

PARIS MARKET ENTRY STRATEGY

Scaling Circular Luxury in the World's Fashion Capital

Authenticated By Us, Loved By You

Everything here has been authenticated by our team of luxury experts and proprietary technology



MARKET ENTRY STRATEGY

CORPORATE ROADMAP

THE REALREAL: ESTABLISHING A CIRCULAR LUXURY HUB IN PARIS

The Vision: Scaling the world's leading authenticated resale platform into the European market.

Strategic Objective: Leveraging 2024 profitability to anchor a high-touch physical presence in the world's fashion capital.

Case Study Scope: A comprehensive look at market entry, operational infrastructure, and local growth.

MARKET VALIDATION

SCALING BEYOND DOMESTIC SATURATION: WHY NOW?

01

FISCAL STRENGTH

Following a year of operational efficiency, the brand is positioned for international capital investment.

02

GLOBAL AUTHORITY

To lead in luxury, a brand must have a physical heartbeat in Paris to secure high-net-worth consignors.

03

THE SUSTAINABILITY MANDATE

Meeting the urgent global demand for circular fashion and luxury stewardship.

MARKET ANALYSIS

FRANCE: THE STRATEGIC GATEWAY TO THE EUROPEAN RESALE MARKET

\$1.7-2.3 B

FRENCH LUXURY
RESALE MARKET IN
2024

10-15%

ANNUAL GROWTH
RATE OF LUXURY
RESALE IN FRANCE

4%

LUXURY GOODS
REPRESENT 4% OF
FRANCE'S GDP

70%

FRENCH LUXURY
BUYERS ARE
TRANSITIONING TO
CIRCULAR HABITS



PLACEMENT STRATEGY

LE MARAIS: WHERE HERITAGE MEETS CONTEMPORARY

Targeting "Slow" Retail: Le Marais is chosen for its pedestrian-friendly layout, which encourages high discovery and longer browsing sessions.

Demographic Alignment: Capturing a mix of affluent local professionals, international tourists, and high-net-worth archival collectors.

Ecosystem Advantage: Proximity to primary luxury boutiques facilitates a seamless "buy-new, consign-old" consumer cycle.

