

RETAIL

Rent the Runway pivots away from physical retail

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Rent the Runway is moving away from bricks-and-mortar. Image credit: Rent the Runway

By LUXURY DAILY NEWS SERVICE

Rent the Runway is shuttering all of its physical stores as the coronavirus has curtailed its rental service, which heavily relied on its clients attending special events.

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In a [blog post](#), the company revealed that it will not reopen its physical stores that were initially closed back in early March. Rent the Runway will continue to focus on its digital business and expanding its network of drop-off boxes.

Runway struggles

In late July, the Rent the Runway flagship in New York City reopened exclusively for drop-off service. As of Aug. 12, locations in San Francisco, Chicago and Washington, D.C. are permanently closed.

A Rent the Runway outpost within a West Elm store in Santa Monica, Calif. is listed as temporarily closed. Last year, Rent the Runway began collaborating with West Elm on seasonal home furnishing rentals ([see story](#)).

The store closures were preceded by furloughs and lay-offs in March and June.



Rent the Runway self-service return kiosks. Image credit: Rent the Runway

"When we implemented furloughs for salaried Corporate and Operations employees in March, our intention was to bring back everyone," wrote Jenn Hyman, cofounder and CEO at Rent the Runway, in a blog post on Jun. 22. "Now with three months of data on COVID-19's impact and a somewhat better understanding of a slower business recovery throughout the U.S., we recognize there are additional workstreams and roles that we unfortunately need to de-prioritize in the near future."

Coronavirus has reversed the fortunes for the startup.

2019 had seen Rent the Runway establish relationships with retailer Nordstrom ([see story](#)) and Marriott International's W hotel brand ([see story](#)). In addition to home furnishings with West Elm, the rental service also expanded into childrenswear offerings ([see story](#)).

Post-pandemic, Rent the Runway intends to add more drop-off locations in new markets. The self-service kiosks allow clients to scan their returns and place holds on their next rentals, bypassing the mail-in return process.

Rent the Runway is also experimenting with 1:1 digital styling sessions as well as virtual events such as live chats.

Prior to the pandemic, Armarium, one of Rent the Runway's competitors, shut down its own luxury fashion rental service ([see story](#)).

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