

The Shift Towards Circular Fashion: Analysing the Role of new Players in Second-Hand Fashion Industry.

Abstract

The global fashion industry is emerging with a significant transformation driven by the principles of the circular economy. Firms may adopt new distribution strategies in the framework of product life cycle extension and digitalization (recommerce) as new circular business models. The research examines the burgeoning role of online platforms specializing in second-hand fashion in contrary to traditional retail stores and analysing their potential to reshape consumer behaviour and business models.

Using quantitative trend analysis based on secondary data from sources such as Statista and Orbis, the study identifies key trends in the adoption and growth of second-hand fashion markets. The findings highlight the increasing consumer shift towards sustainable fashion choices and the rising market share of online resale platforms.

The study discusses the strategic opportunities these platforms present for fashion brands to engage in online second-hand sales, thereby enhancing their sustainability credentials while accessing new revenue streams. The study concludes by offering insights into the potential future trajectory for the fashion industry within a circular economy, emphasizing the critical role that online second-hand platforms will play in this transition.

Keywords: circular economy, recommerce, fashion, retail, luxury

Introduction

One of the first industries to act upon sustainability practices was the fashion industry, and in modern day, this can be seen through the various amount of fashion brands that take part in take-back, resale, reuse, and recycling programs (Pedersen et al., 2016). In fact, fashion swapping is considered a resource-effective practice since it prolongs the life cycle of a product by passing it onto another consumer (Leismann et al., 2013). Consequently, it is not unexpected that collaborative concepts are increasingly being embraced by stakeholders in the fashion industry (Pedersen & Netter, 2015).

In this regard, the seller can get rid of something that is no longer useful to them, and the buyer may be able to obtain the product at a much lower price than the retail price when it was new (Knopf, 2012). For instance, women can stay fashionable either by purchasing used products or through the rental of clothes and accessories via online sites like Vinted, Vestiaire Collective, The RealReal, and Rent the Runway (Owyang et al., 2013).

Organizations that engage in a sharing economy model can rent their products multiple times, sometimes earning more than traditional retailers (Reddinger, 2014). Companies that operate on a circular economy model also prolong the consumption cycles of resources, which reduces internal production costs (Kortmann & Piller, 2015). Subsequently, this practice presents a financial benefit for companies since it involves less resource-intensive processes for production (Kortmann & Piller, 2015). To analyse and captivate the CE benefits in terms of environmental and economical, some businesses initiated to innovate their business model (Ellen MacArthur Foundation,

2017). Fashion industry adopted the circular business model approach which can be identified as taking part in reselling of existing products, recycling, remanufacturing and upcycling.

Recently, brand manufacturers have realized how vital consumers' psychological perceptions are and trying to utilize services of online sales channel to boost their brand effect (Yuan shi, et al. 2024). With this realization, brand manufacturers prefer to collaborate with online retailers in offering two types of Online Sales Channels (OSCs). The first type, the reselling channels, involves manufacturers or retailers directly selling pre-owned or returned items through their own platforms or partnerships. The second type, the marketplace channels, allows various sellers, including both businesses and consumers, to list and sell their products, often second-hand, on a common platform (such as eBay or Vestiaire Collective). This distinction between OSCs is critical, as highlighted by Hagiwara and Wright (2014), in defining how businesses engage with the second-hand fashion market.

This has put the second-hand phenomenon front and centre with the sudden, simultaneous growth of resale markets. Companies are investigating a variety of ways to capitalize on resale opportunities and manage the lifecycle of their products, adding value for their consumers while protecting the integrity of the primary market.

This means that targeting future generations requires fashion brands to take into consideration the resale market, which is expected to grow four times faster than the primary market at a growth rate of 12% each year versus 3% (BCG 2019); they need to find a suitable way of entering this market. The enduring and easily identifiable aesthetics, superior quality, elevated prices, and exclusivity achieved through limited availability are all valued traits of branded merchandise, which simultaneously provide a robust foundation for the branded fashion resale market (Dubois et al. 2001; Kapferer and Michaut-Denizeau 2015). Considering the this shift we are trying to understand in this study that: How fashion industry is changing in context of circular economy specifically by investigating what is the potential of online platforms deal in selling of second-hand fashion.

Literature Review:

Circular Economy and Recommerce in Fashion

The Circular Economy presents an opportunity for organizations to generate entirely new revenue sources from the residual value inherent in their products (Romero & Rossi, 2017). The economic prospects associated with CE are significant. For fashion retailers, CE is perceived as a viable method to enhance the economic value generated while simultaneously reducing their environmental impact (Leal Filho et al., 2019). Nonetheless, companies face challenges in realizing this potential. One contributing factor to this situation is the relative ambiguity surrounding the cost and revenue frameworks (Linder & Williander, 2017).

