

SUSTAINABILITY

Sustainable luxury: Decoding the next decade of change

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GO FOR GOOD

Louis Vuitton last year launched the Be Mindful accessories collection, which is a sterling example of circularity. Image credit: Louis Vuitton

By [Diana Nieto Verde](#)

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For years, "buy-use-dispose" was the lifecycle of most items consumers bought. That has led to the current state of affairs, where overproduction and overconsumption plague so many industries, which often has a negative effect on ecosystems and biodiversity.

As sustainability becomes a major concern for the majority of consumers, it is time for businesses to do away with that limited lifecycle and consider better, more circular business models.

In 2019, Louis Vuitton launched the [Be Mindful accessories collection](#), which is an excellent example of circularity. That collection gives a second chance to more than 4,000 silk scarves from their previous collections, upcycling them into bracelets.

"The circular economy brings a fabulous opportunity to innovate and an endless source of inspiration," Louis Vuitton said of the new collection, adding that, "the commitment to circularity creates emulation and a modern way to revisit the iconic House signature pieces through the one of a kind' concept."

The business of going green

These kinds of habits will continue to grow over the coming years in the fashion industry, with second-hand forecasted to grow four times faster than traditional retail it will be worth \$36 billion by next year.

"The notion of ownership is changing for the new generations, putting the need to own and therefore buy products into perspective," said Isabelle Lefort, founder of Paris Good Fashion.

Digital innovation and tech are primed to support that growth, and open new doors for second-hand and rental.

Peer-to-peer platforms such as [ByRotation](#) and [HURR](#) are gaining traction, and big brands including H&M and Bloomingdale's are testing in-house clothing rental models.

Rebecca Taylor's reselling arm, [ReCollect](#), repurposes gently worn items from the brand and gives customers a \$15 credit when they bring pieces in, while Selfridges is working on a partnership with Vestiaire Collective.

Repair and care services are also on the rise. U.K.-based **The Restory** has concierges at Harvey Nichols and Selfridges, where customers can bring in worn accessories for repair that they might have otherwise tossed.

Brands such as Levi's, Eileen Fisher and Patagonia are also offering to extend the lifespan of their pieces because it is a hugely profitable model.

According to market research from IbisWorld, the clothing alteration service industry is worth \$2 billion, and no single company is dominating that market right now.

Other industries follow

The fashion industry is not the only one seeing the success of circular and sharing economies, either.

IKEA is rolling out a trial for furniture subscriptions, and West Elm is offering **rentable home bundles** through Rent the Runway. Used furniture retailer **Kaiyo's** online marketplace claims to have kept more than 1 million pounds of furniture out of landfills.

The second-hand jewelry market has a huge potential for growth, too, and it was valued at \$28.67 billion last year.

Repurposing services have a lot of potential as well. Fine jewelry brand **Stephen Webster's RESET** initiative has become an extension of the brand's bespoke services to give old jewelry new life.

Each of these models allow brands to embrace more sustainable practices, develop new relationships with customers, and reach a new audience of aspirational customers.

Just as that limited lifecycle was the norm for businesses, so was rapid growth and expansion into new markets.

But, in 2019, the number of CEOs who recognized that growth might start to slow increased six-fold, according to a survey from PricewaterhouseCoopers.

Although that might seem pessimistic, would it really be a bad thing if growth slowed to a more sustainable pace?

For 2020, the Davos theme was **Stakeholders for a Cohesive and Sustainable World**. This represents a shift from focusing on shareholders to stakeholders.

At the Business Roundtable this past summer, a group of almost 200 U.S. CEOs declared that a corporation's purpose should be to find balance between the needs of shareholders and every other stakeholder a business affects. The bottom line, often fuelled by growth, cannot be the end all, be all.

GROWTH NEEDS to be redesigned. The current business model is pushing the planet's resources to their limits, and the impact of that short-term gain is tough to ignore.

There is so much potential in the innovation and technology that exists today, potential that could disrupt the current growth model and call for change across all industries.

Responsible growth is real, inclusive and lasting. It benefits consumers, the environment, communities and the economy, and it can truly future-proof a business.



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