



A Guide to... Sustainability in Retail

Sustainability in Retail

Whilst the two are often linked, ethical fashion isn't sustainable fashion. The former focuses on how fashion is made, with everything from whether animal products have been used and, if so, how they've been treated, to how the garment workers are also treated. Instead, sustainable fashion looks at minimising any negative effect on the environment that comes from a product's life cycle.



Some Sobering Stats:

- According to Greenpeace, the production of clothing has doubled over the last 15 years and, at the same time, between 2000 and 2015, the number of times a garment was worn before it was thrown out has decreased by 36%.
- £140 million worth of clothing is sent to landfill every year in the UK alone.
- More than half of clothing given to charity shops or textile recyclers ends up in landfills or is incinerated.

Introduction

For an industry built on aesthetics, the stats aren't pretty. According to the UN Conference on Trade and Development, the fashion sector is now the world's second largest polluting industry and, with much media coverage lifting the lid on the worldwide environmental impact that retail therapy can bring, consumers are becoming increasingly savvy when it comes to where – and how – they're spending their money.

In a recent customer survey, Zalando found that the percentage of active customers buying more sustainable fashion has more than doubled to 40% since the start of 2020, with 34% of consumers saying that sustainability had become more important to them in light of the coronavirus pandemic, with 25% of customers saying they considered sustainability when making a purchasing decision. Another survey by Hotwire found that 47% of online shoppers said they would ditch products and services from brands which violated their personal values.

And it's not just online customers: consumers across all generations and locations are demanding change and retail brands are having to take note. Clothing brands have never been under such pressure to become more sustainable and our industry is stood on the precipice of great change.

In this guide, we've collected sustainable best practice from across the retail sector to showcase what brands are doing to meet this change and to meet the needs of tomorrow, today.



+44 (0)115 904 2777 

info@retail-assist.com 

www.retail-assist.com 

Quick Round-up: what kind of sustainable initiatives are brands already operating?

H&M were the first fashion brand in the world to launch an in-store garment collection initiative in 2013 and many other brands have since followed. Online retailer, Very, has recently launched a partnership with second-hand clothes specialist, Re-Fashion. Very will email its customers, inviting them to request a donation bag that can be returned to Re-Fashion, for free. The aim is to encourage customers to donate their unwanted clothes and to reduce items being sent to landfill sites.



Our #MVInsiders do the Great British Beach Clean

Join our #MVInsiders for this year's **Great British Beach Clean**! Running from 18-25th September, it's one of the many initiatives spearheaded by the **Marine Conservation Society** to tackle ocean pollution.

Mint Velvet are also running a variety of sustainable initiatives, such as removing all single use plastic from their headquarters, introducing sustainable products such as sustainably sourced cotton t-shirts and denim jean styles (with a view to be fully sustainable by 2025).

ASOS launched their 29-piece circular collection in September 2020. The retailer has started to create ranges that already have a recycled input to reduce the environmental impact whilst also designing products that can be easily taken apart when their customers have finished with the product: for example, having press studs on jackets so that they can be easily removed and zero-waste design pattern cutting to use fabric efficiently.



Zara also runs its answer to H&M's used garment collection and, by the end of 2020, it aims to no longer send anything to landfill from their head office, logistics centres, stores or factories.

After partnering with non-profit organisation Parley in 2019, Adidas sold more than 1 million pairs of trainers made from recycled ocean plastic, with one style made from partially "upcycled" plastic taken from Maldivian beaches.



14,561 likes

michaelkors A cozy kind of glamour: a closer look at our Fall 2020 #MichaelKorsCollection. #AllAccessKors #NYFW

Several fashion houses, including Gucci, Saint Laurent and Michael Kors, have reduced their fashion week presence.

In a statement, Michael Kors explained his decision, saying: "I have for a long time thought that the fashion calendar needs to change... It's exciting for me to see the open dialogue within the fashion community about the calendar (and) about ways in which we can slow down the process and improve the way we work. I think many agree that it's time for a new approach for a new era."

Some brands are embracing a more circular product cycle, such as Patagonia (Patagonia Worn Well) and Cos (Cos Resell). Here, these platforms sell pre-owned items from their brands that customers would have otherwise given away or re-sold themselves, with savvy consumers able to buy their products for much less. Brands are able to retain some control over the product sale whilst also able to retain some of the financial benefits, too.

Challenges and Opportunities in the Supply Chain

For modern retail, success lies in the supply chain. In recent years, it's been imperative to make your route to market as quick and efficient as possible to maximise on sales and to beat the competition. However, new developments driven by a demand in sustainability have seen growth in new areas, impacting established retailers and how they operate.