A further significant factor is that the implementation of Circular Economy (CE) necessitates a transformation in the operational practices of fashion retailers. The novel and evolving innovations associated with circular business models can be intricate and fundamentally distinct from the traditional linear frameworks of the company.

Instances, these changes may necessitate alterations in the methods of providing value to customers, which can pose considerable challenges and consequently heighten the risk associated with successful execution (Lewandowski, 2016).

Involving in the practice of reusing and recycling of textile materials could be a way to gain socio economics benefits and a strategy to increase overall national economy (Cuc and Vidovic, 2011). The consultancy firm McKinsey shared their report with European Union projecting the economic benefits of circular model could reach 1.8 trillion till the year 2030.

The EU policy report of 2015 on the benefits of CE projected that it creates new opportunities for business, innovativeness and more beneficial paths of consumption, production and opportunity for social integration. CE promotes the zero-waste design, reuse of products, resource sharing and repairability practices. In results these measure product's life cycle from production to disposal (Mishra, et al. 2020).

As per (Diddi et al. 2019), post-consumer textile waste generated increased by nearly 50%, while over 11 million tons, 85% of the clothing was deposited in landfills across the United States in the year 2015. On the global stage, only about 20% of all clothing is collected for reuse or recycling, while about 80% goes to landfills.

As consumer awareness regarding sustainability concerns rises, the practices of upcycling and material recycling are gaining popularity (Wang et al. 2020). Considering the growing interest in sustainable consumption, recommerce defined as the buying and selling of second-hand goods has emerged as a widely adopted business model (Ahn and Kwon 2022; Tang, Zhou, and Warkentin 2022). In the customer-to-customer (C2C) context, there has been a notable transition from conventional resale markets to digital platforms, resulting in swift advancements within the recommerce sector (Tang and Chen 2022; Ting and Ahn 2023).

Recommerce, often referred to as resale, constitutes a customer-to-customer (C2C) business model whereby individuals or enterprises engage in the purchasing and selling of pre-owned goods (Tang and Chen 2022). This phenomenon includes a diverse range of products, such as electronics, apparel, furniture. Platforms dedicated to recommerce enable the transfer of these products, fostering sustainability by prolonging product lifespans and minimizing waste (He et al. 2023). Previous research shows that the process of developing a means of capturing possible customers and retaining the existing ones is very important for the profitability of the business (Ahn and Kwon, 2022; Tang, Zhou and Warkentin, 2022).

The Rise of Online Second-Hand Market Players and Business Model Innovation

In recent times, brand manufacturers have acknowledged the importance of consumers' psychological perceptions and are endeavouring to leverage online sales channel services to augment their brand influence (Yuan shi et al., 2024). Driven by this understanding, brand manufacturers opt to partner with online retailers to provide two distinct forms of OSCs, namely the reselling and marketplace channels (Hagiu and Wright, 2014).

The circular economy initiative increasingly draws inspiration from the business models literature, while also offering mutual inspiration. A business model broadly to be: "the logic of how an organization creates, delivers, and captures value"

(Osterwalder and Pigneur, 2010). As this definition would suggest, the concept of value is inherent in the understanding of a business model. Traditional literature on business models has tended to perceive value from both customers and the organization in the light of economic value, according to Evans et al. (2017).

A variety of business models have emerged within the recommerce fashion sector, as brands and retailers implement distinctive strategies to leverage the growth of this market segment. Alongside conventional physical retail distribution methods, the transaction of second-hand items has significantly increased among both new entrants and established online retailers (Goddevrind et al., 2021). A notable instance of this trend is The RealReal, an American consignment retailer specializing in the online sale of pre-owned luxury merchandise. Furthermore, the practice of clothing rental has experienced a notable rise in popularity over the past few years, with projected revenues anticipated to increase from US\$3.9 billion in 2019 to over US\$7 billion by 2025 (Inside Fashion's Rental Market, 2021). These emerging business models and practices represent a worldwide trend observed across various international markets (Berg et al., 2021; Wang et al., 2022).

The implementation of used clothes take-back programs by various brands represents a growing trend among fashion retailers aimed at enabling value generation from second-hand apparel, thereby integrating fashion brands into the domain of used garment collection (Choi et al., 2015; Stål and Corvellec, 2018). Regrettably, in contrast to their online retail counterparts, brand manufacturers generally exhibit a deficiency in the requisite knowledge (such as direct consumer contacts and consequently consumer preferences) and abilities to execute these tasks with efficacy (Yan et al., 2019). Such shortcomings have hindered their capacity to fully capitalize on marketplace channels (Arya et al., 2007).

