THREDUP

Resale Report

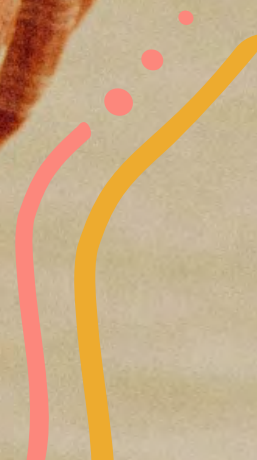## 2024

Table of Contents
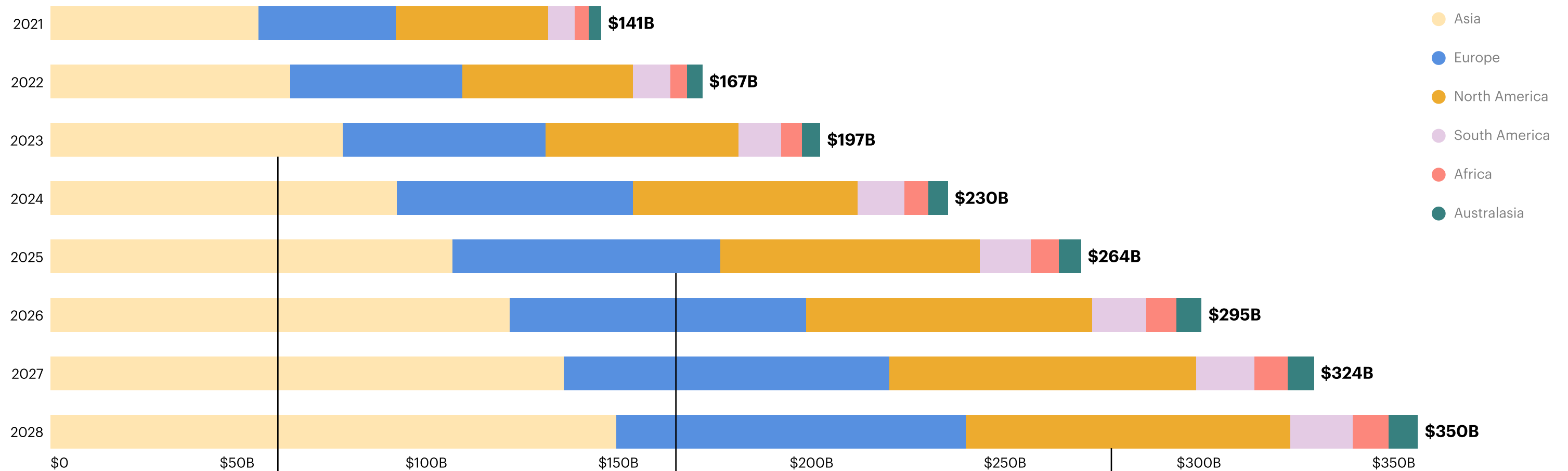
Foreword

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. 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. 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. We hope you enjoy this year's findings and join us on our mission to inspire the world to think secondhand first.

– James Reinhart, ThredUp CEO

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

Year	Value
2021	$141B
2022	$167B
2023	$197B
2024	$230B
2025	$264B
2026	$295B
2027	$324B
2028	$350B

X-axis: $0, $50B, $100B, $150B, $200B, $250B, $300B, $350B

Gross Merchandise Value

Legend:
- Asia
- Europe
- North America
- South America
- Africa
- Australasia

IN 2023
The global secondhand apparel market grew **18%**.

BY 2025
10% of the global apparel market is expected to be made up of **secondhand**.

BETWEEN 2023 AND 2028
The global secondhand apparel market is expected to grow at a CAGR of **12%**.

