

RESEARCH

Nearly 50pc of consumers prefer secondhand shopping online: ThredUp

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The global secondhand apparel sector is predicted to reach \$350 billion in value by 2028. Image credit: ThredUP

By ZACH JAMES

The secondhand clothing sector is picking up the pace, according to new findings from online resale platform ThredUP.

The company's 12th annual [Resale Report](#) details the growth occurring and predicted to occur within the global pre-loved attire market. In 2023, the used apparel segment was on the rise, its financial returns developing at seven times the rate of the retail market and 15 times faster than the apparel market as a whole.

"The global secondhand apparel market continues to burgeon - a testament to the intrinsic value shoppers find in the secondhand experience and proof of the seismic shift towards a more circular fashion ecosystem," said James Reinhart, CEO of ThredUP, in a statement.

"As we celebrate this progress, we also recognize the powerful role the government can play in accelerating the transition to a more sustainable future for fashion," Mr. Reinhart said. "Now in its 12th year, the Resale Report shows some of the most promising signals of what that future could look like with increased levels of support.

"Until fashion is no longer one of the most damaging sectors of the global economy, we will continue to advocate for the government to help drive adoption and behavior change in fashion."

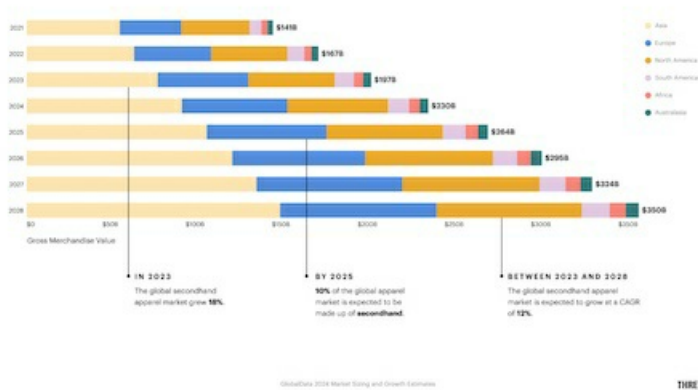
For the report, ThredUP drew upon findings from third-party retail analytics firm GlobalData, and through these, ThredUP's analysts made predictions and forecasts of the market in the coming years. Two December 2023 surveys from GlobalData, one of 3,654 American adults over 18, and another of "the top 50 U.S. fashion retailers and brands," are included in the piece to determine industry and consumer preferences and attitudes toward resale.

Fiscal rise

In 2023, the worldwide market sat at just under \$200 billion with a compound annual growth rate (CAGR) of 12 percent.

If the segment maintains this same momentum, ThredUP projects that the global secondhand sector will reach a valuation of \$350 billion by 2028.

Global Secondhand Apparel Market To Reach \$350 Billion by 2028, Growing 3X Faster Than Overall Global Apparel Market



Asia is the largest resale market in the world. Image credit: ThredUP

The U.S. represented around \$44 billion of the 2023 total, with that number expected to reach \$73 billion by 2028. Last year, the firm's projected 2027 figure was \$70 billion (see story).

Meanwhile, online resale in the country is expected to more than double its valuation in the same period of time, reaching \$40 billion with a CAGR of 17 percent.

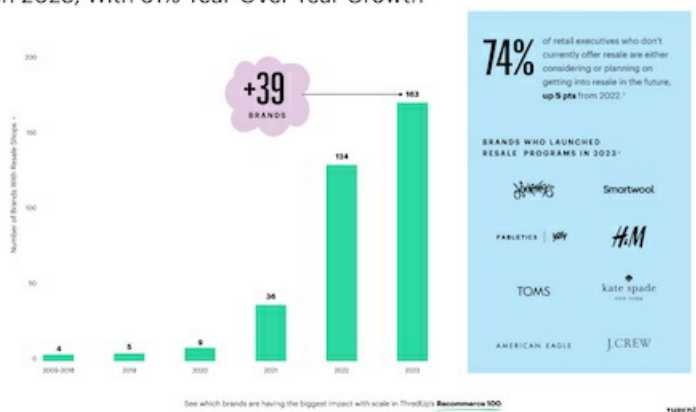
These concurrent upward trends correspond to more and more consumers opting for secondhand options over new releases, both for value and due to the tenuous nature of the global economy.

Consumer interest

Just under 66 percent of consumers surveyed purchased at least one apparel item through an online resale platform last year, a nearly 20 percent jump compared to 2022.

Coupled with nearly half of younger consumers preferring digital storefronts over bricks-and-mortar retailers, and the luxury segment, as well as the secondhand market, are going to benefit most from these behaviors. Resale is a pathway for aspirational buyers to enter or re-enter the luxury market, as an increasing number of the group exit the segment due to financial pressures.

Branded Resale Saw Continued Momentum in 2023, With 31% Year-Over-Year Growth



Branded resale is increasing in popularity, jumping 31 percent year-over-year. Image credit: ThredUP

"With more than half of all consumers shopping for secondhand apparel last year, it's evident that resale is now firmly embedded in the fashion landscape," said Neil Saunders, managing director at GlobalData, in a statement

"Secondhand buying transcends generations, with the role of resale changing throughout consumers' lives," Mr. Saunders said. "Younger shoppers turn to secondhand for self-expression and to help create their personal style; parents rely on secondhand to outfit their families in a cost-effective and eco-conscious way; and older generations turn to secondhand to snag affordable, higher-end brands and for the thrill of the hunt.

"Secondhand's flexibility in meeting such varied needs is a key reason it's become so popular and has such a promising growth trajectory."

More brands, both inside ([see story](#)) and outside ([see story](#)) of luxury are embracing resale. According to ThredUP, in 2023, 163 companies in the apparel segment offered secondhand shops, a 31 percent increase from 2022.

Two-thirds of retail executives surveyed believe that resold goods will make up at least 10 percent of their respective companies' annual revenue within the next five years.

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