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A Worthwhile Wardrobe: Bringing Rental to Charity Retail

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This collaborative research examines the experience of building and introducing a circular business model into charity retail. In this report we draw on the experiences of the charity, supporting experts and consumers to highlight key learnings for charity retail.



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Katherine's research is in the area of consumer culture with a particular interest in clothing sustainability and the digitisation of consumption. Her research is published in international journals. Her current research links to understanding consumer clothing practices and the opportunities and challenges for sustainable action – this underpins her PhD supervision and industry engagement.



Challenges in Charity Retail

It is well-established that human activity is exceeding planetary boundaries (Bonnedahl et al., 2022; Richardson et al., 2023). As such, current business models focused on growth are no longer fit for purpose (e.g., Schneider and Murray, 2024). While the circular economy has gained popularity in business and policy sectors to address these challenges, a growth logic continues to be dominant. This is particularly acute in the clothing sector, where despite circular and sustainability initiatives, clothing production and consumption are increasing (Ellen MacArthur Foundation, 2017). In addition to the unprecedented strain this is placing on human and planetary well being, this is a significant challenge for the charity sector where much of this clothing ends up (Zanjirani Farahani et al., 2022; Armitage, 2024). While charities are viewed as critical to circularity due to their reuse business model, charity income is dropping because of the saturation of low quality and value clothing donations generated by the ever-increasing production and consumption of (ultra)fast fashion (Armitage, 2024). This is placing a resource (e.g., reliance on volunteer labour) and environmental (e.g., finding reuse routes) burden on an already constrained sector. As production and consumption of low value clothing continues to accelerate, this highlights the urgency for the charity sector to explore ways to future proof the retail businesses foundational to their fundraising efforts.

Introduction



The clothing industry is one of the most polluting globally, placing it in the top three in terms of pressure on water and land use and top five in use of raw materials and greenhouse gas emissions (European Parliament, 2024). The growth in production and consumption of low-quality clothing has put pressure on the charity sector and charities are receiving donations of clothing that are low in value and are finding it challenging to access quality clothing donations (Guo and Xu, 2021). This is exasperated by the increase in resale platforms, such as, Vinted, Depop and Ebay, where consumers can sell (and buy) higher quality and value garments for personal income (Zanjirani Farahani et al., 2022). Additionally, consumers have expressed concerns as to what happens to charity donations given that only approximately 50% of donations are sold through charity retail (Guo and Xu, 2021). This presents a significant challenge for charities as low-quality donations reap little monetary return (Osterley and Wiliams, 2019), while being environmentally damaging and demanding resources to manage. Charities rely heavily on volunteer labour and the sector has experienced a continued decline in staff volunteers since Covid, further exasperating resource constraints (Lepper, 2024).

To address these concerns, this research examines the experience of transitioning to a charity clothing rental business from the perspective of the charity, experts and consumers. Employing a multi-method qualitative approach, data was collected over a two-year period between 2022–2024. Semi-structured interviews with sixteen consumers explored their role as donors to the clothing rental model during 2022 and again as potential renters in 2024 once the rental platform had been built. Thirteen semi-structured interviews were conducted with charity staff and experts from the collaborating business and those employed in supporting positions to manage the development of the rental business. The data presented in this report is based on these interviews and participant observations over the two-year period.

The report is organised into five key sections detailing our findings. The first section details the clothing rental model, the second focuses on the benefits and challenges experienced from the charity and business perspective, the third section shares the experience from the perspective of the consumer as donor and renter, fourth key learnings are outlined, and finally future recommendations are shared.

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Charity Rental: A Worthwhile Wardrobe

Charity retail is an important sector, supporting environmental sustainability through the maximisation of material resources and waste reduction and social sustainability through offering more affordable consumption alternatives, with revenues supporting social need.

This report outlines a collaboration between the authors, a UK charity interested in bringing circularity into their retail operations and a business with expertise in clothing rental. Clothing rental was regarded as an opportunity to address key challenges experienced by the charity in terms of quality of donations and uncertainty concerning disposal routes for unsold items. As outlined in Figure 1, and in what follows, a rental model was built that sought to offer distinct benefits to the charity in terms of donation generation value maximisation and retail consumer engagement.

Consumer benefits

- Access clothing when needed
- Quality clothing
- Access novelty through variety
- Free up storage space
- Reduced cost
- Sanitation
- Convenience
- Sustainability

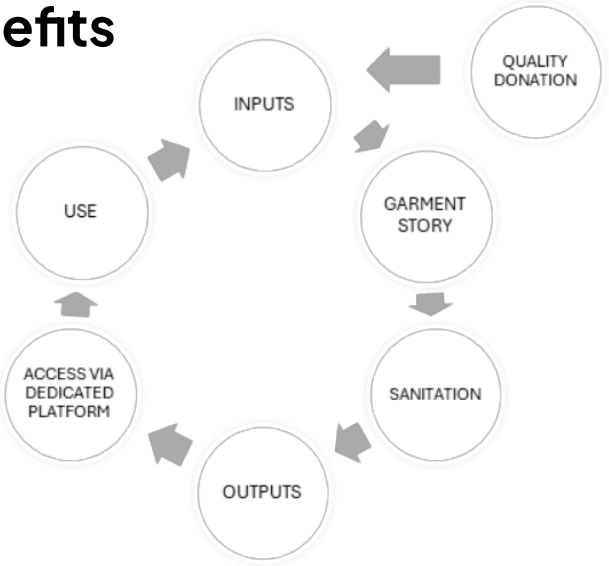


Figure 1. Charity clothing rental model

Donor benefits

- Use longevity of donation
- Maximise value of donation
- Transparency of model
- Free up storage space
- Sustainability

