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## Branded resale shops see 275pc growth y-o-y: ThredUp

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Branded resale sites have seen accelerated growth. Image credit: ThredUp/McKinsey

By SARAH RAMIREZ

Fashion brands, including luxury labels, have only made a small dent in the branded recommerce space, according to research from online resale platform ThredUp.

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According to **ThredUp's first Recommerce 100**, a comprehensive review of branded resale programs, there are more than 40 brands with resale shops. About half, however, had fewer than 200 listings.

"The acceleration of resale adoption is a positive signal, but for the industry to make a significant impact will require a more meaningful investment from participating brands and retailers," said James Reinhart, CEO of **ThredUp**, in a statement. "The Recommerce 100 aims to shed light on resale shop penetration and recognize the brands making the biggest impact through resale."

The Recommerce 100 will be a monthly index that tracks brands' adoption of resale and top brands' estimated resale shop size, focusing on fashion brands and retailers that sell their own brand's preowned products online in the U.S. The first report is based on March 2022 data.

### Branded resale

ThredUp estimates there are 41 fashion brands with resale shops, amounting to about 133,000 total listings. More than half of the brands, 22, launched their resale options in 2021, and 11 debuted in the first quarter of 2022.

Branded resale shops have grown from eight in 2020 to 30 in 2021, representing 275 percent growth year-over-year. At least 25 are small, private companies.



*Oscar de la Renta Encore is a curated vintage marketplace. Image credit: Oscar de la Renta*

"At the current pace, the number of new resale shops launched in 2022 is expected to exceed the number of all other resale shops launched to-date," Mr. Reinhart said.

Brands included on the index include activewear label Lululemon, outdoor retailer REI, denim brand Levi's, rental service Rent the Runway and U.S. fashion labels Oscar de la Renta and Mara Hoffman. Forty-three brands and retailers, including Farfetch, have "take back"-only programs, evergreen apparel collection initiatives designed for clothing donation.

U.S. fashion label Eileen Fisher, which launched its resale shop in 2009, led the way with more than 65,000 listings.

Twenty brands, however, have fewer than 200 resale listings, including Oscar de la Renta's 42 as of March 2022.

Launched in November 2021, **Oscar de la Renta Encore** puts a unique spin on secondhand luxury, with a curated selection from the archives of collectors, clients and vintage boutiques. The pieces which have been authenticated and reconditioned at the maison's atelier are now available for purchase on an ecommerce platform ([see story](#)).



*Following the success of its donation program in the U.K., Farfetch is partnered with ThredUp in bringing the service to the U.S. Image courtesy of Farfetch*

The ThredUp analysis estimates that the top brands' average resale penetration is less than 0.1 percent of those brands' total revenue.

According to Green Story Inc., in a scenario where all 133,000 resale items were sold, it would be the equivalent of 27,000 trees planted and 374 homes powered annually. Total revenue is estimated to be \$7.9 million.

#### Luxury resale impact

Although few luxury labels have their own branded recommerce shops including U.S. leather goods brand Mark Cross many are dabbling in resale-as-a-service with key partnerships.

Last year, Farfetch tapped ThredUp in launching its donation service in the U.S.

Farfetch is now offering Farfetch Donation-branded "Clean Out Kits" to their customers online. After obtaining a kit, consumers may fill them with apparel, shoes and accessories and ship them to ThredUp or have them collected at their homes, free of charge.

When a donated item then sells on ThredUp, sellers donate at least 50 percent of the sale to their choice of a group of selected charities, and receive any remaining payout as a Farfetch shopping credit.

Farfetch is ThredUp's first resale-as-a-service (RaaS) partner, leveraging its new white label offering and creating a fully customized resale experience tailored to the Farfetch brand and audience ([see story](#)).

Meanwhile, luxury resale platform Vestiaire Collective acquired preowned fashion marketplace Tradesy in March 2022 as the secondhand sector continues to see acceleration.

Both [Vestiaire Collective](#) and [Tradesy](#) were founded in 2009, with the former launching in Paris while the latter was established in Los Angeles. Each platform has a peer-to-peer resale model, and the acquisition will allow the combined company to expand its global reach ([see story](#)).

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