The Second Hand Effect 2019 report

Calculating the environmental benefits of second-hand trade

Schibsted

Adevinta

Table of contents

Photographer (cover image) - Jon Flobrant

In 2019, 25.3 million tonnes of greenhouse gas emissions were potentially saved by people who chose to buy and sell used items through twelve digital marketplaces operated by Schibsted and Adevinta.

The Second Hand Effect 2019 Report shows how buying and selling second-hand products makes our marketplace users environmental heroes.

25.3 million tonnes CO2e = 50% of Norway's annual emissions.

1

What it is

Every time you choose to buy or sell a used item instead of something new
– maybe a mobile phone, pair of jeans or piece of furniture
– you're not only saving money, you're also making a choice that helps the environment.

Buying a pre-owned sofa means one less new sofa needs to be manufactured,
and the old sofa serves a new purpose instead of heading to a landfill. You're contributing
to the circular economy, and that means less energy and fewer natural resources used.
All this translates to savings in greenhouse gas emissions and less wasted materials.

A single sofa might not seem like much, but when you multiply these
environmental savings across the dozens of digital marketplaces operated
by Schibsted and Adevinta, the result is remarkable.

We call it the Second Hand Effect.

25,300,000

tonnes CO2e saved

Second Hand Effect results for 2019

Each year Schibsted and Adevinta publish a study which shows the environmental benefits our users generate by buying and selling second-hand goods on our marketplaces.

In 2019, we collected data from twelve marketplaces in Europe, Latin America and North Africa.

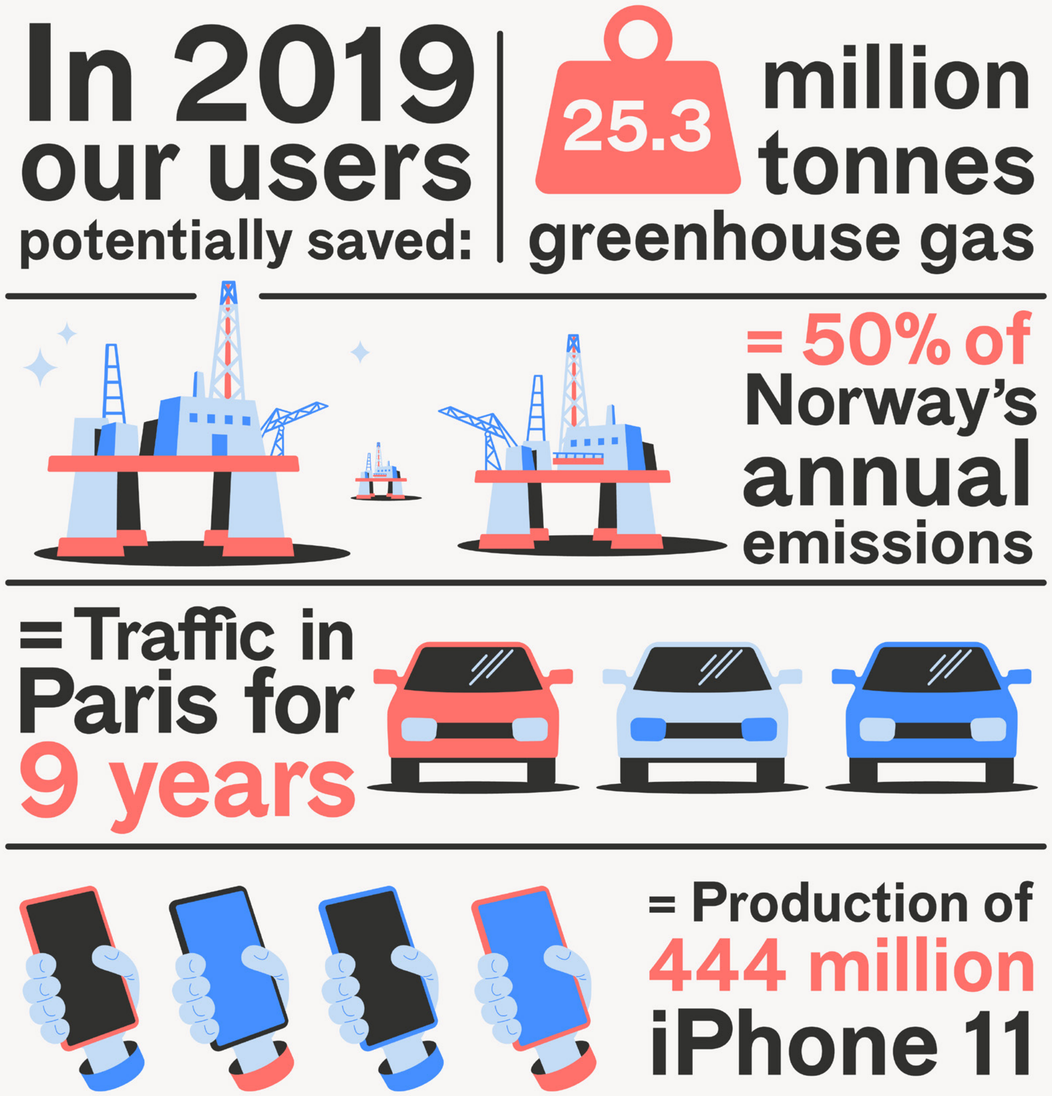
By analyzing the products our users traded, we were able to calculate how many tonnes of greenhouse gas emissions were potentially saved by keeping existing items in use instead of producing new ones.

