





Retailer clothing take-back guide



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Summary

Textiles take-back schemes, where customers donate unwanted clothing to retailers to be re-used or recycled, are a key part of developing a more circular fashion industry. Brands and retailers can engage with their customers, who in turn are encouraged to act in a more environmentally friendly way. Take-back schemes can increase brand loyalty, demonstrate corporate responsibility in a visual way and strengthen the shift towards circularity in textiles.

This guide examines the options available to businesses, sharing several industry examples and their success to date. The guide is designed to help retailers, brands and their re-use/recycling partners either set up from scratch, or improve on, a take-back scheme. It outlines the different elements of a take-back scheme, including consumer insights and messaging, analysis of different scheme types, and communication and operational considerations.

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Why it matters

'Providing re-use or resale opportunities at the places where most new sales take place can make it easy for customers to extend the life of their own unwanted garments' (WRAP, 2017, Valuing our Clothes: the cost of UK fashion).

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Why it matters

Clothing consumption in the UK is on the rise and so is the amount of clothing ending up in landfill and incineration.



tonnes of used textiles ended up in the household residual waste in 2017; this included



tonnes of used clothing in 2017, up from 301,000 tonnes in 2015 (WRAP's **Textiles Market** Situation report 2019). It is increasingly important to provide further re-use and recycling opportunities, and also to raise consumer awareness of the issue. Due to their reach and influence, clothing brands and retailers are well placed to engage their customers on a large scale, motivating them to act by providing easyto-use, accessible points for textiles donations.

A 'take-back' initiative, where citizens donate unwanted clothing items to retailers or brands, can help change both citizen mindsets and the fashion system, by transforming consumers into actors within a circular supply chain. It is a proactive practical step towards a circular fashion business model, and can help close the loop on products and materials (Service based business models and circular strategies for textiles, Circle Economy for SITRA, 2015).

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Why it matters

Furthermore, providing customers with new services and offering incentives to use the service can build brand loyalty and generate new customer insights. Textile collection incentives which are linked to loyalty programmes can bring further opportunities.

Used textiles collection in the UK directly impacts the **Sustainable Clothing Action** Plan 2020 waste targets. In SCAP's progress report 2012-2018, collections of used garments for re-use or recycling were reported by just over half of SCAP retailer signatories. If more retailers introduce garment collection schemes, this can help lower both the waste footprint of UK clothing by providing further re-use and recycling opportunities and the amount of UK clothing ending up in landfill and incineration by increasing citizen awareness.



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How People Donate

In order to design collection systems that work, retailers need to understand UK citizens' behaviour. attitudes and motivation around clothing disposal. This can affect not only how a collection system should be set up, but also help determine which partners are important (e.g. a logistics partner), and how money raised from textile collection and processing is used. (ECAP Guidance for Textiles Collections).

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How people donate

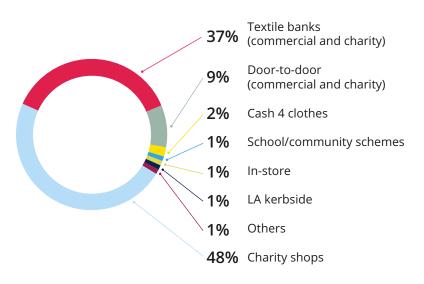


a. Current donation routes in the UK

recycle

tonnes of used textiles were collected for re-use and recycling in 2018. Charities are still the largest collector of used garments (48% of the tonnage collected) by far, followed by textile banks (37%). In-store donations currently represent 1% of donation routes.

Figure 1 - UK used textiles collected for re-use and recycling, by supply chain stream (WRAP's Textiles Market Situation report 2019)



How people donate

b. UK Citizen Donations insights

Behaviour

Disposal behaviours are prompted when people think or feel they do not need an item anymore. At this point there is the opportunity to encourage donation through a responsible route rather than throwing it in the bin.

WRAP conducted a UK-wide survey at the end of November 2019 to gather citizen insights on clothing disposal and donation¹.

- ^{1.} Base: 2,070 UK adults aged 18+ who ever shop for clothes, WRAP consumer survey November 2019, unpublished
- ². WRAP consumer survey November 2019, unpublished
- 3. Base: 56 UK adults aged 18+ who ever shop for clothes and disposed of an item via a retailer take-back scheme in their last big clear out
- ⁴ Base: 56 UK adults aged 18+ who ever shop for clothes and disposed of an item via a retailer take-back scheme in their last big clear out

The survey showed that the main reason for disposal is clothing not fitting anymore **(62%)**, followed by it being worn out **(43%)** and users not liking it anymore (31%).



The main reason for clothing not fitting anymore was losing or gaining weight (75%).

Of all clothing disposal route options, the charity route remains the preferred route cited by 50% of respondees. Only 3% of respondents cited using a retailer take-back scheme after their last big clear out, with 18-34's age group more likely to choose this route.

In addition, the same survey indicated that there are behaviours around online shopping to consider when encouraging use of a take-back scheme. One in four people say they have one or two unreturned items after having purchased clothing online. The majority of people give these unreturned items to charity (44%) while 27% keep them in their wardrobes.

Changing behaviour opportunities and barriers

Evidence shows that offering an incentive could encourage donations in the UK. The survey² showed that 49% of respondents who had used a take-back scheme³ reported choosing to use it primarily for the benefits offered (e.g. vouchers) 40% to reduce their environmental impact and 32% pointed out the convenience of this route. Additionally, when taking clothes back to donate to a retailer take-back scheme,15% of respondents⁴ always and 20% often purchased new clothing at the time of dropping off their unwanted clothing items.

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How people donate

As part of the **European Clothing** Action Plan project, WRAP's 2019 research on international **clothing**⁵ found that a 'money off' voucher scheme would be interesting to UK consumers (respondents were questioned on their receptivity to the proposed clothing model).

17% of respondents said they would be very likely to use a voucher scheme in exchange for unwanted clothing, whilst 29% said they would be fairly likely to use it.

5. WRAP, 2019, Banbury, Consumer Research for ECAP, 2016-2019, Prepared by WRAP

In addition to financial incentives. UK citizens using retailer take-back schemes reported being motivated by reducing their impact on the environment (40%). Concern about the environmental impact of clothing is increasing, with 47% of people saying their concern has increased over the last year. Tapping into this concern is likely to be important for:

Over half of consumers (58%) reporting they are very or fairly concerned about the environmental impact of clothing.



