

**START-UP DETAILS**

**Name:** Repamera  
**Website:** repamera.se  
**Sector(s):** Clothing / Repair  
**Established:** 2017  
**Investment-to-date:** Grant funding  
**Location:** Malmö, Sweden  
**Number of Staff:** 3

**Key messages**

- EIT Climate-KIC start-up Repamera offers an online platform for clothing repairs and alterations in Sweden.
- Repamera uses its social media influence to encourage people to repair their clothing, rather than buy new clothing and founded the Swedish “White Monday” campaign as an antidote to overconsumption.
- Repamera’s success demonstrates how profitable circular-economy business models can be created at low cost by combining existing services and digital solutions.
- Transforming existing consumption and production systems by scaling circular business models requires support from other system elements (e.g. economic instruments – like reducing VAT on repairs – which help make new ventures competitive).

In the past 15 years, clothing sales have almost doubled world-wide, while the lifespan of clothing – the average number of times an item is worn – has fallen by more than one third (4). Extending the life of a piece of clothing by just nine months can reduce its carbon, waste and water footprint by between 20-30% (5). This illustrates how circular economy strategies, like re-use and repair, are some of the most effective ways to reduce the negative environmental impact of our clothes. The circular economy refers to a restorative economic model, which seeks to extend the life of products, components and materials by keeping these in use within the economy for as long as possible. Circular strategies include, but are not limited to: eco-design, re-use, repair, refurbishment, remanufacturing, product-service systems and recycling.

Repamera – a portmanteau of the Swedish words for ‘repair more’ – is an EIT Climate-KIC start-up based in the city of Malmö, Sweden. Since June 2017, this online platform has provided nationwide clothing repairs and alterations. Repamera’s business model is simple and low-tech. It is built on the combination of well-established services and networks such as tailoring, parcel delivery and basic e-commerce. As of the end of 2018, the company has repaired almost two metric tons of garments.

**Introduction**

The fashion industry is fundamentally linear (take-make-use-dispose) and exerts a heavy toll on the environment. In 2015, the sector generated an estimated 1.7 billion tons of greenhouse gas emissions (GHG), a figure which by 2030 is expected to increase by 63% (1). The sector consumes vast quantities of non-renewable raw materials such as fertilisers and other chemicals produced from fossil fuels. It also has a significant water footprint with the industry using 79 billion cubic metres of water in 2015 (2). At the end of its life, most clothing is currently thrown away, with around 73% ending up in landfill or being incinerated (3).



Figure 1: The Repamera User Experience Process © Repamera 2019

## Repamera's business model

The business model underpinning Repamera's clothing repair service is elegantly simple. Rather than throwing away damaged or worn-out clothing, Repamera's customers can order repairs through the company's website. Repamera then sends a pre-labelled shipping bag to the customer's home. As of 2019, the items are returned directly to Repamera who have just employed two full-time tailor – prior to this the clothing would have been sent directly to Repamera's contracted tailors. The items are repaired and returned to the customer within two weeks, with a six-month guarantee on the work.

Repamera began operations just one day after its founder, Henning Gillberg, had the idea for the business. An evening's worth of market research on Facebook highlighted that 78% of 500 respondents had damaged clothing at home they would like to have repaired, without taking valuable time out of their schedules to find a tailor, drop off the clothing and return to collect it.

The next day, Gillberg found his first customer – also through Facebook. Since then, service-user growth has been steady. By the end of 2018, Repamera has served over 4,000 customers, including ten companies. Repamera's online platform provides a modern, convenient and user-friendly way of accessing a traditional service.

The simplicity of this circular business model – based on the innovative combination of existing services and digital solutions (6) – has been a fundamental strength in Repamera's development. It has meant that Gillberg was able to bring his idea to market almost immediately, thus maximising his first-mover advantage, keeping costs low and generating income as early as possible and thereafter adapting his business model by listening and taking customers' feedback on board.