U.S. Secondhand Apparel Market To Reach $73 Billion by 2028, Growing 11% Annually on Average
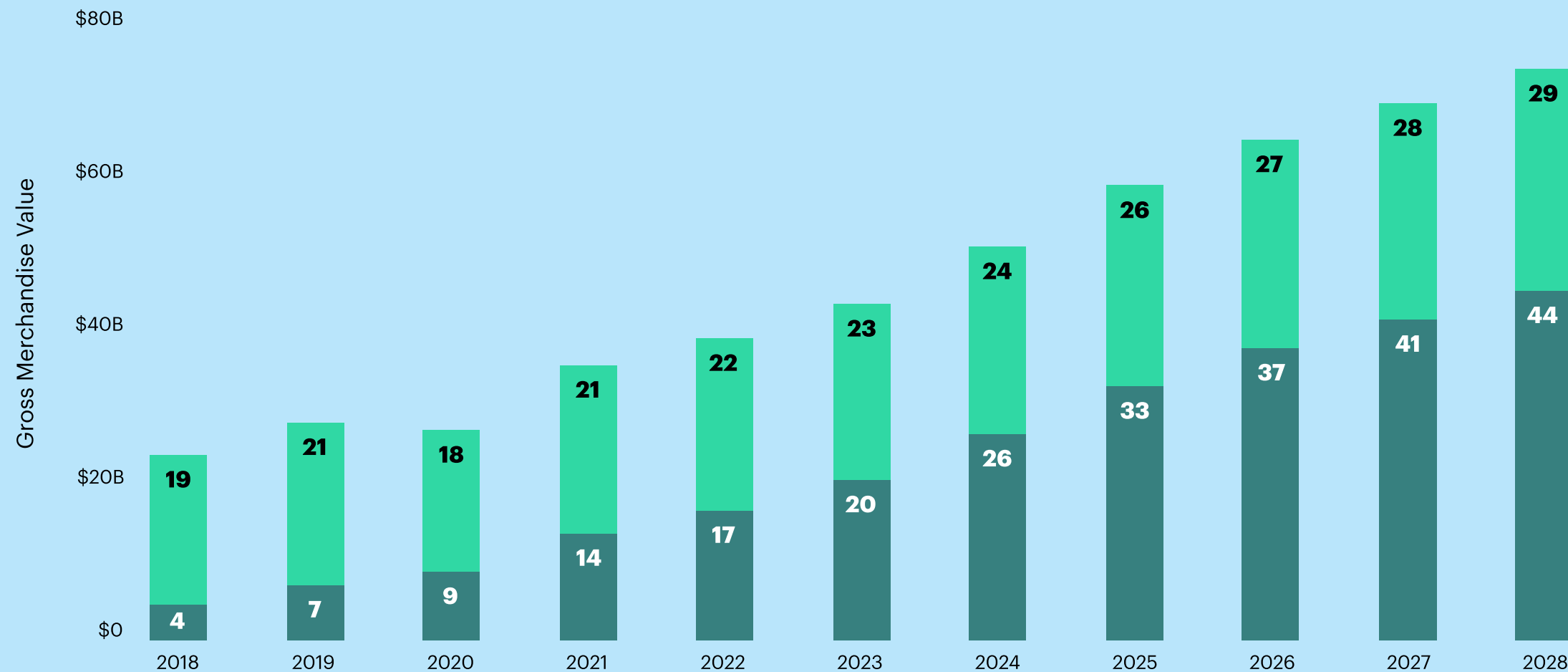
Gross Merchandise Value

Year	Resale	Non-Resale
2018	4	19
2019	7	21
2020	9	18
2021	14	21
2022	17	22
2023	20	23
2024	26	24
2025	33	26
2026	37	27
2027	41	28
2028	44	29

● Non-Resale
Gross Merchandise Value

● Resale
Gross Merchandise Value

IN 2023
The U.S. secondhand apparel market grew 11%—**7X** faster than the broader retail clothing market.

BETWEEN 2023 TO 2028
Secondhand will grow at a CAGR of **11%**.

BY 2028
New shoppers will account for **65%** of incremental secondhand spend.

GlobalData 2024 Market Sizing and Growth Estimates

RESALE SPOTLIGHT[1]

UNSTOPPABLE MOMENTUM

★ Resale grew **15X** faster than the broader retail clothing sector in 2023.

