

RETAIL

ThredUP enters luxury resale world with dedicated platform

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ThredUP customers can now buy and sell resold luxury items online. Image credit: thredUP

By DANNY PARISI

Online resale platform thredUP is entering the world of high-end apparel with the introduction of a marketplace devoted to reselling luxury goods.

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ThredUP is traditionally known for more mass, casual apparel, but with ThredUP Luxe, the platform is looking to challenge other online retailers who focus on the consignment of high-end goods. ThredUP attributes the creation of ThredUP Luxe to the overwhelming demand for luxury goods from its customers.

"Demand for luxury goods on ThredUP is currently outpacing supply with more than 60,000 searches for luxury brands each week," said James Reinhart, co-founder and CEO of **thredUP**, San Francisco. "We created ThredUP Luxe to bring in the supply to meet that demand."

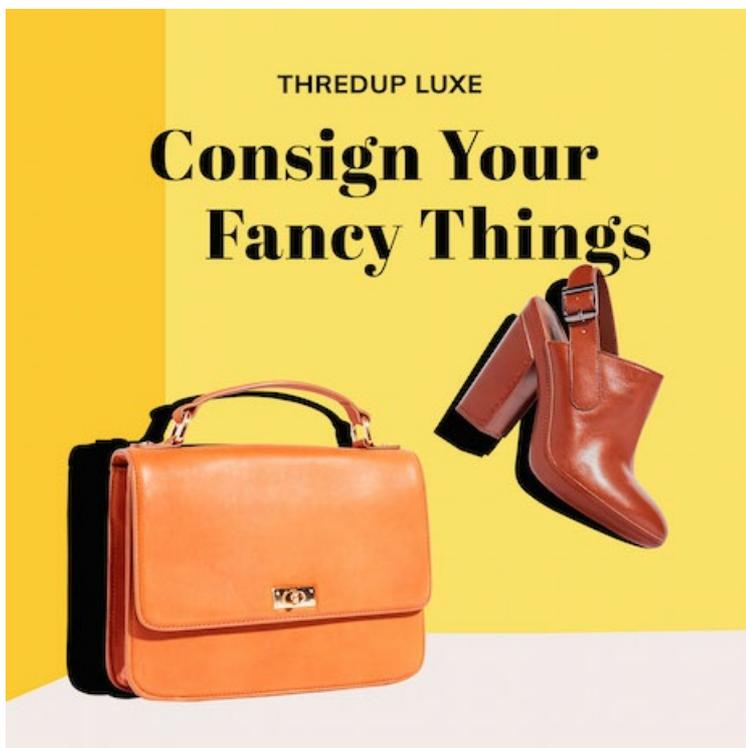
Resale market

ThredUP is one of the most popular fashion resale platforms in an already crowded field.

Customers routinely spend a long time digging through online resale platforms to find the perfect pieces and the best deals.

ThredUP has traditionally been for casual wear from more accessible fashion brands, while its competitors have branched out or concentrated on luxury labels.

This is all changing with the introduction of ThredUP Luxe, a new platform within ThredUP's site that allows customers to search for and purchase lightly used luxury apparel items.



ThredUP Luxe. Image credit: ThredUP

ThredUP's reason for entering into the luxury world is simple: consumer demand. Customers were frequently searching the site for luxury goods, so ThredUP created a platform specifically to serve that interest.

"Luxury items only make up 15 percent of the typical woman's closet, but to date, there hasn't been an easy way to sell a mix of high-end and everyday brands," Mr. Reinhart said. "ThredUP Luxe offers the only one-stop-shop for women to buy and sell everything in their closet."

To give the platform a boost in its early days, ThredUP is giving luxury item sellers a bigger return for the rest of the summer.

"Through Labor Day, we are offering 100 percent commission for all Luxe items," Mr. Reinhart said. "After that, sellers will be able to receive up to 80 percent commission on any luxury item, regardless of how much they have sold in the past."

Luxury services

The resale market is witnessing a period of enormous growth, outpacing the full-price segment of its industry by 20 percent, according to a report from Fung Global Retail & Technology.

The entire resale industry is expected to grow from \$18 billion in 2016 to \$33 billion by 2021. This data comes from retail think tank Fung Global Retail & Technology, which released the "Fashion Re-Commerce Update" report to dig into exactly how and why this sector has been taking off ([see story](#)).

This is especially true for resellers that cater to the luxury market, many of whom have begun adding more boutique-like features to their services in order to attract the luxury-buying crowd.



The platform also comes with some additional services. Image credit: ThredUP

For example, ThredUP competitor The RealReal is broadening its position in the secondhand handbag market with a new appraisal service.

Starting May 8, The RealReal began offering members a complimentary appraisal service dedicated to consigning handbags. The in-person appraisals is available at The RealReal's Luxury Consignment Offices in New York and Los Angeles ([see story](#)).

ThredUP is attempting its own take on those types of services with concierge service as well.

"For buyers and sellers of luxury items, trust is key," ThredUp's Mr. Reinhart said. "That's why we created a new landing page and experience for Luxe sellers along with new, durable Clean Out Kits, dedicated VIP concierge and a team of seasoned authenticators."

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