



# Innovation Spotlight:

## Levi Strauss & Co.



Tent's Innovation Spotlight series features companies that are leveraging their core business operations to integrate refugees around the world in innovative and exciting ways. We hope it inspires your company to consider new approaches to support refugees.

**This spotlight may be most relevant to consumer goods companies in the apparel, accessories, furniture, home decor, or similar sectors.**

### The project in a nutshell



#### Levi's® x Cooperative Porto Alegre

In December 2019, Levi Strauss & Co. launched *Levi's® x Porto Alegre*, a limited collection ("capsule") of handmade recycled denim products. The twist? All the products were made by the Porto Alegre social cooperative in Rovigo, Italy, which provides professional training to 25 refugees and asylum seekers in its tailoring and dress-making workshop.

Levi's® launched with a [powerful advertising campaign](#) featuring the cooperative's refugee

tailors at its heart – including an original short film, photography, and a microsite – selling the capsule online and in 28 Levi's® stores across Europe. The *Levi's® x Porto Alegre* collection received a strong positive response from customers, with a "sell through" rate (the percentage of inventory sold) that was better than any comparable product category. All net proceeds were donated to the Cooperative.

### The Innovation



#### Moving beyond charity to leverage Levi's® supply chain

For years, Levi's® – especially Levi's® Europe – has supported refugees through financial donations, product donations, and employee volunteering, but this initiative broke new ground in two ways.

First, Levi's® engaged the Porto Alegre Cooperative as a supplier for a product line

– directly creating work for refugees and facilitating their economic integration.

Second, Levi's® integrated its refugee support into a consumer product, giving consumers a way to support refugees, driving traffic to Levi's® stores, and earning Levi's® brand loyalty.

## The Results



The collaboration was a commercial success, with 55% of online inventory selling within one week – with a considerably higher sell-through rate than some of Levi's® most popular accessories in the same time period, notwithstanding the fact that the capsule collection was at a slightly higher price point.

The initiative also had a positive impact on the Levi's® brand. The capsule products and accompanying refugee stories attracted 1.5 million eyeballs on Levi's® website. Combined with a 6% click-through rate and a 50% open rate on email communications (very high compared to an industry average of 2.6% and 25% respectively), the marketing campaign was a remarkable success.

On the social impact side, the initiative generated support for refugees and asylum seekers working at the Cooperative Porto Alegre, helping their economic and social integration through meaningful work, improving their proficiency in Italian, and helping them build professional networks. The collaboration also successfully laid the foundation for a long-term supplier relationship with the Cooperative.

*"I think that for [the refugee tailors], having a job has been very positive... This is a project where they feel they have a fundamental role as main characters of the story!"*

**RITA CASSETTA, HEAD DESIGNER AT THE COOPERATIVE PORTO ALEGRE**

## What made the project a success?



Levi's® typically works with large-scale suppliers that are set up to meet the needs and standards of a major global brand. To ensure that a small-scale supplier like the Cooperative would be able to meet Levi's® needs, both parties invested in building the Cooperative's capacity by expanding its tailor shop, upgrading machinery, and developing the refugee tailors' skills.

Both parties also made changes to their usual processes to accommodate the other; for example, Levi's® built extra time buffers into production timelines to account for the Cooperative's slower production times, and the Cooperative changed many of its processes to meet Levi's® non-negotiable supplier-safety standards. Flexibility, communication, and assumption of goodwill – founded on trust – were all key to successfully reconciling differences in scale and process between Levi's® and the Cooperative.

The team also made sure to rally support for the project internally and prepared retail teams with talking points so they could educate

customers in-store. Telling the story of the collaboration and focusing on the refugees who actually made the products in the capsule clearly resonated with customers.

Thoughtful pricing also helped with sales: products in the capsule collection were priced higher than comparable items in Levi's® regular lines, but not so high that they priced out a typical Levi's® customer. Thanks to the marketing campaign, customers understood that the higher prices reflected Levi's® support for refugees (both by providing economic opportunities for the refugee tailors who made the products and by donating the net proceeds back to the cooperative), so they were willing to spend a little extra.

*"These products tell stories: the stories of what refugees have been through, what they keep inside themselves... The accessories always print the scars of their past lives. And this gives a value added to the product, since it's unique."*

**RITA CASSETTA, HEAD DESIGNER AT THE COOPERATIVE PORTO ALEGRE**

### NEXT STEPS

To develop a similar project - or brainstorm about other ways your company can work with refugees - reach out to the Tent team at [info@tent.org](mailto:info@tent.org)!



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