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DESK RESEARCH REPORT

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Overview

The history of second-hand clothing is old, even though early accounts are hard to find. Already in the 15th century there has been some sort of trading in used clothes, some trading guilds which dealt with higher quality items such as silk gowns, as well as lower-class vendors working on the street. Some hand downs between social classes have been reported as well. ¹ The second-hand market has come a long way after that. These days new businesses pursuing success in the reuse industry pop up all the time. You could say, there is something for everyone. But what is the industry looking like? And what kind of barriers or enablers are there for companies and consumers to participate in this now booming market?

The aim of this report is to clarify the current state of second-hand market and textile waste in the Central Baltic Region (CBR), meaning Finland, Sweden, Estonia and Latvia. This report will review the possible challenges as well as opportunities of the second-hand market in general but especially in the CBR.

There have been some attempts to quantify the amount of textile waste and reuse of textiles in Europe. However, since there is no standardized method for mapping or requirement for reporting, the data is scattered and non-comparable. The amount of collected used textile vary as a consequence of varying methods and reporting. However, as stated, there have been some attempts to quantify the amounts of textile consumption as well as textile waste generation. Based on Statista, in 2016 Europeans consumed around 15 kilos². Based on European Environment Agency, Europeans throw away around 11 kilos of textiles every year. Used clothes can often be taken outside the European Union, but most of them (87%) are incinerated or landfilled. Europeans do not give away their clothes to charity as much, but in fact throw them away after they no longer want to keep them. Only about 30-35% of the used clothing is collected for reuse and recycling, and only 1% is recycled into a new piece of clothing. Technologies for recycling clothes and other textiles into fibres are only emerging and their usage has been piloted. ³

There is some pressure coming from the European Union to develop the textile industry into a more circular and sustainable one, through legislation. EU textile strategy was first launched in 2022. The aim is to make textiles more sustainable, repairable, and to end fast fashion and accelerate the industry's readiness for innovation. ⁴ In addition, by 2025 each member country should have a separate collection for consumer textiles⁵.

¹ Brooks, 2015. Clothing Poverty. The Hidden World of Fast Fashion and Second-hand Clothes. Bloomsbury Publishing.

² Smith, 2020. Leading yearly textile waste producers in the European Union (EU) in 2016, by country. Statista.

³ European Environment Agency, 2021. Progress towards preventing waste in Europe — the case of textile waste prevention. doi:10.2800/49450

⁴ European Commission, 2022. EU Strategy for Sustainable and Circular Textiles. COM/2022/141 final.

⁵ European Parliament, 2018. Directive (EU) 2018/851 of the European Parliament and of the Council of 30 May 2018 amending Directive 2008/98/EC on waste (Text with EEA relevance).

Current state of the second-hand market in the CBR

There are numerous actors on the second-hand market (small stores, platforms, large actors, online sharing groups etc.) and it is therefore hard if not impossible to quantify the amounts in an exhaustive way. To make matters worse, there is a lot of un-traceability in the market, since many of the actors are only platforms for consumers to sell and buy, hence there's no data available regarding these purchases (in sense of exchange and price). In addition, there is a lack of numbers since many of the actors are fairly new and only getting started. ⁶ Based on the Changing Markets Foundation's study, 75% of all the clothes that are reused or resold, equalling only about 25% of all clothing, end up in other countries than where they are used in. ⁷

Based on the Global Data Market Sizing report delivered for an American second-hand company thredUp in 2022, the second-hand market is expected to grow 127% by 2026. The growth is fastest in North America, but also in Europe twice as fast as overall apparel market growth. ⁸

There is great demand for second-hand products, especially clothing. For example, in Finland the retail for second-hand clothes increased 17% as fashion retail only increased about 5,1% between 2018 and 2020. Especially young people are interested in buying second-hand. Over a third of Finnish people aged between 15-24 has reported buying second-hand. ⁹ However, only about 1,3 kg out of the 11,3 kg of textile consumption per capita in Finland was used clothes in 2019¹⁰.

