

Reselling Desire: The Socio-economic and Cultural Forces and Implications of the Expanding Luxury Resale Market

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Abstract: The luxury fashion resale market has grown at an annual 10% rate—three times faster than the primary market—driven by decluttering, sustainability concerns, and a desire for heritage pieces. Using a stratified online survey based upon 2000–2025 data, this study tests how price advantage, environmental consciousness, and emotional attachment predict purchase intention. Resale aligns with Paul Blumberg’s 1970s Trickle-Up Theory, in which style and behavioural practices originate in subcultures before being adopted by mainstream and luxury fashion. Historically rooted in necessity, second-hand markets have evolved into expressions of counterculture, sustainability, and contemporary fashion ethics. Research by Cervellon, Carey, and Harms (2012) highlights distinct motivations between vintage and second-hand shoppers: one seeks uniqueness and nostalgia, whereas the other prioritises affordability, variety, and ethics. Following this rapid growth, digital platforms such as The RealReal, Vestiaire Collective, Relove, and Revivify have strengthened trust and accessibility through authentication technologies and curated interfaces. Results indicate that price-performance utility and heritage value are the strongest predictors, while ethical concerns exert a modest but significant effect. The findings suggest that resale democratises luxury access while reinforcing brand equity through “circular value capture.” Ultimately, luxury resale reflects converging environmental, economic, and cultural forces, raising questions about its future influence on brand identity, consumer loyalty, and the moral economy of luxury.

Index Terms: *luxury, resale, fashion, consumer, brand, value, sustainability*

I. INTRODUCTION

Between 2019 and 2023, unprecedented demand for personal luxury goods—fashion, leather goods, watches, and jewellery—combined with a deep well of supply allowed the sector to achieve a 5% compound annual growth rate, driven by globalisation, digital engagement, rising income levels, and shifting consumer values towards sustainability, experiences, and individuality.

Among affluent Indian consumers, vintage shopping has become integral to attire for festivals, weddings, and other social occasions, with selections meticulously curated to reflect personal identity, style, culture, and status. India’s luxury market is one of the fastest growing in the world, forecast at \$85–90 billion by 2030, fuelled by strong GDP growth and expanding high-income and middle-class populations.

A. Luxury and Sustainability

Luxury, unlike fashion in its mass-market form, resists the transience, consumerism, and rapid production cycles. It positions itself against the synthetic and the industrially manufactured, privileging artisanal methods, longevity, and authenticity. In this sense, modern-day luxury is a form of cultural resistance to the unethical, exploitative conditions of fashion, particularly the environmental unsustainability and labour exploitation that are pillars of contemporary fashion systems.

B. History of Resale

The luxury resale market can also be interpreted through the lens of Paul Blumberg's Trickle-Up Theory of fashion diffusion, proposed in the 1970s. Traditionally, fashion was understood to follow a trickle-down pattern, where styles originated among the elite before filtering to lower social strata. Blumberg's theory reversed this model, positing that styles and practices often emerge from lower-income groups or subcultures before being adopted by upper classes and mainstream fashion—a dynamic evident in streetwear, punk, and denim culture.

Resale fashion exemplifies this trickle-up process. The origins of second-hand clothing markets stretch back to medieval Europe, when the high cost of new garments made resale a necessity among working populations. During the 19th century, organised thrift stores and charitable clothing exchanges emerged in response to industrialisation and urban migration. In the 21st century, luxury resale acts as a fashionable, sustainable, and value-conscious mode of consumption, bringing luxury to a wider audience.

Research Question: *How has the luxury resale market transformed from a niche practice into a defining feature of contemporary fashion culture, and what does this transformation reveal about the evolving relationships between sustainability, desire, and the commodification of status?*

II. LITERATURE REVIEW

This study is thoroughly evidenced through the most reliable sources on second-hand markets, fashion, and consumer behaviour.

A. Vestiaire Collective

Providing access to the world's largest collection of pre-loved luxury and designer fashion, with over 12,000 brands on sale, 5 million listings live, and more than 35,000 new items added every single day. Buyers can choose physical authentication through international hubs or opt for direct shipping. Vestiaire Collective has authenticated over 2.5 million items since 2009, with 140 experts across six authentication centres, and operates in 70 countries.