★ Resale will more than double by 2028, growing **6.4X** faster than the broader retail clothing sector and representing a CAGR of 17%.

★ Resale is expected to more than double its market share over the next 10 years, growing at a CAGR of **11%** and gaining the largest volume of share of any distribution channel by 2033.

★ Resale will grow **6X** faster than off-price by 2033.

ONLINE RESALE IS DRIVING GROWTH

★ Online resale saw accelerated growth in 2023, growing at **23%**—220 bps faster than in 2022.

★ Online resale will account for **half** of all secondhand spend by 2025.

★ Online resale will more than double in the next 5 years, growing at a CAGR of **17%** to reach $40 billion in 2028.

Resilient Shoppers Turn to Secondhand Apparel Amid Economic Challenges

SECONDHAND MAKES UP A SIGNIFICANT PORTION OF SPEND & CLOSETS[2]

52% of consumers shopped secondhand apparel in 2023.

Compared to 65% of Gen Z and Millennials, **up 5 pts** from 2022.

2 in 5 apparel items bought in the last 12 months were secondhand.

On average, consumers spent **nearly half** of their apparel budget on secondhand in the last 12 months.

SHOPPERS GRAVITATE TOWARDS BUYING SECONDHAND ONLINE[2]

63% of consumers who bought secondhand apparel in 2023 made a purchase online, **up 17 pts** from 2022.
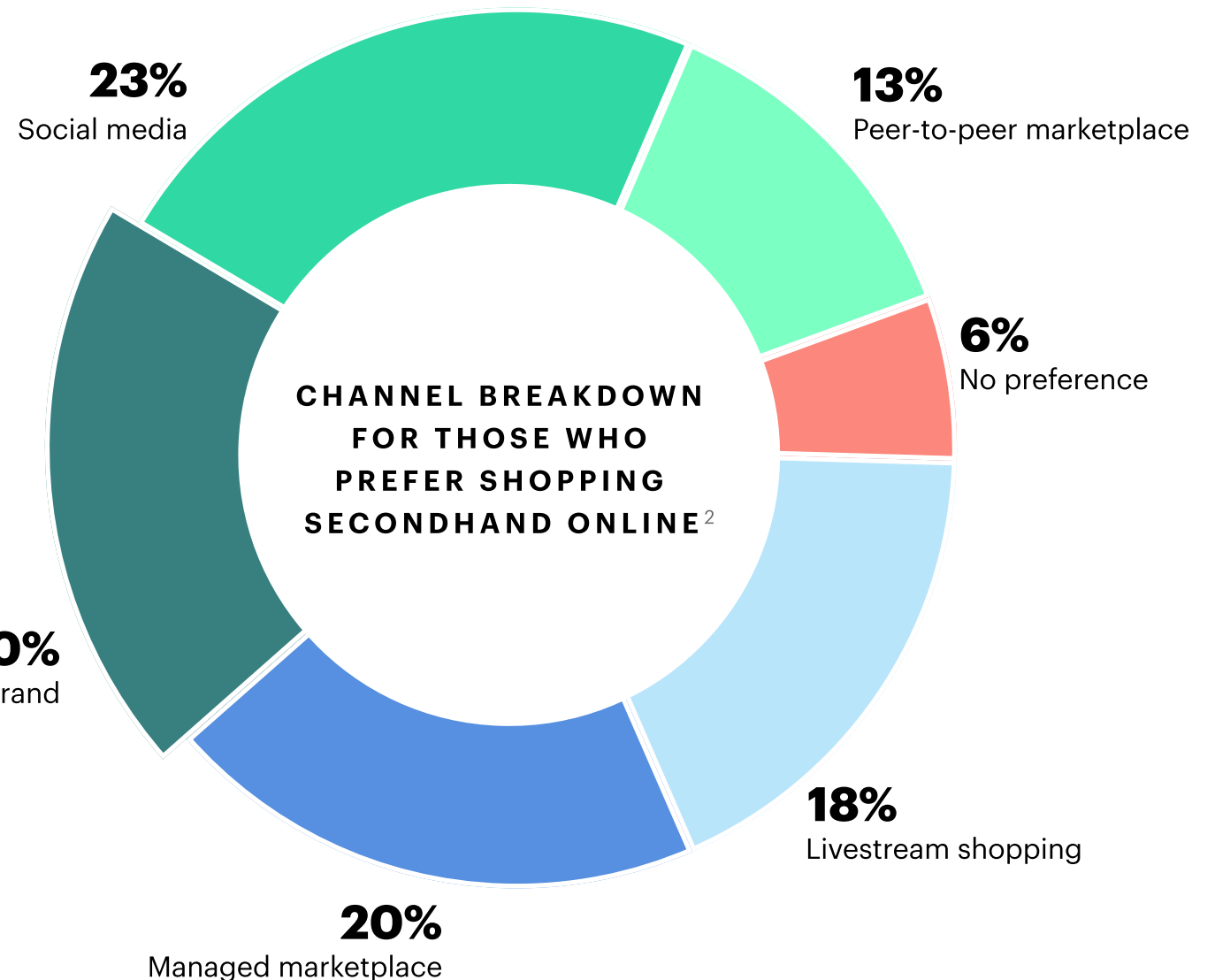
Compared to 71% of Gen Z and Millennials