Kering, a worldwide luxury conglomerate, made an investment in Vestiaire Collective, a marketplace dedicated to second-hand luxury items (Kering 2021), and obtained approximately a 5% equity interest from the resale giant, simultaneously taking on the role of a Board member at Vestiaire Collective (Vogue 2021b). Numerous luxury brands, including Stella McCartney, Gucci, and Burberry, are engaging in partnerships with The RealReal, a consignment retailer specializing in pre-owned luxury merchandise (BoF 2020b).

A significant issue for brands pertains to the assessment of the possible effects that their participation in resale activities may have on their current operations (McKinsey & Company, 2021). This concern is particularly evident within the luxury sector, as illustrated by the Kering group, which possesses and oversees prestigious luxury labels including Gucci, Yves Saint Laurent, Bottega Veneta, Balenciaga, and Alexander McQueen. Kering has invested in the luxury resale platform Vestiaire Collective in its endeavour to enhance customer experience and develop sustainability further (McKinsey & Company, 2021). They reveal that the extension of the second-hand luxury market has been primarily driven by the emphasis on sustainability by young consumers and a growing tendency towards social shopping and online communities. Kelleci, 2022. Moreover, second-hand business models also started to attract the interest of luxury conglomerates (Turunen et al., 2020).

By the year 2023, efforts are being made to make it very different: one out of five garments traded is through a circular business model, says McKinsey & Company 2020, for sustainability, a circular economy, lessened waste, and responsible consumption. Consequently, a number of stores and marketplaces dedicated to the sale of pre-owned luxury fashion have emerged within the market.

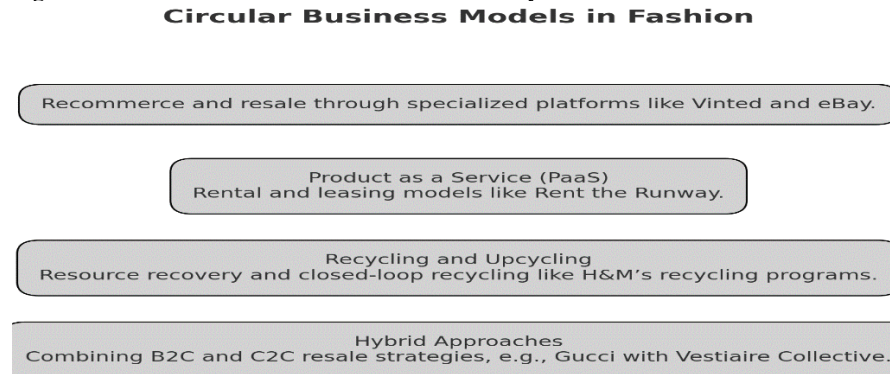
It has indicated a growing trend for consumers towards second-hand stores. Also, the development of fashion groups that have begun collaborating with new second-hand business formats. Turunen et al. (2020) have compiled evidence in Burberry's collaboration with the consignment platform TheRealReal to effect inspiration for a circular economy. According to ThredUp (2022), more than 50% of retail managers without resale efforts seem to consider themselves behind the competition in their industry. In online resale of luxury items, Vestiaire Collective has positioned its marketplace as one of the benchmarks within the industry, as it is recognized to be the most-used marketplace by consumers (Boston Consulting Group, 2019). This previous report outlines the following consumer's purchasing preferences of secondhand products through digital platforms: Vestiaire Collective has ranked first with a 16% share, while Vinted is in the second position with 14 %.

The online second-hand resale market is experiencing significant growth, fueled by the economic, environmental, and leisure advantages associated with the purchase and sale of pre-owned goods (Bae et al., 2022). A survey conducted in 2023 by Cencuswide showed that 27 percent of global shoppers used second-hand online marketplaces and websites establishing them as the preferred channels among shoppers. Additionally, second-hand retailers are observing an increasing consumer preference for online shopping (Sorensen & Jorgensen, 2019). Max Bittner, the Chief Executive Officer of Vestiaire Collective, posits that the practice of purchasing and selling second-hand apparel is poised to become a common behavior among consumers, like its current prevalence among numerous young consumers (McKinsey & Company, 2020). Growing potential of fashion resale market is linked with different facets, involving the efficient and specialised digital platforms and change in behaviour of consumers (McKinsey & Company, 2021). The growing potential of online players in second hand fashion industry promotes circular behaviour in fashion. These businesses providing fashion products to Millennial and Gen Z customers through their recommerce model (Aycok et al., 2021).