B. The RealReal (2022)

The RealReal is the largest platform for authenticated luxury resale in the United States, with nearly 40 million members. It offers in-home pickup, drop-off appointments in boutiques, meetings with luxury experts, and direct shipping, having processed over 40 million items with more than 10,000 new arrivals daily.

C. Ellen MacArthur Foundation (2017)

The Ellen MacArthur Foundation establishes that the fashion industry is one of the most environmentally destructive industries globally. The report positions resale as a central mechanism for closing the loop in circular fashion, arguing that resale is one of the most impactful available strategies for reducing fashion's ecological footprint.

D. McKinsey & Company — State of Fashion (2020–2024)

McKinsey's annual State of Fashion reports document shifts in consumer values toward sustainability, transparency, and conscious consumption. The reports consistently identify Gen Z and Millennial consumers as the primary drivers of this shift, placing ethical alignment and environmental responsibility among their top criteria for brand engagement.

E. Lou, Chi, Janke & Desch (2021)

Lou et al. provide one of the most rigorous examinations of consumer behaviour in the secondary luxury market, demonstrating that perceived value significantly outweighs perceived risk in shaping purchase intention toward second-hand luxury goods among U.S. consumers.

F. Vigneron & Johnson (2004)

Vigneron and Johnson offer a foundational conceptual distinction between prestige consumption and luxury consumption. Their study encompasses hedonic, symbolic, functional, and social value dimensions, providing one of the most cited and comprehensive models for understanding why luxury goods retain their cultural and commercial appeal across demographics.

G. Rebag Clair Annual Report (2024)

Rebag's yearly Clair Reports provide compelling financial evidence that certain luxury categories function as appreciating assets in the secondary market, demonstrating how luxury resale acts as an investment practice as much as a consumption behaviour.

H. Additional Key Sources

Further sources informing this study include Nike FY22 Impact Report (2022), Turunen & Leipämä-Leskinen (2015), Eike et al. (2022), ThredUp (2023), Deloitte (2023), Jang & Kang (2025), OECD (2021), and Agrawal et al. (2021).

III. METHODOLOGY

This study adopts a secondary, qualitative approach to analyse the vastly available scholarship and data on fashion resale, aiming to bridge the space for integrated analysis of both the causes and effects of the growth of the luxury resale market. It examines the socio-cultural, economic, and technological drivers behind the rise of luxury resale and analyses its implications for consumers, luxury brands, and the broader fashion ecosystem.

The significance of this research lies in its contribution to fashion studies and consumer behaviour research. It helps in understanding contemporary luxury and culture, as well as the reasons influencing purchase decisions in pre-owned product markets. Additionally, the study addresses the trends of ethical consumption and circular fashion systems.

IV. THE CONCEPT OF CIRCULAR FASHION

The contemporary fashion system operates predominantly through a linear “take–make–dispose” model, characterised by fast fashion's rapid production cycles, the widespread use of low-quality materials, and an entrenched culture of impulsive consumption. More than half of global fashion consumers participate in fast fashion, encouraging disposability over durability (McKinsey & Company, 2020–2024).

In contrast, the circular economic model proposes a fundamentally reconceived approach to fashion production and consumption. Circular fashion offers a way to improve waste minimisation and resource longevity, through designing and managing garments so that they retain aesthetic, material, and economic value for as long as possible—achieved through durability, repair, recycling, and, crucially, resale (Ellen MacArthur Foundation, 2017).

Within this framework, resale emerges as a central mechanism for “closing the loop.” High-quality, well-crafted luxury garments are particularly well-suited to extended lifecycles, given their capacity to retain aesthetic, material, and symbolic value across time and ownership.

V. CONSUMER BEHAVIOUR IN THE SECONDARY LUXURY FASHION MARKET

Consumer behaviour in luxury resale markets is shaped by a complex interaction of psychological, cultural, and economic motivations. Lou et al. (2021) identifies multiple dimensions of perceived value in second-hand luxury consumption, encompassing price-performance, environmental consciousness, quality, social signalling, and emotional attachment.

