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ABOUT GLOBAL FASHION AGENDA
Global Fashion Agenda is a leadership forum on sustainability in fashion. Anchored around the world’s leading business event on sustainability in fashion, Copenhagen Fashion Summit, Global Fashion Agenda advances a year-round mission to mobilise the global fashion system to change the way we produce, market and consume fashion, for a world beyond next season. A non-profit initiative, Global Fashion Agenda collaborates with a group of Strategic Partners, including Kering, H&M, Target, BESTSELLER, Li & Fung and Sustainable Apparel Coalition on setting a common agenda for focused industry efforts on sustainability in fashion.

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globalfashionagenda.com

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INTRODUCTION

WHAT IS A CIRCULAR FASHION SYSTEM

Today’s linear “take, make, dispose” economic model is reaching its limits, and natural resources are becoming increasingly scarce, threatening the growth of the fashion industry.

A circular system restores and regenerates materials, in addition to providing opportunities to reduce environmental pressures and ease demand on natural resources while securing future supply and capturing the value of a product to the greatest extent possible.

The public is becoming increasingly aware of the environmental impacts of the fashion industry. Consumers expect the industry to address issues related to production, such as extensive water usage, toxic chemicals and garments accumulating in landfills. Implementing circularity offers an opportunity to evaluate and improve current business models as much as it provides a unique opportunity to create a close relationship with consumers.

An essential part of creating a circular fashion system is to set up collection systems, integrate circular design and consider how to manage end-of-use of garments. This can happen through practices that extend usage, for example resale, or through recycling worn-out garments and incorporating recycled post-consumer fibres into the production of new garments.

“It is essential that we take action on circularity today; even though we don’t yet have all the solutions for creating a circular fashion system. It’s only through testing and trying that we will find them.”

- MORTEN LEHMANN
Chief sustainability officer, Global Fashion Agenda

UNITING STAKEHOLDERS FROM THE ENTIRE FASHION INDUSTRY

At Copenhagen Fashion Summit 2017, Global Fashion Agenda called on fashion brands and retailers to sign a commitment to accelerate the transition to a circular fashion system. As of June 2018, 94 companies and corporations had signed the 2020 Circular Fashion System Commitment (henceforth 2020 Commitment), representing 12.5% of the global fashion market. The 2020 Commitment contains four action points for the signatories’ targets:

Action point 1: Implementing design strategies for cyclability
Action point 2: Increasing the volume of used garments and footwear collected
Action point 3: Increasing the volume of used garments and footwear resold
Action point 4: Increasing the share of garments and footwear made from recycled post-consumer textile fibres

In the first year of the 2020 Commitment, Global Fashion Agenda focused on industry-wide collaboration and knowledge sharing as the pillars of future progress. As a result, four toolboxes have been developed based on each action point.

The aim of the toolboxes is to provide key insights, lessons learned and best practices from brands, organisations, companies and researchers to encourage and activate fashion brands to close the loop. The focus is on finding ways to loop products back into the fashion system by redefining the life cycle of garments. The toolboxes point out external resources and guides that can provide additional insights and useful tips. The toolboxes represent a starting point for fashion brands and retailers looking to explore circularity within their company, while informing and inspiring key departments within the company – from management and design to marketing. Moreover, they can also serve as a source of further inspiration for those already taking action.

The four toolboxes are aligned with the action points in the 2020 Commitment. Although they are presented separately, they are meant to be used continuously and simultaneously as all aspects of a circular strategy go hand in hand, just as aligning collection, design and the management of end of use is important.
This toolbox is designed to support fashion brands and retailers who would like to explore resale strategies within their company. It highlights the role reselling plays in creating a circular fashion system and is aimed to redefine the life cycle of garments by giving them multiple lives.
GETTING INFORMED

THE NEED TO RESELL USED GARMENTS

Reselling used garments is of increasing importance as clothes are often discarded before they are worn out. As an extension of the current value chain, resale helps divert garments from landfills and incineration. Business models that integrate reuse and resale aspects are predicted to increase, due to economic and environmental benefits.

The fashion industry has an opportunity to lead the transition towards a circular fashion system where reselling used garments is an essential part of creating value.

