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# Putting Glam into Green: A Case for Sustainable Luxury Fashion

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Xenya Cherny-Scanlon

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## Abstract

At first sight, luxury and sustainability go together like tofu and caviar. In reality, the two share many of the same values: respect for tradition and craftsmanship, the preference given to quality over quantity and the quest for harmony between humans and nature. With global sales of personal luxury goods exceeding US\$280 billion a year worldwide, the luxury industry can play a leading role in promoting a global transition towards more responsible fashion. High fashion has both significant dependence and impacts in terms of environmental sustainability. Natural materials, such as fine silks and wools, rare leathers and pearls, are sought after by affluent consumers and are closely associated with luxury brands. However, sustainability has an image problem when it comes to fashion. On the one hand, there is mainstream, disposable ‘fast fashion’ that almost everyone desires. And on the other, there is the emerging ‘sustainable’ fashion, which still has a marginal market share and is by and large considered uncool. Is it possible to bridge this huge gap? Are consumers, designers and investors ready to embrace a greener, yet still glamorous, style? The chapter explores sustainability as the source of the luxury fashion industry’s innovation and competitiveness in the twenty-first century.

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## Keywords

Sustainable luxury · Fashion industry · Fast fashion · Image · Innovation · Brand value · Business strategy · Style · Sustainability

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X. Cherny-Scanlon (✉)  
Sustainability Management School (SUMAS), Gland, Switzerland  
e-mail: xenya@greenstiletto.com

## Luxury and Sustainability: From Strange Bedfellows to Natural Allies?

At first sight, luxury and sustainability have little in common: some may even say they go together like tofu and caviar. Indeed, while luxury is often synonymous with excess and conspicuous consumption, sustainability is often associated with ‘scarcity mentality’, the need to restrain our desires and sacrifice our dreams.

For example, Misha Pinkhasov, author of *Real Luxury: How Luxury Brands Can Create Value for the Long Term*, argues that ‘to many, sustainability still means slower, more complicated, less materially satisfying, less profitable. This makes the notion of sustainable luxury seem like a paradox’.<sup>1</sup>

The definition of sustainability itself, contained in the 1987 Our Common Future report of the World Commission on Environment and Development (known as the Brundtland Commission) is ‘meeting the current generation’s needs without compromising those of future generations’.<sup>2</sup>

In reality, however, luxury and sustainability share many of the same values: respect for tradition and craftsmanship, the preference given to quality over quantity and the quest for harmony between humans and nature. In the words of renowned luxury expert Jean-Noël Kapferer, ‘Luxury is at its essence very close to sustainable preoccupations because it is nourished by rarity and beauty and thus has an interest in preserving them’.<sup>3</sup>

Luxury today is a dynamic global industry, with sales of personal luxury goods exceeding US 280 billion a year worldwide. This is a recent self-defined sector composed of some 290 companies and brands.<sup>4</sup>

While many definitions of luxury and luxury goods exist, for the purposes of this article, these are defined as non-essential products which are sold at a premium price, whose supply is naturally limited, and that require a high level of skills and/or craftsmanship along the value chain.

Within the luxury sector, luxury fashion (clothing and accessories) accounts for around US\$150 billion.<sup>5</sup> Some researchers argue that ‘...luxury fashion seems to be a contradiction in terms—as luxury it is supposed to last, but as fashion it is supposed to change frequently’.<sup>6</sup> This is the essence of the ‘luxury fashion’

<sup>1</sup>Pinkhasov, M. (2015) ‘From Sustainable Luxury to Luxurious Sustainability’, *Huffington Post*, 20 April 2015, [www.huffingtonpost.com/misha-pinkhasov/from-sustainable-luxury-t\\_b\\_7069074.html](http://www.huffingtonpost.com/misha-pinkhasov/from-sustainable-luxury-t_b_7069074.html), accessed 25 June 2015.

<sup>2</sup>World Commission on Environment and Development (1987) *Our Common Future* (Oxford, UK: Oxford University Press).

<sup>3</sup>Kapferer, J-N. (2010) ‘All That Glitters Is Not Green: The Challenge of Sustainable Luxury’, *European Business Review*, November–December 2010: 40–45.

<sup>4</sup>Bain & Company, Inc. (2014) *Luxury Goods Worldwide Market Study*, [http://www.bain.com/bainweb/PDFs/Bain\\_Worldwide\\_Luxury\\_Goods\\_Report\\_2014.pdf](http://www.bain.com/bainweb/PDFs/Bain_Worldwide_Luxury_Goods_Report_2014.pdf), accessed 31 October 2015.

