The Reuse Report
The growth of the resale economy
October 2021
The Reuse Report

Foreword

We all have things we don’t use, never used, or simply outgrew. In fact, American households have **23.6 billion unused items** stored in garages, closets, storage units, and the like. Spanning everything from vintage collectibles to household goods, electronics to baby gear, these unused items are entering the circular economy as more consumers sell things they no longer need.

A core tenet at Mercari is the idea of “**reimagining reuse**.” We believe that unused items still have value and that it’s a win-win for everyone if these items can find a new life with someone else. Reuse goes beyond the resale of items and speaks to how consumers can reduce waste and extend the life of unused items by exchanging, donating, gifting, and DIY.

Last year, Americans spent **$140 billion on secondhand goods**. By 2030, we expect that will increase by 154% to **$354 billion**. Over the years, recycling and buying organic was more of a niche behavior, but it has now become a way of life. We feel the same way about “reuse.”

In our first-ever Reuse Report, we’ve uncovered the sheer size and scale of the reuse ecosystem beyond apparel and across household categories. We’ve explored the resale market’s expected growth trends over the next 10 years, and the motivations driving the ever-growing community of people participating in buying and selling secondhand.

Our research also examines the state of unused items to understand how households across America dispose of them, what prompts people to sell, and what motivates people to participate in the circular economy.

We’ve reached a turning point where reuse is becoming a conventional way of life, rather than the exception. More people than ever are getting involved in the secondhand economy — Gen Z of course, but also men, Baby Boomers and more.

We hope you will join us in embracing reuse as a lifestyle that’s not only good for your wallet, but also good for the world.

John Lagerling
Mercari US CEO
Section One

The resale market
The Reuse Report

The resale market: summary

Reuse quickly becomes the convention, reaching $354B by 2030.

- In 2020, Americans spent $139.6 billion on secondhand goods. The scale of this market, which represents around 5% of all non-food retail sales, is often underestimated because it spans a wide variety of channels – some of which are informal, such as yard sales and estate sales.

- Reuse and resale is becoming the convention rather than the exception. The robust performance over recent years along with growing consumer acceptance of the circular economy, are propelling resale into the mainstream.

- From 2015 to 2020, the market grew by 53.3% or $48.6 billion. This is significantly higher than the 12.2% retail growth during the same period. While the pace of expansion eased during 2020, secondhand still posted a 7% rate of growth. This is up from the 4.1% retail growth rate.

- In 2021, resale is projected to grow by 14.6%, with an estimated sales of $160.1 billion.

248.7% expected growth rate for online resale by 2030; 55% of resale volume.

- By 2025, the secondhand market is projected to be worth $244.7 billion, and by 2030 estimated to reach $353.9 billion. This 153.5% growth in resale over the 2020 to 2030 period is 3.2 times that of the growth anticipated for the retail sector.

- Online currently drives 40% of the resale market. By 2030, online is expected to contribute 55%. This equates to a growth rate of 248.7% between 2020 and 2030.

- On a category level, kidswear is the fastest growing resale market and is projected to increase by 493.6% over the next 10 years.

- Within the online resale channel, there is favorable growth from home categories. Between 2020 and 2030, secondhand home improvement is forecasted to increase by 211.5% and homewares is expected rise by 185.9%.
The Reuse Report

**Resale will more than double by 2030**

Total value of the resale market for each year
United States

Last year, the resale market was worth $139.6 billion. By 2025, it is projected to grow to $244.7 billion, and by 2030, it is on track to reach $353.9 billion. This makes resale one of the fastest growing channels for consumer spending.

The growth rate is projected to be 3.9x from 2015 to 2030 and 2.8x from 2020 to 2030.

The 153.5% growth in resale over the 2020 to 2030 period is 3.2 times that of the growth anticipated for the retail sector.

Source: GlobalData market analysis and forecasts
Data includes consumer spending on all resale or secondhand products, through all channels for each year. Automotive parts are included, but secondhand vehicles are excluded. 2025 and 2030 are forecasts.
Resale is scaling rapidly to reach $354B by 2030

From 2015 to 2020, the total resale market grew by 53.3% or $48.6 billion. This is higher than the 12.2% retail growth during the same period.

While the pace of resale expansion eased during 2020, largely due to reduced demand through offline channels, secondhand posted a 7% growth — taking the segment to $139.6 million of sales. This is higher than retail’s 4.1% growth.

Data includes consumer spending on all resale or secondhand products, through all channels for each year. Automotive parts are included, but secondhand vehicles, like cars, are excluded. 2021 and onward are forecasts.

Source: GlobalData market analysis and forecasts
The Reuse Report

Resale growth expected to consistently outpace retail sector growth

Annual growth rate for resale spending
United States, % growth

Although growth slowed in 2020, due to reduced apparel purchasing and negative offline growth, the resale market has grown consistently during the past five years.

This growth is set to continue over the next decade, with a very strong bounce back in 2021. Resale in 2021 is predicted to grow by 14.6%, significantly higher than the 7.7% growth predicted for the retail sector.

Resale growth slows during the latter part of the forecast as the market matures — but remains stronger than overall retail growth rates.

