

SUSTAINABILITY AND THE SUPPLY CHAIN

FASHION MARKETING

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AGENDA

1. Can fashion be sustainable?
2. Sustainability in fashion branding
3. Sustainability in retail
4. Ioncell

TODAY'S READINGS

Caniato, F., Caridi, M., Crippa, L., & Moretto, A. (2012). Environmental sustainability in fashion supply chains: An exploratory case based research. *International journal of production economics*, 135(2), 659-670.

Joy, A., Sherry Jr, J. F., Venkatesh, A., Wang, J., & Chan, R. (2012). Fast fashion, sustainability, and the ethical appeal of luxury brands. *Fashion theory*, 16(3), 273-295.

Additional readings:

Achabou, M.A., & Dekhili, S. (2013). Luxury and sustainable development: Is there a match?. *Journal of Business Research*, 66(10), 1896-1903.

Ozdamar Ertekin, Z., & Atik, D. (2015). Sustainable markets: Motivating factors, barriers, and remedies for mobilization of slow fashion. *Journal of Macromarketing*, 35(1), 53-69.

Turker, D., & Altuntas, C. (2014). Sustainable supply chain management in the fast fashion industry: An analysis of corporate reports. *European Management Journal*, 32(5), 837-849.

Fact 1: Around 10% of CO2 emission today is caused by fashion.

Fact 2: The average consumer purchase 60% more clothing than 15 years ago.

Fact 3: The average garment is only worn seven times before it gets thrown out.

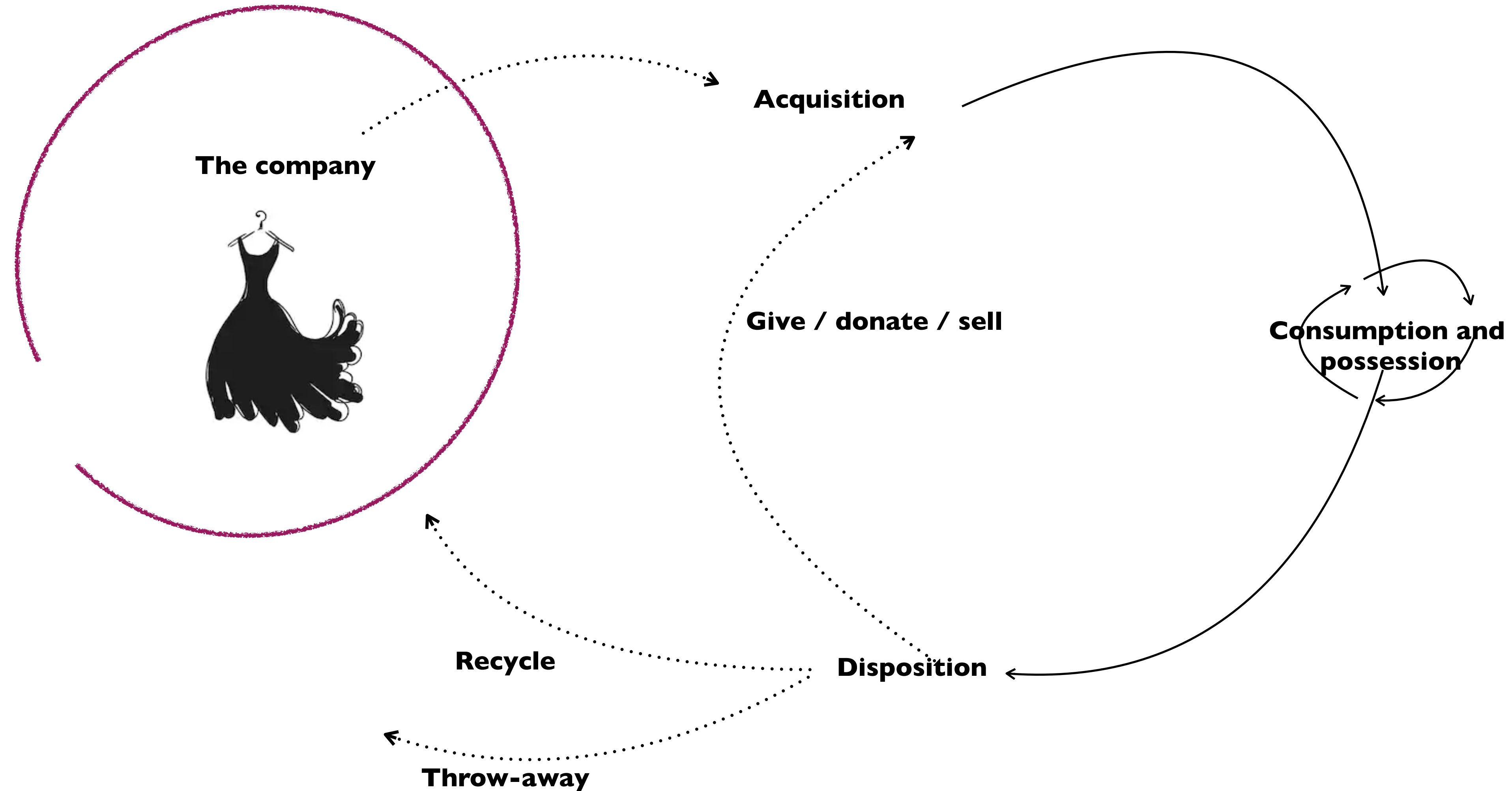
Fact 4: 50 percent of fast fashion pieces are disposed of within a year.

Fact 5: 140 million kilo's of clothing is burned each year.

Fact 6: Less than 1% of material used to produce clothing is recycled into new clothing.

“In 2018, Earth Overshoot Day came earlier than ever before, on August 1. Put simply, we are consuming more than we have, fashion being part of the cause. This is not just a threat to nature, but to human society too.”

CIRCULATION OF CLOTHING



A hand is reaching up from a large, messy pile of discarded clothing, including a plaid shirt and a white shirt. The background is dark and out of focus, suggesting an indoor setting. The overall mood is one of frustration or helplessness, which directly relates to the text overlay.

**CAN FASHION BE SUSTAINABLE?
HOW?**

WHAT MAKES FASHION AND SUSTAINABILITY AS A CHALLENGING COMBINATION?

Fast fashion = low-cost clothing collections that mimic current luxury fashion trends (Joy et al. 2012)

- Trends **change** with light speed > inherent dissonance among fashion-lover who is environmentally aware.
- Low price + low quality is good enough for **disposability** > what happens after the use?
- Lack of **transparency**: fashion industry supply chain is highly fragmented (working conditions throughout the supply chain?)

Consumers do not buy fashion or luxury items to save the world. They buy to look good.

Sustainability should be a new norm, not a way to sell more, or competitive advantage.

(Joy et al., 2010; Achabou & Dekhili, 2013)