Circular Business Models

Circular business models look at the various ways to maximise the revenue from a single product. Here, products are not just made and sold; during their lifecycle, products are instead rented out, resold or repaired/remade (upcycled into something else).

John Bovill is a global IT consultant and former group eCommerce and IT director, having previously worked for brands such as Harrods and Woolworths Holdings Limited.

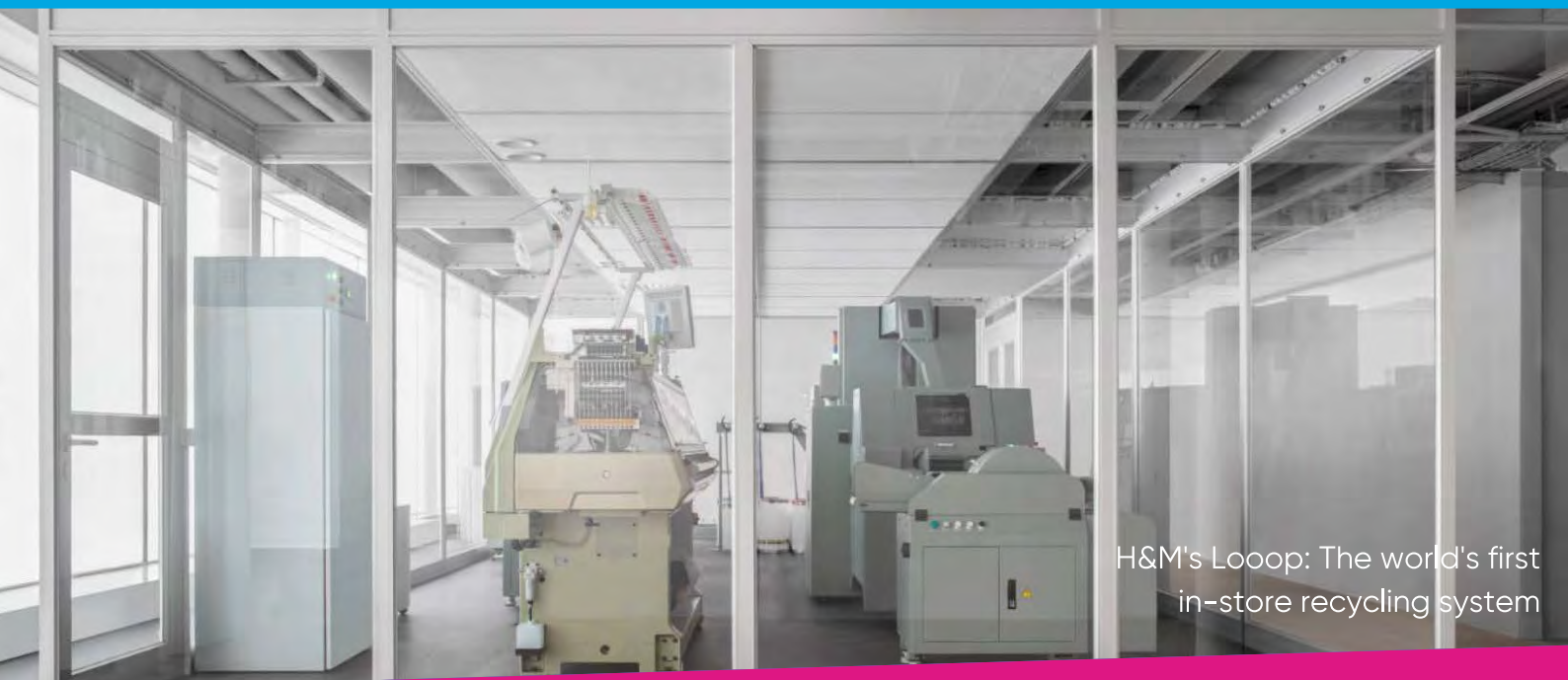
John explains: "People are looking for a high-quality lifestyle and customers require information to make more sustainable choices.



John Bovill, global IT consultant

"The market has seen customer demand drive developments. However, developments such as circular fashion, the growth in a 'sharing economy' such as clothing rental subscription services and publishing carbon emissions scores (so consumers can better understand the environmental footprint of their shopping habits) require the following in order to function effectively:

- Improved transparency across the entire supply chain. Technology is one of the best ways to provide this and retailers should look to implement systems such as OMIO PIM (a Product Information Management solution) to help manage efficient product data collection.
- Supply chain automation, such as robotics, should be used to supplement and support working environments, which will drive the ability to protect product margins as well as helping to cut down on waste. H&M have introduced the pioneering 'Loop' clothing recycling machine, which is now operating in their Stockholm store. Customers can bring in old knitwear and the machine can transform the old fibres into a women's jumper, scarf or baby blanket in just five hours, with consumers paying between £8-£13 per item.
- Data and analytics derived from machine learning or AI. Over the next few years, the traceability of a garment will prove to be critical: QR codes will enable suppliers and brands to trace a product's journey from start to finish. Retailer, Nu-in, offers full transparency of its products so that consumers can easily see what the garment is made of, where it was made (giving the factory details) and what it is packed in, amongst other product description details."