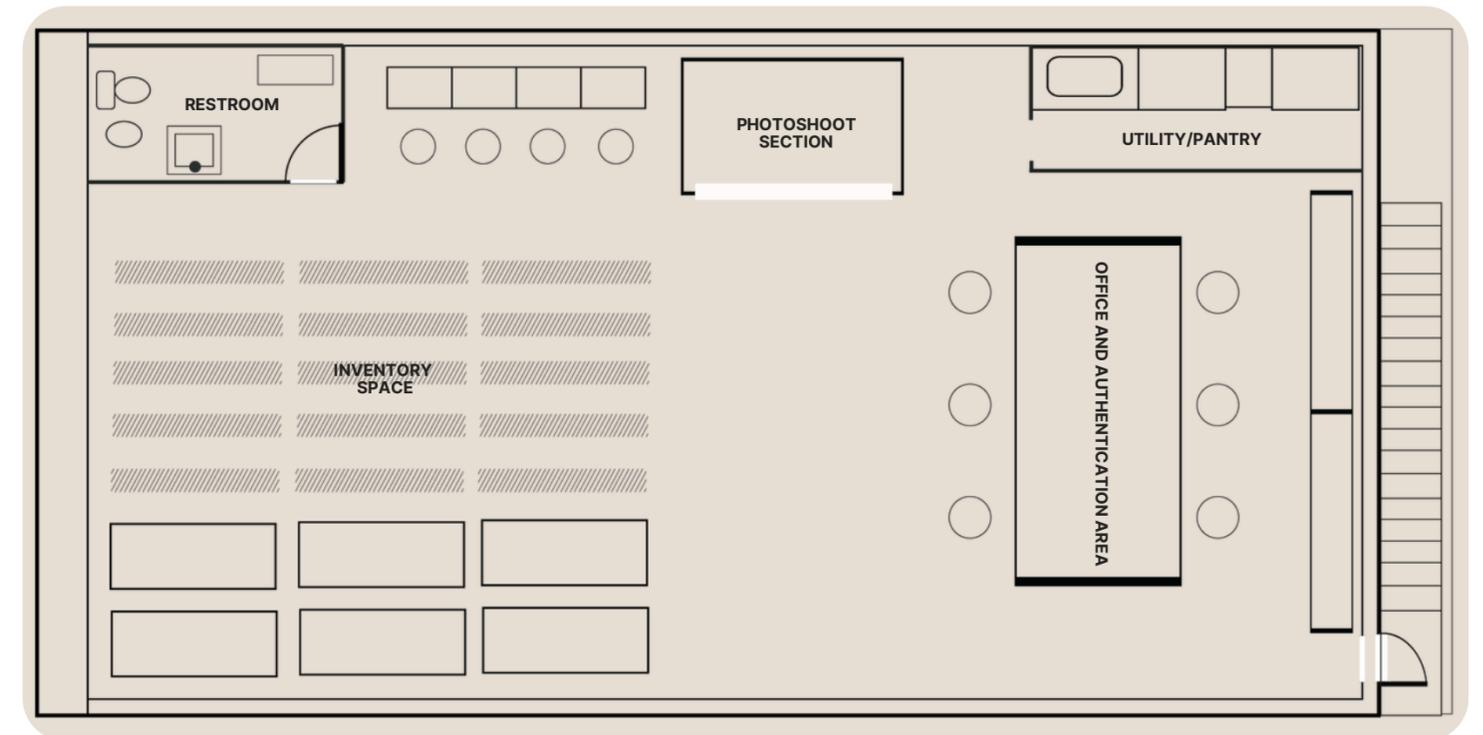
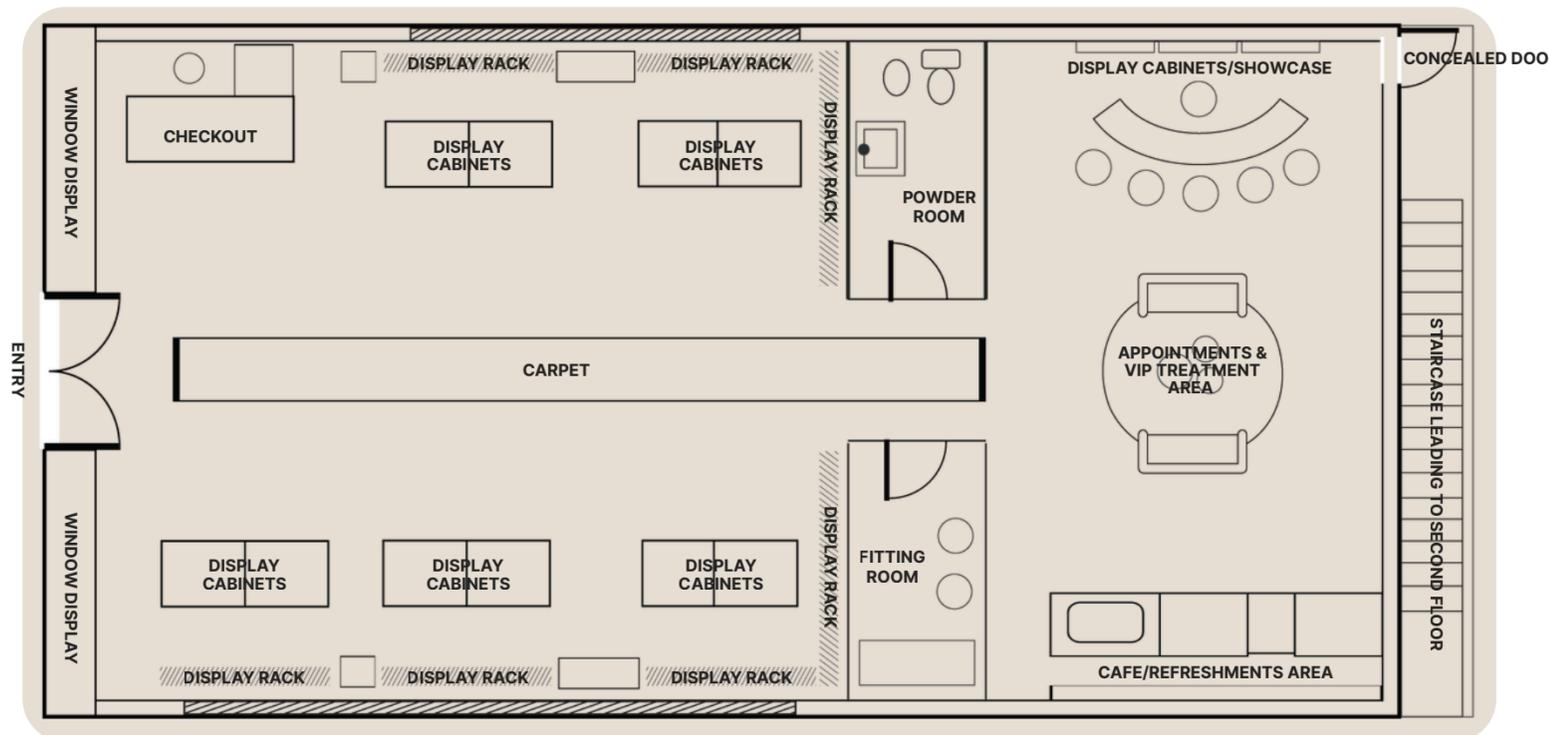