<sup>5</sup>Ibid.

<sup>6</sup>Godard, F. and Seong, S. (2015) ‘Is sustainable luxury fashion possible?’, *Sustainable Luxury: Managing Social and Environmental Performance in Iconic Brands* (Sheffield, UK: Greenleaf Publishing).

oxymoron; however, one could argue that sustainability has a major role to play in reconciling these two largely contradictory concepts.

Luxury brands' social and environmental performance—from sourcing of raw materials to working conditions across the industry—is under increasing scrutiny not only by green activists and labour groups, but also governments, industry platforms and the society at large.

Although the direct sustainability impacts of the luxury sector pale in comparison with resource-intensive sectors such as mining, energy, agriculture or transport, it nonetheless has both a great dependence on the raw materials such as precious gemstones, rare textiles and exotic skins and the craftsmanship along its value chain, but also a high potential to influence suppliers and consumers by being an 'aspirational' sector—'the stuff of dreams' for many.

Luxury fashion brands in particular serve as key influencers for the fashion industry—estimated at over \$2 trillion dollars—as a whole. It is therefore important to get these trendsetters to embrace sustainability and to use their massive influence over our planet's seven—going on nine—billion consumers.

Sustainability is a defining trend of the luxury industry in the twenty-first century. More than ever before, the luxury industry is striving for authenticity and redefining its values. There is a growing acknowledgment of the fact that sustainability is a part of luxury DNA and that the industry has an obvious stake in making a transition towards sustainability.

Ultimately, the essence of luxury is taking time to create long-term value—which is impossible without taking sustainability on board. Rather than being seen as strange bedfellows, luxury and sustainability must become natural allies in our quest for a more responsible production and consumption.

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## **Of Furs and Feathers—Nature and High Fashion Through the Years**

Ever since our ancestors used animal hides to protect themselves from the cold and the elements, the relationship between humans, nature and fashion has been one of the great interdependence and constant reinvention.

In ancient times, luxurious clothes were used to assert high social status and wealth, as well as to display one's refined taste. In many civilizations, the use of certain fashions or fibres was restricted to royalty, aristocracy and religious leaders. For example, Jason and his Argonauts set off on their perilous journey in search of the Golden Fleece, a symbol of authority and kingship. The legend has it that Chinese empress Lei Zu was the inventor of sericulture, thus starting the country's profitable silk trade and connecting China to the rest of the world.

In Latin America, the fine wool of a small animal *vicuña* was known as 'the fibre of gods', to be worn exclusively by Inca emperors. In seventeenth-century France, Louis XIV increased and emphasized fashion's importance by making it a part of social edict: the more expensively and fashionably dressed, the more important one was in the King's court. And in the nineteenth-century United States, the concern

over fashion's excessive use of birds' feathers as decorations for women's hats spurred the creation of one of the oldest nature conservation organizations, the Audubon Society. In recent decades, the use of animal hides, particularly fur, in the fashion and luxury industry has been a major bone of contention.

Nature is very often the source of the fashion industry's inspiration and profits. Natural materials, such as fine silks and wools, rare leathers and pearls, are sought after by affluent consumers and are closely associated with luxury brands. For example, a high-end crocodile handbag can fetch up to US\$300,000, and the price of a vicuña wool scarf starts at around US\$1,000.

Furthermore, numerous luxury brands capitalize on the enduring appeal of the wild by using charismatic animals in their marketing and branding strategies, and sometimes turning them into corporate logos—Jaguar and its famous 'leaper' and Lacoste with its signature crocodile are just two obvious examples.

**Box: Vicuña**

*Vicuña is the smallest member of the Camelidae family, a cousin of llamas and alpacas. Considered as 'the fibre of gods' by the Incas, vicuña's unique and precious fleece was used exclusively to produce emperors' clothes. The ritual shearing of the animals, known as 'chaccu', took place every three to five years, after which the animals were released back into the wild.*

*Following the European conquest, vicuña were nearly driven to extinction due to indiscriminate slaughter. By 1960, some 6000 individuals remained out of an estimated two million 500 years earlier. In response to the perilous state of vicuña populations, the Andean countries signed the Convention for the Conservation of Vicuña in 1969. Following the entry into force of CITES, international trade in vicuña was prohibited in 1975.*

