

If Your Jacket Could Talk

patagonia

How Patagonia is evolving with customers and moving toward the future of retail

TROVE

This case study tells how Trove helped Patagonia:

- ✓ Keep gear and apparel in circulation — giving items new life
- ✓ Power it's next big step into circular shopping and capture an enormous, latent market
- ✓ Own their customer experience for used Patagonia items

OVER \$26
MILLION GROSS
MERCHANDISE
VALUE FOR RESALE

Scars tell the story

One time, a bear researcher photographed three baby cubs nestled in his red Patagonia pile jacket while their mother slept. His jacket saw many bear dens and ski trails over the years, serving also as thermal pajamas and doubling as a pillow while camping. Thirty years later, the jacket hangs on a hook nearby as its owner posts about its adventures online.

"It's indestructible," the bear researcher proclaimed in a post on one of Patagonia's Worn Wear social platforms.¹

Worn Wear is Patagonia's resale website for keeping clothes in circulation as long as possible, and this story is just one of thousands about the value the brand brings to people's lives.

Worn Wear originally opened as a repair shop for damaged Patagonia gear.

"We think that the best jackets are the ones that already exist, and we asked, 'What else can we do?'" said Alex Kremer, director of Worn Wear.

"A lot of gear ends up in landfills – Worn Wear is trying to help solve that."



"It's going to shift from a cool add-on to an expectation. Customers will come to expect to hear, 'Thank you for buying new. When you're ready, just know we'll take it back from you.'"

— Alex Kremer, Former Director of Worn Wear, Patagonia

OVER \$5.2M IN APPROVED INVENTORY VALUE FROM TRADE-IN



Resale: a different beast

Company leaders saw the value in reclaiming used gear to give it a second or even a third life through a Patagonia-branded business. However, they were challenged about how to do it.

"Dealing with 10,000 of the same garments which are new, as opposed to dealing with 10,000 garments which are unique is a totally different ballgame," Alex said. "We really had more questions than answers as we tried to wrap our heads around how we create a secondhand business."

That's where Trove came in, offering a white-label circular shopping solution that empowered Patagonia to take back gear and apparel while controlling their own branded resale channel and customer experience.

"It may be possible to do resale with a lot of round holes and square pegs – trying to make a resale business fit into your existing systems – but resale is a totally different beast," Alex continued. "Trove is able to incorporate learnings every day into their offering, and they'll always be ahead of us. We want to be as transparent as if you're in a store but via ecommerce – that takes real attention to detail."

Who's shopping resale, and why they buy

When Patagonia launched Worn Wear's recommerce business, customers responded quickly with trade-ins.

"That continuity of trading in a product through Worn Wear gives customers comfort versus other outlets where they don't really know what happens next," Alex said.



24%
of Worn Wear
customers are
repeat customers

Alex noted existing customers began purchasing Worn Wear, too. In fact, the company added a "Used Gear" button in a premium spot on the mainline website, followed by buttons for new gear. And, it hasn't negatively affected the bottom line.

"We are just as happy to be selling a used product as we are a new one," he said.

Mostly, the recommerce store purchases were coming from new audiences that were younger than Patagonia's typical customer and located in several new geographies.

Surveyed customers said they shop Worn Wear to:

- 1 Reduce their environmental footprint
- 2 Buy affordable Patagonia gear
- 3 Enjoy an extended Patagonia experience

patagonia®

SIGNIFICANT PROGRESS

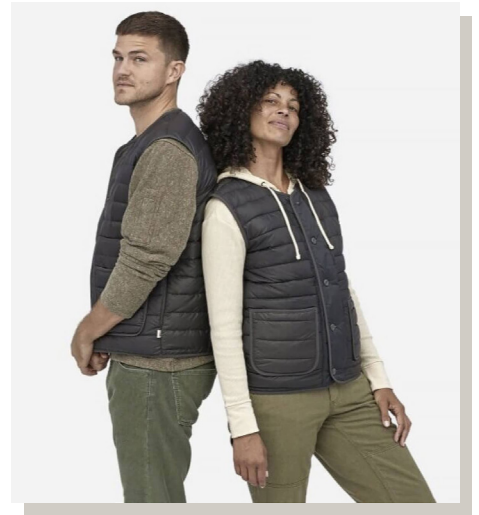
400.7%
MORE
CARBON SAVINGS
YEAR-OVER-YEAR

&

405.9%
MORE WASTE
SAVINGS
YEAR-OVER-YEAR

What the world needs now

It's no secret that Patagonia's customers have a deep passion for the planet. Patagonia follows some of the strictest sustainability considerations in the apparel industry and they've also put many initiatives into place to reduce the impact of making new items.



"We're designing product even more that reduces our environmental footprint, while focusing on how long we can keep a product in the marketplace," said Greg Curtis, Patagonia's assistant general counsel. "We ask how many miles can we put on this jacket? How many ski trips can we take it down the mountain?"

Once items have been on many adventures, Patagonia resells, repairs, repurposes, upcycles or recycles them. The brand has many business lines and partners to do that, including a Patagonia Repair Center staffed by 40-50 full-time repair technicians.

"Trove understands and shares our philosophy," Greg added. "We're looking for total circularity and we need a platform and a channel like what Trove offers to achieve it."

As for recommerce, Alex feels the future is bright.

"It's going to shift from a cool add-on to an expectation," he predicted. "Customers will come to expect to hear, 'Thank you for buying new. When you're ready, just know we'll take it back from you.'"

TROVE

About Trove

Trove builds technology that allows brands to take control of their resale marketplaces, deepening customer loyalty and generating new profits. The company provides white-label technology and end-to-end operations that power circular shopping for premium and luxury brands such as Levi's, Patagonia, REI, lululemon, Eileen Fisher, Arc'teryx, NEMO and Cotopaxi. Trove enables brands to take back items from customers' closets while maintaining control of their brand equity and owning their customer experience, data and relationships. Rooted in a commitment to sustainability, Trove aims to create a world where all consumers have access to better products with less waste.

[Learn more at trove.co](https://trove.co)