

Conscious Consumption



Stella McCartney Fall 2019



The fashion industry produces 10% of global carbon emissions and accounts for 20 to 35% of microplastic flows into the ocean, according to the United Nations Conference on Trade and Development (UNCTAD). Textile dyeing is the second-largest polluter of water globally and it takes around 2,000 gallons of water to make a single pair of jeans. It's no wonder that the conversation around apparel consumption has shifted in recent years.

Demand for change is being led by young activists like Greta Thunberg and the 7.6 million people who were inspired to participate in the Global Climate Strike last September. Consumers are increasingly aware of the environmental impact of fashion and are ready to hold companies accountable for their actions, or lack of. With the whole world watching, it is time for the industry to undergo a systemic change for the future of our planet.

The fashion industry particularly has come under scrutiny for the habits of overconsumption that drive it, but companies like Depop and Rent the Runway

are trying to address this problem with modern resale and rental business models. The secondhand market is projected to reach \$51 billion in 5 years and you just need to look at the growing roster of apparel rental companies to know that rental is having a moment. But while these newer business models aim to tackle the issue of overconsumption, the problem won't truly be solved until the industry reaches full supply chain circularity.

With the help of transparency tech, like sensors, blockchain, and artificial intelligence, companies and consumers alike can better track products throughout their lifecycle. But is transparency enough? This effort to build a more ethical supply chain to achieve circularity must be accompanied by concrete targets that lead to meaningful action. Just as they are learning what is sustainable, consumers are also learning how to spot ingenuine marketing tactics and greenwashing. Armed with more information than ever, consumers are making value-based purchasing decisions that affect change and drive their values forward, so act accordingly.

For Days



For Days is revolutionizing the way we buy t-shirts by introducing a membership that allows consumers to swap out items for other styles, sizes, or colors. When the consumer is done with their For Days T-shirt, they send it back to be upcycled into another T-shirt. Shortly after, they receive a fresh new one, and the process repeats itself. This makes For Days the industry's first-ever closed-loop system. They aim to tackle issues of overconsumption and apparel waste.

Olafur Eliasson is an artist focused on turning thinking into doing in the world. Much of his work advocates for global climate justice. In 2012, Eliasson and engineer Frederik Ottesen founded the Little Sun, which provides clean, affordable energy to communities without access to electricity. At the end of 2018, Eliasson created Ice Watch by placing blocks of glacial ice in public spaces around London to serve as a visual reminder of the impact of climate change on the environment.



Olafur Eliasson

Elizabeth Cline



Elizabeth L. Cline is a New York-based author, journalist, and expert on consumer culture, fast fashion, sustainability and labor rights. Her books, *Overdressed: The Shockingly High Cost of Cheap Fashion* and *The Conscious Closet: A Revolutionary Guide to Looking Good While Doing Good*, reveal the impacts of fast fashion and illustrate how we can leverage our everyday fashion choices to transform the apparel industry for the better. She has also published articles further exploring these issues.

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The Shared Economy

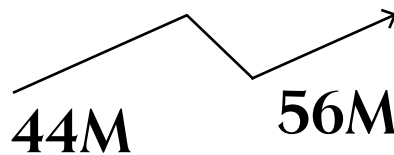
01

\$51B

The secondhand market will reach \$51B in 5 years.

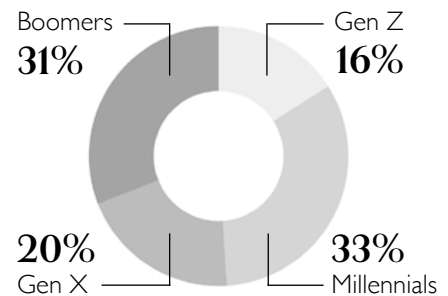
60%

60% of consumers would increase loyalty to a brand if a recycling program was offered.



56M women bought secondhand products in 2018, up from 44M in 2017.

Secondhand apparel shoppers by age



Source: [ThredUp 2019 Resale Report](#)

Plagued by environmental concerns and the reality of climate change, the fashion industry is looking for new conscious ways to reach consumers. A boom in the secondhand market has given rise to resale sites like Depop, The RealReal, Poshmark, and ThredUp. With secondhand retail growing 21 times faster than the traditional retail market, it's safe to say these won't be the only brands to take advantage of changing consumer preferences. Rental models are changing the face of the industry as well, with Rent The Runway leading the way. Nuuly, Vince, Banana Republic, and Bloomingdale's are following suit in an

attempt to appeal to today's eco-friendly and budget-conscious consumers. Ahead, lies an opportunity for these businesses to expand into new markets, as the race to make men rent is just beginning.

While these newer business models aim to tackle the issue of overconsumption, the problem won't truly be solved until the industry reaches full supply chain circularity. By embracing recycling, sustainable materials, and innovative technologies, brands can find ways to keep products in use longer and divert waste from ending up in the world's ever-growing landfills.

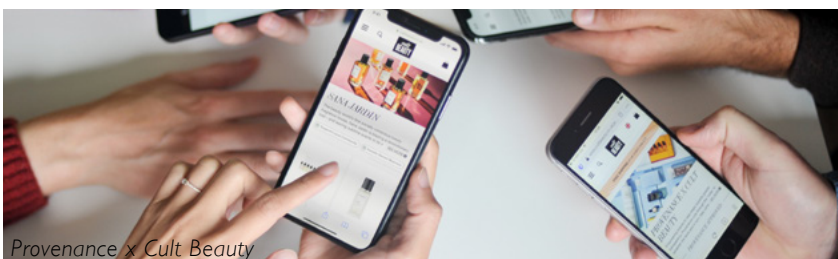


A combination of interest in self-expression and wanting to reduce waste drives the resale community.