*By 1987, some populations had recovered so significantly that trade in cloth made from wool sheared from live animals was partially reopened. A further break-through for vicuña was achieved when the government of Peru, assisted by CITES, gave local communities the legal rights to manage vicuña populations and benefit from trade, as long as they protected the animals from poaching.*

*In 1994, the International Vicuña Consortium, comprised of three companies, including Agnona (which was later acquired by the Ermenegildo Zegna Group) and Loro Piana, received the first authorization of legal vicuña trade from Peru. In the words of Paolo Zegna, chair of the Zegna Group: 'The reappearance of the vicuña on the international market, free of any moral concern, was greeted with enthusiasm by our customers'.*

*Today, the Peruvian vicuña population, estimated at a healthy 190,000, is farmed sustainably to the benefit of local communities, the environment and the luxury industry. While certain benefit-sharing issues have not been fully resolved, vicuña is a hallmark example of sustainable sourcing of a luxury product entirely from the wild.*

With technology poised to change the way we dress in the future, fashion designers are also experimenting with innovative fabrics that take their cue from the natural world. Biomimicry brings nature and technology together to create exciting new fabrics that are smarter and more sustainable. Some existing examples include a light-reflecting fabric that imitates the microscopic structure of the blue Morpho butterfly wing using nanotechnology; flame-resistant clothing suitable for firefighters' jackets and children's sleepwear produced with chitosan found in crab shells; and water-repellent and self-cleaning materials and fabrics inspired by the lotus leaf.<sup>7</sup>

3D printing technology, already used in the textile industry, has a yet untapped sustainability potential. For example, imagine a 3D printer with cartridges for proteins, carbohydrates and minerals instead of ink that, layer by microscopic layer, create new materials with precisely tuned functionality based on the principles gleaned from nature's billion-year R&D portfolio.

It is clear that we have only scratched the surface of nature's infinite ability to provide solutions for smarter, stronger and more sustainable fabrics. To quote biomimicry pioneer Janine Benyus, 'We realize that all our inventions have already appeared in nature in a more elegant form and at a lot less cost to the planet'.

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## The Rise—and Fall?—of 'Fast Fashion'

Over the last couple of decades, our relationship with fashion has changed dramatically. The good news is that fashion has become more accessible. On the whole, clothes have become increasingly cheaper.

Today, we spend much less of our household budgets on clothes and footwear than say 50 years ago. As a consequence, we buy more and more of them and wear them less and less. An average European sends 15 kilos of textiles per year to landfill. Even in Scandinavia, which has some of the world's highest recycling rates, only 3 % of clothes are recycled. At the high end of the fashion industry, unsold stock from designer collections is routinely destroyed at the end of each season in order to preserve 'brand exclusivity'.

Fashion is one of the most polluter in the world, second only to oil in terms of its environmental impact.<sup>8</sup> One-quarter of chemicals produced worldwide are used for textiles, and the industry is often noted as the number two polluter of clean water—after agriculture. The apparel sector's total natural capital cost is estimated to be

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<sup>7</sup>Cherny-Scanlon, X. (2014) 'Seven fabrics inspired by nature: from the lotus leaf to butterflies and sharks', *Guardian Sustainable Fashion*, 29 July 2014, <http://www.theguardian.com/sustainable-business/sustainable-fashion-blog/nature-fabrics-fashion-industry-biomimicry>, accessed 16 October 2015.

<sup>8</sup>Fibre2Fashion (2012) *Changing the world through fashion at Rio+20* [http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\\_id=112382](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=112382), accessed 1 September 2015.

more than US\$40 billion per year, equivalent to more than 6 % of the sector's revenue.<sup>9</sup>

The biggest sustainability challenges in the fashion industry are associated with the so-called 'fast fashion' model, which stands for disposable, cheap fashion delivered from the runway to the consumer as quickly as possible, often at a high social and environmental cost.<sup>10</sup>

While 'fast fashion' was initially aimed at cutting costs for mass consumer, a growing number of luxury fashion brands are also adopting the 'fast fashion' business model by cutting production cycles and outsourcing manufacturing to lower-cost countries, predominately in Asia. To draw a comparison in the category of fashion, Chanel—which still manufactures in Europe—produces eight collections per year compared to 26 at Zara, and the time-to-market is six weeks, twice as long as Zara's but still extremely tight.

To counter the 'fast fashion' trend, the concept of 'slow fashion'—a term coined by Kate Fletcher of the Centre for Sustainable Fashion and borrowed from the well-established 'slow food' movement—has emerged as a way to make us rethink our attitude to clothing.

