SUMMARY REPORT

An overview of the French second-hand Clothing textiles, Household linen and Footwear (CHF) market's practices and trends in 2024

Re_fashion

01

A market which is still changing shape

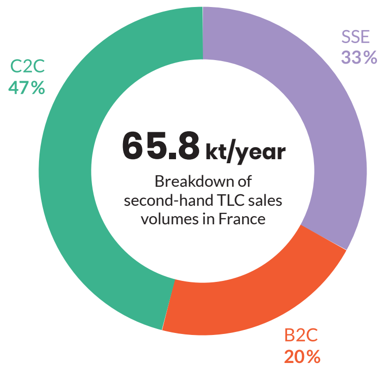
With 65.8 kt sold per year and a turnover of 946M€², ** second-hand Clothing textiles, Household linen and Footwear (CHF) in France is still a small market accounting for only **7.4% of the global CHF market.

Sources:
[1] Argon Mission Results
[2] Kantar Worldpanel 2024 fashion data
[3] Vinted publication, 2023

Three groups of stakeholders share the second-hand Clothing textiles, Household linen and Footwear (CHF) market:

SSE

The actors of the Social and Solidarity Economy (SSE), pioneers in the textile industry, committed to solidarity reuse and reintegration, generates **33%**[1] of the quantities sold.



B2C

The B2C retailers (second-hand clothing shops, nearly-new shops, etc.) account for **20%**[1] of the quantities sold.

C2C

The C2C market (digital platforms and flea markets) capture **47%**[1] of quantities and is progressing more rapidly than all the others. Vinted alone accounts for 1/4[1] of the quantities and has an annual growth rate of +28%[3], while the market only grew by +9.1%[2] in 2023.

It should be noted that the traditional flea market still continues to attract people.

The market is therefore highly dynamic, particularly with two significant events in the last few years:

- **The arrival of digital C2C platforms,** which have disrupted the market by offering the public an easy way to monetise their wardrobes using a digital medium. A trend towards peer-to-peer selling which is particularly in vogue in France.
- **The emergence of intermediary technical solutions** for retailers and marketers offering turnkey solutions for opening and managing second-hand corners.

02

Supply and flow management lies at the heart of the textile industry's challenges

Sources:
[1] French customs' statistics (website) - data extracted on 11/06/2024, code 6309 (Second-hand clothing)
[2] Argon Mission results
[3] Internal Refashion data

43%[2]

of the 65.8 kt[2] of second-hand CHF sold in France comes from donations by the public (28.3kt[3])

Collected by SSE organisations, these donations represented a total of **289 kt[3] in 2024**. Only a small part of the items collected will be sorted and/or premium-quality sorted and sold in France in the charity shops (28 kt[3], i.e. only 9.7%[3] of the items collected).

The large majority (166 kt[1]) of the quantities collected is disposed of on the international market at low values prices (513€[1] per tonne) as the international second-hand clothing market is becoming increasingly competitive, notably due to high-quality Asian supply sources, undermining the competitiveness of French collection-sorting operators.

With only a tiny proportion

of the streams from French collection operators being accessible to B2C organisations, the latter turn to second-hand clothing imports into France (6kt[2])

These imported quantities are carefully sorted, of high quality ... and very expensive (1 935€/tonne[1]).

The remaining quantities

reused in France come from direct sales amongst private individuals via C2C platforms and second-hand clothing shops/flea markets (31.5 kt[2])

Quantities are very difficult to trace ... and quality sources that the French prefer to sell directly on platforms or in nearly-new shops elude the B2C and SSE organisations.

If the capacities and expertise in sorting, recovery, and distribution of collected sources were improved and bulked, it is estimated that the potential reuse after collection market in France could rise to 15-22 %[2]

03

Second-hand CHF market operates in silo mode and is characterised by different business models.

Source:
Argon Mission Results

Online sales

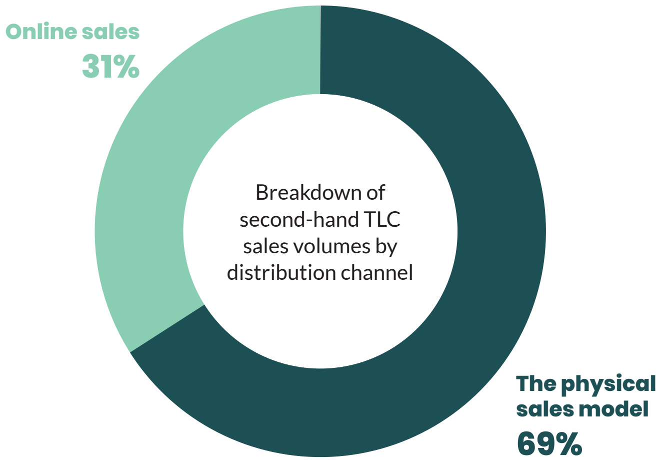
are particularly high

a level that should continue **to grow** in the years to come.