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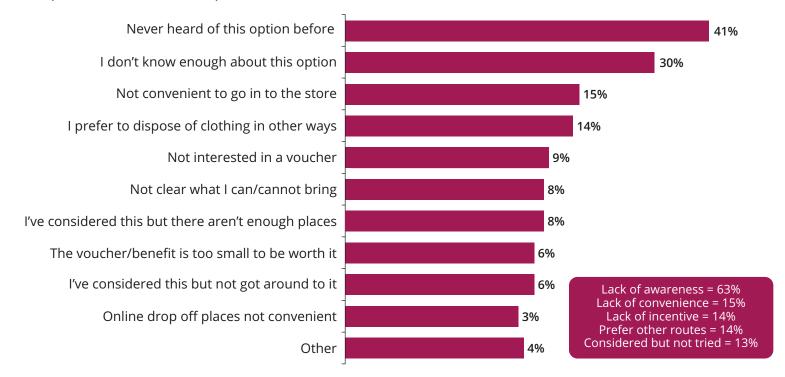
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How people donate

The single biggest barrier to using a retailer take-back scheme cited by almost two in three respondents⁶ (63%) was lack of awareness. The other barriers reported were a lack of convenience to have to go in-store (15%) or clarity about the scope of textiles accepted, a lack of sufficient financial incentive (14%), and preferring using other routes.

Figure 2 - Barriers to retailer take-back schemes

Q14e. Which of the following best describes why you didn't use a retailer take-back scheme to dispose of clothing items (either in store or online)?



^{6.} Base: 1,934 UK adults aged 18+ who ever shop for clothes and did not dispose of an item via a retailer take-back scheme in their most recent

Base: 56 UK adults aged 18+ who ever shop for clothes and disposed of an item via a retailer take-back scheme in their most recent clear out

clear out

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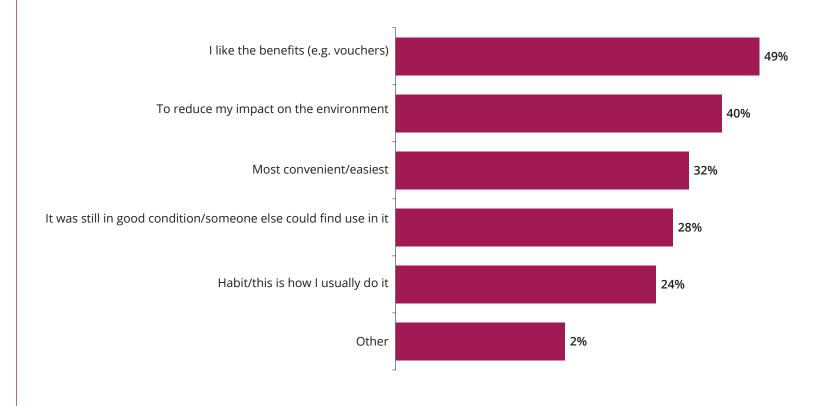
How people donate

The insights also indicate that if citizens have to make judgements about what is accepted and what is not, this is a disincentive for some, and often items will end up thrown in the bin. For example, just over half say they throw items in the bin after making a judgement that the items were not suitable to donate.



Figure 3 - Reasons for disposing via retailer take-back

Q14a. Why did you choose this route for one or more of the clothing items you disposed of?



Base: 56 UK adults aged 18+ who ever shop for clothes and disposed of an item via a retailer take-back scheme in their last bigclear out

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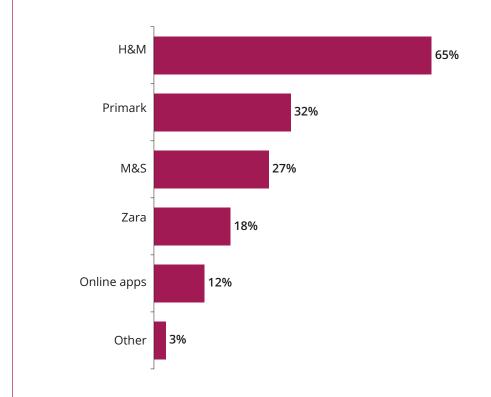
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How people donate

The retailer take-back schemes currently used in the UK are shown in Figure 4.

Figure 4 - Retailer take-back schemes used

Q14b. Which one of the following take-back schemes have you used within the past 12 months?



Base: 56 UK adults aged 18+ who ever shop for clothes and dispose of an item via a retailer take-back scheme in their last bigclear out

It is worth noting that online apps come fifth, after retailer in-store clothing collection schemes.



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Types of take-back schemes

Leading retailers have been running take-back schemes for a few years and more retailers are joining the movement towards circularity. The Global Fashion Agenda's 2020 Circular Fashion System Commitment (see Example 1) is one of the latest global initiatives which encourages increasing the volume of used garments and footwear being collected.

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Types of take-back schemes

Several options exist for implementing a take-back scheme. For in-store garment collection programmes, retailers can partner either with a commercial collector

or with a charity. In both cases, the sorting of collected textiles and transfer to re-use and

recycling destinations will also be undertaken by the collection partner.

to gather insights into their

products and consumer use.

Example 1:

Global Fashion Agenda's (GFA) 2020 Circular Fashion System Commitment - Action Point 2: one of the latest global initiatives

The Year Two Status Report

published by GFA in 2019 provides the latest update on progress made on all targets set by signatories against their four action points.

By July 2019, the results for Action Point 2 – 'Increasing the volume of used garments and/or footwear collected' were:

2020 targets set:

targets reached:

2020

12 i.e. 23%

With 4 new/more ambitious targets set

Learnings from retailers having initiated or expanding an existing collection scheme include:

- buy-in from top management is stressed as a prerequisite
- training in-store staff is important
- logistics and coordination of activities are key challenges requiring internal collaboration and strong partnerships
- on-going communication efforts are needed for consumer education and awareness raising

Retailers can also choose to implement their own take-back programme, usually limiting the donations to own brand products

For online retail, several textiles recycling applications now exist for the UK market. These service providers can partner with multiple brands and retailers to offer a wider choice of vouchers to the end users, but also design an exclusive offer with their retail partner.

This section highlights several industry examples and options for different types of take-back schemes.

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Commercial partners can offer a comprehensive garment collection proposition, as they are often vertically integrated businesses with strong logistics management, covering the full textiles operational process from collection, sorting and transfer, to final re-use and recycling destinations.

The end destinations of sorted textiles are communicated to the retailer, in estimates or precise quantities depending on the sorting capabilities of the commercial partner. Collected items sorted outside of the UK limit the full traceability of UK sorted outputs as well as opportunities for in-country re-use and recycling.

The operational costs are shared between the retailer and the commercial partner, with retailer benefits often directed to charities. The main costs for the retailer will include staff briefing and engagement, with training of store teams where the programme is implemented.