The 2013 Rana Plaza tragedy in which over 1000 people died in a single garment factory collapse in Bangladesh opened many consumers' eyes to the harsh realities of \$5 t-shirts and gave rise to greater cooperation on improving working conditions in the global apparel industry.

Although there were no high-end fashion brands visible in the ruins of Rana Plaza, outsourcing production means that any so-called 'luxury' fashion brand may run the same risk in the future. Meanwhile, Greenpeace's Detox Fashion campaign exposed several luxury companies (e.g. Prada, Dior, Versace) for their role in causing toxic pollution in China.<sup>11</sup>

For many, Rana Plaza was a turning point. And as a result of this tragedy, many more consumers and industry players—from high street to haute couture—have begun looking for more ethically and environmentally responsible fashion. A 'Fashion Revolution Day' aimed at raising consumer awareness about the true cost of fashion and catalyzing an industry-wide change—is now observed on 24 April, the anniversary of Rana Plaza, in over 80 countries.

In response to these concerns as well as pressure from environmental and labour groups, more and more companies in the apparel sector are developing sustainability strategies and programmes. These include commitments to a 'living wage' for workers and elimination of child labour on the social side; 'zero discharge' of

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<sup>9</sup>Trucost (2014) Natural and social capital accounting in the apparel sector white paper [http://www.trucost.com/uploads/publishedResearch/CDP\\_images/SFA\\_GLASA\\_WhitePaper\\_NaturalCapitalAccountingintheApparelSector\\_DRAFT%20for%20public%20consultation.pdf](http://www.trucost.com/uploads/publishedResearch/CDP_images/SFA_GLASA_WhitePaper_NaturalCapitalAccountingintheApparelSector_DRAFT%20for%20public%20consultation.pdf), accessed 1 September 2015.

<sup>10</sup>Siegle, L. (2011) *To Die For: Is Fashion Wearing Out the World?* (London, UK: Fourth Estate).

<sup>11</sup>Greenpeace International (2014) *A Little Story about a Fashionable Lie: Hazardous chemicals in luxury branded clothing for children* (Amsterdam, The Netherlands: Greenpeace International).

toxic chemicals; and various carbon, water and waste reduction targets on the environmental side.

Industry-wide cooperation is also on the rise exemplified by initiatives such as Sustainable Apparel Coalition, which represents one-third of the global market share for clothing production, or UK-based Sustainable Clothing Action Plan, which brings together 12 key retailers with a combined 30 % share of the country's clothing retail market.

In continental Europe, industry bodies such as the Danish Fashion Institute and the Italian Chamber of Fashion have spearheaded initiatives on sustainability in the fashion industry. More and more design schools—from Parsons School of Design in New York City to Central Saint Martins in London—are including sustainability in their curricula. French fashion school ESMOD has launched a programme in its Berlin campus entirely dedicated to sustainable fashion.

Furthermore, the past decade has seen a growth in the numbers of fashion brands that have ethical and environmental concerns at the core of their DNA. More and more consumers care about where their products come from, and sustainability is a crucial factor in deciding which brands they buy from. Several initiatives, for example MADE-BY, Fashion Footprint and Positive Luxury, seek to highlight companies and brands that 'do good'. However 'ethical fashion' still accounts for a marginal market share overall.<sup>12</sup>

In April 2014, the fashion industry came together for the Copenhagen Fashion Summit held under the patronage of HRH Crown Princess Mary of Denmark, which stands at the largest sustainability event in the industry to date.

Meanwhile, high-end consumers are experiencing a growing fatigue with the 'run-of-the-mill' luxury fashion goods and are increasingly on the lookout for unique pieces that underscore their individuality and tell a positive and compelling story that reflects their values.

To quote Vanessa Friedman, fashion director and chief fashion critic of the New York Times, '...the battle for consumers isn't just about making new stuff, but a battle for hearts and minds. It's not enough to just open gorgeous new stores in emerging markets; you have to demonstrate, publicly and meaningfully, a commitment to a value system too'.

Today, luxury and premium fashion brands have a unique opportunity to embrace sustainability as an antidote to the 'fast fashion' model. Buying less and buying better, as British fashion designer Vivienne Westwood professed, should become the motto for twenty-first century fashion.

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<sup>12</sup>Ditty, S. (2013) *The SOURCE Summit report 2013*, Ethical Fashion Forum <http://www.ethicalfashionforum.com> Accessed 13 September 2015.

