

# **Sustainable fashion from marketing view: Case study LUMI Accessories**

Kristina Shevelkova

## Abstract

Author(s) Shevelkova Kristina	Publication type Thesis, UAS	Completion year 2020
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Title of the thesis <b>Sustainable fashion from marketing view</b> LUMI Accessories		
Degree Bachelor of International Business		
Name, title and organisation of the thesis supervisor Sami Lanu, Senior Lecturer, LAB University of Applied Sciences		
Name, title and organisation of the client Bruno Beaugrand, Leader of Brand and Design at Lumi Accessories Oy		
Abstract <p>This thesis deals with sustainability and sustainability marketing. The aim of this thesis was to define how the marketing of brands has changed because of the sustainable movement. As an example, the LUMI brand is described.</p> <p>The main objectives were to understand how the marketing of fashion brands changed because of the "sustainable movement" and how the awareness of brands has transformed as well. In order to reach the goals, the research was done as well as data was conducted with the help of a questionnaire and interviews. The theoretical part consists of information about the fashion industry, marketing in the fashion industry, sustainability, actions of eco-brands and how the activities of the fashion industry affected on the environment.</p> <p>The outcome can be defined as conducted research and carefully analysed data regarding the topic. The document provides decisive information to brands, where one can notice that companies have to monitor the changes, modificate marketing strategies towards sustainability to be successful and competitive in the market.</p>		
Keywords Sustainable fashion, marketing, sustainable marketing		

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## 1 Introduction

### 1.1 Background

Since of increasing the popularity of eco-movement and sustainable way of living, a lot of people in different countries have changed their habits and their lifestyle. The majority of them made a choice in favour of reusable household items and decor, electric cars instead of petrol-powered, recycled materials accessories, sustainable fashion, and so on (Cotler 2019).

Environmental problems are not only have a bad influence on the wildlife, but pollute the air. Air pollution is causing bad impact on people, which is often become the reason of sickness. Air-pollution is the main reason of climate change. If the use of methane and black carbon would be minimized, then the rise of temperature can be slowed down by 2050 about 0.5°C. In 2019, the movement "Clean Seas" has been growing. For supporting the environment, UNEP, the World Bank, Clean Air Coalition with WHO established the project the World Environment Day. The World Environment Day is supporting also by nine different governments (UN Environment Programme).

In 2019, the number of countries participating in the movement has increased to 60. The question became popular at the United Nations Environment Assembly, where the decision to minimize the use of plastics has been done by 2030 (UN Environment Programme).

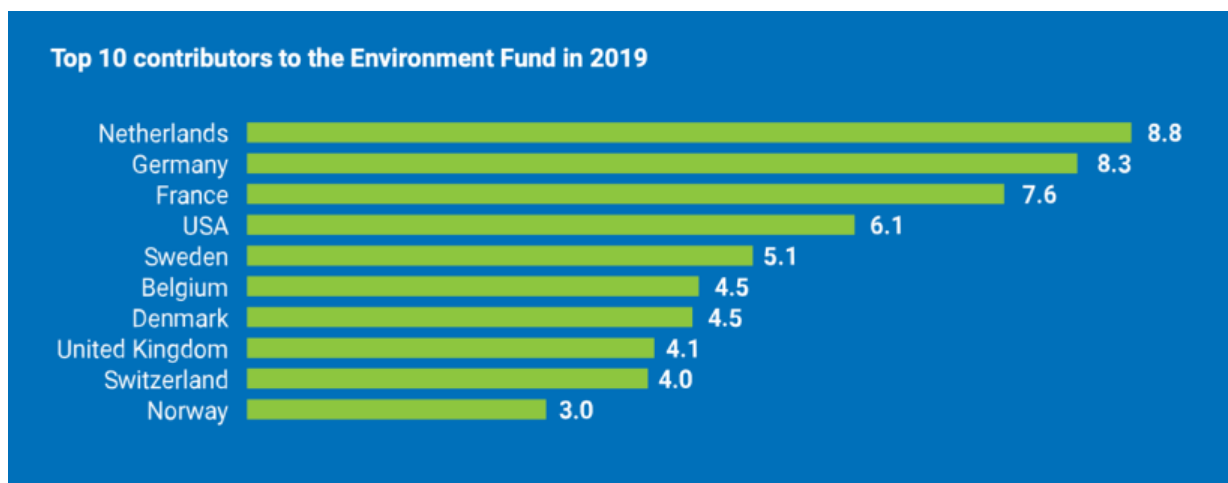


Figure 1. Top 10 contributors to the environmental fund in 2019 (UNEP Annual Report 2020).

Moreover, the government of advanced Nations is spending a lot of money on improving these aspects: including public transportation, production of their own eco-technologies,

ways of collecting garbage in order to become green and save the planet (UN Environment Programme).

The same trend is followed not only by the government but also by different companies. Not only industries like construction, telecommunication, and agriculture are trying to become more sustainable by implementing different innovations, but the fashion industry as well (Young 2018).

During the rapid process of globalization, there are a lot of environmental problems. Fortunately, people notice it and start to think about actions to improve consequences. Humanity is choosing the eco-friendly alternatives and in return, the brands are starting to implement and present the eco goods for the clients. Companies implement new strategies, change their marketing and think about making different products as well as run their business in a sustainable way. Today, as people become aware of crucial environmental problems and the consequence as the climate change is even felt now, humans start to be more responsible and choose alternative eco products. Being Environmentally and sustainable aware is not something extraordinary nowadays. That is why brands are using and supporting the 'Green Consumerism'. It means that the purchased goods are eco-friendly and do not influence badly on the planet. It can be stated that an environmentally friendly method was used for producing such products (Gleim et al. 2013, 44-61).

Therefore, according to this trend, it would be worth researching how environmental movements have changed the brands from the marketing and branding point of view, and how brand awareness has changed because of it. In other words, how the "eco movement" has changed people's life and behaviour and how this trend affected fashion companies, particularly how it affected LUMI brand.

LUMI is a leading leather accessories brand in Finland, which is sold in more than 25 countries and received design and industry awards. LUMI appreciates our planet and tries to use sustainable resources that will minimize the impact on the environment (Lumi Accessories Oy a).

According to the information above, this thesis will be completed in a research format. First of all, the concept of fashion industry will be described with the help of different sources as well as introducing the main players. Secondly, the value of the fashion industry on the market will be shown for better understanding the importance of the fashion industry from economical aspects. Thirdly, the concept of the environmental movement should be explained, as well as the main problems caused by the fashion industry.

Subsequently, the definitions of marketing and branding will be given as well as factors that can affect on brand recognition.

As it is a case study, the interviews with the team and with CEO of LUMI team were conducted with the aim to provide information about LUMI company, analyze the strategies of brand and team's relation to sustainability. Such interviews would be helpful to see how recycled materials affect the concrete case, so it would be interesting to compare this information on the practical side with the theory.

## 1.2 The objectives of the study

The main objectives are to understand how brands in the fashion industry have changed from a marketing point of view because of the eco-movement and how brand awareness has changed as well. As an example of the company, I am going to describe LUMI's case.

It is interesting to see the connection between external and internal influence on brands and on customers. The demand is changing because of these external and internal factors. The objective is also to understand the main reasons why brands have to follow the changes and be innovative.

Secondly, the information about eco-movement will be given, explaining the main problems and situation nowadays. It is important to know in order to fully understand how brand recognition has changed and what customers think about it as well.

Speaking about delimitations, the theory will be used in order to provide the appropriate information. The practical part is also would be presented as the example, LUMI brand will be used in this thesis. The ultimate theoretical concept is fashion marketing and sustainability marketing. Information about recent changes in sustainability should be mentioned as well as main problems in environment. These aspects are the core of explaining the topic. The example of the case company LUMI, which is based in Helsinki will be used as the core studies for this thesis. The information related to the concept of buying behaviour will be shunned. The study will be mainly focused on sustainable marketing, green marketing and fashion industry, mainly taking examples of Finnish LUMI brand.

Moreover, the attitude towards sustainability and eco-fashion brands will be taking into account from consumers as students and workers, where the age will not be limited as well as nationality. The information will be collected in a questionnaire format in my social media as the quantitative data. Also, during the thesis research, the qualitative data in a format of interview will be useful. The questions will be asked to CEO and other employees of LUMI.

### 1.3 Research questions

The main purpose of the thesis is focusing on describing the activities of companies which are facing the new eco-movement.

The main research question is:

- How the marketing of fashion brands has changed due to eco movement?

The sub-questions can be described below:

- Why should fashion companies be sustainable?
- How the actions of the fashion industry affect the planet?
- How will the fashion industry change if the "environmental movement" grows in the future?

To answer the main research question, the theory should be given about fashion industry and main players of it. Secondly, the value and numbers of fashion brands and companies should be described. The main environmental problems should be explained in order to give understanding to people about the perilous situation, so people should be conscious and should be ready to change their lifestyle and habits.

Then, customers' attitudes to the brands should be described and compared with different companies and their missions. Five sub-questions should help in answering the main question by providing general information. The terms like green marketing and sustainable marketing, segmentation should be described in order to get answer to the main question. This work shows how sustainability affects on brands and secondly, how the attitude of customers on brands changed. This work will be helpful for companies to understand what customers are expecting to get and why is it important to be sustainable nowadays.

### 1.4 Theoretical framework

To explaining the theoretical framework, first of all, information about fashion industry and sustainable marketing in fashion should be introduced. Secondly, the information about eco problems caused by fashion industry should be explained. Such information is the core for explaining the topic of this thesis. In the book, "Fashionopolis" by Dana Thomas, the information about fashion industry and environmental problems is given. Moreover, this book is essential in order to understand recent changes in fashion industry and see how it is evolving because of different external factors, like sustainability or eco movement. It gives understanding about the main problems caused by fashion industry on the planet. Actions how



to improve the current situation are explained in the book. The fashion articles and journals will be used as well for explaining position of sustainable fashion. The term and the concept of sustainability is quite new, so the best literature for collecting actual data is the online sources.

Also, the book “The Future of Fashion: Understanding Sustainability in the Fashion Industry” by Tyler Little will be useful for understanding more about main activities of fashion industry which have caused bad influence on our planet. Secondly, in this book the author explains the importance of understanding the situation and says that people should prevent it. It should be done by changing behaviour of customers and companies. The future of fashion can be changed to better by the the proper actions (Little 2018).

Then, the marketing study is the core theory of this thesis. The meaning of marketing concept and importance of marketing in fashion will be explained with the help of “father of modern marketing” Philip Kotler in his studies and in his marketing journal, where the information is new and not outdated. A lot of consumers are focusing on the CSR -Corporate social responsibility when it comes to choosing the brand. It is stated, that more people are interested in consuming eco products. That is why the eco market with products like solar panels, energy-efficient goods, is expanding and growing, with the value close to \$209 billion (Kotler 2011, 132-135).

Secondly, the terms sustainable marketing and green marketing will be explained with the help of articles and different studies, where green marketing is explained as selling environmentally safe products and at the same time with satisfying the people’s needs and not harming the planet (Gleim et al. 2013, 44-61).

## 1.5 Research methods

In this thesis, the “mixed methods” will be used. The integration of quantitative and qualitative methods allows to reach more concrete goal by collecting the data in different way. Such combination works together perfectly in order to get a common result. To support the qualitative data, the questionnaire was conducted, which allows to get a more holistic view of the topic. Quantitative and qualitative research methods function together to provide deep and wide data, which is useful in this case. Format like an interview will be used for providing the information as the qualitative method and the survey will be made as the quantitative method. Qualitative method will be used because it allows to understand the behaviour by speaking with people face to face, observe the behaviour of them on groups and individually. As well the behaviours of people should be tracked in a large group by using a quantitative research method.

## 1.6 Structure of the thesis

This thesis has eight chapters as follows:

- Introduction
- Fashion industry
- Marketing and fashion industry
- Environmental problems
- Case company LUMI
- Data collection (Interview with CEO of LUMI and questionnaire)
- Discussion
- Conclusion

These chapters are onwards divided into different sub-chapters to explain meticulous information regarding the thesis topic.

In the first introductory chapter, the information about the structure of the thesis is given. Then, information about objectives and delimitations is described, as well as methodology and research questions and methods.

Focusing on the literature review in the next chapters, the information about fashion industry, marketing, green marketing is given. The difference between sustainable and sustainability marketing will be described and for example, company LUMI will be explained.

In the next chapter, which is the “Data collection” the data in the form of questionnaire and interview will be given as the research methods. It helps to combine all information together and compare it to each other. Then, in the next chapter Discussion, it would be wise to collect my knowledge and thoughts on the basis of the survey about sustainability and marketing in order to gather the findings based on the research data. It will help to answer the main question of the thesis. Finally, in the last chapter, the conclusion regarding the overall work will be given.

## 2 Fashion industry

### 2.1 Fashion industry in general

The fashion industry plays a significant role in the economy globally.

According to the author of the book *Fashionopolis*, Dana Thomas claims that clothes are the primary and the main tool of communication. It expresses the economic and social rankings, as well as occupation and ambition (Thomas 2020, 20). If the clothes seem to be a small thing, it is not. It can change the world's view of people (Thomas 2020, 28).

Recently the concept of fast fashion has gained its popularity. If there is a change in fashion styles or tendencies, then customers expect to buy new clothes and, in that case, "fast fashion" plays a significant role. It reacts to customer's needs quickly in order to satisfy their need with new fashion styles. Thomas says that fast fashion became so successful, that not only luxury clothes were made, but also sport wear. Moreover, it should be added that Thomas explains in her book, that there are one out of six persons on the earth, who are working in the fashion sphere, that makes the industry of fashion the most labor-consuming among other industries like security or agronomy.

Besides, Thomas reports in her book, that materials and attire were the 3rd-most restored industry in 2014, and the 2nd-fastest developing in 2016, utilizing 135,000 individuals and creating 10% of America's mold (Thomas 2020, 30-59).