The promotion of the scheme and communication to customers is done by the retailer, with support of the commercial partner for provision of in-store customisable collection units and visual merchandising. Customers must remember to bring their unwanted items to store and are then rewarded with a discount voucher for their next purchase.



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Commercial partnership

Example 2: H&M and I:CO

In February 2013, H&M and I:CO started a collaboration and introduced a global garment collection programme. I:CO is the global partner for the collection, sorting re-use and recycling of used textiles and footwear.

Where: Globally through all stores of H&M, Weekday, Monki, & Other Stories and Afound.

Scope: Clothes, footwear and textiles from any brand, in any condition.

H&M provides customers returning pre-owned textiles with a discount voucher on their next purchase: 'Simply drop off your bag of old clothes in the garment-collecting boxes and receive a £5/€5 voucher to use towards your next purchase of £25/€25 (or more) in store or online.'

In 2018, the H&M Group collected a total of 20,649 tonnes of textiles for re-use and recycling. Since the introduction of the scheme:

More than 85,500 tonnes have been collected globally.

For each kilogram of textiles collected through the H&M's group scheme, 0,02 Euro is donated to a local charity organisation.

Figure 5 - H&M collection box; from: http://www.ico-spirit.com/



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Example 3: I:CO model

I:CO, short for I:Collect, a subsidiary from the SOEX group founded in 2009, is a global service provider for the in-store collection, re-use and recycling of used textiles and shoes. I:CO collects in more than 60 countries and has collected 90.000 tonnes to date. More than 40 retailers have chosen I:CO as a take-back solution.

Consumers bring their unwanted clothing and unworn shoes to the branches of I:CO retail partners. In return, they receive incentives such as a discount on their next purchase. Collection can be carried out using collection bins individually designed according to the partner's wishes. I:CO plans the logistics and handles the sorting and recycling of the collected goods.

Collected items are sorted manually and categorised by I:CO's partner facilities in Germany, based on up to 350 factors, 60% of clothes that are collected through the SOEX Group are put back onto the market for re-use, and the remaining 40% goes into the recycling process.

I:CO works with retailer partners to develop a customised collection model, that can be embedded into the retailer's existing processes. The following key points need to be coordinated:

- In-store logistics flows
- Visual integration into stores and customer communication
- Potential cost scenarios and service packages

I:CO pays its retail partners a market price for each kilogram or pound of collected clothing and footwear. I:CO then deducts any own expenses to set-up a collection and reprocessing programme.

The retailer can then choose where to direct any profits made (resale and/ or recycling initiatives, donations to charities, etc.).

Figure 6 - I:CO in-store take-back service https://www.ico-spirit.com/en/



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Commercial partnership

Example 4: TESCO F&F

In the UK, Tesco launched a clothing take-back trial in over 80 stores across the country in April 2019. The F&F 'Detox your wardrobe' campaign and take-back initiative makes it easier for customers to dispose of their unwanted clothing, shoes and textiles responsibly. Customers can donate clothing, shoes and textiles that are from any brand and of any quality in collection units located at the front of participating stores.

Tesco is working in partnership with SOEX UK, who collects the donations and sorts them into three categories:

- Rewear any items that can be worn again will be given a new life in a worldwide second hand market.
- Re-use Any items not suitable to wear again are converted into other products, such as cleaning cloths or mops.
- Recycle any textiles that cannot be re-used will be recycled into secondary raw materials and used to manufacture new textile fibres or insulation materials in the car industry.

Nothing is wasted or sent to landfill.

SOEX UK also pays £150 per tonne collected directly to the Tesco National Charity Partners - British Heart Foundation, Cancer Research UK and Diabetes UK - in equal proportions.

Since the scheme started, Tesco has collected over 90 tonnes of clothing. The trial has been considered successful and the team is now developing plans for a roll out to more stores in 2020.

Figure 7 - F&F Detox your wardrobe collection unit: image credit: Tesco



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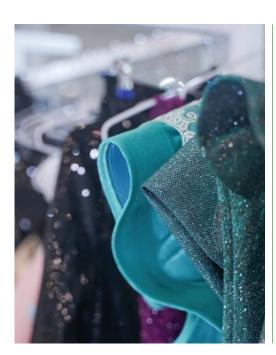
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Charity partnership



Charities are viewed very positively by UK citizens for clothes donation, therefore partnering with a charity could help increase customer participation in a take-back initiative. Other benefits include direct benefits to the charity partner, and more in-country re-use of clothing through resale in partner charity shops if the collected items are sorted in a UK facility.

Like commercial service providers, charities can collect from several stores and process a wide scope of textiles and footwear, depending on their collection and sorting capacity. They can also offer support for providing in-store collection units. The branding, promotion and communication of the scheme can be shared between the retailer and the charity partner, following the agreements made. Most schemes will aim for good quality items for re-use potential in the UK.

Customers must remember to bring their unwanted items to store but are often rewarded with an incentive such as a discount voucher for their next purchase. Some charity partner take-back schemes do not offer a financial incentive, with the key message being about doing the right thing by donating to charity instead.

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Charity partnership

Example 5:

M&S/Oxfam: one of the pioneers in the UK

M&S and Oxfam launched the Clothes Exchange Campaign in 2008, which was rebranded as **Shwopping** in 2012, to make it easier for customers to give their unwanted clothes a second life.

Where: all M&S clothes stores, including M&S Outlets, as well as selected Simply Foods, and at Oxfam stores.

Scope: Any item of clothing in any condition from any retailer, including shoes, handbags, jewellery, belts, hats, scarves and bras. Also, soft furnishings (bed linen, towels, cushions, curtains, throws, aprons, tablecloths and napkins).

There are two ways to go Shwopping:

 Donate any unwanted clothes in M&S stores, by dropping them into one of the 'Shwop Drops' (found by the tills in most M&S stores).

Donate any unwanted clothes

in Oxfam shops Incentive: 'receive a £5 M&S voucher off a £35 spend on clothing, home and beauty products in M&S stores as long as the donation contains at least one item of M&S-labelled clothing or M&S-labelled soft furnishings'. This offer does not include donations of the following M&S clothing: swimwear, underwear, socks, damaged or soiled items, and sale and clearance items.

All clothes Shwopped at M&S are given to Oxfam. Oxfam then:

- Resells them in their shops, online or at festivals to raise life changing funds;
- Re-uses them in Frip Ethique, Oxfam's social enterprise scheme in Senegal or in other countries around the world:
- Sends any clothes that cannot be resold or re-used in bulk to reprocessing companies to be recycled as carpet underlay or mattress filling (which can be used by businesses like M&S).

Nothing goes to landfill and Oxfam use the money raised to help end extreme poverty around the world.

