2, \dots, w_n)^T$ , and the following is obtained:

$$Aw = \begin{bmatrix} 1 & w_1/w_2 & \dots & w_1/w_n \\ w_2/w_1 & 1 & \dots & w_2/w_n \\ \vdots & \vdots & 1 & \vdots \\ w_n/w_1 & w_n/w_2 & \dots & 1 \end{bmatrix} \begin{bmatrix} w_1 \\ w_2 \\ \vdots \\ w_n \end{bmatrix} = n_w$$

Because  $a_{ij}$  is the evaluation given during the pairwise comparison of the importance of the evaluation elements, there will be a certain degree of difference between it and the value of  $w_i/w_j$ ; when the value of  $w_i/w_j$  is confirmed to be different, then  $Aw = n_w$  is not established. If  $n$  is replaced by the largest eigenvalue  $\lambda_{max}$  of the relative matrix A, then it can reduce the occurrence of errors when  $Aw = \lambda_{max}w$ .

### Step 3: Consistency test

There are two levels for the consistency test. One is to check whether the decision maker (or subject) answered the paired comparison matrix in a consistent manner during the evaluation process, and the other is to check whether the entire hierarchical structure is consistent.

The characterization quantity for evaluating consistency is called the consistency ratio (C.R.), and the consistency ratio is of the consistency index (C.I.) to the random index (R.I.), that is,  $C.R. = \frac{C.I.}{R.I.}$ , where  $C.I. = \frac{\lambda_{max} - n}{n - 1}$ , and R.I. can be obtained from Table 3.

**Table 3.** Random index.

Scale	1	2	3	4	5	6	7	8	9	10
R.I value	0.00	0.00	0.58	0.90	1.12	1.24	1.32	1.41	1.45	1.49

Therefore, when judging or measuring the entire hierarchical structure, Saaty [55] recommended that the consistency ratio value should be less than or equal to 0.1, in order to ensure consistency. In this study, each level of the questionnaire achieved the consistency index and the consistency ratio. The calculation method derived an arithmetic average to obtain the verified data. According to the above calculation result, the consistency ratios are less than 0.1, as shown in Table 4.

**Table 4.** C.R. of dimensions.

	Goal	Image	Accessibility	Customer Satisfaction	Capital Management	Location
C.R. Value	0.01357	0.00516	0.01618	0.02003	0.00358	0.02669

## 4. Results and Discussion

### 4.1. Study Results

After completing all the analyses, the priority ranking and weights were determined. The results are displayed in Table 5. Based on Table 5, the weight of customer satisfaction dimension is 0.3024, the highest weight of all dimensions; this indicates its significance to the pawnbrokers. Two-thirds of customers are likely to recommend the pawnshops to friends or family when they need to access credit [39]. Pawnbrokers consider this dimension to be the most important because it results in greater business. The results are consistent with the pawnshop owners' experiences of the causation of customer satisfaction and repurchasing behavior. The ratio of the capital management is 0.2487, and that of accessibility is 0.2057. The fourth is image, at 0.1428, and the last is location, at 0.1004, representing the least influential dimension.



**Table 5.** Weight values of key sustainability factors.

Dimension	Weight (Rank)	Key Sustainable Factors	Weight (Rank)	Integrated Ranking of Weight
Image	0.1428 (4)	CSR	0.2350 (3)	0.0336 (13)
		Legal certificate	0.4207 (1)	0.0601 (7)
		Positive reputation	0.3433 (2)	0.0492 (9)
Accessibility	0.2057 (3)	Simple processes	0.3794 (2)	0.0780 (4)
		Longer business hours	0.1599 (3)	0.0329 (14)
		Credit checking	0.4607 (1)	0.0948 (3)
Customer Satisfaction	0.3024 (1)	Loan rate	0.1199 (4)	0.0363 (12)
		Effective and quick service	0.1525 (3)	0.0461 (10)
		Renewing contract	0.2449 (2)	0.0740 (5)
		Feel safe in the transaction	0.4827 (1)	0.1459 (1)
Capital Management	0.2487 (2)	Sufficient cash	0.2628 (2)	0.0654 (6)
		More business customers	0.5580 (1)	0.1388 (2)
		Finance access	0.1793 (3)	0.0446 (11)
Location	0.1004 (5)	Distance	0.2055 (3)	0.0206 (16)
		Population	0.5476 (1)	0.0550 (8)
		Resident social level	0.2469 (2)	0.0248 (15)