H&M's Loop: The world's first in-store recycling system



Rent.
Reduce.
Repeat.

www.rotaro.co.uk

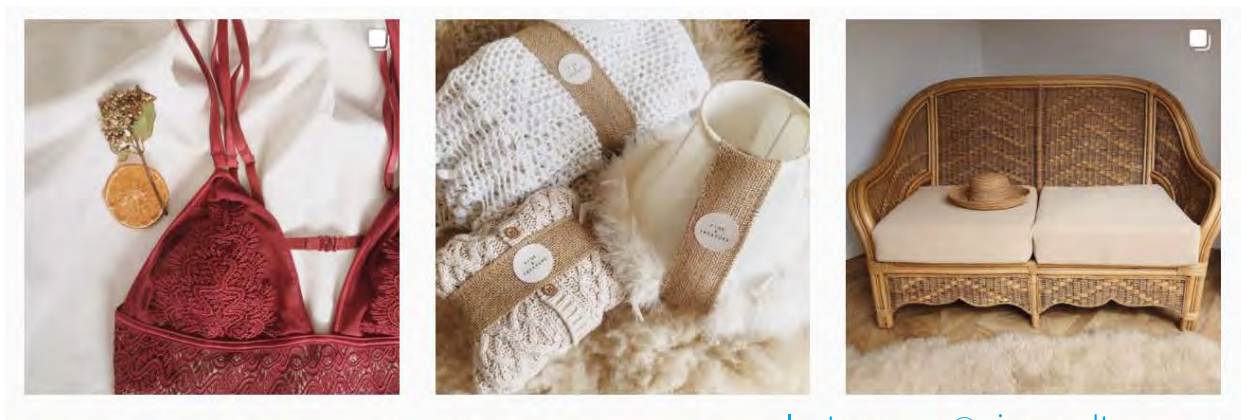
The rise and rise of rental, where products are made, sold and hired out to various consumers

With a solid history in menswear rental, such as occasionwear or suits from Slater Menswear, the womenswear rental market has been a huge trend for 2020. Many different rental companies and models have seen huge growth, including Rotaro, By Rotation, Hurr and The Devout, just to name a few. Each model works slightly differently (some offer a peer-to-peer service, like Airbnb but for clothes, whereas others house loaned 'stock') but in general, customers can look to pay a daily amount for a particular item. For example, one website offers a Chanel quilted handbag for £18 a day: its RRP is around £3,000.

Eshita Kabra-Davies founded rental platform By Rotation. Having launched in October 2019, it includes a variety of brands and "cult" items that customers can rent out for a specified time. From March 2020, Kabra-Davies says users of the app doubled from 12,000 to 25,000 in just six months, with the number of items listed by lenders growing by 120%.

Latest Trends and Developments in Online Retail

Pre-loved: The Rise of Insta Selling



Instagram: [@pineandtreasure](https://www.instagram.com/pineandtreasure)

With more of us spending time at home than ever before and with social media offering a way to connect to audiences with thousands – if not millions – of other people, it's perhaps not a surprise to see the rise of people selling items through Instagram. However, one growing trend is selling preloved items via Instagram; instead of setting up an official "Instagram checkout", sellers can upload images and videos of the products, releasing their 'product drops' at a certain time and then customers contact the seller, sending money through payment services such as PayPal. Whilst this is essentially nothing new – people have been selling clothes through eBay or Depop for years – Instagram functions, such as Stories, mean that sellers can very quickly upload items and share them with their audience, with small but cherry-picked products making the drops feel exclusive.

Katie Anderson runs Pine & Treasure, where she sells preloved items including clothes, accessories, and homeware, to her audience of 4,500 customers worldwide.

Katie says: "I started Pine & Treasure during a travel stint in New Zealand in 2019. I had discovered a couple of New Zealand preloved sellers on Instagram and was so amazed as to what a great concept second hand buying and selling on the platform was. I have always bought second-hand clothing, furniture and homeware for myself, so I was eager to create a space where I could make it accessible for others whilst creating a brand which made preloved shopping 'cool'.