45% of Gen Z and Millennials prefer to buy secondhand apparel online, compared to 38% who prefer to shop at a brick-and-mortar store.

Of those who prefer to buy secondhand directly from a brand's website:

★ More than **half** say they trust brands more than marketplaces.

★ **44%** say they can more easily compare items side by side.

★ **41%** say they like to shop a more curated selection from a specific brand.

CHANNEL BREAKDOWN FOR THOSE WHO PREFER SHOPPING SECONDHAND ONLINE[2]

- **23%** Social media
- **13%** Peer-to-peer marketplace
- **6%** No preference
- **18%** Livestream shopping
- **20%** Managed marketplace
- **20%** Directly from a brand

Resale Thrives in a Value-Seeking Environment Where Consumers Are Shopping Deals

VALUE INSIGHTS [2]

2023: PRIORITIZING PRICE

★ Nearly **3 in 4** consumers say when it comes to apparel spend, value is king.

★ **59%** of consumers say if they can't find a good deal on an apparel item, they won't make a purchase at all.

2024: COST-CONSCIOUSNESS CONTINUES

★ On average, consumers plan to purchase **7%** less apparel at full price in 2024 than they did in 2023.
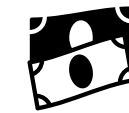
★ **55%** of consumers say if the economy doesn't improve, they'll spend a higher proportion of their apparel budget on secondhand.

GREAT BRANDS AT GREAT PRICES, SUSTAINABLY [2]

TOP 4 REASONS PEOPLE BUY SECONDHAND

1   To get better deals

60% of consumers say shopping secondhand apparel gives them the most bang for their buck.

41% of consumers say when seeking a deal on apparel, secondhand is the first place they look.

└ Compared to 50% of Gen Z and Millennials

2   To find unique items

3   To afford higher-end brands

4   It's better for the planet

Consumers Resell Apparel To Earn Extra Money and Clean Out Sustainably

25% of consumers resold apparel in 2023—nearly at parity with 2021 figures when post-pandemic activity was elevated. [2]

Compared to 33% of Gen Z and Millennials

TOP 3 REASONS PEOPLE RESELL APPAREL [2]

1 To make extra money

Nearly **half** used the cash to pay for essentials like food and bills.

Gen Z is most likely to put it into savings (**41%**).

2 To clean out their closet

3 To sustainably get rid of apparel

Thrifting Transcends Generations, but Its Appeal and Purpose Change Throughout a Shopper's Life

THE DIGITALLY SAVVY INDIVIDUALIST

Gen Z: Ages 18-26

Median annual household income: $52,460 [5]

Children: 27% have at least 1 child living at home; 89% of those have at least 1 child under the age of 5.