As sustainability goes mainstream, one question continues to arise - “How sustainable are companies, really?” Although catchy, Everlane’s “radical transparency” only scratches the surface when it comes to true brand transparency. Technologies like sensors, blockchain, and artificial intelligence are rapidly shifting the conversation as consumers search for more information about the brands they buy from.

Being transparent can pay off. The World Economic Forum notes that companies with a good reputation have lower costs, can charge higher prices, and attract investors more easily. However, the opposite is also true. According to global brand innovation firm BBMG, 26% of customers rewarded companies for their good behavior in 2017, but 28% punished companies for bad behavior, a 9% increase since 2013 and the first time since 2009 that consumers were more likely to punish than to reward.

Brands must consider fresh ways to tackle transparency at various touchpoints along the supply chain and set concrete targets that inspire meaningful action. Then, they must educate consumers about their progress to ensure that they are held accountable. At a time when information spreads with the click of a button, brands need to expose their inner workings before the public does it for them.



Provenance x Cult Beauty

Cult Beauty

Cult Beauty and Provenance have created a platform to standardize, simplify, and publish impact information across multiple brands on the Cult Beauty website. This transparency, powered by blockchain technology, enables shoppers to click to see the impact behind what they buy.

Coca-Cola

Coca-Cola has teamed up with the U.S. State Department to combat forced labor by creating a secure registry for workers and their contracts using blockchain’s validation and digital notary capabilities.

LoveTheWild

LoveTheWild, a frozen seafood company, backs up its sustainable fishing claims with a label on each box that lists the name, location, and owner of the farm the contents came from, as well as how the fish were raised.

Woke Capitalism

The shift towards increased transparency and information availability has given consumers the knowledge to consider if a business fits or conflicts with their personal and political beliefs. This coupled with the rapidly eroding faith we have in our government, has created a societal gap that some brands are proving willing to fill. According to a 2018 global study by Edelman, 53% of us believe that brands can do more to solve social problems than the government.

In a crowded and competitive marketplace, it is more costly for companies to do nothing than it is for them to take a stance. Nike boldly opened a discussion around racism, patriotism, and police brutality with its Colin Kaepernick campaign; a campaign that resulted in a 31% rise in revenue for the company. Outdoor apparel companies like Patagonia are well-known for their climate activism and are likely able to attribute their consumers' loyalty to shared values. Most recently, the devastating Australian bushfires

have inspired a new roster of brands to speak up.

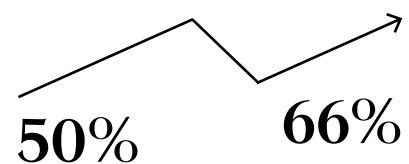
Armed with more information than ever, consumers are making values-based purchasing decisions that affect change and social discourse. Thanks to transparency tech, consumers can hold companies accountable by not only purchasing products that align with their values but ensuring that those values are woven into the product's entire life cycle.



Almost two-thirds of consumers make buying decisions based on a brand's position on social or political issues.

53%

53% of consumers believe that brands can do more to solve social problems than governments.



66% of consumers were willing to pay more for brands committed to positive social impact in 2015, up from 50% in 2013.

Source: [Edelman Survey, 2018, "The Sustainability Imperative," Nielsen, Dec. 10, 2015](#)

Information overload and untrustworthy marketing tactics have given consumers every reason to question a company's sustainability claims. This distrust is what drives the transparency tech market, but is being transparent enough?

Consumers are tired of empty promises and far off goals. They want meaningful action and tangible results. That's why, when articles surface questioning the sustainability of the rental business model, a model widely recognized and marketed as sustainable, consumers are left feeling frustrated and confused.

Greenwashing has created an increasingly confusing landscape for consumers to

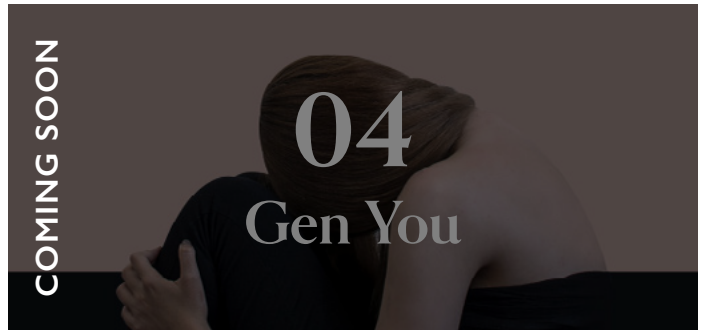
navigate. Consumers are unsure of what sustainability means and how to identify truly sustainable brands. According to Asket co-founder August Bard Bringéus, "There is no such thing as sustainable fashion." Asket is just one of the several brands choosing to make the conversation around sustainability about more than just organic cotton and carbon offsets. They say the term "sustainability" is being used as a marketing ploy, something that multi-billion dollar brands are using to satisfy consumers without enacting real change.

Truly sustainable fashion means re-examining what consumption means altogether. The fashion industry needs to produce less and consumers need to consume less.



Photographed by Imma Klink

**There is no such
thing as sustainable
fashion.**





We marry the art and science of retail to surface what consumers want today and tomorrow.

Our team of experienced retail professionals can provide a custom assessment of how you can integrate data analytics into your workflow. We have walked in your shoes and will partner with you to identify opportunities that will give your business a competitive edge.

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