## Overcoming the Birkenstock Syndrome

When it comes to fashion, sustainability has an image problem. As a recent article in *The Guardian* argued, ‘the essential idea of sustainability—that we must endure, perpetuate, hold on to the past and drag it into the future—is about as exciting as watching lettuce wilt under the midday sun’.<sup>13</sup> And it seems that the fashion industry got the same memo that sustainability means boring.

This perception may have something to do with the beginnings of sustainable fashion. To quote Sandy Black, the author of *Eco-Chic: The Fashion Paradox*, ‘Environmentalism is still associated with the ‘new age’ look of the 1990s, with natural hemp and wooden love beads, or with the traveller trends of dreadlocks, combat gear and Peruvian sweaters’.<sup>14</sup>

This is what has become known as the ‘Birkenstock syndrome’: the comfortable sandal favoured by hippies and eco-warriors. They could well be the best shoes for your feet, but they were shunned by fashionistas for years due to their perceived ‘ugliness’. The same perception has plagued sustainable fashion for years: yes the clothes may be fair trade, organic and ethical, but they did not quite live up to the industry’s high aesthetic standard.

As Olivia Wilde, the face of H&M’s Conscious collection, told WWD in a recent interview, ‘Sustainability has got a bad reputation, especially in fashion. I think people assume the clothes will be dull, the fabrics uncomfortable and the design uninspiring. It’s like people think sustainability is a penance. This couldn’t be further from the truth, and the H&M Conscious Exclusive collection shows that sustainability is no compromise on style’.<sup>15</sup>

**Box: *The Journey of Birkenstocks (Adapted from the New Yorker Article Sole Cycle by Rebecca Mead)*<sup>16</sup>**

*Birkenstocks have come a long way from a niche German brand to a global fashion phenomenon. The Birkenstock company traces its roots to 1774, when Johann Adam Birkenstock registered in Langen-Bergheim, a town outside Frankfurt, as a shoemaker. At the turn of the twentieth century, a descendant named Konrad Birkenstock brought major innovation to the business: industrially produced shoes with insoles that were contoured to fit and support the foot, earning the company’s reputation as an orthopedic authority. The company’s first sandal, called the Madrid, was conceived with*

<sup>13</sup>Visser, W. (2013) ‘The sustainability movement faces extinction—what could save it?’, *Guardian Sustainable Business*, 30 September 2013, <http://www.theguardian.com/sustainable-business/sustainability-movement-faces-extinction>, accessed 21 October 2015.

<sup>14</sup>Black, S. (2008) *Eco-chic: The Fashion Paradox* (London, UK: Black Dog Publishing).

<sup>15</sup>Diderich, J. (2015) ‘Olivia Wilde Fronts H&M’s Conscious Exclusive Ad Campaign’, *WWD*, 16 March 2015, <http://wwd.com/media-news/fashion-memopad/olivia-wilde-fronts-hms-conscious-exclusive-ad-campaign-10096395/>, accessed 1 November 2015.

<sup>16</sup>Mead, R. (2015) ‘Sole Cycle’, *The New Yorker Magazine*, 23 March 2015.



*exercise rather than fashion in mind: the shoe was supposed to feel as if it would fall off unless the wearer constantly gripped the contoured toe bar, toning the calf muscle in the process.*

*Birkenstocks' global expansion would not have been possible without Margot Fraser, a German dressmaker living in the United States. In 1966, on a trip back to Germany, she bought a pair of Madrid sandals to help with her foot pain. She introduced the sandal to the American market, initially selling them through health food stores. A transatlantic leap has been achieved.*

*Since then, Birkenstocks have been in and out of fashion. In 1990, Kate Moss was photographed wearing a pair of Birkenstock sandals and Marc Jacobs used them for his 1992 grunge collection. And in 2012, the sandals—this time lined with fur—made a surprise comeback thanks to Phoebe Philo, Céline's creative director. Her 'Furkenstocks' became a hot item, and those previously berating them suddenly found themselves snapping up a pair. Even Vogue paid homage to the sandal in its article "Pretty Ugly: Why Vogue Girls Have Fallen for Birkenstock."*

Sustainable fashion has come a long way since its early days of shapeless hemp jumpers and itchy woolly socks. Today, it is a vibrant, diverse and truly international movement. It is predominately oriented towards women at a mid-point market and offers anything from fair trade basics to exquisite eco-luxe creations.