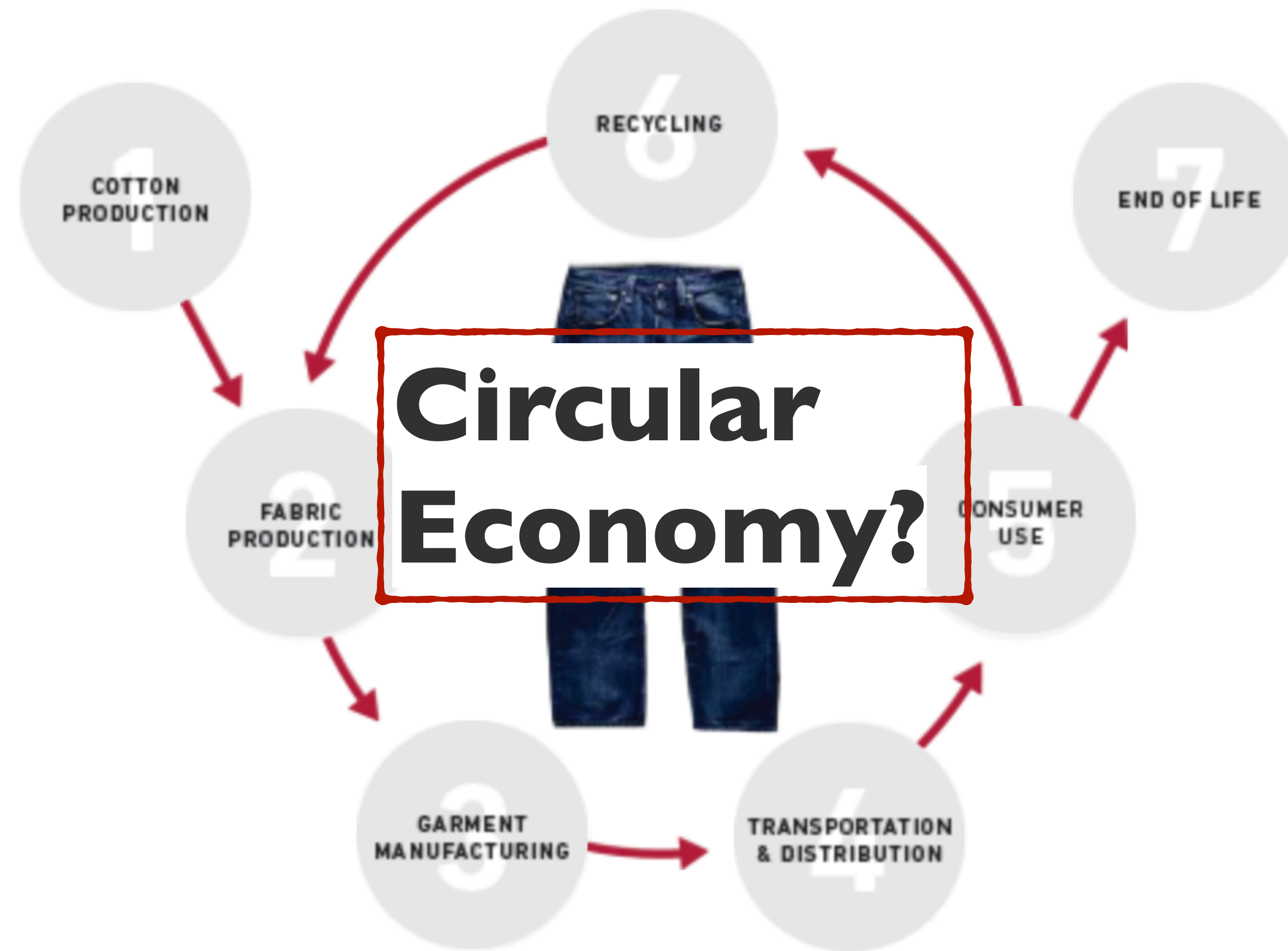
SUSTAINABILITY BY DEFINITION

Sustainability is defined as “meeting the needs of the present without compromising the ability of future generations to meet theirs.” (United Nations, 1987). It has three main pillars: **economic**, **environmental** and **social**.

(e.g. Joy et al. 2012; Duić et al. 2015; Hansmann et al. 2012; Kloeppfer 2008).

In other words, besides an economic value, sustainable companies build their businesses also to have positive environmental and social impact.

ENVIRONMENTAL IMPACT: LIFE CYCLE ASSESSMENT (LCA)





SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD

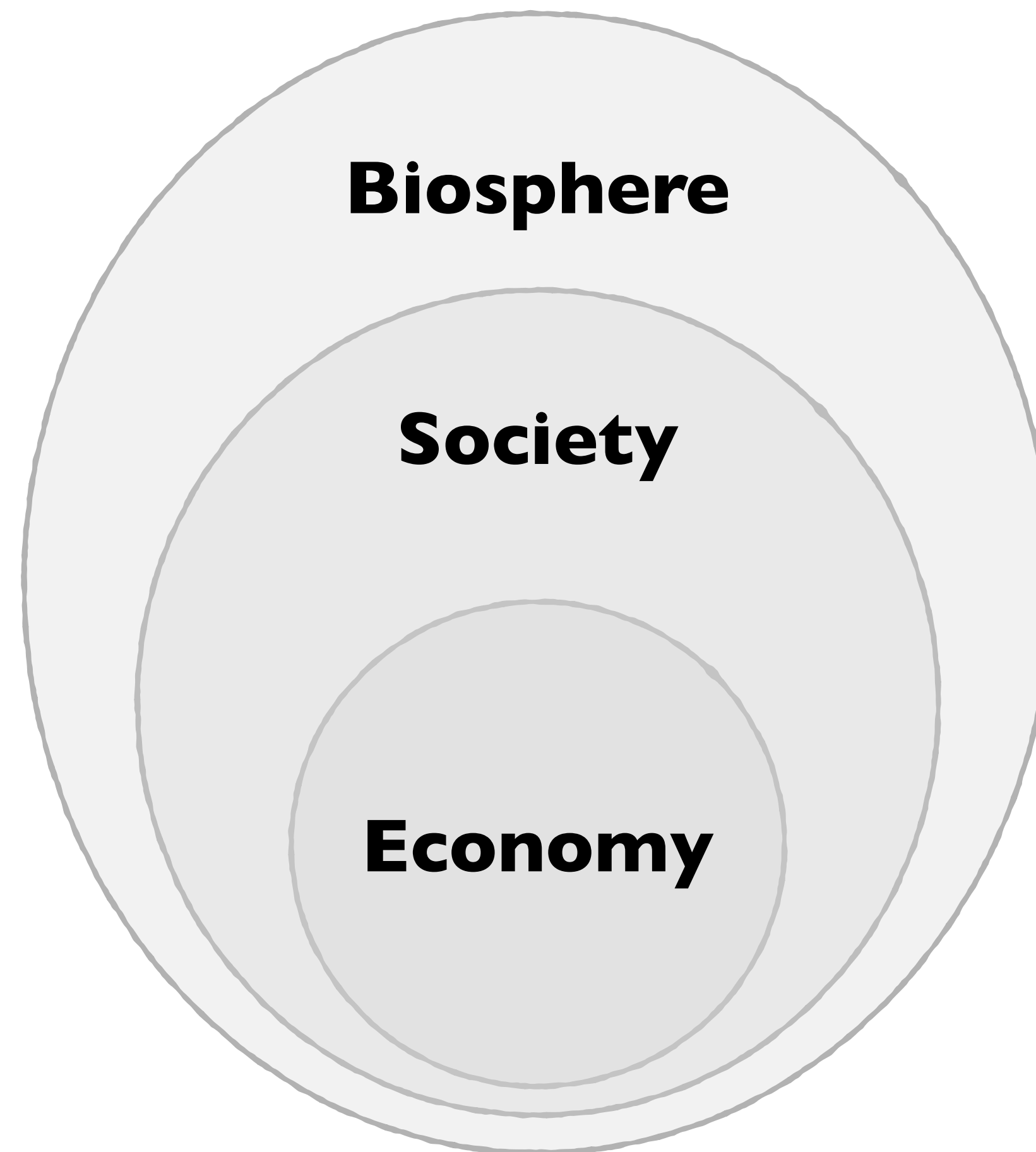


SYSTEMS THINKING: STRATEGIC SUSTAINABILITY

AIM to minimise ecological footprint and maximise social impact.

Economy is part of society:

- inputs in terms of labour
 - outputs in terms of customers and clients
- > without society there is no economy.



Society is part of larger Biosphere:

- Everyone needs water/air
 - Economy needs raw material and resources.
- > economy cannot keep growing eternally, if the biosphere is exploited. Earth's capacity has its limitations.

FASHION + SUSTAINABILITY?

When a fashion company aims to promote sustainability, the main linkage is to **develop a sustainable supply chain (Shen 2014).**

- Ecological/environmentally friendly materials
- Sustainable manufacturing
- Green distribution
- Retailing

*Sustainability is often linked to **environmental sustainability**.*

(NEGATIVE) ENVIRONMENTAL IMPACT



SOILS DEGRADATION
AND DESERTIFICATION



RAINFOREST
DESTRUCTION



WATER
CONSUMPTION



WATER
POLLUTION



CHEMICALS
ADDICTION



GREENHOUSE GASES
EMISSIONS



MICROFIBERS IN OUR
OCEANS



WASTES
ACCUMULATION

- **Fiber production**
(e.g. massive use of chemicals, overgrazing of pastures, wood-based fibres > deforestation)

- **Fiber production**
(e.g. 20 000L water = 1kg cotton)
- **Fabric production**
- **Dying**

- **Fiber & fabric production**
- **Manufacturing**
(synthetic fibres are made from fossil fuel. Most of clothes are produced in countries that are essentially powered by coal.)
- **Shipping**