As part of Plan A, M&S has committed to collect 3 million garments per year. Since the partnership began in 2008

over 34 million garments have been donated in M&S and Oxfam shops, worth an estimated £22 million for Oxfam. Main challenges are around awareness and communicating to the customers that the scheme is still operating, as the last major campaign ran in 2016.

View the full case study **here**.

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Charity partnership

Example 6: REBus and IKEA

The **REBus** project, run by WRAP, aimed to demonstrate how both large organisations and SMEs could work with their supply chains to **implement** resource efficient business models in four key markets: electrical and electronic products, clothing and textiles, and furniture and construction products. As part of this project, REBus worked with IKEA on a textile take-back service. This was **piloted in** the Cardiff IKEA store, providing the public with the opportunity to bring in any unwanted textiles (not just IKEA branded products) - from clothing to soft furnishings - to be re-used or recycled through a partnership with YMCA.

A pilot in one store was supported by a campaign to raise awareness and engagement. IKEA donate all textile products received from customers to the YMCA who process them in their Cardiff facility before donating them to those in need in the community, or send them for re-sale in their shop, to help fund their work supporting the homeless and other community projects.

The results of the three month pilot showed that running this service for 12 months at the Cardiff store could collect 4.4 tonnes of textiles, and divert 1.1 tonnes from landfill; as well as helping to generate £6500 in revenue from the re-sale of textiles for YMCA. The pilot has turned into a permanent offer in the Cardiff store.



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Example 7: Zara 'Life' clothes collection programme

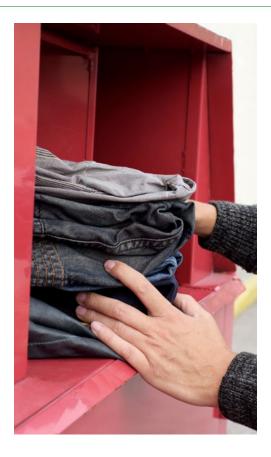
Zara collaborates with 12 non-profit organisations around the world to collect used clothing in their stores, head offices and in street containers in 24 markets. Customers can either donate in-store or from home by requesting free collection when placing an order online. Zara collected 14.824 tonnes of clothing, footwear and accessories in 2018.

All clothing collected is donated in aid of non-profit organisations, working with **British Red Cross** in the UK. Zara oversees collecting and delivering the clothes to the sorting centres run by partner charity organisations. Depending on the capacities of each organisation, the clothes may be:

- Donated to those in need
- · Marketed through the charitable channels used by the non-profit organisations to finance their social projects
- Re-used and transformed into other textiles such as cloths
- · Recycled into new fibres and materials for the construction and automotive sectors (seat filling, cushions, etc.)

Scope: Accept everything - all brands, used items, and jewellery

No financial incentive is provided to customers and Zara claims no financial benefits from its scheme.



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Own take-back

Some retailers limit the scope of accepted textiles to ownbranded product in their take-back programme. This offers exclusive product insights as well as opportunities for closing the loop on own products and materials. There are several examples of retailers using their own take-back schemes in this way.

Patagonia

Patagonia has been a frontrunner since 2005 with its **'Common** Threads' programme and continues today with its **Worn** Wear' programme in the US. Customers can either send in used Patagonia garments or drop them in Patagonia stores, so these can be recycled or repurposed.

Eileen Fisher

Similarly, in the US, Eileen Fisher is celebrating 10 years of their own clothing take-back programme, 'Renew' which has collected over 1.2 million pieces since 2009.

The scheme allows the re-sale of Renew pieces in their stores or dedicated Renew stores as part of sharing their story with customers, after collected items are professionally cleaned and repaired.

Filippa K

In Europe, Filippa K started a clothing Collect service at Filippa K stores in Sweden and Denmark in 2015. Customers receive a 15% discount voucher when they hand in used, clean clothes, in good condition. Items too worn-out for their second-hand stores are given to local charity where they get separated and sorted into the most suitable usage stream.

For the collection of pre-loved clothing, Filippa K have decided not to use the common collection. 'bin', and simply ask customers to hand in the item over the counter to a member of staff. This not only makes this experience more personal, but also keeps the concept of value of the returned clothing in the mind of customers.

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Own take-back



Dutch aWEARness

For workwear, an own take-back scheme can represent the most sensible model in order to retain ownership of the products and recover the materials from used clothing. A lease model can also be envisaged, like the model of Dutch aWEARness in the Netherlands. Via a contract with the reseller, **Dutch aWEARness** remains the owner of the materials. Take-back at the end of use is organised in a contract between reseller and end customer, and Dutch aWEARness organises preparation and recycling of the collected items into 100% circular workwear products.

You can find more detail on criteria for circular public procurement here.

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Online re-use and recycling applications



We are seeing an increase in the number of online recycling applications coming onto the market. These apps connect customers, collectors, and retailers, often offering discounts and incentives for customers to return clothing.

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Example 8: reGAIN

reGAIN was the UK's first app developed for the recycling of unwanted clothing and textiles launched in April 2018. The clothing recycling app is a digital and multi-brand take-back scheme allowing the app users to recycle unwanted clothes by packing and dropping them off at one of over 25,000 recycling drop-off points across the UK. The drop-off unlocks reward discount codes available to use at reGAIN's retailer partners, including several fashion retailers such as Superdry, Asics, New Balance, Boohoo and Missguided, as well as lifestyle brands and experiences.

Scope: New, used and defective items of clothing, footwear and accessories. No household linens. A minimum of 10 items per package is required.

Collected items are sorted in parent company Yellow Octopus warehouse. Some clothes are re-used. The rest are recycled into fibres used in open and closed loop applications.

Figure 8 - reGain app; credit: reGAIN



Benefits for **reGAIN retailer partners** include:

- No costs for implementation of new technologies
- No need to create own take-back programme
- No additional reverse logistics expenditure
- Access to marketing platform for communications to customers
- Help promote a more sustainable approach to production and consumption

More clothing recycling apps have since come onto the market, such as Thrift+ or Stuffstr. Some focus exclusively on good quality clothing and footwear, with high resale potential.

These are all incentivised schemes, inspired from other online product return schemes such as electronic products.

