

## NRF Foundation University Challenge 2026-2027 | Wayfair

### About the NRF Foundation University Challenge

The [NRF Foundation University Challenge](#) team business case competition is designed for undergraduates to get real-world experience and earn valuable scholarships. This unique experience gives undergraduate students the chance to apply what they've learned in the classroom in a real-world setting. A handful of teams will earn the chance to present their pitch to leaders from retail's biggest companies, **with the top team earning \$30,000, and second and third place teams earning \$20,000, in tuition scholarship funds.**

Since its launch, the NRF Foundation University Challenge, formerly Student Challenge, has provided over \$570,000 in scholarship funds to students across the country, along with the experience students need to realize extraordinary career opportunities. With the NRF Foundation University Challenge, students discover career paths, build professional networks and enhance their skillsets in business and retail.

The NRF Foundation University Challenge offers a way for students of all majors to get the experience that will pay off throughout their careers. **Students who will be full-time undergraduate sophomores to seniors, at a U.S based college or university, during the time the scholarship is awarded in January 2027** will form teams of **three to four students** and collaborate on a pitch presentation and video. Final submissions are due on **our [scholarship platform Kaleidoscope here](#) by September 22, 2026**, and the NRF Foundation will provide checkpoints, resources and guidance along the way. Team advisors or a team leader may register your team [here](#) to let us know who is participating.

### Wayfair's Sustainability and Circular Economy Play

#### The Scenario

Founded in 2002, Wayfair Inc. is the destination for all things home, offering millions of products from furniture and décor to housewares and home improvement across its family of brands, including Wayfair, AllModern, Joss & Main, Birch Lane, Perigold, and Wayfair Professional. Headquartered in Boston, Wayfair serves customers primarily through its e-commerce platforms but is **rapidly expanding its physical presence through outlets, specialty stores, and large-format Wayfair stores in key U.S. markets.** As of 2025, Wayfair's physical footprint spans 20+ stores and will grow to 30-40 storefronts by 2027, with ~10 additional stores opening each year after that.

In recent years, Wayfair has sharpened its focus on sustainability and responsible growth. The company has launched its Shop Sustainably™ filter to help customers quickly find products that meet sustainability standards verified by more than 50 third-party certifications. Wayfair has also committed to achieving zero waste across its global operations by 2030 (diverting more than 90% of operational waste from landfill and incineration) and to reducing its Scope 1 and 2 greenhouse gas emissions by 63% by 2035, guided by globally recognized ESG reporting frameworks. At the same time, Wayfair operates outlets and clearance channels that extend the life of open-box, overstock and discontinued inventory, helping to reduce waste while offering customers value.

The home furnishings category is at an inflection point. After a surge in demand during the COVID-19 pandemic, furniture and home goods retailers have faced slower growth, more cautious consumers and intense competition. As the retail industry faces increasing pressure to adopt sustainable practices, Wayfair is looking for ways to reduce its environmental impact while also creating a profitable business model. Large, bulky products like sofas, assembled furniture, and case goods present a particular sustainability challenge: they are expensive to ship, costly to return and often end up in landfills. Yet this same dynamic creates an opportunity for retailers with scale and logistics capability to lead in the **circular economy, keeping products and materials in use for longer through refurbishment, resale, rental, repair and responsible recycling, while opening new revenue generating opportunities for companies.**

For the NRF Foundation University Challenge, your team has the opportunity to design a **new retail concept focused on sustainability and circularity** that can become a meaningful, profitable part of Wayfair's business over the next 3–5 years. This concept should leverage **Wayfair's existing physical retail footprint** to help the company deliver on its sustainability ambitions and respond to evolving customer expectations.

Your team is tasked with **developing an end-to-end concept and launch plan for a new circular retail initiative for Wayfair.** The goal is to create a profitable, innovative new business that aligns with Wayfair's sustainability mission while addressing a significant consumer need.

This concept may take one of several forms, for example:

- A furniture rental or subscription program
- A curated refurbished or “pre-loved” marketplace where customers can buy professionally inspected and refreshed Wayfair items

*\*Note that these are just examples of potential concepts; feel free to get creative!*

## Pitch Presentation Deck Requirements

Your pitch presentation deck should be submitted as a PowerPoint or PDF. It must include the sections below (you can move the order around and you are not limited to the items in each section). There is a **25-slide limit**, including appendices. In your slides, your team should assume that Wayfair is prepared to invest in this concept at pilot scale, and that senior leadership is looking for a clearly articulated business case, launch roadmap and proof of long-term potential.

### 1. Title Page

- a. NRF Foundation & Wayfair - NRF Foundation University Challenge Case Competition
- b. Team name, university name, team members' names

### 2. Concept & Business Model: Defining Wayfair's Circular Home Platform

- a. **Concept Design:** Showcase a **single, innovative retail concept** that promotes sustainability in the home goods space. How does your concept help Wayfair progress toward its [zero waste and sustainability goals](#)?
- b. **Logistics & Operations:** At a high level, outline the logistics of inventory flow in your circular model, including how Wayfair will manage the collection, repair, and redistribution of products.
  - i. What processes or partnerships are needed for refurbishment, repair, and/or recycling?
  - ii. How would you use Wayfair's large-format stores, outlet stores, and/or shop-in-store concepts to bring circularity to life in person (e.g., repair bars, "pre-loved" showrooms, design consultations, return kiosks)?
  - iii. What parts of the customer journey should happen in-store vs. online, and how will those experiences connect?

