

RETAIL

## Luxury brands, consumers push circular fashion with resale, rental services

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*Reflaunt's technology enables customers to resell or upcycle past purchases. Image credit: Reflaunt*

By NORA HOWE

A combination of value-driven practices and technological innovation has led to a surge of platforms and services dedicated to supporting brands and consumers looking to embrace the secondhand luxury market.

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The fashion resale market is one of the fastest growing sectors in the retail industry, and is expected to reach \$44 billion by 2029 twice that of fast fashion. During a session at [Luxury Briefing](#) and the [British School of Fashion's Technology in Luxury 2021 virtual conference](#) on March 31, retail industry professionals explored evolving trends and discussed how brands and consumers can achieve a circular fashion economy within the luxury market.

"It is reported that reselling a dress reduces its CO2 emissions by 79 percent," said Lexi Willetts, founder and CEO of [Little Black Door](#), London. "So, it comes as no surprise that 2.5 times more consumers plan to shift to more sustainable wardrobes."

The event was hosted by Luxury Briefing. Ms. Willetts moderated the panel.

### Improving circular fashion

With consumers driven to be more environmentally-aware and financially incentivized to consign gently-used apparel, the luxury fashion landscape is beginning to reshape.

During the panel discussion, founder and CEO of digital platform [Reflaunt](#) Stephanie Crespin advised retailers on how they can drive growth in the secondhand sector. Reflaunt has developed a technology solution to simultaneously connect brands and customers to multiple secondhand marketplaces.

Reflaunt's technology enables customers to resell or upcycle past purchases with one click from their own account. Once the item is sold, the customer receives cash or shopping credits which can be immediately applied to new purchases.



*My Wardrobe HQ is a luxury rental and resale platform. Image credit: My Wardrobe HQ*

With this model, Ms. Crespin suggests that retailers can expect to drive significant growth within four key elements: monetizing the secondhand market; gaining visibility over the second life of brand items; owning the integrated resale customer journey; and boosting customer loyalty and engagement at-scale.

"At the end of the day, brands and retailers wish to keep control and ownership over their databases and customer experiences, so this is something that is at the heart of what we do," Ms. Crespin said. "Building a customized, integrated resale customer journey that is branded according to our clients' needs."

Consumers have become a major factor in pushing new strategies among the fashion industry, especially younger shoppers who are specifically interested in brands and retailers who align with their values.

"When you look across industries, the shared economy has completely remodeled the way we consume, and our relationship to ownership has shifted," Ms. Crespin said. "This has been driven by sustainability, of course, but also by financial freedom.

"People want flexibility, and they only want to pay for what they use," she said. "This shift is much more apparent among millennials and Gen Z, who are becoming increasingly savvy in the way they optimize their wallets and ownership and are seeking out products and services to avoid waste."

Chief operating officer of **My Wardrobe HQ** Natalia Pawlak further examined the influence of social media and digital platforms on the remodeling of retail and fashion.



*Nordstrom teamed up with secondhand clothing platform Goodfair earlier this year. Image courtesy of Goodfair*

"Online influencers are the ones setting the trends at the moment," Ms. Pawlak said. "While social media is definitely driving trends, there is still room for more rental integration and consideration for products outside of fast fashion."

Both women agreed that there has been a seismic shift in the luxury space in regards to rental and resale, and expect secondhand offerings will become a necessity.

### Secondhand luxury

Focused on sustainability best practices, some luxury brands have taken their first steps towards a circular economy.

In 2019, British fashion house Burberry linked with luxury consignment marketplace The RealReal to encourage consumers to extend the life cycle of their wardrobes. Launched on National Consignment Day on Oct. 7, 2019, the

alliance intended to give Burberry consumers an incentive to sell their pre-owned garments on The RealReal ([see story](#)).

More recently, U.S. department store chain Nordstrom collaborated with secondhand clothing platform Goodfair to launch a monthly vintage clothing shop. The first installment of the monthly shop went live on Jan. 28, selling out within hours.

The collaboration is the latest way Nordstrom and other retailers are finding innovative ways to implement and maintain sustainability ([see story](#)).

"Only those retailers and brands embracing dynamic consumer values will not only survive, but thrive," Ms. Crespin said. "This year, we've seen an important shift as some of fashion's biggest brands have taken courageous steps into the resale market.

"It is becoming more common, and every week we hear about new partnerships and brands going into resale and trying out different models," she said. "Inevitably, this is where consumers are going."

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