All together, people potentially saved 25.3 million tonnes of greenhouse gas emissions (CO2e) by buying and selling on our marketplaces in 2019.

This might be a hard number to get your head around, but consider this: 25.3 million tonnes of CO2e is about the same as the yearly emissions of 2.8 million Europeans. Or, if we compare it with traffic pollution, it equalizes emissions from all the traffic in Paris for more than nine years. It's also equivalent to 50 percent of all emissions in Norway for one year.

We also looked at the materials used to manufacture the goods sold on our marketplaces in 2019, and calculated how much new plastic, steel and aluminum did not need to be produced as a result of this second-hand trade. In 2019 our users potentially saved:

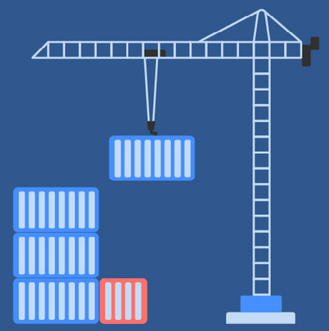
- 1.5 million tonnes plastics
- 9.5 million tonnes steel
- 0.9 million tonnes aluminum



In 2019 our users potentially saved

0.9 million
tonnes aluminum
= 60 billion
cans

9.5 million
tonnes steel
= 2.5 million
containers



1.5 million
tonnes plastic
= 204 billion
plastic bags

Millions of users on these sites contributed to saved emissions

blocket

Sweden
730,000 tonnes CO2e

FINN

Norway
551,000 tonnes CO2e

tori

Finland
163,000 tonnes CO2e

subito

Italy
7,251,000 tonnes CO2e

shpock

Germany/Austria/UK
262,000 tonnes CO2e

leboncoin

France
7,470,000 tonnes CO2e

Avito

Morocco
578,000 tonnes CO2e

segundamano

Mexico
94,000 tonnes CO2e

Jófogás

Hungary
185,000 tonnes CO2e

WILLHABEN

Austria
380,000 tonnes CO2e

OLX

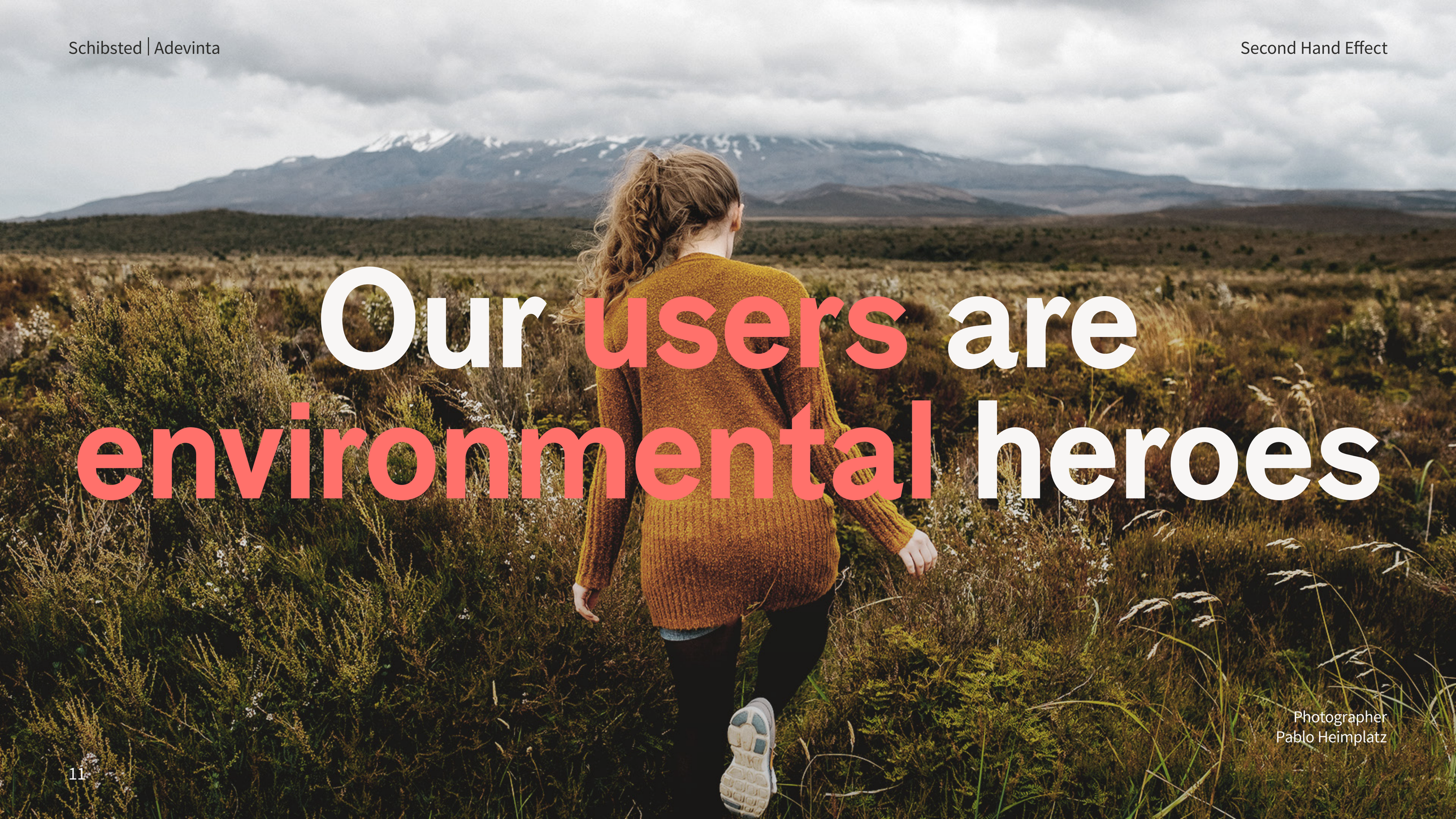
Brazil
6,028,000 tonnes CO2e

milanuncios

Spain
1,610,000 tonnes CO2e

“With the Second Hand Effect project we want to raise awareness about the environmental benefits of reusing items and minimizing waste, and visualize our users' contribution to the circular economy. With our marketplaces around the world, we empower consumers to act in more environmentally friendly ways.”

– Kristin Skogen Lund, CEO Schibsted



Photographer
Pablo Heimplatz

“At Adevinta, we want to create a positive change in the world by helping everyone and everything find new purpose. Enabling sustainable consumption is central to our business. If you think you are too small to make a difference, look at what our users have achieved together.”

– Rolv Erik Ryssdal, CEO Adevinta

2

The story behind

Why it matters

Climate change is one of the defining issues of our time, and 2020 is on track to be one of the warmest years on record, according to the EU's climate research programme, Copernicus. At the same time, humanity's relentless demand for the earth's resources is accelerating the loss of biodiversity. Globally, we are consuming as if we had the resources of 1.8 planets, and in Europe it's 2.8 planets.