Growth is expressed on a year-over-year basis. Data includes consumer spending on all resale or secondhand products, through all channels for each year. Automotive parts are included, but secondhand vehicles, like cars, are excluded. 2021 and onward are forecasts.

Source: GlobalData market analysis and forecasts
Online resale expected to grow 1.8x faster than offline resale between 2020 and 2030

Total resale market value split by online and offline for each year
United States, $ billions

By 2026, online is estimated to account for the majority of resale.

Although physical locations still account for most secondhand sales, the value of this channel fell by 3.5% in 2020. By comparison, online sales grew by 27.8%.

Physical sales is expected to pick up again in 2021, with 13.6% growth, but this falls below the 16.1% expected growth of online.

Source: GlobalData market analysis and forecasts
Data includes consumer spending on all resale or secondhand products, split by online and offline. Automotive parts are included, but secondhand vehicles are excluded. 2021 and onward are forecasts.
Online resale penetration continues to expand

Proportion of resale made online and offline
United States

Online

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage of sales online</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>40.2%</td>
</tr>
<tr>
<td>2030</td>
<td>55.3%</td>
</tr>
</tbody>
</table>

Total online growth from 2020-30: 248.7%

Offline

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage of sales offline</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>59.8%</td>
</tr>
<tr>
<td>2030</td>
<td>44.7%</td>
</tr>
</tbody>
</table>

Total offline growth from 2020-30: 89.4%

Online is powering most of the growth of resale, and currently contributes 40% of the resale market.

By 2030, it is estimated to expand to 55% of the market, equating to a growth rate of 248.7% from 2020 to 2030.

Source: GlobalData market analysis and forecasts
Data includes consumer spending on all resale or secondhand products, split by online and offline. Automotive parts are included, but secondhand vehicles are excluded. 2021 and onward are forecasts.
The Reuse Report

2020 resale category contribution by value

Resale category map for 2020
United States, figures represent $ billions of sales for each category

- **Electronics**: $27.5B
  - Computing: $9.5B
  - Other Electronics: $8.8B
  - Communications: $7.3B
  - Appliances: $1.9B

- **Apparel**: $26.6B
  - Womenswear: $16.3B
  - Footwear: $3.7B
  - Menswear: $3.0B
  - Accessory: $2.6B
  - Kidswear: $1.0B

- **Automotive**: $5.9B

- **Home**: $17.1B
  - Furniture: $5.9B
  - Homewares: $5.8B
  - Home Improvement: $5.4B

- **Leisure**: $13.3B
  - Collectibles: $3.8B
  - Books: $3.2B
  - Musical Instruments: $1.8B
  - Arts and Crafts: $1.8B
  - Sporting Goods: $1.6B
  - Toys: $1.1B

- **Other**: $49.2B
  - Other: $45.7B
  - Beauty: $2.3B
  - Kids/Baby: $1.1B
  - Pet Products: $0.1B

Source: GlobalData market analysis and forecasts

Data includes consumer spending on all resale or secondhand products, through all channels for each year. Automotive parts are included, but secondhand vehicles are excluded. Values in this map are for 2020. “Other” is described in the definitions page.
Breadth of resale categories experienced strong growth in 2020

Growth of spending on resale categories in 2020
United States, % growth

- Accessories: -16.8
- Men’s wear: +155%
- Women’s wear: -11.8
- Footwear: -6.8
- Beauty: -10.1
- Books: 1.1
- Music instruments: 1.2
- Sporting goods: 1.3
- Automotive: 2.1
- Home improvement: 2.4
- Collectibles: 4.1
- Appliances: 6.3
- Automotive: 7.1
- Home improvement: 9.4
- Other: 12.2
- Kids and baby: 12.3
- Arts and crafts: 12.3
- Pet: 12.4
- Home products: 13.6
- Toy: 14.3
- Furniture: 16.9
- Other electronics: 17.2

Source: GlobalData market analysis; Mercari numbers from Mercari

2020 growth is expressed on a year-over-year basis. Data includes consumer spending on all resale or secondhand products in each category, through all channels for each year. Automotive parts are included, but secondhand vehicles are excluded. The orange boxes show the growth of orders on the Mercari platform of various products from the same time period.
The Reuse Report

**Homewares and womenswear peaked online during 2020**

Selection of highest and lowest growth categories by channel in 2020

United States, % growth over 2019

All online resale categories posted growths in 2020. This contrasts with offline resale which contracted due to sharp declines in categories including womenswear, footwear, and kidswear.

<table>
<thead>
<tr>
<th>Online Growth Categories</th>
<th>Offline Growth Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High growth categories (online)</strong></td>
<td><strong>Lower growth categories (online)</strong></td>
</tr>
<tr>
<td>Homewares +60.0%</td>
<td>Books +0.8%</td>
</tr>
<tr>
<td>Footwear +45.8%</td>
<td>Sporting goods +0.3%</td>
</tr>
<tr>
<td>Arts &amp; crafts +42.5%</td>
<td>Briefly +0.8%</td>
</tr>
<tr>
<td><strong>High growth categories (offline)</strong></td>
<td><strong>Lower growth categories (offline)</strong></td>
</tr>
<tr>
<td>Pet products +7.7%</td>
<td>Home Improvement +9.8%</td>
</tr>
<tr>
<td>Homewares +5.0%</td>
<td>Appliances +4.2%</td>
</tr>
<tr>
<td>Furniture +6.7%</td>
<td>Homewares -26.0%</td>
</tr>
<tr>
<td>Appliances -26.6%</td>
<td>Footwear -25.5%</td>
</tr>
</tbody>
</table>

Source: GlobalData market analysis.