Gillberg started out with very little beyond his basic concept. "I knew nothing about tailoring, commerce or logistics," he says. "I just had a bike and a phone". In fact, Repamera's first iteration was just that: Gillberg cycled around Malmö, picked up damaged clothes and took them to a tailor, getting a quote for the work and then later dropping the repaired clothes back to each customer. It was, he admits, a very inefficient way of doing business. When customers began to get in touch from all over Sweden, Gillberg set up an off-the-shelf e-commerce site through which customers could place their orders.

In terms of scaling up operations, in 2019 Repamera opened a repair facility which directly employs tailors. The company also has ambitions to expand its operations to Denmark in the not too distant future. In the longer term, Repamera hopes to diversify its service to include broken-down household items, such as power tools and home appliances.



**Image 1:** Example of "good as new" repair which extends the use-cycle of jeans © Repamera 2019

## System Conditions

With climate change requiring urgent and concerted action, there is a need to reconfigure and transform our economies and societies. Innovative business models alone will not live up to the mark as they are not guaranteed access to market; it is often the surrounding environment that proves decisive on whether an innovation will flourish or perish. This is because the innovation is a part of a wider system and influenced by key system elements, such as: Policy, Skills, Behaviour, Market Structures, Information Flows, Organisational Governance and Finance. Innovation needs to happen on all these fronts ('systems innovation') in order to achieve substantial system transformation.

## Repamera: Enablers

### Policy

Repamera took advantage of the Swedish government's decision to reduce the amount of VAT on repaired items (7) from 25% to 12%, beginning in January 2017 – a few weeks before Repamera started its operations. This illustrates how economic instruments can be used to stimulate the implementation of circular business models.

### Information flows

From the very beginning, Gillberg allowed his customers to shape the evolution of his business. At Repamera's inception, Gillberg was also a full-time university student. Letting his customers guide the direction and shape of service improvements meant

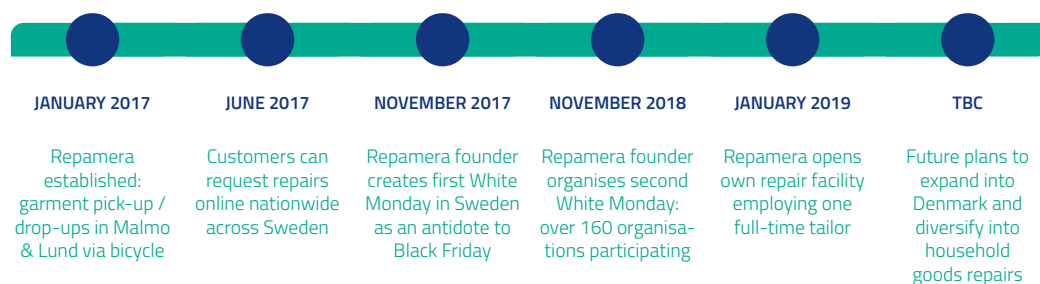


Figure 2: Repamera commercialisation timeline

he outsourced some of his early business development at zero cost whilst building customer loyalty.

Too much preparation can be counterproductive, he argues. “The reason people prepare is because they want to show off a perfect [product], and if you do that you will always be scared to walk outside your door – but that is where the customers are,” Gillberg says.

With a circular business model whose minimum viable product involved as little as a mobile phone and a cyclist, an early launch enabled both revenue flows and early feedback from service users. This customer feedback loop has strongly influenced Repamera’s development; it was a customer who first suggested posting the damaged clothing directly to a tailor rather than waiting for Gillberg to collect it, for example.

### Behaviour change

Repamera has used social media as a key tool to reach and understand its customers’ needs. Gillberg used Facebook to carry out his initial market research and to find his first customer. The company now has over 5,000 followers on Facebook and over 5,000 on Instagram. Repamera uses this growing social media influence to encourage people to repair their clothing rather than buy new clothing.

Repamera’s customers give multiple reasons for preferring their service to traditional tailors, but the most common is the quality of the service, Gillberg reports. For new customers, recommendations from existing users, as well as pictures of repairs shared through social media channels, have been crucial in building Repamera’s customer base.