KEY LEARNINGS

- Reusing products ranks second in the European Union’s waste hierarchy, which means it has the second lowest environmental impact, right after waste prevention.
- Reselling offers opportunities to capture value from already existing products.
- Apparel consumption is estimated to rise by 63% in 2030. Based on current developments, the resulting increase in environmental and societal costs may lead to a decline of more than three percentage points in the industry’s earnings before interest and tax, or EBIT, margins if no action is taken.

OPPORTUNITIES LINKED TO RESELLING USED GARMENTS

Extending the life cycle of a garment by just nine months through reselling reduces waste, water and carbon footprints by 20-30% each and cuts resource costs by 20%. Reselling also offers the opportunity to earn a profit on selling the product more than once. On a broader perspective, the implementation of resale strategies in a circular fashion system leads to new jobs, particularly in collection, sorting and second-hand retail.

CHALLENGES OF RESALE

The most apparent challenge for resale is found in the limited access to used clothing and the related uncertainties about timing, quantity and quality of garments from garment collection schemes. Furthermore, consumers’ perception of used clothing can impact the success of a resale initiative. Overall, these challenges influence the profitability of starting a resale channel.

GARMENT RESALE FACTS

- Today the apparel resale market share is USD 20 billion and is expected to gain a market share of USD 41 billion by 2022, making it the biggest second-hand market compared to other industries, such as electronics or books.
- 95% of the clothes that are discarded could have been reused or recycled.
- Garments are estimated to be worn seven to ten times before being discarded.
- 44 million women bought second-hand in 2017, representing an increase of 9 million compared to 2016.
CREATING A RESALE CHANNEL

Resale is an opportunity to integrate circularity in your business model. To generate the greatest benefits, your resale channel must be aligned with your product range and garment collection scheme. As not all products are equally suitable for resale, it is worth considering how to manage collected items that are non-reusable.

KEY LEARNINGS

- Current experiences show that reselling clothes of high quality is a success.
- The main considerations when developing a resale channel are that it is supported by your garment collection scheme, utilises available resources and aligns with your current business model and sustainability strategy.
- Seven resale strategies are currently most visible in the industry: online second-hand shops, online resale platforms, second-hand retail, sell-to-redistribution, collaboration with charities, partnership with a solution provider and rental services.

EXPLORING RESALE OPPORTUNITIES

To figure out how resale fits into your company, it is important to engage with various departments to determine what is realistic for your company size, structure and product range, for example. You also need to ensure that you have a clear idea of costs, logistics and the targets for setting up a garment collection.

QUESTIONS TO CONSIDER BEFORE DEVELOPING A RESALE CHANNEL

- How can the resale channel fit into your overall business model?
- How can resale align with your current sales channels e.g. online/offline?
- Which resources do you have available to set up a resale channel?
- What financial, environmental and social benefits should resale result in?

TWO BUSINESS MODELS THAT INCLUDE REUTILISATION

EILEEN FISHER resells garments through its Renew initiative. The majority of the items collected are in great condition and can be resold after being sorted and cleaned in in-house facilities.

Vigga is a rental service that provides maternity clothes and kids’wear through a monthly subscription. The idea behind the concept is to share and circulate high-quality products at a reasonable price to increase utilisation. As children rapidly outgrow their clothes when they are young, Vigga provides the opportunity to have a revolving wardrobe while reducing the negative effects related to production.
LEARNING FROM OTHERS IN THE INDUSTRY

CASE STUDY – NUDIE JEANS

As a signatory of the 2020 Commitment, Nudie Jeans plans to increase annual sales numbers for its second-hand jeans by 30% in 2020 compared to sales in 2017. Nudie Jeans chose to set this target to take the next step in developing its second-hand range of jeans, called Re-use denim.

This initiative has proven to be a success for Nudie Jeans, with sales jumping by 40% in January and February 2018, compared to an average month in 2017, indicating good results for meeting their final target. Several methods have been used to increase the sale of Re-use denim, such as improving customer communication on the Re-use denim range, tweaking in-store displays of Re-use denim and creating specific Re-use signs in stores, all of which positively affected sales by making the message clearer and the used jeans more accessible to customers.

In 2018 Nudie Jeans will also launch the Re-use concept online, allowing customers to find preloved and repaired denim in Nudie Jeans’ online shop.