2020 growth is expressed on a year-over-year basis. Data includes consumer spending on all resale or secondhand products in each category, online and offline.
Outsized growth expected from apparel and non-apparel categories through 2030

Growth of spending on resale categories between 2020 and 2030
United States, % growth

Source: GlobalData market analysis and forecasts
2020-2030 growth is expressed as the total spending growth over that period. Data includes consumer spending on all resale or secondhand products in each category, through all channels for each year. Automotive parts are included, but secondhand vehicles are excluded.
The Reuse Report

2020-2030 detailed resale category view

Market size and growth for 2020 and 2030
United States, $m and growth %

<table>
<thead>
<tr>
<th>Category</th>
<th>2020, $m</th>
<th>2030, $m</th>
<th>Growth, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kidswear</td>
<td>1,029.10</td>
<td>6,109.10</td>
<td>493.6</td>
</tr>
<tr>
<td>Footwear</td>
<td>3,713.70</td>
<td>21,208.60</td>
<td>471.1</td>
</tr>
<tr>
<td>Accessories</td>
<td>2,634.50</td>
<td>14,085.60</td>
<td>434.7</td>
</tr>
<tr>
<td>Menswear</td>
<td>3,014.00</td>
<td>14,837.30</td>
<td>392.3</td>
</tr>
<tr>
<td>Womenswear</td>
<td>16,303.30</td>
<td>68,763.80</td>
<td>321.8</td>
</tr>
<tr>
<td>Communication</td>
<td>7,319.40</td>
<td>22,915.20</td>
<td>213.1</td>
</tr>
<tr>
<td>Kids and baby</td>
<td>1,054.20</td>
<td>3,128.30</td>
<td>196.7</td>
</tr>
<tr>
<td>Beauty</td>
<td>2,263.80</td>
<td>6,325.40</td>
<td>179.4</td>
</tr>
<tr>
<td>Other electronics</td>
<td>8,845.30</td>
<td>20,713.20</td>
<td>134.2</td>
</tr>
<tr>
<td>Homewares</td>
<td>5,849.00</td>
<td>12,584.10</td>
<td>115.2</td>
</tr>
<tr>
<td>Toys</td>
<td>1,117.00</td>
<td>2,391.60</td>
<td>114.1</td>
</tr>
<tr>
<td>Computing</td>
<td>9,470.10</td>
<td>20,131.30</td>
<td>112.6</td>
</tr>
<tr>
<td>Furniture</td>
<td>5,939.10</td>
<td>12,094.60</td>
<td>103.6</td>
</tr>
<tr>
<td>Home improvement</td>
<td>5,408.00</td>
<td>11,009.10</td>
<td>103.6</td>
</tr>
<tr>
<td>Appliances</td>
<td>1,902.90</td>
<td>3,747.70</td>
<td>96.9</td>
</tr>
<tr>
<td>Sporting goods</td>
<td>1,574.60</td>
<td>3,071.40</td>
<td>95.1</td>
</tr>
<tr>
<td>Pet products</td>
<td>51.9</td>
<td>98.8</td>
<td>90.2</td>
</tr>
<tr>
<td>Collectibles</td>
<td>3,811.20</td>
<td>7,138.10</td>
<td>87.3</td>
</tr>
<tr>
<td>Automotive</td>
<td>5,887.40</td>
<td>10,829.30</td>
<td>83.9</td>
</tr>
<tr>
<td>Books</td>
<td>3,150.40</td>
<td>5,709.50</td>
<td>81.2</td>
</tr>
<tr>
<td>Music instruments</td>
<td>1,815.60</td>
<td>3,089.60</td>
<td>69.1</td>
</tr>
<tr>
<td>Arts and crafts</td>
<td>1,759.80</td>
<td>2,962.80</td>
<td>68.4</td>
</tr>
<tr>
<td>Other</td>
<td>45,718.40</td>
<td>80,998.70</td>
<td>77.2</td>
</tr>
</tbody>
</table>

Source: GlobalData market analysis and forecasts
Table shows market sizes for resale in various categories for 2020 and 2030. Data includes consumer spending on all resale or secondhand products in each category, through all channels for each year. Automotive parts are included, but secondhand vehicles are excluded. "Other" is described in the definitions page.

Kidswear, Footwear, and Accessories are the top three categories with the highest projected growth by 2030.
Section Two

Resale supply
American households are currently sitting on $580 billion worth of unused products.

- Unused products can potentially be monetized in the resale economy and represent a reuse opportunity. $580 billion of unused products that Americans no longer use nor have the use for translates to about $4,517 per household. This includes any condition of product that is saleable.

- In volume, this equates to 23.6 billion items cluttering American homes (184 items per household).