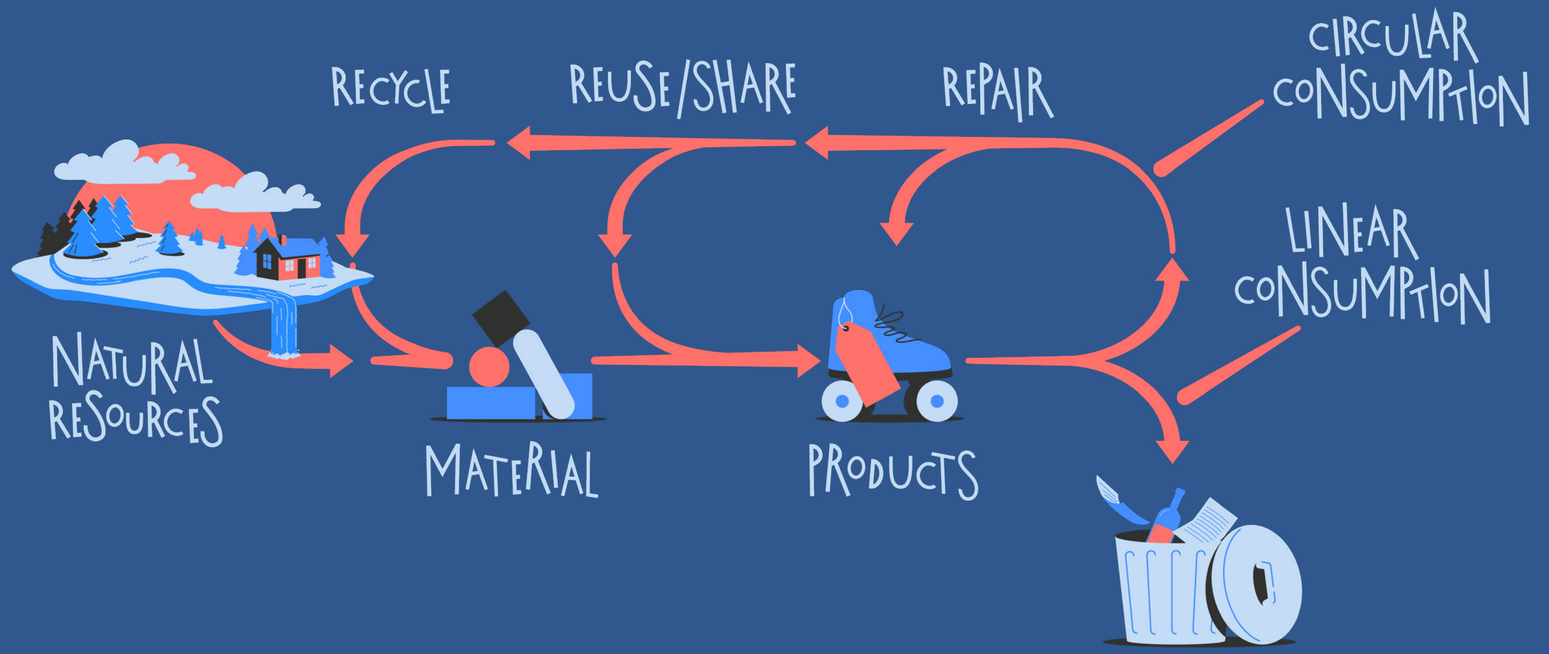
We are consuming too much, too fast. We are taking out more resources from our planet than it can renew, which means we're borrowing resources from future generations. It is crystal clear: we need to change the way we consume and move towards circular consumption.

Photographer
Dave Herring

What is circular consumption?

Circular consumption means keeping products and materials in continuous use by repairing, reusing, sharing and recycling. This contrasts with ‘linear consumption’ – where you buy something new, use it for a short time, then dispose it.

In 2015, the UN launched the 2030 Agenda for Sustainable Development which sets 17 sustainable development goals, including SDG 12: Responsible consumption and production. By taking part in the circular economy, we can slow down the over-consumption of natural resources and reduce pollution, waste and greenhouse gas emissions. Buying and selling second-hand is one of the easiest ways you consume in a circular way, and by doing so you contribute to the UN’s Sustainable development goals.



- Decreasing demand for virgin natural resources
- Decreasing demand for production
- Prolonging life-time of goods
- Reducing waste

= Great for the environment

Photographer
Atte Grönlund

Photographer
Emma-Sofia Olsson

A new way of consuming

Schibsted's and Adevinta's marketplaces provide an easy way to participate in the circular economy by offering platforms where you can buy and sell used goods. Our digital marketplaces give you the power to make smart choices, both for your pocket and the planet.

The transition to circular consumption faces many barriers. But our marketplaces provide user-friendly, accessible platforms where you can easily find and purchase previously owned products. We want to make it as easy and convenient to buy second-hand as it is to buy new.

We need to speed up the transition by changing consumers behaviour. The Second Hand Effect project puts the spotlight on the benefits of circular consumption and the environmental heroes who contribute to a more sustainable future.