- **Consumer's impact**
- **Washing, maintaining**
- **Recycling, disposing**

CANIATO ET AL. 2012: ENVIRONMENTAL SUSTAINABILITY

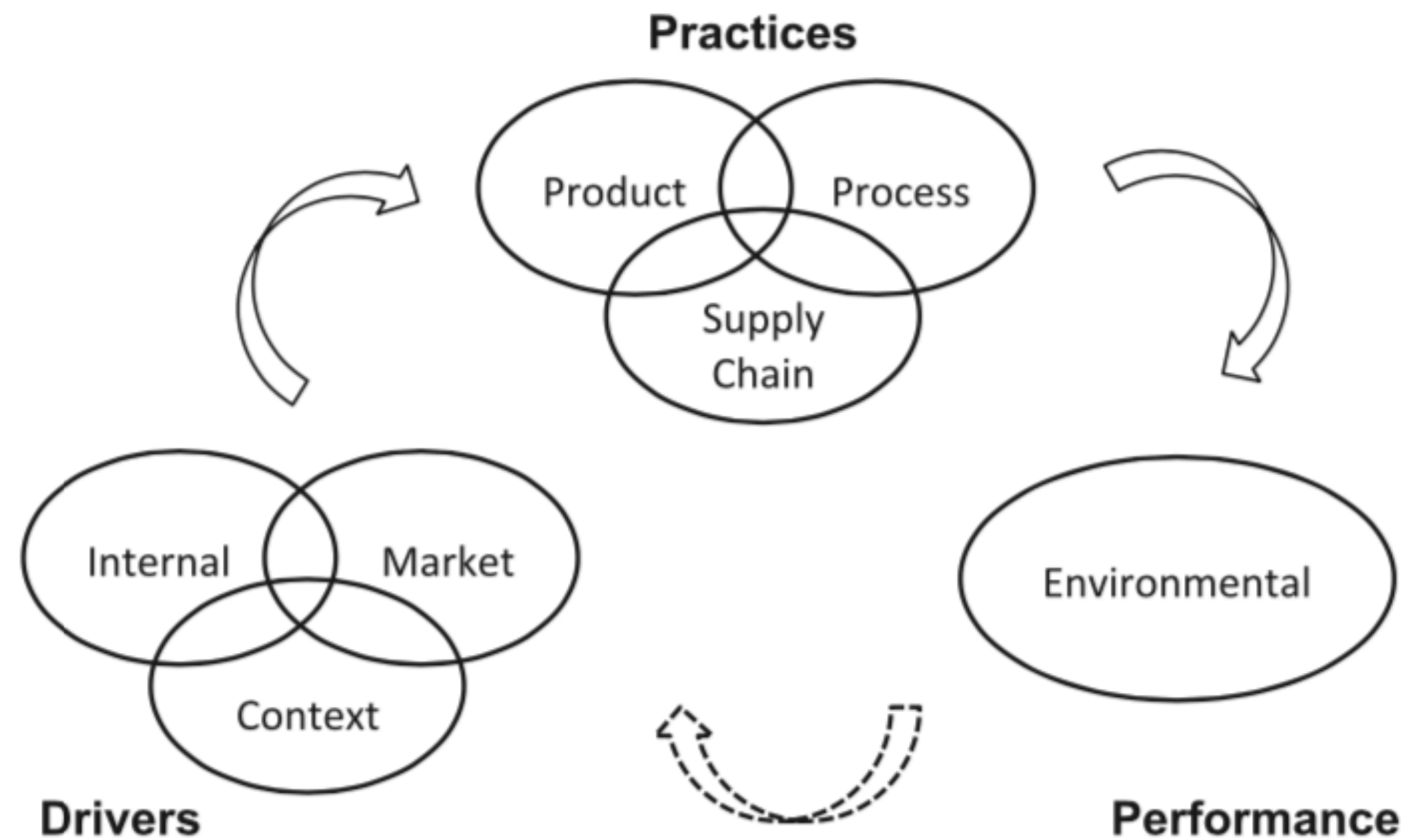


Fig. 1. Research framework.

Drivers

- **Internal:** efficiency objectives, company specific factors
- **Market:** customers
- **Context:** law & regulations

Practices

- **Product:** design (materials, components, packaging..)
- **Supply chain:** insourcing & outsourcing, logistic channels, suppliers
- **Processes:** from raw materials to finished products

What is the environmental criteria company is trying to improve through green practices?

Need to be monitored & measured!
KPI throughout the lifecycle

SYNTHETIC OR NATURAL RAW MATERIAL?

Organic Cotton vs. Cotton vs. Linen?

Hemp?

Bamboo?

Tencel (lyocel/modal)?

Recycled polyester (from PET-bottles?)



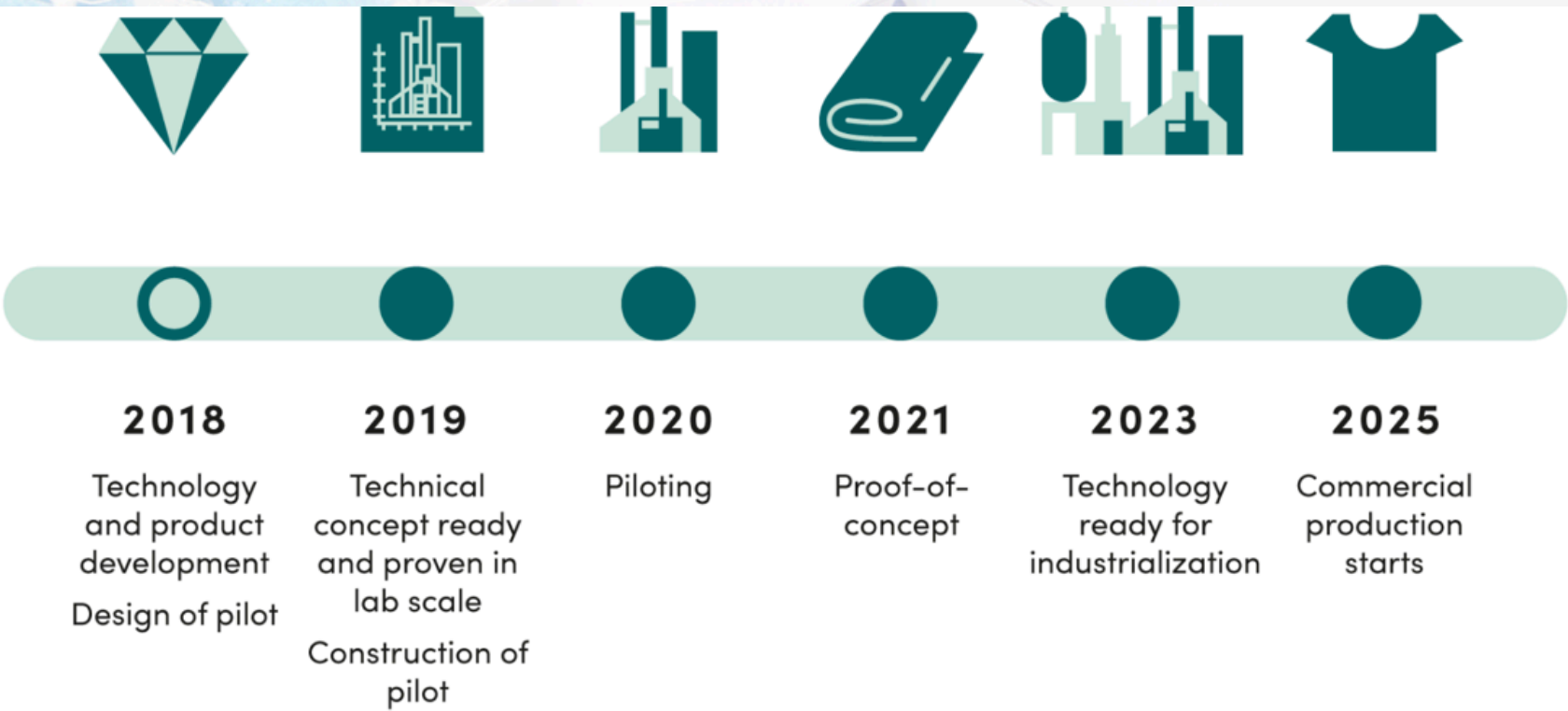
Overproduction of anything is bad.



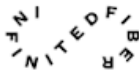
ALTERNATIVE MATERIALS

Enter the new era of textile production!

loncell is a technology that turns used textiles, pulp or even old newspapers into new textile fibers sustainably and without harmful chemicals. The process converts cellulose into fibers which in turn can be made into long-lasting fabrics.




loncell



[Our tech](#)[Together we sustain](#)[Our minds](#)[Contact](#)

We at Infinited Fiber want to save the planet together with You.

We have created a miracle: a technology that allows textile waste to be used again and again, preserving 100% quality.