- Polled consumers indicate that the top three categories of unused items no longer in use are clothing (69.2%), shoes (45.7%), and electronics (36%). These match the categories expected to grow the fastest in secondhand sales between 2020 and 2030.

2.9 billion products fit for sale were either thrown away or recycled last year.

- Last year, consumers disposed of 12.6 billion items they were no longer using. Just for unused items (as opposed to general garbage), consumers spent $4.5 billion on disposal last year.

- About 2.4 billion items were donated and another 2.4 billion were sold on online sites. 2.3 billion were given away to family and friends. 2.9 billion products fit for sale were either thrown away or recycled.

- 25.6% of people polled get rid of unused items every month. 23% stated that they cleared out unused items once or twice in the past 12 months; 37.7% indicated three times in the past 12 months.

- 45.6% of younger consumers ages 18 to 24 get rid of unused items at least once a month. This is significantly different amongst the 60 to 75 cohort, with only 14.1% getting rid of items at that frequency.
The Reuse Report

US households are sitting on 23.6B unused items worth $580B

Total value of unused, resaleable items owned by consumers
United States, 2021 numbers

Per household, this equates to 184 items at a total value of $4,517. This indicates the potential for the reuse economy to give life to unused items.

Source: GlobalData market and consumer analysis
Data refers to the total number of unused (as in not currently being actively used with no future intention to use them, rather than things that have never been used) items across American households. Includes only consumer households, not businesses. Includes only the categories covered in this report. Values are estimated dollar value of the products. Data is for 2021, as of September.
The Reuse Report

Items no longer in use are in high secondhand demand

What are the primary categories of items that you no longer use?
United States, % of consumers

The largest categories of items unused are also the categories expected to grow the fastest in secondhand sales between 2020 and 2030.

Source: Zogby Analytics consumer survey, June 2021, n=2,004
References all consumers who have unused items stored in their homes. Values in the graphics are rounded and may collectively exceed 100. "None of these" option not shown.
Americans spend billions on the disposal of unused items

Total consumer spending on disposal in 2020
United States, $

Dumpster rental
$1.5 billion

Commercial collection
$1.2 billion

Payment for packing and shipping
$1.0 billion

Disposal at garbage site
$0.6 billion

Junk removal specialists
$0.2 billion

Total disposal: $4.5 billion

Consumers spent $4.5 billion on the disposal of unused items in 2020.* This is in addition to the fees associated with general household waste and collection.

Source: GlobalData market analysis and forecasts
Total amount spent by consumers and households disposing of unused goods (excluding food and perishable items) in 2020. Costs of general disposal, such as ongoing fees for transfer sites, are excluded. *Excludes general garbage costs.
The Reuse Report

1.6B items thrown away in 2020, missed resale opportunity

Total number of unused items disposed of in certain ways in 2020
United States, billions of items

Last year, consumers disposed of 12.6 billion items they were no longer using.

2.4 billion items were donated, and a similar number were sold on online sites.

2.3 billion items were given away to family and friends. However, 1.6 billion products fit for sale were thrown away.

Numbers refer to the total number of unused (as in not currently being actively used, rather than items that have never been used) items that were disposed of in various ways during 2020. Includes only consumer households, not businesses. Includes only the categories covered in this report.

Source: GlobalData market analysis
Older cohorts get rid of items less frequently than younger cohorts

In the last 12 months, how often did you get rid of items you were no longer using?
United States, % of consumers overall and by age group

<table>
<thead>
<tr>
<th>Frequency</th>
<th>All consumers</th>
<th>18-24</th>
<th>25-44</th>
<th>45-59</th>
<th>60-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>3.1</td>
<td>1.5</td>
<td>2.1</td>
<td>3.0</td>
<td>6.2</td>
</tr>
<tr>
<td>Once or twice a year</td>
<td>23.0</td>
<td>17.1</td>
<td>16.0</td>
<td>26.7</td>
<td>35.9</td>
</tr>
<tr>
<td>Several times a year</td>
<td>37.7</td>
<td>35.8</td>
<td>35.3</td>
<td>37.9</td>
<td>43.7</td>
</tr>
<tr>
<td>Every month</td>
<td>25.6</td>
<td>32.2</td>
<td>31.6</td>
<td>23.2</td>
<td>12.4</td>
</tr>
<tr>
<td>Every week</td>
<td>10.6</td>
<td>13.4</td>
<td>15.0</td>
<td>9.2</td>
<td>1.7</td>
</tr>
</tbody>
</table>

Source: Zogby Analytics consumer survey, June 2021, n=2,004
References all consumers, and consumers split by broad age group. Values in the graphics are rounded and may not sum up to 100.
Getting rid of items mean all methods from disposal and throwing away to donating and selling.

In the same study, 30% of consumers in the 60 to 75 cohort indicated having more than 40 unused items sitting in their homes. This is the highest volume of unused items across all cohorts surveyed.
Section Three

The secondhand buyer
Three out of four Americans purchased secondhand in the last 12 months.

- Over the past 12 months, 74.9% of American adults polled purchased at least one secondhand item. This projects to 196.6 million people participating in the secondhand economy in 2021.

- 84.6% of shoppers ages 18 to 24 bought secondhand over the past 12 months, which is higher than 55.8% of 60 to 75.

- At a channel level, 44.5% of buyers shopped secondhand goods online compared to 35.1% in physical stores. Even among the oldest age group of 60 to 75, one-third of secondhand shoppers buy items online.

Secondhand buyers are motivated beyond just cost savings.

- Clothing is the most popular category purchased secondhand, with 52.8% of polled consumers having bought at least one apparel item over the past 12 months.

- Other popular secondhand categories include home décor (31% of consumers purchasing secondhand) electronics (28.6%) and furniture (27.5%).

- Reasons to buy secondhand are multifaceted. 74.6% consumers indicate saving money as one of their main reasons. 29.4% of people shop secondhand to find unique items, 26.5% like the treasure-hunt aspect of the experience, and 21.6% say it provides them with more choice.
The Reuse Report

75% of Americans buy items secondhand

Over the past 12 months, 74.9% of American adults polled have bought at least one secondhand item. This projects to 196.6 million people participating in the secondhand economy.

Consumers who have purchased at least one secondhand item in the last 12 months
United States, % of consumers overall and by gender and age group

Source: Zogby Analytics consumer survey, June 2021, n=2,004
References all consumers, and consumers split by gender and broad age group.
The Reuse Report

While online is the primary channel, offline still used by 35% of resale buyers

What is your primary channel for secondhand buying?
United States, % of consumers who bought at least one item in the past 12 months, overall and by age group

<table>
<thead>
<tr>
<th>Channel</th>
<th>All consumers</th>
<th>18-24</th>
<th>25-44</th>
<th>45-59</th>
<th>60-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online</td>
<td>44.5</td>
<td>50.0</td>
<td>49.3</td>
<td>40.0</td>
<td>33.0</td>
</tr>
<tr>
<td>In a physical store</td>
<td>35.1</td>
<td>32.0</td>
<td>32.5</td>
<td>38.3</td>
<td>40.1</td>
</tr>
<tr>
<td>In-person garage sale or estate sale</td>
<td>14.8</td>
<td>14.4</td>
<td>12.4</td>
<td>16.1</td>
<td>19.7</td>
</tr>
<tr>
<td>Family and friends</td>
<td>4.2</td>
<td>3.1</td>
<td>4.5</td>
<td>4.7</td>
<td>3.2</td>
</tr>
<tr>
<td>Other, please specify</td>
<td>1.0</td>
<td>0.0</td>
<td>0.7</td>
<td>0.9</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Offline channel represents one-third of secondhand purchases, skewing higher among the 60 to 75 cohort.

Source: Zogby Analytics consumer survey, June 2021, n=1,501
References all resale consumers, and resale consumers split by broad age group. “None of these” and “Other” not shown. Data only includes those who bought at least one resale item in the past 12 months. Offline channel is described in the definition page.
The Reuse Report

Reasons to shop resale vary greatly across generations and demographics

What are your primary reasons for buying secondhand items?
United States, % of consumers overall and by gender and age group

<table>
<thead>
<tr>
<th>Reason</th>
<th>All consumers</th>
<th>Male</th>
<th>Female</th>
<th>18-24</th>
<th>25-44</th>
<th>45-59</th>
<th>60-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>To save money</td>
<td>74.6</td>
<td>70.5</td>
<td>78.3</td>
<td>70.6</td>
<td>72.2</td>
<td>75.8</td>
<td>83.4</td>
</tr>
<tr>
<td>A way to find something unavailable elsewhere</td>
<td>29.4</td>
<td>30.7</td>
<td>28.3</td>
<td>30.7</td>
<td>28.1</td>
<td>26.6</td>
<td>37.2</td>
</tr>
<tr>
<td>It is easy</td>
<td>29.3</td>
<td>29.7</td>
<td>28.8</td>
<td>29.7</td>
<td>29.6</td>
<td>28.7</td>
<td>28.8</td>
</tr>
<tr>
<td>A way to discover new items - like a treasure hunt</td>
<td>26.5</td>
<td>25.0</td>
<td>27.7</td>
<td>32.4</td>
<td>27.9</td>
<td>22.7</td>
<td>23.7</td>
</tr>
<tr>
<td>I can find deals on new or like new products</td>
<td>26.5</td>
<td>22.4</td>
<td>30.2</td>
<td>19.7</td>
<td>22.0</td>
<td>29.4</td>
<td>41.3</td>
</tr>
<tr>
<td>To have more options to choose from</td>
<td>21.6</td>
<td>25.4</td>
<td>18.0</td>
<td>21.6</td>
<td>24.2</td>
<td>19.8</td>
<td>17.6</td>
</tr>
<tr>
<td>Sustainability</td>
<td>18.7</td>
<td>18.4</td>
<td>18.8</td>
<td>19.8</td>
<td>19.4</td>
<td>15.9</td>
<td>20.4</td>
</tr>
<tr>
<td>To immediately resell or 'flip'</td>
<td>17.9</td>
<td>20.2</td>
<td>15.8</td>
<td>19.9</td>
<td>22.8</td>
<td>13.8</td>
<td>8.7</td>
</tr>
<tr>
<td>I love the community</td>
<td>15.3</td>
<td>14.8</td>
<td>15.6</td>
<td>14.3</td>
<td>17.9</td>
<td>13.1</td>
<td>12.6</td>
</tr>
<tr>
<td>A way to find popular or trending items</td>
<td>15.0</td>
<td>17.5</td>
<td>12.4</td>
<td>18.3</td>
<td>17.7</td>
<td>12.5</td>
<td>8.1</td>
</tr>
<tr>
<td>To avoid shopping at mass retailers</td>
<td>12.9</td>
<td>10.7</td>
<td>14.7</td>
<td>12.4</td>
<td>13.7</td>
<td>12.6</td>
<td>11.1</td>
</tr>
</tbody>
</table>

Older resale consumers are more focused on saving money and getting deals.
Younger consumers and males use secondhand to find hard to find items, and because it is easy.