With the popularity of fast fashion and thanks to the ethical desire, the movement's sustainability has grown. (Research Guides: Fashion Industry: A Resource Guide: Introduction, 2020). A lot of different environmental initiatives were established for example Clean Clothes Campaign in 2019 in France, Fibershed in the USA, the New Standard Institute (Terrell 2019).

The meaning of fashion is different for everyone. It can represent life, makes a person feel better and confident (Cohen 2018). It makes people more creative, stronger, and nicer. Designer and fashion director of *Teen Vogue* and *Allure*, Rajni Jacques considers that fashion is not just a trend, it is a necessity. This is the way how people introduce them to live (Cohen 2018).

The aim of fashion for editor-in-chief of *Instyle*, Laura Brown is a joy. When a person is putting on something, and he/she feels confident and beautiful, it is a joy. Karla Welch, who is a celebrity stylist, claims that fashion connects people with their past and present by a fabric (Cohen 2018).

The emotions are unforgettable when you buy something that you wanted for a long time. A person remembers that feeling and it connects him/her with the past (Cohen 2018).

## 2.2 Value of the fashion market with numbers

Fashion market is a rage sector Every year consumers are ready to spend more money on fashion. For example, in 2019 the amount of 61.2 billion British pounds was spent on clothing by consumers. In the long run, spending reached 19.75 billion British pounds from 2009 to 2019 in the UK. However, an interesting fact that the expenditures have decreased in the first quarter of 2020 because of the coronavirus pandemic (Statista 2020).

This graphic shows expenditure on clothing in the United Kingdom by a consumer (UK) from 2005 to 2019 in million GBP (Statista 2020).

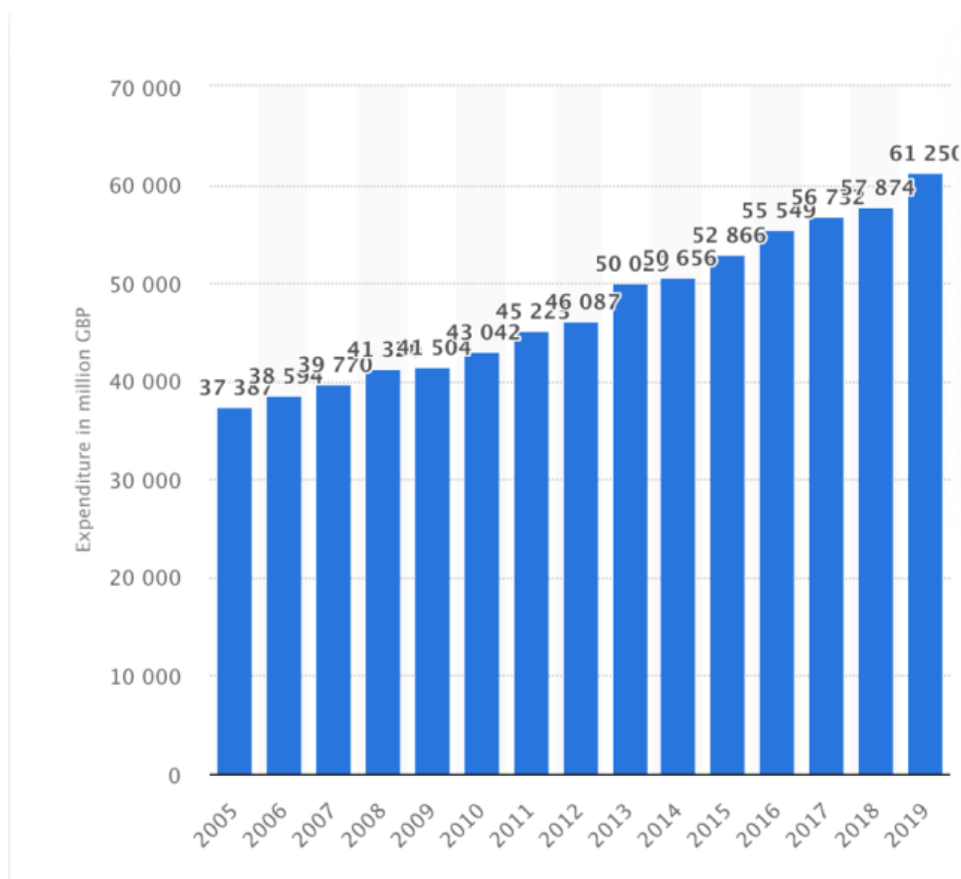


Figure 2. Expenditure on clothing in the United Kingdom by consumer (UK) in the period from 2005 to 2019 in million GBP (Statista 2020).

Firstly, it would be wise to give explanations of a concrete value of the fashion industry globally, taking into account numbers and sales. The majority of successful companies are based in USA, results of the most successful companies should be shown. In the USA the

majority of sports brands play a significant role in overall performance, for example, Nike and Under Armour. Nike's annual revenue is 30.6 billion and it should be stated that it has 105 billion dollars as a market value (FashionUnited a).

Nike is recognized as the largest market in the USA territory. The percentage of the total revenue varies based on location USA 46%, Western Europe 19%, the rest countries 35%. Then, second place in the USA market comes to TJX Company. This company is recognized as a fast-fashion brand with 86% for sales in the USA. Furthermore, this business operates not only in the USA but in Canada and other European markets. This brand has 54.5 billion dollars as market value, and it has annual sales of 30.9 billion dollars (Statista 2020).

Moving to the 3rd place of the largest fashion company based in the USA, VF Corporation should be considered. According to the sources, in 2015 the annual revenue of VF increased to 12.4 billion dollars. The brands like Vans, Timberland, and The North face are the parts of the VF brand and all together they earned sales of 7.4 billion dollars. Then, another American company L Brands can be competitive with VF company with a market value of 25.3 billions of dollars. Victoria's Secret is a subsidiary of L Brands with 12.15 billion dollars in sales. Under Armour is in fifth place among other fashion companies in the USA with annual revenue of 4 billion dollars in 2015. It should be stated that only in North America the company has earned 3.45 billion dollars (Statista 2020). According to the sources, currently on the New York Stock Exchange, Under Armour costs 17.8 billion dollars (Statista 2020). Only speaking about textiles market in India, by the end of 2020, it will become the sixth-largest sector among the rest 22 with the value of \$53.7 billion (The State Of Fashion 2020).

Speaking about the "value" of fashion in the environment, one can see that 20-35% of plastics in getting in the ocean because of activities of fashion industry. That is the reason why people started to think about acting eco-friendly. Nowadays, more and more brands are joining the "sustainable movement" by rising investments and in that direction and by changing their strategies. Innovations in re-engineered fibres and other eco materials are noticed in fashion industry. Consumers are caring about our planet and some to them are ready to pay more money for sustainable products. This trend is well seen among generation Z. Globally, companies are responding to the demand for eco-friendly products. The new green lines are designed, and new eco-friendly strategies are implemented. That is why, according to the source, 67% of respondents consider that using sustainable materials is crucial for their brands (The State Of Fashion 2020).

### 2.3 The main players in fashion market

According to Euratex, more than 1.7 million of people were working in the textile and clothing industry in the EU. The total revenue of these industries was 181 billion euros and 176 000 organizations were included in industries. However, in the period between 1998 and 2009, 50% of the workers were lost. That is why the income was lower by 28% (Šajn 2019).

Because of the decrease in the manufacturing of European textiles, the World Trade Organization (WTO) had to stop quotas of textiles which has been made in a period from the 1990s and ended in 2005. Then, the imports in the European consumption of clothes rose to 87% in 2012 from 33% in 2004. The manufacturing of clothes and textiles is considered a complicated value chain. The majority of goods are produced outside the EU in countries where the level of labour is not as high as inside the EU (Šajn 2019)

To determine the most successful and valued top companies in the fashion industry, The Fashion United Top 100 Index should be explained. The Fashion United Top 100 Index is used in order to collect the 100 powerful companies within the apparel and industry of fashion (FashionUnited b). It gets 100 the most successful organizations with a total value of more than 1 trillion dollars. These companies are chosen on the basis of common activities such as clothing sales including retail, physical, e-commerce, and wholesale. It should be stated that information gained from the source receives updates every first day of the month, meaning that the list of companies can vary depending on the time and season (FashionUnited b).

This table below gives information about the name of the company, the country of the company and shows the cap of the market (FashionUnited b).

Name	Country	Market Cap
LVMH	France	181.13 billion dollars
Nike	USA	107.81 billion of dollars
Inditex	Spain	100.41 billion of dollars
Dior	France	78.73 billion of dollars
Kering	France	75.93 billion of dollars
Hermes	France	71.49 billion of dollars

TJX	USA	51.01 billion of dollars
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LVMH is a large company with a long-term vision. It employs 16300 people and owns 75 different fashion brands. Bernard Arnault is the founder of LVMH group, where the 6 different aspects of the business are included: wine, leather goods and fashion, perfumes and cosmetics, watches and jewellery, other activities and retailing.

Some brands like Dom Perignon, Hennessy, Mercier, Moet& Chandon, Celine, Christian Dior, FENDI, FENTY, Kenzo, Marc Jacobs, Acqua Di Parma, Bvlgari, TAG Heuer, and etc. (LVMH)

The history of Nike began in 1964 by the track-and-field coach Bill Bowerman. Nowadays, it is one of the most successful sport fashion brands in the world. (Nike, Inc. History & Facts, 2020) The brand is on the way to become zero carbon and zero waste in order to keep safe the sport's future (Nike Inc).

Inditex is a Spanish fashion retailer of eight different brands like:

- Zara
- Pull&Bear
- Massimo Dutti
- Bershka
- Stradivarius
- Zara Home
- Oysho
- Uterque.

The story of the company started in 1963 as a family business of women's clothing. Then the company has developed, but the values and mission of the company remained the same. By focusing on the key elements, and by prioritizing the customer, Inditex has achieved excellent results. The first real success was in the 1980s of the brand ZARA, and after that, the rest of the companies were established.

Nowadays, Inditex is recognized as one of the most powerful companies in the fashion industry (Inditex).

Kering is a group of different well-known houses in fashion, leather products, watches, and jewelry.

The brands which are under the Kering group:

- Gucci
- Balenciaga
- Saint-Laurent
- Alexander McQueen
- Bottega Veneta
- Brioni
- Pomellato
- Girard-Perregaux
- Qeelin
- Boucheron
- Dodo
- Ulysse
- Qeelin
- Nardin
- Kering Eyewear

For the Kering group it is important to establish nice relationships with houses, clients, stakeholders, and workers. One more important aspect which Kering considers as the main-focus on sustainability. The group is sharing their sustainable strategies, approaches and ideas. On the website, one can find a lot of crucial information about sustainability with photos, videos and reports, which means that the group wants to be transparent (Kering a).

According to the web site, information about sustainability, Kering has established several goals by 2025 in a message: care, collaborate and create.

Care means to support local suppliers, to minimize use of water, use sustainable materials, choose trusted supply sources and the most important - to become 100% transparent by 2025 (Kering b).



Collaborate means that the level of eco-awareness has to be increased among Kering's employees, suppliers and clients. It is important to give understanding of the situation to more people with the help of showing reports, presentations and events. Kering is sponsoring people who could help in the future of fashion and group is the partner of ANDAM - National Association for the Development of Arts and Fashion (Kering c).

Create means to explore disruptive innovation and design the alternatives. The group is supporting internship for young designers. The partnership with Universities is established to create sustainability program (Create: Innovation and knowledge sharing, 2020).

### **3 Marketing and sustainability**

#### **3.1 Marketing and branding**

The combination of marketing and branding is an important aspect when it comes to the fashion industry. It is complicated to reach the target customers from a simple design to production and so on. For example, the fashion industry in London is growing every year because of different successful marketing strategies (Brown 2015).

Because of the changes in fashion which are usually fast and unpredictable, it is important to be open to anything new. In order to become competitive and prosperous marketing strategies should be changed with external and internal changes. Once, the change has been defined, the company should react immediately and try to be the first who responded to it. The one and the only way to make the changes in marketing strategies should be completed when the behaviour of real fashion's nature is gripped (Brown 2015.)

Fashion marketing is crucial to make popular fashion brands and their products. Fashion marketing is an essential key to the prosperity of the brands and if the marketing strategy has been defined in a correct way, that the business receives popularization and confession (Brown 2015).

Moreover, fashion marketing can be recognized as the best solution for how to influence customers. The connection between the brand and customers are well established when marketing has been done in a good way. It is essential to have consultations with experts in that field in order to identify the most important aspects, which can be implemented by the company. Fashion marketing helps designers to establish a powerful connection with the public. With the help of such a tool, designers can reach the max volume out of the options which they have (Brown 2015).

In other words, it can be stated that fashion marketing can be defined as the key to connecting the customers and designers to persuade the first, to buy certain products or a design (Brown 2015).

Branding is important in every type of business, but in the fashion industry, branding plays a crucial role. First of all, an explanation of the Branding should be given. According to the book by Philip Kotler and his speech during the London business forum, the importance of brandings has been stated. Kotler is well known all over the world as the "founder of modern marketing".

He explains the concept of a consideration set of customers which means when buyers want to purchase the product in a particular product company.

The majority of organizations are not in the set of considerations. It can be because the products can be too expensive or too cheap. It means a set of considerations. In other words, it is about having a choice between different products. It is important to have a consideration set for leading companies. If people know about the brand and if the brand wants to be interesting for customers, then, clients should know such aspects as the personality of the organization, positioning, and last, but not least, the value proposition (London Business Forum 2020).

Emotions towards a brand is a common thing from the buyer's point of view. Usually, knowing about the brand is not enough for people, they also feel something for the firm, and it is an optimistic emotion.

Then, organizations should implement a brand strategy. Firms can measure and track the equity of the brand, which should increase every quarter or remain the same. It is better when people know more about the brand, the favourability level and other factors such as "momentum" (London business forum 2020).

If one takes a look at Philip Kotler's 6-step conceptual model of branding, it is seen that it consists of 6 different nominations (The Marketing Journal 2016).