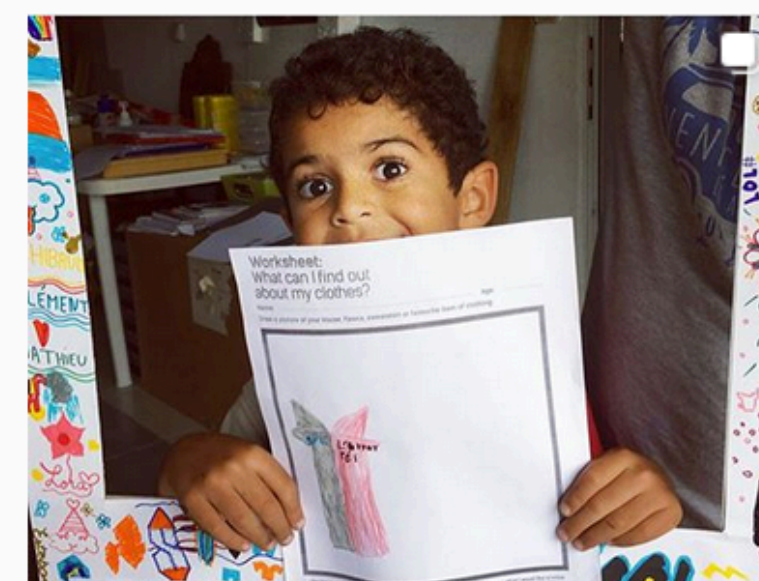
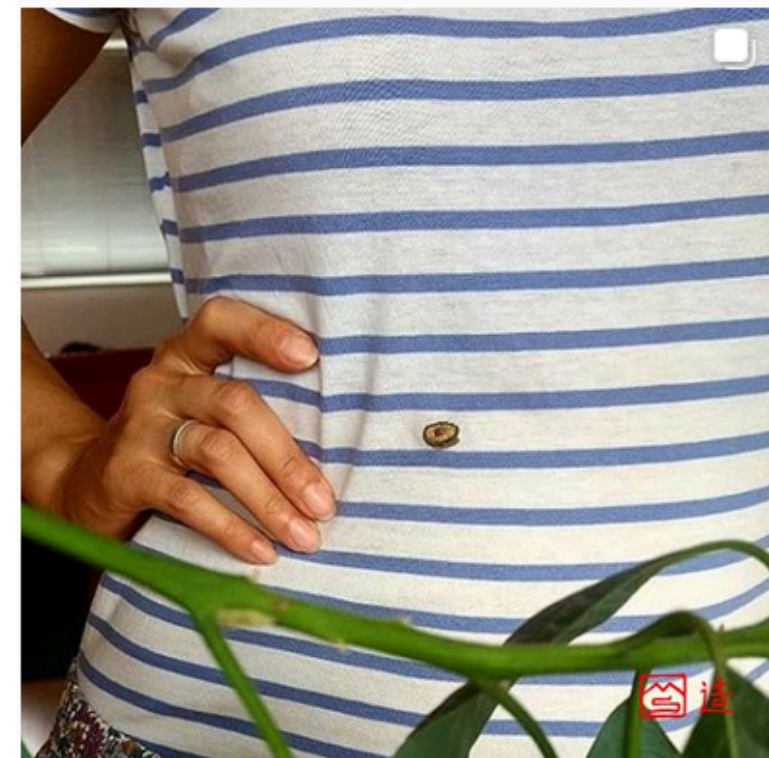
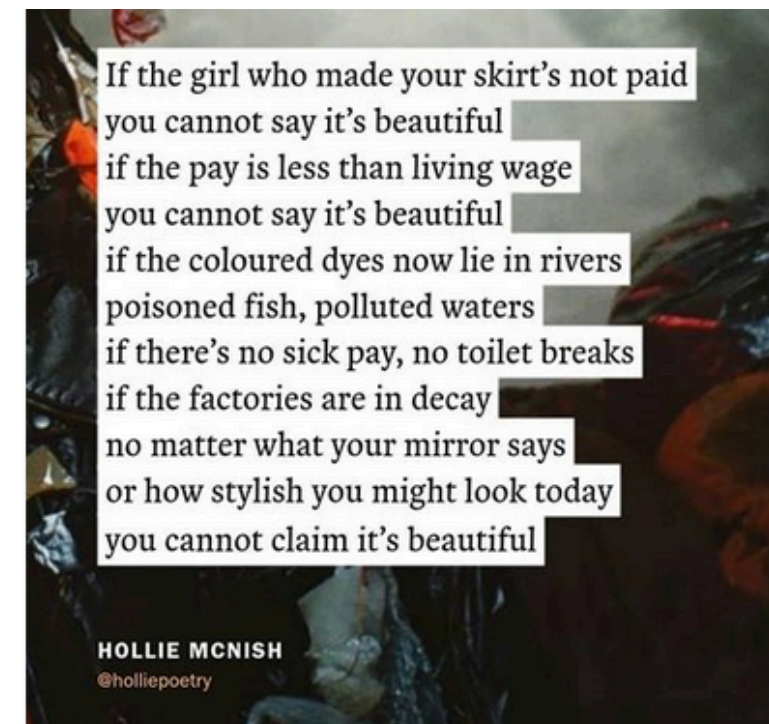


Infinited Fiber

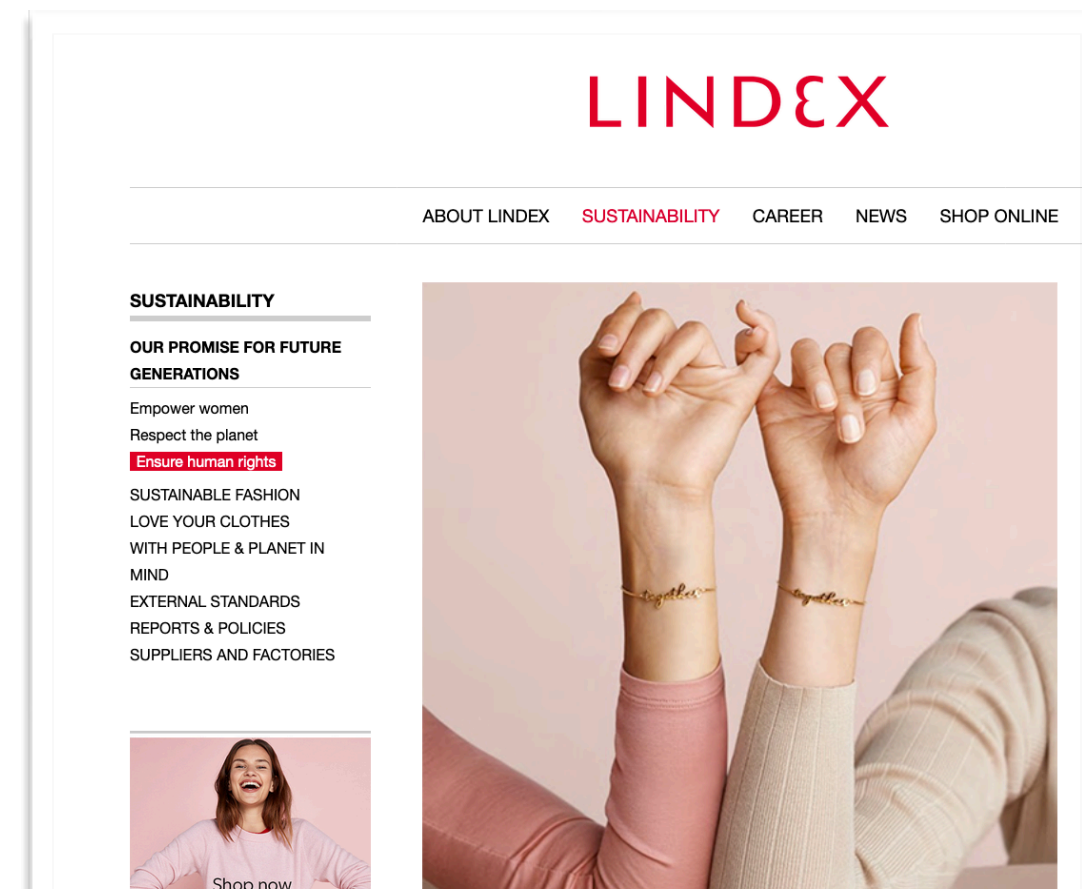
DESIGNING FROM (PRE-CONSUMER)WASTE



SOCIAL SUSTAINABILITY: WHO MADE MY CLOTHES?



CREATING POSITIVE SOCIAL & ENVIRONMENTAL IMPACT



There's no responsibility without transparency

The larger and more complex a supply chain is, not only are the risks connected to human rights bigger, issues are also often more complicated to address. While transparency is a major challenge in the fashion industry, it is the key to making progress within all areas of sustainability including human rights. For us to truly be able to take responsibility, we must develop the transparency further down in our supply chain.