Social media has also been useful in boosting the Repamera brand more widely. One initiative organised by Gillberg – now gaining traction as a national movement in Sweden – is White Monday. In 2017, Gillberg organised White Monday in response to the consumption encouraged by Black Friday (a day in November when many US-based retailers – and now, increasingly, in other countries – offer big discounts). The first White Monday event attracted support from 30 Swedish companies with circular business models, promoting low-carbon, recycled and refurbished products (8). It received

coverage in the national press and on Radio Sweden (9) and was subsequently repeated in 2018 with over 160 organisations involved, mentioned in over 200 newspaper articles and the hashtag #whitemonday exposed 25 million times.

### Access to finance

Another key enabler of Repamera’s success thus far is that their overheads remain low. Up until the end of 2018, the start-up used subcontractors, so, apart from an occasional summer intern, Gillberg was the start-up’s sole employee. As of 2019 there are now three employees – Gillberg and two tailors. As of yet there has been no need to seek venture capital; instead, the start-up’s development has been purely grant-funded. Gillberg says the very act of applying for multiple grants helped crystallise his business plan: “I wrote and wrote, and the more I wrote the better understanding I had of what I wanted to do.”

In 2017, Repamera joined EIT Climate-KIC’s Nordic accelerator. This programme has presented potential opportunities to scale up Repamera’s operations from a focus on individual clients to corporate clients. At a matchmaking event in Gothenburg organised by EIT Climate-KIC, Gillberg met with large Swedish companies interested in Repamera’s offer, including fashion retailers and firms with large numbers of uniforms to maintain.

## Repamera: Challenges

### Market structure

One of the key challenges – and learning opportunities – encountered by Gillberg early on in his journey has been that of negotiating with subcontractors. Without any experience of tailoring, Gillberg found himself negotiating with subcontractors from different cultures and backgrounds. Again, he has learned by doing.

In early 2019 Repamera opened its own repair facility. It currently directly employs one full-time tailor from the communities with whom it has worked over the last two years, and as the business expands the company hopes to employ more. Migrants from Arabic-speaking countries are often the best tailors, yet they can encounter difficulties finding jobs. Gillberg recognises that Repamera can play a positive role creating social impact in this community.

## Conclusion and lessons learnt

Repamera's circular business model offers a novel way of bringing customers and tailors together. Harnessing low-cost digital solutions and parcel delivery, this online platform provides a modern way for people to access a traditional service that extends the life of clothing.

Central to Repamera's success was the seizing of opportunities provided by a favourable policy environment and its founder's entrepreneurial mindset of 'learning by doing'. Key observations from this experience are:

- **Polymakers can create a fertile environment for circular start-ups.** Targeted interventions, such as the Swedish government's decision to reduce VAT on repairs (economic incentive), can enable startups like Repamera to get off the ground.

- **Simplicity can be a strength of circular business models.** Launching Repamera early was a low-risk decision and proved as simple as connecting local tailors with customers. Combining

existing services in a convenient and cost-effective way illustrates how circular solutions don't always have to involve traditional R&D.

- **Strong customer relationships can be a powerful asset to help circular ventures grow.** Repamera utilised social media, particularly Facebook and Instagram, to find and gain insight into their potential customer needs. Business development was achieved by implementing early adopters' feedback for improvements, which helped to eventually provide a better service and build a loyal customer base.

Repair is a key circular economy strategy that contributes to the mitigation of the negative environmental and climate impact caused by the production and disposal of clothing. Scaling up operations by opening a repair facility in 2019 – employing tailors directly – and in the longer-term diversifying to include in its services the repair of household goods, Repamera has the potential to create significant economic, environmental and social impact.

### About

EIT Climate-KIC is Europe's largest public-private partnership addressing climate change through innovation to build a net zero carbon economy. The Climate Innovation Insights are one of the most knowledge sharing prominent formats of EIT Climate-KIC since 2016. Building on innovation endeavours of EIT Climate-KIC start-ups and partner institutions, the Insights are intended to share learnings and provide a platform for reflection and discussion.

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