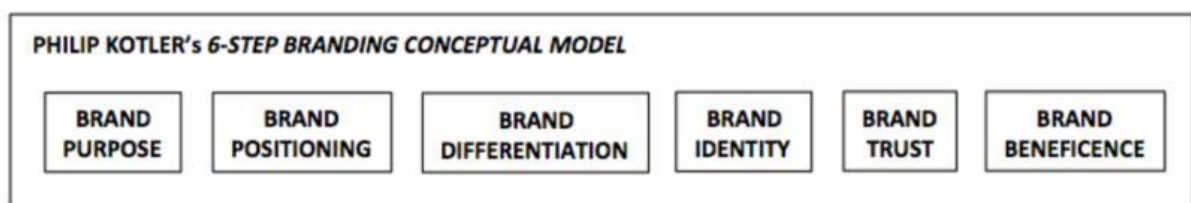


Figure 3 Philip Kotler's 6-step model (The Marketing Journal 2016).

According to Kotler (2016), organizations firstly should start with setting the purpose for the company. It gives brand purpose answers to the questions about accomplishing the brand promise for the buyers. It is seen that a brand establishment is all about developing the goal of the brand. It gives answers about what is the product and what is the main advantages of that product for customers.

According to Kotler (2016), brand positioning can be defined as the process of making a brand in a way, it would engage the target customer's minds. It recognized the company from other firms and gives grounds to clients to choose a particular brand. In other words, to establish the brand positioning, it has to be unique, noteworthy and sustainable (The Marketing Journal 2016).

Brand differentiation is attained through quality certainty affordability and unique brand performance. A brand should provide competitors more than other brands are providing. In

such a case, the company will be the most competitive among others. It should be stated that for a successful future for the company, the decisions should be done in the correct way. If there are changes in a customer's demand or there are other external factors, then the company has to rethink the overall activities of the company (Afra Alnaimi 2014). It means that some of the operations should be changed or added on the basis of the current situation outside or inside the company. If there is a new demand, for example, eco-movement, companies have to establish new goals. It should be added that incorrect actions can cause the losses of the company and missing the opportunities. That is why decisions should be done wisely and carefully.

The strategic management process plays a crucial part in the future of the brands. It is the process of how managers create and represent mission statements and strategic vision as well as manage the active demands of planning and analysis of different plans (Afra Alnaimi 2014).

In this process, every manager from every department is involved in the formulation and correct implementation of strategical aims for the company.

Strategic management process consists of 6 various steps. Each step should be explained below.

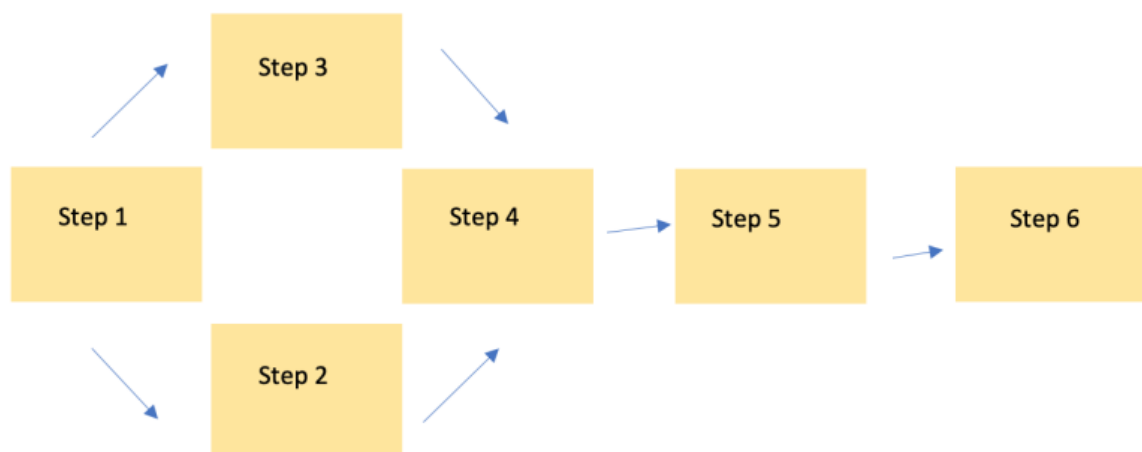


Figure 4 Strategic management process

- Step 1 means providing a plan where the organization is going and what it can become.
- Step 2 means that the analysis of external opportunities and threats should be done including the industry, competitors, political and social analyses.

- Step 3 means that at this stage analysis of internal strengths and weaknesses should be made in order to get a better and improved performance
- Step 4 comes to providing SWOT analysis and formulate the strategy
- Step 5 goes as the pre-final step in this process, meaning that strategy has to be implemented
- Step 6 is the final stage, which comes to strategic control

Such steps have a maximum impact on the future success of the business. Secondly, the implementation of these steps, ensures that the company will be competitive if the decisions were done in the correct way (Afra Alnaimi 2014.)

Marketing is updating everyday. There are five main aspects of marketing: the concept of production, product concept, the concept of selling, idea of marketing and societal marketing idea. All marketing actions are made in a connection with these concepts.

For example, meeting unsatisfied demands with the help of manufacturing more and having less price is the base of a production concept.

The concept of product means that people want to purchase good quality and innovative products. Idea of selling is based on aggressive selling and advertising.

However, in the middle of the 20th century, the focus of marketing concept has moved to a user centric approach. It means that marketing should be focusing on creating connections, and get the prime value to the target clients (Kumar et al. 2012, 482-489).

Eventually, the societal marketing idea occurred. The base of which, is giving social and ethical attention into activities of marketing (Kotler 2016). Nowadays, the time came to add sustainability to the marketing, which is actual today. The organizations have to remember that sustainability is required, this is not a choice anymore (Charter et al., 2006).

Sustainability is not an option, how it was a few years ago, and companies should keep it in mind. In order to be competitive and successful in the market, organizations should re-write and rethink their marketing concepts (Dam and Apeldoorn, 1996)

The new idea of marketing is to satisfy the need of next generations, be innovative, communicative, sustainable and be ready to implement new ideas and strategies (Kumar et al., 2012).

The first idea of ecological marketing was formed by Fisk (1974) where the main aspects of ecological marketing are recognition of an ecological crisis and the marketer's readiness and possibility take responsibility in order to keep away from sentence.

Then, two years after the concept was developed by Henion and Kinnear (1976) with updated concept of 'Ecologically Concerned Consumer' (Kumar et al., 2012). One can understand that these definitions show that ecological marketing is connecting with ecology and pollution. Less attention was given to environmental aspects in the marketing strategy in the period from 1970 to 1985. After that time (Menon and Menon, 1997) the consideration has been given. In the period from 1970 to 1985, less attention was given to environmental aspects from the marketing strategy (Kumar et al., 2012).

### 3.2 Green marketing

As claimed by Polonsky, green marketing or sustainable marketing can be explained as a company's decision to design, advertise and distribute goods and not influence badly on the planet. The meaning of green marketing is comes together with any activity, which is focused on creation of products in order to satisfy customer's needs. The idea and the main difference is that the aim of green marketing is to achieve two goals: the first is to meet the and please the needs of customers and the second, don't hurt the environment (Polonsky, 2011). For example, Prakash admits that green marketing can be considered as special policy, where the information is provided to the consumers at various scales like industry, level of product and company (Prakash 2002, 285-297).

Firstly, Mintu and Lozada (1993) gave a definition to green marketing, where green marketing as the implementation of marketing tools to simplify exchanges, which meet with the group and individual aims. This way helps to support preservation and protection of an environment.

Based on Dam and Apeldoorn (1996), defined the main idea that green marketing is focusing on the improvement of overall corporate activities by pulling the market and pushing lawmakers, which is not damaging nature. Government and influence of intermediaries became the base of the green marketing approach (Kumar et al., 2012).

Then, the concept 'Greener marketing' was updated by Charter in 1992 with the term:

*"A holistic and responsible management process that identifies, anticipates, satisfies and fulfils stakeholder requirements, for a reasonable reward, that does not adversely affect human or natural environmental wellbeing"* (cited in Charter et al., 2006).

To understand the term "green marketing", one has to realize what is the meaning of green consumer.

According to Ottman (1993,98) there is four different categories of green consumers: having knowledge, preserving their lifestyle, passion to be practical, desire to control.

The concept "Green consumer" can be explained as the individual who confesses eco-friendly behaviour and one who buy eco-friendly goods instead of simple not eco-friendly products. The main idea of a green consumer, that the person understands and accept the fact that their choice -is their responsibility. Green vision of consumers allows them to behave in environmentally friendly way (Shamdasani 1993). Every year this theme is developing in a broader way. If one takes a look on the today's situation, then one can easily see that defense of the planet is significant aspect (Dono et al. 2010, 178-186).

Care for environment, green promotions, researches about main problems on the planet, helped consumers to make a choice to the sustainable way. Green consumers are the consumers who refuse to buy any products and services which could harm the planet and live beings. They also refuse to accept the idea and concept of animal testing (Elkington 1994, 90-100).

By Cairncross (1992), green marketing and the increase in green consumers are the base for creative opportunities, which has not been before in the world (Cairncross 1992).

Until these days, managers did not focus on the idea of green marketing. However, one can see that society prefer eco products over a non eco.

The concept of 4 P's in Green Marketing Mix should be explained:

- product
- price
- place
- promotion.

Green design is the starting point for the term of Green Marketing. Design of the product makes a difference between demand and supply. According to Ottman and Terry, the extra concentrated laundry cleansers can be associated with the savings of money, space and contribute to special packaging (Ottman and Terry 1998). The goods have to be completed in such way, when the need of consumers and manufactures are satisfied. Sustainable products have to include the special green labelling. It gives understanding to consumers that this product is eco-friendly. The decision to buy would be accepted or not.

Speaking about green price, it should be affordable to make a purchase. The right advertisement of the product is important in order to show the message and the problem to the client. Companies who are using the eco promotions are associated with the green brands and this fact influences on the purchase decision and positioning on the market. If there is

an alternative, green consumers are likely to choose the brand with shared thoughts. However, the price is significant to make the decision among other brands. If the price is low, then more clients are going to make a purchase, so the strategy of low price would be more effective (Samiya 2019).

Focusing on the place and promotion, green marketing is a serious and delicate topic to be discussed because people believe in things that they see. That is why the green distribution plays a significant role in the concept of green marketing. In other words, people have to be sure about the eco-friendly nature of the good, which they want to buy.

Companies are trying to show the eco image of their company to the customers by special campaigns and different eco promotions which need a relation from inside and outside. The main idea is to show that the company is worrying about environment and that is the several actions are done. According to the study of Shrum, McCarty and others, women are most likely to consider that the advertising can be offensive and that is why they are switching the channels. It means that women who are buying eco products are not 100% sure about promotions in a contrast with women who do not. Speaking about men, their behaviour to buy green products is not related to advertising (Shrum et al., 1995).

### 3.3 Sustainable and Sustainability Marketing

The strategy of sustainable marketing is focusing also on the giving advantage to the business and to the society and the planet. Consequently, after the work in this course, Peattie and Belz in 2010 presented the 4C' concept and modified it to the new one where four C take place:

- Customer solution
- Customer cost
- Convenience
- Communication

Of course, the study is connected to traditional 4P presented by McCarthy (Kumar et al. 2012, 482-489).



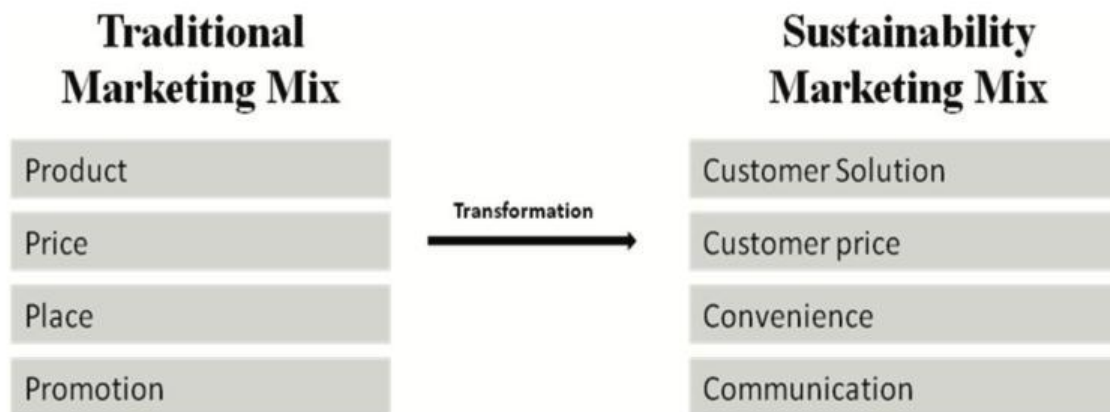


Figure 5. McCarthy's concept of 4P and Sustainability Marketing Mix (Kumar et al., 2012)

The sustainable marketing is defining as macro-marketing concept according to the study of Dam and Apeldoorn. Authors define it, as “the marketing within and supportive of sustainable economic development”. Conversely, Belz and Peattie in their work “Sustainability Marketing: A Global Perspective” showed that sustainable and sustainability marketing are two separate concepts (Kumar et al., 2012).

Idea of sustainable is connected to sturdiness, where the main idea is that Sustainable marketing is the type of marketing, when the long-lasting relations with client is built without any specific links to sustainable considerations. While on the contrary, there is an idea that sustainability marketing linked to sustainable formation agenda, where the main point is that build and maintained sustainable connection should be linked with clients, natural and social environment (Kumar et al., 2012).

### 3.4 Segmentation approach

In modern marketing, there is an approach which is called STP. It can be explained as Segmentation, Targeting, Positioning.