Ensure human rights – our core aim

Advocating respect for human rights

We want to make sure our whole value chain is progressing within living wage and that its workplaces are safe and healthy, free from harassment and discrimination. Here are our goals:

- By 2021, all Lindex business partners have signed Lindex Sustainability Commitment
- By 2025, Lindex suppliers who stand for 80 per cent of our production show total supply chain transparency and commitment to improving working conditions
- By 2025, Lindex suppliers who stand for 80 per cent of our production work actively with a living wage program
- Ensure that no discrimination and harassment occurs in Lindex own operations by 2020



Lindex launches sustainability promise – for future generations

Today Lindex launches its new sustainability promise – to make a difference for future generations. With three focus areas, all closely connected to Lindex company vision, the fashion brand raises the b...

April 4, 2019 | Read more



Re:Design

At Lindex, we are constantly looking for improvement by finding new innovative and circular ways of working. Re:Design represents one of our latest steps towards closing the loop.

Respect the planet – our three core aims

Taking climate action

We want to make sure that our own operations are climate neutral and that we reduce the negative climate impact in our value chain. Here are our goals:

- By 2023, we will be climate neutral in our own operations
- By 2030, we will have reduced the CO2 emissions in our entire value chain with 30 per cent, with 2017 as baseline.

Having a circular business approach

We want to prolong the lifetime of our products and use resources in the smartest way possible throughout our operations. Here are our goals:

- By 2025, 100 per cent of Lindex materials will be recycled or sustainably sourced
- By 2020, we will set goals on reducing material streams and sending zero waste to landfill
- By 2020, we will set goals on design for longevity

Being a water responsible company

We want to be water efficient throughout the whole value chain, reduce the risk of water scarcity in areas connected to our operations and together with business partners provide access to water and sanitation in factories and nearby communities. Here are our goals:

- By 2025, all Lindex business partners with water intensive operations measure their water use, have set reduction goals and incorporated reduction, reuse and recycling of wastewater in the environmental management systems
- By 2025, we have removed the release of all hazardous and toxic substances from Lindex supply chain and promote transparency and more sustainable chemistry

COMMITMENTS AND REPORTS

Extensive social and environmental responsibility report exist. **Why is sustainability efforts not used in marketing?**

LVMH

GROUP

HOUSES

NEWS

TALENTS

INVESTORS

SOCIAL & ENVIRONMENTAL RESPONSIBILITY

LVMH has made sustainable development a strategic priority since its founding.

NOS INITIATIVES

LIFE / LVMH

Environment Academy / LVMH

LIFE in stores / LVMH

Dîner des Maisons engagées / LVMH

EllesvMH / LVMH

WE CARE FOR MODELS

SHARE PRICE
525,00 €

KERING

GROUP

HOUSES

TALENT

SUSTAINABILITY

FINANCE

PRESS

JOIN US

EN

Our strategy

Care, Collaborate, Create. Three pillars to develop more sustainable and more responsible Luxury. Three pillars that shape Kering’s 2025 Sustainability Strategy in a world where reducing resource consumption and respecting people are absolute necessities. Three pillars that embody and drive our ambition: to craft tomorrow’s Luxury.

DISCOVER

CARE

COLLABORATE

CREATE

HIGH PRICE DOES NOT ALWAYS MEAN GOOD LABOR CONDITIONS

MADE IN ITALY

Italian workers are earning near sweatshop wages to make luxury clothes in their homes

By [Marc Bain](#) • September 21, 2018



KEITÄ OLEMME MITÄ TEEMME JULKAISUT TUE TYÖTÄMME BLOGI MEDIALLE YHTEYSTIEDOT



Suomalainen luksusdesign ei vastuullisuudella kor

Uutiset

04/04/2019

Finnwatch tutki työolot Balmuirin ja Vallilan alihankkijoiden tehtailla
Intiassa.

A row of various garments hanging on a wooden rack against a textured wall. The clothes include a patterned jacket, a dark patterned dress, a white top, a floral dress, a grey sweater, a dark patterned dress, a light orange top, a black and white patterned dress, a white top, a red top, a yellow top, a dark patterned dress, a light brown top, a white top, a floral dress, a white top, a floral dress, and a dark patterned dress. The text "SUSTAINABILITY & FASHION BRANDING" is overlaid in the center.

SUSTAINABILITY & FASHION BRANDING

SUSTAINABILITY AS A STRATEGY

**Nobody is perfect!
Something is better than nothing.**

Stella McCartney



Sustainability + marketing = ?

Marketing = trying to seduce, to sell more?

Marketing = trustworthy information, awareness building?

Marketing = creating value for customers?

DON'T BUY THIS JACKET



It's Black Friday, the day in the year retail turns from red to black and starts to make real money. But Black Friday, and the culture of consumption it reflects, puts the economy of natural systems that support all life firmly in the red. We're now using the resources of one-and-a-half planets on our one and only planet.

Because Patagonia wants to be in business for a good long time—and leave a world inhabitable for our kids—we want to do the opposite of every other business today. We ask you to buy less and to reflect before you spend a dime on this jacket or anything else.

Environmental bankruptcy, as with corporate bankruptcy, can happen very slowly, then all of a sudden. This is what we face unless we slow down, then reverse the damage. We're running short on fresh water, topsoil, fisheries, wetlands—all our planet's natural systems and resources that support business, and life, including our own.

The environmental cost of everything we make is astonishing. Consider the R2[®] Jacket shown, one of our best sellers. To make it required 135 liters of water, enough to meet the daily needs (three glasses a day) of 45 people. Its journey from its origin as 60% recycled polyester to our Reno warehouse generated nearly 20 pounds of carbon dioxide, 24 times the weight of the finished product. This jacket left behind, on its way to Reno, two-thirds its weight in waste.

And this is a 60% recycled polyester jacket, knit and sewn to a high standard; it is exceptionally durable, so you won't have to replace it as often. And when it comes to the end of its useful life we'll take it back to recycle into a product of equal value. But, as is true of all the things we can make and you can buy, this jacket comes with an environmental cost higher than its price.

There is much to be done and plenty for us all to do. Don't buy what you don't need. Think twice before you buy anything. Go to patagonia.com/CommonThreads or scan the QR code below. Take the Common Threads Initiative pledge, and join us in the fifth "R," to reimagine a world where we take only what nature can replace.

COMMON THREADS INITIATIVE

REDUCE
WE make useful gear that lasts a long time
YOU don't buy what you don't need

REPAIR
WE help you repair your Patagonia gear
YOU pledge to fix what's broken

REUSE
WE help find a home for Patagonia gear you no longer need
YOU sell or pass it on

RECYCLE
WE will take back your Patagonia gear that is worn out
YOU pledge to keep your stuff out of the landfill and incinerator

REIMAGINE
TOGETHER we reimagine a world where we take only what nature can replace



patagonia
patagonia.com



*If you use your used Patagonia product on eBay® and take the Common Threads Initiative pledge, we will co-fund your product on patagonia.com for no additional charge.

TAKE THE PLEDGE

IMPORTANCE OF ECONOMIC GROWTH

- Information = transparency = sustainability?
- Sustainable collection = building good conscious?
- “Organic cotton mix” = how about its recyclability?



Join in a
global fashion
movement
for the planet.



*CONSCIOUS COLLECTION
IS PART OF H&M'S ACTIONS
FOR A MORE SUSTAINABLE
FASHION FUTURE.

"Zero waste is the goal. Together we can close the loop."



FASHION
AGAINST
AIDS ! ! !



GREEN WASHING. WHAT IS IT?


TRANSPARENCY & TRACEABILITY

Brands such as **Makia** scored bad in the Rank-a-brand -report: No information available enough, although they are working towards it. Makia wants to be desired for other reasons, not because of being sustainable.

Hálo was not even listed/evaluated

How would H&M score in the report?

H&M is sharing transparently things, but is it enough?
> Post-rationalization, trying to look “less bad”.



RANK A BRAND

- A Osta pois
- B Suunta oikea
- C Kohtuulinen, vielä on petrattavaa
- D Ensiaskleet otettu, pitää tehdä enemmän
- E Pidä lompakko vielä taskussa

Suomalaiset vaatemerkit floppasivat vastuullisuusvertailussa

Suomalaiset vaatefirmat viestivät vähäisesti toimistaan vastuullisen tuotannon varmistamiseksi, kertoo tuore selvitys.

