

RETAIL

EBay banks big on interest in alternative investments with luxury resale pop-up

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The reseller lands in Manhattan's Diamond District to offer pre-owned luxury items offline, from Nov. 16 to Nov. 17. Image courtesy of eBay

By AMIRAH KEATON

Online retail platform eBay is bringing coveted resale finds to the city via a temporary storefront.

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Located in New York's Diamond District, eBay is enabling consumers to shop against the value of their own luxury goods, trading in old styles for new selects from top brands like Gucci, Rolex, Van Cleef & Arpels and more. The concept embraces luxury as currency, encouraging in-person participation in the circular economy.

"The Luxury Exchange comes on the heels of the expansion of Authenticity Guarantee to jewelry, and one of the reasons why we wanted to open the shop in the Diamond District – to celebrate New York Jewelry Week," said Tirath Kamdar, general manager of global luxury at eBay, San Jose.

"eBay launched Authenticity Guarantee in 2020, and the program includes sneakers, watches, handbags, trading cards and now, fine jewelry," he said. "As a result, more and more shoppers are turning to eBay to buy and sell their collections and that behavior is reflected in the depth and quality of inventory available on the marketplace."

Top-tier trades

Following the release of "The Rise of Resale: Luxury As Currency," a research exercise executed in partnership with The Business of Fashion, eBay's Luxury Exchange is born.

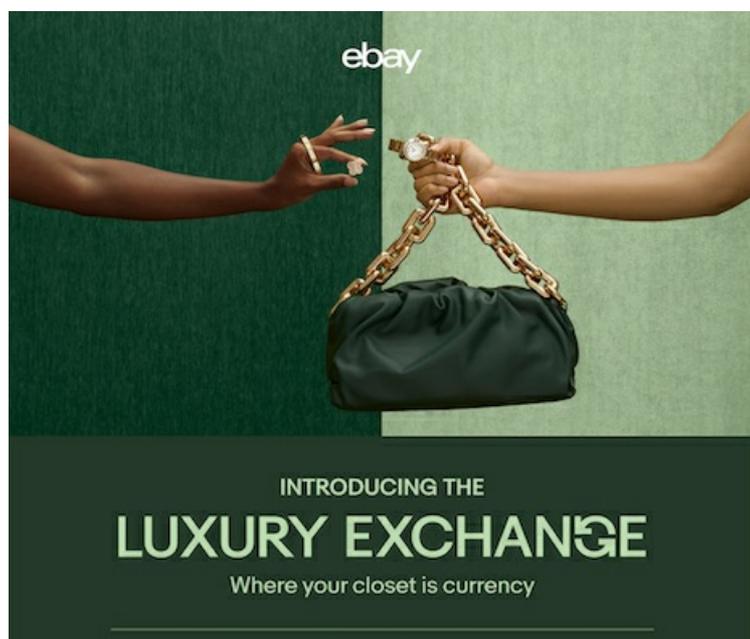
The bricks-and-mortar launch succeeds the report's key findings, which suggest that nearly a third of U.S. luxury shoppers see luxury handbags, watches, and jewelry as less volatile investments as compared to other owned assets – this discovery grounds the online auctioneer's latest "IRL" activation.

Located in the Diamond District, an area that runs between 5th and 6th Avenue in Manhattan, eBay's Luxury Exchange will allow shoppers to trade in personal luxury goods, in exchange for other pre-owned picks.

The experience functions as follows: upon arrival at 22 West 47th Street, interested buyers will have their items appraised. These selects will then be assigned a value with which shoppers can sort through an assortment of luxury jewelry, handbags and watches from eBay, essentially applying their credit toward a fresh purchase.

Shoppers can browse eBay's luxury selects starting Wednesday, Nov. 16 through Thursday, Nov. 17, from 11 a.m. to 6 p.m.

eBay's pop-up shop appears as demand for certain luxury items increases exponentially – for watches, this includes options such as the Omega Speedmaster and Rolex Oyster Perpetual Explorer and within the jewelry category, Chanel's Coco Crush ring, David Yurman's Cable Spira bracelet, Gucci's Interlocking G bracelet and Mikimoto's Cultured Pearl bracelet, all of which the retailer says are up triple digits in sales on its site year-over-year.



Shoppers can browse luxury selects from eBay in person, starting Wednesday, Nov. 16 through Thursday, Nov. 17, from 11 a.m. to 6 p.m. Image courtesy of eBay

The same goes for handbag styles like the Balenciaga Le Cagole and Chanel 22, also up triple-digits YoY according to eBay.

"Handbags have always been a strong category on eBay and a popular investment piece for consumers, which is why it was paramount to expand our Authenticity [Guarantee] to include handbags in 2021, fast following watches and sneakers," Mr. Kamdar said.

"People are really spending on handbags – the most expensive handbag sale on eBay in 2021 was an Herms Ostrich Birkin in Beige which sold for more than \$60,000," he said. "Like watches and jewelry, handbag consumers have confidence they will retain their value."

"As we look ahead, we expect handbags to continue to be a large part of eBay's luxury resale business."

Trust factor

According to eBay, physical authentication is the leading factor in convincing a shopper to purchase a secondhand luxury handbag, watch, and jewelry on an online resale platform, thus working in favor of its bricks-and-mortar activation while cementing the importance of resale verifiability for today's luxury shopper.

The element of trust is crucial to eBay's luxury concept, both online and off, as many resale players heighten efforts to scale authenticity efforts during an era of booming interest.

Launched in 2020, eBay's Authenticity Guarantee certifies that items listed on the site are indeed designer, commissioning a team of experts to inspect them.

The policy comes in handy considering the growing volume of luxury listings sold through its site subsequently underpinning increased transaction rates, creating the perfect recipe for counterfeits to slip through.

Eight watches are purchased on eBay every minute says the digital marketplace. Hamilton, Omega, Seiko, Tag Heuer and Tissot are among the most popular this year.

In a similar fashion, of the eight fine jewelry items sold every minute, Cartier, David Yurman, Gucci, Swarovski, and Tiffany & Co. are this year's top-selling brands.

A handbag is purchased every 13 seconds on the site. Top-selling styles for 2022 include Chanel, Gucci, Louis

Vuitton and Prada.

"In [our new survey](#) released in partnership with Business of Fashion, 80 percent of surveyed luxury shoppers consider the value of their luxury handbags, watches and jewelry to be less volatile than or on par with their other assets, a staggering stat when we think about all the economic uncertainty in the market," Mr. Kamdar said.

"As our luxury categories continue to grow at double digits, we'll continue to focus on ensuring the quality and authenticity of high-value purchases like handbags through offerings like eBay's Authenticity Guarantee."

Handbag authentication platform Entrupy's 2019 "The State of the Fake" report substantiates that while Louis Vuitton is one of the most frequently authenticated brands, it is also the most often duped ([see story](#)).

Denoted by way of a checkmark featured on applicable listings, eBay's Authenticity Guarantee provides custom documentation for each piece analyzed, promising shoppers genuine designer goods, with the goal of procuring greater exact matches between luxury listings and items received.

Where certain resellers have struggled with authentication ([see story](#)), others have doubled down with extensive campaigns centering on that exact promise ([see story](#)).

"[It has] never been easier for luxury enthusiasts to refine their collections in a trusted environment, and we wanted to create an IRL experience that reflects what's happening on eBay every day," Mr. Kamdar said, in a statement.

"The Luxury Exchange gives shoppers an opportunity to appraise and sell their valuable goods, and add something new to their personal collections just in time for the holiday season."

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