

SOFTWARE AND TECHNOLOGY

## Technology's potential to make your brand sustainable

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*Environmental concerns are becoming important to young Chinese consumers. But how can brands use sustainable technology to meet this emerging demand? Image credit: C2H4LosAngeles*

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As the global luxury fashion industry takes stock after the impact of **COVID-19**, sustainability has emerged as an important lifestyle factor for China's citizens. Yet environmental concerns, particularly with younger shoppers, have been growing for a number of years.

An article from McKinsey 2019 stated that 9 out of 10 **Gen-Z customers** believe that companies have a responsibility to address environmental and social **issues**.

Industry leader, Shawey Yah, group style editorial director at *Modern Media*, told *Jing Daily* that "Chinese millennials will pay more for sustainable goods."

In a **report** by the World Economic Forum this year, 73 percent of China's population was worried about the climate crisis compared to 39 percent in America.

Furthermore, the report stated that 80 percent of China's population felt that climate change is reversible a note of hope for a population that's heavily invested in sustainable measures.

Given that Chinese customers will account for nearly 50 percent of the global luxury market by 2025, China is in an unrivaled position to drive forward an agenda on sustainable fashion.

If we add technological potential into this conversation, could China then become a leader in the field of sustainability?

The ninth goal of the UN's global Sustainable Development Goals outlines how industry and infrastructure can be shaped for the better by fostering technology and innovation.

Therefore, China's digital prowess allows it to harness digital innovation in the supply chain to enhance the creation and consumption of fashion sustainably.

Now, *Jing Daily* looks at several technological solutions China is using to address matters of sustainability.

#### Supply chain and data

The [Global Fashion Agenda](#) (GFA) recommends brands prepare for technological innovation by first analyzing its potential impact on their supply chains and become leading change-makers by attempting to "gauge the possible ramifications of technology-driven production methods and prepare to support the transition of workforces at scale."

As a labor-heavy market, China needs to effectively implement technology into its workforce without the shift creating economic job losses.

What it recommends is to develop digital infrastructures and programs to transition workforces, allowing for technological innovation to benefit the Chinese fashion industry.

Data also plays a vital role in companies that want to become more sustainable.

Janice Wang, CEO of Alvanon, a global innovations company that helps apparel brands to modernize their garments, outlined how China can harness the possibilities of technology for sustainable measures, saying, "The one thing that China actually does have is an infinite amount of data that is being cataloged pretty well. Therefore, you will see a better sell-through situation for consumable goods, and because you have a better situation of consumable goods, you, in part, become more sustainable."

This means that data can help predict what will sell, how it will sell, and what channels can get rid of inventory quicker.

The opportunities to address a less wasteful supply chain that data presents can be leveraged to tackle major environmental challenges presented by excess inventory.

Morten Lehmann, chief sustainability officer of Global Fashion Agenda, observed that the luxury fashion industry must first acknowledge and analyze how it can move forward with sustainability measures via technology.

The fashion industry now faces a paradox in its business model outdated formats despite cutting-edge products.

"Fashion is still a very old-fashioned industry in its business model and the way that products are made," Ms. Wang said. "That has surprised me for many years."

"On the one hand, it has the latest materials, but on the other hand, it still has a very old-fashioned supply chain. Why is it that we haven't seen this transformation? I think there's great potential, especially in how we can use technology and algorithms to fight the overstock problems fashion is facing to produce for demand."

#### Building community

As brands in China implement tech-focused changes in design, sales, and production, how they announce these digital innovations within the larger sustainability conversation will be noteworthy.

By detailing how digital innovation can allow an authentic focus on achievable and sustainable implementation, a brand can blend technology and sustainability more easily.

Mei Mei Ding, CEO of China-based market development group DFO International, noted that tying up these sectors can help build unity.

For Ms. Ding, [Chinese consumers](#) and opinion leaders are becoming more conscious about this topic.

"Sustainability is a lifestyle choice now," she said, "so digitally promoting these messages can help build a strong community amongst customers."

Local designer [Angel Chen](#) said that the way she is trying to implement technology to support sustainable efforts means having to look at a bigger question for fashion how to balance the development of technology with environmental [wellness](#).

"We want our consumers to be aware of the environment that we all depend upon," Ms. Chen said. "We also want to convince people that everything we do for sustainability is meaningful through the brand message that we carry out."

COVID-19 has heightened the world's focus on environmental concerns even more, so a brand must learn how to enmesh their company vision of sustainability with its fundamental ethos.

How technology can differentiate your brand

The opportunities technology offers across all aspects of luxury fashion innovation is wide-ranging, but Ms. Ding offered several bits of practical advice.

In terms of sales, she said that "digital options for selling a collection can cut down on air travel and other costs, which helps build sustainability," also adding that "optimizing packaging can cut down waste and increase your level of sustainability."

Finally, she highlighted the need to be "smart about materials and to explore new possibilities."

For Morten, sustainability needs to be a vital principle of **luxury brands**, and once this is accepted, technological opportunities will follow.

"How do you differentiate yourself as a brand with a more authentic language?" he said. "It seems now that consumers are asking brands for more authentic communication about what their purpose is."

"In that communication, there's a space for sustainability and authentic messaging: who they are as a brand and how sustainability merges into that."

These technologies could make China's **luxury fashion** market more sustainable across all aspects of its life cycle.

That industry, with its damaging carbon footprint, is currently in full crisis mode. But China can take this opportunity to become a forerunner in responsible sustainability practices by implementing technology that could future-proof the luxury fashion business.

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