

October, 2019



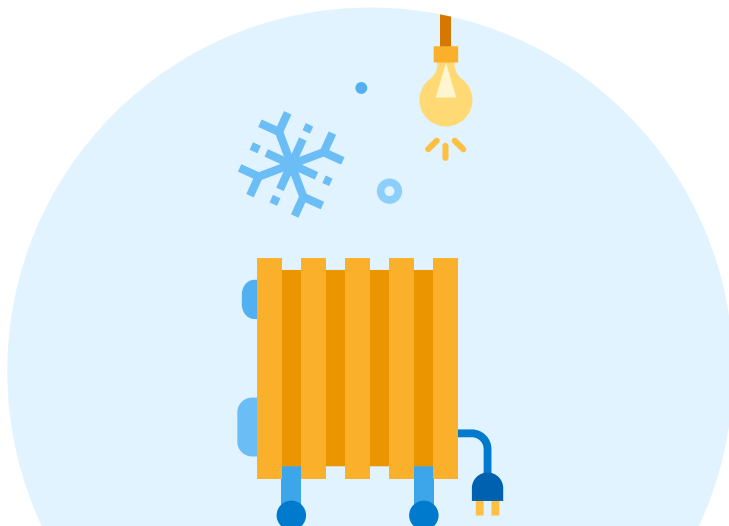
What's lurking in your garage?

# New Zealand's secondhand economy

A report powered by trademe 

# What is the ‘secondhand economy’?

Trade Me’s roots began in the ‘secondhand economy’. Legend has it that founder Sam Morgan couldn’t find a heater for his chilly Wellington flat online and so began the idea of Trade Me.



Twenty years later there are 1.2 million secondhand items on Trade Me at any one time with Kiwis from around the country wheeling and dealing to extend the useful life of unwanted items.

Over the years we’ve seen new categories blossom as new technology emerges (20 years ago there was little need for a mobile phone category for instance) and others fall away, but what has remained is the thrill of the chase and the love of a bargain. We regularly hear stories about the pride and joy that our members get from buying that perfect item or cashing in an item they thought was off to the bin.

What we’ve never talked much about publicly is what New Zealand’s secondhand economy looks like. How big is it? How many Kiwis are taking part? What do they prefer to buy and sell? And, what is the scale of the secondhand economy? How many things are lurking in Kiwi garages, cupboards, under stairs and in wardrobes that could be dusted off and donated, or turned into cash?

This report brings together the responses of nearly 4,300 New Zealanders to detail just what the Kiwi secondhand economy looks like.

It provides detailed insights into our buying and selling habits, and offers some ideas on how Trade Me can help Kiwi bargain hunters for the next 20 years and beyond.

# How do New Zealanders feel about buying secondhand items?



On the whole, Kiwis like buying secondhand stuff with

# 76% of us

having bought a secondhand item in the last six months.

Nearly **22 per cent** of New Zealanders are **super proud** of their secondhand bargains, while just **2 per cent** feel **very embarrassed** about not buying new.

Over 68 per cent of Kiwis are at least a little proud of buying secondhand.

# Who loves secondhand the most?



Not only are Kiwis in **rural New Zealand** more likely to buy secondhand than those living in urban areas, but they also feel much more strongly about purchasing secondhand stuff (57 per cent of Kiwis in rural areas 'definitely would' buy secondhand compared to 47 per cent of those who live in our big cities).



Those living in Marlborough are the strongest supporters of the secondhand economy (71 per cent 'definitely would' buy secondhand), while Aucklanders are the least inclined to purchase secondhand (45 per cent 'definitely would').

# Why buy secondhand?



**62%**  
To save money

Saving money was the primary reason for buying secondhand according to 62 per cent of Kiwis.

But for some (20 per cent), it's about finding something **unique and different**.

Some **objections** to buying secondhand include not knowing the history or quality of the item, or disliking the fact that someone else has used it.