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Example 9: Thrift+

Thrift+, a donation service for secondhand clothes, specialises in taking back men's and women's second-hand clothes 'that deserve to be sold online' defining these as:

- Recognisable premium & designer brands
- "As new" or "Excellent" condition
- Freshly cleaned, no stains & no defects

Users of the scheme order a free ThriftBag (including a free returns label for a local drop-off point) on the website, for shipping their unwanted items to Thrift+ (estimated 15 to 20+ items per bag), following guidelines provided on accepted items. Thrift+ performs a rigorous quality control process on every item they receive, evaluating the level of defects. Items with significant wear and tear are donated to charity partners. Once items sell, Thrift+ donates 33% of the sale price to the charity selected by the original donor. The donors also get 33% back on items that sell for more than £5, in the form of credits to spend on Thrift+ or to redeem as a John Lewis & Partners Gift Card. Thrift+ also introduced a **partnership with Farfetch** earlier this year.

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Example 10: Reskinned.clothing

Reskinned is a new one-stop-shop solution offered to both high street and online retailers, with full processing of textiles collected and access to a customer management platform. It is a take-back scheme that offers retailers' customers the opportunity to trade in garments for a fixed credit value. Customers drop unwanted clothes in store or via an online process on the retailer partner's website and return the garments to Reskinned for processing and validation. Reskinned covers:

- Garment handling and processing
- The technology that powers the return process and redemption
- Customer queries

The retailer covers the redemption values, online return costs and sets the usage rules.

The instore redemption process is similar to the commercial textile. collection and recycling service providers, and the online redemption process is similar to the other recycling applications, with the aim of collecting primarily good quality second-hand clothing and textiles. Customers get a choice of financial incentives, from gift cards to e-vouchers.

Reskinned's model aims to provide transparency on the end destinations of sorted clothing and textiles and has set targets for more re-use in the UK, as well as introducing higher-value chemical recycling for non-reusable polyester and cotton textiles (Figure 9).

Figure 9 - The Reskinned Circular Loop: Prioritising Re-Use. Image: Reskinned. Returns arrive Items sorted at Reskinned for redistribution processing at processing centre centre The Path Reused Recycled Current 63% Target 70% Current 37% Target 30% Mechanical Chemical **Easten** UK **Europe Africa** Other **Recycled for Wipes** Recovery Chemical Current 1% Current 5% Current 75% Current 19% Current 50% Current 50% Current 0% Target 15+% Target 15+% Target 60% Target 10% Target 35% Target 35% Target 30% Resold via Resold via Resold via Cotton or Recovery of wool Closed loop secondary premium network of cotton based and other sysem to online second-hand second-hand products are materials to be convert clothes markets marketplaces, and thrift shredded to recycled into flock polyester instore rails. trickling down via produce based materials and cotton stores pop ups, multiple wipes for such as insulation to material festivals, merchants to commercial mattress filing yarn kilo sales village vendors companies

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Retail landlord-led initiative



A garment take-back scheme can also be initiated by a retail landlord, e.g. a shopping centre, and rolled out to several key shopping centres depending on the landlord's size and spread. Although not driven by retailers, this type of take-back initiative can also help raise citizen awareness while bearing operational costs to the landlord. The promotion of the scheme is managed by the landlord but can also be shared with any partner retailers.

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Retail landlord-led initiative

Example 11: Landsec

Property company Landsec introduced a landlord-led clothing recycling pilot initiative in March 2019 at its Westgate Oxford shopping centre, run for a month in partnership with I:CO.

The 'Spring Clean, Think Green' recycling scheme, invited customers to donate clothing and footwear of any brand in a dry, clean condition, using an interactive textile recycling point located on the upper ground floor within the centre. As an incentive. Landsec offered a chance to win a Westgate Oxford gift card in a prize draw.

Landsec explained that both retailers and retail landlords undoubtedly have a role to play in reducing the number of textiles ending up incinerated or in landfill. They felt that 'a landlordled initiative could really drive up recycling rates in key retail destinations'.

Landsec has drawn learnings for implementing a future scheme, including the importance of the recycling point location and logistics, finding the right partner, and increasing communications to customers (WRAP research, unpublished).



Summary of different take-back schemes

Take-back model	Commercial partnership	Charity partnership	Own take-back	Online re-use and recycling apps	Retail landlord site
Key strengths	Vertical integration covering full process from collection, sorting to re-use and recycling. In-store customisable collection units Strong logistics management Can also bring indirect benefits to charities Generally accept any type of textiles making it easier for customer participation	Positive image of charities in the UK, with potential for higher customer participation Reusable items can be sold directly in the UK in partner charity stores Direct benefits to charities Generally accept any type of textiles making it easier for customer participation	Direct control of re-usable garments and if accepted, materials for recycling initiatives. Direct resale opportunity Provision of better product insights in use phase	Ease of use and convenience for the consumer, with large choice of voucher spending at any retailer partner. Operations covered by service provider, with provision of platform and consumer insights to retailer partner Some accept a wide scope of items making it easier for customer participation	Logistics set-up is organised by the retail landlord. All costs fall to retail landlord
Challenges / risks	Customers must remember to bring their unwanted items to store. Collected items sorted outside of the UK don't have the full traceability of UK sorted outputs and in-country re-use Potential PR implications if incentives offered are seen to encourage more consumption	Customers must remember to bring their unwanted items to store Potential lack of volunteers at charity partner for requested collections Collected items sorted outside of the UK don't have the full traceability of UK sorted outputs and in-country re-use Potential PR implications if incentives offered are seen to encourage more consumption	Customers must remember to bring their unwanted items to store or ship online Need to carefully evaluate the balance of costs & benefits Must comply with UK waste carrier regulations Potential PR implications if incentives offered are seen to encourage more consumption	Customers need to print shipping label and take packaged items to local dropoff/collection points offered by service provider Growing competitiveness in the online market Potential PR implications if incentives offered are seen to encourage more consumption	Customers must remember to bring their unwanted items to the site Location of collection unit needs to match high footfall Limited to retail landlord site(s)

Summary of different take-back schemes

Take-back model	Commercial partnership	Charity partnership	Own take-back	Online re-use and recycling apps	Retail landlord site
Logistics & Costs	Logistics set-up integrated into retail partner's existing processes Small costs for retailer operations	Logistics set-up integrated into retail partner's existing processes Small to medium costs for retailer operations	Entire reverse logistics chain to set up and run by retailer Higher costs for retailer operations, depending on choice of end destinations for sorted outputs	Logistics covered by service provider working with mail partners Minimal costs for retailer	Logistics set-up integrated with retail landlord's existing processes No costs for retailers
Internal engagement	Requires high level of internal engagement, including training of store teams	Requires high level of internal engagement, including training of store teams	Requires the highest level of internal engagement, including training of store teams	Requires the smallest level of engagement once the system is set up	In a retail - retail landlord partnership, medium level of engagement, mainly with store teams
External communications	ESSENTIAL for ALL models, on-site, in-store and online. External communications are needed for attracting customers to participate into the clothing collection initiative, with marketing materials clearly explaining through multiple channels how the take-back scheme works and what items are accepted or excluded. Regular and timely campaigns with a consistent message to launch the initiative and keep customers engaged over the long run. Transparency of the end routes for the collected clothing is increasingly important to newer generations of customers, asking for this information.				