Shopping habits: 51% prefer to shop secondhand online vs. in a brick-and-mortar store. Their #1 way to shop online is livestream shopping.

Why secondhand: They're more likely to buy secondhand to better express personal style than any other generation.

THE ECO-CONSCIOUS FAMILY PLANNER

Millennials: Ages 27-42

Median annual household income: $88,435 [5]

Children: 57% have at least 1 child living at home; 51% of those have at least 1 child ages 6-18.

Shopping habits: 55% prefer to shop secondhand online vs. in a brick-and-mortar store. Their #1 online destination is a managed marketplace.

Why secondhand: They're more likely to buy secondhand to outfit their family than any other generation.
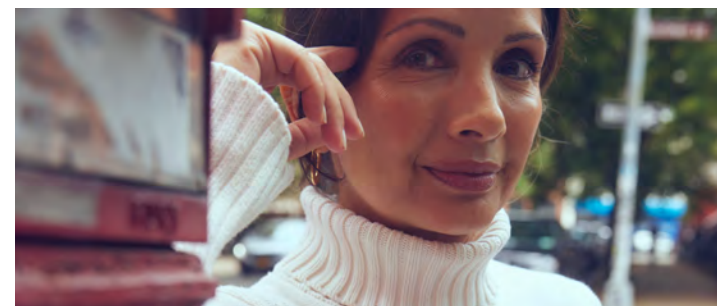
THE IN-STORE TREASURE HUNTER

Gen X: Ages 43-58

Median annual household income: $101,500 [5]

Children: 49% have at least 1 child living at home; 54% of those have at least 1 child ages 13+.

Shopping habits: 69% prefer to buy secondhand in a brick-and-mortar store vs. online.

Why secondhand: They're more likely to buy secondhand to afford higher-end brands than any other generation.

THE EXPERIENCED THRIFT ENTHUSIAST
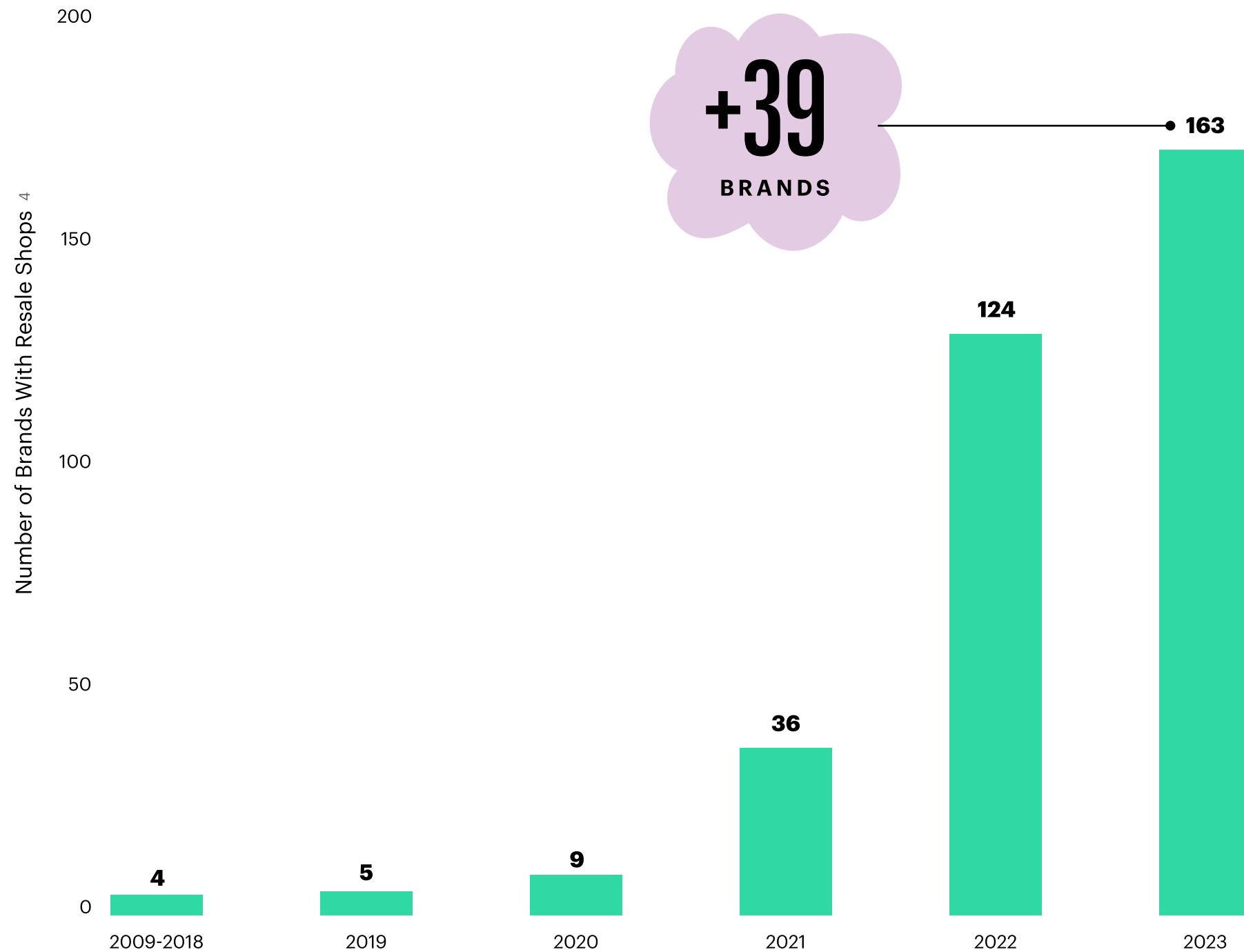
Baby Boomers, Silent: Ages 59+