3

Methodology

The Second Hand Effect method

We developed the method for calculating the Second Hand Effect in close collaboration with IVL Swedish Environmental Research Institute. In order to calculate the potential savings of CO2e, plastic, steel and aluminium, we analyzed 2019 ad data and customer surveys. We also took into account the energy consumed by our twelve participating marketplaces through business travel and the operation of our offices.

Our calculations rely on two assumptions:

- Every time someone buys a used item, they don't need to buy the corresponding new product, so the material and emissions associated with new production are avoided.

- Since second-hand items are reused rather than thrown away, the emissions associated with disposal of used items are avoided.

This means that if you buy a previously used dining table on one of our marketplaces, there is no need to produce a new table or dispose of the original one.

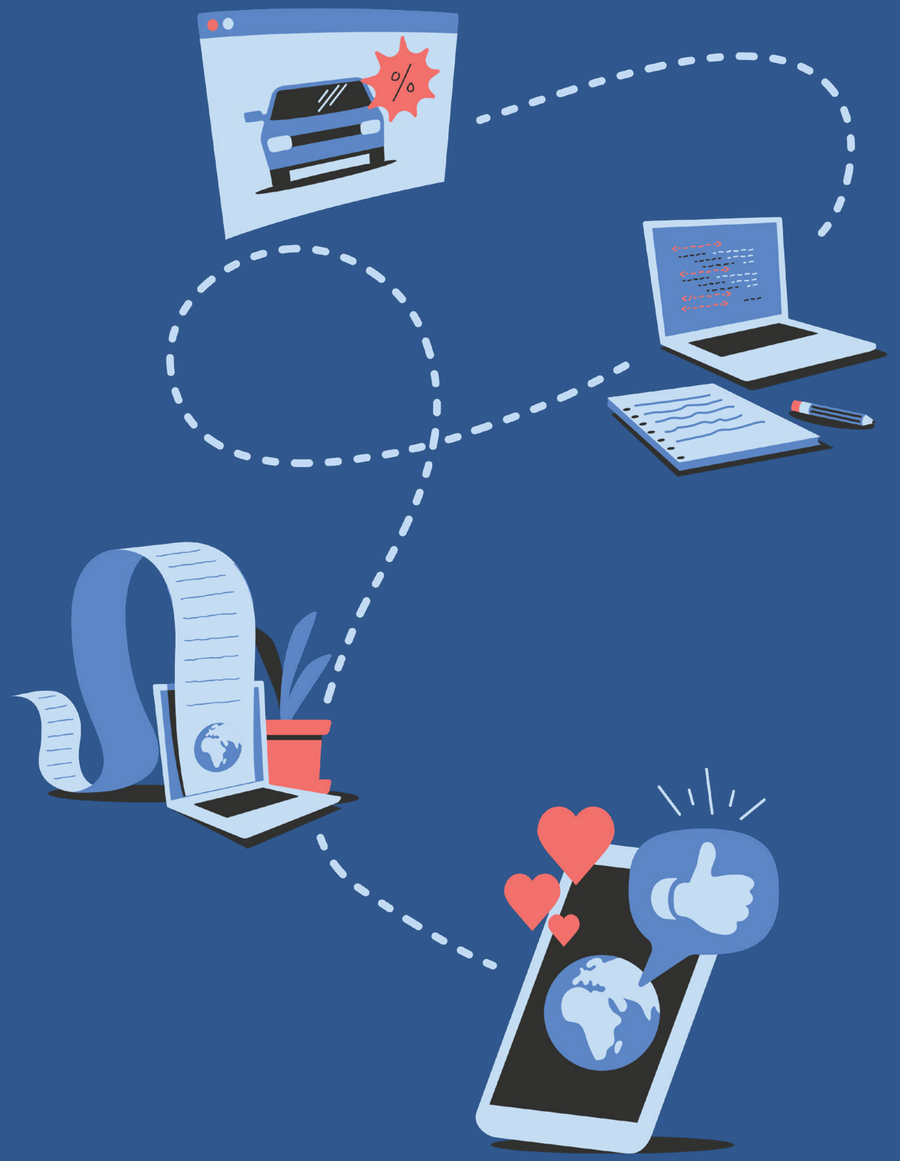
Ads and categories

In order to calculate how much material and CO2e our users potentially saved, we analyzed second-hand ads which represent approximately 50 percent of all published ads on the participating marketplaces.

