

## RESEARCH

# Digital product passport regulation to reshape fashion resale market: Bain, eBay

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*A fashion item purchased for 500 pounds today could generate an additional 500 pounds when resold with a digital passport, doubling its lifetime value, according to estimates from the new study. Image courtesy of Bain*

By AMIRAH KEATON

Digital product passports, or DPPs, which provide records of a product's materials, origin and environmental impact, are set to become mandatory for textiles within the European Union starting in 2026.

Released this week, [a new study](#) from global consulting firm Bain & Company and online retail platform eBay finds that 90 percent of brands view the action as a compliance burden. Its authors propose an alternate perspective, suggesting the verification tool could double the lifetime value of secondhand goods, creating an environment of enhanced commercial opportunity for resale players in a market worth \$230 billion today, surpassing the wider apparel sector 3:1.

"DPPs are more than just checking a compliance box. They are a foundational shift in how value is created, captured, and sustained over a product's lifetime," said Aaron Cheris, partner in Bain & Company's retail and customer strategy and marketing practices, in a statement.

"Brands that act early can build a more direct, data-rich relationship with consumers, tapping into resale trends and personalizing services in powerful new ways."

## Business case for DPPs

Introduced in 2024, the EU's Ecodesign for Sustainable Products Regulation (ESPR) is officially in effect.

Bain has subsequently partnered with eBay to publish "[Digital Product Passports Introduce New Sources of Value](#)," outlining how the changing state of the regulatory environment may impact the resale market.

While most brands currently view the requirement as an operational burden, experts propose that mandated widespread adoption of the technology could alter the landscape for the better.

According to report estimates, a fashion item purchased for 500 pounds today could generate an additional 500 pounds in resale and services when supported by a digital passport, doubling its lifetime value.

"Digital Product Passports are critical to powering the future of circularity in fashion," said Alexis Hoopes, VP of global fashion at eBay, in a statement.

"As a global marketplace at the forefront of resale, we're exploring how better product data can enable smarter buying, responsible selling, and a more trusted platform," Ms. Hoopes said. "Unlocking value for consumers is a critical part of the connected product evolution."

## A call to act early

Bain and eBay warn that with ESPR deadlines fast-approaching, early adopters of DPPs will be better positioned to tap into growing consumer demand for verified pre-owned goods.

Luxury has remained at the forefront of the movement, pioneering the apparel industry's embrace of product traceability technologies. Aura Blockchain Consortium is one such actor.



*The Chlo Vertical collection gives buyers the ability to track the provenance of any digital ID-enabled spring/summer 2023 acquisition, a first for the house and a major feat for luxury fashion. Image credit: Chlo*

Established on behalf of a collaboration between Italy's Prada Group, French luxury conglomerate LVMH and Cartier, part of Richemont, the nonprofit association boasts more than 50 luxury brand members, and is strategically broadening its reach beyond fashion. Aura Blockchain Consortium recently entered the high-end furniture space, onboarding Italian furniture makers Poltrona Frau and Savio Firmino in October 2024 ([see story](#)).

Simultaneously, individual labels from French fashion house Chlo, which released its first 100 percent traceable collection, Chlo Vertical, in 2023 ([see story](#)), to French crystal maker Lalique ([see story](#)) and Italian fashion label Tod's ([see story](#)) continue to innovate with digital IDs.