

SUSTAINABILITY

Sustainability requires brands to be proactive, transparent: Positive Luxury

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Environmental concerns affect every sector of luxury. Image credit: Positive Luxury

By KATIE TAMOLA

2022 will be a crucial year in preserving the earth's resources and promoting brand practices that best protect the environment for the near future, according to Positive Luxury.

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Positive Luxury's 2022 Predictions Report calls on brands and organizations to be cognizant of the immense challenges stemming from climate change and luxury's role in tapping resources. Brands must make efforts to make ethical decisions, be transparent in their policies and able to reach all age groups while maintaining optimism for the road ahead.

"In 2022 we are facing in some cases the last real chance to make the changes we so desperately need in order to preserve the planet for future generations," said Diana Verde Nieto, founder/CEO of [Positive Luxury](#), London.

"In some cases, however, 2022 marks the year that the fight to preserve the world as we know reaches a critical point," she said. "Can we get out of this mess? Yes, is the short answer, but we need to place people at the heart of climate action and mobilize businesses as well as civil society not just wait for governments to act."

Taking it seriously

Environmental concerns affect every sector of luxury from private aviation and travel to makeup, fashion and accessories, no product or service is left unaffected.

The richest 10 percent of the world's population was responsible for 50 percent of the man-made greenhouse gases added to the atmosphere between 1990 and 2015, and the richest 1 percent accounted for 15 percent of emissions. Thus, the ultra-wealthy can attract a sense of responsibility and attention for their practices.



Organizational transparency is crucial, from sustainability to employee treatment practices. Image credit: Positive Luxury

Companies need to address climate change as an issue and organizational goal, as well as build their cognizance and appreciation for sustainability into their brand ethos. It is necessary to take tangible action and set specific goals regarding respect for natural resources and bettering the landscape.

Organizations must view environmental concerns as directly related to their ability to continue existing and thriving, and it is essential that they build relationships throughout their full value chains and maintaining resilience.

Luxury brands must also be transparent in all internal policies, from their work in preserving the planet's resources to the ethical treatment of their employees.

The public expects organizations to treat their employees fairly, but the luxury fashion sector is sometimes viewed as lagging in its efforts.

According to KnowTheChain's 2021 Apparel and Footwear Benchmark Report, which ranked 27 companies on a scale from 0 to 100 on their efforts in fighting forced labor, with the score of 100 ranking the best practices, Kering scored a 41 out of 100; LVMH scored a 19 out of 100; Tapestry amassed a score of 16 out of 100; Prada earned a score of 5 out of 100.



LVMH's Life 360 addresses four pillars: climate, biodiversity, circularity and transparency. Image credit: Guerlain

Although those are considerably low scores, ethical and transparency efforts in the luxury world are improving.

"Transparency is one of the few areas where I have seen considerable momentum towards positive change in the last few years," said Christie Miedema, campaign and outreach coordinator at the Clean Clothes Campaign, in the report. "First step is making information available, the second is making it searchable not just a PDF online.

"Information is only meaningful if it can be accessed and used by the right people, most importantly workers, their representatives and activists."

Every effort counts

Both brands and consumers play a role in combating the effects of global climate change.

Some view climate change and dedication to sustainability as a "youthful fad," when in truth, people from all generations should be concerned with environmental effects. And many from disparate generations are.

Several generations, from Gen Z to Boomers, are concerned with climate change, expressing their worries in disparate ways.

A 2021 study, "Sustainability and Consumerism: U.S. Consumer Behaviors and Preferences," released by digital creative services and strategy agencies Compose[d] and MaCher, explored how consumers view sustainability and their expectations of brands.

Generationally, baby boomers and Generation X are two times more likely to donate clothes for reuse and to actively reduce their use of single-use plastics than younger consumers. Baby boomers and Gen Z were 30 percent more likely than Gen X and millennials to agree that it is worth paying more for sustainable products, however, millennials and Gen Z consumers were nearly twice more likely than baby boomers to view a sustainable lifestyle as having cost-saving benefits ([see story](#)).

Although consumers are nuanced in how much sustainable materials and practices will affect their likelihood to purchase a product, a 2021 edition of the EY Future Consumer Index suggested that 43 percent of global consumers want to buy more from organizations that benefit society, even if their products or services cost more

EY found that Gen X and Boomers are much more likely than younger consumers to take simple steps, such as taking their own shopping bags to stores, reusing or recycling packaging, and conserving their energy use. Gen Z and Millennials are much more likely to favor and implement sustainable lifestyle choices, such as plant-based diets and the use of public transport ([see story](#)).

Although using different tactics, members of every generation are making efforts.

"When you look at the data you have nothing like the gaps between younger and older generations that you see reported in headlines," said Bobby Duffy, professor of public policy and director of the Policy Institute at King's College, in the report.

"The difference in concern is just a few percentage points and when you look at boycotting products it's more commonly older consumers than younger consumers and that's true across different countries, although some countries like the U.S. are more likely to boycott brands in general," he said. "If we take snapshots and think younger people are different, we are mixing up period effects and lifecycle effects."

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