In 2017, Swedes consumed 12,5 kg of new textiles and only about 0,9 kg of used textiles. In 2016 approximately 73% of all collected textiles in Sweden were exported. ¹¹ Sweet, Aflaki and Stadler (2019) recognized three distribution channels in the Swedish market for second-hand textiles, which can also be applied to some degree in the whole Central Baltic area. The first set of distribution channels include the non-business channels such as flea markets and online consumer-to-consumer swapping. The second set of distribution channels are distributing pre-owned apparel like online classified platforms and marketplaces, as well as collecting and reselling online shops and physical second-hand shops. The third set of channels has a mixed set of business models, like own product take back and resale.

⁶ Sweet, Aflaki & Stadler, 2019. The Swedish market for pre-owned apparel and its role in moving the fashion industry towards more sustainable practices. Mistra Future Fashion report number: 2019:01. ISBN: 978-91-88907-42-4

⁷ Changing Markets Foundation, 2023. Take-back Trickery. An Investigation into Clothing Take-back Schemes.

⁸ Global Data, 2022. Market Sizing and Growth Estimates. ThredUp Resale Report: 2022. <https://www.thredup.com/resale/2022/>

⁹ Muoti- ja urheilukauppa ry., 2022. Kierratettyjen vaatteiden suosio tuplaantui vuodessa.

<https://muotijaurheilukauppa.fi/2022/10/07/kierratettyjen-vaatteiden-suosio-tuplaantui-kahdessa-vuodessa/>

¹⁰ Dahlbo et. al., 2021. Textile Flows in Finland 2019. Reports from Turku University of Applied Sciences 276. ISSN 1459-7764

¹¹ Bellezza & Luukka, 2018. Svenska textilflöden- textilflöden från välgörenhet och utvalda verksamheter. SMED Rapport Nr 2, 2018.

Estonia and Latvia have a higher consumption of second-hand clothing, in 2018 almost 20% of textile consumption in Estonia was second-hand and in Latvia it was even around 40%.¹² On the contrary, as stated before, in Finland the use of second-hand clothes was around 15% and in Sweden only 7%. (Table 1.)

Country	Consumption of 2. hand clothing
Latvia	40%
Estonia	20%
Finland	15%
Sweden	7%

Table 1. Consumption of 2. hand clothing in different countries. Modified from Bellezza & Luukka (2018), Watson et. al. (2020) and Tekstiili-ja urheilukauppa ry. (2022).

Based on the report written by Watson et. al. (2020), the consumption of new textile products was significantly lower in Latvia than in other Nordic countries (Finland, Sweden, Norway, Denmark). The Baltics represent an important area for the European second-hand market providing up to 4000 jobs in the area. There are high volumes of used textile imports from other Nordic countries to the Baltics. There is high expertise especially in manual sorting for reuse and the cost of labour is low compared to the other Nordic countries. Most of the second-hand sales in the Baltics consist of imported textiles rather than domestic textiles. Only Estonia has a high rate of internal recirculation amounting up to 22%.

Competition in the second-hand market has increased in the past few years, due to new businesses constantly emerging onto the market and increasing demand. Profitability can be an issue for

¹² Watson et. al., 2020. Post-consumer Textile Circularity in the Baltic Countries. Current Status and Recommendations for the Future. TemaNord 2020:526. <https://pub.norden.org/temanord2020-526/#>

businesses, especially the for-profit ones.¹³ Many fashion brands have created a resale business on the side of their traditional linear business. Usually, the traditional sales enable the resale business, so that the company's revenue is not dependent on making the resale business profitable. (Ibid.) In addition, many fashion brands have taken up a take-back scheme, where they collect unwanted textiles for resale and recycling.

Changing Market Foundation tracked 21 items, which were taken to ten different fashion brands, such as H&M, Zara, Nike, Boohoo and The North Face, aiming to investigate where these items end up. As a result, they categorized four different scenarios for different paths: downcycled or destroyed, resold within Europe, lost in limbo, and shipped to Africa. Based on this study, it is clear that not all promises made by these brands on reusing and recycling the items taken to their stores are in fact continuing their lifecycle, but instead can end up being shredded or even burned.¹⁴

There is great inequality in the world of second-hand clothing, and how it is distributed. For example, the amount of second-hand clothing flowing into Kenya from around the world, has grown and up to 900 million items was sent to Kenya in 2021. This amount to 17 garments for each Kenyan every year. Out of these, almost 150 million items came from the EU and the UK. (Ibid.) There are similar countries around the world, where there is only a limited amount of new clothing sold and used clothes make up most of the apparel market. The imports of second-hand clothing have undermined the local production of clothes, and market traders have shifted from selling new local to used foreign clothes, as these products have higher profit margins.¹⁵ It could be argued that this is also to some extent the case for Latvia, as most of the second-hand market there consists of imported textiles and the second-hand market is 40% of the whole apparel market there.