Table 1: Circular Business Models in Fashion and Examples

Circular Business Model	Examples	Source
Recommerce and Resale	Vinted, eBay	McKinsey & Company (2020), BCG (2019)
Product as a Service (PaaS)	Rent the Runway	Ferraro et al. (2016)
Recycling and Upcycling	H&M's recycling programs	H&M Sustainability Report (2021)
Hybrid Approaches	Gucci partnering with Vestiaire Collective	Kering (2021)

Figure 1: Circular Business Models in fashion industry



Source: Compiled by the author based on information from [relevant sources, e.g., McKinsey & Company (2020), BCG (2019), H&M Sustainability Report (2021), Kering (2021)].

Methodology

This paper employs a quantitative trend analysis based on secondary data and reports from online databases such as Statista and Orbis. Trend analysis is the process of analysing data over a period to identify patterns or trends. (Thomas Norman, 2012). It can be conducted manually or with specialized software (Thomas Norman, 2012). Trend analysis can be used for various purposes such as detecting long-term network behaviours, forecasting future values (James D. McCabe, 2007). The analysis is based on secondary data collected from well-established online databases, including Statista and Orbis, which are known for providing comprehensive market insights and financial data.

The data collection focuses on key variables relevant to the growth of second-hand fashion platforms, including market size, growth rates, and consumer demographics. The primary platforms analyzed in this study eBay, Vinted, Vestiaire Collective, and Depop were selected due to their leading roles in the second-hand fashion market. These platforms have demonstrated significant growth and innovation in the recommerce space, positioning themselves as key players in the transition toward a circular fashion economy.

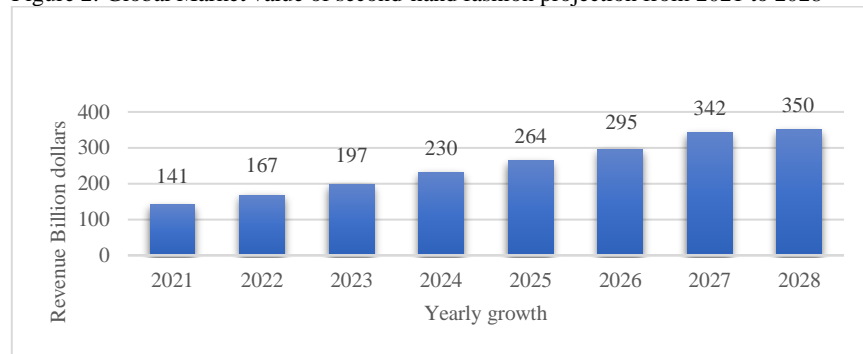
Data were collected for the period ranging from 2017 to 2028, allowing the study to identify long-term trends and projections in the second-hand fashion market. Specific focus was placed on the period 2021 to 2024, during which the second-hand fashion industry experienced accelerated growth due to increasing consumer awareness of sustainability, economic shifts, and technological advancements in online retail platforms.

The types of secondary data used in this research include Market value projections for second-hand fashion (globally and regionally), Consumer behaviour metrics, such as demographics, and preferences for online platforms. Platform-specific metrics, including user engagement, transaction volumes, and growth in mobile app downloads.

The quantitative analysis aims to reveal patterns of adopting second-hand fashion, the increasing market penetration of recommerce platforms, and the implications for fashion brands adopting circular business models. By employing trend analysis, the study examines that how the second-hand fashion market will develop over the coming decade.

Analysis Results

Figure 2: Global Market value of second-hand fashion projection from 2021 to 2028



*Source: Thread up global data at Statista 2024

The C2C e-commerce fashion and beauty market in the EU was approximately 15 billion euros in value in 2022, and by 2026, it is expected to reach a value of more than 21 billion euros, up 42 percent.

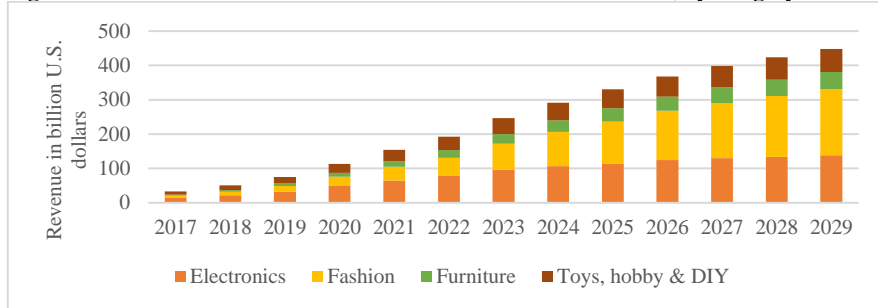
Figure 3: European Market Value of C2C online recommerce fashion market 2022-2026



Source: CBC Commerce Europe September 2023

The second-hand e-commerce, or re-commerce market revenue worldwide, is set to grow uninterruptedly from 2024 to 2029. Revenue for the industry is projected to achieve 448B Dollars in 2029.

