

MARKETING

## Brands must be upfront about values to capture socially-conscious consumers

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*Hems manufactures about 80 percent of its products. Image credit: Hems*

By SARAH RAMIREZ

Luxury brands need to become more vocal and transparent about their sustainability efforts to meet consumer expectations, particularly as younger generations become greater forces in the business.

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During panel discussions at Positive Luxury's Positive Week, executives from several high-end brands reiterated that sustainable practices will be non-negotiable for the up-and-coming Gen Z consumer. The sooner luxury companies, from the hospitality to retail sectors, start actively engaging with more environmentally-conscious affluents, the better for their businesses overall.

"Brands are really changing the environmental, the philanthropic and humanitarian landscapes," said **Storm Keating**, brand ambassador and designer. "Whether that's charity work, putting low carbon emission programs into place or workplace diversity.

"The most important thing is closing the gap between the brands doing all this work and the consumers who want to buy into it," she said.

### Sustainable steps

According to Positive Luxury, 85 percent of consumers surveyed believe the term "luxury" needs an update.

While traditional ideas of luxury recall personal indulgences and status, climate concerns have led to consumers expecting more from the brands they patronize. Historically, however, brands were not transparent with their customers about their processes.

"The human aspect was not highlighted," said Aurlie Picaud, timepieces director of **Faberg**.



*Lady Complique Peacock watch. Image credit: Fabergé*

Moving away from unsustainable practices can also be positive for business. For instance, Hermès is able to manage most of its supply chain by manufacturing most of its products in France and New York.

According to the Responsible Luxury Initiative, companies should protect resources by using less and recycling more, using business strategies and philanthropic efforts to positively benefit society and being transparent about their progress to engage more investors and consumers.

High-end brands can also use their influence to promote the development of more innovative and sustainable materials ([see story](#)). Peninsula Hotels, one of the group's members, is working with fashion brands to upcycle its used cotton towels and linens.



*Peninsula Hotels, Bangkok. Image credit: Peninsula Hotels*

Earlier this summer, Peninsula Hotels also instituted a ban on the use of disposable plastic straws, effective immediately. The ban is part of the hotel's plan to transition away from all single-use plastics by 2020 ([see story](#)).

"Guests wanted to know our environmental efforts and were already expecting initiatives," said Janice Lao, director of sustainability at [Peninsula Hotels](#), Hong Kong. "But how do you tell that story?"

"People don't book because hotels are sustainable," she said. "So it has to be part of the brand."

#### Luxury progress

While luxury labels are among the fashion industry's frontrunners in sustainability, these companies are facing challenges to achieve additional progress and impact.

A report from the Boston Consulting Group and the Global Fashion Agenda finds that luxury brands improved their sustainability performance in the past year. Despite improvements in the overall fashion industry's sustainability, the report notes that there is still room for improvement ([see story](#)).

Many sustainable-oriented labels also partner with local and global organizations that support women's empowerment efforts. Labels are finding ways to support the marginalized communities that are at risk of being first impacted by the climate crisis.

Sharing these efforts through social media or events is an important way for brands to connect to socially-conscious shoppers. As younger consumers' purchasing power builds, so does their tendency to demand more from brands through public platforms ([see story](#)).

"Luxury should be something that a positive impact on your life," said Stephen Webster, founder and create director of [Stephen Webster Jewellery](#). "Even if it's just a feel-good thing."

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