Current state of textile waste in the CBR

Textile industry has doubled in the past 20 years in terms of textile fibres being produced.¹⁶ As stated before, Estonia and Latvia receive a great number of used textiles, especially from the Nordics, including Sweden. Around 60% of the Nordics' textiles are exported to Estonia and 10% to Latvia.¹⁷ 18% of these

¹³ Persson & Hinton, 2023. Second-hand Clothing Markets and a Just Circular Economy? Exploring the Role of Business Forms and Profit. *Journal of Cleaner Production* (390), Article 136139.

<https://doi.org/10.1016/j.jclepro.2023.136139>

¹⁴ Changing Markets Foundation, 2023. Take-back Trickery. An Investigation into Clothing Take-back Schemes.

¹⁵ Brooks, 2015. *Clothing Poverty. The Hidden World of Fast Fashion and Second-hand Clothes*. Bloomsbury Publishing.

¹⁶ European Environment Agency. (February, 2023). EU Exports of Used Textiles in Europe's Circular Economy. European Union, European Environment Agency. <https://www.eea.europa.eu/publications/eu-exports-of-used-textiles>

¹⁷ Watson et. al., 2020. Post-consumer Textile Circularity in the Baltic Countries. Current Status and Recommendations for the Future. *TemaNord 2020:526*. <https://pub.norden.org/temanord2020-526/#>

imports are sold second-hand within the Baltics, meaning Estonia, Latvia or Lithuania. This is mainly because the Baltics have bigger and better sorting facilities as well as lower labour costs.¹⁸

There are multiple actors in the collection of post-consumer textiles in the Baltics. In addition to traditional waste companies, there are charities and commercial actors. These actors have difficulties in relocating these textiles, as no less than 42% of collected textiles end up incinerated or even landfilled. Municipal waste companies' collected textiles go mostly to incineration. In the Baltics, only Estonia has so far, obliged municipalities to set up separate collection of textile waste.

Around 28,000 tons of textile waste was created in Estonia and Latvia together in 2020¹⁹. In 2018 only about 600 kilos of separately collected textiles, which amounted to 30% of new textiles bought, were recycled in Estonia. In Latvia this number was as low as 5%. There is a great lack of recycling capacity, especially for waste companies. Moreover, the waste companies are not motivated to invest in collecting, separating and recycling textiles as the quantity and quality of textiles vary and there is only limited access to potential markets for recycled materials.²⁰

In Finland, the collection of post-consumer textiles increased between 2012 and 2019 by 39%. Only about 44% of the textiles purchased by households ended up in the collection in 2019. 18% of all collected textiles were exported and the rest stayed in Finland for reuse, recycling and energy usage purposes. Up to 60% of all collected textiles were incinerated. The increase in number of textiles being collected is mostly due to effective piloting in the field of circular textiles in Finland. A municipal waste company, Lounais-Suomen jätehuolto Oy, founded their piloting plant in 2021. Already before that there were many post-consumer textile collection pilots.²¹

There are some barriers for textile circularity in the Central Baltic Region. These include underdeveloped domestic collection, decreasing value and quality of textiles, limited reuse of local collections as a consequence of imports, market barriers for scaling up upcycling, limited cooperation within the sector, and no recycling capacity for low quality textiles, which therefore get exported (usually) to less-developed countries.²² There are various aims within the various actors of the second-hand market. This can lead to contradictory views on how the process should be performed. Economic indicators are usually the primary target for the actors instead of ecological or social indicators. There are some actors, such as the more traditional non-profit organisations, which already have a working infrastructure

¹⁸ Nørup et. al., 2019. Evaluation of a European Textile Sorting Centre: Material Flow Analysis and Life Cycle Inventory. Resources, Conservation and Recycling (143), 310-319.

