

## **Sustainable Innovation 2023**

*Accelerating Sustainability in the Creative Economy and Creative Industries*

24th International Conference

Online Conference: 20<sup>th</sup> – 26<sup>th</sup> March 2023

Business School for the Creative Industries

University for the Creative Arts

Epsom, Surrey, UK

## **An Investigation into the Acceleration of the Luxury Fashion Re-commerce/Resale Market and the Zeitgeist Impact on the Sector.**

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### **Research Context**

The luxury fashion resale market, not a new concept or idea; companies and consumers have been reselling, reusing, reworking luxury fashion since fashion time began. What has come to the forefront of luxury fashion resale (re-commerce) and the focus of this chapter is the growth and shift of luxury re-commerce. The Millennial and Gen-Z consumer drivers of this shift, and the acceleration of growth in the luxury resale market in current zeitgeist; the impact of the global pandemic on the sector luxury re-commerce/resale market.

The pandemic led more people to consider the future of their closets and buying patterns from both a financial, digital and environmental lens; ThredUp's 2020 Resale Report found that 50% of people cleaned out their closets more than pre-Covid and since 2017 the apparel resale business grew 21 times faster than sales of new clothing. The Luxury sector grew to a \$24 billion market before Covid and has been projected to reach \$51 billion by 2023, driven largely — but not exclusively — by millennials and Gen Z, adopting second hand apparel 2.5 times faster than their older generations. (ThredUp's 2020)

Despite the abundance of literature around luxury fashion, research into resale markets and studies in growth markets/sectors, there is limited research bringing all these areas together. This study, therefore, serves to fill the research gap and contribute to the body of knowledge about the luxury re-commerce/resale market.

### **Purpose**

The purpose of the research is threefold – (1) the growth and shift of luxury re-commerce (2) The Millennial and Gen-Z consumer drivers of this shift (3) the acceleration of growth in the luxury resale market in current zeitgeist.

To analyse the impact of the global pandemic on the luxury re-commerce/resale market sector and exploring and defining business models and supply chains within that.

### **Research Design**

Research conducted through review of secondary sources and discussions with industry experts. Case studies will be used to show, demonstrate and discuss the findings.

#### Case Study examples

Exploring how fast (or slow) the Luxury market can operate – I.E. a pro- re-seller buys today from Balenciaga, wears it one week (max exposure on social media) – re-sells it in a week for the full or above RRP – re-invest in a new piece and the chain goes on.

On the contrary – Sotheby's selling Hermes' Kelly on a buy now option – as an investment piece.

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The research may start to differentiate what is the value of Luxury Fashion in this market, opposed to value of Timeless Luxury and how the process, business models and supply chains are invested in by the sector and the end user.

### **Originality and Value**

This study makes a key contribution by presenting a holistic and up-to-date conceptual framework for luxury re-commerce.