

Sustainable Fashion Business Model

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FASHION IS....



TOP
UNSUSTAINABLE
SECTOR AFTER OIL
INDUSTRY

..AND
MULTIPLE
STAKEHOLDER
TENSIONS

..OF OFFERING FAST &
DIFFERENTIAL
CLOTHING WHILE
MAINTAINING SOCIAL &
ENVIRONMENTAL
RESPONSIBILITIES

FASHION BUSINESS
MODELS OPERATE ON
COMPLEX SUPPLY
CHAINS AND MASS
MARKETIZATION...

IT'S TIME TO CHANGE IT.

“The actual business model in fashion is completely unsustainable. Unless you change that model, you can't change anything”.

The True Cost 2015

SUSTAINABLE BUSINESS MODEL IS THE SOLUTION

IT WILL ALLOW:

PARADIGM SHIFT

***COMPANY
STAKEHOLDER
RESPONSIBILITY***

IT'S TIME TO REPLACE
CSR AS CORPORATE
SOCIAL RESPONSIBILITY
WITH **COMPANY
STAKEHOLDER
RESPONSIBILITY**

***CLOSING
ATTITUDE-
BEHAVIOR GAP***

WE NEED TO HELP
WITH BRINGING
SUSTAINABLE
CONSCIOUSNESS INTO
ACTION AND
EVERYDAY CHOICES

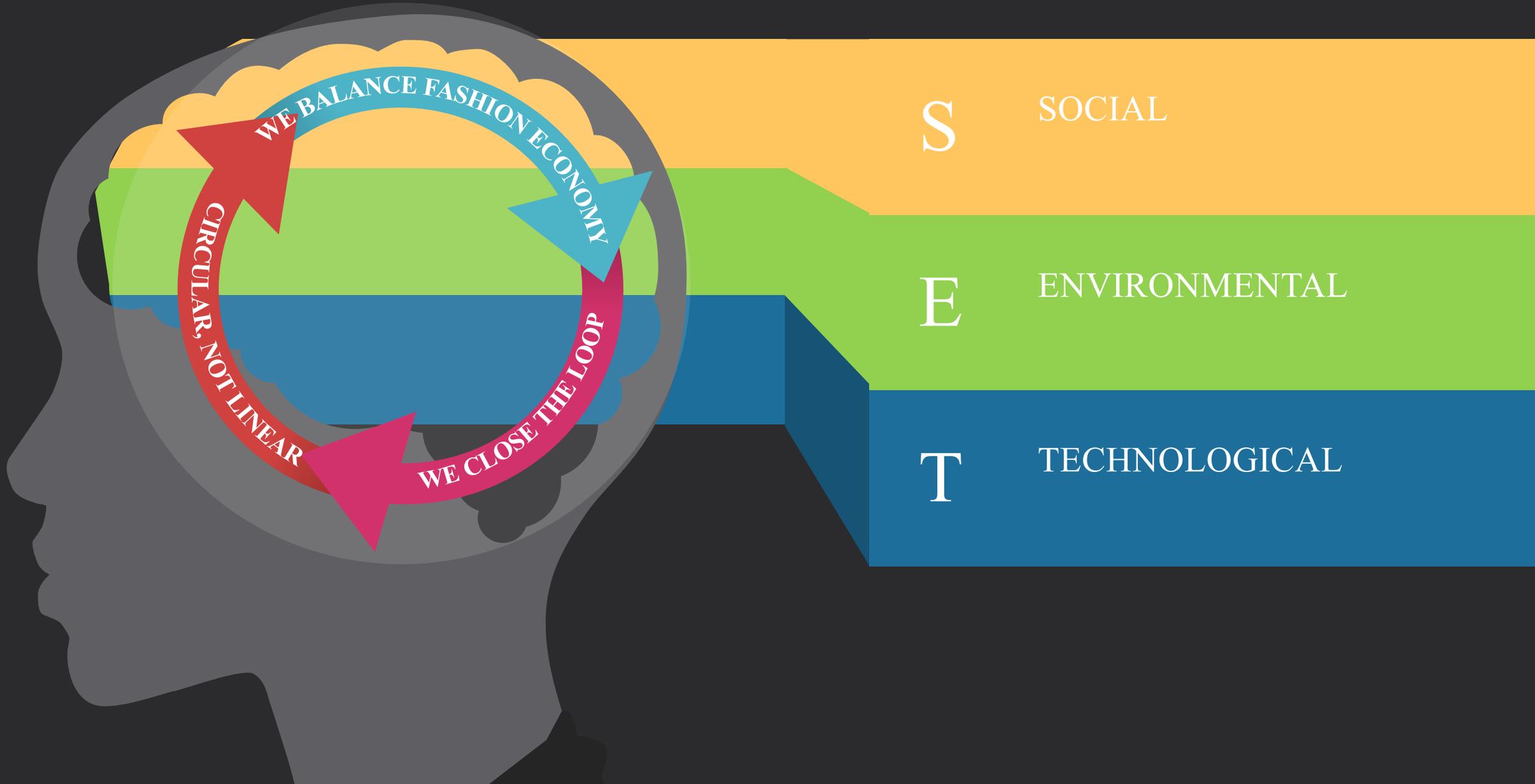
***SHARED VALUE
CREATION***

WE NEED EFFECTIVE
AND SHARED
UNDERSTANDING OF
SUSTAINABILITY

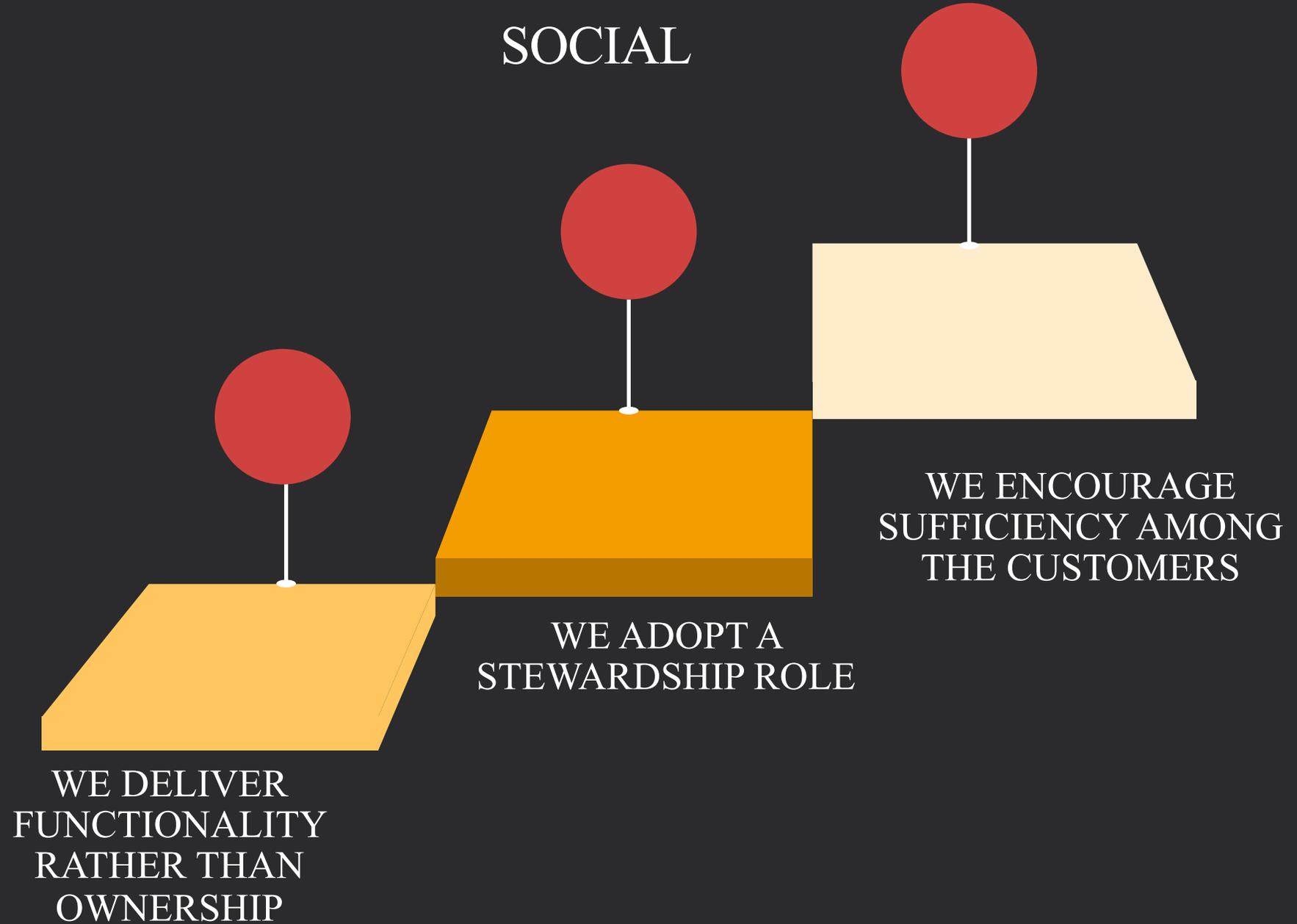
SBM'S WILL DELIVER A
HOLISTIC FRAMEWORK
TO UNDERSTAND,
**IMPLEMENT
& ADVANCE
SUSTAINABLE
INNOVATION**