We selected ad categories which:

- had sufficient data to calculate potential savings
- contained similar products, so that potential material and emissions savings would be representative of all ads in the category
- represent a large percentage of the total volume of private ads for each site

We did not include ads from professionals since they're more likely to feature new items. We also excluded advertising of various categories, including pets, services, concert tickets, collectibles, travel, real estate and some other local categories, as they do not involve used items. Finally, we only included ads that led to sales.



How we made the calculation

To develop emissions data for material extraction, product manufacturing and waste management, IVL first created material partitions for the ad categories on each site. In each selected ad category, they made random sample tests on 10-50 published ads. IVL analyzed the ads and calculated the products' average material partition (the percentage of each material present).

To develop the data, IVL used databases for life cycle assessments, such as Ecoinvent, and reviewed scientific publications. They studied what kind of material the products were made of, how they were produced, how much waste they generated and how waste was disposed of.

In order to calculate potential material saved, IVL analyzed the weight of plastic (all types of plastic materials), steel (carbon steel and stainless steel) and aluminum in an average product.

In order to calculate potential greenhouse gas emissions saved, IVL analyzed emissions generated by raw material extraction, manufacturing and waste management. IVL converted the total amount of greenhouse gas emissions into tonnes of carbon dioxide equivalents (CO2e). In addition, the calculation aslo consider negative impact, which is deducted from the total result, this includes the transportation of goods between a buyer and a seller, operation of data centres, business travel, fuel consumption by company cars and energy consumed by our offices.

Clarifications

We refer to the results as potential savings because it's difficult to be certain that the production of new goods decreases as a result of second-hand trade, or that sold items on our marketplaces are not thrown away. Translating different activities and products into CO2 equivalents is not an exact science and it involves assumptions and estimates. Our calculation is based on a conservative approach, meaning that we err towards the lower end when measuring the potential savings generated by our users, and towards the higher end when measuring the negative impact of our business.