CASE STUDY – PATAGONIA

In 2017 Patagonia launched wornwear.com, an online shop for used but still high-quality Patagonia gear. Customers return Patagonia items that they no longer use to the store and receive a store credit. Patagonia then inspects, repairs, cleans and restores items before placing them on wornwear.com. Prior to the site’s launch, Patagonia built up an inventory they thought would last a month or more, but it sold out within 36 hours.

Patagonia has partnered with Yerdle to enhance and scale up its recommerce initiative, manage the returned garments and improve logistics. Reselling used items has environmental and economic benefits for Patagonia, which is why the initiative is expected to expand further to other markets.

“We were positively surprised that approximately 80% of the shoppers turned out to be new customers, representing mainly Millennials, who may not be able to afford new stuff but still want to align with our brand.”

– RICK RIDGEWAY
VP public engagement, Patagonia
STRATEGY

CONSIDERATIONS BEFORE STARTING A RESALE CHANNEL

Companies can have their own unique approaches to resale. There are certain factors, however, that influence which resale channel is most suitable for your company. Before setting up your resale channel, it is essential to plan based on your current business model, product range, garment collection scheme and available resources. This planning phase should be done in a multi-disciplinary team that includes management and key departments.

ASSESS YOUR BUSINESS MODEL

Your current business model impacts how your products are best resold after their first use. An assessment of present strengths and weaknesses creates a foundation for future directions of your resale channel. Your primary sales channels and existing logistics also influence whether you choose to do resale on- or offline.

ANALYSE YOUR PRODUCT RANGE

An analysis of your product range will indicate the feasibility of a resale channel and show how suitable your products are for resale based on factors such as type of product, quality and brand value. Brands with entry-level products for instance, might find that a physical second-hand store is not profitable due to high operating costs and the resale price of products. On the other hand, if you sell long-lasting products with high brand value, including second-hand products in your existing sales channels might be a viable option. Also keep in mind that some product categories are less advisable for second-hand sales, such as socks, underwear and swimwear.

GARMENT COLLECTION SCHEME

To resell products, you will need a constant flow of supply enabled by your garment collection scheme (see Toolbox: Garment Collection).

Case 1: You already have a collection scheme

If a third party such as I:CO is in charge of your collection scheme, your company has little or no direct influence on the future use of garments collected. If you have your own garment collection scheme, be sure to set and communicate clear sorting criteria.

Case 2: You need to set up a new collection scheme

If you want to set up a collection scheme specifically for your resale channel, remember that garment collection points and customer incentives play an important role.

IN-HOUSE RESOURCES

Determine the skills and knowledge you already have in-house. Establish whether you have the necessary expertise to implement a resale channel or if you need to get further people on board. Also, consider that setting up and running a resale channel is an ongoing task and not a side project. This means that it might be necessary to open new positions, for instance in-store management or a coordinating position to oversee the whole reverse supply chain.

FINANCIAL POWER

The investment scope of your resale channel will guide its future set-up. Costs are related to the chosen sales channel in terms of garment collection scheme, logistics, transportation, sorting, preparation (wash and repair) and marketing.

REVENUE STREAMS

Consider what you will spend resale revenues on and how that might add to your corporate responsibility, for example, by investing in philanthropic initiatives.
## STRATEGY

### IDENTIFYING YOUR RESALE CHANNEL

Two central steps in the strategy building phase are choosing a suitable resale channel and finding collaborating partners. There are various ways of doing resale and the table below provides an overview of on- and offline sales channels.

### FACTORS INFLUENCING THE TYPE OF RESALE CHANNEL

- Quality, quantity and type of products sold through main sales channel
- Garment collection scheme
- Current sales channels
- Existing logistics
- Business model
- Overall business and sustainability strategy

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### SEVEN POSSIBLE RESALE CHANNELS

