



## thredUP's 11th Annual Resale Report Reveals Consumers Continue to Embrace Secondhand Amid Economic Uncertainty

April 5, 2023

*New study finds more than half of consumers shopped secondhand apparel in 2022; 1 in 3 apparel items purchased in 2022 was secondhand.*

*The U.S. secondhand apparel market is projected to reach \$70 billion by 2027.*

OAKLAND, Calif., April 5, 2023 /PRNewswire/ -- thredUP (NASDAQ: TDUP), one of the largest online resale platforms for apparel, shoes, and accessories, today released the results of its [2023 Resale Report](#). Conducted by third-party retail analytics firm [GlobalData](#), the 11th annual study serves as the most comprehensive measure of the secondhand market globally and in the U.S., with forward-looking projections through 2032. It also reveals new insights about key factors driving market growth; consumer shopping behavior amid economic uncertainty and inflation, including younger generations' attitudes towards resale; and why retailers are adopting resale at an accelerated rate, based on surveys of U.S. consumers over the age of 18 and U.S. fashion retailers and brands. In addition, the report includes the top 20 most popular brands in resale.

### Secondhand Is Capturing the Most Market Share in the U.S.

Secondhand is expected to be a nearly \$90 billion market in the next 10 years, growing faster than any other channel.



"Now in its 11th year, the Resale Report has some of the most inspiring findings since we started the report in 2013. Resale is starting to blossom globally, with many of the largest retailers in the world adopting more circular business models; value continues to be a key driver that motivates consumers to think secondhand first; and at the same time, global climate issues have increased awareness of resale's potential to reduce fashion's impact on the environment. It's clear we're on a promising trajectory, and by working together through collective action, we have the power to alter fashion's future for the better." — James Reinhart, CEO, thredUP

Results from the 2023 Resale Report informed the launch of thredUP's [Fashion Footprint Calculator](#), an interactive tool aimed at empowering and educating consumers on the environmental impact of their fashion habits. The Fashion Footprint Calculator was inspired by the Resale Report finding that 63% of Gen Z and Millennials believe they can reduce their individual footprint.

**The top five findings from thredUP's 2023 Resale Report include:**  
**(all figures pertain to the U.S. unless otherwise noted)**

**Secondhand continues to take hold globally. In the U.S., online resale is driving the growth.**

- The global secondhand market is set to nearly double by 2027, reaching \$350 billion.
- The U.S. secondhand market is expected to reach \$70 billion by 2027.
- Online resale is the fastest-growing sector of the U.S. secondhand market, expected to grow 21% annually on average over the next 5 years, reaching \$38 billion by 2027.

**U.S. consumers continue to embrace secondhand amid economic uncertainty and persistent inflation. Value is the #1 driver influencing purchasing decisions.**

- 52% of consumers shopped secondhand apparel in 2022. 1 in 3 apparel items bought in the last 12 months was secondhand, and 2 in 5 items in Gen Z's closet are secondhand.
- 37% of consumers spent a higher proportion of their apparel budget on secondhand last year. Of those, 63% increased their spend in response to inflation.
- Value is the top spend motivator. Trends is the weakest spend motivator.

## **Shopping secondhand has a positive environmental impact. Resale has the potential to cut new clothing production.**

- Buying and wearing secondhand clothing instead of new reduces carbon emissions by an average of 25%, according to Green Story Inc.
- U.S. consumers bought 1.4 billion secondhand apparel items in 2022 that they normally would have bought new, up 40% from 2021.
- More than one-third of retailers say if resale proved to be successful, they would cut production of new products.

## **Retailers with branded resale programs skyrocketed in 2022. Resale is driving Gen Z's purchasing decisions.**

- 86% of retail executives say their customers are already participating in resale, up 8 points from 2021.
- 88 brands launched dedicated resale programs in 2022 – a 244% increase from 2021.
- 82% of Gen Z has considered the resale value of apparel before buying it, and 64% of Gen Z look for an item secondhand before buying it new.

## **Retailers view resale as a strategic business initiative that generates positive ROI and satisfies investor demands around ESG.**

- 58% of retail executives say offering resale options to customers is becoming table stakes, up 6 points from 2021.
- 82% of retailers who offer resale expect it to generate a positive ROI.
- 45% of retail executives who offer resale say they're satisfying investor demands around ESG.

*"Secondhand continues to be one of the fastest-growing segments in apparel, and online resale in particular is seeing solid growth. What's particularly striking this year is new detail around how much younger generations are expected to account for future growth as their purchasing power increases. Traditional retailers are responding to this demand by entering resale and are really the ones driving the market forward, and we expect increased adoption in retail as secondhand becomes more of a lifestyle for consumers." – Neil Saunders, Managing Director, GlobalData*

To see the report's full results, visit [thredup.com/resale](https://thredup.com/resale). Download report imagery [here](#) and social media assets [here](#).

### **About the 2023 Resale 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 2022 survey of 3,012 American adults over 18 years old, asking specific questions about their behaviors and preferences for secondhand. GlobalData also surveyed the top 50 U.S. fashion retailers and brands in January 2023 to gather their opinions on resale. In addition, thredUP's Resale Report also leverages data from the following sources: thredUP's Recommerce 100, Green Story Inc. research, internal thredUP customer and brand performance data, and McKinsey & Company.

### **About thredUP**

thredUP is transforming resale with technology and a mission to inspire a new generation of consumers to think secondhand first. By making it easy to buy and sell secondhand, thredUP has become one of the world's largest online resale platforms for apparel, shoes and accessories. Sellers love thredUP because we make it easy to clean out their closets and unlock value for themselves or for the charity of their choice while doing good for the planet. Buyers love shopping value, premium and luxury brands all in one place, at up to 90% off estimated retail price. Our proprietary operating platform is the foundation for our managed marketplace and consists of distributed processing infrastructure, proprietary software and systems and data science expertise. With thredUP's Resale-as-a-Service, some of the world's leading brands and retailers are leveraging our platform to deliver customizable, scalable resale experiences to their customers. thredUP has processed over 137 million unique secondhand items from 55,000 brands across 100 categories. By extending the life cycle of clothing, thredUP is changing the way consumers shop and ushering in a more sustainable future for the fashion industry.

### **Forward-Looking Statements**

This release contains forward-looking statements. Forward-looking statements include all statements that are not historical facts. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "predict" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. Except as required by law, thredUP has no obligation to update any of these forward-looking statements to conform these statements to actual results or revised expectations.

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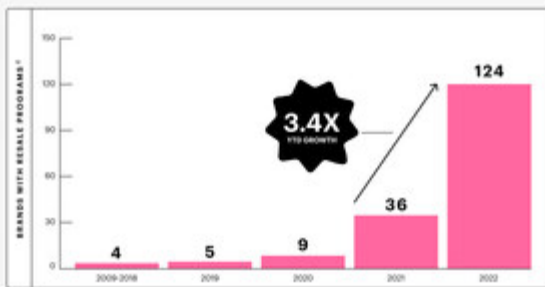
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## Retailers With Branded Resale Programs Skyrocketed in 2022

86% of retail execs say their customers are already participating in resale, **up 8 pts** from 2021.<sup>1</sup>



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

[www.recommerce100.com](http://www.recommerce100.com)

thredUP's Recommerce 100 as of 10/20/2022

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## Most Popular Brands In Resale

30% of the Top 20 brands currently offer dedicated resale programs.<sup>1</sup>



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