- The rental model focused on occasion wear as a high-value, low-utilisation clothing category, where garments for events, including, weddings, graduations and proms are worn only once or infrequently (Dasmi et al., 2024). This was viewed as potentially attractive to both rental consumers and clothing donors. From a consumer rental perspective, the model offered access to quality garments at reduced cost (as the garments were donated free of charge), offered novelty in terms of access – without ownership - to a variety of garments (Freudenreich and Schaltegger, 2020), while releasing storage space in the home.



- The collaboration with a business focused on rental support, ensured care and sanitation of garments and management of logistics to markets nationwide through an online retail platform offering convenience and ease of access. High standards of sanitation, care and repair and a sharing of the garment story from donors (e.g., when purchased, number of wears, where worn, cost at purchase) served to remove any stigma associated with second-hand clothing (Arrigo, 2021), while maximising physical garment longevity for sustainability. Thus, the availability of high-quality donated garments offered environmental and social benefits. Physical durability for extended use and emotional durability from high value and shared garment stories, at a reduced cost. This offering had the potential, therefore, to be attractive to variety of consumers. From a clothing donor perspective, consumers tend to hoard occasion wear due to their significant financial and emotional investment, deemed too 'valuable' to give to charity where their fate may be uncertain (Niinimäki, 2010; Guo and Xu, 2021). This model offered transparency to donors allowing them to see how their donations will be utilised, allowing them to free up storage space in the home. The model focused on longevity of use for donations, while maximising the value returned for the charity from each garment as a result of multiple users.

- The rental model invited consumers and charity retail to consider quantity of consumption, quality of offerings and environmental impact . While this may appear counter to commercial viability and a consumer culture of ownership, rental has a long history in formal men's wear, while more recently a number of high street brands, including, LK Bennett and John Lewis have included rental in their offering, alongside specialised rental platforms, such as, Hirestreet.

Charity Benefits

This section details the benefits and challenges experienced in transitioning to a charity clothing rental model. Table 1 outlines the key benefits offered to the charity from the clothing rental model. The business model exposed the charity to an alternative retail approach and an opportunity to generate quality donations, maximise donation value through use across multiple users, offer transparency to the consumer and foster innovation.

Donation Quality

As noted, accessing quality donations was a challenge and the rental model opened the door to quality donations:



"Really for me one of my biggest frustrations from moving into the charity sector is the amount of donations that we get that don't make it onto the shop floor. So, you're constantly looking at, you know, I would say over 50% of what we get donated doesn't make it onto the shop floor. So, you're constantly looking for ways of recycling these things...What can we do to stop things going to landfill? You know, what can we do with our rags in a smarter way? You know, things get shredded up, they go into mattresses, some of the clothes do go overseas, but you're constantly trying to think of ways to keep items in circulation for longer or find other uses for them. So, when this project came along, we just thought, oh my goodness, how lovely to have those high value items of clothes, not just going to somebody's house again, so coming out of the wardrobe, going to your house, you wear it once and it sits in the wardrobe again. Like just to have that in circulation - just brilliant." (charity)

An excess of low-quality donations is environmentally damaging and resource intensive in terms of seeking routes to disposal while offering low-to-no value. Further, consumer concerns regarding donation destination were a barrier to donation of quality garments through traditional charity retail routes.

Transparency

The rental model supported the release of quality garments by offering transparency through a visible and specific retail offering:

"What is important to a lot of people is knowing…the rental collection was great for that. People liked knowing it would be part of that; they liked knowing it was going somewhere specific." (charity)

Thus, rather than a donation going into a system of charity shops with no guarantee as to where the garment may end up, donor confidence could be achieved through a more transparent retail model.

Donation Maximisation and Cost-Effective Offering

Transparency was made possible by the business collaboration that provided the service infrastructure to fulfil the rental offering. The services offered in terms of sanitation and care enabled the charity to view their donations as assets to be maximised over the longer term:

"…I think it's really interesting to think of your garments as like an asset that can be used over and over again. Instead of getting that sale out to a customer, and that's it, done, if you're able to rent these garments over and over again, it means more revenue for the charity. They can do that repeatedly, and you're making it accessible to the wider community as well." (collaborating business)



The maximisation of donations additionally supported the charity's role in seeking to provide quality affordable clothing to their customers.

Collaboration, Learning and Sustainability

In addition to rethinking donation use to release more value, the collaboration provided significant learning opportunities in relation to sustainability in clothing retail, while offering marketing leverage by association with an award-winning business operating on the principles of sustainability:

"That's the sort of thing you are getting across to people, you are doing the right thing by doing this and why would you buy an outfit that you are only going to wear maybe once, maybe twice, three times at the most. Whereas with this, you will be wearing an outfit, it will be pressed to perfection, it will look brand new, and it's got a minimal impact on the environment. So, it's getting that side of it, getting that key message across to people. You are doing a good thing because the money goes out of the country if you go and buy this outfit, from a shop, from fast fashion. You are exploiting the environments and communities in other countries. It might be children working in these factories, it could be slaves."