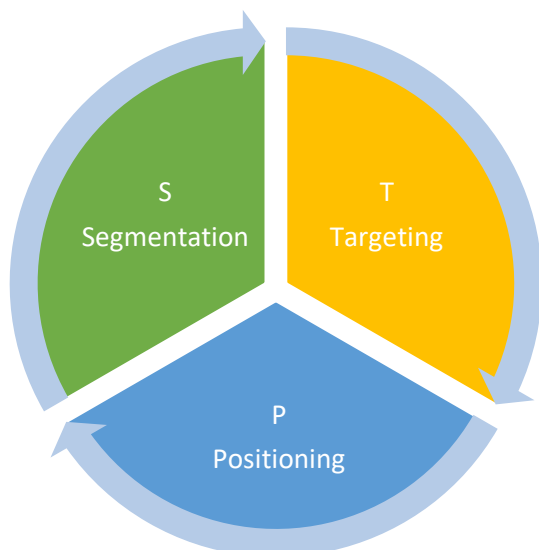


Figure 6. STP meaning

It is considered as one of the most common popular tools after SWOT analysis. The popularity has increased recently because the main attention was not focused on customers, the focus has been established mainly on products. In order to engage with the public, the marketing team should determine the propositions, develop and deliver customized information.

This can be done with the help of the STP model, which is crucial and helpful in the creation of marketing communication plans. In this approach, the product is not important as customers.

Nice established communications help to get the applicable information to the public.

There is a connection of public option, an assortment of public, and positioning of production. The chart below explains this process (Hanlon 2020).



Figure 7. Connection of Marketing segmentation, market targeting and product planning (Hanlon 2020)

STP pays attention to the commercial side of the performance. As the next step, STP selects the most essential business segment. Then, the goal is to grow a marketing mix.

Finally, for each segment, the positioning strategy has to be done. For example, STP is an important, useful, and popular tool in digital marketing. STP is a necessary tool in digital marketing. The author Dave Chaffey explains how STP in his book *Digital Marketing: Strategy relate to digital marketing* (Hanlon 2020).

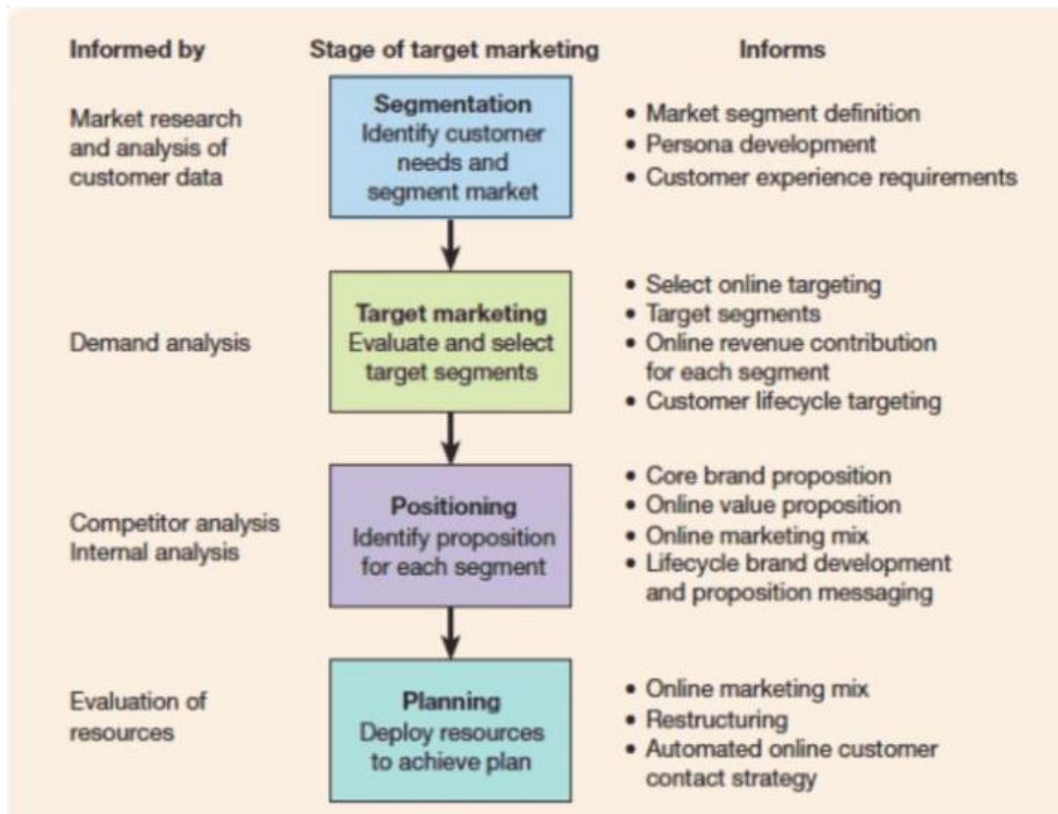


Figure 8. Stages in target marketing strategy development (Hanlon 2020)

According to this process, there are four stages of target marketing: segmentation, target marketing, positioning, and planning where each step is informed by something and it informs various possibilities (Hanlon 2020).

According to the source, segmentation helps to identify alcoves with particular needs which finally, help to send special constructive marketing messages (Hanlon 2020).

The market can be segmented according to following variables:

- demographics
- psychographics
- lifestyle
- belief and values
- stages of life
- geography
- behaviour
- benefit.

Demographics is the method of making the groups of people by geography, age, gender, income, education, ethnicity, marital status, profession, or occupation. Who is the buyer? This is an answer for “demographics” (Cousins 2018).

Psychographics explains “why” customers are buying these particular products. Psychographics include the attitude of people, their lifestyle, hobbies and personality, risk aversion. Psychographics means emotions and feeling about the product.

Lifestyle explains the leisure time of people, their vacations, and other different hobbies. Some kind of hobbies is large, which gives an opportunity to organizations to determine the target easily. Belief and values mean the religions, political, and other cultural values of the person (Cousins 2018).

Stages of life explain that people of different ages can't be in the same group. Their age is different, which means that people are in different stages of their lives and it is not wise to compare them (Cousins 2018).

Geography shows that the segmentation can be divided by countries, regions, areas, density of population, and even climate matters (Cousins 2018).

Behavioural refers to an economic decision of people about the purchasing, nature of making a purchase, the loyalty of the brand (Hanlon 2020).

Benefit means customer satisfaction. Some customers would like to have a benefit of a concrete product and they also want to feel the benefit of the packaging (Cousins 2018).

The possible commercial segment's attractiveness should be evaluated by:

- Size of the criteria
- Money
- Difference
- Focus on different benefits
- Accessible

The last element of the STP process map positioning. Usually, two variables have to be chosen to show an overview of the market (Hanlon 2020).

### 3.5 Customer relation and expectation about sustainability

According to Willersdorf and Mitchell, the demand for sustainability has been increased nowadays. Boston consulting group in their survey found that 75% of consumers consider

that movement of sustainability is crucial. More than 1/3rd of customers claimed that they are choosing eco products. During the pandemic, the demand for eco products became more than it was before.

Approximately, 70 % of the respondent is informed that the climate on our planet is depending on human activities. However, before the pandemic, that fact was the same, but people didn't really pay attention to it. The demand for sustainable products is rising every day and consumers want to purchase these eco goods (Willersdorf & Mitchell 2020).

The problem is, it is not clear what exactly sustainability means, because this concept remains obscure for some people, meaning different things. The majority of consumers can not understand what exactly makes the product sustainable and which products are sustainable as well. People are not going to pay high prices to get eco products and they do not understand why the price is really high (Young 2018).

Looking at the graph below, one can see % who says that the eco-friendly products will be purchased by them.

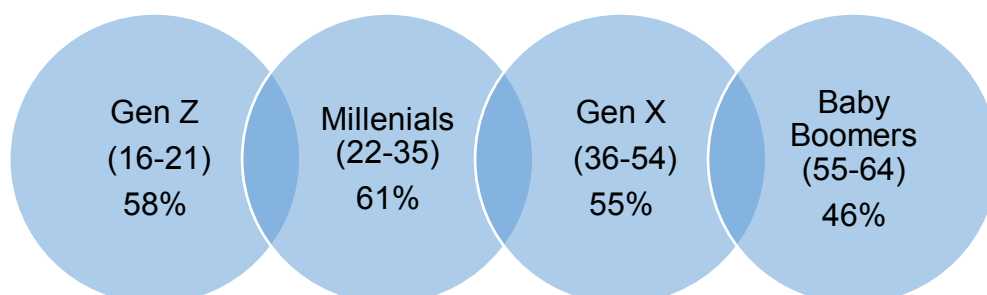


Figure 9. Generations who will pay more eco-friendly products (Young 2018)

Fashion companies should meet the demand and satisfy their customers with sustainable decisions. Eco-friendly products should be available for customers to purchase. In the past few years, the attention of people to problems of water consumption and climate change has increased (The State Of Fashion 2020).

The term sustainability can be identified as the usage of materials or the production processes. The determinations change depending on the product category, age, nationality, a segment of the market (Willersdorf & Mitchell 2020).

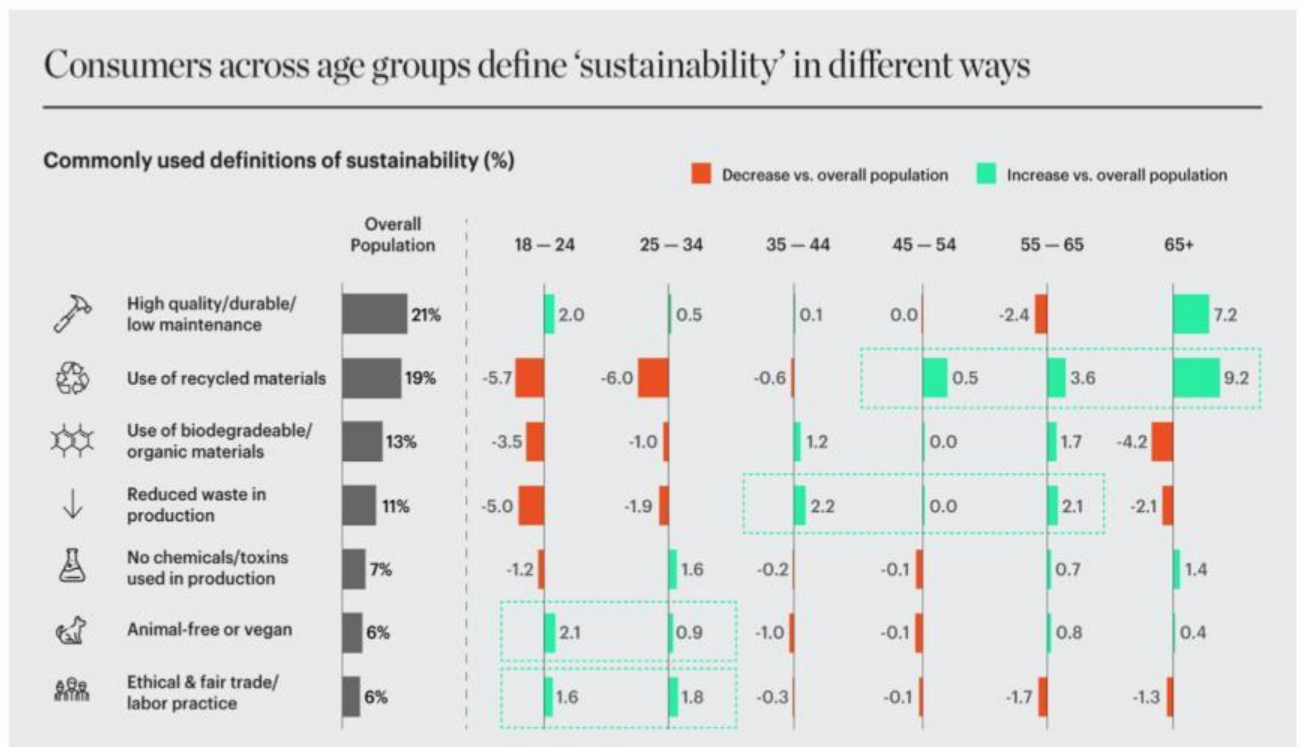


Figure 10. Different aged consumers define "sustainability" (Willersdorf & Mitchell 2020).

This table shows the difference in defining the term "sustainability" for different age groups:

- 18-24
- 25-34
- 35-44
- 45-54
- 55-65
- 65+

The left side of the table explains the general meaning of sustainability in % of overall population. The 21% of the population considers that the term sustainability means high quality/low maintenance.

Then 19% of the overall population thinks that sustainability means the use of recycled materials. Only 6% of overall population considers that the term is connected with ethical and fair trade (Willersdorf & Mitchell 2020).

According to the table, it is seen that the expectation about the sustainability of the younger generation and the older generation are not the same.

This difference makes difficulties for brands to create sustainable production because the term is not properly established. Luxury companies have faced this problem because consumers can't identify their needs. The sustainability criteria for luxury goods vary across different countries is shown in the table below (Willersdorf & Mitchell 2020).