Platform-level data corroborates these findings: nearly half of The RealReal's 37 million members cite "extending the life cycle of luxury" as a primary motivation for resale participation, while 31% report a post-pandemic behavioural shift toward purchasing "fewer, more intentional pieces" (The RealReal, 2022). These trends are disproportionately driven by Millennial and Gen Z consumers.

A. Consumer Culture Theory

Luxury resale can be meaningfully situated within the framework of Consumer Culture Theory (CCT), which positions consumption as a site of identity construction, taste distinction, and cultural negotiation. In the United States, pre-owned fashion is practised by 40% of American Gen Z consumers. By contrast, in markets such as India, resale culture remains comparatively nascent, constrained by distinct socio-cultural attitudes toward ownership, newness, and status signalling.

B. Symbolic Value Theory

While prestige consumption involves purchasing higher-priced products primarily to embellish one's ego, luxury consumption reflects value that is simultaneously personal and relational (Vigneron & Johnson, 2004). The ownership of rare, vintage, or discontinued luxury items further enables consumer distinction through scarcity, supporting nuanced forms of identity expression that extend beyond conventional brand narratives.

Importantly, symbolic value in resale is not confined to status signalling alone. Today, the deliberate act of purchasing second-hand luxury has itself acquired a distinct form of symbolic currency—ethical commitment, sustainability-oriented values, and a rejection of disposability culture (Turunen & Leipämä-Leskinen, 2015).

VI. CAUSES OF EXPANSION

A. Value Consciousness

In an age of rampant inflation and high cost of luxury, price advantage is the dominant trigger. Affordability consistently outranks sustainability in purchase hierarchies, particularly among aspirational buyers and older demographics. Brands with reserved customer lists like Chanel, Hermès, and Louis Vuitton are outperforming equity and gold in resale value margins, with over 100% resale values (Rebag Clair Annual Reports, 2024). The Hermès Birkin Bag recorded a 250% value retention rate in 2024.

B. Environmentalism and Ethical Concerns

Beyond economic rationality, luxury resale has emerged as a movement grounded in environmentalism, sustainability, and ethical critique of the extractive logics underpinning conventional fashion production. In 2022 alone, Nike released approximately 18.2 million metric tons of carbon emissions through manufacturing and supply chain operations (Nike FY22 Impact Report, 2022). A McKinsey study found that consumers rely heavily on brand-controlled touchpoints—brand websites (42.7%) and product labelling (39.1%)—to assess sustainability credentials.

C. Product Uniqueness, Emotional Resonance, and Heritage Value

Data from Vestiaire Collective reveals that nearly 50% of buyers strongly agree that the search experience and peer interaction on resale platforms are intrinsically enjoyable, while 55% identify the assortment and distinctiveness of second-hand goods as core motivators (Vestiaire Collective, 2021). The RealReal reports that 73% of shoppers cite value—frequently understood as the acquisition of heritage-rich pieces at accessible price points—as their primary purchase driver (The RealReal, 2022).

D. The Rise of Declutter Culture

Research suggests that buyers now purchase approximately four times more clothing than they did a decade ago, generating substantial wardrobe overflow. A study by Eike et al. (2022) highlighted that the decluttering movement is not solely practical; it is also deeply emotional. Approaches such as the KonMari method have brought minimalism into the mainstream, emphasising the retention of only those items that elicit positive affect.

E. Aspirations and Nostalgia

Vintage resale has attracted not only Gen Z consumers but also older demographics drawn in through a convergence of emotional, cultural, and historical factors. Research demonstrates that older adults exhibit stronger nostalgia-driven preferences, particularly for products associated with earlier decades. Data from secondary market reports indicates rising engagement among consumers aged 45 and above, who cite nostalgia, quality retention, and personal resonance with fashion heritage as primary motivations (ThredUp, 2023).