<https://doi.org/10.1016/j.resconrec.2019.01.010>

¹⁹ Watson et. al., 2020. Post-consumer Textile Circularity in the Baltic Countries. Current Status and Recommendations for the Future. TemaNord 2020:526. <https://pub.norden.org/temanord2020-526/#>

²⁰ Hvass & Watson, 2020. Post-consumer Textile Circularity in the Baltic Countries. Telaketju R&D Webianr Series 24.9.2020. https://telaketju.turkuamk.fi/uploads/2020/10/be37d8af-telaketju_3resweb-nordicbalticproject_revised.pdf

²¹ Dahlbo et. al., 2021. Textile Flows in Finland 2019. Reports from Turku University of Applied Sciences 276. ISSN 1459-7764

²² Watson et. al., 2020. Post-consumer Textile Circularity in the Baltic Countries. Current Status and Recommendations for the Future. TemaNord 2020:526. <https://pub.norden.org/temanord2020-526/#>

beyond country borders, but most of the actors are small and lack in knowledge as well as experience in the logics and logistics of reuse.²³

Only about 3-4% of UFF's collected post-use textiles are qualified to be sold in the charity shops in Finland and are exported to the Baltics and further with low transparency. Post-use textile exports are profitable for NPOs (non-profit organisations) and there is a lack of sufficient enough technology, and therefore textiles, especially of lower quality, are in many cases exported to developing countries.²⁴

Identified barriers on the second-hand market

There are several studies on the challenges as well as the possibilities of second-hand market. Here we go through some of them. We give an overview but also focus on the areal perspective of the Central Baltic Region. The barriers for second-hand consumption have, based on the Global Data report (2022), decreased in the past couple of years.²⁵ There are still many barriers for businesses to participate in the market.

Silva et. al. (2020) have studied the role of social embarrassment and perception of hygiene in second-hand consumption. Based on their study, there is indication that negative experience of using second-hand goods based on for example lower quality, hygiene or social embarrassment influences the consumption of used clothes. The most positive attitude towards second-hand is among the people that are already most active on the second-hand market, hence have many positive purchase experiences.²⁶ Also, Wang, Fu & Li (2022) studied consumer behaviour in second-hand market and found out that stigma attached to used clothes, unknown origins, poor hygiene conditions, and embarrassment of shopping in second-hand stores have been identified as popular shopping barriers for consumers.²⁷ It can be argued though, that this view on the negative aspects of second-hand clothing is no longer fully

²³ Hedegård, Gustafsson & Paras, 2019. Management of Sustainable Fashion Retail Based on Reuse – A Struggle with Multiple Logistics. *The International Review of Retail, Distribution and Consumer Research*, 30(2): 1-20. DOI:10.1080/09593969.2019.1667855

²⁴ Sweet, Aflaki & Stadler, 2019. The Swedish market for pre-owned apparel and its role in moving the fashion industry towards more sustainable practices. *Mistra Future Fashion report number: 2019:01*. ISBN: 978-91-88907-42-4

²⁵ Global Data, 2022. Market Sizing and Growth Estimates. *ThredUp Resale Report: 2022*. <https://www.thredup.com/resale/2022/>

²⁶ Silva, Santos, Duarte, & Vlacic, 2021. The role of social embarrassment, sustainability, familiarity and perception of hygiene in second-hand clothing purchase experience. *International Journal of Retail & Distribution Management* 49:6. ISSN: 0959-0552

²⁷ Wang, Fu, Li, 2022. Young consumers' motivations and barriers to the purchase of second-hand clothes: An empirical study of China. *Waste Management*. 157-167. <https://doi.org/10.1016/j.wasman.2022.02.019>

accurate, at least in the Global North, as second-hand clothing has become more of a norm among the younger consumers (e.g., Lewe, 2023²⁸).