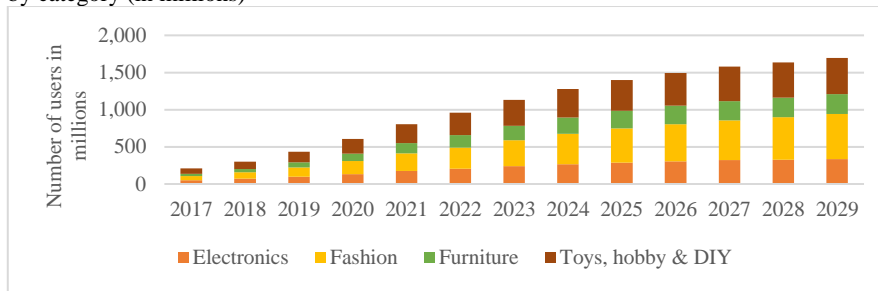
Figure 4: Global Revenue of re-commerce market from 2017 to 2029, by category



Source: Statista Research Department, Jul 1, 2024

It is expected that the number of users of second-hand e-commerce, otherwise referred to as re-commerce, would continue growing. In 2029, it is projected that there will be 608.4 million users of second-hand e-commerce in the fashion category.

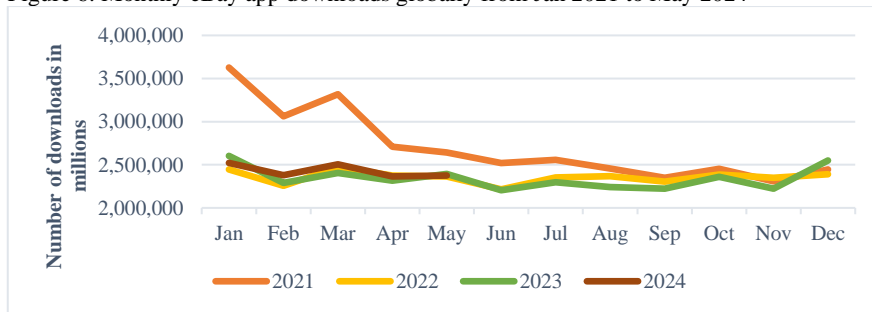
Figure 5: Number of users involved in second-hand e-commerce globally from 2017 to 2029, by category (in millions)



Source: Statista Research Department, Jun 24, 2024

The well-known C2C platform eBay recorded 2.37 million downloads of the mobile app in May 2024 across the world. The highest monthly global download rate occurred in January 2021: 3.62 million for the respective month.

Figure 6: Monthly eBay app downloads globally from Jan 2021 to May 2024

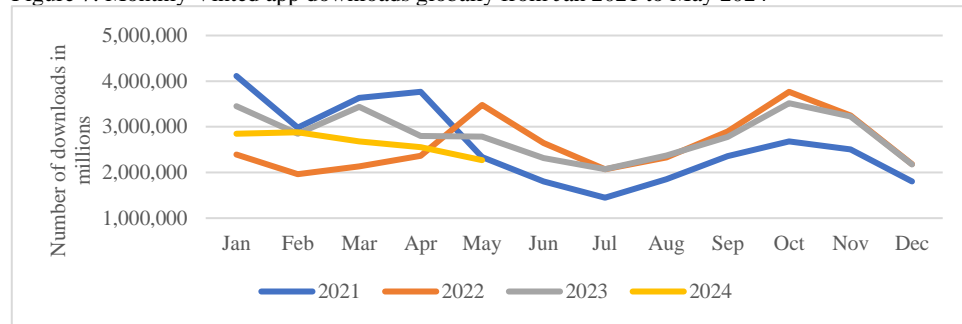


Source: App Magic data Published on Statista

In May 2024, Vinted, an online marketplace for buying and selling second-hand apparel, recorded 2.26 million downloads of its mobile app. It reached a high of 4.1 million downloads in January 2021. Throughout the full year 2021, the app saw over 30 million downloads worldwide.

By the volume of global downloads, Vinted is among the most popular clothing shopping apps on a global scale. This Lithuanian platform is available in the United States, but it enjoys the highest level of popularity within Europe. In the United Kingdom, for example, in 2022 Vinted was considered the most downloaded app in the fashion and beauty shopping category. In France, Vinted reached the status of the most downloaded application within the same category. Vinted ranked as the second most visited website after Zalando.de in Germany with almost 4 percent of desktop visit share.