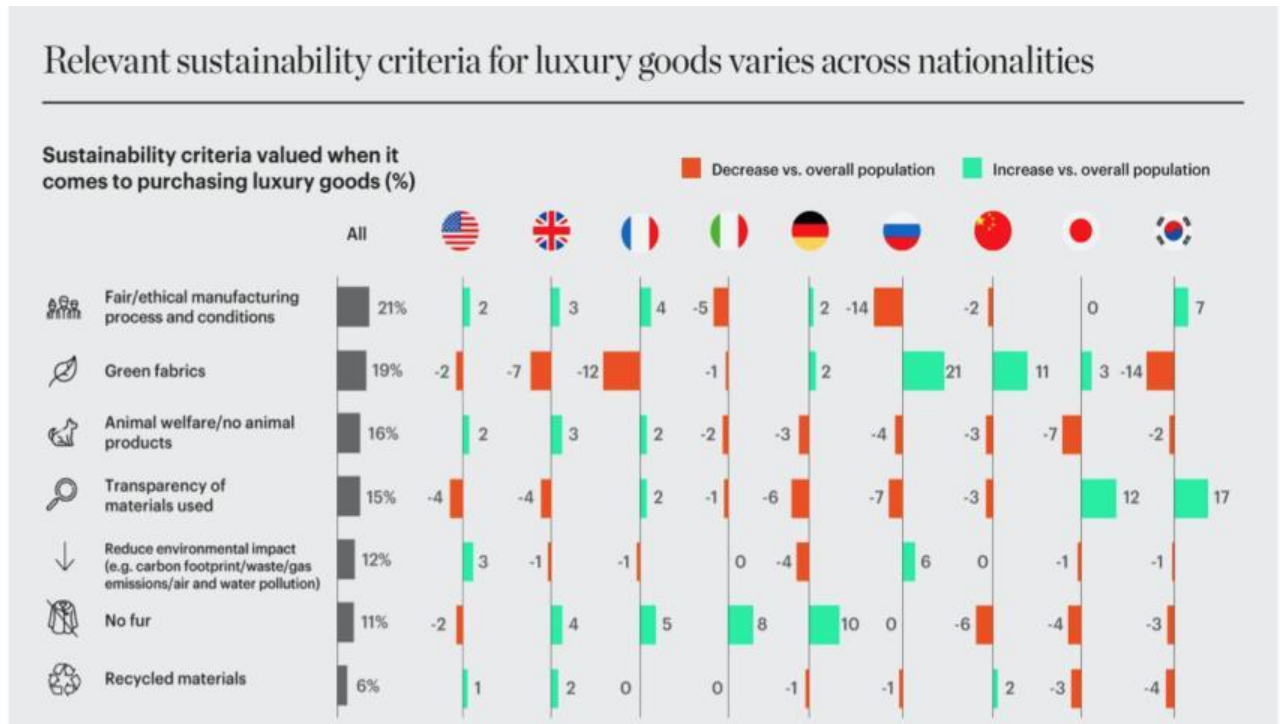


Figure 11. Categories for sustainable luxury products (Willersdorf & Mitchell 2020).

Countries like the USA, UK, France, Italy, Germany, Russia, China, Japan, and Korea are taking into account. Customers from China and Russia value the eco-fabrics, while consumers from Italy and Germany pay attention at the fur usage.

Customers from South Korea are focusing on the transparency of materials. French consumers appreciate fair labour conditions. Luxury consumers need sustainable products, but there is a difference in understanding the sustainable term between consumers from different countries and fashion brands. Sustainability doesn't always matter. The recent research shows that the high price and not clear picture of the term sustainability affect the decision of customers to buy eco-friendly products. Other problems related to limited versions of styles that brands can make in a sustainable way (Willersdorf & Mitchell 2020).

According to Philip Kotler and Gary Armstrong, Customer Relationship Management can be explained as the complete life cycle where the managing customer relationship is successful and profitable. The main goal of CRM is to establish the equity of a customer.



In total, customer equity relates to the sum of a person's lifespan meanings. CRM developers are growing data warehouses and use methods of data mining in order to establish a long-lasting connection with beneficial clients (Kumar et al. 2012).

#### 4 The environmental problems caused by fashion industry

According to the report by GFA Global Fashion Agenda, the approximate mark of the textile consuming is 4-6% from overall industries. In 2015 these industries like textiles and clothing used a giant amount of water - 79 billion cubic meters, 1715 million tons emissions of CO2 and produces 92 million tons of waste. If the situation remains the same, then the numbers will rise in a half by 2030 (Šajn 2019).



Figure 12 Continuation of life (Davis 2020)

The ecosystem has moreover fallen casualty to our requirement for moment satisfaction. It should be stated that The World Bank considers that the industry of fashion is the cause of nearly 20% of all mechanical water contamination every year. It evaluated that 10% of carbon emanations arrive from the generation of clothing. Also, fashion industry is causing problems like sea and air pollution, disappearing of rare species of animals, carbon footprint has increased and climate change (Thomas 2020, 25).

Deforestation is one of the main problems on the planet caused by fashion industry. Because of the destruction, there is climate change account of 20% of worldwide greenhouse gas emissions. Moreover, more than 80% of existed different species including plants, animals, and insects after the loss of their familiar habitat, do not adapt to new conditions and die (Stella McCartney Ltd 2020 a).

One more serious environmental impact connected with brass, have an original from the mining of copper.

The thing is, the copper is not destroyable in the environment, and it is easy to find copper in a large amount in the water or in the ground not far from the mines. Furthermore, water pollution is the reason of the extraction of metals. The changes in levels of copper kill the local flora and fauna and affect the worker's health in the mining industry (Stella McCartney Ltd b).

Fresh water is polluted because of chemicals used in fashion industry. Chemicals which are used in textiles are getting into rivers and then to the ocean, which is really harmful for planet. The reason is that a lot of companies are not using filters to clean the water. Comparing 2000 and 2020, one can see that now fashion industry is producing more clothes in two times like it was in 2000. The thing is, people are not buying the 100% of produced clothes and people throw away products. The majority of goods will be burnt, which cause considerable CO2 emissions (SANVT GmbH).

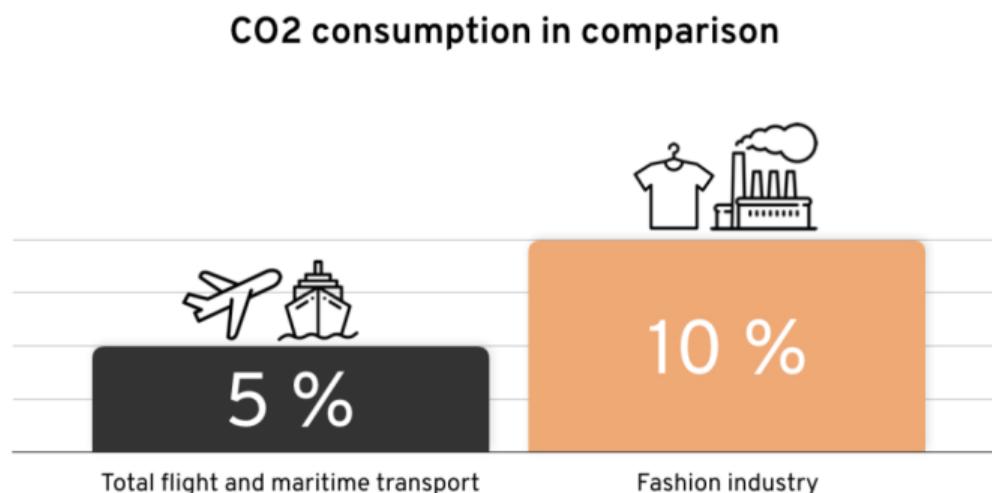


Figure 13. Comparison of CO2 consumption (SANVT GmbH)

#### 4.1 Eco-brands decisions

Dana Thomas in her work *Fashionpolis*, suggests that humanity should look at creators like Stella McCartney, who is analysing ways to form a contrast on a much bigger scale (Thomas 2020, 63)

Nowadays, she and other representatives of the industry, come up with the idea that Generation Z and Millenials are in search for the sustainable companies.

Not less important:

- to understand what the impact of different materials is
- what is the supply chain of production
- understand the principles of the firm

Based on the gained information, particular facts, and openings of different sides of fashion, one should make a decision according to her/his choice. Everyone has a variety of options, so it should be implemented wisely. The more information we have the process of making decisions becomes easier. It is only about a person's decision and the next steps will depend on his/her actions (DeBara 2017).

Patagonia is a brand, which is curious about sustainability. The philosophy of the brand is to be eco-friendly. In order to meet the expectations from eco brand, Patagonia decided to build special centres for repairing the old products. This way helps people to keep old clothes and wear it for years because fast fashion has a bad influence on our planet.

It should be stated that in 2016, Patagonia promised to donate 10 million dollars of their Black Friday sales to the association related to the environment. They believe that it will help our planet to improve. Patagonia's obligation is to modify and improve some actions to make them eco-friendly and sustainable (DeBara 2017).

This aspect makes Patagonia a competitive brand among others because it is well known as an eco-brand. On the base of the brand, there is a protection of wildlife in a combination with strong design. According to this information and looking at Patagonia's website, one can say that this brand is perfect. However, it is not. Patagonia tries to change the way of some processes and production by implementing different eco tools and strategies, but it is still difficult to be sustainable for 100%. Transparency of the companies helps to maintain a loyal relationship with the customers. Implementation of a recycling policy is making the company open to clients, which can help to establish a strong connection (DeBara 2017). Patagonia believes that the main things that a company can make are:

- to be open
- to be transparent
- give an explanation to customers and your command, that the process of getting a solution is in the process (DeBara 2017).

There are more and more companies that are considered as eco companies. They try to satisfy the need for sustainability. In the book, Fashionopolis, some examples of some brands like Bolt Threads and Evrnu were given (Thomas 2020, 126.).

Bolt Threads constructed a special "spider silk" which has been growing in a laboratory on a basis of DNA and yeast in order to create fibers. There are some companies with the idea of converting the oldest clothing into raw materials of super quality (Thomas 2020, 128.) Dana Thomas says that the problems the industry of fashion are much more serious than the fashion itself. However, there is always an escape.

The escape should be done not from one side only. It has to be done from both sides as well. If people consume less and buy less, then we will be going in the right direction. People should become more conscious about this problem and realize that if everyone goes at one direction, it would be possible to change the situation.

Thomas believes that changing the way and method of washing clothes can help in improving the situation. Also, if people repair old clothes, instead of throwing it away, the consumption will decrease (Thomas, 2020, 30-39).

One more successful example of a brand, which is playing an important role in a sustainable fashion market – Stella McCartney. The brand is pushing boundaries in order to purchase luxurious products by the sustainable methods like not using fur, leather, and replacement of other materials. Every step is making for a better future of our planet with the help of using alternative safe materials and fabrics.

According to the official web site of Stella McCartney, there is an information about materials which are replaced by the ecological ones like:

- Cashmere
- Viscose
- Fur
- Metals
- Organic cotton
- Recycled nylon and polyester

Speaking about cashmere, Stella McCartney brand made a decision to reduce the impact on the environment by stopping the utilization of virgin cashmere. This eco replacement has

the same softness and same quality, but it has the most important advantage -it is environmental safe (Stella McCartney Ltd c).

Stella McCartney has changed the production of viscose in order to protect the forests and fauna. Each year,15 millions of trees are used in order to make fabric. That is the reason why the company is using Swedish forests, which are certificated (Stella McCartney Ltd a).

The real fur is not used by the brand, but instead of it, the company produce not real fur which is made from acrylic, polyester and mohair. However, Stella McCartney brand knows that this eco fur can't be biodegradable, so they invoke customers to be neat and conscientious in relation to the usage of eco fur (Stella McCartney Ltd d).

The company uses stainless-steel and alternative of aluminium. As there is no copper mining engaged than such materials are considered as more environmental (Stella McCartney Ltd b).

Transparency is used by Stella McCartney and one can find the statements like UK modern slavery act right on the official company's web site. UK Modern Slavery Act states as a law that was implemented in the UK in 2015 to observe the cases of a modern slavery. It should be highlighted that one part of the law connects to the companies and requires businesses to provide reports to be transparent for others, which can help people to understand what processes the company is doing in different fields (Legislation.gov.uk).

## 5 Case company

This chapter presents a study case to the reader. To be more concrete, this is a Finnish leather company of accessories and bags. Different lines and collections would be presented as well as the main values, mission and future goals of the company. After that, the relation to sustainability is given as well as interview with CEO of the brand.

### 5.1 LUMI Accessories brand

#### *Overview*

The logo for LUMI is displayed in a bold, black, sans-serif font. The letters are thick and closely spaced, with a clean, modern aesthetic.

Figure 14. LUMI logo (Lumi Accessories)

LUMI is a leading leather accessories brand in Finland, which is sold in approximately 25 countries and received several design and industry awards. LUMI appreciates our planet and tries to use sustainable resources bases which help to minimize the impact on the environment.

In the Finnish language, LUMI means snow. The white colour of snow represents clear fundamental qualities like:

- honestly
- precision
- authenticity
- sustainability
- understatement
- new beginnings
- functionality
- innocence
- independence
- approachability.

These qualities inspire LUMI to design new products.

The history of the brand has begun in 2000 in New York by Sanna Kantola and Bruno Beaugrand. Nowadays, Sanna is working diligently as the CEO and director of the LUMI design team.

She has over 20 years of professional experience in fashion. She began her career as a designer at fashion companies in Paris and New York, including as the sole handbag designer at Ralph Lauren in New York City in the 2000s.

Some words about her background have to be said. She has a Master's degree in fashion design from Aalto University in Helsinki. Also, she has completed the Executive education at Hanken & SSE in the fields of Business, Management, and Marketing.

Bruno Beaugrand is co-founder, sales director, brand strategist, Designer and Chairman of Lumi Accessories. Previously, Bruno worked as an art director for Tiffany & Co. He previously worked as Senior designer, with the expertise of product design, packaging and structural packaging, user interface and cognitive ergonomics, running projects for clients including L'Oreal, P&G, PepsiCo, Jack Daniels and etc.

Bruno received a Master's degree in product design from Ecole Nationale Supérieure des Arts Décoratifs in Paris. Moreover, he has completed courses of Cognitive Ergonomics at Ecole des Arts et Métiers in Paris, and completed the Executive education at Hanken & SSE in the fields of Business, Management and Marketing (Lumi Accessories Oy 2020 d).

Inspired by a snowy little town in Finland and an old beautiful factory where the white had been produced, they started to design their own small line of felt handbags and hats, in Vachetta leather.

The decision to unite organic felt and vegetable-tanned leather with the production in a small Finnish factory has been a successful solution. The company's success began to gain momentum. Different fashion organizations from Tokyo and New York showed their interest in LUMI's production.

After the introduction of the bestselling bag in 2003, LUMI expanded its sales to Europe and established an increasing wholesale presence at fashion trade shows in different top fashion cities, like Paris, Milan, and New York.

In 2007 LUMI opened its retail store in Helsinki, giving the opportunity for customers to feel the Nordic atmosphere and buy LUMI's bags (Lumi Accessories Oy 2020 d).

The golden Hanger (Kultainen Vaatepuu) has been awarded to LUMI in 2011 as well as other various fashion prizes.



LUMI produces leather pieces, including handbags, backpacks, items for travel, other everyday necessities that are the end-result of mindfully chosen materials, and tailor-made design (Lumi Accessories Oy 2020 d).