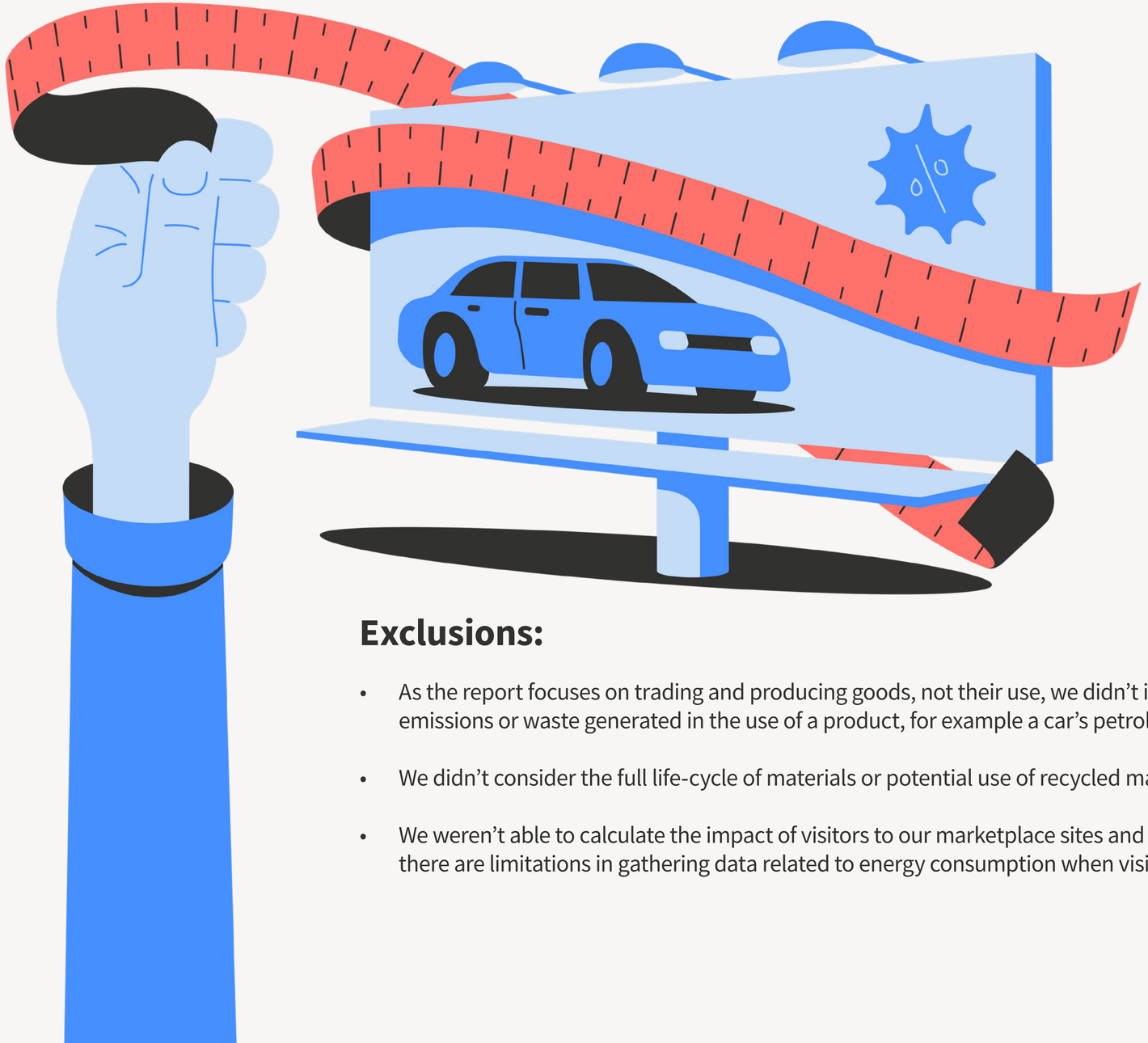
The calculation of cars

Cars are usually resold several times, so we included the reuse rate-factor in the calculation. The reuse rate allows us to estimate how many times a car is resold (on average) by calculating the turnover of the total number of cars in a country during the average lifespan of a car. For sites where national data wasn't available, we used an European average.

Deducting transportation and energy used in offices

We have assumed that all transactions involve a meet up between the buyer and seller, and that they meet up by using a car. We calculated the average distance between a buyer and a seller by running a customer survey in a sparsely populated country. Transportation distances in the remaining marketplaces are therefore equivalent or lower.

The negative climate impact of electricity generated by our offices is based on the average national electricity mix (nuclear, hydro, biofuel, etc.). The value for emissions of CO2e per kWh for each country is taken from the Greenhouse Gas Protocol, which uses IEA data.



Exclusions:

- As the report focuses on trading and producing goods, not their use, we didn't include emissions or waste generated in the use of a product, for example a car's petrol consumption.
- We didn't consider the full life-cycle of materials or potential use of recycled materials.
- We weren't able to calculate the impact of visitors to our marketplace sites and apps, as there are limitations in gathering data related to energy consumption when visiting a website.

4

Who we are

Project background

The Second Hand Effect project is a collaboration between Schibsted, Adevinta and IVL Swedish Environmental Research Institute in Stockholm. It all started in 2013 at Blocket, the Swedish marketplace owned by Schibsted. Behind the idea was a wish to show the benefit of second-hand trade, in a concrete way and the work is driven by a fundamental question: how much material and CO2e can potentially be saved through second-hand trade if each second-hand product replaces the production of a new one?