Source: Zogby Analytics consumer survey, June 2021, n=1,501
Values may sum to more than 100% as respondents could select multiple responses.
Secondhand shoppers look beyond apparel and footwear

Categories consumers have purchased secondhand in the past 12 months
United States, % of consumers

Source: Zogby Analytics consumer survey, June 2021, n=1,501
Values may sum to more than 100% as respondents could select multiple responses.
The Reuse Report

On average, secondhand shoppers expect a discount of at least 25% off retail prices

When shopping for items secondhand, what discount off retail prices do you seek given the item is...?

United States, % of consumers

<table>
<thead>
<tr>
<th>Condition</th>
<th>Discount (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>...new with tags</td>
<td>25.6%</td>
</tr>
<tr>
<td>...like new</td>
<td>27.7%</td>
</tr>
<tr>
<td>...gently used</td>
<td>28.6%</td>
</tr>
<tr>
<td>...showing signs of wear</td>
<td>31.6%</td>
</tr>
</tbody>
</table>

Source: Zogby Analytics consumer survey, September 2021, n=2,009
Values in the graphics are rounded and may not sum up to 100.
The Reuse Report

60% are very likely to purchase secondhand in the next 12 months

How likely are you to purchase at least one secondhand item in the next 12 months?
United States, % of consumers overall and by gender and age group

In the past 12 months, approximately 75% of Americans stated that they purchased at least one secondhand item.
This jumps to nearly 88% likely (somewhat and very) to purchase secondhand in the next 12 months.

Source: Zogby Analytics consumer survey, June 2021, n=2,004
Values in the graphics are rounded and may not sum up to 100. Data in the table are for those indicating very likely or somewhat likely.
Section Four

The secondhand seller
The Reuse Report

The secondhand seller: summary

Increased participation in secondhand selling expected in the next 12 months.

- In the past 12 months, 62.9% of the adult population polled, indicate that they have sold at least one secondhand item — which projects to 165 million people.

- Selling a secondhand item in the past year is higher amongst ages 18 to 24 at 74.1% and ages 25 to 44 at 75.7%. In contrast, 36.9% of 60 to 75 sold a secondhand item over the same period.

- Consumers are more likely to sell secondhand goods online — 66.5% of those polled, sold online, while 12.4% sold in physical stores.

- The most popular items sold over the past 12 months include clothing (sold by 41.3%), electronics (29.4%), shoes (26.2%), and home decor (25.6%).

- In the next 12 months, 77.7% of consumers polled are likely to sell at least one secondhand item.

Reasons for selling include making money, disposing of items, and buying new items.

- Reasons why sellers have sold secondhand in the past 12 months: 51.8% to earn some cash, 51.4% to get rid of items that are no longer needed, and 50.5% to declutter and clean.

- Other reasons revolve around new purchases — 35.3% want to make money for new purchases and 30.7% want to make room for new purchases.

- Only 12.3% indicate that selling secondhand goods is their primary income stream.
62.9% of the adult population — which projects to 165 million people — say they have sold at least one secondhand item in the past 12 months. Fewer consumers in the 65 to 75 cohort sell compared to other age groups. This presents an opportunity.
Online dominates secondhand selling

What is your primary channel for secondhand selling?
United States, % of consumers overall and by age group

Online is by far the most popular selling channel due to the ease and simplicity. Older consumers use online less frequently than other groups.

Source: Zogby Analytics consumer survey, June 2021, n=1,260
References all resale consumers, and resale consumers split by broad age group. “None of these” and “Don’t know” are not shown.
Casual sellers turn to secondhand to earn extra cash and declutter

What are your primary reasons for selling secondhand items?
United States, % of consumers overall and by gender and age group