<table>
<thead>
<tr>
<th>SALES CHANNEL</th>
<th>ONLINE</th>
<th>OFFLINE</th>
<th>ONLINE / OFFLINE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ONLINE SECOND-HAND SHOPS</strong></td>
<td>Resale of your own products via your own online shop</td>
<td>Collected garments resold in physical shop</td>
<td>A solution provider renews and resells collected garments through a partnership</td>
</tr>
<tr>
<td><strong>ONLINE RESALE PLATFORMS</strong></td>
<td>Online resale platform set up to allow customer-to-customer sales</td>
<td>Collected garments sold to a redistribution company, which usually sends items to several markets for multiple purposes, including resale</td>
<td>Subscription allows customers to use products for a limited time; products still owned by company and returned after use</td>
</tr>
<tr>
<td><strong>SECOND-HAND RETAIL</strong></td>
<td>Want to enable resale for a broad range of products</td>
<td>Collect large amounts of textiles</td>
<td>Collect textiles of varying quality and quantity</td>
</tr>
<tr>
<td><strong>SELL-TO-REDISTRIBUTION</strong></td>
<td>Already have a physical store</td>
<td>Collect textiles of varying quality and quantity</td>
<td>Do not have the resources or prefer not to have your own resale channels</td>
</tr>
<tr>
<td><strong>COLLABORATION WITH CHARITIES</strong></td>
<td>Linen and other textiles in place for online sales</td>
<td>Do not have the resources or prefer not to have your own resale channels</td>
<td>Collect textiles of varying quality and quantity</td>
</tr>
<tr>
<td><strong>PARTNERSHIP WITH A SOLUTION PROVIDER</strong></td>
<td>Do not want to set up reverse logistics facilities</td>
<td>Do not have the resources or prefer not to have your own resale channels</td>
<td>Are open to change or expanding your business model</td>
</tr>
<tr>
<td><strong>RENTAL SERVICES</strong></td>
<td>Offer products that maintain a high value</td>
<td>Do not have the resources or prefer not to have your own resale channels</td>
<td>Have sorting and preparation resources in place</td>
</tr>
</tbody>
</table>

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*“Introducing attractive resale models suited to a wider customer base locally (i.e. in the same countries where clothes are being discarded) could significantly increase clothing utilisation”*  
- ELLEN MACARTHUR FOUNATION

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**SALES CHANNEL**

- **DESCRIPTION**: Resale of your own products via your own online shop  
  - **DESCRIPTION**: Online resale platform set up to allow customer-to-customer sales  
  - **DESCRIPTION**: Collected garments resold in physical shop  
  - **DESCRIPTION**: Collected garments sold to a redistribution company, which usually sends items to several markets for multiple purposes, including resale

**SUITEABLE IF YOU**

- **EXAMPLE**: Patagonia
- **DESCRIPTION**: Resale of your own products via your own online shop
- **SUITABLE IF YOU**: Are an online retailer
- **SUITABLE IF YOU**: Have resources and staff to set up an online shop
- **SUITABLE IF YOU**: Have logistics in place for online sales
- **SUITABLE IF YOU**: Offer products that maintain a high value
- **EXAMPLE**: Vestiaire Collective
- **DESCRIPTION**: Online resale platform set up to allow customer-to-customer sales
- **SUITABLE IF YOU**: Want to enable resale for a broad range of products
- **SUITABLE IF YOU**: Do not want to set up reverse logistics facilities
- **EXAMPLE**: Filippa K
- **DESCRIPTION**: Collected garments resold in physical shop
- **SUITABLE IF YOU**: Already have a physical store
- **SUITABLE IF YOU**: Mainly have local customers
- **SUITABLE IF YOU**: Offer products that maintain a high value
- **EXAMPLE**: H&M and I:CO
- **DESCRIPTION**: Collected garments sold to a redistribution company, which usually sends items to several markets for multiple purposes, including resale
- **SUITABLE IF YOU**: Collect large amounts of textiles
- **SUITABLE IF YOU**: Collect textiles of varying quality and quantity
- **SUITABLE IF YOU**: Do not have the resources or prefer not to have your own resale channels

---

**Collaboration with Charities**

- **DESCRIPTION**: Collected garments sold to a charity
- **SUITABLE IF YOU**: Collect textiles of varying quality and quantity
- **SUITABLE IF YOU**: Do not have the resources or prefer not to have your own resale channels

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**Partnership with a Solution Provider**

- **DESCRIPTION**: A solution provider renews and resells collected garments through a partnership
- **SUITABLE IF YOU**: Collect textiles of varying quality and quantity
- **SUITABLE IF YOU**: Do not have the resources or prefer not to have your own resale channels

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**Rental Services**

- **DESCRIPTION**: Subscription allows customers to use products for a limited time; products still owned by company and returned after use
- **SUITABLE IF YOU**: Are open to change or expanding your business model
- **SUITABLE IF YOU**: Have sorting and preparation resources in place
STRATEGY

INTERNAL INVOLVEMENT

Creating a successful resale channel requires involving various departments in your company. Getting top management on board is essential in order to align your resale strategy with current and future business strategies.