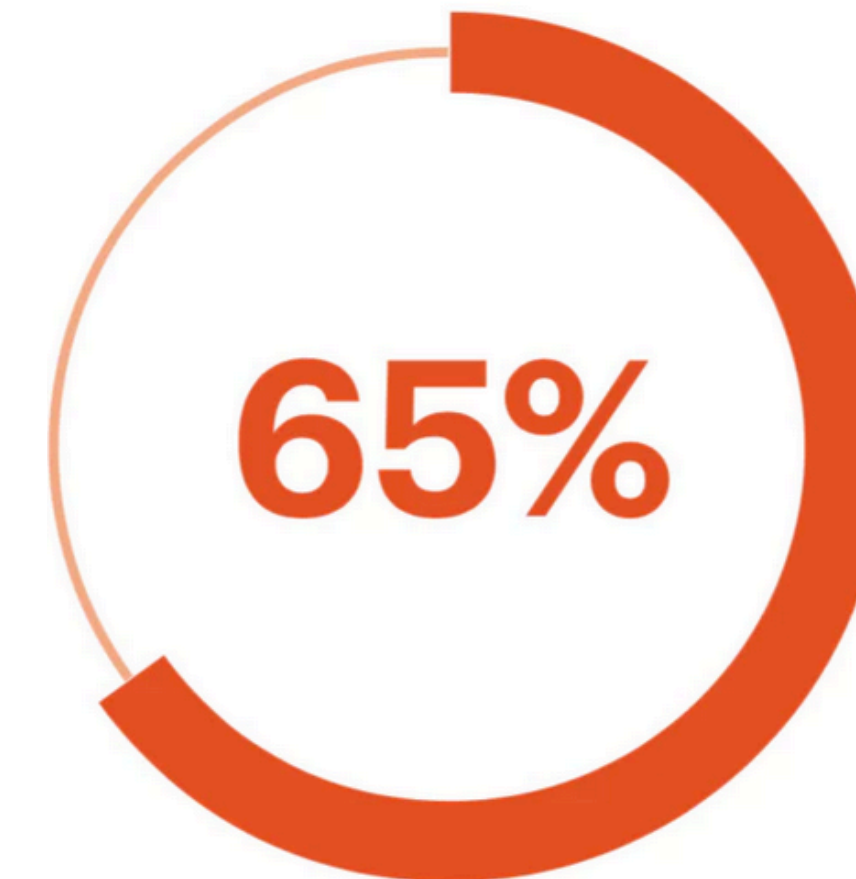
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Eetti ry's Rank-a-brand -report

RADICAL TRANSPARENCY

“Fashion companies must come to terms with consumer’s desire for transparency across the value chain. (...) The fashion industry suffers from a rising trust deficit.” (BoF 2019)

Fashion executives anticipate consumers’ need for transparency



Survey respondents that cited “consumer needs for trust in product authenticity and creative originality” in their top 5 trends for 2019; ranked 2nd out of a possible 12.

Source: BoF-McKinsey State of Fashion Survey

Women

Search

ARKET

SUGGESTIONS

Recipes

Coffee

2-in-1 Women

Stores

Children's outerwear

WOMEN

MEN

CHILDREN

HOMEWARE

NEW ARRIVALS	COATS & JACKETS	TOPS	KNITWEAR	SWEATSHIRTS & HOODIES
DRESSES	SKIRTS	JEANS	TROUSERS	TAILORING
UNDERWEAR & LOUNGEWEAR	SPORTSWEAR & SWIMWEAR	SHOES	BAGS & ACCESSORIES	TRAVEL

COLOUR

PATTERN

Checks

Dots

Florals

Stripes

MATERIAL

Wool

Synthetic

Silk

Regenerated fibre

Leather

Plastic & Rubber

Cotton

MADE IN

Indonesia

Australia

Bulgaria

Brazil

China

Bangladesh

Italy

Portugal

Romania

Turkey

Viet Nam



ARKET

ARKET

WOMEN

MEN

CHILDREN

HOMEWARE

TRAVEL

Always free returns

Artifex

Angélico

Aquafil

Bottinelli

ARKET

WOMEN

MEN

CHILDREN

HOMEWARE

TRAVEL

Always free

Ruffled Voile Dress

€89

Choose size

Size Guide

ADD TO BAG

ID 234185-200

MATERIAL Cotton

COLOR Beige/Black

MADE IN CHINA

Cut from a cotton voile, this dress feature a floral all-over print. Designed with a wide silhouette and long, billowy sleeves with buttoned cuffs. Slit opening at front with tie details and gatherings around neckline.

• Unline

• Mother of pearl buttons – which means that this product contains non-textile parts of animal origin

• Cotton 100%

THE PROBLEM IS IN THE SYSTEM.

- When keeping up with the fashion cycle, new trends are emerging
 - Sales and discounts to get money (and space) for new collections.
 - Producing more than needed (economic reasoning): The price per piece turns to be lower if you buy higher quantity

> How to prevent overproduction?



SUSTAINABLE LUXURY?

- Fast-fashion vs. Luxury fashion?
- High quality vs. Disposability
 - Generation to generation / Second-hand / long lifecycle
- Conceptual dissonance: superfluousness, conspicuousness, status
= egoistic vs. altruistic aims?
- New products bought before “worn out”

LUXURY VS. MASS LUXURY

“Whereas luxury **historically aligned with sustainability ideals** (Kapferer 2010; De Barnier et al. 2012), by producing **rare products of ultra high quality, made by hand** and with respect for **tradition**, it has come to look more like consumer- or fashion goods made to fill trash bins after they achieve structural and rapid obsolescence.” (Kapferer & Michaut, 2014)

A photograph of a clothing rack filled with various garments hanging on wooden hangers. The items include patterned sweaters, a grey knit top, a peach-colored dress, a black and white checkered skirt, a white long-sleeved shirt, a dark red leather jacket, a mustard yellow jacket, a dark patterned jacket, a light-colored jacket, a white long-sleeved shirt, a floral patterned dress, a white long-sleeved shirt, and a dark patterned jacket. The background is a textured, light-colored wall.

SUSTAINABILITY & FASHION RETAIL

WHAT IS SUSTAINABILITY IN RETAIL?

Product - supply chain decisions / local vs. global / production vs. consumption?

Store - commitments for renewable energy?

Marketing - discounts?

Online / offline store? - easiness / shipping & transport vs. retail environment impacts?



