



# Renoon: Reinventing Shopping for Sustainable Fashion

## Executive Summary

Renoon is a tech startup aiming to bring transparency to sustainability claims within the fashion industry. Originally operating as a B2B2C platform, Renoon helped consumers navigate fragmented and often unreliable sustainability information by personalizing recommendations based on user preferences. In return, Renoon earned a 15% commission on sales. Despite delivering consumer value, the company struggled with profitability due to an unreliable commission-based model, which suffered from delayed, variable, and partial payments from sellers. Meanwhile, operational costs increased as the app expanded internationally.

This teaching case invites students to explore alternative business models that could improve Renoon's commercial viability. Two primary options are presented: transforming Renoon into a media company that offers high-quality content on sustainability and fashion or becoming a direct reseller to earn margins from clothing sales. Students are also encouraged to propose other innovative solutions using the Business Model Canvas framework. The teaching note will reveal the business direction ultimately chosen by Renoon.

The case is based on field research, including interviews with Renoon's CEO and co-founder, Iris Skrami, and co-founder, Piero Puttini, as well as guest lectures delivered by Skrami at the Rotterdam School of Management, Erasmus University. Additional insights are drawn from desk research, including reports, data, websites, and apps provided by Renoon, alongside external industry reports, media coverage, and videos.

It is suitable for MBA, EMBA, and other Master's or executive-level courses in business management, and is especially useful in sustainability-focused classes that examine the strategic marketing challenges of multisided platforms. Additionally, the case can be used in digital marketing or digital transformation courses, as well as entrepreneurship, business ethics, or business and society management programs.

It illustrates a common challenge for sustainability-focused startups: while a product or innovation may deliver clear value to consumers, achieving long-term profitability while staying true to the company's mission is far from guaranteed. After engaging with this case, students should be able to:

- Understand the impact of a firm's orientation toward customers versus other businesses on profitability.
- Explore monetization strategies for platforms, particularly the challenge of growing a platform by focusing on users versus technology.
- Examine how consumers perceive sustainability and how companies can leverage consumer psychology to create value.
- Recognize the challenges of building and scaling a tech business with a sustainability focus.

Supplementary materials, including an introduction video, PowerPoint teaching presentation, example teaching video, and pre-class survey, are available online on a dedicated case webpage, with some materials restricted to instructors.