OPERATIONAL DESIGN

THE DUAL-PURPOSE FLAGSHIP: 3,600 SQ. FT. OF RETAIL AND TECHNICAL EXCELLENCE

Level 1 (Retail): 1,800 sq. ft. of immersive luxury space, including the Jewelry Bar and Community Café.

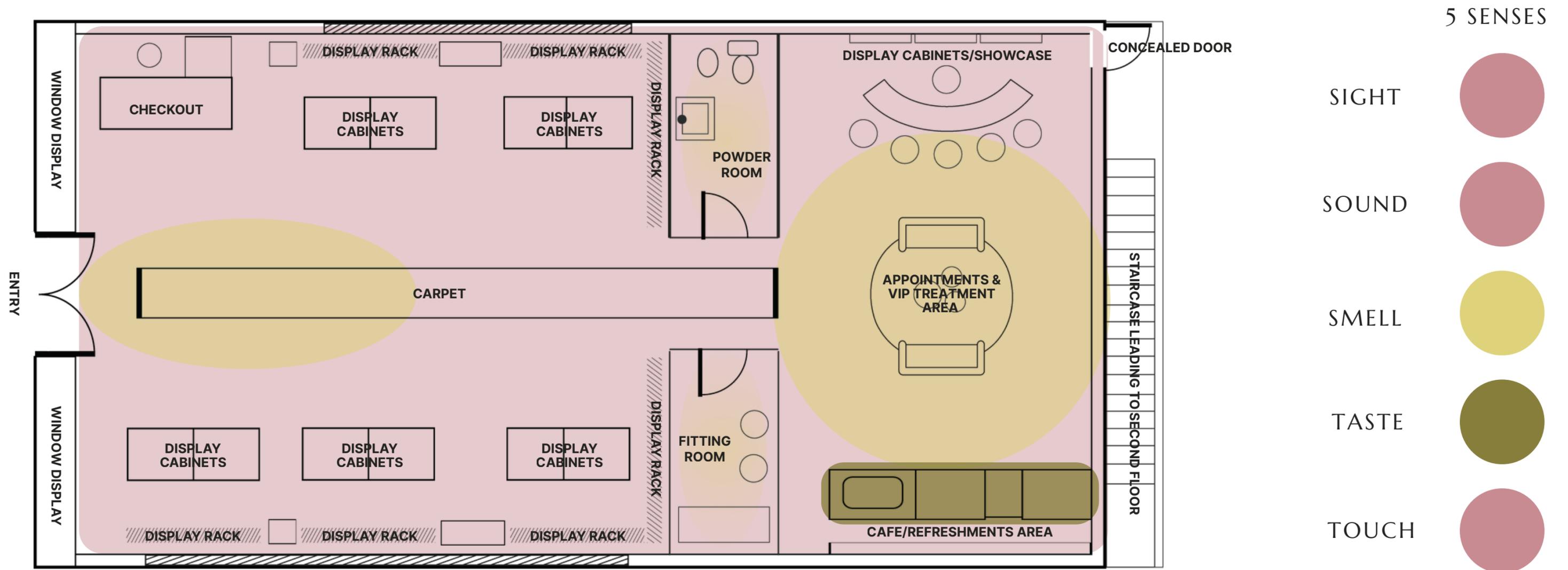
Level 2 (Operations): 1,800 sq. ft. dedicated to the Authentication Lab, professional photography, and logistics.



The Workflow: Optimized for high-volume local consignment drop-offs without compromising the premium customer experience.