INVOLVING INTERNAL DEPARTMENTS

Consider involving the following departments:

- **Design and product development** to ensure that products are of a quality that guarantees high durability and longevity, especially if you plan to resell your own products

- **Marketing** to best communicate and engage with consumers, which may require various communication strategies depending on the consumer segment, and to ensure that marketing on your resale channel is aligned with your general external communication

- **Logistics** to ensure a steady supply of used garments

- **Retail/Online sales** to ensure the launch and maintenance of the resale channel

- **CSR and sustainability** to assess the environmental and social impacts of setting up a resale channel, i.e. to gauge the positive impact on water usage and level of emissions per product

- **Legal** to make certain that all legal aspects are taken into consideration

GETTING TOP MANAGEMENT ON BOARD

To get top management to commit, showcase the strategic importance of resale by highlighting that:

- Reselling can generate new revenue streams

- Enhance sustainability credentials

- Setting up a resale channel is a great way to show your commitment to a circular economy

- Garment resale creates multiple new contact points and ways of interacting with existing customers, leading to stronger relationships and engagement

- Entering new markets expands your customer base, especially among Millennials, women over the age of 65 and others likely to purchase second-hand products

“Our Reworn collection has been quite profitable for us. In 2016 we did a $2.8 million in sales. For this part of the business, we have a charitable function, where we give our net profit to causes that include women, girls and the environment.”

- CYNTHIA POWER
  Facilitating manager for take-back programme, EILEEN FISHER
### STRATEGY

#### MANAGING COSTS AND LOGISTICS

Before implementing your resale channel, you must ensure that the supporting logistics are in place, just as estimating the related costs and profits generated will allow you to align the potential resale channel with your available resources.

### COSTS RELATED TO RESALE

Costs will vary depending on the type of resale channel chosen. The costs of reversed logistics and sales preparation are reflected in the price of the products when resold. Additional costs may occur if the set-up of your resale channel requires a new sales channel, new staff or skill development.

Examples of costs:

- Setting up a collecting scheme
- Logistics and transportation
- Sorting and sales preparation
- Storage of resale stock
- Marketing
- Salary to staff involved in resale
- Staff involvement in collecting garments, such as training
- Handling products unsuitable for resale

“We’re able to resell 50% of the clothes collected through our take-back scheme in our Second-Hand store in Stockholm, which delivers a good profit for the store each year.”

- ELIN LARSSON
  Sustainability director, Filippa K

### LOGISTICS

Reversing logistics represents the foundation for setting up your resale channel. First, you must examine the forward flow of goods and existing return routes. The same logistics used for customers returning unwanted or damaged goods can be utilised. In terms of resale, garments are looped back to a process of preparation and redistribution. A separate route needs to be established for collected garments that are unsuitable for resale.

### TRANSPORTATION

Transportation will most likely be part of your reverse logistics. For example, clothes might be collected at one location, sorted in another and resold in a third location. As a result, the transportation of goods needs to be clearly mapped out and planned.

### CONSIDER THE FOLLOWING WHEN IMPLEMENTING A RESALE CHANNEL

**Collecting:** Map out every step of your reverse logistics, starting with collection; have a gatekeeper at the collection point to reduce the number of garments unsuitable for resale (see Toolbox: Garment Collection)

**Sorting:** Sorting serves to classify garments according to their position in the reverse supply chain and can be costly and labour intensive, depending on your garment collection scheme

**Sales preparation:** After sorting, garments must be cleaned and minor repairs carried out, just as prices are set and price tags added

**Resale:** Consider the practicalities involved in reselling your products, for example, how they will move from the preparation stage to available stock.
TARGET SETTING

One of the last steps in the strategy phase is setting targets for your resale channel. One of the first targets, before starting to resell, is implementing a garment collection scheme or scaling the existing one up to increase the amount of garments collected and, accordingly, the volume of products available in your resale channel. It is important to set ambitious but realistic targets to guide your employees and all involved stakeholders but also to gather feedback from all involved parties.