Summary of different take-back schemes

Take-back model	Commercial partnership	Charity partnership	Own take-back	Online re-use and recycling apps	Retail landlord site
Incentives	Discount voucher for next purchase	Financial incentive up to retailer, but key message is about doing the right thing by donating to charity	Often a discount voucher for next purchase of new, re-used or recycled clothing	Vouchers (multiple choice of retailers and experiences) or brand gift card	Prize draw with gift card for purchase at participating retailers on-site or online
Scope of items accepted	Depends on service provider. Can include any item of any brand in any condition	Can include any item of any brand in any condition, mostly aiming for good quality items for re-use in the UK	Own brand choice. Most often own clothing in good condition for resale opportunity, can also include items for closed loop recycling.	Depends on service provider specifications, mostly aiming for good quality items with good resale potential	Depends on collection service provider. Can include any item of any brand in any condition
End destinations of collected textiles	For all, these will depend on service provider's sorting processes and location but in all cases, re-use is prioritised within the sorting process following the waste hierarchy. Textiles sorted in the UK offer greater opportunities for in-country re-use, as well as traceability.				
Collection unit(s)	Can be designed to retailer's specifications Evaluate size and number of drop-off points required in each store	Can be designed to retailer's specifications Evaluate size and number of drop-off points required in each store	Designed or sourced by retailer Evaluate size and number of drop-off points required in each store	Package or bag used for free shipping is provided to customer following recommendations of service provider	Provided by the collection service provider (case by case basis)

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Any take-back initiative will need to fit into the overall business and sustainability strategy, as part of a drive towards a circular fashion business model. The objectives and scope of the scheme should be clearly defined, and targets set to evaluate progress.

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Questions to consider when setting up a take-back scheme

- What is your long-term strategy for becoming a circular fashion business?
- How can a take-back scheme fit into your overall business strategy?
- Do you want to close the loop on your own preloved clothing or increase opportunities for re-use via partners?
- What will happen to the textiles after collection and what environmental/social/ financial benefits should it bring?
- · How will you collect and take care of logistics? What options do you have for your market(s) and audience(s)?
- What resources do you have available to set it up?

- · How would you define the key success factors?
- How will you engage your customers? Your internal teams?
- Are there regulations to follow with regard to 'waste' involved?
- What customer insights do vou have?

Introducing a take-back or recycling scheme is not without its challenges. Retailers need to identify the right partner, communicate with customers and engage and train internal teams to this new type of activity. Those with schemes in operation state that the main challenges are logistics and traceability of the end routes for the garments collected.

Setting up a pilot scheme can be a good way to test internal processes and customer engagement, as well as customer response before rolling out a scheme in all stores and/ or markets.

Finding the right collection and recycling partner – one that shares the retailer's vision and objectives and can adapt to existing processes, whether online or in-store – is important. The delivery of the scheme needs to be based on simplicity and communication.

The following flow chart, adapted from WRAP's Textiles Collection Guide, can help retailers with some of these considerations.

I WANT TO COLLECT TEXTILES OR IMPROVE EXISTING TEXTILES SERVICES

What do I want to achieve ? What's my objective? Points to consider:	How can I meet my objectives and the needs of the public at the same time?	What are the options?
Financial return?	Size of potential market (how much is out there?)	Expand an existing system
Maximum return for minimal investment?	Whether to maximise tonnage, income or social benefit, or obtain data for reporting	Increase diversion from existing system
Meet targets (e.g. Carbon Targets or Landfill Directive)?	Simplicity and convenience for public	Rationalise existing systems to be more efficient
Reduce waste to landfill? Increase re-use and recycling?	Public confidence in the service (i.e. not rogue traders)	Add a new material to existing services
Realise Social benefits (e.g. support charity)?	Ability to capture market share where there is an existing mature market	Increase promotion of existing services
Optimise existing services (value for money)?	Beneficiaries (reputable charities benefit rather than the council or rogue traders)	Develop a new service to complement existing services
Avoid confusion by having a single provider?	Whether to take all textiles (including non-re usable (rag) items)	Work with third parties to develop textile re-use
Deal with theft/rogue traders? (bring banks)	How to communicate/publicise effectively	Procure a service with one clear provider
Deal with unexpected items/contamination?	The inter-relationship between combined systems (in-store, online, combined), which may affect existing servies (e.g. reduced bank donations due to a new online service)	

In-store takeback, Online take-back, Combination

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Consumer engagement

In a circular fashion system, the customer becomes the supplier, which is why involving and incentivising them to bring back their clothes and shoes is vital. Due to the current lack of customer. awareness, brands and retailers must take on an educative role. They can engage customers through setting up schemes that are as easy as possible to participate in; encouraging participation through in-store communication and training store staff; and by running campaigns on multiple channels, most importantly on digital and social media platforms.

According to an **Ellen MacArthur** Foundation (EMF) report, there are three main factors contributing to the participation of customers in a take-back scheme: Convenience and relevance: Awareness and trust; and Incentives.

These should be carefully considered for creating or scaling up an initiative:

 Convenience and relevance. The infrastructure of the takeback scheme must be easy to use by customers. Considering both in-store and online retail channels, this may require specific customer donation insights to fully understand their needs, as well as offering a combination of options for textiles collection.

In addition, as detailed in section 2.b UK Citizen Insights, consideration needs to be given to the moment that an item is no longer wanted and the decision process the customer goes through in deciding what to do with the item. Focusing on this moment could help shape how the scheme is promoted, for example during spring cleans and clear-outs.

Providing bags to make it easier to transport items to a garment collection point may also encourage greater participation.

Awareness and trust.

People are increasingly eager to understand where collected textiles are ending up and providing transparency on end-destinations brings trust and actively contributes to increased public awareness.

Generation Z and millennials want to make conscious decisions and providing these customers with relevant information and traceability of end routes emphasise brand responsibility, thus helping build brand loyalty. For wider impact, it is important to keep the messaging clear and simple and avoid technical jargon.