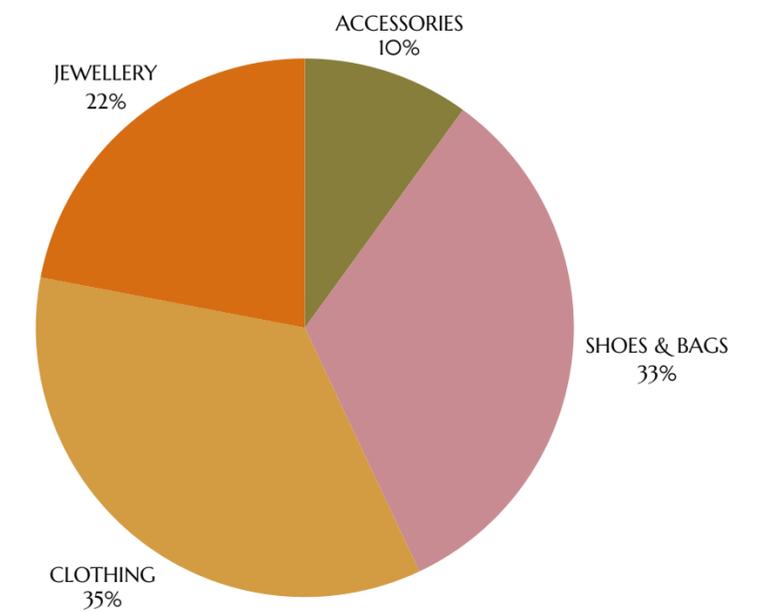
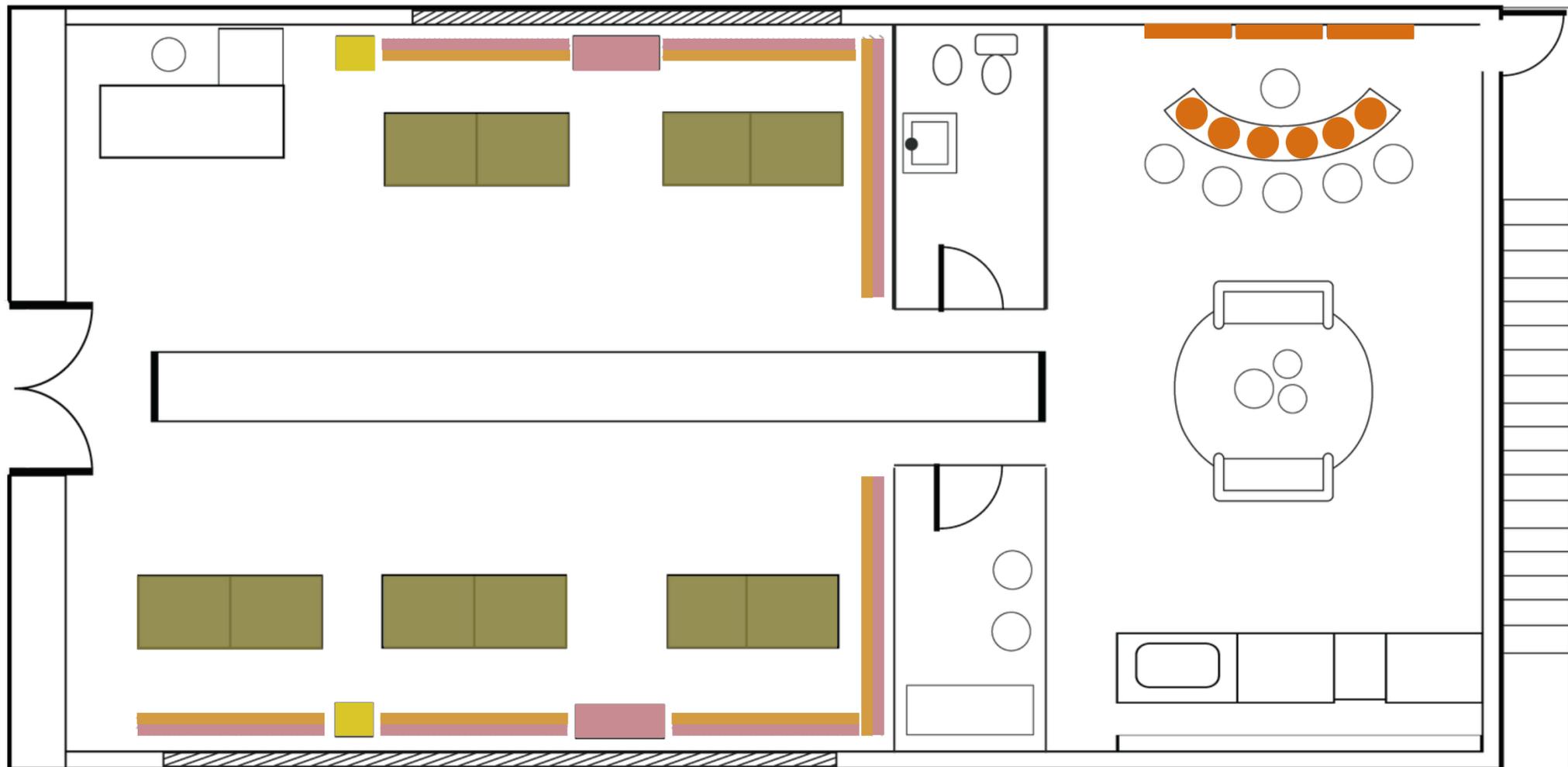
EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: ESTABLISHING A MULTI-SENSORY LUXURY DESTINATION



EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: SPACE ALLOCATION



EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: THE ENTRANCE



→ AWNING

→ STRAIGHT FRONT WINDOW

→ CLOSED BACK DISPLAY

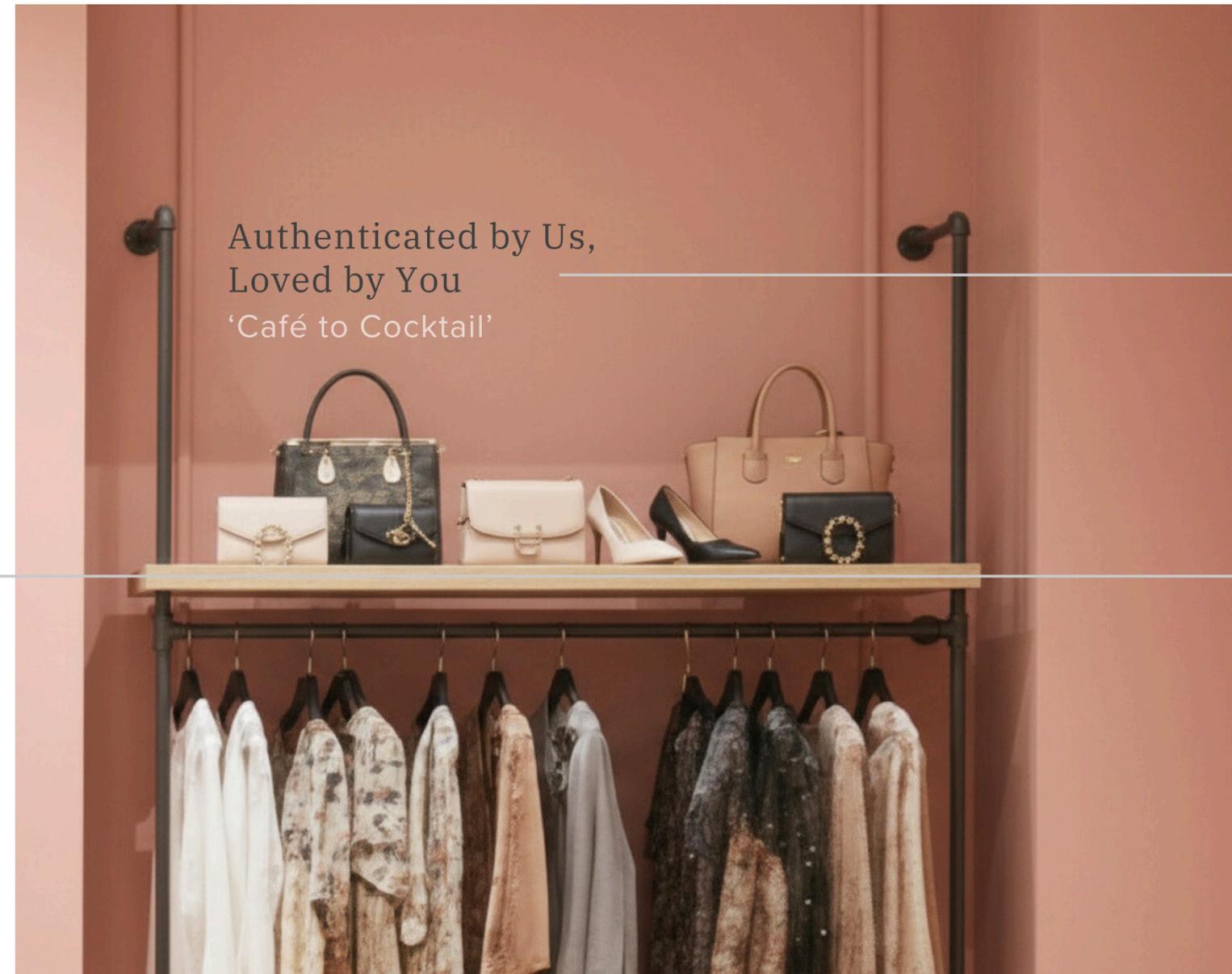
EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: STORE INTERIOR



EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: VISUAL MERCHANDISING & FIXTURES



CLEAR SIGNAGE AND CURATED SELECTIONS TO SERVE THE PARISIAN CLIENTELE FROM DAY TO NIGHT

STYLE/ITEM PRESENTATION

EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: JEWELLERY DISPLAY



TEXTURED FLUTED WALLS

BUILT IN JEWELLERY
DISPLAY MOUNTED
WITHIN ART DECO
SHAPES FROM FRANCE

JEWELLERY BAR TO MIMIC
PARIS' NIGHT BAR CULTURE

EXPERIENTIAL BRANDING

STORE IDENTITY & CONCEPT: THE IN-STORE REAL REAL CAFE



ORGANIZATIONAL FRAMEWORK

STAFFING FOR TRUST: THE EXPERT-LED CLIENTELING MODEL

<p>O1</p> <p>STORE MANAGER</p> <p>\$54,900/YEAR - FULL TIME</p>	<p>O1</p> <p>ASSISTANT STORE MANAGER</p> <p>\$46,500/YEAR - FULL TIME</p>	<p>O1</p> <p>CUSTOMER EXPERIENCE LEAD</p> <p>\$45,100/YEAR - FULL TIME</p>	<p>O4</p> <p>CUSTOMER EXPERIENCE ASSISTANT</p> <p>\$17,050/YEAR - PART TIME</p>
<p>O1</p> <p>VISUAL MERCHANDISER</p> <p>\$18,730/YEAR - PART TIME</p>	<p>O1</p> <p>STOCK ASSOCIATE</p> <p>\$16,210/YEAR - PART TIME</p>	<p>O3</p> <p>VALUATION MANAGERS</p> <p>\$16,540/YEAR - PART TIME</p>	<p>O1</p> <p>HUMAN RESOURCES ASSOCIATE</p> <p>\$39,500/YEAR - FULL TIME</p>

Technical Authority: On-site authenticators undergo 40-80 hours of rigorous training to ensure brand integrity.

The Advisory Role: Sales staff act as "Style Consultants," building long-term relationships with both buyers and consignors.

Structure: A 50/50 staffing split between front-of-house hospitality and back-of-house technical operations.

FISCAL PROJECTIONS

DRIVING VALUE THROUGH OPERATIONAL EFFICIENCY AND LOCAL GROWTH

	2026	% Rev	2027	% Rev	2028	% Rev
Total Revenue	\$ 1,948,683.42	100%	\$ 2,182,525.43	100%	\$ 2,444,428.48	100%
Consignment Revenue	\$ 1,325,104.73	68%	\$ 1,484,117.29	68%	\$ 1,662,211.37	68%
Direct Revenue	\$ 428,710.35	22%	\$ 480,155.59	22%	\$ 537,774.27	22%
Shipping Services Revenue	\$ 194,868.34	10%	\$ 218,252.54	10%	\$ 244,442.85	10%

	2026	% Rev	2027	% Rev	2028	% Rev
Total Cost of Revenue	\$ 857,420.70	44%	\$ 960,311.19	44%	\$ 928,882.82	38%
Cost of consignment revenue	\$ 194,868.34	10%	\$ 218,252.54	10%	\$ 195,554.28	8%
Cost of direct revenue	\$ 487,170.86	25%	\$ 545,631.36	25%	\$ 317,775.70	13%
Cost of shipping services revenue	\$ 175,381.51	9%	\$ 196,427.29	9%	\$ 195,554.28	8%
Gross Profit	\$ 1,091,262.72	56%	\$ 1,222,214.24	56%	\$ 1,515,545.66	62%