Resale targets can address, for example, the:

- Number of garments taken back and prepared for resale
- Number of resold garments quantified in e.g. tonnes
- Revenues from resale
- Environmental savings, such as water and emissions released per sold garment

For more assistance with setting targets, watch Global Fashion Agenda’s “Setting Targets” webinar. Examples of targets for resale can also be viewed on Global Fashion Agenda’s website.
By selling used clothing alongside new clothing, fashion retailers offer an appealing and convenient option (i.e. using the usual channels for shopping). This could help reposition clothing resale from a fringe to a mainstream activity. Introducing such resale activity has the potential to be a low-risk and high-reward activity for brands, as it would create additional profits while feeding into the perception of quality, and promoting a brand’s interest in increased usage of its clothing.”

-ELLEN MACARTHUR FOUNDATION
IMPLEMENTATION

SETTING UP A RESALE CHANNEL

The implementation phase varies, depending on which resale channel you choose, yet some general practicalities are related to all channels, including: establishing a supporting garment collection, setting up sorting criteria and facilities, mapping out logistics and creating a concept to communicate through marketing.

KEY LEARNINGS

- Whether your resale channel is on- or offline, it is important that the associated garment collection and logistics are well established to support resale
- Bear in mind the importance of engaging customers in terms of collecting textiles and selling pre-worn garments
- Decide how long you will store products and how you will proceed with products that do not sell or meet your resell standards

ONLINE

Online second-hand shops
Selling second-hand garments online can either be incorporated through an established sales channel or through a new online shop. If you choose to launch a new online resale channel, consider the development and maintenance of the website, but also what new logistics are required. For example, plan how to collect products and how to ship purchases to customers. The main tasks involved in managing an online second-hand shop are preparing and maintaining the website, marketing, handling garment collection, logistics, sales preparation, storage and shipping.

Online resale platforms
If you decide to give customers the opportunity to sell their used garments on their own, consider hosting an online resale platform. The main tasks involved are preparing and maintaining the website and doing marketing, but also offering a secure payment system and ensuring that customer-to-customer shipping is convenient and safe. To enhance the platform’s service level, provide shipping labels and boxes. Incorporating a user rating system can also provide transparent feedback. Using a commission system or charging a monthly fee are examples of how to earn revenue from this business model.

OFFLINE

Second-hand retail
Second-hand retailing can either be integrated into current stores or developed as new stores. Before rolling out on a large scale, consider piloting the resale of used products in selected stores. Running a second-hand retail store also requires ample space for garment collection, sorting, storage and preparation. Transporting the collected garments to a sorting location is also an option. Furthermore, create clear sorting criteria to guarantee efficiency and maintain your desired standard for resale products.

Sell-to-redistribution
If you choose not to manage resale internally, selling collected garments to garment redistribution companies for reuse and recycling is an option. Your main task involves establishing a partnership and managing related logistics.

Collaboration with charities
Another outsourcing option is to collaborate with local or international charities. The main tasks involved are establishing a partnership and aligning garment collection with donation requirements.

ONLINE/OFFLINE

Rental services
A rental service requires a supporting business model based on, for example, monthly customer subscriptions. The practicalities associated with this include finding a financially viable model, ensuring that your rental products are of high quality and durability, establishing the desired product flow, and identifying the required logistics. With an online only service, for instance, customers will have to send back garments. Facilities for laundering garments and preparing them for another use are also necessary.

Partnership with a solution provider
If you decide to partner with an organisation to help handle your resale, the main activities involve finding someone and establishing an agreement, including determining a clear division of responsibilities. Consider which activities you will handle yourself, for example garment collection and marketing.
MARKETING A RESALE CHANNEL

Marketing of your chosen resale channel is especially important for increasing the number of products collected and managing consumer perceptions of used clothing. When used in the right way, marketing can be an informative, motivational and inspiring tool.

CUSTOMER ENGAGEMENT

Customers need to be engaged in two different phases of the supply chain. First, motivate your customers to give back used garments by informing them through, e.g. your store staff, website and social media. Convenience, access and transparency are key to establishing a constant flow of products (see Toolbox: Garment Collection). Second, it's all about engaging customers in your new resale venture. Come up with ways to address new customer segments that may be unable to buy your products when new but are likely to shop second-hand.

REACHING YOUR CUSTOMERS

Base your marketing strategy on experiences from marketing for your primary sales channel.

**Online**

Use primary online communication tools, such as: newsletters, social media, your website, PR clippings, and features in magazines or blogs.