There is a wide selection of skincare products and scents like wax candles, a variety of soaps, moisturizers, shampoos, conditioners, body washes, body oils. The advantage of LUMI's scent line is that the products don't consist of such ingredients like parabens, aluminum, plasticizers and other chemicals.

Testing on animals is not used in a process of producing the products, which is a sustainable advantage of LUMI and customers recognize it as an eco-friendly brand (Lumi Accessories Oy 2020d).

#### *Missions, values and vision*

The main vision of LUMI by 2025 is to exclude plastic from production and eliminate it from the process of shipping (Lumi Accessories).

There are four main values of LUMI which are:

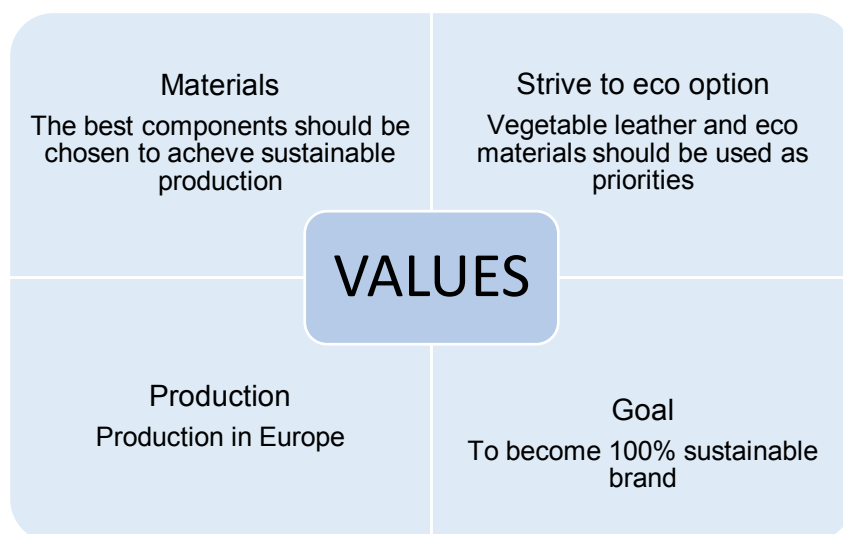


Figure 15. LUMI's values

There are two the most important missions for LUMI:

- To achieve zero plastic waste

The brand strives to minimize the consumption of plastic and create zero plastic waste in order to help the environment.

- To win the battle with mass consumption

The mission means to teach people how to save things and how to not throw clothes away. The idea is to purchase products in a conscious way, saving them for years and then recycle.

The core of LUMI can be described in 3 words

- Sustainability
- Functionality
- Educated experience

#### *LUMI product line*

According to the web site, the company has a variety of collections of bags in different sizes, colors, designs and materials. Some of the collections are permanent and almost every season models of the collection can be changed, re-designed or new colors can be added. Some new collections are in the development, for example, LUMI will introduce new P-RET line by the end of November. This new line will be the sustainable one, made from recycled materials and eco-friendly.

- Supermarket Bags

This line was created under the inspiration of a bag made from plastic. These bags are in different colours and in different sizes from XS to XXL. The idea of implementing this line was the attempt to replace simple supermarket bags which are bad for the environment.

- Limited Edition collection

These hand-made bags and purses are made from Italian vegetable-tanned leather. Production is based in Portugal, and implemented in a tiny family atelier



Figure 16 Tilda small shoulder bag black (Lumi Accessories Oy)

- Soft line

The soft line is made of vegetable-tanned goat leather. This collection combines bohemian chic and environmentally awareness.



Figure 17 Leena A4 tote red pear (Lumi Accessories Oy)

- Woven line

The woven line represents the Finnish “pärekori”. The pattern of baskets inspired designers to create a collection of every-day necessities and business bags in different colors and sizes.



Figure 18 Roosa small tote cognac (Lumi Accessories Oy)

- The Mhann line

Contains city and business bags for men and women as well as tiny accessories and travel bags. This collection has been created for citizens who appreciate the conjunction of attitude, functionality, and personality



Figure 19 Johan small business bag navy (Lumi Accessories Oy)

- Natural line

Returning back to the roots, LUMI introduces the Natural line. Leather pieces are simple, natural, vegetable-tanned beige leather and minimalistic



Figure 20 Kukka evening pouch black (Lumi Accessories Oy)

- Vivid line

Means the collection of small and soft Napa sheep leather bags. The main accent of which is the bright color and different interesting mixes of colors. Such a purse can be found easily inside any bag. The Finnish norther light has inspired designers to create new collection vivid line for colorful and bright personalities.



Figure 21. Aila Frame wallet turquoise (Lumi Accessories Oy)

- Light line

The light line is the collection of thin bags, at 0.6 millimeters. Elegant leather bags are popular because of its design, thinness, strength, and stability of all-natural material



Figure 22. Folding pouch black (Lumi Accessories Oy)

- The scent and skincare line

Consists of scented products that remind about the past. It means memories of lakes, summer nights, adventures and fresh Finnish mornings.



Figure 23. Scent line (Lumi Accessories Oy)

## 5.2 Sustainability at LUMI

LUMI appreciate sustainability and try to affect the environment as eco-friendly, as it is possible. Daily, LUMI strives to become 100% sustainable brand by using eco-friendly designs and techniques. With the help of local production and carefully chosen suppliers, LUMI is making everything possible to achieve sustainable goals.

Nowadays, with the same mindset, LUMI proposes to humanity to take part and be responsible for conscious consumption. It is important to push industries and brands to build eco-friendly products and services with a real CSR, from packaging to a delivery system.

This not complicated instruction can help to make a step forward to save our planet and not to make more damages by including the circular economy to the processes.

A circular economy can be described in a detailed view in an image below. It is a special type of economy, which is focused on restoring the financial, natural, social, manufactured or human capital. The scheme gives an explanation of the stream of both technical and biological components via the "value lap" (Ellen Macarthur Foundation 2017).

There are three main principles, where the first one means the preservation of natural capital with the help of checking stocks and maintaining the balance of renewable resource flows. The main idea of the second principle is optimizing resources by goods circulations, ingredients, and materials in biological and in technical cycles. The actions go through parts manufacturer, product manufacturer, service provider, and finally go to consumer and collection.

The third principle means that the system's effectiveness should be fostered by disclosing and creating a design of negative externalities (Ellen Macarthur Foundation 2017).

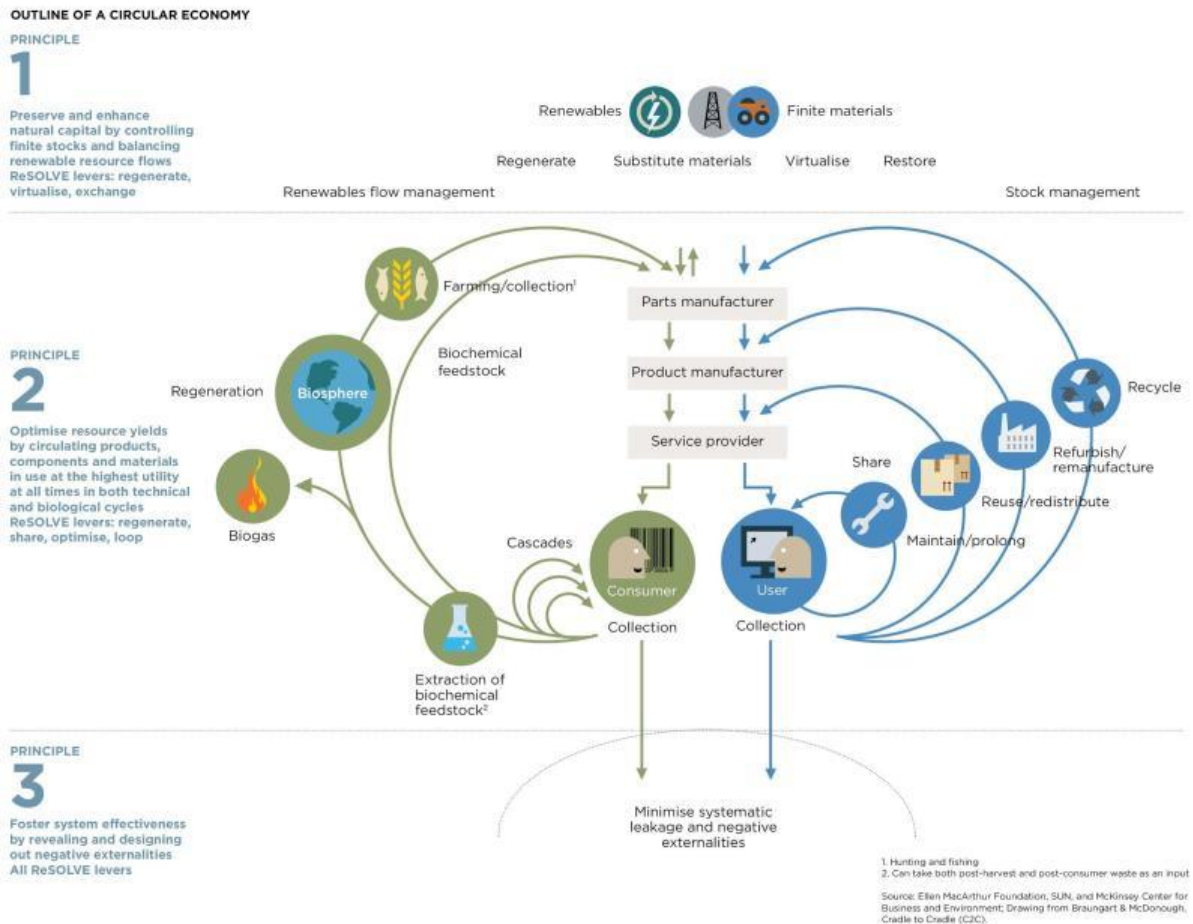


Figure 24. Circular economy (Ellen Macarthur Foundation 2017).

The materials are selected in order to get the best and eco-friendly final products. All types of leather (including chrome, vegetable tanned) which LUMI is using for production, is made according to the required standards.

LUMI believes in reusing and repurposing what we have, After enjoying your bag for years, and by returning your Lumi R-PET bag at the end of its life to us, the company will reward customers with a 15% discount voucher valid on next purchase. LUMI will disassemble and repurposed each component of customer's bag to become another Lumi story (Lumi Accessories).

LUMI is working on creating its own hardware to guarantee the quality, nickel-free and get rid of heavy metals. LUMI considers that origin is important. The company makes its products locally, mainly in Europe. It is crucial from the social point of view and simplifies the

transportation, which affects on the environment. The majority of companies transport their raw material from the Far east and then send it to their fabrics. LUMI is manufacturing 75% of its overall production in Europe: Portugal, Turkey, Latvia, and Finland. LUMI appreciates fidelity and the established long time ago relationship with India is remains the same. LUMI is caring about the quality of its products. It is better to buy a good quality product once, instead of purchasing products with bad quality regularly. At the end, such products are thrown away, which has a bad influence on the planet. The slogan "Love it, Keep it" stands for the main idea. There is a belief that products would be kept for the future. The global market is ready to get out of the "buy and trash" culture. LUMI's role as a sustainable designer brand is to act now and share heightened awareness and appreciation of the environment in ways that touch everyone's lives through fashion and lifestyle (Lumi Accessories).

By 2025, the objective of LUMI is to grow the product portfolio from the current rate of 65% to 100% with products made of sustainable materials. The aim to become one of the most recognized sustainable fashion brands from the Nordics. In Fall 2020, the new sustainable line will be introduced made of 100% post-consumer nylon.

Back in 2003, it was not trendy to be concerned about plastic pollution. People were always having a problem in trashing a product after a few minutes of use, (especially when this product will not naturally disappear for 400 years or more).

Each of us is now involved, first by stopping buying brands and supporting industries producing respectful product and packaging;

Secondly, taking a stand and help in reversing the damage.

At the time, the Lumi Supermarket leather bag was created to go against a single-use plastic bag. exact same shape as the so knows "plastic bag", but made in top grain Nappa leather, concept of a utilitarian product morphing to high end leather good.

LUMI's supermarket bag is still selling, even in the 2020 year, this is the flagship style (Lumi Accessories)





Figure 25. LUMI supermarket bag (Lumi Accessories)

LUMI is working on the plan of becoming more sustainable and has a lighter environmental footprint than today by different actions:

- finalize the process of clean packaging
- buy more local, useless transportation should be avoided
- the use of Synthetics has to be stopped
- there is a need for usage of recycled materials, for example, implementation of PET line
- designed to be disassembled
- fashion is a service like rent, possibility to rent bags.

#### *LUMI's strategies on the way to become more sustainable brand*

In this sub-chapter the information was gained from LUMI's archive, which can be used only by LUMI workers. The main goals for LUMI to achieve 100% sustainability. For achieving this goal, LUMI has to develop and introduce the plan. Actions should be made in order to change current situation for better. The LUMI team knows the most important environmental

problems that is why everyone wants to help and do what is needed. It is crucial to have changes everywhere in the company, not only at the store or while producing new goods. People who are working at the company should be responsible for their actions and behave eco -friendly. Everything goes from inside the company, from people and their personal actions (Lumi Accessories).

First of all, LUMI has to reduce the use of plastics at the office, that is why there is mostly a metal furniture. Secondly, Plastics has to be minimized in packaging by removing plastic wrapping, and plastics should be reduced from wholesale (shipping envelopes). Sourced and provided Suppliers on corn-starch biodegradable plastic to Indian factories. No products will be accepted in PVC plastic coming from India, that makes already 90% of Lumi production plastic free. Change branded PVC (Lumi) tape for Ecological Recycled Cardboard tapes on both wholesale and retail shipments. Recycled paper or cardboard for vivid line boxes. Dustbags will shift from being made out of cotton to recycled cotton. Find and use new sustainable fabrics like fish skin and other recycled materials. The seasonal catalogs should be redesigned for reducing the amount of paper. Lumi developing a Vegan "leather" collection using material from food waste industry. Lumi developing a collection using materials from food Industry. Project like Helsinki Fashion week to link Finnish Fashion Brands to sustainable suppliers and solutions. It is crucial to have paper Lumi shopping bags instead of plastic bags. Some more tasks which has to be done by LUMI:

- reusable straws should be sold.
- donating used or vintage bags to students and charity.
- emphasize sustainability on Lumi Website.
- educate more people about environmental problems by participating in upcycling programs with universities.
- organization of Lumi second hand. Bring your old bag and get a discount for future.
- show the sustainability report.
- achieve transparency in supply chain (Lumi Accessories).