A study implemented in Finland, stated that almost half of the people who answered the questionnaire, found it hard to get their hands on clothing that was suited for their purposes. The study also stated that 51% of the people surveyed do not sell their clothes after they stop wearing them.²⁹ In Finland the main barriers for businesses to take on reuse models were costs, skills needed for handling the textiles, logistics, quality issues, the ability to meet customers' needs, attitudes, and being up to date. From the consumers point of view the barriers were decrease in product value, aging of products, hygiene, messy flea markets, and the supply not meeting the need.³⁰

There has been discussion and study on the fact whether products bought second-hand actually replace the ones bought new.³¹ Based on Vaayu's study for Vinted, there was a replacement rate of 39%, meaning that 39 out of 100 people buying a second-hand product on Vinted would have avoided purchasing a new product instead.³² Too often buying second-hand does not equal to sustainable consumption but on the contrary gives consumers a permission to keep consuming as usual.³³

For companies and organisations, developing reuse business requires knowledge and expertise for handling the products. There are questions of logistics, costs, quality and condition of products, consumer attitudes, hygiene, and many other things to be considered.³⁴ In addition, some retailers think that resale will cannibalize new product sale and that resale does not align with their brand narrative³⁵.

Interviews with the Baltic textile waste collectors, identified many challenges, such as low quality of textiles, supply and demand not matching, competition with imported used textiles, little interest in unsold locally collected textiles, lack of testorage, overloaded containers, contamination by non-textiles, lack of available recycling opportunities resulting in textiles being discarded as waste, and lack of

²⁸ Lewe, 2023. Consumer Perceptions of Circular Practices in the Textile Sector and the Relation to Consumption Behaviour. Master's thesis, Malmö University.

Practical Implications for Stakeholders in the Textile Industry

²⁹ 'tise, 2022. Kyselytutkimus suomalaisen muodin kuluttamisesta – Poimintoja tuloksista.

<https://www.sttinfo.fi/data/attachments/00284/6ec016bb-b809-4db0-bf3a-1dc175c60876.pdf>

³⁰ Eskelinen et. al., 2018. Uudelleenkäyttö ja sen edistäminen Selvitys uudelleenkäyttömääristä ja uudelleenkäyttöön liittyvistä liiketoimintamahdollisuuksista Suomessa. Suomen ympäristökeskuksen raportteja 19/2018. ISSN 1796-1726

³¹ Gary et. al., 2022. Reducing the Environmental Impact of Clothing: An Emploration of the Potential of Alternative Business Models. Sustainability; Basel 14:10, (2022):6292. DOI:10.3390/su14106292

³² Vaayu, 2021. Vinted Climate Change Impact Report. Understanding the Avoided Emissions of Second-hand Shopping on Vinted. <https://www.vaayu.tech/vinted-climate-change-impact-report-2021>

³³ Gray, Druckman, Sadhukhan & Keith, 2022. Reducing the environmental impact of clothing: An exploration of the potential of alternative business models. Sustainability, 14(10), 6292. doi:https://doi.org/10.3390/su14106292

³⁴ Eskelinen et. al., 2018. Uudelleenkäyttö ja sen edistäminen Selvitys uudelleenkäyttömääristä ja uudelleenkäyttöön liittyvistä liiketoimintamahdollisuuksista Suomessa. Suomen ympäristökeskuksen raportteja 19/2018. ISSN 1796-1726

³⁵ Global Data, 2022. Market Sizing and Growth Estimates. ThredUp Resale Report: 2022.

<https://www.thredup.com/resale/2022/>

financial aid from the government.³⁶ These challenges can be applied when analysing the barriers for cross-border cooperation in the Central Baltic Region. As the Baltic countries, in this case Latvia and Estonia, are receiving much of the Nordics' discarded textiles, there are still many obstacles to be resolved when planning the future prospects of Central Baltic regional ecosystems for reusable and recyclable textiles.

For making second-hand business viable, cooperation between different parties is essential. In their study Zhuravleva and Aminoff (2021) list barriers, based on past literature, for establishing circular business. These include economic, social, institutional, technological and informational, supply chain, and organisational barriers. The dominance of economic indicators, the (economic) importance of exports of post-consumer textiles, lack of awareness of industry needs, the complexity of legislative mechanisms, the difficulties in handling the textiles, the conflicts of interest between different actors of supply chain, and the fear of risks associated with the need to adapt of change the current business model, act as challenges in establishing partnerships and cross-border collaboration.³⁷ Compared to local reverse logistics (meaning returns), cross-border logistics remain at a relatively primitive stage.³⁸ Therefore, there is not much research on the challenges of cross-border cooperation between different value chain actors. Only some implication could be made based on recent study on partnerships in second-hand market.

