arbor

Nudnik: How Impact Data Led to 18% More Sales

Some background on Arbor

Arbor was founded in Calgary, Alberta, Canada, 2 years ago by our four co-founders with one goal: to empower businesses with factual and credible data on the impact of their supply chains, carbon footprints and customer values. **To put it simply, we're here to make sustainability the standard.**

As the apparel industry becomes more sustainably minded, Arbor offers a simple way for brands and retailers to turn the challenge of sustainability into an opportunity. We use automation and machine learning to expedite the crucial first steps for brands to understand their environmental impact. Brands can then use our metrics to show hard evidence of their progress on sustainability, and thus boost their business, improve customer loyalty & satisfaction, and gain an advantage over their competitors.

Nudnik's Use Case

The aim of the case study is to demonstrate the benefits of using Arbor's impact data with Nudnik's focus on sustainable fashion. Data and analytics from Nudnik's e-commerce shop will be used to display the increase in demand, customer loyalty, and overall improved bottom-line metrics.

Nudnik

Nudnik is a circular fashion company using proprietary technology to upcycle complicated pre-consumer textile wastes into genderless kidswear at scale.

The Story

"Working at Wasteco, our family's waste and recycling business, we were no strangers to the materials lifecycle. However, nothing prepared us for auditing a building like First Canadian Place - with 80 stories of trash and recyclables! We collated all this data into an insightful report highlighting how well their diversion programs work. Taking inspiration from these findings, we've created Nudnik products through upcycling apparel manufacturing factories' wasted material using best practice techniques and state-of-the-art technology"

Lindsay Lorusso   Alexandra Lorusso

A Commitment to Sustainability

With a wealth of experience gained in the waste management industry, twin sisters Lindsay and Alex have delicately crafted Nudnik's values using their valuable insight into what succeeds when it comes to developing sustainable products with minimal environmental impact.

What Nudnik's customers say

"*Loved everything I bought as gifts for little ones over the holidays. The fit, design and quality were top-notch, and we loved the values: gender-neutral and upcycled!*"

Arbor Impact Calculations

Pre-consumer recycled cotton, calculated using the simple cut-off approach.

ⓘ **Simple Cut–Off Approach**

Where each product is assigned the environmental impacts directly caused by that product.

In the cut-off model, waste is the producer's responsibility ("polluter pays"), and there is an incentive to use recyclable products that are available burden free. With this system Arbor was able to recreate the cotton waste as the raw material for the production of Nudnik's products.

DATA IN ACCORDANCE WITH

European Commission
Product Environmental Footprint

EU taxonomy

European Commission
Joint Research Centre

Gate-to-gate LCA calculation for the climate change impact. Information was collected, about the manufacturing step from which pre-consumer waste was retrieved and the country in which it was manufactured. Numbers for pre-consumer goods are calculated from the step they were retrieved at and the steps before them are not included. Impact numbers for the each step in the manufacturing process are calculated based on background data from datasets recommended by PEFCR and LCA studies. All processes including transport, packaging, etc are included up until the gate. Learn more about the data here

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ⓘ **Gate-to-Gate LCA**

Covers the entire process from when raw materials are received at the manufacturing facility to when the finished product is ready for purchase by the customer.

🏭 Manufacturing → 👤 Use Stage

Nudnik's Cotton

🌳 **Nudnik**

uses pre-consumer recycled cotton

🗑 **Waste**

It is estimated that approximately 10-20% of textiles are wasted during garment manufacture. Source

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Recycled Materials

are of two types, post-consumer and pre-consumer

POST-CONSUMER RECYCLED

Finished goods that are used and then recycled.

PRE-CONSUMER RECYCLED

Material that has never reached the end-user, having been diverted from the waste stream during a manufacturing process.

The Good Stuff.

In Q4 of 2022, Arbor's presence has positively influenced Nudnik's bottom-line e-commerce metrics.

18%
Increase in
Total Online Sales

28%
Increase in
Conversion Rates

13%
Increase in
Returning Customer Rate

8%
Decrease in
Overall Sessions*

+700%
ROI from
Arbor's Platform

5%
Increase in
Average Order Value

*With a 8% decrease in overall sessions, Nudnik still achieved a 19% increase in total sales and a 13% higher returning customer rate.

Impact Showcasing

After customising the Arbor widget to their brand colours, Nudnik displayed the impact assessment on each individual product page. This helped to educate their customers on one of the key factors that sets them apart from alternatives –their dedication to creating environmentally friendly products. By displaying this metric in a way consumers can understand, Nudnik was able to build trust with customers and stand out from the competition in the e-commerce market.

Here's what the Arbor Showcase Widget looks like on Nudnik's website

In comparison to other t-shirts, this product saves...

1713.5 balloons

of Emissions

Impact Estimations Powered by Arbor

Analysis

Consumers, employees and investors are all sending a clear message to the fashion industry that they want brands to prioritise sustainability. **Consumers** are willing to pay up to 25% more for sustainable products, and brands that jump to greener goods see an average 15% increase in their annual repurchase rates. This increase in consumer spending shows that aligning with consumers on their values creates an opportunity for better business.

> **3/4**
>
> consumers stated that sustainability is a driving factor when considering a purchase

A recent report from **First Insight** also highlighted a glaring disconnect between consumers and retailers, revealing that sustainability is a more critical factor in consumers' purchase decisions than retailers believe. While nearly three-quarters of consumers stated that sustainability is a driving factor when considering a purchase, only half of the retailers believe sustainability is important to their customers.

Implications

Consumers, governments and investors want more from the apparel industry, and 2023 is when sustainability moves from a sales tactic to an international standard of practice.

There are multiple upcoming regulations such as the EU Green Deal, The Anti Waste Law in France, or the US Supply Chain Due Diligence Act. Due to these new regulations, brands and retailers need an automated and robust tool to accurately calculate their products' carbon impact to meet targets and capitalize on the associated positive growth.

Summary

The positive influence of showcasing impact data on Nudnik's products is clear. By displaying their impact metrics in a way that customers could understand, Nudnik was able to create consumer trust and loyalty, and stand out from their competition. This has resulted in an increase in bottom-line metrics, showcasing the potential for the broader fashion industry to catch up to their targets, meet regulatory standards, and make sustainability the standard.

Where to find us

If you're looking to reduce your environmental impact to mitigate risk or increase your e-commerce KPIs, find us at **www.arbor.eco** or book a call.

Visit Website >   Book a Call >

Thank you, Nudnik!

Thank you Nudnik for sharing your story, showcasing the possibilities of positive growth in an evolving e-commerce landscape, and leading the industry toward a more sustainable future. Even the smallest piece of clothing can have a big positive impact.

Arbor.eco