Katie Anderson, founder of Pine & Treasure

I have new followers coming to my Instagram page who are confused as to why I don't have a website: I list and sell my weekly collections on Instagram stories. During the week I will promote a set time and date for a particular collection, for example 'Knitwear collection going live on Sunday at 7pm'. My followers can then simply reply to the item they want to purchase with the word 'SOLD' and I will provide payment and delivery instructions. The listings I post contain an image of the product, its price and a short description: it's such a simple way for my followers to shop. They can literally scroll through Instagram and purchase without being diverted off the app.

There are so many reasons as to why Instagram is the best platform for me and Pine & Treasure. Firstly, the aesthetic of the brand comes across well on a highly visual platform. Secondly, I can interact well with customers on Instagram: when people purchase an item, they don't experience an automated payment process. I actually get to chat to each person who buys from Pine & Treasure and I feel that this kind of customer experience has been key to building a strong, returning customer base.

There are lots of other reasons, but I do think Instagram has its limits. I am starting to find that as I gain more followers, the volume of enquiries and requests to purchase can almost get unmanageable. When I'm dealing with such a huge influx of messages during a sale, the thought of having a shoppable website and automation does suddenly sound more appealing!"

Zalando

In October 2020, Zalando released an update on its “Do More” strategy, which it launched in late 2019. It explained that demand for green fashion has vastly increased as a result of the Covid-19 pandemic, with the retailer growing its sustainability assortment of products from 27,000 items in 2019 to more than 60,000.

To understand this shift further, Zalando has launched a five-piece capsule collection from its own label, Zign, which has been specifically designed for reuse and recycling. The range will help Zalando to understand circularity principles and will be available in all of the retailer’s 17 markets.

Kate Heiny, Zalando’s director of sustainability, told Drapers: “Coronavirus has changed our world and confronted us with unprecedented challenges. However, it has also presented us with an opportunity and a little bit of silver lining for the environment. The crisis is demanding that companies accelerate their progress to pave a better future and be competitive in the market that will emerge after the virus.

“The five items will come with a QR code, which we’re calling a circularity ID, that the customer can scan and be offered more information on the composition of that product, care instructions and what they can do to extend the life of that product. The goal is to better understand what extended product information customers find useful and how Zalando can apply the principles of circular design across our platform. Customers want simple and trustworthy sustainability data.”



In September, Zalando also launched a preloved fashion offering. Operating in Germany, Spain, the Netherlands, France, Poland and Belgium, customers can trade in pre-owned garments in return for store credit or a charity donation.

Zalando is also piloting substituting plastic shipping bags, re-using packaging, and has promised to be completely single-use plastic free by 2023 and reducing its operational CO₂ emissions by 80% by 2025.

ASOS and ReBOUND Returns

For consumers who shop online, their bedrooms become changing rooms; on average, fashion retailers see a 30% returns rate which means that for the 70% of customers who don't make a return, their pre-printed returns form and postage label goes in the bin. If this label costs 1p to make, for online retailers such as ASOS, that's a cost of £640,000 per year on return labels alone. If 70% of these aren't used, then money is not only wasted, but often (due to the plastics involved in making the labels) these slips can't be recycled.

In 2020, ASOS committed to going paperless by removing paper returns slips from outbound orders. By partnering with returns specialist, ReBOUND Returns, they've reduced unnecessary waste and CO2 emissions.

Emily Cotterill, head of sustainability at ReBOUND Returns, says: "Retailers are often blind when it comes to returns or, at the very least, looking through a rear-view mirror, which makes it very difficult achieve a more sustainable level of returns. As the old saying goes – you can't manage what you can't measure.



Emily Cotterill, head of sustainability
ReBOUND Returns

"The simplest way to break this habit is to adopt a completely digital approach to returns and go paperless. By removing in-parcel return labels and return forms, in one fell swoop, ASOS are now saving an impressive 64 million pieces of paper, which works out at around 8,450 trees! Plus, they benefit from advanced warning of which items are being returned and the reasons why, boosting their access to valuable returns data.

"As more retailers consider their environmental impact post-lockdown, we predict that more ecommerce retailers will join the paperless movement to reduce packaging waste. This is a great example of technology helping the retail industry to become more sustainable and the visibility of our global returns network means that we can easily plot our carbon emissions, make efficient returns routing decisions and offer bespoke returns emission reports to our retail clients. This is something which is borderline impossible to do when retailers are going it alone."



Latest Trends and Developments in Bricks-and-Mortar Retail

With undulating pandemic restrictions and consumers reliant on online deliveries, bricks-and-mortar retail is having to work harder than ever not only to restore customer confidence, but to deliver an experience that ecommerce just can't match. Here are some of the innovative ways that stores are evolving their physical footprint to not only gain some green credentials but to also encourage customers back in.