### *Sustainable line*

True low carbon footprint products, affordable and directional are established in the new line- New normal.

Lumi PET line is setting a new standard, all components are issued from recycled sources Recycled PET (plastic bottles), repurposed polyester and recycled leather waste are the

foundation of our new line. From the bag body to the lining, straps, til the zipper tape, and the packaging. Each material is EU certified by Global Recycle Standard (Lumi Accessories).

The main categories of PET line:

- High versatility
- Waterproof body and zippers
- Multiple functionalities
- Incredibly Light
- Progressive aesthetics
- Repurposing materials for a cleaner Earth

## GENDERLESS CARRY ON PIECES made of 100% CERTIFIED RECYCLED MATERIALS



Figure 26. PET line materials (Lumi Accessories Oy b)

The PET line is made of 100% certified recycled materials like recycled polyethylene, recycled polyethylene, strap from recycled polyester, zipper tape from recycled polyester and recycled leather waste. The packaging is made from corn starch polybag and the line is certified by Global Recycled Standard, EU (Lumi Accessories Oy b).

- Shell and lining contain of 100% post-consumer recycled PET.
- Trimming is 100% recycled leather
- Zipper tape: 100% recycled PET zipper tape
- Webbing is 100% post-consumer recycled polyester

- The packaging is made from biodegradable corn starch polybag

Bags of the RPET line are KAJ backpack, Kumiko, Kris Oversize bag, Kirsi Laptop bag 13”.

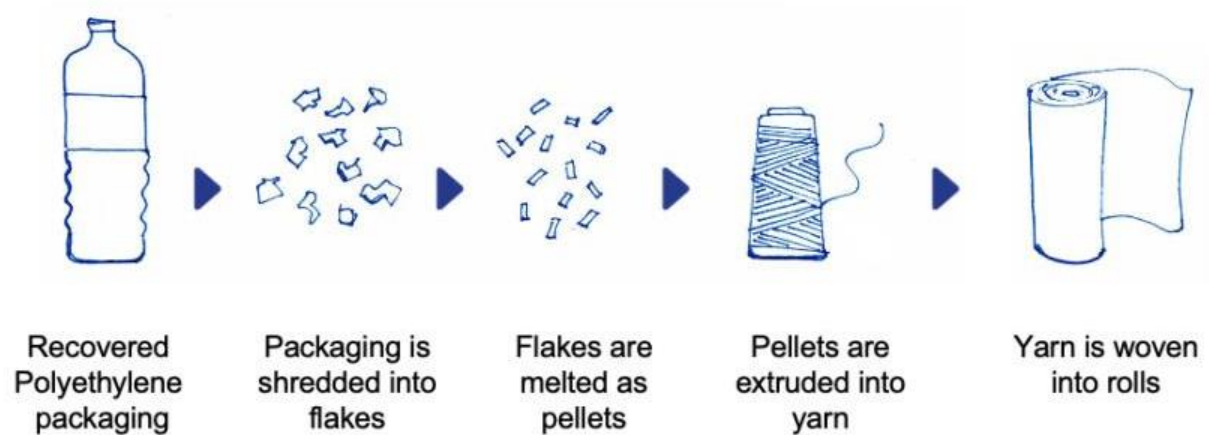


Figure 27 Example of recovered material transformation process (Lumi Accessories Oy b)

#### *Rent a bag*

After enjoying the bag for years, and by returning Lumi R-PET bag at the end of its life to us, LUMI will credit you a voucher amount of 15% of its value.

LUMI will repurpose bag of clients to become another LUMI story and one can enjoy another piece of Lumi. LUMI introduced the possibility to rent its products with the culture of Environmental consciousness. Many people don't want to invest in expensive products if they just want to use it one time. Renting a bag is not only for people that cannot afford to buy a new one, but also for the sake of having a variety of different bags to carry on the day-to-day life or for special occasions. It can also give you the opportunity to test a bag before purchasing it (Lumi Accessories).

The process of renting the bag:

- 1 Rental bags are featured on a specific section
- 2 Choose your rental bag and the rental period
- 3 Rental cost is €29/ week
- 4 Pay through our secure payment system
- 5 Pick up the bag at Lumi Supermarket within 48 hours
- 6 Enjoy your bag for 7 days

7 Return the bag to Lumi Supermarket after the rental period

From a marketing point of view, it is good for LUMI to have posts from customers in social media because other people can notice the brand. With the special tag #lumiaccessories, new owners of the bags can show their new purchases on their social media, which helps LUMI to attract new customers and establish their eco presence in the market (Lumi Accessories).



Figure 28. New normals (Lumi Accessories Oy b)

## 6 Data collection

This chapter is related to the survey among some representatives of LUMI company. LUMI employees and employers were asked questions in order to collect, summarize and analyze the overall data regarding their eco-awareness.

The question about the environmental concerns was given to the team via email. In order to support theoretical part, semi-structured interview with open-ended questions were asked. This method is the most appropriate in this case.

### Interview question

Four representatives of LUMI were asked a question related to eco awareness.

During the interview, Sanna Kantola the CEO of the company has mentioned these 10 aspects:

- “1. Introduce, implement and educate people from all nations the system of handling and recycling waste so that no waste is thrown in nature or waters.*
- 2. Introduce, implement and educate people from all nations the system of recycling plastic and build the necessary logistics and ecosystem so that this recycled material is actually used.*
- 3. Introduce, implement and educate people from all nations the system of recycling plastic bottles as made in the Nordic countries.*
- 4. Make recycled origin materials the most used materials (plastic, paper, fabric) for all industries.*
- 5. Cut down on food production and reduce food waste - stop massive, over-size food /meat production.*
- 6. Develop sustainable and/or recycled origin packaging to replace plastic and other harmful packaging materials.*
- 7. Put the price of flying in appropriate level so that the number of flights are reduced.*
- 8. Less-polluting fuels for cars - electric or hybrid.*
- 9. Reduce houses heating temperatures across the globe - same goes for AC.*
- 10. Develop and implement electricity and heating across the globe by renewable energy only” (Kantola 2020.)*

The brand manager of LUMI Florence Macedo 2020 has explained her opinion about the most 10 critical environmental concerns:

*“Respectful and secure work environments: people are very much involved in their work responsibilities and tasks, even outside of the work environment, so every company has the responsibility for the universal human rights, living conditions and well-being of every person involved along its value chain, from (and mostly) the field workers to the upper-level management.*

*Tier Supply Chain: have less and more trustful suppliers. Partner with the ones that have the same values and vision as you have.*

*Efficient use of water, chemicals, and energy: work closely with suppliers to acknowledge, identify and track the use of water, energy and chemicals consumption and pollution.*

*Sustainable Material Mix: to reduce the negative effects of existing fibers, and develop/use, more sustainable ones, in order to reduce the environmental footprint.*

*Closed-loop fashion system: design products and use materials that enable the consumer to reuse or recycle the material you have been using, minimizing the waste in the design flow. EX.: The dustbags.*

*Embrace the "new" industrial revolution, the Technology Revolution.*

*You are responsible for the trash you produce: create innovative and creative ways to upcycle the trash you produce and accumulate. Leather bags takes 50 years to decompose in the environment. Ex.: LUMI could create a program that we recycle and give a new life to the bags that are no longer in use, for example.*

*Use marketing to educate the consumer to "buy less, but buy better". If a brand is constantly working on a discount/sales basis, all the work you have done saying that people should "buy less" goes to space, and gives room to a contradictory brand identity. If you are transparent and prove that certain items cannot be sold by a cheaper price, so you cannot ensure a sustainable supply chain for your company, people will pay the price you ask when they are ready for it.*

*Collaborate with other brands with similar values and vision to create a bigger force power in order to ensure and change governmental and environmental regulations that will help you get where you aim.*

*Invest and expand the knowledge in order to scale, and therefore, create a significant impact inside and out of the industry” (Macedo 2020.)*

A manager of LUMI Marinka Essel 2020 has been asked the same question. She considers that there are a lot of different problems which people have to solve like: consequences of fast fashion, overconsumption of food, deforestation, water pollution and air pollution, animals are disappearing and overpopulation.

Moreover, she considers that LUMI could educate the customer about LUMI's product's life. Especially what happens to a product that got returned, products that are no longer sold. She thinks that they should have a graphic of the product's life.

*“We could have a 'second hand' shopping option but it would be items that are sold with a reduced price and the customer can purchase such items knowing that it might have a defect in it. But the point is that they are helping the item not to go to waste” (Essel 2020.)*

Employee Åsa 2020 was asked the same question and these are her answers:

*“Deforestation, pollution of the oceans (destroying sea life), a surplus of plastics, textile waste (caused by fast fashion), climate changes, genetic manipulations, endangered species are disappearing.*

*Sustainability concerns need to be brought stronger to a younger audience as well. They are the consumers of the future and the ones that need to be "taught to make the right choices"” (Åsa 2020.)*

## **Results**

To implement products and establish a position of eco-awareness, all members of the team have to be educated about the environmental situation and the most crucial environmental problems should be visible. Knowledge of these aspects will help to improve the situation and implement new strategies for solving problems. It is essential to have the same level of awareness and know the most critical problems caused by the actions of people on our planet. That is why employees and employers should understand the problems and be educated in this sphere.

### **6.1 Interview with the CEO of LUMI**

Interviews help to collect valuable information for the work because the interviewees are the current proprietors of the company. They decide what decisions and actions should be



made or changed. They are following the needs of consumers and external factors which led to changes in the operation of the brand. From the beginning till now, the company is showing success in the market. Thanks to the two persons, who are not only owners of the brand, but designers as well.

Firstly, the answers of (interviewed 1) would be given and then, the answers of (interviewed 2) will be given. Eventually, this survey will be analyzed. The first interview was conducted with Bruno, who is the CEO of LUMI Accessories. The (interviewed 2) is Sanna, who is also the CEO of LUMI. This is an excellent opportunity to ask questions directly from the people who are working in fashion industry from the beginning.

The following answers were made by interviewed 1:

Interviewed 1 replied for the first question that working in Fashion was done by mistake. He has always been in the fashion scene, starting as a model back in the days in France, going to the most interesting shows of NY fashion week. He always been attracted by undisclosed parties and events.

*“To come back to the first sentence, working as an Industrial designer, when coming to Europe for Christmas, when once in Jamsa, Finland, we were walking around and passed by a factory, looking through the window, I saw a sort of mountain of mushroom shaped and their shadows, that intrigue me and next day we visited them, material was felt. I found the shapes very interested since no seams and product were steam molded to create curvaceous volumes. I was used to created molded only oil based polymer products, back in NY, a single line drawing was put on paper, a bag was born, that is how we created Lumi” ( Interviewed 1, LUMI 2020).*

The second question was asked to the interviewed 1 and this is the answer. He says that challenges and fighting against failure is what motivates him. He uses pessimism as a tool to move and see further. He believes in the idea when if you are happy with a little thing, you will most likely not do much more, if you are unhappy with regular results, you set yourself a target for a total different level. He also admits that hard work is what make you going further and make you proud.

The third question was asked and the speech of interviewed 1 regarding the question is:

*“Taking a historical piece or solution, show respect and gratitude to his creator is something noble, make it better, possibly, but keep in mind that something or idea that have travelled centuries untouched are the hardest to make it better, try to build a Pyramid today, even with the current machinery available, or Notre dame, people do not even*

*know how this was done. A way of seeing life differently, of course made with the media we have at hand, right now, it is handbags. I have always been against waste, all sorts of waste, I am never waste food, use as little water as possible. And let me go there, that is too easy but sad, those are the same people that are buying water in plastic bottles while their tap water is the most purified in the world.*

*Or against a system that we shall not be proud of, we do not have to follow what others are doing. For example, Not having a petroleum powered car is a choice, a choice that I have made a long time ago, pretty much 30 years ago, and I am proud of that choice. First in the way to be environmentally sustainable, I can see so many useless things created with fake innovation or solutions for people, just powered by crap marketing to sell you something that you do not ever need. Bags are part of any other product that an Industrial designer can create, nothing less, nothing more. Same function and processes are being applied, even if a bag require less ergonomic research, technology or manufacturing knowhow than a 3D IRM quantum technology full body scanner.*

*Although, creativity is at the source of the process of Designing products, being able to avoid falling in the logical answers is what is exciting, we most at all want to be different.*

*Semantic, looking at the daily life of people, semiology, colors, ergonomie, CSR, materials or environmental concerns are some of the tools and factors that are part of the creative process” (Interviewed 1, LUMI 2020).*

The fourth question was asked to the interviewed 1. He considers that fashion is not a passion, it is a means of expressing himself.

The fifth question was asked to interviewed 1, and he replies that fashion for him is a method of physically expressive your believes and position, for most people it also includes group appurtenance.

And finally, the last question was asked about motivations to interviewed 1 and he admits that it is a solving problem that Human are creating, like climate change, pollution, plastic invasion, etc.

The following answers were made by interviewed 2:

Interviewed 2 replied for the first question that she wanted to work in the creative industry. At a children’s club, about age four, she would always make all drawings and handicraft into these very complex and ambitious. She fulfilled her college studies in Helsinki college for visual arts and studied fashion design in the famous Aalto University in Helsinki. She also did part of her studies in Paris which drew her more and more into the world of fashion.

Then, in the 90's, she started her career as handbags and accessories designer a bit by accident when she was asked to design a handbag collection for a Finnish company 3Bags.