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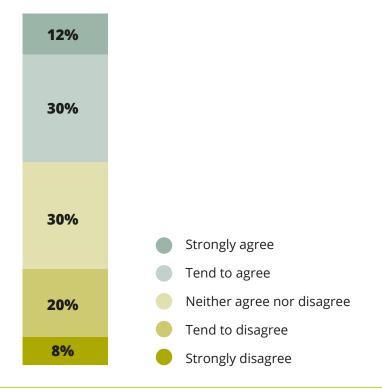
WRAP is seeing increasing public concern around the environmental impact of clothing, but not everyone is motivated to do something to reduce this impact. It is likely that the early adopters of a scheme may be environmentally motivated, but for continued participation other "benefit" messages could be more effective (e.g. 'well-being factor following wardrobe declutter', 'helping charity', etc.). Explaining why customers should participate using their specific motivators is important.

WRAP's research shows that telling the story about the journey of collected clothing can help to build trust and motivate action. e.g. sharing exactly how the donated textiles are being processed after collection and making sure they are handled in the right way.

The WRAP 2019 survey shows **42%** agree that knowing where donated clothes end up is important to them (for all donation routes).

Figure 10 - Q15b. Demand to know traceability:

It is important to me that I know what happens to my clothing when I give it away



Base: 2,070 UK adults aged 18+ who ever shop for clothes

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A sense of shared responsibility amongst internal teams, and particularly store staff, will be needed to make the initiative a success. Store teams are the first point of contact to customers, and they need to be able to communicate clearly and answer questions about the garments collected. Traceability and transparency are critical to ensure customer trust.

Incentives. Incentives are a powerful means to activate customer engagement. These usually come in the form of vouchers for a next purchase and have been quite successful so far in the UK. In other schemes without a direct financial incentive, customers can get the assurance that they are doing the right thing by donating to charity and thereby participating to a wider charitable cause (see insights in Section 2).

Communication about the scheme must be easy to understand, informative, factual and attractive. Brands and retailers need to know their audience to convey the most resonating messages, and the language used is important to convey the idea of value in the returned clothing. For example, the Donation Generation campaign was aimed at those motivated by environmental concerns and willingness to join a group of like-minded people to take action.



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Boosting Existing Schemes

Along with focusing on the key moments of disposal, those businesses with schemes already in operation could consider using social norming messaging. This is currently being used in WRAP's **Recycle Now Campaign.**

Psychologists and behavioural economists have demonstrated that citizens are not the rational decision makers we would like to believe. There are lots of internal and external elements that influence our decisions in ways we are not aware of Social norms are one of these elements.

Social norms are subconscious 'rules' that shape our behaviour, e.g. shaking someone's hand when we first meet them. We can ignore them and 'break' the rules, but generally we don't.

Selling the benefits of something or simply raising awareness may not influence our social norms.

The positive effect of normative messaging on citizen behaviour has been shown in numerous trials and experiments, as well as for other environmentally friendly behaviours like energy saving and eating less meat.

There are four ways we can use social norming language:

Descriptive - Descriptive norms are what we believe other people in our society, or groups we identify with, actually do. In communications, by highlighting that most people recycle, we may increase the chances of our audience recycling.

Example communication:

'Most people in [store/business] pass on/donate their unwanted clothes'

This language is appropriate if your insights show that most customers are using this scheme.

Dynamic - Dynamic norms are ones that reflect an ongoing change in society or a group, rather than a static fixed norm.

Example:

'More and more people in [store/ business] pass on/donate their unwanted clothes'

If increasing numbers of your customers are using the scheme, this norm could be used.

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Injunctive - Injunctive norms are what we believe other people expect or want us to do. They reflect what a group thinks are 'good' or 'bad' things to do. By implying most people regard something as a 'good' thing to do, we can influence our audience to do that action more.

Injunctive norms can be used when we have an opportunity to use a human messenger. Members of a community, family and other influencers that the audience wishes to be like, or whose approval they desire, can deliver injunctive normative messages effectively.

Example:

'People in your store pass on/ donate because they think it's a worthwhile way to help the environment'

Personal - Personal norms are the rules that govern our behaviour based on our selfimage, or what we regard as our 'duty'. If we remind someone who is community-minded/ green/responsible that donating unwanted clothing is part of that lifestyle, they're more likely to do so.

Studies have suggested personal norms are not quite as powerful as other norms, but they can still encourage behaviour change in a few contexts. Personal messaging works best when used in close proximity to moments when the audience has the opportunity to engage in the positive action.

Example:

'Thank you for helping the environment by donating old clothing' or 'Thank you for supporting your community by donating old clothing'

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a. Set-up and internal engagement

Setting up a take-back scheme involves clear internal communication and high internal engagement, with buy-in from senior management. Top management is needed to drive a shared perspective of sustainability and circularity within the organisation, whether small or large.

The set-up and operation requires support from senior management and collaboration from crossfunctional teams including CSR/ Sustainability teams, Store staff, Marketing and Communications, Procurement, Facilities management, Sales and Finance.

Store teams need to be briefed and trained extensively, and be enthusiastic about the initiative to make it a success. When evaluating a trial rolled out in several stores. the results may vary drastically from one store to another, not only due to regional differences, but also to varied staff engagement in each store. Store teams are like ambassadors of in-store take-back schemes and key to their success (**GFA garment** collection toolbox).

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b. Implementation timeline

For online take-back, the implementation timeline will depend on the selected partner but is generally quite rapid. After sharing requested information between the two parties, the online set-up may take as little as one day, as is the case with the reGAIN app.

For in-store take-back, the timeline will depend on the selected partner and the intended scope of the programme, particularly the number of stores involved. This obviously takes more time to implement than an online take-back and can be a progressive roll-out following a pilot phase.

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c. Logistics & Costs

Reverse logistics is the biggest challenge to overcome for all types of takeback models, whether organised internally or with a partner.

Logistics and storage are directly linked with frequency of collections and operational set-up and may require optimisation of processes over time. In-store take-back will require storage space for collected items whenever the in-store collection units are full. There is a need to closely monitor collections, and potentially review the frequency, as well as the size or number of collection units in each store.

Internal costs for the set-up and implementation of the scheme will not only need to include store staff training, but also logistics management and potentially new infrastructure. For an own takeback programme implementation, costs need to be carefully considered for the set-up of the reverse logistics chain, including clothing collection, storage, sorting and grading between re-use and recycling fractions, and shipping to available end destinations.

When working with a collection partner, logistics costs can be shared between both parties. Third-party commercial service providers such as I:CO, can propose a cost model usually able to generate some financial surplus.

In the GFA garment collection toolbox, the examples of Filippa K's and Eileen Fisher's own take-back models demonstrated profitability by handling the collection, sorting and redistribution of used clothes in-house, although items need to be of high value for the re-sale model to be cost-effective.