Since its Swedish origins in 2013, we have scaled the project internationally and expanded beyond measuring CO2e to include other material savings. In 2019, Schibsted spun off it's marketplace businesses outside the Nordics to form a new, independent company, Adevinta. This year twelve marketplaces from the Schibsted and Adevinta groups participated in the study.

About Schibsted

Schibsted is a family of digital consumer brands with a strong Nordic position and more than 5,000 employees (excluding Adevinta). We have world-class news brands, leading marketplaces, and smart digital services. We also help new promising businesses to realize their potential. Schibsted is on a mission to empower people in their daily life, using tech and data to create innovative products and great user experiences – and to help build a sustainable future.

schibsted.com

About Adevinta

Adevinta is a global online classifieds specialist, operating digital marketplaces in 15 countries with 3,500 employees. We provide technology-based services to connect buyers and sellers and facilitate transactions, from job offers to real estate, cars, consumer goods and more. Our leading brands attract 1.5 billion users each month and include Leboncoin in France, InfoJobs and Milanuncios in Spain, and 50 percent of fast-growing OLX in Brazil.

adevinta.com

About IVL

IVL Swedish Environmental Research Institute is an independent non-profit organization owned by a foundation established by the Swedish state and industry. IVL conducts research and provides business services related to all types of environmental questions. They have extensive experience from performing life-cycle assessments and environmental analysis with a range of industries.

ivl.se

Photographer
Dong Zhang

For any questions about this report or media inquiries, please contact

sustainability@schibsted.com