The benefits of rental compared to buying new are further elevated in charity rental where garments are pre-existing, extending their environmental benefits (Lee and Chow, 2020; McCoy and Chi, 2022). Additionally, this avoids disposal in landfill or to global south markets by offering a route to multiple-use important to the charity and the consumer.

Innovator

The charity was particularly motivated by the opportunity to be an innovator in the sector:

"We wanted to be first because that's, we've got a very commercial business team here. So, that was a really good idea and then we started to talk about further about that and bring in [collaborating business] as potentially another partner, I thought that was really good for all of us. I think from the point of view of, you know, having it in social media and it was going to obviously benefit all the institutions to come together as a partnership would be really good, because it would be an example to other [charities]. Because we couldn't find any charities that had done this, so we'd be an example to other [charities] UK wide who were already joined up with other charities thinking outside the box and doing something a bit different. So, we were really excited about it." (charity)

Building a new retail model, however, is a significant undertaking, particularly for an already resource constrained organisation and requires time to establish and support and learning which in turn requires resources:

"Yes, I think there was a lot of going back and forward on technology, integration and I think it took so long to make it happen, what I believe some of the team here learned is that we started down this route, using this bit of tech but over time, it became more apparent that it was better to do the tech differently. But by the time the [charity] got going with it, the conversation had moved on six, eight, and ten months, and it was like, here's a better way of doing this, but don't do it this way. So, I think a little bit of that tripped everyone up." (collaborating business).



Table 1. Clothing Rental Benefits

Benefits	Examples from interview data
Quality donations	"I was amazed at the quality of stuff that people have sitting in their wardrobes that they've not been willing to part with, you know, to just put into a general charity shop but the fact that they would be willing to do it for a project like this surprised me." "It would help us build better, I think relationships with our communities, because there was quite a cohort of wealthy people that donated us fantastic pieces because they knew it wasn't just going to be sold once and then be used again and again to keep the doors of the [charity] open, so that was really good."
Transparency	"What is important to a lot of people is knowing… to know exactly where the items are going." "I think the fact that people thought this was going to be… you know, it was going to have a website and their clothes were going to be on that and it induced a donation that we maybe wouldn't have got, had it been going into the shops. So, the idea that a website and people rent occasion wear, I think that created a lot of excitement."

Benefits	Examples from interview data
Donation maximisation	"Well, the first thing is that you can steady up that one-off cash coming in. You've got an annuity and an asset that is earning value for you in the longer term." "Once they're sold, that's the end of it, so I thought this was a step in the right direction, I think it was a positive alignment with the values of the charity and of charities. I thought that there would be a thirsty market with it, that would also help the charity as well, sell it more, get more publicity and maybe even attract more of those sorts of garments to be donated. But I thought it was a major step in the right way." "That's what excited us. Because we see so many expensive pieces that do come through that people very kindly donate, to be able to give them more of a lifespan I think is amazing. Because you don't see a lot of items like that. Like the quality of things due to fast fashion is rubbish these days so when you find these pieces they feel quite special, don't they?" "This was just another arm to it that we could prove to the public that as we were making money for the [charity] it was a really good model that we could recycle and recycle again and recycle again." "I think the thing that surprised me the most was the absolute support we got from our local community; everybody thought this was a fabulous idea. They liked the idea that they didn't just give you one item of clothing, and you would sell it, that, you know, you would sell it on again and again, and the item of clothing should be used. So, I think charities would get quite a lot of support for that, and I think there are some charities that do this quite well."

Benefits	Examples from interview data
Innovator	"The other thing is that you are leading a way from an innovation perspective by looking at new models, such as, circular business models. The other thing is the fact that a novel business model is good PR for the organisation, and I think it sits better with charity. You would expect charities to be embracing sustainability, but what you can end up with a lot of the time is that they need the cash…" "And it could always be the next big thing, that's what was so exciting for me because I'd never really worked with a charity before in terms of the rental space. It was quite new and fresh and that was quite exciting." "It reinforces the market for rental and for these types of demands or needs, so the individuals are better set and better met, using a rental model rather than selling, the one-off occasions, where people want to feel special. So, why buy an outfit that you are only going to wear once or twice when you can rent it, provide variety and keep that item looking new for as long as you can? It's a no-brainier, and I think these sorts of circular models sit nicely with the other values of charities. I also think a charity will make more money from it in the long run than trying to sell a discounted used item; they provide a service." "Also, I guess on the positive side, and maybe that's more unique to the charity, or this being a charitable rental platform, is that we did receive those donations from the public for free. Of course, we didn't have to incur any upfront costs in terms of actually building the inventory. That, in a way, builds a competitive advantage to the [charity] because they are raising these donations from the public for free. There was no investment in that so that was definitely something that I thought was interesting. That's different, that's unique."