When she moved to New York City to look for a job in fashion in the late 90's, all companies were instantly interested in the handbags and accessories that she had designed versus the clothing that she had designed, so this became my specialty. Then she designed handbags for a few years for companies like Ralph Lauren, before jumping fully into own business LUMI. She also travelled a lot for inspiration in different cities and to the factories in the far east, which taught her a bit the craziness and unsustainability about fashion.

*This is why, at Lumi, we are so keen on making things sustainable, in good quality materials, and in styles that you can keep for a really long time. We do not want to participate in making any disposable fashion” (Interviewed 2, LUMI 2020).*

The second question was asked to the interviewed 2 and this is her answer.

*“I love taking care of big, complex projects, and being in control of things, and that is what I love the most about my job at Lumi. Being ‘just’ a designer would not fulfill me at this stage of my career anymore. Therefore I really enjoy being the CEO of the company, thinking about strategy, and making sure things work at many ends. Then, designing for Lumi, is still kind of the cherry on the top of the cake, and to be able to make the type of products that I really love. The best reward to me is to see a happy customer wearing Lumi” (Interviewed 2, LUMI 2020).*

The third question was asked to the interviewed 2 regarding the question, where she says that she gets the inspiration from everyday life. She admits that it comes quite naturally to her, by following intuition. She follows this intuition when thinking of the next colors or materials for a collection. Also, she takes in consideration any feedback received from the customers and thinks a lot of what people would actually need to have in their bags or accessories, or what is still missing from the selection overall. Therefore, her thinking might not be so ‘artistic’, but more analytical when designing a bag or a collection.

Then, fourth question was asked to the interviewed 2 and here is the answer:

*“I walk everywhere and hardly ever use any common transport. During this fast walking, I observe people and look at what they are wearing. Also, nowadays all Social Media opens up a huge source of inspiration and observation around the Globe. When I travel, I try to visit the maximum number of places, restaurants, exhibitions, flea markets, designer shops, and similar. Otherwise,*

*I do not feel I need any hobbies, as the distinction between work, home life and hobbies to me is quite blurry and I do not find the need to separate them”*  
(Interviewed 2, LUMI 2020).

The fifth question was asked to interviewed 2, and she admits such aspects like: attitude, confidence, visual pleasure, and a little something ‘off’. She considers that being too perfect is not interesting, nor fashion.

Finally, the last question was asked to interviewed 2 and she says that she always wants to make better next time.

### **Summary of the interview**

By analyzing the data obtained during the interview, it is clear that the actions of the brand LUMI are under the control of people for whom the question of ecology is not in the last place. Both interviewers are interested in how to preserve nature and therefore they try to use environmentally friendly processes in their brand.

This suggests that if you need to change something in the company, it is best to start with yourself. Not only employees, but also employers must have a common mindset. This is also necessary in order to further divide eco-thinking with customers. It is also very crucial to constantly strive for something new, to gain new knowledge, be it trips or meetings. One must be ready for changes, however, firstly you need to change yourself and only then change the others.

Owners of LUMI brand are making changes in the everyday activities of the company in order to improve the environmental situation. By changes such as reducing the use of plastic, minimizing the use of water, choosing more environmentally friendly materials the future problems can be avoided and prevented.

## **6.2 Questionnaire**

Similarly, it is important to see the overall picture from the consumers view. In this chapter the quantitative data would be collected and carefully analysed. The questionnaire was made with the help of my social media and by conducting it with a phone. It should be stated, that questions are easy to understand, and the English language was used for collecting information. The main idea of this survey is to understand how marketing of fashion brands has changed and how visible the implementation of sustainable marketing for customers, which plays a significant role for companies. The questionnaire consists of 16 questions, starting from demographic factors, then explains the level of eco and sustainable

fashion awareness of people and the attitude of consumers towards green and sustainable marketing.

Questionnaire consists of following questions:

Questions 1-3 are focusing mainly on demographics like age, gender and occupation of respondents where the nationality was not taken into account. Such data is important to follow the statistics about people who gave answers in this survey. Then, questions 4 and 5 are focusing on understanding the customer's awareness about sustainable fashion and ecological situation today.

Questions 6 and 7 consist the understanding of people's curiosity about the situation, if they want to be informed or not. Such questions are created to analyse the need for educating people about sustainability.

Questions 8-11 are focusing on customer's attitude to eco brands. These questions are designed in order to see what people think about eco-companies and eco-fashion. Such questions give understanding about changes in brands over recent years that are visible for people.

Questions 12 and 13 are designed in order to analyse the influence of marketing elements in choosing the eco products. This section shows the attitude of respondents to changes in price and explains decision towards buying the products.

Questions 14 and 16 analyse the information about changes in social media and changes in green promotion of different brands. It helps to understand how the marketing of companies has changed and what people think about it. Such data is relevant in order to understand what eco activities of brands are visible for people. Additionally, the information from the last question gives an understanding of how sustainable marketing is working and what influence and experience eco promotion have to people.

In total, questions were asked in order to understand what people think about the situation today. Do they know about the main environment problems caused by fashion industry? Some people don't understand the importance of it, because they do not have enough knowledge. Furthermore, this questionnaire provides data to companies about customers opinion regarding sustainability. It shows how visible are the eco operations of fashion brands.

Moreover, marketing plays a crucial role in fashion and if there is even a minor change, it would be seen on the operations of the company and on the branding itself. According to different studies and researches, people behave differently towards the eco-brands and

purchasing eco-products. On the record of some studies, there is an information about people's untrusted relationship with sustainable brands. That is why sustainable marketing and green marketing should be used properly by companies. The right green marketing can change customer's attitude and behavior towards sustainable consumption.

*Results of the questionnaire can be explained as followings:*

Because of the developing of industries and the process of globalization, polluted environment became the main problem. People are trying to save the situation with the help of implementing different strategies and actions. Businesses, companies and brands are using sustainable strategies and changed their mission to eco-friendly way. The goal of the survey is to understand how the customers feel about sustainable fashion and if they noticed some changes in marketing of brands.

Generally, 100 people were asked the questions from this survey. All 100 answers were used, meaning that the questions were not missed, so such responses are valid. In the survey the multiple-choice questions are included as well.

The data from empirical study can be showed below:

#### *Demography*

**Table 1 Age of respondents**

Age group	Frequency	Percent
Under 15	4	4%
16-18	11	11%
19-24	29	29%
25-34	23	23%
35-44	13	13%
45-54	16	16%
55 and more	4	4%

Table 1 explains that 29% of respondents were people aged from 19 to 24. Then, 23% are people were aged from 25 to 34, 45- 54 is the age of 16% of respondents and 35-44 is the age of 13% of respondents. People in the age 16-18 were accounted for 11%. Respondents aged under 15 were accounted for 4% as well as people aged 55 and more.

**Table 2 Gender of respondents**

Gender	Frequency	Percent
Female	44	44%
Male	56	56%
Prefer not to say	0	0%

According to the Table 2 one can see that there is a relatively fair relation of women and males among respondents. Females are accounted for 44% of the respondents where as 56% of respondents are accounted as males. According to the table, nobody decided to hide their gender.

**Table 3 Occupation of respondents**

Occupation	Frequency	Percent
Schoolkid	7	7%
Student	39	39%
Employed	33	33%
Housewife	11	11%
Retired	4	4%
Unemployed	6	6%

According to this Table 3, information about occupation of respondents is given. Students and Employed are accounted for the highest percentage 39% and 33%. The rest 7% of respondents are studying in school, 11% are taking care of the family, 4% are retired and 6% are unemployed.

*Level of eco and sustainable fashion awareness*

**Table 4: Do you know that there are problems in the environment caused by fashion industry?**

	Frequency	Percent
Of course	41	41%
May be just few	49	49%
I was not interested	5	5%
Never heard about it	5	5%

Table 4 shows how many people know about environmental problems. According to this information, 41% of respondents know how badly fashion industry affects in the planet. This amount is close to the half of respondents, which means that not a lot of people recognize what is the situation in the world. 49% of respondents claim that they know some problems, meaning that they know about the situation, but they don't pay enough attention on it. In common 10% of respondents were not interested and did not hear about any problems.

**Table 5 Do you know the meaning of sustainable fashion?**

	Frequency	Percent
Yes, I know a lot	35	35%
Yes, I heard about it, but I don't know what the meaning is	39	39%
Not sure what to answer	5	5%
Never heard about it	21	21%

On the basis of this information from Table 5, one can say that only 35% of respondents know what the sustainable fashion is, which is a not satisfied result, because it is a bit more than the third from the total amount of respondents. Then, one can see that 39% of respondents are familiar with this concept, but they don't know the real meaning of it. Looking



at the people, one can see that 5% not sure what to answer. Finally, 21% of respondents never heard about sustainable fashion.

**Table 6 If not, would you like to educate yourself with the concept of sustainable fashion?**

	Frequency	Percent
Yes	21	100%
No	0	0%

The answers were taking from people, who answered that they never heard about sustainable fashion in previous question (21 respondents were asked). Looking at the information from Table 6, everyone from 21 respondents want to know what sustainable fashion is, meaning that 100% from 21 respondents would like to educate themselves in this sphere.

**Table 7: If you answered Yes, in question about meaning of sustainable fashion, do you personally follow the concept of it?**

	Frequency	Percent
Yes! I do everything to be sustainable and choose only eco-friendly brands	12	16.22%
Yes, I try to be sustainable, but I can't follow this concept for 100%	37	50%
I am not trying to be eco-friendly and I don't choose the companies with eco strategy	10	13.51%
I would like to, but I don't know how to follow this concept. What should I do?	15	20.27%

According to the Table 7, only people who replied “Yes” in Table 5 have answered to this question, meaning that only 74 (35+39) respondents answered. People who were not sure what to answer, were not taking into account for this question. Looking in the table, one can see that the half of respondents answered that they are trying to be sustainable, but they can’t manage to follow this concept for 100%. Then, approximately 20% of respondents have replied that they would like to be sustainable, but they don’t know what to do to follow this concept. Close to 16% of respondents answered that they are following the concept of sustainable fashion and they are buying eco-friendly products. 10 respondents from 74 decided that they would not follow the eco-friendly behavior.

**Table 8 Would you make a purchase from eco brand?**

	Frequency	Percent
Yes, because I think it is important	61	61%
Yes, but I don’t know what brand to chose	13	13%
No	1	1%
May be	25	25%

During this question respondents gave answers about their purchase from eco brand. According to the table 8, 61% of respondents answered that they will buy goods because they consider it is important. While, 13% don’t know what brand to choose to buy green products and 1% answered No. 25% of respondents replied that may be they buy from eco brand.

**Table 9 How many eco-brands do you know?**

	Frequency	Percent
0	19	19%
Just few	73	73%
More than 10	8	8%

According to this data, 73% of respondents know just few eco brands, which is more than the half from the overall amount of people in this survey. 19% of respondent cant remember any of the eco-brands and only 8% know can admit more than 10 sustainable organizations.

*Changes in Marketing of fashion brands because of sustainability movement*

**Table 10 Have you noticed any changes in strategy or mission of brands in recent years?**

	Frequency	Percent
Yes	78	78%
No	10	10%
Not sure	12	12%

According to this information in this table, 78% of respondents answered that the changes are visible, but 10% said that they didn't noticed any changes. Moreover, 12% of respondents answered that they are not sure about changes in strategy or mission of brands.

**Table 11 What kind of changes in brands can you admit?**

	Frequency	Percent
The emergence of new eco-friendly lines or collections as an alternative	51	51%
The packaging has changed	12	12%
The opportunity to give away the old clothes to the store	7	7%
Reduced use of plastics	6	6%
Use of eco materials has increased	22	22%

Nothing	2	2%
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According to this information in Table 11, more than half - 51%- of respondents noticed that brands are creating the sustainable products for their new collections. 12% of respondents consider that the packaging has changed and 7% claims that stores are providing the service of giving away people's old clothes to the store. Speaking about reduced use of plastics, one can see that only 6% of respondents noticed this change and only 2% of respondents answered that they don't see any changes.

**Table 12 Which elements of marketing has the most influence on your decision to buy green products?**

	Frequency	Percent
Product	4	4%
Place	3	3%
Promotion	16	16%
Price	41	41%
Everything	36	36%

Looking at Table 12, the question was asked about influence of marketing elements on people's decision to buy eco goods. 41% of respondents said that price is the most important element for them. According to this survey, only 3% admitted that place is the priority for them. 4% of respondents are focusing on the product in a decision to buy green goods. Speaking about promotion, 16% of respondents consider that this is the most crucial for them. In total, 36% of respondent from 100 answered that pay attention at every marketing element.

**Table 13 If the price of eco-products would be higher, would you purchase it?**

	Frequency	Percent
Definitely yes	19	19
I have to think	32	32
Definitely no	49	49

The question was asked people about the higher price of eco products and if people would still buy it. One can see that 49% of respondents will not buy products at the higher price. Speaking about other answers, 19% will buy despite the increased price and 32% have to think about making a purchase or not.

*The attitude of consumers towards green and sustainable marketing*

**Table 14 Have you noticed any changes in brands' social media?**

	Frequency	Percent
Yes, the information about environmental problems is provided often	19	19%
No	8	8%
Brands are collaborating with ambassadors who care about the environment	16	16%
The publications of new eco lines have increased	24	24%
Brands started to position themselves as eco friendly	33	33%

For Table 14, the question about changes in social media of brands was asked. 33% of respondents replied that they noticed that companies are positioning themselves as sustainable. 24% of respondents admitted that the number of eco publication from brands view have increased. 19% noticed that brands are sharing facts and other data about dif-

ferent environment problems. 16% replied that companies started to collaborate with ambassadors of sustainable life. 8% of respondents said that nothing changed in social media.

**Table 15 Have you noticed that nowadays brands are using more eco focused promotions?**

	Frequency	Percent
Yes, it is more visible now	67	67%
Not sure	25	25%
No	8	8%

According to the information from table 15, 67% of respondents which is more than the half, replied that they noticed the popularity and implementation of different eco promotions by brands. However, 25% of respondent are not sure about situation with eco brands today. