

RETAIL

## In the new age of rentable luxury, consumers are less concerned with ownership than ever

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*New 3R's of luxury consumption? Image credit: Rotaro*

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It has been called the end of ownership consumers forgoing personal possessions in favor of renting and borrowing items.

The sharing economy, and the notion of consuming without having to buy, has certainly reached new levels of demand.

People are simply becoming less interested in owning things, but still want access to things and experiences that bring them joy and excite them.

It can be easily seen that short-term renting and sharing provides an effective way to lighten the load of one's belongings, give access to previously unattainable luxury items, minimize an individual's contribution to the global culture of "things" and lessen the negative environmental impacts of mass consumerism.

In 2020, sharing is caring

The movement has fuelled an explosive growth in new platforms that allow peer-to-peer lending and renting, featuring all kinds of products and services, from music, art and homes to cars and clothing, no item now seems out of rental reach.

Sites such as Shopify, Zipcar, Airbnb, Spotify, [Vastari](#), [Artiq](#) and [Rent the Runway](#) for example, have all emerged as successful leaders in the space.

No longer aimed at just frugal shoppers looking to save money, these platforms are now catering to a broader sector, targeting a luxury consumer that is not tied to the status of being a sole owner of something.

The movement represents the progressive customer who is more concerned with alleviating their eco-anxiety than having new possessions, or the mobile and on-the-go consumer who cherishes the flexibility that the sharing economy can provide.

These platforms are giving lower-income groups access to luxury items and experiences unimagined even 10 years ago.

A day drive in a Ferrari or a short flight by private jet, once a dream of the working class, is now possible through online applications that connect vendors with consumers in unique and ever more innovative ways.

On the flip side, consumers now have ways to monetize items that previously provided no financial yield.

We see sites such as [Vestiaire Collective](#), [Deepop](#) and [1stDibs](#) as places where the buyer can now become the seller, taking on a key role in the circular economy.

There are a number of factors at play behind the trend for temporary ownership over permanent acquisition. Access to property, finding purpose through consumption and the impact of social media all play a part.

#### The Simple life

The property market is bearing a new generation of consumers driven to downsize and simplify their lives.

With the financial challenges that young people now face to own a home, consumers are seen to be living in smaller apartments, or alternatively renting or sharing with others for longer into their adult life as they seek to step onto the property ladder.

In the United Kingdom, with ever-shrinking home sizes and newly built living spaces now limited to an average of 67.8 square meters, home sizes and space has hit the lowest that it has been in 90 years.

Newly built homes are now approximately 18 percent smaller than they were in the 1970s.

The popularity and adoption of Marie Kondo's "Does it fill you with joy?" feng shui lifestyle, fused with greater price accessibility to minimal Scandinavian design and furniture such as IKEA and [Made.com](#), has seen a slimmed down approach to living becoming the new norm.

Home-life is simply becoming more compact and increasingly modular to adapt to consumers' limited living quarters.

The rise in the sharing economy is further fueled by the modern consumers' desire to gain meaningful experiences through each spend.

Connecting with others and feeling part of a community is something that sharing platforms provide naturally, cultivating an exchange that is more than simply transactional.

The potential to have a transformative effect on one's being, to engage in local culture or share in an experience can be provided by platforms that bring people together over shared items.

For instance, renting a shared community car not only reduces your greenhouse emissions, but also connects you to your neighbors those living around you.

Using Airbnb provides the opportunity to meet new people, make connections and create shared stories.

Renting artwork gives an artist's work greater visibility; adding cultural value, whilst also providing short-term art solutions for the recipient of the work. There is a connectivity factor in sharing that cannot easily be replicated by a traditional retail spend.

Furthermore, the consumer now has a way to protest the disposable nature of fast fashion and endless trend cycles by choosing to rent or share her clothing instead.

The consumer can now rotate her wardrobe guilt-free, or shop for items knowing that there are ways to pass on the items once they are no longer needed. It is a feel-good, sustainable spend.

Hiring an outfit or garment from Rent the Runway or peer-to-peer sharing sites such as [Crease](#), [Hurr](#) and [Panoply](#) are moving to satisfy this need, equipping many with the chance to maximize their social media wardrobe, whilst satisfying their environmental concerns.

#### Mindful consumption

"Luxury fashion is now heading more towards access than ownership," said Georgie Hyatt, cofounder/CEO of [Rotaro](#), a new clothing rental site featuring an array of covetable Scandinavian designers.

"With the climate crisis rising, people are becoming more aware of how detrimental the fashion industry is for the

environment and looking for alternatives to fast fashion," she said.

"Luxury fashion rental is a solution to the buying-once, wearing-once mentality. Rotaro's mission is to challenge our communities' perceptions about fashion and ownership, and to transform the rental fashion landscape by providing latest season contemporary brands with incredibly quick, same-day available, service, whilst being a more mindful way to consume fashion."

This past November, U.S. department store chain Nordstrom formed a partnership with Rent the Runway to increase the number of drop-box locations allowing renters to drop their clothing items back to Nordstrom stores around United States.

This newly founded partnership also has plans to design and create products together and incorporate Nordstrom inventory into the Rent the Runway platform. It is a perfect example of how a retailer or brand might embrace this burgeoning trend and work with, and alongside, rental platforms rather than seeking to compete with them.

SO, NOW BEGS the question, why own when one can rent?

Use something for a period of time, enjoy, and then return or exchange for something else.

Less has certainly become the new more.

The consumer view on the status behind possession is shifting. The notion of ownership is changing, too. Brands would be wise to understand this.

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