 STORE OF HOPE

Nudie JEANS co

Search

New Arrivals

Summer 2019
Collection

Colors Capsule
Collection

Dry Denim

Jeans

Canvas

Denim Jackets

Jackets

Knits

Sweatshirts

Shirts

Tees

Kids

Underwear

Accessories

Objects

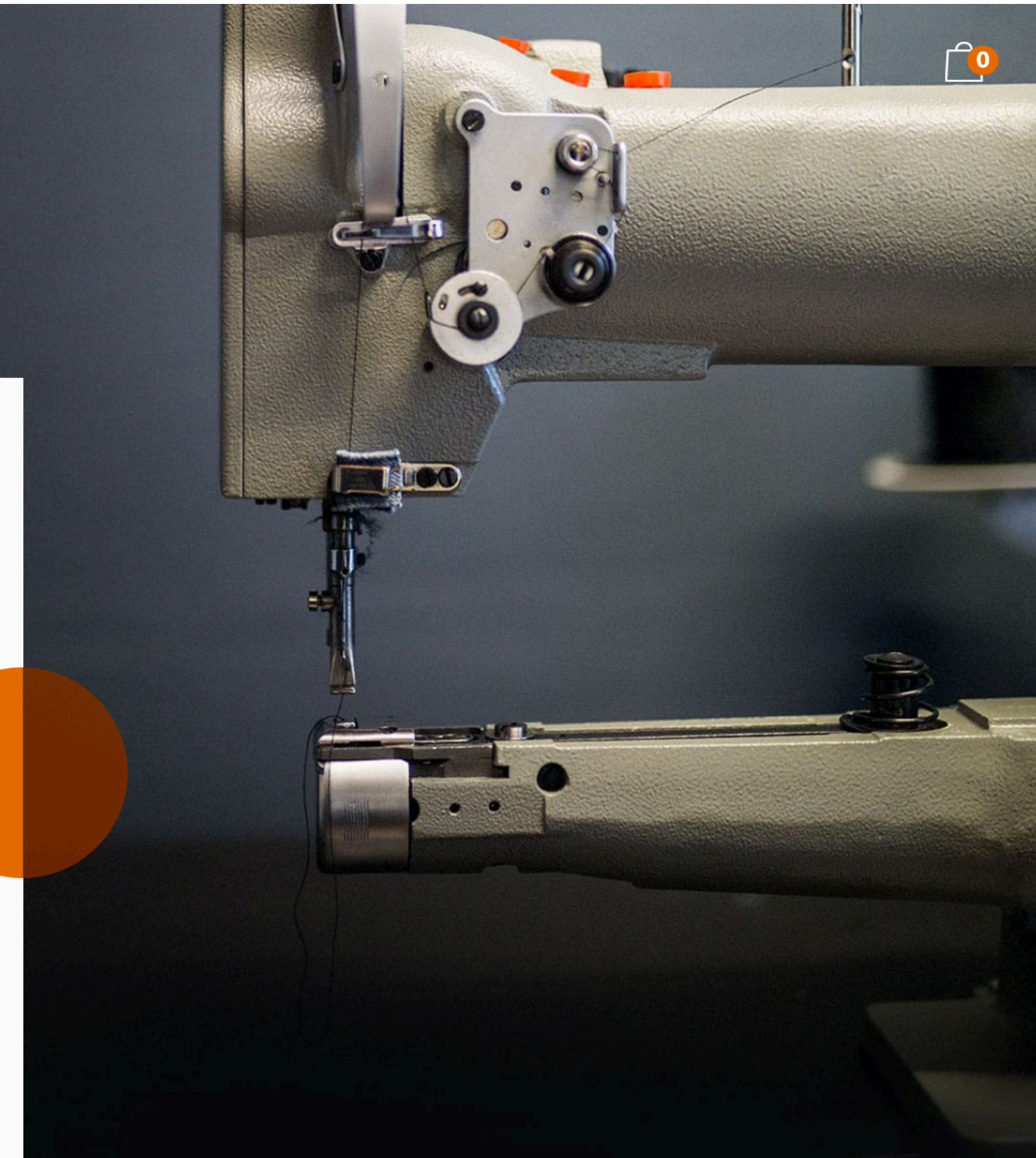
Get the
balance
right

The Journal

Store Locator

Free repairs for life

Every pair of Nudie Jeans
comes with a promise of free
repairs. No matter when or





How Lease

A Jeans

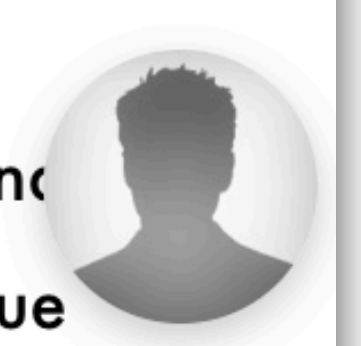
works

– We introduced a pioneering Lease A Jeans model to ensure that we stay the owners of the raw materials and get them back after use.

Lease A Jeans is a formula that keeps the respect of the earth and its resources at its core. Rumor has it; on average, 30% of the garments in our closets have not been worn in almost a

The old ones will be recycled to make new wonderful items. Recycling saves water, resources and waste. We love to hear where you take your jeans. Your adventures create unique MUD stories that live on in our vintage jeans collection.

Thanks to the business model of Lease A Jeans we surround ourselves with a community of forward-thinking people. True



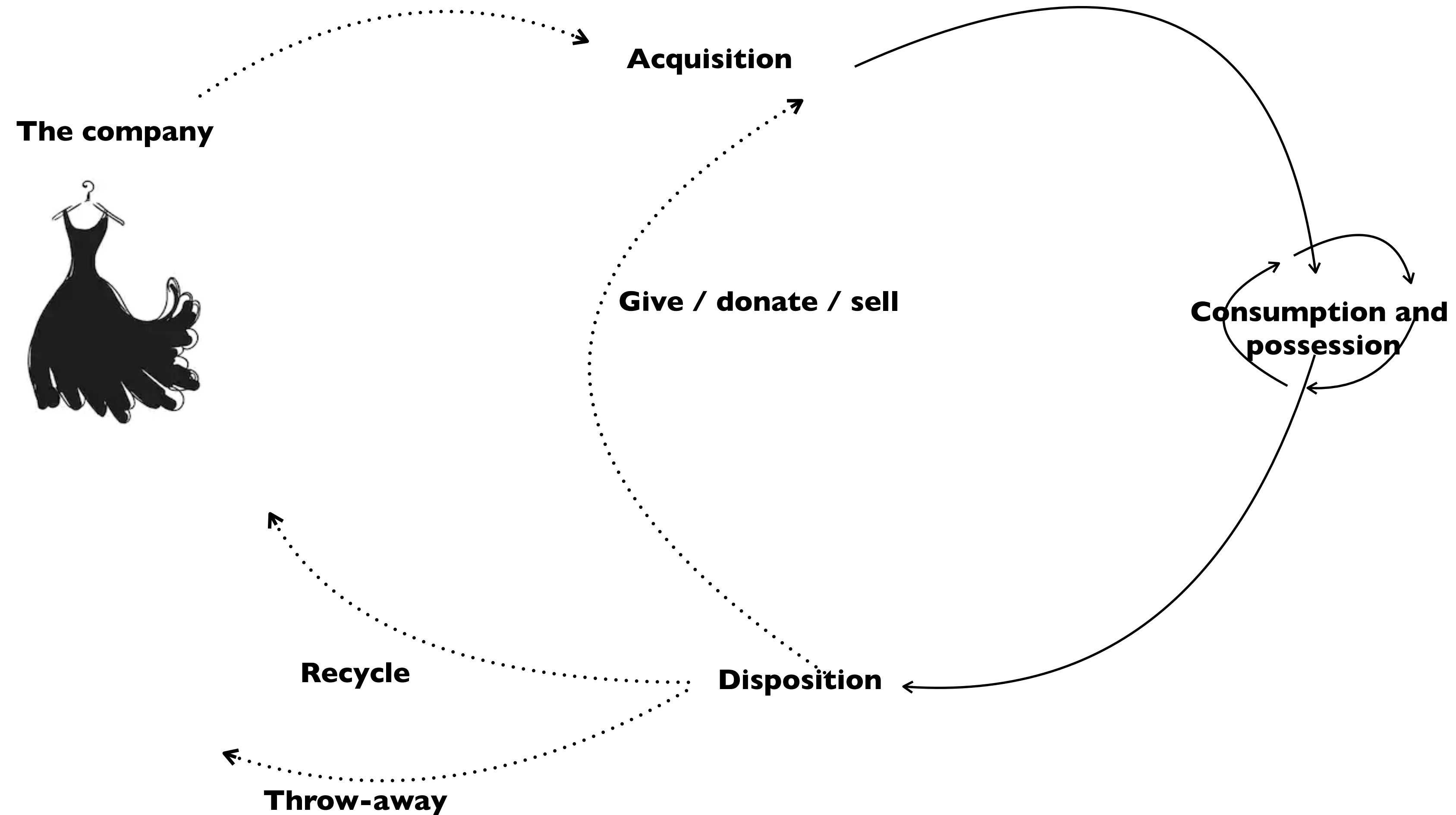
FASHION AS A SERVICE

- Fashion as a service, e.g. short/longterm renting
- More usage times for garments
- Company possess the garment (and takes care of the garment's whole lifecycle)



“You are what you can access.” (Belk 2014)

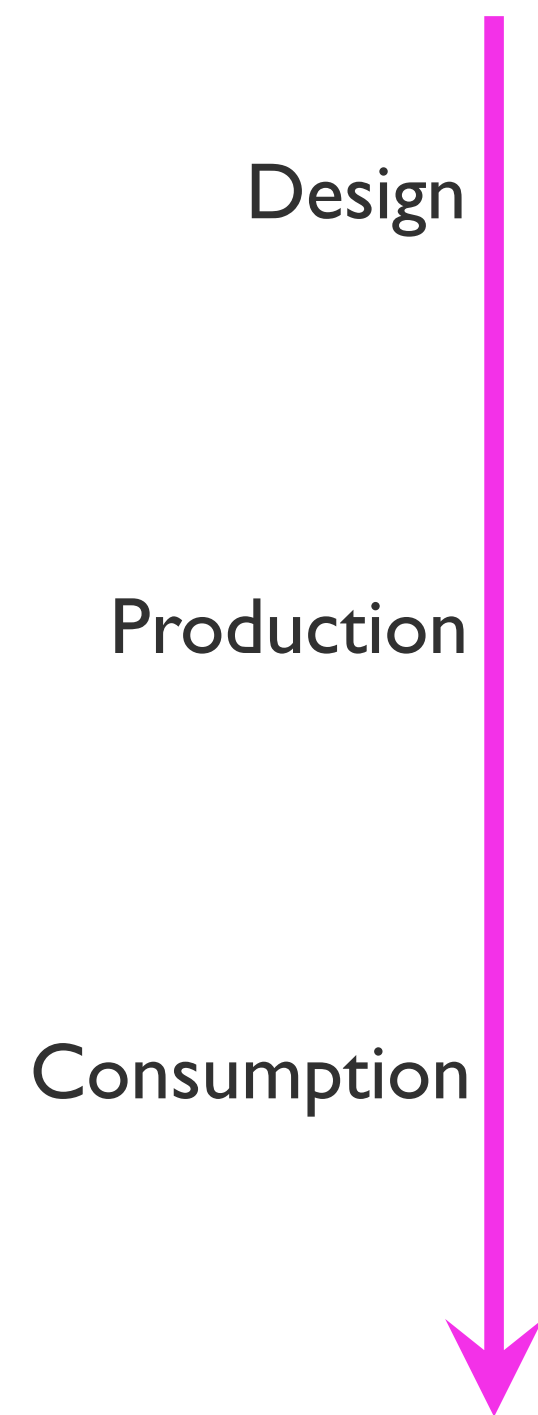
WHERE DOES COMPANY'S RESPONSIBILITY END AND USER'S RESPONSIBILITY START?