**Offline**

In-store communication should mainly focus on your employees to convey a strong message around your resale channel. Visual merchandising tools, events or pop-up stores can be used to market your concept, also in existing stores. Find opportunities, such as the grand opening of a second-hand store, to be featured in magazines or local newspapers.

WHY PEOPLE BUY SECOND-HAND PRODUCTS

People are motivated to buy second-hand products for several reasons that can be integrated into your marketing strategy.

- Price
- Ethics
- Environmental concerns
- Recreational benefits
- Authenticity and uniqueness
- Nostalgia
- Treasure hunting
- Story behind products and their longevity
EVALUATION

EVALUATING A RESALE CHANNEL
Once you have set up your resale channel, it is crucial to evaluate your achievements to identify how to move forward.

KEY LEARNINGS

- Feedback is an important part of the learning process, especially since you face many tasks and challenges for the first time; include several perspectives, ranging from store staff to customers.
- Analysing and revising targets allows you to tangibly examine your progress.

CUSTOMER FEEDBACK

Invest time and money in gaining customer feedback on your resale channel and the products offered to find ways to improve.

PROCESS FEEDBACK

Gather the departments that helped set up and implement your resale channel to identify any challenges and to establish a joint foundation for how to improve internal and external processes. Feedback from in-store staff and external parties is another valuable source for further development.

ANALYSE AND REVISE TARGETS

Take a look at the targets being set and ask questions that can guide the revision process, such as: why did or didn't we reach our targets? Do we need more support or expert knowledge? Do we want to collaborate with other brands or service providers, and what are our next steps?

When answering these questions, brainstorm for new ideas and try to foresee bottlenecks and opportunities based on your experiences and knowledge gathered so far. Topics that can lead to discussion include: how can we increase the number of garments resold? Which new geographical markets can we enter? How can we scale up our strategy? Do we want to engage in recycling products that cannot be resold?

COMMUNICATE YOUR PROGRESS

After revising your targets internally, it is highly relevant to announce your progress publicly and to share your experiences. By openly communicating about your progress, milestones, achievements and challenges, your brand raises customer awareness and encourages other brands to take a step towards a circular fashion system, where relevant topics can be addressed collectively.
THE ROAD AHEAD

STEPS TOWARDS GARMENTS WITH MULTIPLE LIVES

Reusing products ranks second in the European Union’s waste hierarchy and has financial and environmental benefits. Resale is one way to address issues related to the underutilisation of products and represents an important aspect of creating a circular economy.

PROMOTING USED CLOTHES

While shopping for second-hand products is already popular in specific segments, increasing awareness and demand for used clothing will accelerate the progress of resale channels. Used garments can be promoted as more sustainable, unique or as better value for money.

REPAIR SERVICES AND WARRANTIES

Providing repair services and warranties will not only enhance a garment’s durability but can improve the relationship between customers and the company due to closer, more personal contact with store staff. Warranties and repair services give customers additional value for their purchases. At the same time, these services increase trust in the quality of your products and your company. That’s why the additional value propositions an increasing number of brands offer have the potential to be rolled out on a larger scale to increase accessibility.

LEASING AND RENTING

Leasing and rental systems allow multiple customers to use garments several times, which also means a more efficient use of energy and resources. Customers benefit from spending less per wear, their wardrobes are less cramped and they still have multiple items to choose from, while companies benefit by earning a fee every time a garment is re-rented.
CHARITIES
Reaching out to charities that have many years of experience in handling, sorting, preparing and selling used garments can provide knowledge based on their experience and learnings.

ELLEN MACARTHUR FOUNDATION
Ellen MacArthur Foundation published a comprehensive report made in collaboration with several industry stakeholders called *A New Textiles Economy: Redesigning fashion’s future* that provides an overview of visions for applying the circular economy to the global fashion industry.

THREDUP
ThredUp provides annual reports that include market insights for the resale of garments. The information is useful in terms of identifying which segments to reach and for understanding trends in customer behavior regarding resale.

TOOLBOXES
As part of the 2020 Circular Fashion System Commitment, Global Fashion Agenda has developed four toolboxes to be used continuously and simultaneously to support you in reaching your targets and in becoming a circular brand.

WRAP
WRAP has several freely available resources in the form of reports, guides, tools and case studies. It puts forward specific ways of handling textiles at the end of use through reuse and recycling and provides statistics and insights to the end-markets.
REFERENCES


2. Ibid.


