

RETAIL

## Resale is as much emotional as it is sustainable: TheRealReal

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*Luxury resale is only growing more popular. Image credit: TheRealReal*

By NORA HOWE

Driven by the COVID-19 pandemic, geopolitical tension and present environmental crises, consumers are conscious of how and where they invest time, emotional energy and, ultimately, money.

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According to new data from luxury consignment platform **TheRealReal**, awareness of resale has increased by 27 percent year-over-year, with 5.3 million consumers joining the platform since 2021. While concern for the environment is certainly top of mind when it comes to circular fashion, consumers are starting to turn to resale as a means of self-expression and personal fulfillment.

"Part of the joy of resale is that thrill of the hunt and the retail escapism that it brings and while there is a fun dash of serotonin that quickly browsing online does, our customers are committed to the full experience," said Sasha Skoda, senior director of women's and fine jewelry at TheRealReal.

"They are trend-savvy and know what to look for and are not afraid to spend the extra time to find something unique to them," she said. "To top it off, the fact that resale is synonymous with sustainable shopping is another boost."

The annual report is powered by data derived from The RealReal's more than 28 million members and more than 26 million items sold to date. The RealReal charted shifts in customer behavior and spending habits to better understand the emotional and environmental impact of resale.

Not slowing down

Not only are more people becoming aware of resale and joining platforms like TheRealReal, but they are actually purchasing more items. In the last year, TheRealReal saw a 44 percent increase in the number of items purchased of course, taking into account the addition of 5.3 million members.

While it remains a deciding factor for 43 percent of shoppers, consumers are no longer exclusively driven to resale by the feel-good nature of helping the environment, although, it does have the power to shift how the fashion industry affects the planet.



*Consumers are looking to invest in collectible and vintage items. Image credit: TheRealReal*

"McKinsey identified that recirculating one in five garments by 2030 is key for the apparel industry to achieve the 1.5-degree pathway laid out by the Paris Climate Accord," said James Rogers, director of sustainability at TheRealReal, in the report.

"However, you cannot recirculate poorly made fast fashion," he said. "The benefit of luxury resale is that luxury items are created with craftsmanship and higher quality materials, giving these items a longer life span."

Experts at TheRealReal now believe consumers are increasingly drawn to the challenge of thrifting the reward being unique, personal pieces.

Gen Z and millennials currently represent 41 percent of TheRealReal's customer base, and as they step further into their spending power, they are shifting how they shop to focus on unique investments and personal style.

But what exactly are they searching for?

Archival clothing is TheRealReal's fastest-growing vintage category, and collectibles like comics, trading cards and skate decks are seeing record sales.

In the first half of 2022, sales for collectibles rose 78 percent and vintage clothing was up a massive 439 percent. Men's demand for unbranded necklaces went up 33 percent, outpacing the 29 percent increase from women.



*Balenciaga rose significantly in popularity on the luxury resale platform compared to 2021. Image credit: TheRealReal*

Further, gamification is making a major splash when it comes to engaging luxury resale consumers as it has driven TheRealReal shoppers to use smart features, such as "obsessions," 40 percent more this year than in 2021.

Rising to the occasion

Perhaps due to recent partnerships with pop culture icons like Kim Kardashian ([see story](#)), Justin Bieber and Kanye West, Balenciaga experienced the greatest demand growth of any top ten brand on TheRealReal platform, up 41 percent y-o-y.

The Kering-owned brand announced a partnership with Mr. West earlier this year, Yeezy Gap Engineered by Balenciaga, which hit stores last month.

With Mr. West at the helm, Yeezy Gap brings together his creative vision and the values and history of an iconic American brand, Gap. Now in collaboration with Balenciaga creative director Demna Gvasalia, Yeezy Gap Engineered by Balenciaga aims to carry out both designers' visions for design ([see story](#)).

Landing in TheRealReal's top spot, Italian fashion house Gucci saw demand for its vintage icon Blondie bag rise 126 percent y-o-y.

In May, the brand shared an ode to New York in a campaign for its newest Blondie handbag and accessory collection.

Envisioned by creative director Alessandro Michele and art director Christopher Simmonds and captured by Angelo Pennetta, the campaign unveiled chic moments among New York's most recognizable landmarks. The Gucci Blondie collection took inspiration from archival designs seen in the early 1970s while incorporating contemporary codes in an attempt to foster timelessness ([see story](#)).

"There is sometimes a misconception that the primary and secondary markets cannot work hand in hand, but we have seen so many brands, from contemporary to luxury, successfully leverage resale to make it work for them and their customers," Ms. Skoda said. "As customers become more educated about resale and are willing to prioritize shopping the circular economy, luxury brands should not be shy about extending their products past the runway."

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