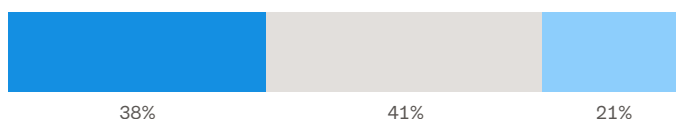
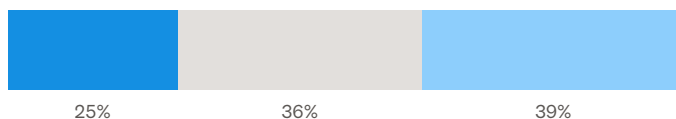
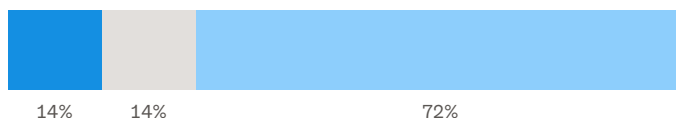
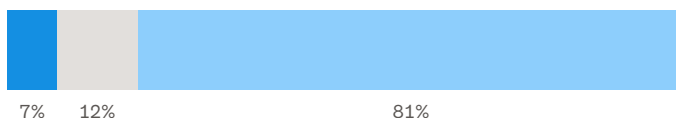


"I am slightly concerned about quality and longevity of the product if I buy it secondhand."

"Just don't like the idea of it, it's yucky."



Secondhand No preference Brand new



## New or secondhand?

Kiwis prefer to buy new **shoes** and **laptops**, but are likely to opt for secondhand when it comes to kids' **toys** and musical **instruments**.

For many people it's all about saving money, and if money isn't a driver, they don't think to buy secondhand.

"I like new things and can usually afford them."

The reassurance of a warranty or guarantee was the main reason for buying brand new.

# Getting the best bang for your buck

If saving money is a big factor when buying secondhand, how do you know when you're getting a good deal?



Based on what Kiwis think their items are worth, the best bargains for buyers can be found in **sporting equipment**, **jewellery & watches**, and **home & living** categories.

## Supply and demand

A solid 28 per cent of people say they're on the hunt for items related to **home & living**, whereas only 19 per cent of people are selling items in this category at the moment. This means it's a great time to look around and list those unwanted household items.

# Where is this happening?

There are secondhand treasures all over the country.

Kiwis who live outside the main centres are more likely to buy from op shops and secondhand markets while those who live in our main cities prefer Trade Me.

Aucklanders are the least likely to buy from op shops and Facebook while those on the West Coast are the biggest supporters of secondhand markets and buying things from friends and family.

**60%** of Kiwis

have sold something secondhand in the last six months.

Of this group, 25 per cent have sold one or two things while 8 per cent have sold more than 10 items.

Where are Kiwis buying and selling secondhand items?





# Reasons for and against selling stuff

The Marie Kondo effect is alive and well in New Zealand with 51 per cent of Kiwis claiming that the biggest reason for selling their unwanted items is to make space and declutter.

There are also those of us who do it for the money, with 37 per cent saying the number one reason they sell secondhand stuff is to make some extra cash.

When it comes to why Kiwis won't sell their stuff, 28 per cent of respondents said the main reason they haven't sold their unwanted items was that it seems too hard or time-consuming, while 27 per cent reckon their stuff isn't worth anything.

We were surprised that **sustainability** didn't come up as a motivation, with **just 5 per cent of Kiwis** claiming that this was the reason they would buy or sell secondhand items.

## Kiwis care...

- About waste  
Less than 5 per cent of those surveyed said they threw away the last thing they needed to get rid of instead of selling or donating it.
- About each other  
Wanting to help others was a major factor for those donating or giving away items.



# How much secondhand stuff is out there?

There's a lot.

Only **10 per cent** of people say they **don't** have unwanted items they could sell.

Across New Zealand, we estimate that there are 73.4 million secondhand items lurking in people's homes and garages that are no longer used or needed.