	"We always, I think, describe ourselves as being innovative. This absolutely falls into that category of taking a brave step, being innovative. But also, in these times of fast fashion and everything, so not only are we combating that with our shops, this was taking that a step further. So, short term, I think the PR resulting from it would have been exceptional. Long term, it would have been – I think, if the pricing models and everything had been on target, I think long term it would have just had – we would have had another funding group of money coming in."
Collaboration and learning	"Well, I think it helped our learning, so it challenged our learning and our daily practice in a retail function." "So, I was very, very excited about it…it was a major step forward, complemented all the values, and I also felt that it was a novel, innovative way forward for the charity."
Sustainability	"You get very, very little money from ragging. Although they tell us where that goes, we're never quite sure that, ethically, that is where the clothes go." "I wanted the [charity] to lead the way and be part of that sustainability and green agenda." "I've given something back I think, it's hard to put this into words. It's about I think we've got an ethical and moral agenda about our children and who are coming after us and our city and keeping it clean and, you know, participating as a part of that. So, I suppose for us there's a much, much bigger agenda…I think we really have a sense of doing the right thing for our city and for our young people coming up. So, this might have been a small part of that, but I think it's really, really good to lead the way as a charity and show that that is part of your core objectives almost. We've got that as a core objective moving forward."

Charity Challenges

Table 2 outlines the key challenges experienced by the charity in transitioning to a clothing rental model. While the rental business model offered significant benefits for the charity in terms of the opportunity to improve donation quality, maximise donation longevity and use, reduce consumption impacts through rental, strengthen donor engagement through transparency and innovation and maximise revenue, operational challenges in both the external and internal environment conflicted with the demands of transitioning to an alternative retail model. These were exasperated by the organic and continuous learning nature of the project.

Profit Maximisation

Sustainability requires a normative shift and value transition to a new way of doing business. This requires deceleration to refocus expectations towards organic growth, moderate sales, alignment with sustainability and a focus on quality and durability (Bocken and Short, 2016). For the charity a focus on acceleration was the normal mode of operating to generate much needed funds:

"Yeah. I guess a slight glimpse behind the curtain of how charities work and how tricky it is, I guess, to work within that kind of sector. I don't think I realised how focused on – obviously, that's the whole point of the charity is fundraising and they've got all these amazing facilities they are providing for people and they need to make money to make those work. But there's pressure that you would see in a commercial setting, which I didn't think you would see in the charitable sector. But yeah, that was probably a bit of an eye opener because I've worked in retail like way, way back and did a retail management training scheme. It was all about your targets for the day and how many items you sold and all that stuff. It was just the same in charity, which was really, really interesting for me. Because I just imagine it would work differently. But, of course, it doesn't." (supporting position)

Time Pressure

A focus on acceleration and short term sales did not align easily with the time needed to embed a new retail model (Bocken and Short, 2016). This created some challenges between charity staff, who were keen to support the project and faced internal expectations to launch the business swiftly, and the research team, who were leading much of the set-up and dependent on external funding and staffing timelines. The research team preferred to ensure that the business was fully developed and piloted before its official launch:

"Yeah, we were getting a bit of pressure from the Board, from customers, saying, 'When is this collection coming? When is it coming?' You know, we were getting that constantly. And somebody said it was frustrating because I sometimes felt like I was maybe nagging the uni team a little bit when it wasn't anybody's fault at all, but you were trying to speed things up because people were asking for it and asking, 'When is it coming?...' Or every time I went to a Board meeting on income generation it was brought up, 'What's happening? When is the launch date?' So, from our point of view it needed to move a bit faster." (charity)



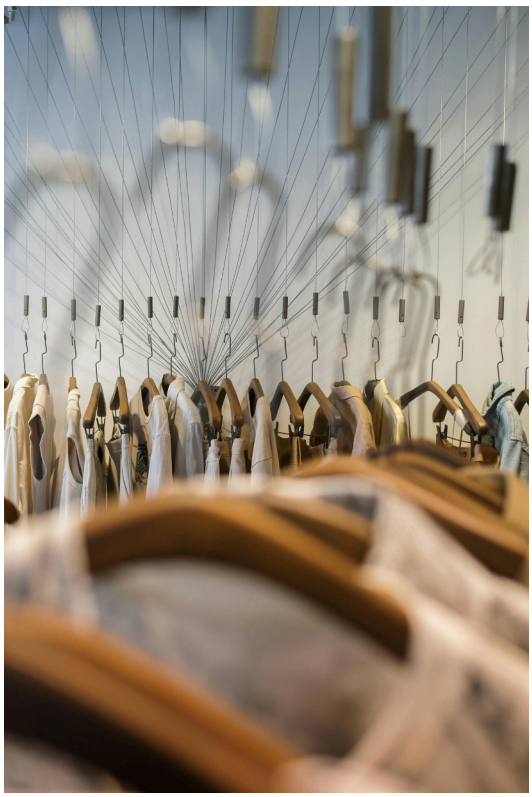
While excited about the project, supporting charity staff had limited time alongside an already demanding schedule of sales targets, management of retail outlets and attaining and managing volunteers. This made time to engage with the project challenging:

"We knew it needed more time and couldn't spare it. We tried to fit this in and desperately tried to speed things up, but I think manpower would've helped that. I think what we realised was that you can't just dip in and out of this; it needed full-time attention, and we didn't have the resources to get that." (charity)

Alternative Approach

While the collaborating business offered their services at cost—waiving management fees and providing complimentary use of their space— due to financial constraints, charity senior management hoped to find a partner willing to fully absorb all associated costs to achieve an even more cost-effective model. Interestingly, marketing leadership expressed a preference for project funding to have been allocated specifically toward marketing efforts and associated costs. This was in tension with the research team due limited project funds. Rather, a bottom-up strategy was favoured involving interested communities within the charity (donors and customers) and supported by the collaborating business (schools, local authority) and research team (university). To engage this audience presentations at events organised by the charity and collaborating business were delivered to promote the retail model to both generate stock for and interest in rental. Gossen et al. (2019) highlight the importance of community building as a business tool to support sustainability, while Bocken and Short (2016) note the importance of going against business-as-usual approaches, to embrace different marketing initiatives. In an environment where time and income generation were critical, this approach did take time but did not demand the resources of a more mainstream marketing strategy and was underpinned by a pricing model that sought to position the charity competitively in the marketplace:

"...we've spent a lot of time working out the pricing for this project and have priced our garments that people can rent out so that the [charity] makes, you know, money from this and raises the funds necessary. We wanted to make this competitive because it is a charity, we wanted to be more competitive in terms of price than your for-profit rental platform. But still every single garment there is a margin that the [charity] make. And also, on top of this...if you might want to make an extra donation with your rental, £5, £10, £20 or any amount then there was space for that...I do believe that there was a bit of an under appreciation of the potential economic potential of this project... Because I think one year may not be even enough to start making revenue and start to make this profitable...I think they wanted in a way for this to work from day one and to, as they open a shop, they get money in straight away but kind of I think that's what they are used to." (supporting position)



Highlighted were differing expectations in relation to project time frames and profit generation within the collaboration.

Increased Costs

During the project the funding environment grew more challenging for the charity with cuts in government funding, an increase in wages for front line care staff and increased operational costs. Addressing this financial challenge drove decision making for the charity:

"So, I was advising our chief executive on various initiatives and all the income streams, and we had to make some cuts to shave down to support all of our commercial objectives because we needed to fund the charity at the end of the day. So, one of the things I could immediately see was a low hanging fruit that was burning time was this project; that was why I immediately said to the retail team, I'm terribly sorry, but stop and hand it over." (charity)



In the charity sector where the retail business is fundamental to the generation of funds to support care services (Guo and Xu, 2021), conflict emerged between transitioning to an alternative business model requiring longer term investment and the financial demands resulting from reductions in funding and increased costs. This conflict places circularity - bringing unused garments into use and reductions in clothing consumption through rental - in conflict with care provision for those in need, both of which represent societal harms. While an ever-pressing issue, we find the environmental crisis struggles to compete with urgent health care needs in the immediate and proximal present.

Table 2. Clothing Rental Challenges

Challenges	Examples from interview data
Profit maximisation	"I think it's a really good opportunity for the [charity]. But I think they would just need to maybe taper – tamper their expectations." "To be honest I think that [collaborating business] were very accommodating. They tried their best to sort of first of all support us in terms of actually storing the garments. To this day they are giving up their space…But they did that without any charge. There was no on boarding costs associated. They are doing this at cost so the price, the sort of fulfilment part of it, you know, that was to be launched at cost. Basically, just covering their costs and not charging any more than that because this is a charitable rental. Yeah, I feel like they were supportive. Even in terms of getting the opportunity to not have to pay any fees for storing the garments for one year, things like that. Really trying to make this as friction less and as sort of, I guess resource light as possible for the [charity] and the university teams."
Time pressure	"I think a key learning for everyone would be a more robust governance process and project management as a result. All the parties were at fault for that; no one individual caused it, but we all participated equally, and we didn't commit the level of time that the project really required to get it over the line." "Yeah, I guess just giving it some time rather than hoping that it will make money from day one. I think there is a time element to this."

Challenges	Examples from interview data
Alternative approach	"...the thing about it is that there is a lot of resistance to change, and it understands the strategic needs of society, not just the needs of your shareholders, and it's easier to embrace business as usual rather than looking to the future. We're going through a new industrial revolution, similar to what we did with the dot com, and it's about sustainability. It's about moving to more circular models with less impact on society and the environment."
Increased costs	"I think, to be honest, all of these have financial challenges, and I think that's why some charities don't approach it [circularity]. I think financially sometimes charities would do the quickest things and, you know, you don't really think because you're just trying to bring that buck in all the time." "...the external environment just now is very, very difficult and challenging. And so, you have to prioritise what it is that is going to bring you in money because we're trying to keep our doors open here for [charity recipient] care."



Consumer Experience

Our research revealed positive consumer engagement in rental both from the perspective of donor and prospective rental user. As highlighted in Table 3, the rental model positively facilitated garment donation through a range of drivers, many of which aligned with motivations facilitating engagement in rental use (see Table 4), thus, revealing the potential for a circular relationship between consumer as rental donor and user. In this section we outline the drivers to garment donation and those facilitating garment rental. Our data suggests a consumer market ready for an alternative approach to charity retail.

Donating to Charity Rental

Hoarding

As noted, a growing challenge for charities is access to good quality donations (Dolphin et al., 2023), this is while consumers hoard unwanted clothing in their wardrobe (Bye and McKinney, 2007; Wilson et al., 2023), particularly expensive garments (Morgan and Birtwistle, 2009). This prevents these garments from having a second life and supporting charity fundraising. Hoarding was driven by feelings of custodianship to prevent waste, as traditional charity outlets were viewed as 'unsafe' in terms of ensuring appreciation for and use of these garments. In such circumstances it was deemed more responsible – if "sad" - to hoard these garments because of no other acceptable routes to reuse:

"I think the fact that they are going to do some good, yeah, I think knowing that you're in charge of it and that you're passing them on where they might actually get used… I have not handed them into a charity shop because I don't want them to just end up in landfill, or sent to Africa, where they are sold for pennies. I would really like somebody else to get use out of them, that is appealing to me. So I guess that's why I am going to release them to you and don't want them wasted, they are too nice to waste."