However, in the eyes of consumers, sustainable fashion is still lagging behind. Some luxury consumers, for instance, believe that achieving sustainability means compromising product quality. British fashion designer Stella McCartney, who is well known for her no-fur, no-leather stance, has admitted in a recent interview with *Business of Fashion* that there are still limited non-leather materials suitable for making high-fashion accessories.<sup>17</sup>

To prove that sustainability can be glamorous, Livia Firth, the wife of the Oscar-winning British actor Colin Firth, has launched the Green Carpet Challenge (GCC), which may have done more to raise awareness and improve the image of sustainable luxury fashion than any other initiative. It was thanks to GCC that mainstream designers such as Tom Ford and Victoria Beckham first dabbled in sustainability, while celebrities such as *The Devil Wears Prada* star Meryl Streep wore eco-creations on the red carpet for the first time.

There is also a rediscovery of artisanal traditions ranging from British lace and needlework exemplified in the Duchess of Cambridge's wedding dress by Sarah Burton for Alexander McQueen to Masai beading used in accessories by leading fashion brands including Vivienne Westwood through the UN-backed Ethical

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<sup>17</sup>Amed, I. (2015) 'Stella McCartney: Change Agent', *Business of Fashion*, 29 March 2015, [www.businessoffashion.com/community/voices/discussions/can-fashion-industry-become-sustainable/stella-mccartney-change-agent](http://www.businessoffashion.com/community/voices/discussions/can-fashion-industry-become-sustainable/stella-mccartney-change-agent), accessed 26 June 2015.

Fashion Initiative. Some brands are already focusing on the revival of artisanal traditions in their collections.

Artisanal skills from around the world are in an increasingly high demand, and inter-generational knowledge transfer is something that luxury brands are well positioned to foster. For example, Hermès Foundation supports projects that promote transmission of skills and know-how ranging from sericulture (the production of silk) to tapestry.

Another promising development in recent years is the emergence of the so-called aspirationals, people who are image conscious but also care about the impact of their purchasing decisions on the environment. They represent one-third of the market, and this is not a number to be trifled with.<sup>18</sup>

As for luxury buyers, their views and actions with regard to sustainable development are highly polarized.<sup>19</sup> However, looking at the statistics from a glass-half-full perspective, one could argue that 49 versus 37 % are already actively engaged in sustainability issues with an additional 14 % primed to do so in the near future. Another ongoing study indicates that Millennials in particular view sustainability as a 'hygiene' factor for luxury brands.

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## Putting Glam into Green: Luxury Fashion's Sustainable Future

For a small, yet growing, number of thought leaders and game changers within and outside the industry, sustainable luxury is *the* opportunity.

The US-based brand Maiyet, which takes its name from the Egyptian goddess of harmony, searches the world for the unique materials and craftsmanship for its clothes and accessories. In partnership with Nest, an independent non-profit organization, Maiyet is working on training and developing artisan businesses. To show how fashion can be both glam and green, Maiyet uses celebrities like Daria Werbowy and the Slumdog millionaire star Frieda Pinto as brand ambassadors.

Kering is the world's third largest luxury group after LVMH and Richemont, with combined annual sales of over US\$10 billion. In 2013, Kering pioneered a group-wide Environmental Profit & Loss Account (EP&L), which values the environmental impacts of a business, across its entire supply chain. Expressing the scale of impacts in monetary terms, it enables companies to consider environmental impacts alongside conventional business costs and place sustainability at the core of business decisions.<sup>20</sup>

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<sup>18</sup>BBMG, GlobeScan, SustainAbility (2012) Re:Thinking Consumption: Consumers and the Future of Sustainability <http://www.globescan.com/component/docman/?task=document.viewdoc&id=51&Itemid=0>, accessed 3 September 2015.

<sup>19</sup>Kapferer and Michaut-Denizeau (2013) 'Is luxury compatible with sustainability? Luxury consumers' viewpoint', *Journal of Brand Management*, 1 November 2013: 1–22.

<sup>20</sup>Kering (2015) *Kering Environmental Profit & Loss: Methodology and 2013 Group Results* (Paris, France: Kering).

The move is part of Kering's broader sustainability strategy, which includes ambitious targets for eliminating harmful chemicals from production, auditing suppliers, offsetting CO<sub>2</sub> emissions and reducing waste. Thanks to these actions, Kering has been recognized as an industry leader in the 2015 Dow Jones Sustainability Indices (DJSI) World and Europe, heading up the Textiles, Apparel & Luxury Goods sector for the second consecutive year.