Too often, the company's or organisation's main aim is profitability. Fortunately, in the EU legislation will drive organisations towards implementing more sustainable practices. There is still a great need for political will in promoting circular business models and making them functional, tempting, accessible, less environmentally harmful, and compensatory for linear models. In addition, investments, education, knowledge, change in consumption and development of design, is needed.³⁹

Identified opportunities on the second-hand market

In addition to barriers, the second-hand market of course offers many opportunities. The growth of the number of businesses in the second-hand market indicates that there is trust in circular business models such as reuse being profitable business. Reuse is most times better for the climate than the

³⁶ Watson et. al., 2020. Post-consumer Textile Circularity in the Baltic Countries. Current Status and Recommendations for the Future. TemaNord 2020:526. <https://pub.norden.org/temanord2020-526/#>

³⁷ Zhuravleva & Aminoff, 2021. Emerging partnerships between non-profit organizations and companies in reverse supply chains: enabling valorization of post-use textile. International Journal of Physical Distribution & Logistics Management Vol. 51 No. 9, 2021, pp. 978-998. Emerald Publishing Limited 0960-0035 DOI 10.1108/IJPDLM-12-2020-0410

³⁸ Wahab, Tan & Roche, 2023. Comparison of Cross-Border Reverse Logistics of a Fast Fashion Brand in China. Operations and Supply Chain Management. Vol. 16, No 1, 2023, pp 25-35. ISSN 1979-3561

³⁹ Coscieme, Manshoven, Gillabel, Grossi & Mortensen, 2022. A framework of circular business models for fashion and textiles: the role of business-model, technical, and social innovation, Sustainability: Science, Practice and Policy, 18:1, 451-462, DOI: 10.1080/15487733.2022.2083792

consumption of new products, and consuming second-hand does not require a total transformation in consumption behaviour compared to traditional linear consumption.⁴⁰ In addition, consumers have the possibility to save money or even make money selling their unwanted textiles.⁴¹

Retailers are entering the reuse sector to satisfy consumer demand and to boost their own sustainability. Based on the Global Data report (2022), 88% of retailers who currently offer resale as part of their business model, say that it has helped drive their revenue and resale is becoming a strategic priority for them⁴².

There can be found similar consumption patterns when comparing buying new products and second-hand. These include impulse buying, minimal usage of products, seeking trendy items and gaining hedonic pleasure. Based on a thesis by Marholeva and Pusic (2023), Swedish consumers often might feel guilty after buying new products and attach some degree of sustainability to second-hand shopping. One of the study's key findings was that the respondents felt good about themselves after buying second-hand. Interestingly, the respondents would much rather give away their clothing to their surroundings than sell them.⁴³ Interestingly, Swedish people tend to follow the people they are surrounded with, and people strive to be like everyone else. This might, in the best case, lead to the increase of second-hand consumption and adaptation of more sustainable consumption patterns.⁴⁴

Based on the Global Data report (2022), technologies and online marketplaces drive second-hand market growth. This is supported by a thesis by Tuomainen (2022), which states that generation Z representatives appreciated the change that came with C2C (consumer-to-consumer) applications, making the second-hand consumption effortless.

Especially young people, aged between 11-25, use a bigger portion of their apparel budget on second-hand. Many of them also define themselves as 'thrifters', meaning that they identify themselves through their second-hand consumption.⁴⁵ Based on a thesis by Tuomi (2022), Nordic consumption habits, which can often be motivated by political consumerism and egalitarianism, encourage consumers to actively take part in circular economy in all its shapes and forms, especially by buying

⁴⁰ Gary et. al., 2022. Reducing the Environmental Impact of Clothing: An Exploration of the Potential of Alternative Business Models. Sustainability; Basel 14:10, (2022):6292. DOI:10.3390/su14106292

⁴¹Fisher, James & Maddox, 2011. Benefits of Reuse. Case Study: Clothing. WRAP Final Report, Project SAP134. https://wrap.org.uk/sites/default/files/2020-09/WRAP-Clothing%20reuse_final.pdf

⁴² Global Data, 2022. Market Sizing and Growth Estimates. ThredUp Resale Report: 2022. <https://www.thredup.com/resale/2022/>

⁴³ Marholeva & Pusic, 2023. Is second hand the new fast fashion? The consumption habits of young swedes in the second hand fashion market. Bachelor Thesis: Textil högskolan i Borås. <https://urn.kb.se/resolve?urn=urn%3Anbn%3Ase%3Ahb%3Adiva-29943>

⁴⁴ Sweet, Aflaki & Stadler, 2019. The Swedish market for pre-owned apparel and its role in moving the fashion industry towards more sustainable practices. Mistra Future Fashion report number: 2019:01. ISBN: 978-91-88907-42-4

⁴⁵ Global Data, 2022. Market Sizing and Growth Estimates. ThredUp Resale Report: 2022. <https://www.thredup.com/resale/2022/>

second-hand and donating used clothes to friends and family or to second-hand stores.⁴⁶ Generation Z representatives felt that sustainable consumption was a strong part of their values and the formation of well-being. They felt that they would consume second-hand products whenever they had the chance. Generation Z representatives were motivated by second-hand consumption, especially because it allowed them to get higher quality and more durable products at a lower price.⁴⁷ The latest global developments, like inflation, have affected people's consumption, and many have stated that they are now more likely to get their clothes from second-hand shops.⁴⁸ As for some people economic motivation is the greatest driver for buying second-hand, for others it is fashionability. These people can be, for example, on the hunt for unique items at a bargain price. These consumers are likely to construct at least some part of their identity on buying second-hand.⁴⁹

Normalizing second-hand consumption indicates that people are no longer afraid of using clothes or other products that have been used by other people. This could eventually lead to taking onto novel consumption models such as sharing and renting.

There are many possible positive social impacts that can be resulted through reuse business, such as creating new jobs, generating tax income, highlighting local practices, raising knowledge on circular economy and sustainability, developing wellbeing and communality.⁵⁰ However, often the fact that reuse businesses can rely on lower cost labour such as unemployed people, which can in turn be the secret to success, is quite questionable in moral.⁵¹

Local and cross-border cooperation may fuel the development of the market and increase reuse through a working ecosystem. As mentioned before, there is great intention and political interest in developing the textile industry towards sustainability through textile strategy and corporate responsibility requirements. It remains to be seen what the second-hand industry looks like in 5- or 10-years' time.

⁴⁶ Tuomi. 2022. Second-hand fashion, the Nordic consumer, and the circular economy. Bachelor of Science (Economics and Business Administration) AALTO UNI. https://aaltodoc.aalto.fi/bitstream/handle/123456789/119715/bachelor_Tuomi_Tytti_2023.pdf?sequence=1&isAllowed=y

⁴⁷ Tuomainen. 2022. Z-Sukupolven motivaatio kestävään second hand kulutukseen C2C-verkkoalustan kautta. Jyväskylän yliopisto Kauppakorkeakoulu Pro Gradu. <https://jyx.jyu.fi/handle/123456789/85440>

⁴⁸ tise, 2022. Kyselytutkimus suomalaisen muodin kuluttamisesta – Poimintoja tuloksista. <https://www.sttinfo.fi/data/attachments/00284/6ec016bb-b809-4db0-bf3a-1dc175c60876.pdf>

⁴⁹ Ferraro, Sands, Brace-Govan. 2016. The role of fashionability in second-hand shopping motivations. Journal of Retailing and Consumer Services. 262-268. <https://doi.org/10.1016/j.jretconser.2016.07.006>

⁵⁰ Scarpellini, 2021. Social Impacts of a Circular Business Model: An Approach from a Sustainability Accounting and Reporting Perspective. Corporate Social Responsibility and Environmental Management, 28:3, 646-656. doi.org/10.1002/csr.2226

⁵¹ Elander, Watson & Gylling, 2017. Evaluation of business models for increased reuse, collective use and prolonged life time of textiles. Mistra Future Fashion report number 2017:4. ISBN: 978-91-88695-03-1