



# Blockchain in Retail Fashion and Luxury

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Blockchain, which is a distributed ledger technology, is known to provide retailers, manufacturers, and end-users unparalleled transparency, traceability, and tradability in the domain of retail fashion and luxury.

Transparency, tradability, and traceability which are the core capabilities of Blockchain ensure other benefits to stakeholders across retail fashion & luxury, including:

- Reinforcement of sustainable practices
- Redefined user experience
- Improved brand authenticity
- Improved customer trust
- Advanced data management
- Lower cost and settlement time

# Benefits to Stakeholders Across Retail Fashion and Luxury



## **Reinforcement of Sustainable Practices**

Blockchain can be used to track the progress of assets, record data, and display past asset records. It has the ability to grow the worldwide production and consumption of any commodity sustainably and ethically.

## **Redefined User Experience**

Sustainability has evolved from a nice-to-have to a near-essential requirement. Retailers are leveraging Blockchain for redefining luxury and customer experience by tokenizing tangible assets and allowing consumers to see where their things are sourced.

## **Improved Brand Authenticity**

Brands can use blockchain technology to tokenize non-fungible assets, allowing them to be easily retained, purchased, exchanged, and traded. Customers can create and prove ownership of a luxury asset on a brand's website, which can then be validated and transferred to another party.

# Benefits to Stakeholders Across Retail Fashion and Luxury



## **Improved Customer Trust**

Brands can use Blockchain to digitize, track, and trace a luxury item's whole lifecycle. Furthermore, brands may use Blockchain to create an irreversible record of all supply chain operations, capture specific data points such as sustainability certifications and claims, and make this data publicly accessible.

## **Advanced Data Management**

Data management in silos results in inefficient processes and key reconciliation concerns. On a blockchain, critical data may be easily appended and securely shared across business lines, operations, and partners.

## **Lower Cost and Settlement Time**

By providing improved data management tools, improving supply chain management, and minimizing the risk of counterfeit and grey markets, blockchain technology can drastically cut operating expenses in retail fashion and luxury. Additionally, advances in data management result in cost savings through new Just-In-Time inventory management and improved trust in outsourcing.

# Blockchain Use-Cases in Retail Fashion and Luxury



**Digitization of Assets:** The digital representation of the product on the Blockchain network, known as tokenization, allows stakeholders to access tracking data and interact in real-time without jeopardizing delicate data.

**Product Traceability:** Blockchain, which is a distributed ledger technology, allows brands to manage and control their supply chain right from raw material to the final consumer and manage large data sets efficiently and transparently.

**Loyalty Programs:** Customers' expectations for frictionless transnational transactions are rising as they embrace global lifestyles. Tokenization ushers in a new loyalty program paradigm, allowing luxury buyers to transact with a variety of partners outside of the brand.