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For business-to-business (B2B) models (e.g. workwear companies), a lease model or a circular procurement contract can provide more control over the logistics, from the take-back of items to their recirculation as products or materials. Used textiles can be collected by providing every client's premises with collection units, with materials then transported to a main distribution centre for aggregation, before being sorted and sent to processing locations.

d. Frequency of collections

For in-store take-back, the location. branding and signage of drop-off points will be most important. In most stores, drop-off points are located near the till or at the entrance/ exit. The frequency of collections will vary on a store by store basis and may need to be reviewed over time depending on the level of success in each store. This should be specified in the contract with the collection service provider.

For collection in shopping centres, it is best to evaluate footfall first, to help select the optimum location of textile collection points.

For online donations, this will vary, with some apps limiting the user to one shipment per week to limit the collection runs.



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e. Reporting

The capture of data is essential to evaluate the take-back schemes implemented.

This can be performed entirely by the service provider who can also develop exclusive insights for the retail partner with online take-back. When taking own-brand clothing back, the scheme can also provide detailed insights on donated products at the end-of-use phase, such as why, when and by whom, the product was disposed of.

Depending on the goal of the takeback scheme, the success factors can vary, but there are indicators that can apply to most models.

Key Performance Indicators (KPIs) may include:

- Customer participation
- Volumes collected
- Environmental impact
- Social impact
- Financial surplus

Reporting on the progress of the collection scheme to external and internal stakeholders is an important part of describing its impact and development. External reporting on progress can be done through annual reports, on the website, via social media and in-store.

SCAP retailers and brands can report the volume of clothing collected through take-back initiatives in the SCAP Footprint Calculator. In case of re-sale. they can also report the re-use of pre-owned clothing in the UK as a further improvement action. In 2018, collections for re-use or recycling were reported by six SCAP signatories.



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f. Scope - Managing unwanted items

There will always be a risk of receiving unwanted items, outside of the scope of accepted textiles communicated to customers. However, these may only represent a small minority.

The contract should always specify how to deal with unwanted items. Improving communication with customers can help alleviate this problem, before it may turn into a real issue.



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g. Legal and Health & Safety

Several of the duties and requirements around textiles hinge on whether textiles are regarded as waste. This will depend on the scope and condition of textiles accepted in each scheme, and if customers are following the scope (i.e. items in good condition only). If textiles are regarded as waste, then the Duty of Care applies - meaning organisations must ensure that:

- · waste is stored securely and not allowed to escape:
- anyone whom material is passed on to is authorised to take the waste (i.e. is a registered waste carrier) and the receiving site is authorised to accept the waste; and

all waste movements are accompanied by a waste transfer note which describes the waste and its origin.

If the material is not considered waste, such as good condition textiles donated for re-use, the organisation accepting the material does not need to be a registered waste carrier and a waste transfer note is not required, although an exemption may be required.

For legal information, please review the information provided in WRAP's Textiles Collection guidance, Section 2.0 Policy Context - Legislation and Drivers. Recommendations in this guide have been designed for Local Authorities, however these can be applied to private businesses too.

If considering using a collection partner, the Textile Recycling Association (TRA) advises to check that the collector holds the appropriate waste licence to handle the textile waste collected and/ or processed. Please refer to the information provided on Waste Licence Checker.

The TRA also recommends to work with a TRUST (Trader Recycling Universal Standard) certified collector/ sorter, once the programme is rolled out from early 2020 onwards. Under the TRUST standard, each collector/sorter that has received certification will have been independently audited by a professionally qualified business, against a comprehensive set of criteria across five categories:

- **Health and safety** (ensuring that sound policies exist to prevent accidents and take appropriate action to protect staff when incidents occur):
- Sound business practice (checking that everything the business does is compliant with the law and transparent);
- Labour (requiring that all workers are treated properly and in full accordance with their rights);
- Environment (promoting the best sustainability and environmental standards);
- Transport (ensuring that all vehicles used are well maintained and appropriate).

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Good practice for scheme delivery: operational considerations

If considering handling the reverse logistics chain, the TRA has issued the **Code of Practice for** collectors, graders and exporters of used clothing, as a reference for the sector.

For Health & Safety regulations associated with textile waste and recycling collection services, please refer to the **WISH guidance** document.



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Summary of critical success factors

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Whether launching or amplifying a collection scheme, it is important to continuously monitor and evaluate what works and what does not, so that the take-back programme may be optimised over time. This includes getting regular feedback from all involved, including internal and store teams, partner(s) and customers, as well as new suppliers in the circular fashion chain. Further understanding of the advantages and disadvantages of the existing schemes is needed to facilitate their expansion.

Some key considerations (from **ECAP Guidance for Textiles Collections**)

- · Set measurable targets related to textile collections and then set up systems for monitoring them
- Get citizen donation insights or conduct your own survey before designing measures for meeting targets
- Consider increasing collection convenience if collection levels are low. by increasing collection points or collections from home, or consider using a combination of systems
- Consider providing a range of collection/hand-in options or ensure that such a range is provided by collectors

- Collaboration between partners can strengthen collection efficiency, subsequent processing and resale
- Make use of existing players' experience and knowledge of textile collection, used textile processing and global markets
- Provide clarity in communications on accepted textiles
- Consider a common brand for all types of collection activities, containers and players to reduce confusion/ inactivity among citizens and reinforce collection communications

- Consider increasing/ensuring transparency in the processes and end-destinations for collected textiles and clearly communicate them to your customers
- Ensure the economic viability of collection and processing for all players in the value chain, otherwise collection initiatives will not last
- Ensure that collection and processing solutions comply with national legal frameworks and be pragmatic about local solutions.

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WRAP's research shows that UK citizens are highly receptive to both charities' image and take-back schemes with incentive vouchers, as well as becoming increasingly concerned by the environmental impact of clothing. Take-back schemes represent a great opportunity to grow the volume of textiles collected via retailers and brands. and overall in the UK.

By considering the variety of options available to introduce a take-back scheme, and ensuring that these are based on solid customer insights and feedback, brands and retailers have the opportunity to help drive consumer behaviour change and take proactive steps towards a circular fashion model.



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WRAP Textiles Collection Guide 2015

WRAP Textiles Collections Procurement Guide 2016

GFA garment collection toolbox 2017

GFA webinar - garment collection 21 June 2017: with I:CO, H&M, **EILEEN FISHER and Inditex sharing** their experiences in setting up a garment collection scheme.

Service based business models and circular strategies for textiles, Circle Economy for **SITRA, 2015**

Textile Recycling Association members - textiles collectors

Charity Retail Association members – charities

ECAP Guidance for Textiles Collections

ECAP Fibre-to-fibre recovery factsheets:

Internal support - fact sheet

Communications – fact sheet

Logistics - fact sheet

Business models - fact sheet

ECAP Circular public procurement criteria

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