*WE NEED TO FOSTER A
NEW WAY OF SEEING*

SET - SUSTAINABLE BUSINESS MODEL



SOCIAL



WE DELIVER FUNCTIONALITY RATHER THAN OWNERSHIP

Product oriented PSS- Product Service System

Extended warranty, lease business models

Use oriented PSS

Rental, lease, share (e.g. MUD Jeans, Filippa K 'Make it Last')

Result- oriented PSS

Pay per use (rental for e.g. 1 month)

We enhance collaborative sharing and swapping activities

(e.g. Thred Up, Swapstyle, Letgo)

WE ADOPT A STEWARDSHIP ROLE

Upstream stewardship role

- *3rd party certifications (e.g. Bluesign, EU Ecolabel)*
- *The Ethical Fashion Initiative- linking fashion designers with marginalized artisans in African countries (following Stella McCartney, Vivienne Westwood, Karen Walker approach)*
- *Reports integrated in Financial Reports- Ethical Trade- Fair Trade*
- *Using Higg- Index of SAC (Sustainable Apparel Coalition)- Radical transparency about environmental & societal impacts*

Downstream stewardship role

- *ERP- Environmental Producer Responsibility after selling the products*
- *Educating consumers about proper clothes maintenance after the purchase with newsletters & product information packages*

WE ENCOURAGE SUFFICIENCY AMONG CONSUMERS

Premium Branding

Demanding a premium price to develop strong consumers emotional attachment

Consumer Education Models

*Communication & Awareness
Use Matters-Education about proper use & efficient laundering practices*

Promotion of 'buy less for more' concept with manipulative marketing campaigns (e.g. Patagonia- Don't Buy This Jacket campaign)