	2026	% Rev	2027	% Rev	2028	% Rev
Operating Income or Loss	\$ (47,815.63)	-2.45%	\$ 24,349.88	1.12%	\$ 253,024.06	10.35%
Income before taxes	\$ (47,815.63)	-2.45%	\$ 24,349.88	1.12%	\$ 253,024.06	10.35%
Taxes	\$ (11,953.91)	-0.61%	\$ 6,087.47	0.28%	\$ 63,256.01	2.59%
Net Income After Taxes	\$ (35,861.72)	-1.84%	\$ 18,262.41	0.84%	\$ 189,768.04	7.76%

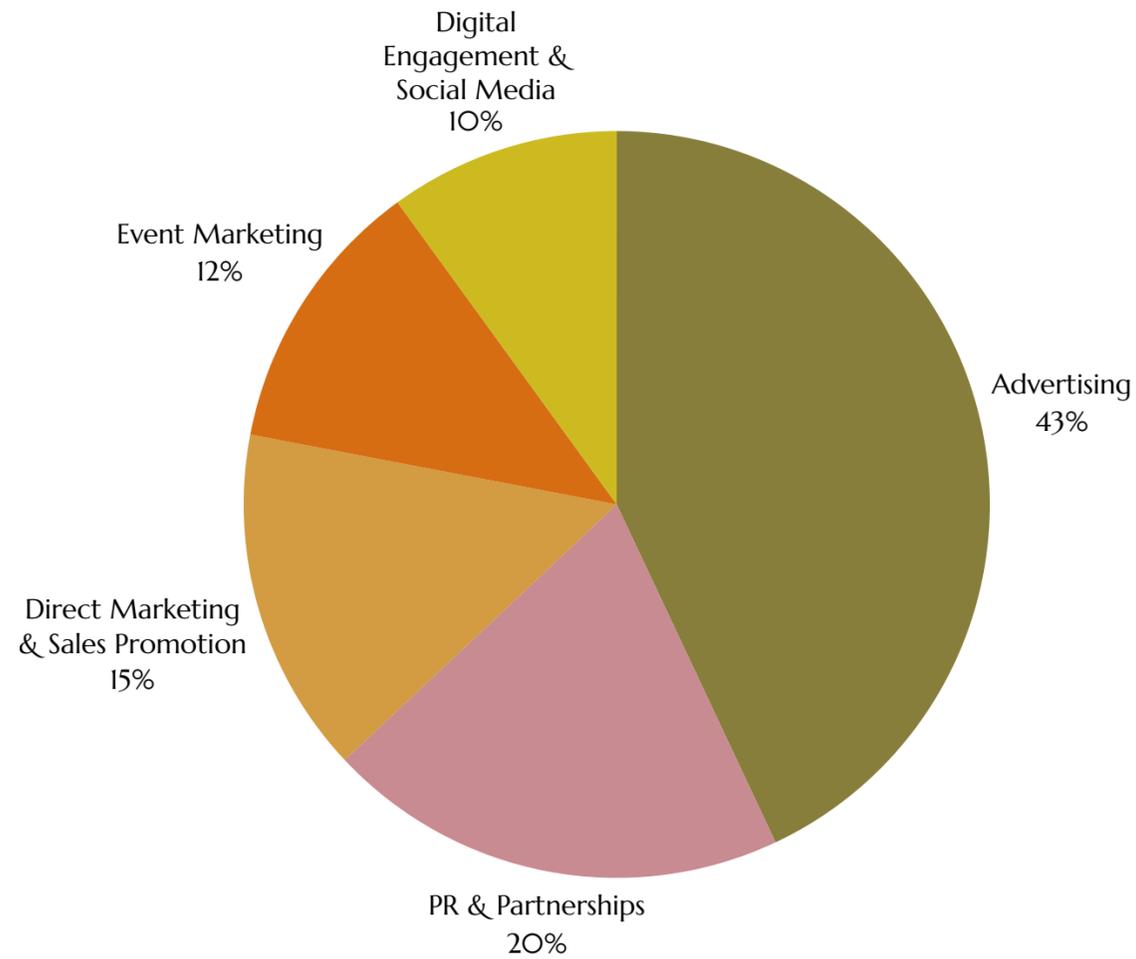
Revenue Trajectory: Projecting 12% growth in Year 2 and 15% in Year 3 as the local network matures.