The physical sales model

remains predominant and generates 69% of quantities sold.

Sales points are numerous (12,000 for SSE 8,000 for B2C) and the network perfectly covers the French territory.



In addition to this, each channel has its own specificities particularly in terms of added value of the quantities sold.

SSE

The SSE positions itself on an accessible segment, true to its social role - with only 33% of the quantities sold, **it captures 11% of the market value.**

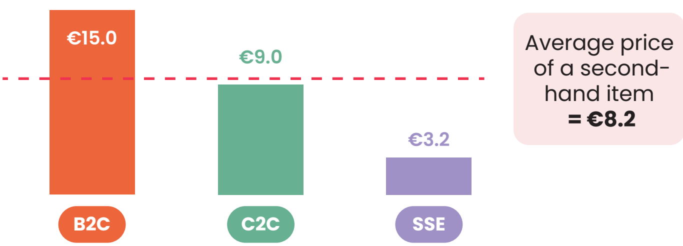
C2C

C2C platforms **occupy an intermediate position** with starting/mid-range prices in competition with fast fashion and a major part of the new clothing market.

B2C

B2C organisations have much higher sales prices and may offer premium or high-end items, embodying thereby a higher-value second-hand clothing model, both in terms of image and profitability.

Average sales price per item per stakeholder group (in €)



Adding value to second-hand clothing opens the way to more sustainable models in which the SSE with its solid presence, has a role to play. The digital channel represents a strong opportunity.

04

38% of the French population aged 16 years + buy second-hand CHF

Source:
Results from the June Marketing study

Historically, the customer base for clothing has grown among women and modest families.

(compared to shoes and household linen)

The biggest buyers remain families with children.
In 2023, 14% of new buyers arrived on the market with a singular profile - young people, households without children, more masculine - revealing an opening for this market.

The market is however far from being saturated.

According to non-buyers, **30% envisage taking a first step** but above all "need to be reminded about this solution". 37% of non-buyers already practice a reuse after collection rationale by selling their used CHF.

Despite their enjoyment in buying second-hand items, buyers do have concerns about this category and would very much welcome improvements.

Buyers and non-buyers alike denounce an unsatisfactory customer experience and **have doubts about the products state of hygiene** resulting in a buying behaviour that has not yet taken root.

Buyers in this category declare being very satisfied (excellent rating of 8.1/10).

There are several underlying reasons: good budget management, able to afford well-known brand names for a cheap price, and all of this with a societal impact perceived as positive.

Improving the customer experience and quality of the offer would make it possible to attract additional quantities, whether through customer acquisition or the increase in purchase volumes.

05

Second-hand clothing buyers are multimodal – and subject to impulse buying.

Source:
Results from the June Marketing study

With an average of 4 channels visited in 2023, French second-hand clothing customers appreciate the multiple distribution channels.

Nevertheless, within this diverse offering, C2C platforms remain the most popular. In 2023, 88% of buyers bought from one of these platforms with an average purchasing rate twice as high as that of all the other channels. For one in two buyers, this is where they make their first purchase.

Visits to **physical shops** remain high and attracted nearly 2/3 of buyers in 2023. A good purchasing rate can also be seen for weekly markets.

75% of purchases are opportunity purchases, without any prior intent to buy.

"Giving in" purchases are above all in physical shops - 1 out of 2 in these channels.

Buyers admit that they are more likely to make purchases since they started buying second-hand. 42% buy more than they would have done if buying new, and 26% buy second-hand clothing in addition to new items. Not many buy only second-hand clothing - 11% of buyers, i.e. 4% of the total population.

All channels have their role to play in order to enable buyers - and non-buyers - to make second-hand goods their first choice.

06

The customer experience remains an obstacle

In regard to this, the different channels generate contrasted perceptions with **a majority not achieving a sufficient level of satisfaction.**

Source:
Results from the June Marketing study

C2C platforms are an exception to the rule and excel in all assessment criteria, positioning themselves as the buyers' favourite channel.

Trust, offering, price, customer experience, commitment to CSR, etc. This channel has a perfect record and with an excellent rating of 8.1/10 from buyers.

Second-hand clothing shops & nearly-new shops represent a channel that is well liked with a rating of 7/10 from buyers - a channel that allows brands & rare items to be found.

Flea markets & garage sales
are also decently rated, especially in regard to affordability.

All other channels are shown to be less appealing and comparable to other channels.

between 6.1 and 6.5/10 (by buyers)

The second-hand offering by marketers (corners, websites) and premium platforms are well rated for their customer experience but are struggling to win people over on other aspects, particularly the price.

The SSE profile shows a contrasted rating.

It is the best option for affordability and social commitment but performs less well in terms of customer experience and choices in styles and brands.

Non-buyers are showing little interest in the offer, with a very low rating for theses channels.

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