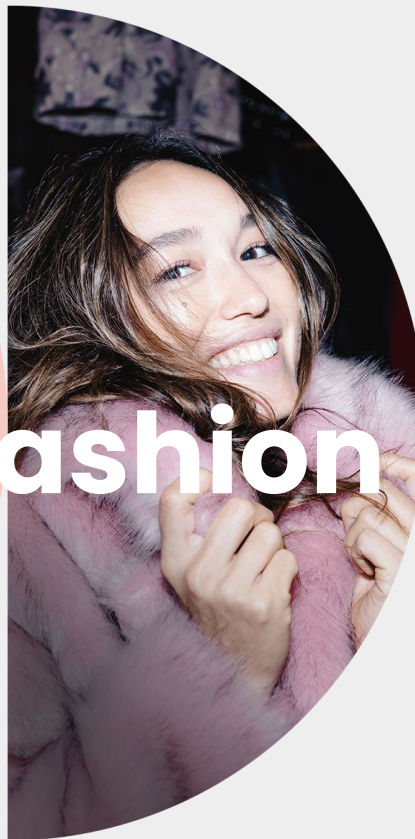


WHAT RETAIL BRANDS
NEED TO KNOW

Pre-loved fashion

ABOUT GEN Z
SPENDING HABITS



Contents.

3 Gen Z and the pre-loved opportunity

4 Why do students dig pre-loved?

5 Are they shopping to re-sell and what does this mean for retailers?

6 Product quality counts

7 Get the tech to stay in check

8 Second-hand isn't second best

9 Appendix

Who took part in our research?

Between November and December 2022, **UNIDAYS** surveyed 3,279 student members across the USA, UK and Australia to understand Gen Z's pre-loved fashion purchasing trends and demands.



Gen Z and the pre-loved opportunity.

The total secondhand market is predicted to **grow 127% by 2026**¹. Joining the likes of ASOS, Pretty Little Thing and LK Bennet with a pre-loved offering could be the smartest move a retailer makes this year. And Gen Z are here for it.

A category that goes by many other names, pre-loved can include vintage, designer wear and charity shop (thrift store) finds. But the emergence of platforms such as Depop and Vinted have combined to create a new category: the consumption and resale of high street fashion for personal gain (individual style) and financial reward.



Gen Z's desire to purchase pre-loved products is loud and clear:

75% of students shop for pre-loved clothing.

64% want clothes manufactured to the highest standards.

69% of Gen Z students think brands should reward those who shop for pre-loved items through discounts provided by **UNiDAYS** or direct through the retailer.

Students are a hot target for pre-loved fashion. Could you be their next shop of choice for second-hand clothes?

Discover the scope of this opportunity. And learn what messages and experiences resonate with students.

Why do students dig pre-loved?

In Deloitte's 2022 global **Gen Z and Millennial Survey**², a third of Gen Z respondents said that the cost of living was their biggest concern. So, it's no surprise our survey found 76% of students shop pre-loved to save money.

They expect to save over 30% with a pre-loved buy, demonstrating how discounts play a critical role in Gen Z's purchasing decisions.

And this tallies with our **2022 Beauty Report**³ which found that 51% of students would wait until they got a discount to complete a purchase. And 32% would wait until a major sale event, like Black Friday.

Sustainability is a consideration: 56% of all students say they shop second-hand because it's better for the planet. UK students are particularly driven by environmental concerns (67%).

A retailer's environmental motivations for selling pre-loved will resonate with Gen Z and provide powerful messaging for targeted campaigns. But this financially astute generation will also lap up discount opportunities—retailers can be bold with money-saving messages too.

30%

Expected discount with a pre-loved buy

76%

Shop pre-loved to save money.

56%

do so to help the environment.



Are they shopping to re-sell and what does this mean for retailers?

37% of UK, 33% of AU and 22% of US students sell their old clothes online. And while 72% of respondents said they sell their old clothes to make their fashion life cycle more sustainable, 91% said they do it for cash.

Do some students explicitly buy clothes to re-sell them for a profit? Perhaps. Just look at Gen Zer **John Grummons**⁴, who's making a living out of being a professional reseller and social media influencer.



72% 91%

Sell to become more sustainable.

Sell old clothes for cash

Regardless, the pre-loved love affair puts product quality front and centre.

Product quality counts

In-store shopping is the preference for nearly half (47%) of students.

Whether it's a rumble through the jumble of a vintage kilo sale, or a glide down the discount rail of a clean-cut high street store, we can assume this is, at least in part, to verify item quality.

In 2022, our fashion report revealed that 68% of Gen Z students want clothes manufactured to the highest standards. Suddenly, this statistic takes on a new dimension as we consider this isn't just for the environment's sake. It also underpins Gen Z's desire to resell clothes immediately or once they're done with them.

Retailers facilitating pre-loved sales need to do so with clothes that stand the test of time.



Get the tech to stay in check

As **Fashion United reports**⁵, the buy-back mechanism for pre-loved clothes is relatively simple:

1

The customer brings branded items to the store.

2

Store staff identify and classify the items according to their condition. Items classified as poor will not be put back on sale but will be recycled.

3

In exchange for the deposited item, the store gives the customer a voucher.

4

Additional checks are made. If everything is in order, the used products are then steam cleaned, relabelled, and resold.



This can also be facilitated online, with pre-paid envelopes sent to participating customers.

But it's the tech that sits behind this that seals your fate. An order management system is going to be key. And so too is that voucher system.

As reported in our **2022 Back to Campus**⁶ analysis, this is a generation that loves convenience. The way retailers facilitate online and in-store discounts for Gen Z needs to be slicker than a 90s wet gel haircut if it's to reduce friction, protect margin and build brand loyalty.

For students, second-hand isn't second best

They love the affordability and cash-making potential of pre-loved clothing. And they love giving back to the environment through their sustainable shopping habits.

With over half of students unsure which brands sell pre-loved fashion well, there's ample opportunity for retailers to stand out.

With over 27 million active members, and over 10 years experience, **UNiDAYS** has the reach and technology to put retailers' brands in the spotlight.

Create pre-loved options that suit different styles to attract students as you do your bit for the planet. And use in-store and online discounts to provide further incentives for students eager to save money.

When it comes to Gen Z, the pre-loved opportunity is unmissable. Embrace it in a way that makes sense for your brand, and reap the benefits.



Appendix

1 [thredUP, 2022](#)

2 [Deloitte, 2022](#)

3 [UNiDAYS, 2022 Beauty Report](#)

4 [TikTok](#)

5 [Fashion United, 2022](#)

6 [UNiDAYS, 2022
Back to Campus Report](#)

Get in front of Gen Z

There are 27M **UNiDAYS** members across the globe. Talk to us if you'd like to get your fashion brand in front of them.

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