Slow fashion

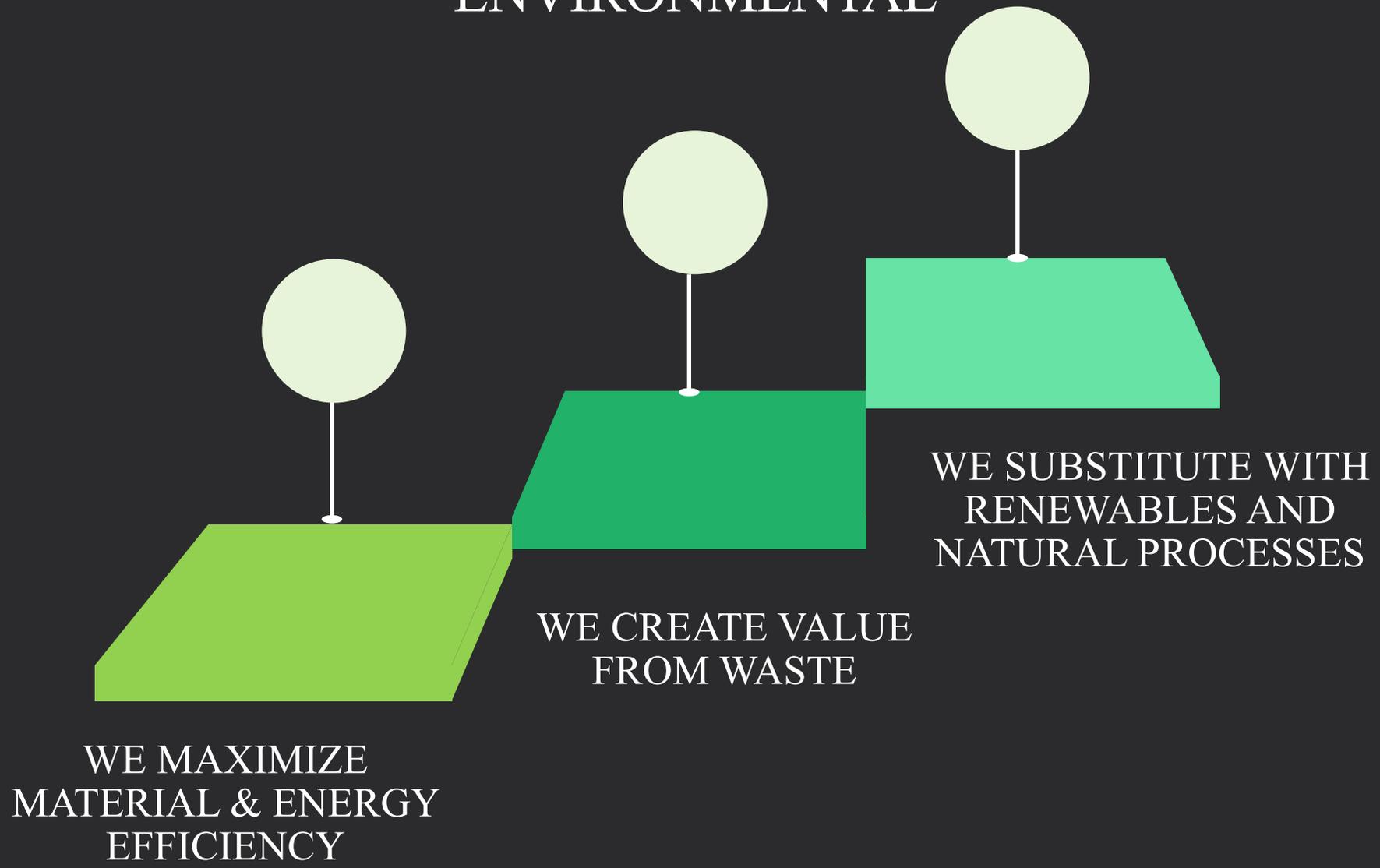
High Degrees of craftsmanship, timeless design (following People Tree approach)

Product Longevity

Following the approach of Nudie Jeans- repairing worn out jeans free of charge

Buying, redesigning and selling vintage clothes next to the regular collections (following Dream and Awake, Sweden)

ENVIRONMENTAL



WE MAXIMIZE MATERIAL & ENERGY EFFICIENCY

Eco Design

Choice of sustainable materials and reduced CO2 emissions (following e.g. Continental Clothing)

Efficiency in manufacturing & transportations-
*Locally Made,
Globally Relevant*

Additive Manufacturing

3D printers (e.g. Iris van Harpen, Materialise)

Lean Manufacturing

Increasing product life-cycle & reducing waste

Increased Functionality

Closing the material loop by dematerialization or multi- functionality

WE CREATE VALUE FROM WASTE

CE- Circular Economy

We close the loop: circular supplies/ resource recovery/ product life extension/ product vs. service

Collaborative Consumption

Leasing jeans (e.g. following Dutch Fashion House)

Direct Reselling

Following the approach of Swedish brands like Boomerang or Filippa K

Cradle to Cradle

Reducing waste, water and Co2 emission

Take Back Management

Reuse and Resell business model in second hand sector
Collection based shwopping schemes (in collaboration with e.g. I:Collect)

WE SUBSTITUTE WITH RENEWABLES & NATURAL PROCESSES

GREEN MANUFACTURING

Greening of Manufacturing

ZERI- Zero Emission Research Initiative
Detox Campaign- eliminating toxic water pollution
Release of chemicals from supply chains & products

New processes of manufacturing as **biomimetics** or **biomimicry** (innovation inspired by nature, biomimetic innovations as compostable cloth, biodegradable adhesives- following Nike & Organic Cotton Exchange)