Median annual household income: $65,770 [5]

Children: 93% are empty nesters with no children living at home.

Shopping habits: 82% prefer to buy secondhand in a brick-and-mortar store vs. online.

Why secondhand: They're more likely to buy secondhand for the thrill of the hunt and to get better deals than any other generation.

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

Number of Brands With Resale Shops [4]

+39 BRANDS

Year	Value
2009-2018	4
2019	5
2020	9
2021	36
2022	124
2023	163

74% of retail executives who don't currently offer resale are either considering or planning on getting into resale in the future, **up 5 pts** from 2022.[3]

BRANDS WHO LAUNCHED RESALE PROGRAMS IN 2023[4]

JOURNEYS

Smartwool.

FABLETICS | yitty

H&M

TOMS

kate spade NEW YORK

AMERICAN EAGLE

J.CREW

See which brands are having the biggest impact with scale in ThredUp's **Recommerce 100**.

Retailers Leverage Resale as a Gateway to New Shoppers

90% of retail executives say their customers are already participating in resale—an all-time high, **up 4 pts** from 2022.[3]

62% of retail executives say their customers care about their brand being sustainable.[3]

47% of consumers say resale value is an important factor in purchasing apparel.[2]
└─● Compared to 60% of Gen Z and Millennials

38% of consumers say they shop secondhand to afford higher-end brands, **up 11 pts** from 2022.[2]

27% of consumers have traded in apparel with a brand in exchange for shopping credit to that brand.[2]

26% of consumers say they're more likely to shop with a brand that offers secondhand apparel alongside new apparel.[2]
└─● Compared to 35% of Gen Z and Millennials

23% of consumers say they prefer to buy a secondhand item from a brand before committing to purchasing new for the first time.[2]

22% of consumers say they're more inclined to make a first-time purchase with a brand if they offer shopping credit for trading in used apparel.[2]

TOP REASONS CONSUMERS PREFER SHOPPING SECONDHAND ALONGSIDE NEW[2]

1 Wider variety of price points

2 Wider selection of products

3 More likely the brand's products are durable

4 More likely the brand's products are high-quality

5 More likely the brand cares about the environment

Brands Generate Revenue Through Resale While Advancing Sustainability Goals

BRANDS THAT OFFER RESALE

TOP BENEFITS REALIZED SINCE OFFERING RESALE

1 Advanced sustainability goals (87%, **up 5 pts** from 2022)

2 Generated more revenue (80%, **up 7 pts** from 2022)

3 Acquired more customers (67%, **up 22 pts** from 2022)

67% say resale will generate a meaningful (> 10% of total) revenue stream for the company within 5 years.