VII. BENEFITS FOR RELEVANT PARTIES

A. *Luxury Brands*

The secondary luxury market represents a significant commercial opportunity for high-fashion brands. Studies demonstrate that resale's rapid expansion since the late 2000s has generated substantial brand visibility, particularly given that for Gen Z and aspirational consumers, the secondary market frequently constitutes their first point of contact with a luxury label (Deloitte, 2023). Active participation in resale—such as the Valentino Vintage Project—allows luxury houses to recirculate archives, maintain brand image, and combat counterfeit goods.

B. *Resellers and Suppliers*

For individual suppliers and small-scale retailers, the resale market provides a structured and economically rational mechanism for clearing unused inventory or wardrobe surplus. Certain collectible categories—luxury handbags, watches, and leatherware—have demonstrated asset appreciation over time, driven by brand heritage, artisanship, controlled scarcity, and durable consumer demand (Rebag, 2024).

C. *The Broader Fashion Ecosystem*

Beyond its direct commercial benefits, resale culture actively contributes to a more dynamic, inclusive, and critically engaged fashion ecosystem. The widespread availability of pre-owned fashion has intensified consumer dialogue around the excesses of fast fashion, production transparency, and the long-term value of garments. Resale also functions as a democratising force, expanding access to high-quality and luxury items across diverse demographic and socioeconomic groups.

VIII. CHALLENGES OF THE LUXURY RESELL MARKET

A. *Authentication and the Problem of Counterfeits*

Authentication constitutes one of the most critical structural challenges facing the secondary luxury market. Research demonstrates that perceived authenticity directly increases purchase intention, reduces purchase anxiety, and enhances structural assurance in consumer decision-making (Jang & Kang, 2025). Clothing, footwear, and leather goods jointly account for 62% of global counterfeit trade (OECD, 2021). Leading resale marketplaces have responded by investing substantially in both human expertise and advanced technological infrastructure, including AI tools and blockchain-based Digital Product Passports.

B. *Storage, Conservation, and Material Care*

A frequently underestimated challenge concerns the proper storage and conservation of pre-owned luxury goods. Leather goods, naturally dyed textiles, and keratin-based materials are highly sensitive to environmental fluctuations. Conservation science demonstrates that humidity, temperature variation, and light exposure accelerate material degradation. Leading platforms have adopted structured conservation protocols including climate-controlled storage facilities.

C. *The Accessibility Paradox*

Perhaps the most philosophically compelling challenge is the question of accessibility and exclusivity. Luxury brands have historically operated within an intentional scarcity model: exclusivity is foundational to their symbolic value, premium prices, and cultural capital. As per Bourdieu's theory of distinction, luxury functions as a social differentiator based on access, taste, and status (Bourdieu, 1984). Market data shows that while democratisation through digital channels has expanded the luxury consumer base by over 60% in the past

decade, consumers continue to rank exclusivity among the top three defining attributes of the luxury experience (Bain & Company, 2023).

IX. FUTURE OF THE LUXURY FASHION RESALE MARKET

The luxury fashion resale market is positioned for sustained expansion, projected to grow from USD 28.71 billion in 2024 to USD 61.85 billion by 2033, at a CAGR of 8.9% (Proficient Market Insights, 2024). Advances in AI-assisted authentication and blockchain provenance tracking will reduce counterfeit risk and strengthen consumer trust (Jang & Kang, 2025). Luxury brands are moving from passive tolerance of resale toward active participation through certified pre-owned programmes and platform partnerships (Deloitte, 2023). The question is no longer whether resale will become central to the fashion ecosystem, but how swiftly that transformation will unfold.

X. CONCLUSION

This paper has examined the luxury fashion resale market as a complex socio-economic and cultural phenomenon shaped by converging forces: value consciousness, environmental ethics, heritage desire, declutter culture, and generational nostalgia. The findings demonstrate that the secondary luxury market is not merely a commercial adjunct to primary retail but a structurally significant, theoretically rich, and culturally generative dimension of contemporary fashion. Price-performance utility and heritage value emerge as the strongest predictors of purchase intention, while ethical concerns exert a modest but significant effect. Ultimately, luxury resale reflects a fundamental reconstitution of how value, identity, and desire are constructed and negotiated in the contemporary fashion landscape.

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