One of Kering's most successful brands is Stella McCartney. A life-long vegan and animal rights activist, Stella McCartney, has established herself as a leading name in the fashion industry and an advocate for cruelty-free fashion. She is famous for not using any animal leather or fur in her creations and has supported numerous environmental causes over the years, all the while making a profound impact on fashion for years to come. Stella McCartney remains to this day the only sizeable sustainable luxury brand with annual revenue around \$200 million and presence in 70 countries (including 30 directly operated stores).

The majority of sustainability decisions are made at the design stage, with designers influencing up to 80 % of a product's environmental impact. Honest By was founded by Belgian designer Bruno Pieters who started out at Hugo Boss but was soon outraged by the luxury fashion's high mark-ups, up to 6000 % of the real cost of garments. So, he founded Honest By, which is the first luxury fashion brand to guarantee full price transparency. On Honest By website, one can find a detailed list of all the costs—from the in-soles of the shoes to the wages paid to the workers—that make up the brand's truly honest price.

Scandinavia is a region that has recently made its mark on the fashion scene—from H&M, world's second-biggest fashion retailer, to many more globally successful designer brands such as Acne Studios and By Malene Birger. Many Nordic countries look to sustainable fashion as the region's USP. After the new Nordic cuisine took the world by storm, could now be the turn for the new Nordic fashion?

According to the General Secretary of the Nordic Council of Ministers, Dagfinn Høybråten, 'If we can lead the way in the Nordic countries when it comes to sustainable thinking in design and fashion, we will have a competitive advantage from it, besides the fact that we are contributing to a better world'.<sup>21</sup>

**Box: NICE Fashion Code<sup>22</sup>**

*Nordic Initiative Clean & Ethical (NICE) is a project led by the Danish Fashion Institute (DAFI) in collaboration with DAFI's sister organization, Nordic Fashion Association. Initiated in 2008, NICE has the goal of motivating and assisting fashion companies in their efforts to implement sustainable business practices. Organized by DAFI, the Copenhagen Fashion Summit serves as the world's largest biennial sustainable fashion conference*

<sup>21</sup>Norden.org (2014) 'New Nordic fashion on show', 31 July 2014, <http://www.norden.org/en/news-and-events/news/new-nordic-fashion-on-show>, accessed 31 October 2015.

<sup>22</sup>Nordic Fashion Association (2015) <http://nordicfashionassociation.com/nice>, accessed 31 October 2015.

*with participants consisting international industry professionals, politicians, sustainable experts and NGOs.*

*The NICE 10-Year Plan is a collaborative effort between the five Nordic countries (Denmark, Finland, Iceland, Norway and Sweden) to create and promote a sustainable and ethical Nordic fashion industry. The collaborative effort aligns the intentions of the Nordic countries, thereby generating a common vision and common actions towards sustainable practices. The initial plan examines five critical areas in need of advancement: labour and ethics, water, chemical and dyes, carbon dioxide emissions and waste.*

*In 2012, DAFI developed a NICE Code of Conduct and Manual used as a guide for the fashion and textile sector to ensure effective implementation of various sustainability programmes with a view to promoting higher levels of sustainability performance across the industry. The NICE Code of Conduct and Manual is built upon the UN Global Compact's Ten Principles, thus striving for alignment with international standards and universal principles, and provides additional specificity from a sectoral perspective.*

*To further spread awareness and dialogue of sustainable fashion, NICE also developed Nicefashion.org, an online forum for consumers, designers and textile companies to share resources and information. The aim of Nicefashion.org is to transform the supply chain by inspiring industry professionals to design and supply ethically, while simultaneously informing consumers on the proper care of garments and the benefit of prolonged use of items.*

### **Questions for Discussion:**

- How do you think the industry and consumers can work together to promote sustainable fashion? What should be their respective roles?
- Why do you think Nordic countries believe sustainable fashion presents a competitive advantage for their region? What opportunities do you see in your country or region for making the case for sustainable fashion from a business perspective?
- Do you think the fashion industry needs tighter regulations at the international level? If yes, who should take the lead in developing these? If not, why?

Today, we are on the cusp of a major transition towards a more responsible fashion industry—from high street to haute couture. According to model Lily Cole, who embraced sustainable fashion early on, and has since launched impossible.-com, an online shop selling ethically produced clothes and accessories, ‘...ethics seems to have become the new fashion trend. Who had heard of organic food ten years ago, let alone organic or fair trade clothing three years ago? These are important changes as we begin to recognize and appreciate the scale to which the small things we do produce consequences on a larger scale’.