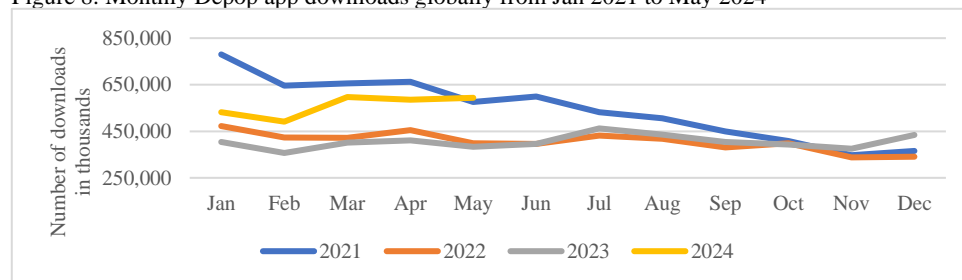
Figure 7: Monthly Vinted app downloads globally from Jan 2021 to May 2024



Source: App Magic data Published on Statista June 2024

Depop is the UK-based social commerce app, with a total of 594,000 downloads worldwide in May 2024. The download figures of this application stand at their peak during the month of January 2021, with over 780,000 downloads for that month.

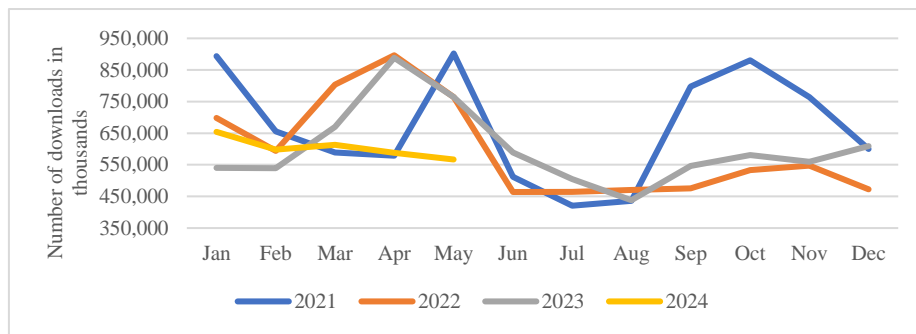
Figure 8: Monthly Depop app downloads globally from Jan 2021 to May 2024



Source: App Magic data Published on Statista June 2024

The C2C e-commerce mobile app Vestiaire Collective was downloaded around 567,000 times in May 2024 to buy and sell second-hand designer apparel. In May 2021, downloads peaked with over 900,000 downloads.

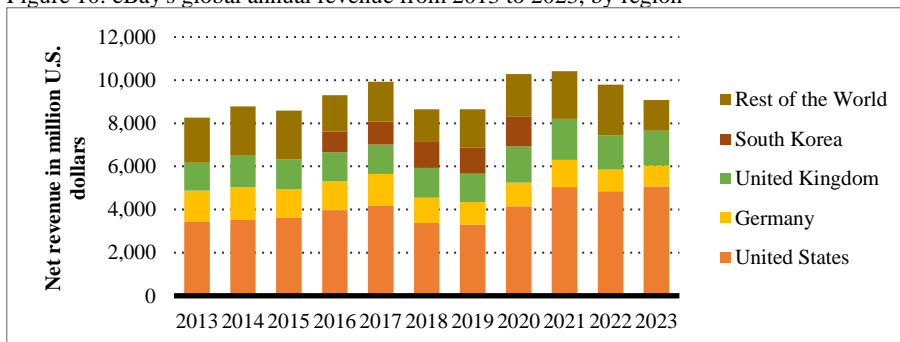
Figure 9: Monthly Vestiaire Collective app downloads globally from Jan 2021 to May 2024



Source: App Magic data Published on Statista June 2024

As highlighted by the geographical distribution of eBay net revenues, the United States remained the most important market for the company. In 2023, eBay reached over 5 billion U.S. dollars in revenue in the United States alone, higher compared with the previous year. In the United Kingdom, eBay revenues amounted to 1.6 billion U.S. dollars in 2023. Pre-owned and refurbished account for 40% of eBay's GMV. The amount of sold clothing, shoes, and accessories with "thrift" in the description on eBay globally surged by more than 400% in March 2024 vs. March 2023. While interest in apparel remains strong, goods for collections and hobbies saw a healthy increase in interest-especially among Gen Z at 10% and Millennials at 6% YoY.