#1 brands say the biggest challenge with resale is getting enough inventory of pre-owned product.

BRANDS CONSIDERING RESALE

TOP REASONS BRANDS CONSIDER RESALE

1 To acquire more customers (89%)

2 To generate revenue (85%, **up 7 pts** from 2022)

3 To advance sustainability goals (77%, **up 3 pts** from 2022)

69% say they're considering resale to stay competitive with other brands who offer it.

BRANDS NOT INTERESTED IN RESALE

TOP REASONS BRANDS AREN'T INTERESTED IN RESALE

1 Resale is too complex (67%)

2 They don't know where to start (56%)

3 They have higher priority initiatives demanding resources (56%)

Diluting the brand's product or reputation has become less of a concern, **down 10 pts** from 2022.

BEST BRANDS IN RESALE

	Brand	
1	Lululemon Athletica	▲ from #2
2	Patagonia	▲ from #6
3	Vuori	▲ from #10
4	Reformation	▲ from #7
5	Free People	
6	Zara	▼ from #4
7	Johnny Was	▲ from #16
8	Sézane	NEW
9	Anthropologie	▲ from #12
10	SKIMS	NEW
11	Dr. Martens	NEW
12	Abercrombie & Fitch	▲ from #13
13	The North Face	▲ from #18
14	Everlane	▼ from #9
15	Converse	NEW
16	Quince	NEW
17	Tory Burch	▲ from #20
18	Smartwool	NEW
19	Mother	NEW
20	Pact	NEW

RESALE'S RISING STARS

	Brand
1	Aritzia
2	SPANX
3	Outdoor Voices
4	Rag & Bone
5	Liverpool Los Angeles
6	Mango
7	Show Me Your Mumu
8	Vans
9	J. McLaughlin
10	Nic + Zoe
11	Vineyard Vines
12	Coach
13	PrAna
14	Kut from the Kloth
15	TOMS
16	Alice + Olivia
17	Paige
18	Tommy Bahama
19	Sam Edelman
20	Rebecca Taylor

About these lists:
Evaluating more than 55,000 brands in its marketplace, ThredUp ranked Best Brands for Resale using an aggregate score based on sell-through and volume of sold items in its marketplace from January 1, 2023-December 31, 2023 and ranked Resale's Rising Stars using an aggregate score based on year-over-year increases in sell-through rates and volume of listed items in its marketplace from January 1-December 31, 2023 v. January 1-December 31, 2022.

Government Involvement Could Accelerate the Transition to a More Sustainable Future for Fashion

VOTERS FAVOR CANDIDATES WHO SUPPORT CIRCULARITY

65% of retail executives and **43%** of consumers say the government is not doing enough to lessen fashion's environmental impact. [3,2]

42% of consumers believe the government should take legislative action to help help promote sustainable fashion. [2]
└ Compared to 52% of Gen Z and Millennials

44% of consumers say they view circular textile policy as a non-partisan issue. [2]

40% of consumers say they're more likely to vote for a candidate that supports sustainable fashion. [2]

TANGIBLE WAYS FOR THE GOVERNMENT TO TAKE ACTION

65%
of consumers say sales tax on secondhand apparel should be eliminated. [2]

50% of consumers and **59%** of Gen Z and Millennials say they'd buy more secondhand apparel if there were no sales tax. [2]

58%
of retail executives say they'd invest in sustainable business or materials innovation if they qualified for government grants. [3]

52%
of retail executives say they'd adopt circular business models like resale if there were government-sponsored financial incentives for doing so. [3]

Learn how brands and retailers are advocating for circular fashion policy through the **American Circular Textiles** policy coalition.