<table>
<thead>
<tr>
<th>Reason</th>
<th>All consumers</th>
<th>Male</th>
<th>Female</th>
<th>18-24</th>
<th>25-44</th>
<th>45-59</th>
<th>60-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Side hustle to make some cash</td>
<td>51.8</td>
<td>47.1</td>
<td>56.9</td>
<td>50.8</td>
<td>53.5</td>
<td>53.3</td>
<td>43.3</td>
</tr>
<tr>
<td>Get rid of items that I no longer need</td>
<td>51.4</td>
<td>50.0</td>
<td>52.7</td>
<td>51.0</td>
<td>44.8</td>
<td>54.5</td>
<td>72.4</td>
</tr>
<tr>
<td>Cleaning &amp; decluttering</td>
<td>50.5</td>
<td>45.7</td>
<td>55.3</td>
<td>46.1</td>
<td>48.4</td>
<td>52.7</td>
<td>60.2</td>
</tr>
<tr>
<td>Make money for new purchases</td>
<td>35.3</td>
<td>37.1</td>
<td>33.3</td>
<td>37.4</td>
<td>39.2</td>
<td>28.7</td>
<td>30.2</td>
</tr>
<tr>
<td>Make room for new purchases</td>
<td>30.7</td>
<td>31.2</td>
<td>30.1</td>
<td>30.3</td>
<td>34.6</td>
<td>26.1</td>
<td>25.2</td>
</tr>
<tr>
<td>Fun experience</td>
<td>19.0</td>
<td>19.6</td>
<td>18.4</td>
<td>14.9</td>
<td>21.5</td>
<td>17.9</td>
<td>16.8</td>
</tr>
<tr>
<td>Allows me to get rid of things on a tight timeline</td>
<td>15.1</td>
<td>14.2</td>
<td>16.0</td>
<td>15.1</td>
<td>16.0</td>
<td>12.7</td>
<td>16.7</td>
</tr>
<tr>
<td>Primary income stream</td>
<td>12.3</td>
<td>14.6</td>
<td>9.8</td>
<td>11.5</td>
<td>15.3</td>
<td>10.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Sustainability</td>
<td>11.6</td>
<td>11.6</td>
<td>11.5</td>
<td>12.9</td>
<td>13.1</td>
<td>9.9</td>
<td>7.2</td>
</tr>
<tr>
<td>I love the community</td>
<td>7.8</td>
<td>8.4</td>
<td>7.1</td>
<td>5.7</td>
<td>8.1</td>
<td>6.0</td>
<td>13.4</td>
</tr>
</tbody>
</table>

Older consumers cite getting rid of unwanted items and decluttering as the top reasons for secondhand selling.

Males skew towards selling in order to make money and make room for new purchases.

Source: Zogby Analytics consumer survey, June 2021, n=1,260
Values may sum to more than 100% as respondents could select multiple responses.
The Reuse Report

Breadth of categories are being sold secondhand

Categories consumers have sold secondhand in the past 12 months
United States, % of consumers

Source: Zogby Analytics consumer survey, June 2021, n=1,260
Values may sum to more than 100% as respondents could select multiple responses.
Three in four consumers are likely to sell secondhand in the coming months

How likely are you to sell at least one secondhand item in the next 12 months?
United States, % of consumers overall and by gender and age group

<table>
<thead>
<tr>
<th>Demographic group</th>
<th>% likely (very + somewhat likely)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>80.2</td>
</tr>
<tr>
<td>Female</td>
<td>75.3</td>
</tr>
<tr>
<td>18-24</td>
<td>82.9</td>
</tr>
<tr>
<td>25-44</td>
<td>86.3</td>
</tr>
<tr>
<td>45-59</td>
<td>76.6</td>
</tr>
<tr>
<td>60-75</td>
<td>58.6</td>
</tr>
</tbody>
</table>

This represents upside over the 62.9% of American adults who sold at least one secondhand item over the past 12 months.

Source: Zogby Analytics consumer survey, June 2021, n=2,004
Values in the graphics are rounded and may not sum up to 100. Data in the table are for those indicating very likely or somewhat likely.
Details

Definitions, explanations, methodology
Methodology

To calculate the market numbers GlobalData considered the following information:

- GlobalData’s consumer panel, which tracks the shopping behavior and buying habits of a representative sample of over 100,000 consumers.
- This consumer data was supplemented by further consumer research to assess views and opinions on a variety of resale buying and selling.
- Data provided by individual retailers and resalers which breaks down sales and volume overall and by category.
- Secondary data from company reports and financials.

All the data are built into GlobalData’s model of consumer spending which allows calculation of the various metrics on a national level. Retail analysts carry out several checks on this model to ensure its accuracy and validity. This includes checking against data from individual retailers, official government data, industry data and other sources.

Where provided, forecast data is modelled using a three-step process:

1. Cross-correlation auto regression of inputs over time
2. Bayesian techniques refine to single-most robust forecast
3. Cross-correlation auto regression and Bayesian refinement for the final output

Inputs for the forecasting model include standard economic and social variables as well as specific data from consumer research, retailer predictions and retail metrics such as price inflation, sales mixes, store counts, and basket sizes.

Online market research company Zogby Analytics conducted a June 2021 Survey of 2,004 US respondents ages 18-75 and a September 2021 survey of 2,009 US respondents ages 18-75 assessing secondhand buying & selling behavior.
The following product and category definitions apply:

**Retail**

The retail market includes all consumer product segments (food, household goods, beverages, homewares, furniture, home improvement, electronics, apparel, health, beauty, sports, games, leisure and hobby, entertainment, and other various products). Digital products, such as individual music downloads and e-books, are also included. The following are excluded: business to business sales, wholesale trade, gasoline, automotive vehicles (auto accessories are included), foodservice, household services such as plumbing and installation, medical devices, prescription drugs, travel, insurance, subscriptions services such as Netflix and Spotify, etc. Market sizes are measured by the total amount consumers spend on the products through all channels and all retailers.

