

# Covid-19 Support

Parker Lane Group helped quickly and efficiently solve Benetton's unprecedented issues with excess inventory due to Covid-19

## Covid-19 Support

"Parker Lane Group is very fast and consistent compared to other solutions; it can be less than a week from first analysis to the stock being cleared. Our relationship with Parker Lane Group started 5 or 6 years ago, our corporation increased after a trial period ... we faced more problems with excess inventory due to Covid-19, we couldn't manage this directly. So the partnership has now scaled across Spain, Portugal, and Italy."

## About the brand

Founded in 1965, United Colors of Benetton is a global fashion brand based in Italy which expanded to become a household name. It is one of the largest apparel networks in the world, with a network of about 5,000 brick-and-mortar stores worldwide. Benetton is renowned worldwide for its colours, knitwear expertise and social commitment. A blend of Italian style and global research, UCB collections are full of on-trend, quality outfits. The brand respects the environment and pursues the greater goal of creating a brighter future for all humans.



## The Challenge

In 2018, Benetton breathed new life into its e-commerce platforms, going live with online stores available in 24 countries.

- New e-shop and e-commerce purchasing models lead to an increase in return rates which are, on average, around 8% in brick-and-mortar stores compared to around 25-30% for items bought online.
- With the closure of physical stores due to Covid-19, Benetton experienced an even greater rise in unsold stock and excess inventory.



# Our Solution

Parker Lane Group and United Colors of Benetton began working together in 2017. Due to the impacts of Covid-19, PLG increased their work with UCB by helping manage their problems with excess inventory. The successful trial period led to a permanent partnership expanding to cover Benetton's presence in Spain, Portugal, and Italy.

The issue of unsold stock is now a priority as Covid-19 has demonstrated that future retailer security will depend on both sturdy contingency plans for unsold supply and alternative routes beyond major markets. PLG is responsible for shipping and has collected Benetton's stock from multiple sites including Spain, Italy, Greece, Portugal, and the UK.

As with all our partnerships, PLG shares sales information and key insights with Benetton on a quarterly basis to ensure brand protection and to educate the retailer about the value of their stock in secondary markets.

## The Result

By ensuring that the maximum value of unsold goods is prioritized, PLG helped introduce new management methods for surplus stock with their unique processing techniques as well as an enhanced network of secure and commercially viable stock exit routes.

Now that unsold goods have become a major concern for large retailers like United Colors of Benetton, PLG works to reduce overstock in primary markets by selling in secondary markets that are less affected by COVID-19, such as Eastern Europe, Asia, and Africa.

PLG extends the life cycle of Benetton's unsold products through re-commerce. This is much more efficient for the brand than putting logistics and warehouse capacity under pressure when using less holistic options like jobbers. PLG's re-commerce solution not only increases the company's revenue but is also a sustainable step for fashion brands to take towards the direction of an increasingly anti-waste, circular economy.



## Interested in learning more?

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