Glossary

Donation & Thrift: A sector of the broader "secondhand" market that includes traditional options such as Goodwill, Salvation Army, and yard sales. These secondhand options are primarily, but not exclusively, offline.

Off-Price: A retailer that sells items at lower prices than those typically charged by retail businesses. Off-price stores typically purchase overstocked goods or make special purchases. Examples include TJ Maxx, Marshalls, Ross, Burlington Coat Factory.

Other: Sales of clothing from all other sources, including grocers and supermarkets, drug stores, duty-free, warehouse clubs, variety stores, other non-clothing specialists, and convenience stores.

Mid-Priced Specialty: Specialist clothing retailers operating in the middle of the market in terms of price. Not value but not premium or luxury. They tend to be found in malls or traditional main street locations. Examples include Gap, Ann Taylor, J.Crew.

Resale: A sector of the broader "secondhand" market that includes more curated product assortments, often well merchandised and/or higher end. Examples include ThredUp and The RealReal as well as upscale offline players like Buffalo Exchange. These secondhand options are primarily, but not exclusively, online.

Secondhand: Consumption of all used apparel. Includes both the Resale sector and the Thrift & Donation sector.

Secondhand Products: Consumption of all used apparel, footwear, accessories, books, furniture, entertainment, and beauty.

Sustainable Fashion: Apparel that has been produced, sold, and distributed in such a way as to minimize, as much as possible, any damaging social and environmental impact. To be classified as sustainable, a company must reduce negative impacts at multiple stages of the supply chain and of the product's lifecycle. Examples include Reformation, Allbirds, Eileen Fisher, Patagonia.

Methodology

About the Report: ThredUp's annual Resale Report contains research and data from GlobalData, a third-party retail analytics firm. GlobalData's assessment of the secondhand market is determined through consumer surveys, retailer tracking, official public data, data sharing, store observation, and secondary sources. These inputs are used by analysts to model and calculate market sizes, channel sizes, and market shares. Further, for the purpose of this report, GlobalData conducted a December 2023 survey of 3,654 American adults over 18, asking specific questions about their behaviors and preferences for secondhand. GlobalData also surveyed the top 50 U.S. fashion retailers and brands in December 2023 to gather their opinions on resale. In addition, ThredUp's Resale Report also leverages data from the following sources: ThredUp's Recommerce 100 and internal ThredUp customer and brand performance data. View all sources here.

Disclosure: All third-party brand names and logos appearing in this report are trademarks or registered trademarks of their respective holders. Any such appearance does not imply any affiliation with or endorsement of ThredUp.

Published: March 2024

Sources

1. **GlobalData Market Sizing**: GlobalData's assessment of the secondhand market is determined through ongoing retailer tracking, official public data, data sharing, store observation, consumer surveys, and secondary sources. These inputs are used by analysts to model and calculate market sizes, channel sizes, and market shares. Market data analysis included in this report was done in January 2024.

2. **GlobalData Consumer Resale Survey**: The consumer data in this report is derived from a consumer survey of 3,654 U.S. adults. The survey asked them a number of questions about their attitudes towards apparel, secondhand products, and resale products. The sample was designed to be representative of age and income and was also geographically representative. Surveying was undertaken by GlobalData in December 2023. Note: Survey data only sampled U.S. women until 2020.

3. **GlobalData Fashion Retailer Survey**: 50 U.S. fashion (apparel, accessories, footwear) retailers were surveyed in January 2024 about their sustainability and circular fashion goals.

4. **ThredUp's Recommerce 100**: The Recommerce 100 is a monthly, independent review of branded recommerce, ranking brands and retailers who have dedicated resale programs by how many secondhand items they have listed at time of publish. See a detailed methodology here.

5. **United States Census Bureau:** Income and Poverty in the United States: 2020

THREDUP