Transparency

Traditional charity retail was deemed unacceptable for quality garments due to uncertainty of use and the impersonal nature of donating:

"I think a lot was to do with that I knew where it's going. I think that is a big trust. Because I care about those items. I don't want to just like give it away to any charity shop, you know pack it up in this big bag and there you go".

Charity rental offered transparency to donors, giving them reassurance that their garments would be reused, resulting in feeling "excited".

Garment Story and Space

Consumers were motivated by a desire to extend the biographical life of their garments (Lovatt, 2015) and rental was viewed as "…modern, it feels relevant. Feels more contemporary than a charity shop and I feel it's going to benefit more people" compared to traditional charity outlets. This also enabled consumers to 'free up space' taken up by unworn garments in the home (Mitchell et al., 2009). Donation was made easier by knowledge that the garment would continue to be valued in a new context (Roster, 2014) across multiple users:

"The way I saw it, was that somebody else could take it and they will create their own memories… so yeah, give it a second life… which I think is the whole appeal of the rental, clothes that have been previously pre-loved, that they get a second chance, a third chance, a fourth chance to create more of those photos on the wall."

Garment memories illustrated the ways in which the garments were inextricably linked to the donors' personal lives. Knowing that a garment's story would live on helped donors to release the garment, as they were able to imagine a future for that item.

Longevity and Charity Altruism

While charitable donations accrue many benefits to the donor (Chapman and Louis, 2020), consumers were particularly motivated to give garments to charity rental - viewed as innovative, offering environmental and social benefits through longevity of use, while having the potential to more effectively generate income for the charity:

"…I think if you donate to a regular charity, if they can use it, they will use it once and they only get benefit once, whereas this way they get repeated benefit from it… the dress will raise money every time it's rented out."

Quality

Taking responsibility for the 'safe' disposal of their quality garments aligned with Lovatt's (2015) 'responsible consumers' who facilitate continued garment use and value (Gregson and Crewe, 2003; Cherrier and Ture, 2023). In doing so consumers not only took responsibility for identification of appropriate disposal routes, but also the desirability of donations (Lee at al., 2021) - "It's also from a very good brand, so I think it would be good one to have in a rental because it should last and it is a very classic piece" - and how they disposed of them:

"I also made sure they are washed and folded, that way it feels like gifting rather than dumping. It's the kind of things you tell yourself. Because I was giving it to you, there was this kind of responsibility that you wouldn't feel when you are just giving it to a charity shop. You don't know the people who are working in it, you don't know the people who are running it so there is no pushback on you. Which I think is why so many people donate things which are torn because there is no sense of responsibility."





Table 3. Donation Drivers to Charity Rental

Drivers	Examples from interview data
Hoarding	"I think to hire it from yourselves or from some other platform, would absolutely tick my box. It would be mine for the day, I would have the photographs in it and chances are if I bought it, it would go in the wardrobe and 20–30 years later I'd be passing it on." "There was a time when my husband was working for Net-a-Porter and he would get me a lot of great things, but through this time I would be pregnant, we have 3 kids, so I didn't fit those things. I still have a lot of them, and I don't know what to do with them." "This idea that somebody else might get the benefit of it is very seductive and persuasive for me. So rather than just hanging in the wardrobe because it made me think, when am I going to wear that again?"
Transparency	"I think there is an element of relief that it is not going to landfill. You know, knowing what is going to happen to it. Because it takes away that idea of dumping that so often happens with charity shops. You have no idea what happens next." "Yeah, definitely. Knowing that they would be repurposed, to still be out there, not to be shredded. I think knowing that they will be rented, that other people will have joy out of this." "So yeah, for me it's all about knowing where that's going to end up." "For me, I think it's almost knowing that your clothes are going to be taken care of. I think that's why I don't like putting them in the bins. It just feels like you're putting it in a rubbish bin, whereas I know here its ultimately going to the charity."

	"It just seems like the right thing to do with this platform. There is a part of me and it's not like I am going to go back to you and be like, give me my dress back, but there is a part of me who is kind of like, I know exactly where they are. They are not with some sort of random people, it's like I know where they are, maybe that's actually what I like about this platform."
Longevity	"Like the piece I've given you, you know, I just knew I wasn't wearing it. And I felt it should have a life somewhere else." "I think I felt quite positive that somebody else could go and have another, a really good night out in this dress and I've done that already a couple of times. I felt it would be a bit sad sitting in my wardrobe not being worn. Yea, I think it deserves some more outings."
Responsibility for quality	"At least if its given to a rental, it's got more of a chance to being used enough, in the way it should because it's a good quality piece of clothing." "So, again with charity shops, we have no idea what really happens to them. If they are going to put it in the shop or if they will send it away. And do they recognise the value of that piece? So, if this is actually something that is very good quality and they don't recognise that, will they resell it for £5 when actually they could have raised a lot more money."
Space	"At least if its given to a rental, it's got more of a chance to being used enough, in the way it should because it's a good quality piece of clothing." "So, again with charity shops, we have no idea what really happens to them. If they are going to put it in the shop or if they will send it away. And do they recognise the value of that piece? So, if this is actually something that is very good quality and they don't recognise that, will they resell it for £5 when actually they could have raised a lot more money."