The result of the dimension of the image of the pawnshop was derived by analyzing the concepts of CSR, legal certificate, and positive reputation. The legal certificate value is 0.4207, and is considered the most significant factor of the dimension. The assessment of accessibility shows it accounted for 0.2057 of the weight, comprising simple processes (0.3794 of the weight), and longer business hours (0.2599); the credit check value of 0.4607 indicates its criticality in the dimension. Attributes to measure the satisfaction level consist of feeling safe in the transaction (0.4287), renewing contract (0.2449), effective and quick service (0.1525), and loan rate (0.1199). Feeling safe in a transaction has the highest weight and expresses the most important role in the dimension. The capital management dimension was composed of more business customers (0.5580), sufficient cash (0.2628), and finance access (0.1793). The results highlight the value of the business customers in the industry. Distance, population, and resident social level make up the location dimension. Population has the most prominent weight of 0.5476, emphasizing its importance.

#### 4.2. Discussions

Lozano [3] claimed the most critical external stimuli of corporate sustainability were reputation, customer demands and expectation, and regulation and legislation. Therefore, it is not surprising that customer satisfaction obtained an appreciable weight in all dimensions. The dimension of location had the fifth-largest weight, and the weights of the factors of resident social level and distance were ranked 15th and 16th in the integrated weight ranking; therefore, they can be neglected. This result represents the geographical characteristic of Taiwan. When the customers are satisfied with the service, the distance is not a concern to residents living on a small and accessible island where people can reach a pawnshop that is less than one mile away. However, the population density has an evident effect on pawnshops, where high-density population areas create more business opportunities.

The stimuli of sustainability were categorized into internal and external classes by Lozano [3]. Therefore, we first discuss the three key factors from each category. Image, customer satisfaction, and location are external dimensions, and the three factors are feeling safe in the transaction, renewing the contract, and legal certificate. The internal dimensions

are accessibility and capital management; the factors are more business customers, credit checking, and simple processes.

(1) Feeling safe in the transaction

Borrowers indicated they had a high level of satisfaction with the pawnbroking industry [45]. Customer satisfaction is considered the precursor of customer loyalty and trust [12]. Davies and Finney asserted the crucial strength of the pawnbroking industry was the persistent and credible relationships between the pawnbrokers and customers [39]. A sense of trust brings the customers security; hence, feeling safe in transactions achieved the highest weight. The China Pawn Management Act regulates the premises of pawnshops, which must equip proper security and other related facilities to ensure customers feel safe in the transaction [46], because the pledges can have a high value.

(2) Renewing the contract

Customers use pawnshops due to temporary financial issues; 83% of customers believed that renewing loans is significant, and 62% of them used only one pawnshop [39]. Therefore, providing a punctual service is one of the crucial components of customer loyalty. The renewal of contracts results in pawnbrokers' revenues. Repurchasing indicates a strong attitude that leads the customers to refuse a competitive offer [35], or recommend the service to others [43]. Though the pawnshops act individually, the contracts are written in a general pattern. However, customers can change their information, such as their address or phone number, and even leave out an update on the system to gain credit again [41]. Borrowing from a pawnshop is more flexible than from a bank. The personalization of terms, late payment fees, interest rate, and other charges are flexible and are determined by the pawnbrokers [26]. The pawnbrokers often lower the loan rate to regular customers and even deduct administration fees. The renewal of contracts results in a "win-win" situation for customers and pawnbrokers.

(3) Legal certificate

Taiwanese pawnbrokers are law-abiding. They follow government regulations, which stipulate the use of customers' right thumb prints for each transaction, and report transactions to the police department weekly. If pawnbrokers are caught selling or buying stolen goods, they receive a certificate of suspension or termination of the business. It is thus understandable that the pawnbrokers considered the legal license, which obtained the highest score in this dimension, to be important. The pawnshop licenses must be issued by the state or federal governments, and the brokers must abide by the regulatory restrictions [18]. The study also showed that pawnshops having valid legality are preferred [52]. A legal license to operate a corporate is also categorized into the external dimension of sustainability factors [48].

(4) More business customers

Pawnbrokers historically provided a service to people having a lower social status for quick and small amounts of money, of approximately USD 75 to 100 [18]. However, the customers have changed over time. More and more SMEs or micro-enterprises use pawnbrokers for investment or to meet short-term cash flow demand [46]. The number of customers does not influence the turnover but the loan amount. A regular consumer borrows USD 75 to 100, but a business customer may result in turnover of 100 times for a pawnshop in Taiwan. Business customers are preferred because they usually pawn with pledges and redeem them on time; this indicates more profit and less risk to the pawnbrokers.

