

Wear2Share Innovative circular business models in the textile industry



Resource-efficient Circular Economy – Innovative Product Cycles (ReziProK)

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Research for sustainability

Field of action 6:
The circular economy –
efficient use of raw materials,
avoiding waste.

Innovative circular business models in the clothing sector no longer offer clothing for sale, but for temporary rental. This is because small children's clothing or fashionable women's clothing in particular is often not worn for very long. "Wear2Share" investigates whether and how such business models lead to more sustainable consumption, how they can be optimized economically and ecologically, and whether they are suitable for mass consumption in the long term.



Renting instead of buying

Clothing leads to a high direct and indirect consumption of resources due to the large quantities that are consumed. At the same time, the potential for savings is also very high, as on average one in three garments is never worn or is worn less than once in three months. New circular business models could help to avoid such unused purchases and contribute to a much more efficient use of garments. They make clothing available on loan, thus ensuring that unworn garments quickly find a new user. However, not every circular business model automatically leads to improvements in the environmental performance since the savings in resources can be offset by high logistics and cleaning costs.

The aim of the project Wear2Share is to analyze the ecological and economic sustainability potential using two exemplary circular business models and to clarify the question of whether these circular business models really do help to improve the environmental impact of garments. In addition, boundary conditions are identified that influence the environmental assessment of the models. Finally, the project examines potential for optimization in the business model.

Digital potentials

New circular business models become possible with the help of digitalisation. Digital access and the convenient lending process make these business models able to compete with conventional purchasing. To find out how well these new lending models are being accepted, researchers have already conducted consumption studies and representative surveys to determine their market potential as well as consumers' motives for use. The data thus obtained further serves as the basis for the subsequent life cycle assessment. In addition, in-depth interviews with the project partners of Relenda GmbH as well as an analysis of relevant business data provide information about possible optimization potential for the digital business model of rental clothing.

First results

The survey of women aged 20-59, which is representative of Germany, found that around a third (31.8%) of the women surveyed could imagine renting clothing for their own use. The most important reason for renting clothing, according to the survey, is the possibility of not having to buy clothing that is only needed once (76.7%). Another reason for 60.6% of women is to avoid making bad purchases that are hardly ever worn, closely followed by the desire to try out new styles without obligation (60.2%). Slightly more than half (52.6%) think that renting clothes

would be better for the environment or would be happy to have more variety in their own closet (52.6%). Potential savings, however, are not a significant motive for renting clothing, as only 13.7% of the women gave this as a reason.

Two-thirds of women (68.2%) surveyed currently can-not imagine renting clothing. The biggest concern of the respondents (69.5%) is that they could be held liable for possible damage to the rented garments, closely followed by the desire to own garments and not just rent them temporarily (65.5%). At the same time, more than half of the women (55.1%) fear that rented garments could show signs of wear and tear or that renting would become too expensive in the long term (52.8%). Finally, 47.4% of women do not want to wear clothes that strangers have already worn and 37.3% find the concept of the rental system to be impractical.



What type of clothing would you rent? Clothes for special occasions (81.6%); maternity wear (35.4%); business wear (28.4%); everyday wear for women (15.6%) or children of different age groups (0-3 years: 17.6%; 4-12 years: 13.2%; 13-18 years: 5.6%); none of these categories (12.7%).

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Team of researchers and companies

In the project Wear2Share, researchers at Fraunhofer ISI (Karlsruhe) work together with existing companies in order to shed light on current circular business models operating in the market. Relenda GmbH offered various digital rental models for children's and ladies' wear through the end of 2020. In the project, the company therefore provided its expertise and insights based on real-world experiences as well as data from its own rental platforms. In addition, the manufacturers' perspective is incorporated through the associated participation of bubble.kid berlin kidswear, a manufacturer of durable children's clothing, as well as the expertise of Thekla Wilkening, an expert for circular business models in the textile and clothing industry.

The project provides insights into the sustainability of circular business models and aims to clarify which product groups lend themselves to being transferred to such circular business models. In addition to generating new insights, the project focuses on the strategic transfer of knowledge into practice in order to show companies that are committed to the circular economy which paths exist to sustainable development.

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