Manufacturing of Green Products

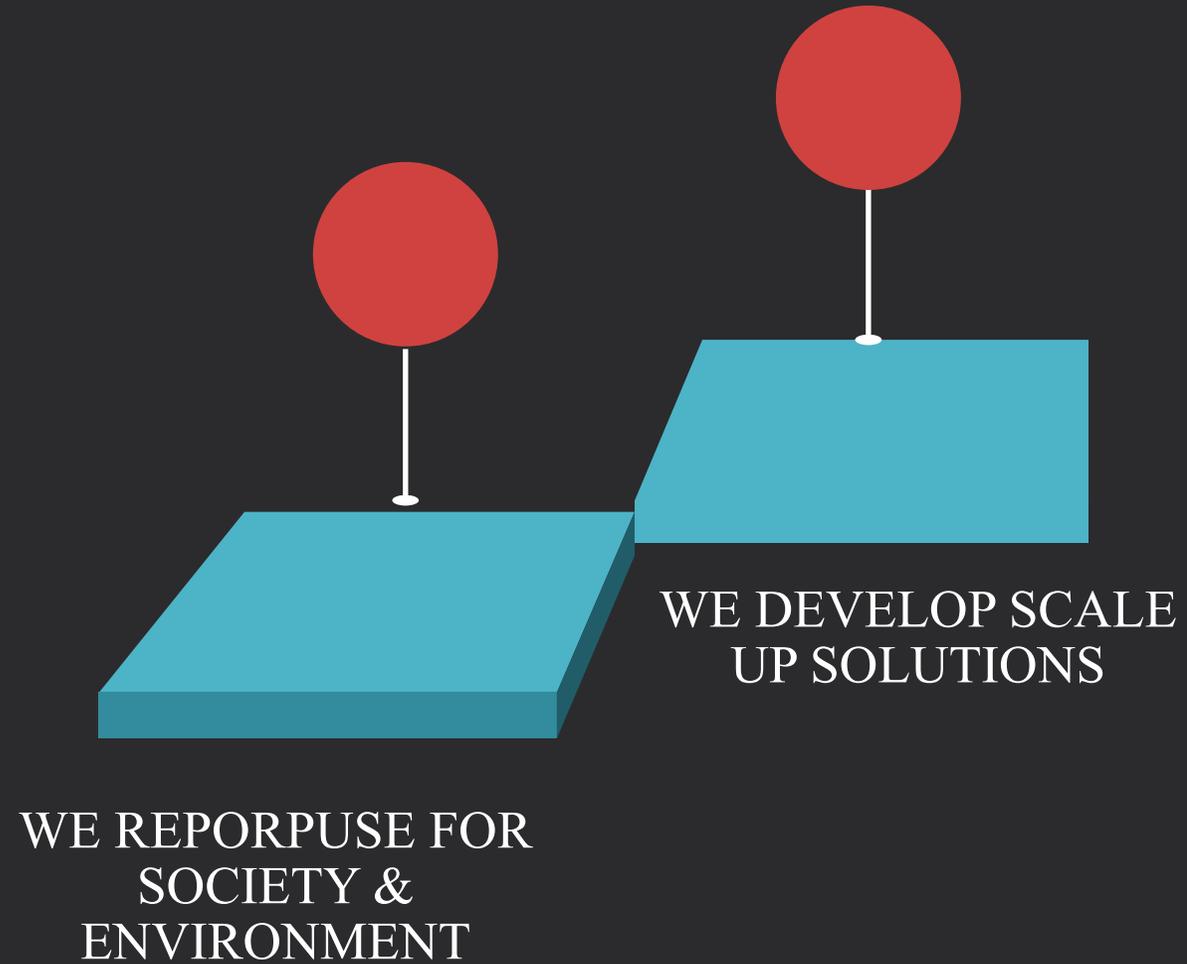
Green Textile Innovation (following Launch Nordic Initiative)

DFR (Design for Recycling) and **DFD** (Design for Disassembly):

White textiles, natural fibres, quality (long staple) & pure (not blended) fibres

Fiber alternatives: organic cotton, low chemical/ low water use cotton, organic wool, hemp, wild silk, PLA (polylactic acid), lyocell, bamboo, soya, recycled/ naturally colored fibre

TECHNOLOGICAL



WE REPURPOSE FOR SOCIETY & ENVIRONMENT

**We Integrate Business with Various Stakeholders’
Participatory Approaches**

Charity- Driven Hybrid Business & Social Entrepreneurship

Following Yunus Centre approach

TOMS ‘one for one’ concept- for every t-shirt sold, we deliver a shirt to children in need

Donations for Underdeveloped Nations

Supporting e.g. Red Cross, Salvation Army, Oxfam

Local Initiatives and Local Communities Uplifting

*Sustainable employment to e.g. local immigrants, local unemployed people
(following SEW, Sidai Designs)*

WE DEVELOP SCALE UP SOLUTIONS

We overcome the challenge of making sustainability part of the mainstream business, using:

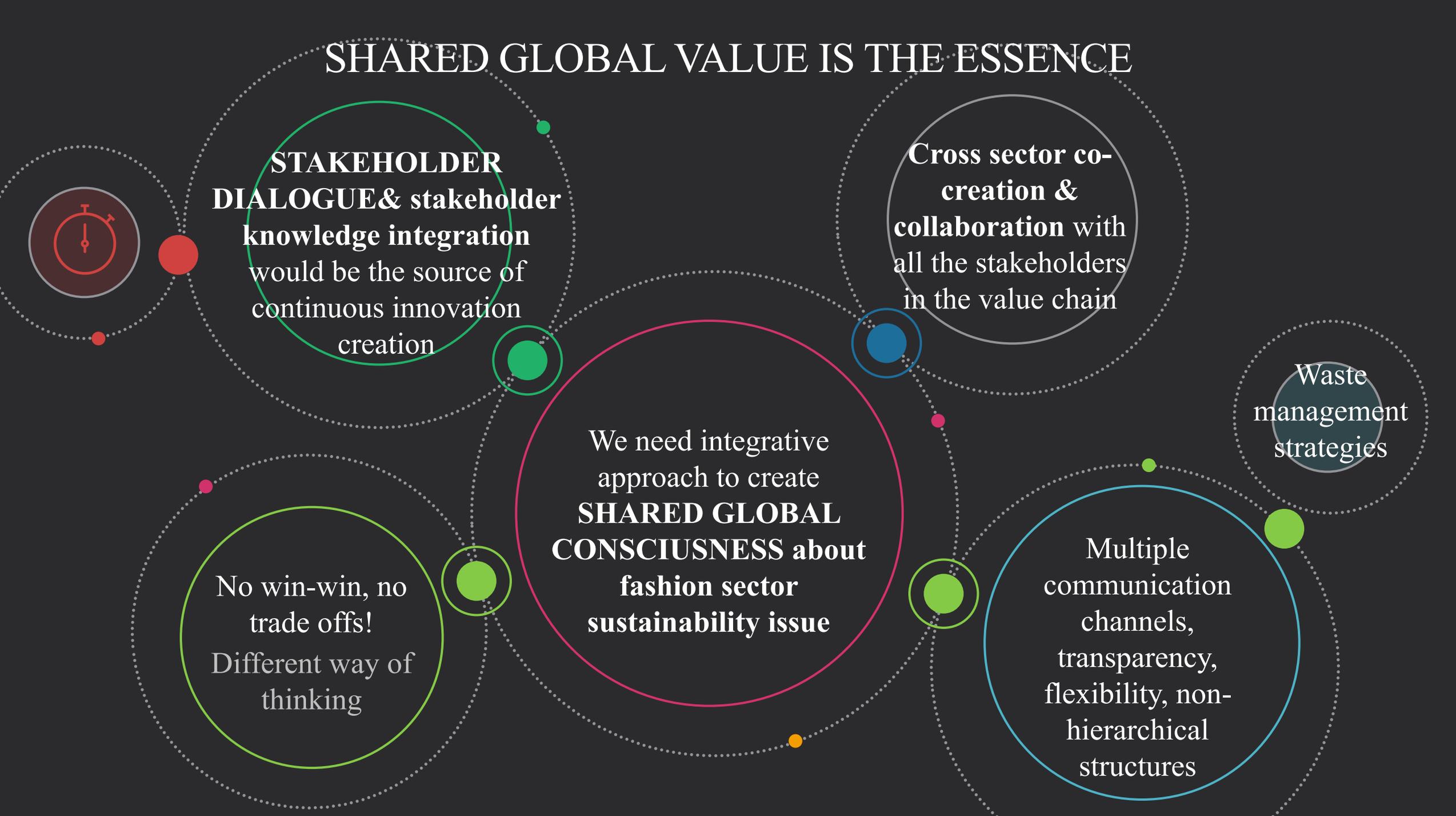
Collaborative Business Model

*Co-creation, Crowd-sourcing/ funding, Open Innovation platforms (following e.g. Threadless, Cut on Your Bias)
Participatory design. Open Source design*

Value Network Open Platforms

*IT systems to integrate stakeholders
Influencing Consumption Patterns
Web- based collaboration platforms (e.g. Open Garments EU Initiative)*