(5) Credit checking

Customers turn to pawn shops due to ineligible loans from mainstream financial institutions [26]; in addition, a detailed credit check is not required and customers can rapidly access credit [41]. Around 30% of customers indicated the accessibility of pawnbroking loans related to the non-complicated processes and understandable agreements [39]. Pawnshops are known as the bank of the poor in Taiwan. They have developed a unique business



model to cope with the competitive market. When customers leave the items to the shop owners as collateral, the pawnshop owners do not check the customer's credit since the pawnshop holds the pledges. However, for a loan for an automobile, the customers cannot leave cars as collateral; therefore, a credit check is critical to reducing the brokers' risk. Hence, it is understandable that the credit check gained a weight of 0.4607, which is higher than the weights of other factors.

#### (6) Simple process

Customers of pawnshops can be categorized into two types. The first is someone who cannot meet the credit standards of traditional financial institutions; the second is someone who needs quick money [26]. According to a survey conducted in 2020 by the National Pawnbroker Association of the UK, more than 37 percent of borrowers agreed that borrowing from pawnshops is convenient and quick, without intricate processes [39,48]. Alternative Financial Service Providers (AFSPs) provide customers with time-saving and convenient access to cash for short-term credit [18]. Teduh Primandaru proposed that the pawn service industry provides customers with money easily, quickly, safely, and economically [52].

### 5. Limitations and Further Research

This study yielded penetrative and practical perspectives of pawnbrokers through a survey and in-depth interviews. These perspectives will help researchers construct subsequent studies with larger datasets to draw theoretical implications. However, there are also limitations to this study. Firstly, the questionnaires were completed by a limited number of pawnbrokers in Taiwan. Most Taiwanese people consider the pawnbroking industry to be opaque and inexplicable, and some have never set foot in a pawnshop. Because of the public misunderstanding and partially conservative social phenomena, several pawnbrokers declined to take part in the interview. This situation made sample collection difficult.

Secondly, this study used the AHP questionnaire to investigate the key sustainability factors of the pawnbroking industry. The AHP questionnaire consisted of sixteen factors which are categorized into five dimensions. The sampled pawnbroking professionals were asked to make paired comparisons among these proposed sustainability factors. This study did not conduct a questionnaire survey on more pawnbrokers in Taiwan. A future study can develop a questionnaire based on the proposed sixteen factors to explore pawnbrokers' opinions about sustainability factors, and use exploratory factor analysis and confirmatory factor analysis, in addition to reliability and validity analysis, for the primary data collected through a questionnaire.

In addition, the deficiency of commensurate regulation has strained the development of the pawnbroking industry, compared with other industries overseen by the Financial Service Authority [54,56] and government departments. The pawnbroking industry is included in a mix of chartered industries and unusual trades. The misapprehension of pawnbrokers is a universal source of difficulty for the industry caused by several media sources, including TV programs and movies, which are not interested in reporting the philanthropic contributions of pawnbrokers [19]. In this situation, pawnbrokers are unable to advance corporate sustainability. Further studies are needed regarding improving the image of the pawnbroking industry and refining government regulation, and to examine how government regulation and the media hinder the sustainable development of the pawnbroking industry.

### 6. Conclusions

The study analyzed the sustainability factors of the pawnbroking industry in Taiwan; the results and discussions provide the basis for drawing several conclusions. Customer satisfaction obtained the highest weight of all dimensions, followed by capital management, which was found to be essential, and then accessibility and image. Due to the geographical

features of Taiwan, location was found to be less important. The results indicate the significance of each dimension for improving business sustainability.

For many years, the pawnbroking industry has suffered a general misapprehension by the public, who mistakenly associate the industry with underground banks, usury, violence, illegal activities, and even humiliation. In reality, pawnbrokers are stringently overseen by the police and bound by government policy, which includes the imposition of penalties for charging above the interest rate ceiling and a storage fee. This misunderstanding has resulted in less competitiveness compared to less-regulated underground banks or jewelry stores, which may be unchallenging places to buy and sell stolen goods without verification of identification. Restrictions on pawnbrokers push potential customers to high-cost lenders who charge notoriously high interest rates. Setting commensurate laws is an urgent task that must be undertaken to manage the challenges from non-traditional financial institutions and prevent customers going to high-cost lenders.

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