

# Repeat Business

Rohvi keeps customers coming back for more

by SUSAN REDA, EDITOR

**R**etailers' goal: Own the hanger. The problem: There are only so many hangers that fit in shoppers' closets and a finite amount of disposable income that can be devoted to purchasing new items.

Retail tech startup Rohvi addresses that problem by offering retailers a buyback platform that turns past transactions into repeat purchases. Shoppers can return already-worn items for store credit.

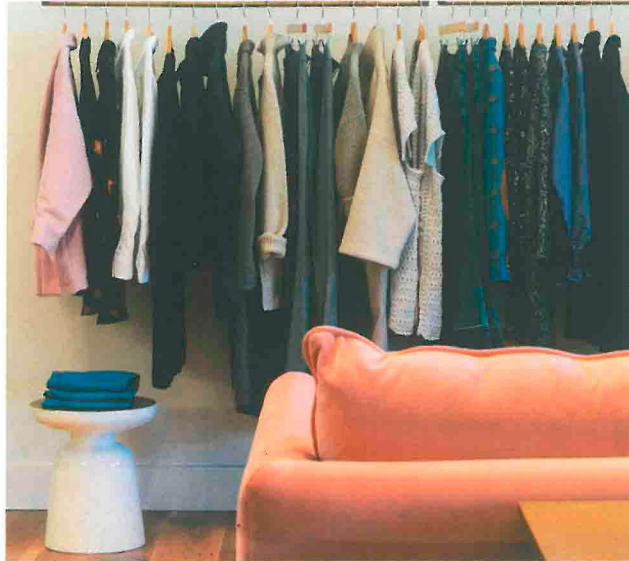
"The idea of Rohvi is to target a customer anywhere from six to 24 months after the initial purchase — just as they're starting to get bored with the item — and offer them the opportunity to exchange it for partial store credit," says co-founder Sara Whiffen. "The store credit brings the shopper back to the store to purchase a new item that they can put right back on that same hanger."

A confluence of two things inspired Whiffen to develop Rohvi. Though she loves to shop and often purchases new items, she wasn't buying as much as she used to. With a jam-packed closet, she couldn't rationalize adding another piece.

Then she began thinking about the methods used at her previous employer in the automotive industry to stimulate repurchase. "A Lexus dealer would send a letter about 18 months after purchase. It would say something like, 'If you're ready to try the newest model Lexus, bring in the one you purchased a year ago and we'll give you \$37,500 toward the purchase of a new one,'" Whiffen says. "I started thinking about how that concept could be applied to actually stimulate repurchase at a retail fashion merchant."

Since the platform launched about 18 months ago, several boutique retailers in the Charlottesville, Va., area have piloted the platform.

"We've created this platform with white-label capabilities, so retailers can offer this service to their customers seamlessly and under their brand," she says. "We provide the technology to develop and communicate the individual offers and we manage the process."



Shoppers who have chosen the buyback program say that it is less cumbersome than other luxury consignment resale marketplaces or even local consignment stores.

Rohvi sends out an email on behalf of the retailer offering to buy back an item previously purchased from that merchant. It offers the shopper a fixed dollar amount of store credit and one week in which to make the decision to exchange.

"What we've seen is that whether customers take us up on the offer or not, the resulting level of engagement is significantly higher than for a generalized email. This invites a transaction and engagement opportunity with the customer that didn't exist before," Whiffen says.

"One of the things that surprised us most was that customers told us they actually preferred getting ... store credit for their items rather than cash," says Jane Hur, a buyer at Charlottesville boutique Scarpa.

"If you know someone loves an item, it's a chance to follow up with the newest items from that brand," Whiffen says. "You've started a personal dialogue with them. It's a lot better than an anonymous survey. If they take advantage of the buyback, they're issued a store credit which brings them back into the store ready to shop."

Customers who choose the buyback option receive a mailing label to return the item; they don't need to bring it back to the store. The used items are repurposed in multiple ways — resold in other markets, donated to charities aligned with the merchant or recycled, depending on merchant wishes.

Whiffen has heard from shoppers who have chosen the buyback program that it is less cumbersome than other luxury consignment resale marketplaces or even local consignment stores. There are no photos to be snapped and uploaded, no repeated check-ins to determine if an item has been sold and no unpredictability about the item's value and payment.

"There's no learning curve for shoppers. They get it. People are already doing this for things like cars and smartphones," Whiffen says. "Customers have items hanging in their closet that are in good condition and just taking up space. They have gotten their maximum joy out of it and are ready to move on. Rohvi can get those customers back in your store — and more importantly, your items back on their hangers." **STORES**