SHARED GLOBAL VALUE IS THE ESSENCE



**STAKEHOLDER
DIALOGUE & stakeholder
knowledge integration**
would be the source of
continuous innovation
creation

**Cross sector co-
creation &
collaboration** with
all the stakeholders
in the value chain

Waste
management
strategies

We need integrative
approach to create
**SHARED GLOBAL
CONSCIUSNESS** about
fashion sector
sustainability issue

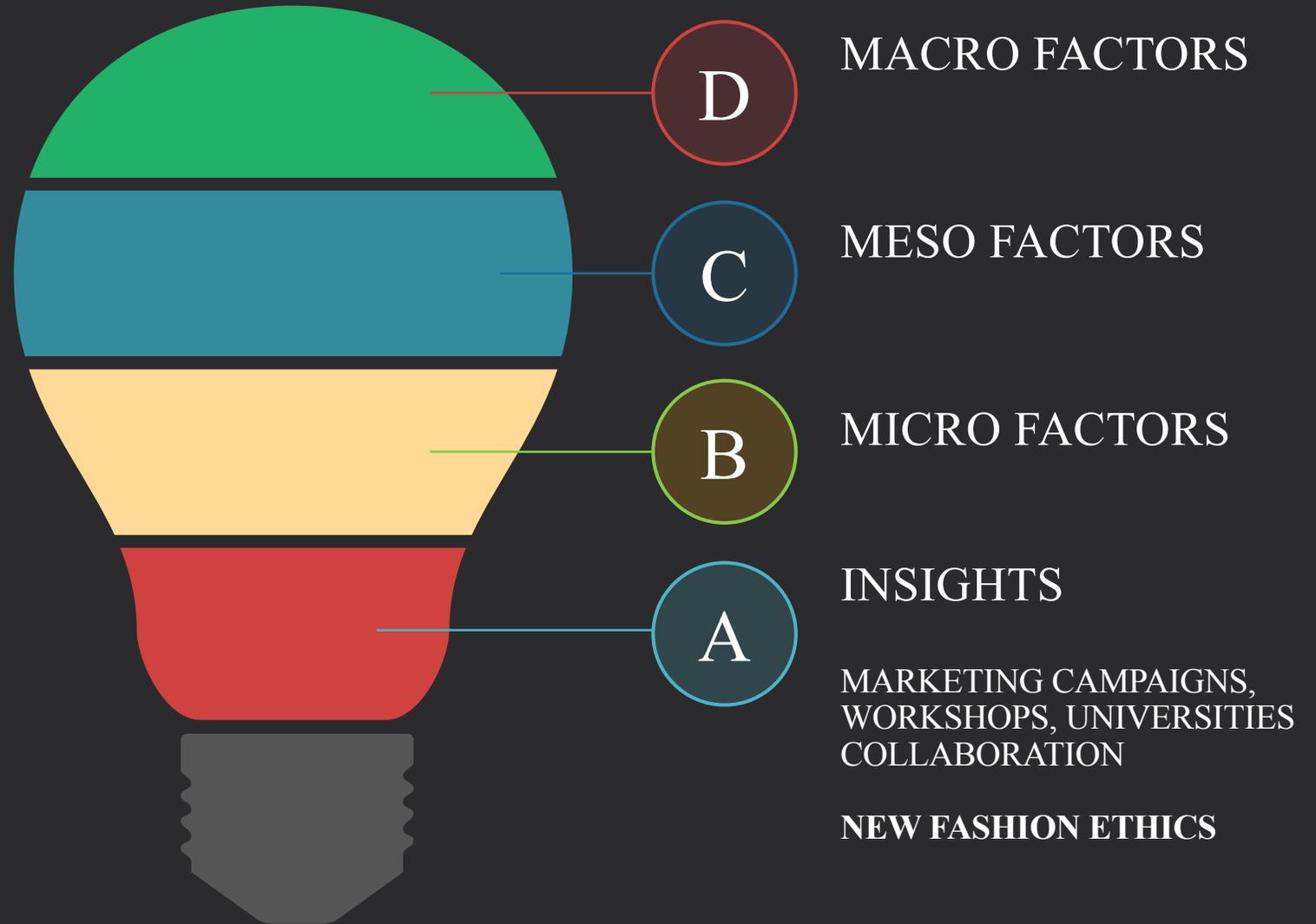
No win-win, no
trade offs!
Different way of
thinking

Multiple
communication
channels,
transparency,
flexibility, non-
hierarchical
structures