Seasalt

In September 2020, Cornish retailer Seasalt, opened a new sustainable concept store. Having previously been the first clothing brand to be awarded the Soil Association's GOTS certification for organic cotton in 2005, and in 2013 won a Queen's Award for Enterprise in Sustainability, Seasalt chose Norwich for their new bricks-and-mortar venture.

The carbon footprint for the shop is 68.5% lower than a traditional Seasalt store, achieved through:

- Handmade, lightweight fixtures, meaning less machinery and therefore less energy consumption
- Fittings have been sourced from the UK, such as willow from Somerset and upholstery material made from Yorkshire wool, to reduce emissions from transportation
- No plasterboard in the store, as plasterboard is a very carbon-intensive material
- All the furniture has been made from plywood sourced from FSC-certified forests, which have less of an impact on the environment
- Allura, a reusable tile, was used for flooring, which also has a lower CO2 footprint

Carbon Smart, an independent body, measured the carbon footprint of Seasalt's existing stores and then compared it to the new Norwich store to not only get a comparison but to also gain a credible comparison when analysing carbon usage.



Boots

Reusing fashion products seems very straight-forward; as consumers, we're all used to the concept of vintage stores or charity shops. But what about beauty products? With not all beauty containers being recyclable, a large number of these items will end up on landfill, unable to be reused.

This Autumn, Boots launched a trial of the 'Recycle at Boots' scheme, where customers could bring empty products – from any brand – that can't be recycled at home. The scheme utilises 'Scan 2 Recycle' technology, developed by Boots' technology partners Metrisk and ReWorked.

Customers could bring a selection of beauty, health, wellness and dental products, which often can't traditionally be recycled due to their size, what materials they're made of or a variety of other factors. Bringing a minimum of five empty products to one of the in-store recycle bins, customers scan in the items and receive 500 Boots Advantage card points, worth £5, in return.

The empty products will then be taken to ReWorked, where the materials are be washed and sorted, ready for recycling into new usable products as far as possible. Any remaining multi-material items are then recycled into Stormboard, which is a composite construction board material, similar to plywood. No returned empty products will go to a landfill, nor will they be incinerated.



Levi's

They're a staple in nearly every wardrobe up and down the country but, according to Greenpeace, more than 1.7 million chemicals go into making 2 billion pairs of jeans every year. Research by Levi's found that in the lifecycle of one pair of its iconic 501 jeans, 3,781 litres of water were used during the production and use phase and 33.4 kg of CO2 is created throughout the product's lifetime. Sustainability has been a key area of focus for Levi's, with previous campaigns, such as its Waterless campaign, evolving to ensure that 69% of its jeans were made without any water at all.

So, when it opened its new Soho store in October 2020, instead of driving a hard sell, it instead encourages its London shoppers to love what they wear and to keep their denim for longer by either repairing, reimagining or recycling garments.

Named Levi's Haus, this new retail space offers a mix of exclusive product and sustainability-focused experiences. Here's just some of the things that customers can do in-store:

- Customers can shop a new range, Levi's by Levi's, which is unique to this store. It's made from faulty and returned Levi products, as well as donations from customers and employees, and includes bucket, tote and bum bags made by Tower Hamlets-based Working Well Trust, which finds work for people with learning difficulties
- Customers can also engage in a loyalty programme where they receive a discount for any old jeans that they donate in-store. They'll also be told how their old product will be used
- The store partnered with Indigowares, an ethical fashion label, who use dip-dyeing techniques on denim trucker jackets and 501 jeans, to reimagine them.
- Shoppers can bring in their old denim into the store where in-house tailors can repair or customise them
- Customers can also shop Levi's made-to-measure service, Lot No.1



GO
WATER<LESS™



LEVI'S® WATER<LESS™ PRODUCTS HAVE
SAVED OVER 172 MILLION LITRES OF WATER.
HEAVY ON STYLE, LIGHT ON WATER.

Conclusion

Alex Broxson, Retail Assist's chief marketing officer, says: "Here at Retail Assist, we are specialists in retail and technology, and are passionate about sustainability. We all have a responsibility and a part to play in the future success and survival of our planet. As such, we've been working hard to develop software which promotes efficiencies in the supply chain and reduces returns through better attributed product data, all whilst contributing to improved customer product experiences throughout the process. If you want to chat to us about how we can support your journey to a more sustainable future, get in touch."



Alex Broxson, chief marketing officer
Retail Assist



+44 (0)115 904 2777



info@retail-assist.com



www.retail-assist.com