Drivers	Examples from interview data
Charity altruism	"I am not sure. I feel like maybe I feel like I've got more of a part in its story, like donating it to something like this than I would if I sold it. I don't think that would necessarily stop me from ever selling, I just feel like I had more desire to give it to something like this than other way round. I do think it comes down to that maybe I'm just more emotional about clothes, but I felt like the dress would be happier if I did it." "It's not just helping one person, it's helping more people, it's helping me be more appreciative, it's helping you, it's helping people who are going to rent them and it's going to get rented again to like 5 or 10 people... it's like a shared happiness." "It's nice actually, like talk about it and just make a good donation. Put it towards a good cause. Like, it makes me feel happy. And hopefully it makes someone else feel happy."
Garment story	"I think a bit like my prom dress, I was just reluctant to give it away. Just cause I enjoyed wearing it. And I suppose not really knowing, like with the platform I think it's quite good to know the stories behind the garments, that it's going to hopefully help people out. So, knowing that its actually going to good. When I just give it to charity, I wouldn't maybe get that feedback as such. So yeah, I think that's probably prompted me to let go of it in this situation."

Using Charity Rental

A key challenge identified in clothing rental is consumer engagement and shifting consumer attitudes from acquisition for ownership to user (Freudenreich and Schaltegger, 2020). Consumers in the current research were motivated to engage in clothing rental for many of the same reasons they were motivated to donate to clothing rental, offering significant opportunities to generate rental stock while engaging rental users. Drivers to rental centred on cost savings, quality, space, charity altruism and garment story.

Echoing rental donation, motivation to engage in rental as user focused on supporting the charity rather than a for-profit rental business. Other motivations focused on freeing up wardrobe space for infrequently worn garments (Lee et al., 2021; Mukendi and Henninger, 2020) and transparency, which included access to a garment's story:

"It's a bit like buying a house…You want to know who lived there before you had a nice time in that house."

An additional motivation was the ability to access good quality garments for less (Lee et al., 2021; Mukendi and Henninger, 2020):

"So, I think for special occasions you kind of you want to have something nice, but then it costs you a lot of money and you're likely to only wear it once. So maybe it's better to actually rent it… I'm looking at this and I kind of make the prices make more sense than what I had seen when I was actually looking at renting, so that I think is really good."

Similarly, this was a motivation for communities of potential users engaged with during the project, including, schools, local authorities and university. Indeed, many schools engaged with had already been seeking a more environmentally and cost effective approach for their prom events. Unable to facilitate access to clothing at scale, the rental model could offer them a solution that they could point families too to both support rental as donor and user. This offered the charity an opportunity to expand their community of supporters across organisations of interested users.



Table 4. Drivers to Renting from Charity Rental

Drivers	Examples from interview data
Cost saving	"And also, your budget, you are not buying dresses that you are probably not going to wear again, and then you have got to get the bag and the shoes, so I think it's brilliant". "So, I would like to wear something to an occasion that I felt was a really good item, a high-end label that possibly I would never spend the money on... and that will just lie in the wardrobe and I will never use again. So yeah, that for me is the area of the market that I would definitely rent, I wouldn't rent a coat or something, trousers, boots, it would annoy me to not just have it there when I want it." "I haven't actually rented anything, I do really want to... I don't frequent big events very often but then a rental is probably perfect, but because I haven't really had them, I haven't really had the opportunity to explore rental that much, but I am sure that next maybe wedding I could just go because I think it's nice. Also, for those people that really want to wear something that is way beyond their price range, it gives them at opportunity."
Quality	"I am a very like occasion renter. I don't think I am a renter for lifestyle, that I would just rent everyday clothes. So, I only rent for occasion and I think that is mostly because I find more value for money and value for time doing so." "Even just like the rental process, I think it's brilliant because you might have like different events coming up, like that's a beautiful jacket and even quite a lot of stuff is like designer. Like I would wear that."

Drivers	Examples from interview data
Space	"No, I think it's great. I think for people that are short of space. It's like some pressure if you've got you know, like when you are young and you have 5 weddings to attend that year and just things coming up and you think that you've got to buy 5 new dresses because you can't you know if it's your friends group then renting dresses for that would just be perfect." "Using a rental platform would be nice. Because you select a piece of garment like a dress for a ceremony and at the end of the day you are having a good time, you have a good memory, you always have the pictures to remind you of the memory rather than having a wardrobe full of clothes that you won't wear." "Now I have a wedding coming up and I can you know, rent it for this occasion and then that's it. It doesn't stay in my closet; it doesn't take up space."
Charity altruism	"I think the overriding at the back of it all for me is I am a [charity] supporter, so knowing that there is a benefit to the [charity] as well, and all this is just sort of the icing on the cake you know. I dare say if this project was up and running and not associated with the [charity] I would probably still be involved, but the fact that you know, it's so integrated with the [charity], that is just the icing on the cake for me." "I think I would yeah, the money is going to something worthwhile rather than just a company's pocket." "So, I think it's a very good idea, but in my head its embryonic. So, I am very attracted to supporting it because of the charitable aspect of it, I think its a very clever marketing strategy and will attract more people." "I think it's nice to have a charity option available, it's really coming to the forefront as well."