Unit Economics: Lowering COGS from 44% to 38% by utilizing the Paris hub for localized intake and shipping.

Strategic Outcome: Achieving store-level break-even within 18–24 months through high-margin accessory sales.

LAUNCH INVESTMENT

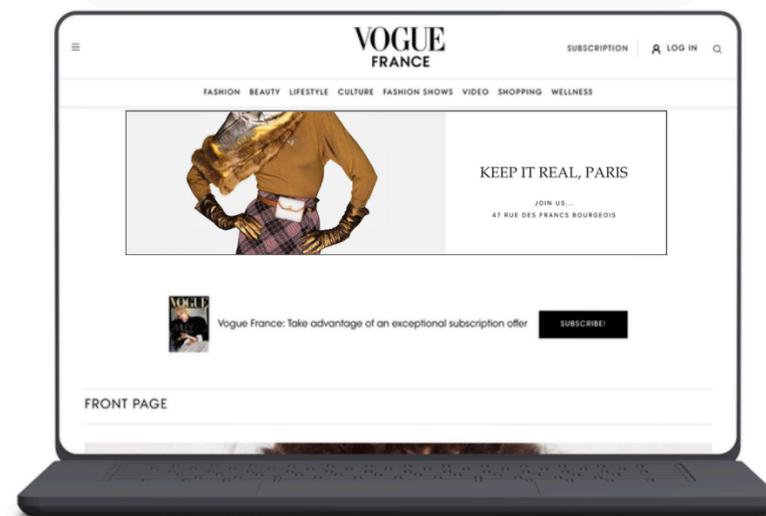
STRATEGIC CAPITAL ALLOCATION FOR MARKET PENETRATION



Total Launch Budget: Allocated across PR, Digital, and Experiential channels to ensure maximum "Share of Voice."

COMMUNICATION PLAN: AWARENESS

ESTABLISHING CREDIBILITY THROUGH HIGH-PRESTIGE PARTNERSHIPS



@ANNELAUREMAIS

@JULIESFI

Media Strategy: Partnering with Vogue France and L'Officiel to anchor The RealReal within the French luxury establishment.

The Launch Event: A high-profile grand opening in Le Marais featuring archival installations, curated DJ sets, and flash photography to generate immediate "earned media."

Influencer Alignment: Collaborating with "Sustainably-Chic" Parisian creators to showcase the authentication process and "The Art of the Find."

COMMUNICATION PLAN: COMMUNITY

CULTIVATING AN OMNICHANNEL CONNECTION WITH THE PARISIAN CONSUMER

Social Storytelling: 2-3 high-production Reels/TikToks documenting the "Journey of an Item" and the Le Marais build-out.

Localized Digital UX: Launching therealreal.fr with native language support, Euro pricing, and virtual styling.

Interactive Content: Demystifying luxury resale through "Behind-the-Scenes" tours of the Level 2 Authentication Lab.



RETENTION & CONVERSION

THE "BONJOUR, PARIS" INTEGRATED MESSAGING SEQUENCE

Email Marketing: A strategic sequence starting with the "Market Entry Announcement," followed by "VIP Launch Invites," and ending with "Seasonal Lookbooks."

SMS Integration: Real-time alerts for local consignors regarding drop-off appointments and exclusive "first-look" access to new drops.

In-Store Incentives: Offering limited-time consignment bonuses and launch-week discounts to drive initial foot traffic.



CONCLUSION



STRATEGIC VISION

Capturing a **\$2.3B resale opportunity**, the Paris flagship transforms TRR from a North American platform into a global cultural authority within the world's fashion capital.



THE BOUTIQUE-CONCEPT STORE HYBRID

Designed for operational efficiency, the 3,600 sq. ft. Le Marais site utilizes a 50/50 strategic split: **1,800 sq. ft. of immersive retail grounded in French heritage** and **1,800 sq. ft. for a high-velocity Technical Authentication Hub.**



TARGETED RESULTS

Projected 12-15% annual growth driven by a 3-Phase Communication Plan. This location serves as the **profitable blueprint for a Pan-European rollout** into London and Milan.