

# THE ECONOMICS OF RECOMMERCE

How a New Returns Solution Results in Found Profit

## APPAREL RESALE

\$93B market, 33M consumers

Recommerce, the resale/re-use of goods, has been thriving for nearly a decade.

## OVERSIZED RESALE

High market demand, Few solutions

- No solutions built specifically for oversized businesses
- Too costly
- Lack of warehouse space & support

**WITH AN END-TO-END SOLUTION LIKE FLOORFOUND, OVERSIZED RETAILERS ARE FINALLY CASHING IN ON THE BENEFITS OF RECOMMERCE.**



### Higher Recouped Revenue

Generally 5x your return on pure liquidation



### Decrease In Transportation Costs

The most robust reverse logistics network



### Lower Storage And Handling Fees

Items sit for less time and sell quickly



### Headcount Redistribution

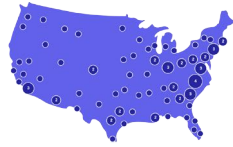
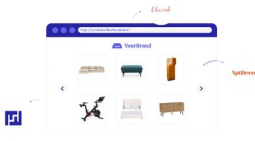
Operations teams can focus on what they do best!

## A REALWORLD ROI COMPARISON (MID-SIZE RETAILER)

3.5x higher return compared to previous solutions, including liquidation & Facebook Marketplace postings.

	Recommerce Best Practices	Previous Solutions
Recouped Revenue	\$2,358,000	\$142,000
Transportation	(\$197,000)	(\$364,000)
Storage and Handling	(\$93,000)	(\$178,000)
Headcount / Program Fee*	(\$60,000)**	(\$143,000)
<b>Total</b>	<b>\$2,008,000</b>	<b>(\$543,000)</b>

## A CLOSER LOOK AT HOW RECOMMERCE ROI IS MEASURED



### 16x increase in re-couped sales revenue.

Multiple DTC resale channels helps recoup 30% of revenue as opposed to 5% with liquidation. More robust reverse logistics networks allow for nearly double the amount of sellable returns recovered from the field.

### 135% decrease in transportation costs

Receiving and reselling items locally using FloorFound's robust storage network keeps costs low – while also reducing your carbon footprint!

### 91% reduction in storage & handling costs

A recommerce solution significantly reduces time and cost by utilizing processes and technology built specifically for oversized reverse logistics.

### 138% decrease in headcount costs

A good recommerce partner manages this process end-to-end, taking a fraction of the inhouse operations team's time and while keeping them tightly in the loop.

## ADDITIONAL BUSINESS BENEFITS



### New Customer Acquisition

**75%** of resale purchases are customers that are new to the brand.

**25%** of those new customers returned in 30 days to purchase a full priced item directly from Floyd's main website.



### Turnkey ESG Benefits

**500k** pounds of furniture has been kept in circulation and out of landfills.

**200 MILES** is our average distance that items are traveling inbound, a reduction of 92% what returns typically travel.

LET'S OUTLINE YOUR CUSTOM ROI PROJECTIONS. **REACH OUT TO US AT:**

[sales@floorfound.com](mailto:sales@floorfound.com)

[floorfound.com/contact-us](https://floorfound.com/contact-us)

**LISTEN TO THE FULL "ECONOMICS OF RECOMMERCE" PODCAST**

With FloorFound CEO, Chris Richter