### 3. Market Selection & Omnichannel Launch Strategy

- a. **Market Research:** Which markets/demographics would this program be most attractive to? What are other retail companies doing in this space?
  - i. Based on your research, identify one metropolitan area where Wayfair should launch this concept first.
  - ii. What product types or categories should the program cover? Your selection should consider the circularity potential of products.
- b. **Value Proposition:** What makes your concept compelling compared to buying new, traditional resale platforms, or competitors' rental/refurbished offerings?
- c. **Marketing Strategy:** Develop a marketing plan that highlights the environmental benefits and value proposition of your concept, targeting environmentally conscious consumers.
  - i. Timeline for campaign: 1 month pre-launch through first 6 months post launch

- ii. Campaign budget should be 4-5% of your projected revenue for year 1 of this program

#### 4. Financial & Impact Model: Making the Case for Scale

- a. **Financial Plan:** Create a 5-year financial plan, aiming for breakeven in the first year and profitability within year 2, driving a gross margin of 50%+.
  - i. How will Wayfair make money (e.g., subscription fees, rental fees, resale margins, service fees)? How much revenue do we expect to generate through this program?
  - ii. What is the cost of acquiring inventory (e.g. trade-in offer to customers)?
  - iii. What additional costs need to be considered (e.g. transportation, refurbishment, operations, customer service, marketing, etc.)?
  - iv. How does the quality and condition of a product impact margin (assume acceptable re-sale quality tiers are "Like New" (no scratches), "Slightly Used" (minor scratches), "Used" (several scratches) ? How does your model reflect this?
  - v. What is the downstream benefit for [Wayfair.com](https://www.wayfair.com) by running this program on the broader business?
- b. **Key Success Metrics:** Outline the key metrics you will use to measure success of the program. How do we define success (other than profitability)?

#### 5. Conclusions (the final sell)

- a. Your team's task is to imagine how Wayfair can help customers **furnish the homes they love** while also **protecting the one home we all share - our planet** - and to build a business case that shows how circularity can be both the right thing to do and a winning growth strategy. Please make your final conclusions / showcase your final pitch for why Wayfair should implement your new retail concept.

#### 6. Appendices (these **will** count towards slide count)

#### 7. Works Cited (does **not** count towards slide count)

#### Pitch Video Requirements

- **Time Limit:** The video must be a maximum of **90 seconds**.
- **Goal:** The video should serve as an "elevator pitch" to Wayfair leadership, convincing them to fund the concept. It should focus on the **innovative nature** of the concept, its **environmental impact**, and the **strong financial case** (i.e., hitting the 50%+ margin target).

## **AI usage guidance:**

*In this case study, we encourage you to use AI as a sophisticated 'thought partner.' You may use generative tools to brainstorm initial structures, simulate various stakeholder perspectives, or refine your script/deck. However, the strategic synthesis, financial modeling, and final business judgment must be yours. Your team is responsible for the accuracy of all data and for ensuring that your innovative retail concept provides a genuine, logical solution to Wayfair's sustainability goals.*

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## **Supplemental Resources**

### **A. Core Company & Financial Resources**

- **[Wayfair's Most Recent Earnings Report](#)**: Essential to understanding Wayfair's existing **logistics costs**, gross margin, and revenue structure, which is crucial for building a financial plan aiming for a **50%+ gross margin** and **Year 2 profitability**.
- **[Wayfair Corporate Social Responsibility \(CSR\) Report](#)**: Provides official context on the company's stated sustainability goals, which the new concept must align with.
- **Wayfair Supply Chain/Logistics Articles**:
  - <https://www.mckinsey.com/industries/logistics/our-insights/bulky-is-beautiful-how-wayfair-is-poised-to-meet-massive-new-demand>
  - <https://www.supplychaindive.com/news/wayfair-castlegate-logistics-offering-multichannel-service/758661/>
- <https://www.aboutwayfair.com/sustainability>
- <https://www.aboutwayfair.com/category/sustainability/keter-focuses-on-the-circular-economy-with-100-recyclable-products>

### **B. Market & Competitor Resources**

- **Competitor leveraging the Circular Economy**:  
<https://www.forbes.com/sites/retailwire/2022/04/12/ikea-sees-sustainable-plan-in-secondhand-furniture/?sh=d8fda561ee4e>
- **Furniture Retail Industry Analyst Reports**: High-level overview of market size, growth projections, and key demographic trends beyond the provided secondhand market report.
  - <http://www.grandviewresearch.com/industry-analysis/second-hand-furniture-market-report>
  - <https://chainstoreage.com/study-demand-secondhand-returned-goods-including-furniture-exploding>

- **Consumer Behavior Surveys on Sustainability:** Reports focusing on Gen Z and Millennial purchasing drivers, their willingness to pay a premium for sustainable options, and their comfort level with 'renting' vs. 'owning' furniture.
  - <https://www.pwc.com/gx/en/news-room/press-releases/2024/pwc-2024-voice-of-consumer-survey.html>
  - <https://www.forbes.com/sites/sap/2024/05/14/why-the-rise-of-sustainability-is-a-shift-in-consumer-conciousness/>
  - <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/consumers-care-about-sustainability-and-back-it-up-with-their-wallets>
- <https://nrf.com/blog/beyond-retail-the-hidden-reach-of-reverse-logistics>