

RETAIL

Firsthand, secondhand retail convergence grows as Nordstrom gets into resale

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Nordstrom's See You Tomorrow stocks secondhand merchandise. Image courtesy of Nordstrom

By SARAH JONES

Department store chain Nordstrom is promoting circularity with a resale project that aims to give a second life to customer returns and donations.

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Launching on Jan. 31, See You Tomorrow spans a physical space at Nordstrom's flagship store in New York and an online boutique. While a number of luxury retailers have dipped their toes into resale through partnerships and pop-ups, Nordstrom's entry into the secondhand market marks a greater investment into merchandising pre-owned goods.

"We know that recommerce is something our customers are really interested in," said Olivia Kim, vice president of creative projects at Nordstrom, who curated See You Tomorrow. "Many of them are already participating in some form of recommerce through either rental or resale.

"We saw a great opportunity with our partners at Yerdle to create a unique and curated resale experience," she said.

Recommerce meets retail

See You Tomorrow stocks labels such as Burberry, Jimmy Choo and Salvatore Ferragamo across categories such as women's, men's and children's wear, as well as footwear, handbags and jewelry and watches.

Encouraging discovery, the shop will spotlight a different brand every few weeks, starting with Copenhagen-based cult label Ganni.

The merchandise available in See You Tomorrow at launch comes from the Nordstrom Quality Center, which receives the returned and damaged merchandise from the retailer's main line stores. Before items are sold on See You Tomorrow, they will be cleaned and repaired.

Along with sourcing from the Quality Center, Nordstrom will take consumers' donations of pre-loved merchandise in the flagship store. Eventually, customers will be able to mail in items. In exchange for their donations, customers will receive a gift card that they can use across Nordstrom's brands, including Nordstrom, Nordstrom Rack and Trunk Club.

All of the transactions and the resale operations are being powered by Yerdle, a startup based in the San Francisco Bay Area that runs branded resale for companies such as Eileen Fisher and Patagonia.

Yerdle will take care of aspects such as fulfillment, order processing and pricing. The company is also leveraging Entrupy's technology for authentication on certain items.

Positioned in a secluded spot accessible via a staircase off the ground floor of Nordstrom's 57th Street flagship, the See You Tomorrow in-store display was conceived in collaboration with artist and furniture designer Marc Hundley. Along with selling fashion, the colorful space includes foods from Bonberi Bodega, such as salads and juices.



The bricks-and-mortar See You Tomorrow shop. Image courtesy of Nordstrom

"We hope to see a combination of existing Nordstrom customers and new customers shop See You Tomorrow," Ms. Kim said. "This initiative is an opportunity for us to test and learn about customer behavior, which in turn will help inform our future approach to recommerce."

According to a report from BDO, 74 percent of retailers either currently offer a resale experience or plan to launch one in the next 12 to 18 months.

Other luxury multi-brand retailers have sought a piece of the booming resale market.

For instance, Neiman Marcus Group invested in secondhand handbag seller Fashionphile. The retailer subsequently launched a Fashionphile presence in select Neiman Marcus stores, where consumers could go to sell but not purchase bags ([see story](#)).

Across the pond, resale platform Vestiaire Collective opened its first permanent boutique at British department store chain Selfridges' flagship store on Oxford Street in London, planting a post for the fast-developing circular economy in fashion ([see story](#)).

Aside from department stores, labels are also getting into the resale game.

U.S. leather goods house Mark Cross set its sights on connecting directly to consumers with the creation of a brand-operated vintage platform ([see story](#)).

While there have been other efforts in the secondhand market from traditional retailers, Nordstrom is the first luxury department store in the U.S. to develop a platform for receiving and selling pre-owned goods.

Secondhand sustainability

The high-end pre-owned market may help, rather than harm, the overall luxury industry more than initially expected, according to research from Boston Consulting Group and secondhand luxury platform Vestiaire Collective.

Resale platforms are often one of the first ways that up-and-coming consumers access and purchase luxury goods, with 71 percent of pre-owned buyers gravitating towards items they cannot afford new. Additionally, secondhand luxury appeals to more environmentally-conscious consumers as it keeps quality items from being discarded ([see story](#)).

With increasing attention placed on sustainability and the footprint around consumption, the stigma around pre-owned items has lifted and given way to secondhand as a form of status symbol. According to a report from Ford

Motor Co., 62 percent of consumers would rather buy something used than new, provided there are good options available at resale ([see story](#)).

Nordstrom's resale project was motivated both by changing consumer behavior and by its own drive to be sustainable.

"Last August, Nordstrom joined the G7 Fashion Pact, a coalition of 30 global luxury retailers convened by French President Emmanuel Macron that is working to identify and promote concrete goals within the areas of climate change and environmental protection and preservation," Ms. Kim said. "As one of the largest, most dynamic and influential industries on the planet, we believe Nordstrom and the rest of the fashion industry plays an important role and shares responsibility in addressing these complex challenges.

"We also launched Sustainable Style, the online shopping category to offer customers responsibly made products," she said. "We are the first U.S.-based multiline fashion retailer to offer products in this way.

"Over the years, both our customers and employees have broadened their expectations, and in the fast-changing world of retail, it's essential to continually evolve our business to better meet their needs, and circular fashion is another piece to this puzzle."

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