

From Bicester to Fleamarket

Chinese consumers opt for second hand items over high-end brands

In 2018, Chinese consumers spent \$115 billion on luxury goods, a growing trend which, since 2012, has accounted for more than half the global growth in luxury spending. This growth has been fuelled by the rapidly growing upper-middle-class which is set to continue growing at a compounded rate of 28% by 2025 - putting this into numbers, this will equate to more than 350 million upper-middle class Chinese households.

So far, European and US brands have dominated China's luxury market contributing to record profits from high-end luxury brands popular with the rising upper-middle class Chinese consumer such as Burberry, Polo and more.

The Coronavirus Effect?

However, since the Coronavirus outbreak, there has been a huge rise in the number of Chinese consumers buying second hand items and selling unwanted high-end luxury items

A report from Reuters reported on one Chinese millennial, Jiang Zhuoyue, who has joined the #ditchyourstuff trend and started selling her clothes, handbags and shoes from her vast collection of luxury high end goods accumulated over the years.



Photo by Afif Kusuma on Unsplash

During the lockdown in March, whilst at home, she realised she had too many clothes, handbags and shoes, and decided to sell them online. She reports on already selling over 50 items.

IdleFish, one of the largest fleamarket platforms in China, reported a surge in demand in March in those selling and buying second hand clothing and other items with user numbers hitting in excess of 200 million and more than 20 million daily active users.

The trend is growing so quickly that researchers have estimated China's used goods market may top a record \$143 billion in 2020, further cementing a prediction that Chinese consumers may be putting the brakes on brand new luxury high end goods in a new found trend of buying second hand.

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