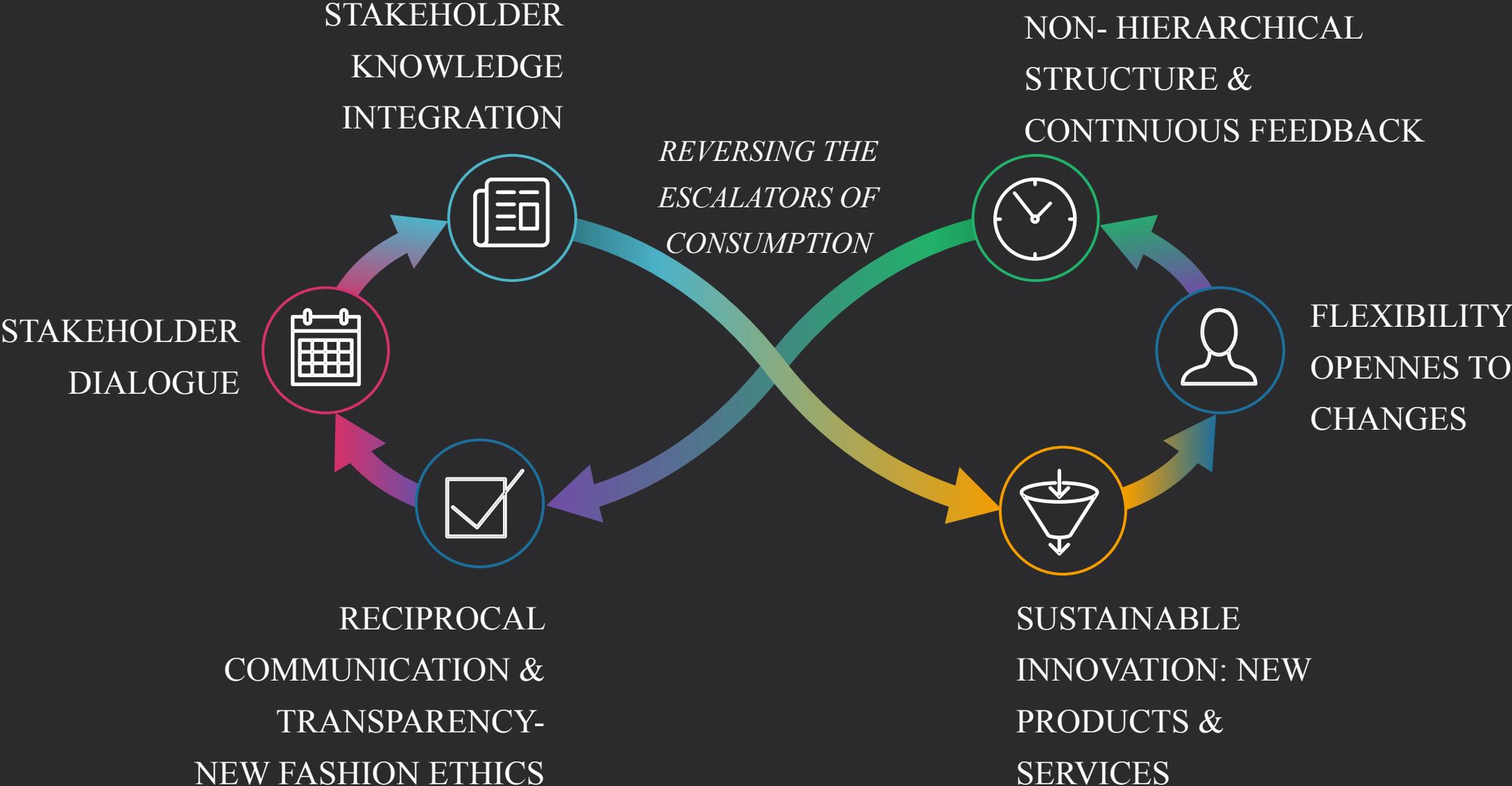
*We need to meet conditions of Making Business Model Sustainable at 3 levels: **Micro factors** (Internal sustainable initiatives)/ **Meso factors** (Actors architecture, e.g. Consumers)/ **Macro factors** (Socio-political arrangements, e.g. with government)

*It will involve: multiple communication channels, transparency, flexibility, non-hierarchical structures via: conferences, workshops, universities visits, sustainable marketing campaigns

SHARED GLOBAL VALUE



STAKEHOLDER DIALOGUE



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