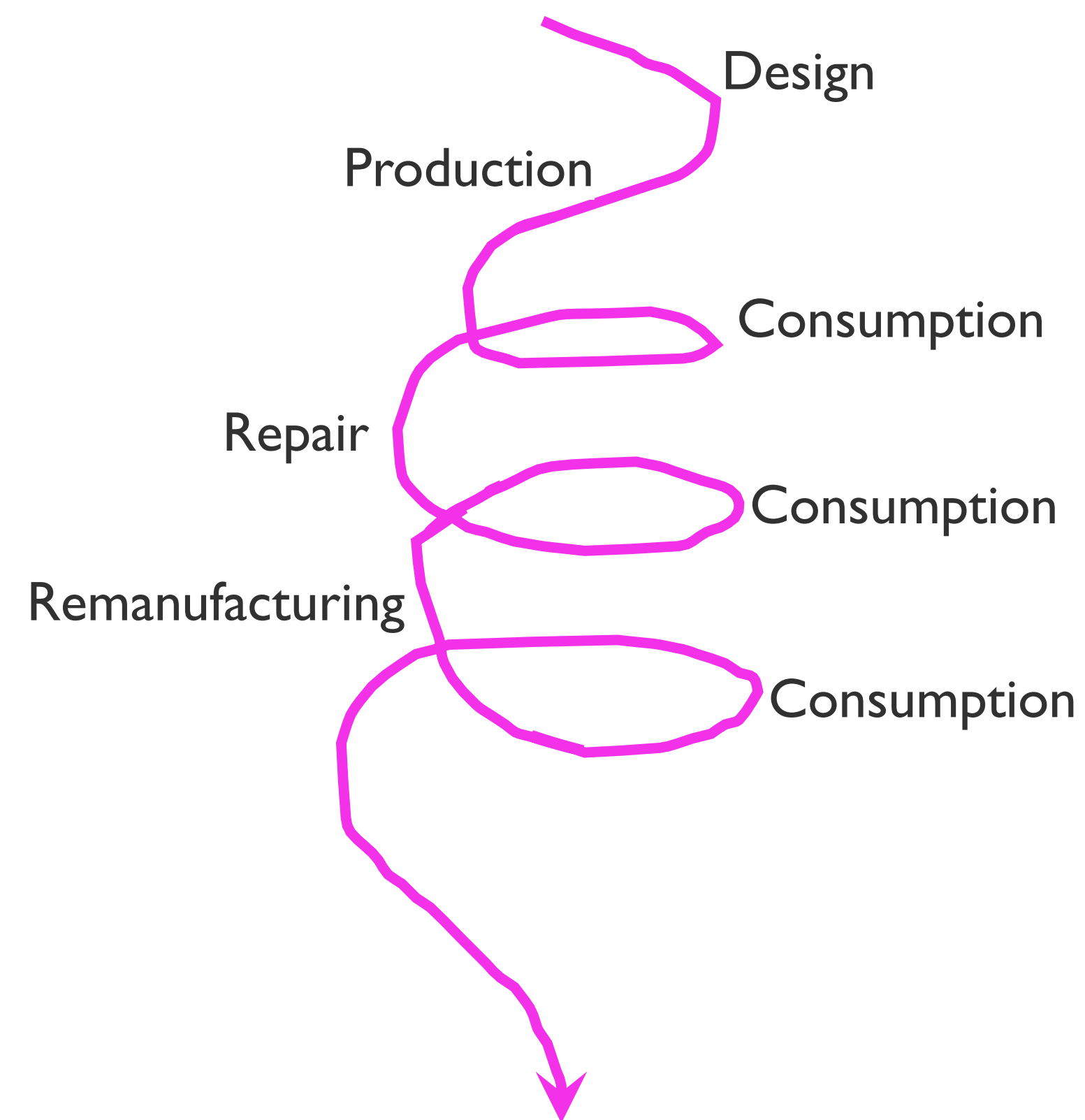


**WASTE MANAGEMENT?
LIFE-CYCLE THINKING?**

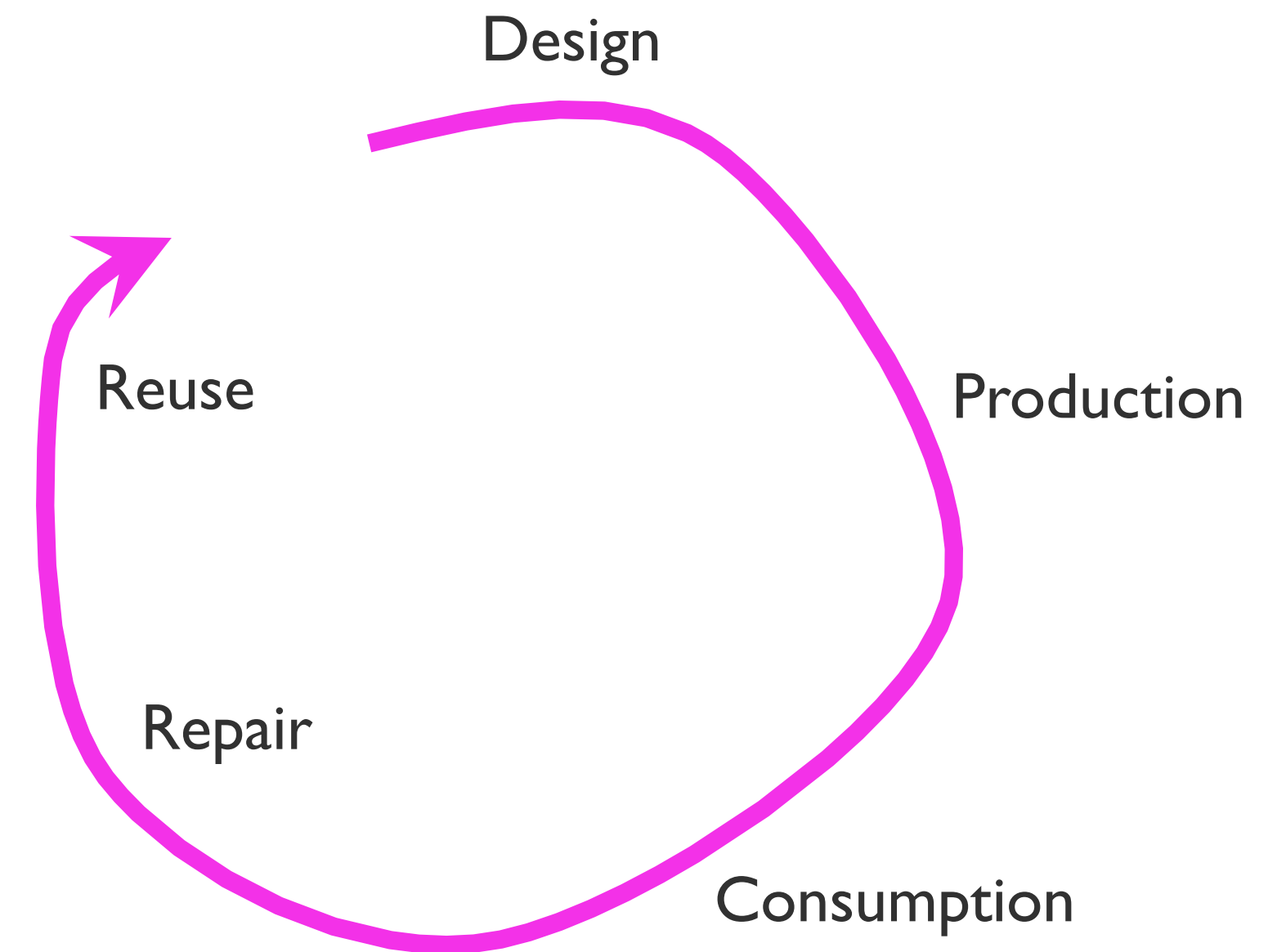
Designing for waste



Designing for longevity



Designing for circularity



Alternative materials, whole system thinking, waste management, product as a service...

Thank you.

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