Figure 10: eBay's global annual revenue from 2013 to 2023, by region

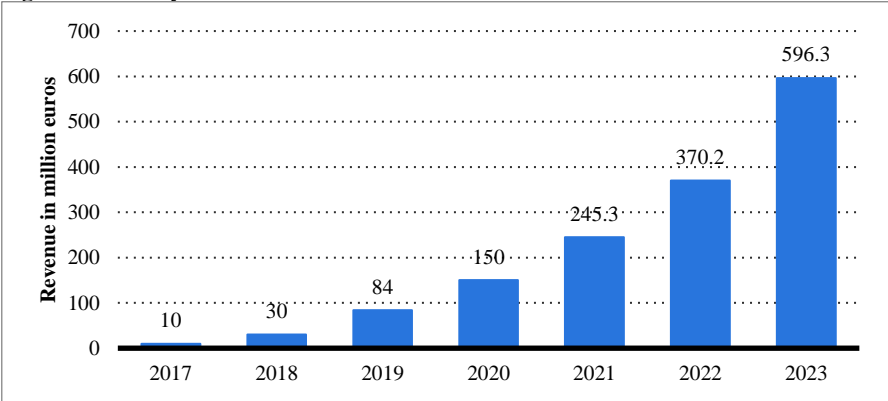


Source: eBay & [Statista Research Department](#), Jun 3, 2024

Vinted, a Lithuanian C2C e-commerce company selling second-hand fashion, experienced tremendous revenue growth in 2023 with revenue of more than €596 million. This is a hike of 61 percent compared to the previous year. Such sudden growth

in revenues has brought Vinted among the largest e-commerce companies around the world, reflecting the future of customers towards sustainable and second-hand apparel.

Figure 11: last 7 years Revenue of Vinted



Source: Statista June 2024; Vinted

In 2023, the United States had the highest Depop gross merchandise volume, amounting to about half of the total volume. The UK took second place with an approximate share of 28 percent. Coming third was Australia, with a GMV share of almost eight percent.

Table 2: Depop’s Share of Gross Merchandise Volume in 2023

	GMV share
United States	50.7%
United Kingdom	28.3%
Australia	7.8%
Canada	3.1%
Italy	1.3%
Germany	1.1%
Ireland	1%
France	0.8%

Source: EcommerceDB.com

The following chart shows data on second-hand buyers. Results are based on the Statista Consumer Insights, surveyed in 2024. The United Kingdom leads the ranking,

with 63 percent of respondents saying that they purchased second-hand items within the last 12 months, followed by Sweden - 62%, and the U.S. - 60%.

Table 3: E.U Share of second-hand buyers in as of March 2024

	Second hand buyers	Non-second-hand buyers
United Kingdom	63%	37%
Sweden	62%	38%
Poland	59%	41%
Finland	58%	42%
France	57%	43%
Switzerland	56%	44%
Germany	54%	46%
Netherlands	52%	48%
Austria	48%	52%
Spain	47%	53%
Italy	43%	57%

Source: Statista Consumer Insight May 2024

In the first quarter of 2023, the share of Gen Z consumers purchasing second-hand goods online was highest in France and Poland, at 82 percent each. By contrast, in the same period, Norway and Spain had the largest shares of Gen Z consumers selling second-hand items online, with 83 percent and 79 percent respectively.

Table: 4 Buying and selling ratio of E.U consumer who belongs to Gen Z 1st quarter 2023

	Bought	Sold
United Kingdom	78%	69%
Ireland	70%	59%
Germany	70%	73%
Austria	80%	78%
Netherlands	76%	76%
Belgium	71%	67%
France	82%	74%
Sweden	63%	66%
Norway	74%	83%
Finland	81%	78%
Italy	59%	66%
Poland	82%	64%
Portugal	58%	62%
Spain	72%	79%

Source: Kalrna; Nepa, Published on Statista June 2023

Table 5 Comparative Analysis Across Second-Hand Fashion Platforms

Criteria	eBay	Vinted	Vestiaire Collective	Depop
Market Positioning	Largest, global platform	Fast-growing, focused on European market	Leading in luxury fashion resale	Popular with Gen Z, focus on social commerce
User Engagement	2.37 million app downloads (May 2024)	2.26 million app downloads (May 2024)	567,000 app downloads (May 2024)	594,000 app downloads (May 2024)
Growth Rate	Steady, 40% GMV from second-hand items	61% revenue growth (2023)	25% revenue growth (2023)	Estimated 39% growth in GMV (2023)
Revenue Model	Transaction fees from listings and sales	Commission on sales, listing fees	Commission on high-end luxury item resales	Transaction fees, commission on social sales
Revenues	\$9.8 billion (2023)	\$300 million revenue (2023)	\$262.1 million revenue (2023)	\$63 million revenue (2023)