**Resale / secondhand**

Any product sold, whether used or not used, after having first been owned by another consumer; can be sold directly or via third-party resellers. Includes all channels: charities, yard sales, peer-to-peer marketplaces, resale firms, auction sites, classified adverts, etc. The sale of first-hand products via these channels is not included. Resale includes sales of refurbished items or secondhand items sold by traditional, first-hand retailers – such as open box items in electronics.

**Apparel**

Includes all types of apparel across all segments: men, women and kids, which are also broken down separately. Footwear and accessories are broken down separately.

**Electronics**

Includes all consumer electronics from appliances to computing to audio visual. Electronics is broken down into: computing, which is laptops and desktops plus peripherals and computing accessories; communications which includes smartphones and other electronic communications devices; appliances which includes both large and small home appliances; and other electronics which contains all other electrical devices.

**Homewares**

Includes all homewares, excludes home improvement and home electronics such as televisions, excludes floorcoverings. Excludes furniture which is broken down separately.

**Home improvement**

Includes tools, home improvement materials, accessories and other home improvement products; excludes appliances and general homewares/furniture.

**Sporting goods**

Includes all sporting equipment, sporting accessories, exercise equipment including bikes; excludes automotive transportation and sporting apparel.

**Furniture**

Includes all types of furniture for the home from beds to tables, sofas, chairs, etc. Mattresses are included in furniture, but soft textiles such as curtains and decorative accessories are included in homewares.

**Beauty products**

All beauty products including cosmetics, skin care, body care, hair care, beauty accessories and aids, non-electric tools. Electronics such as hairdryers and straighteners are under electronics.

**Toys and games**

All toys and games including soft toys, board games, building blocks; includes adult games.

**Collectibles**

Consumer collectibles such as sports cards, stamps, currency and coins, decorative collectibles, art and animation characters, comics, etc.

**Kids and baby products**

All sundries for kids and babies, excluding apparel. Includes: cribs, cots, pushchairs, changing stations, diapers, baby sundries, etc. Excludes toys which are under the toys and games category.

**Pet products**

Including: pet toys, pet food, pet health; excludes the sale of live pets and pet services.

**Arts and crafts**

Arts and crafts materials such as paper, fabrics, beads, yarns, threads, paints etc. Also includes arts and crafts tools such as knitting needles, paintbrushes, glue guns, etc.

**Books**

All books; excludes comics and magazines; excludes ebooks.

**Musical instruments and accessories**

Includes all musical instruments such as guitars, drums, flutes, etc. Includes all accessories such as music stands, spectrums, metronomes, etc. Sheet music is included.

**Other**

Contains a mix of resale products, including: food, beverages, alcohol such as wines and spirits, household consumables, small non-toy vehicles such as scooters, fixed floorcoverings (rugs are in homewares), physical music such as CDs and vinyl, physical movies such as DVDs, luggage and travel accessories, household industrial products such as generators, fuel and fuel supplies, stationery, packaging materials and sundries, healthcare products and health aids, paper products like greetings cards, non-collectable magazines, seasonal products such as Christmas trees and lights.

**Online sales**

This means a transaction that is made online – i.e. payment for the product is made online regardless of the other channels used during the shopping journey. For example, a product paid for online and collected in store is counted as an online sale.

**Offline sales**

This means a transaction that is made in a physical store or via some other non-online channel. For stores, payment for the product is made in a store regardless of the other channels used during the shopping journey - for example, a product paid for in store and then delivered to a customer at home is counted as a physical sale. Other offline channels include mail order, telephone and television shopping. These form a relatively small element of most markets.
About Mercari

Mercari is your marketplace.

Our platform connects millions of people across the U.S. to shop and sell items no longer being used. Mercari is constantly innovating to make exchanges easier, from at-home authentication to improvements in online payments and shipping. Mercari has more than 50 million downloads in the U.S. and 350,000 new listings every day, empowering the next generation to transform the way they shop.

Mercari can be downloaded on app stores or accessed online through www.mercari.com.

Further information

For information on this report, and Mercari, please contact us at press-usa@mercari.com

Forward Looking Statements

This report contains forward-looking statements. Forward-looking statements include all statements that are not historical facts. The words “forecast,” “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, Mercari has no obligation to update any of these forward-looking statements to conform these statements to actual results or revised expectations.
About GlobalData

GlobalData is a global research agency and consulting firm. Within the firm’s retail division, our work focuses on all aspects of retailing and consumer behavior, which we deliver through a variety of different reports and our interactive Intelligence Centre. We also undertake custom research and consulting work for clients.

We are headquartered in New York and London with offices across the world. Our analysts and researchers work to understand the latest trends and developments in retailing across developed and emerging markets. We also have a global panel of consumers which we use to undertake consumer surveys and to gauge and assess sentiment and views on various retail issues.

We work with many of the world’s leading retailers, FMCG groups, property firms and those in the financial sector to help them maximize success through developing a thorough understanding of the retail sector and its likely future performance.

Further information

For information on this report, and GlobalData’s other products and services, please contact us:

e. retail@globaldata.com
t. +718.708.1476
w. www.globaldata.com/retail