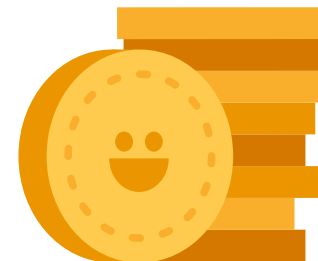
This means that each New Zealander has approximately **15 items they could sell**.

## Who's got what?

- 3 million Kiwis have clothing they could offload
- 2.5 million have home & living items
- 2.25 million have books, CDs and DVDs
- 1.7 million have electronic goods

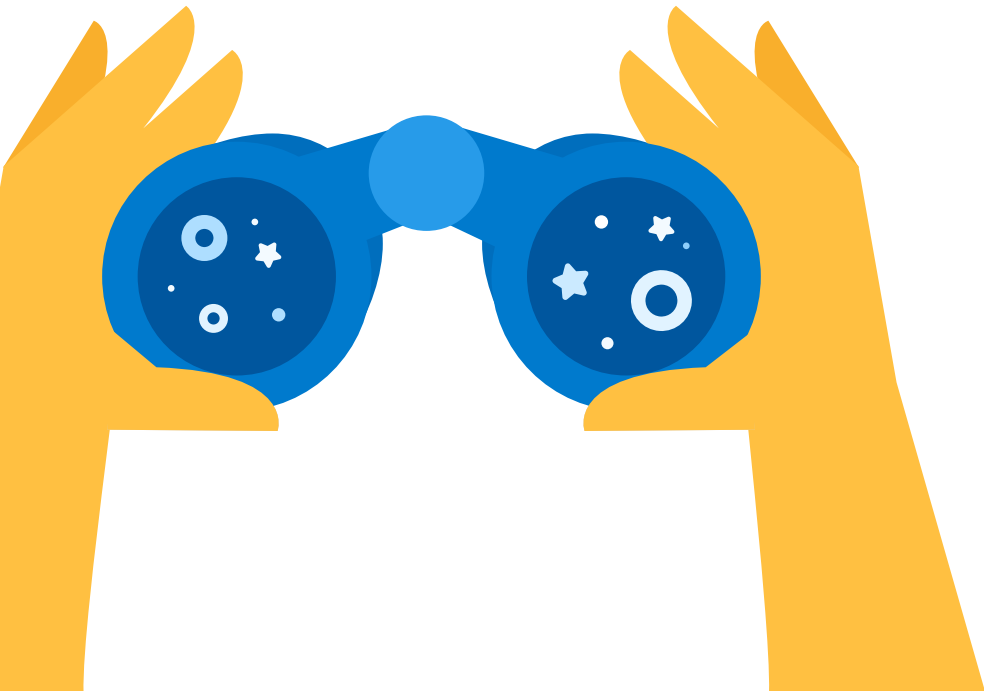
## How much are your 15 items worth?

Using the average selling price of secondhand items sold on Trade Me, we estimate that each Kiwi has approximately **\$1,200** worth of stuff that they could sell.



# The future of the secondhand economy

From what New Zealand has told us there doesn't appear to be any end in sight to the local secondhand economy. Kiwis still love a bargain and how secondhand items offer the unique or antique.



What we think will change are the reasons people have for buying and selling secondhand. With climate change becoming more front of mind, and a greater push for retailers to act **responsibly and sustainably**, we suspect that secondhand items will be seen as an important part of keeping perfectly functional items out of landfills and in the hands of people who want or need them.

For a company like Trade Me, we need to keep pace with the needs and desires of our consumers too. Giving users the ability to price compare new and used items will be increasingly important, as well as providing as many ways as possible for people to pay for those items.

We love the role we play in New Zealand's secondhand economy and we're looking forward to doing this research annually and seeing how the landscape changes over time.

**Survey methodology:** This survey was conducted by Trade Me's UX (User Experience) team during September 2019 and collates answers from 4,278 individual New Zealand-based respondents. Respondents were externally recruited (via Dynata) to avoid any potential Trade Me membership bias and the survey was written from a platform-agnostic perspective (not 'from Trade Me'). It was also sent out via a third party (Dynata).



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