However, in order to achieve that transition, several shifts need to occur within and outside the luxury fashion sector.

First, in order to shift consumers’ attitudes towards sustainable luxury fashion, sustainability should be a unique selling point (USP), but not *the* USP—because high-end fashion is, first and foremost, an expression of personal style and an aesthetic choice. Brands simply touting their eco-credentials are likely to remain a niche offering for the ‘green’ consumer—the so-called ‘Waitrose 10 %’.

Second, technology is the next frontier for sustainability, which has the potential to minimize negative impacts, unleash creativity and provide added benefits to the consumer. At the same time, technological innovation must go hand-in-hand with preservation of unique skills and traditional know-how, which will continue to be an essential attribute of luxury. The recent collaboration between Apple and Hermès to create a high-end iWatch is a good illustration of how technology and craftsmanship can go together.

Third, to achieve a step change, industry and sustainability professionals must learn from each other—and keep an open mind. Companies must learn from sustainability professionals how to ‘close the loop’ in their operations and become more. The recent multi-stakeholder effort to define and measure the so-called ‘natural capital’ in a range of sectors, notably apparel, is a good step forward in this regard. And vice versa, sustainable brands must greatly improve their business skills to ensure their economic viability. ‘Until sustainable designers learn to think about business in the same way their non-sustainable competitors do, they’ll lose, even to inferior products’, writes Carmel Hagan.

Fourth, luxury fashion brands must look beyond the product by offering a vision of a more sustainable lifestyle. To quote *Business of Fashion* Founder Editor-in-Chief Imran Amed, ‘...in order to thrive, fashion brands must think deeply about how they engage with consumers and provide experiences and fulfillment that goes beyond glossy, marketing-driven aspiration. Fashion is now competing with other sectors, whose products bring meaning and joy to the lives of consumers. Yet another reason to reconsider the formulaic fashion business model’. One such example is Goop, an online platform launched by actress-turned-lifestyle guru Gwyneth Paltrow, which blends Hollywood glamour with healthy living tips.<sup>23</sup>

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<sup>23</sup>Amed, I. (2015) ‘A Reality Check for Fashion’s Status Quo’, *Business of Fashion*, 29 May 2015, <http://www.businessoffashion.com/articles/week-in-review/a-reality-check-for-fashion-status-quo>, accessed 31 October 2015.

Finally, the big question—debated at the 1.618 Sustainable Luxury Conference in Paris—is whether sustainability is merely a response to outside pressure or a driver of creativity and innovation. For the author, it is definitely the latter. By embracing sustainability as a business opportunity, luxury companies can change the often prevalent ‘scarcity thinking’ into a ‘blue ocean’ strategy by unlocking new markets and sources of growth.

### Questions for Discussion:

- Why do you think people across cultures and generations are attracted to luxury? Are their attitudes towards luxury changing? If so, how?
- In your view, where would sustainability action be more impactful: at the mass market, ‘fast fashion’ level or in high-end fashion segment?
- How do you think communications professionals can help promote the idea of green-and-glam fashion? How can one avoid the pitfalls of ‘greenwashing’?

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## Chapter Summary

### **Introduction: *Luxury and sustainability—from strange bedfellows to natural allies?***

- The concepts of luxury and sustainability and their compatibility
- Key sustainability considerations for luxury brands
- Sustainability as a key trend shaping the luxury industry

### ***Of furs and feathers—nature and high fashion through the years***

- The evolution of fashion’s relationship with nature
- Nature as the source of luxury fashion’s appeal and profits
- Fashion innovation coming from nature

### ***The rise—and fall?—of ‘fast fashion’***

- ‘Fast fashion’ phenomenon and its social, economic and environmental impacts
- Ongoing efforts towards a more responsible fashion industry
- Opportunity for luxury fashion brands to embrace sustainability as an antidote to ‘fast fashion’ model

***Overcoming the ‘Birkenstock syndrome’***

- The beginnings of sustainable fashion: Birkenstocks and itchy socks
- Consumer perceptions of sustainable fashion: still lagging behind

***Putting glam into green: luxury fashion’s sustainable future***

- The role of responsible leaders in sustainable luxury
- Examples of fashion brands that blend style and sustainability
- Key success factors for sustainable luxury fashion brands