Drivers	Examples from interview data
Garment story	“I like that there is the story. It adds a personal touch, which is different from any other rental service I have seen.” “I think the big difference of course is the fact that there is an inclusion of a personal story which I think is a very, very nice touch.” “I think I would really enjoy learning about like the story of the item I was about to rent.” “I think that I take more value from the story than the dress itself.”



Key Learnings

Charity retail has a long history of gathering and reselling excess clothing (and other goods), providing critical funds to support care services. This model responds to accelerated consumption which is harmful to people and planet and is increasingly unsustainable for charities due to an over-abundance of low-quality and value donations. Scant research has examined how charities can transition their business in a way that is truly sustainable (Tunn et al., 2019). Approaches to-date have considered brand partnerships that do not address the sustainability of over-production and over-consumption (Nassar et al., 2023). In this project we examine a retail offering that seeks to encourage quality donations that support longevity of use across multiple users, thus, maximising garment value for care services, people and planet. In what follows we outline our key learnings:

1. The rental model presented the opportunity to rethink donations as longer-term assets. Representing a move from linear single-use consumption to circular multi-use/user consumption. This offered the opportunity to increase garment longevity for improved sustainability and the potential to maximise the financial value derived from each donation.

2. Charity altruism in isolation is not sufficient to release quality donations. A specific and transparent retail model was required to afford consumer donors the confidence necessary to release quality garments. This released garments that may otherwise have been hoarded or sold through an online resale platform. This resulted in close to 300 donations, from over 100 brands, including, Stella McCartney, Victoria Beckham, Isabel Marant, The Kooples, Ganni and vintage garments. Thus, charities need to not only offer a route to donation reuse but also assure the nature of that reuse. Consumers needed a visible ‘place’ to donate garments too.

3. Collaboration offered learning, support and the ability to offer retail transparency through a supported infrastructure. This collaboration also supported innovation, viewed as a selling point for the charity and from a consumer perspective.

4. The research revealed a consumer audience ready to adopt a new approach to charity retail both as donor and user. This reveals a central role for the charity in driving consumer engagement in rental. The alignment across consumer roles highlighted the potential to not only engage consumers as donors but also as users, creating a closed loop between donation and consumption that is currently lacking in second-hand markets. In addition to a positive response from individual consumers, positive interest was also generated from interested communities of users, including, schools, university and local authority.

5. Garment stories were revealed as an effective means to encourage emotional durability, supporting donors in releasing garments while offering the potential to connect new users with the garment.

6. Clothing rental to-date has focused on for-profit businesses (Lang, 2018; Feng et al., 2020), with attention given to engagement in rental from mainstream brands as part of their sustainability offering (MacDonnell, 2022). A key challenge identified in clothing rental is consumer engagement (Lee and Huang, 2020). Consumers in the current research were motivated to engage in clothing rental specifically because it was a charity offering. Charity rental is an innovation both in charity and rental markets representing a new approach. Our findings suggest that partnering charity and a rental model is an advantage from a consumer perspective. This offers a novel approach to addressing sustainability in the clothing sector.

7. Our findings lend support to research highlighting the benefits of rental in releasing space in the home (Mitchell et al., 2009), however, in a charity setting releasing space in the home through rental related to both donation to rental, as well as interest in becoming a user of the service. This reveals the potential to engage consumers as both donors and users of a rental service. Such a closed circular loop is important in maximising garment use but also in both generating stock and revenue for the rental business, producing a cost-effective route to sustainability where cost can be a barrier (Villalba-Eguiluz et al., 2023).

8. Charities at their foundation support care delivery. Challenges in funding (government funding cuts, statutory increases in staff wages) and resources (staff time, obtaining volunteers) created conflict between a desire to address social and environmental sustainability on the one hand and the need for immediate profits to maintain care services on the other. Transitioning to a new retail model demanded time, resources, learning and collaboration to develop the new approach, which conflicted with an environment where time and resources were pressured and a business-as-usual approach, thus, became the fall back.

A Future for Charity Clothing Rental

In this report we offer insights into the many benefits of transitioning to a circular retail model but also significant challenges. It is because of these challenges that the project halted in its initial form. Below we offer future suggestions.

Collaboration

Collaborations exist between for-profit brands and charities for collection of 'used' clothing, through for example 'take back schemes' and resale of excess stock (Zanjirani Farahani et al., 2022). Such collaborations tend to focus on the disposal stage, while this research highlights the potential benefits for brands in partnering with charities at acquisition due to positive associations with charity for rental. This would offer benefits to the charity through provision of much needed resources to support both entry into rental and opportunities to scale the model. The opportunity to both establish and scale a business model representing sustainability, novel in the sector, would benefit from the associated environmental and social sustainability benefits for both the charity and the brand through association with the charity. Our research reveals that such an approach should focus on transparency in garment longevity and use.

In-Store Circular Return

A lower resource approach could be to encourage consumer donation and use through a physical retail model that encourages consumers to return their garment post-purchase and use. This would support garment longevity and maximisation of garment value for the charity. Our research suggests this should be positioned in a dedicated store to enable transparency for donation, in addition to offering a retail destination for purchase and return. This would position the consumer as a temporary user requiring clear messaging to support the approach and incentives for garment return.

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Further Information

This report details findings from a project examining the transition to a rental retail model for a UK charity. This project is ongoing with a re-developed retail offering in progress.

If you would like any further information on this research both completed and ongoing please email: deirdre.shaw@glasgow.ac.uk



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