Source: Compiled by the author based on information from McKinsey & Company (2020), BCG (2019), Business of Apps (2024), Growjo (2023), eBay Financial Reports (2023)

Discussion

The analysis reveals a significant increase in the market size of second-hand fashion, with online platforms playing a crucial role in this growth. Data from Statista and Orbis indicate that the second-hand fashion market has grown substantially over the past decade, driven by factors such as increased consumer awareness of sustainability issues and the rise of digital marketplaces. The demographic analysis shows that younger consumers, particularly millennials and Gen Z, are leading this shift, with a strong preference for sustainable fashion options.

Brands, particularly in the luxury segment, are increasingly recognizing the potential of the second-hand market. The analysis reveals that prominent fashion brands, such as Gucci, Burberry, and Stella McCartney, have actively engaged in the resale market by forming strategic partnerships with online second-hand platforms like The RealReal and Vestiaire Collective. These collaborations allow brands to maintain control over the resale of their products while promoting sustainability and extending the lifecycle of luxury fashion items. Recent reports from McKinsey (2021) highlight that such partnerships not only cater to the growing consumer demand for sustainable fashion but also provide brands with new revenue streams and the opportunity to appeal to younger, eco-conscious consumers. This trend presents opportunities for brands to enhance their sustainability credentials and tap into new revenue streams and this is also an opportunity for brands to innovate their business model.

Seeking the potential of this market its time to ponder for luxury brands to get into this space or make some collaborations to hold up their brand image and capture this exponentially growing market which can be a new income stream for them while

contributing towards a sustainable agenda and make this part of their marketing strategy. The new players discussed in this study are mostly on C2C Business model and it poses an opportunity for fashion brand to involve in take back initiative and a go with a B2C model where they can have more control over product and economic benefits due to great growth of this market. Brands need to engage in the second-hand market and do awareness campaigns to make it possible for direct consumer resale programs, and the integration of circular design principles to stay competitive in this marketplace.

Conclusion

The fashion industry is at a crossroads, with the circular economy offering a path toward greater sustainability and new circular business model. The paper discussed the implications of these trends for the future of the fashion industry, including the potential for further growth in the second-hand market and the broader adoption of circular practices by fashion brands.

Online second-hand fashion platforms have emerged as a critical component of this shift, providing consumers with accessible and sustainable fashion options while offering brands new opportunities for engagement and enhance their revenue stream. As the second-hand market continues to grow, it is likely to play an increasingly important role in shaping the future of fashion. This paper highlights the need for brands to embrace these opportunities and consider how they can integrate circular practices into their business models to remain competitive in a rapidly changing industry.

From a theoretical point of view, our study helps further exploring the recommerce as new circular business strategy in digital space. And the innovation business can make in their model in context of circularity. The findings underscore the transformative potential of online second-hand fashion platforms in the context of a circular economy. By extending the lifecycle of fashion products and promoting sustainable consumption, these platforms are contributing to a more circular fashion system.

Despite the valuable insights gained from this research, several limitations should be acknowledged. First, the analysis is confined to a specific subset of platforms eBay, Vinted, Vestiaire Collective, and Depop which are leaders in the second-hand fashion market. While these platforms represent significant players in the industry, the exclusion of other regional or smaller platforms may limit the generalizability of the findings, especially in non-Western markets where recommerce might function differently. Secondly, this study does not account for the impact of local regulations and policy changes that might affect the growth of second-hand markets. These factors, such as trade restrictions or new environmental policies, could either foster or hinder the expansion of resale platforms and should be considered in future analyses.

To build upon the findings of this study, several areas warrant further exploration. First, future research could focus on examining additional second-hand platforms that cater to niche markets or operate in regions not covered in this study, such as Asia, South America, or Africa. A broader geographic scope would provide a more comprehensive understanding of global recommerce dynamics. Second, future studies could benefit from the inclusion of primary data collection, such as consumer surveys or interviews with platform operators and fashion brands. Such data would offer deeper insights into

consumer motivations, perceptions of sustainability, and potential barriers to adopting second-hand fashion, particularly across different age groups and socioeconomic backgrounds. Finally, there is a need to explore brand-level case studies to understand how individual luxury and non-luxury fashion brands navigate the transition to circular business models. Analyzing how these brands integrate resale strategies into their broader sustainability agendas could offer valuable lessons for other businesses considering similar moves.

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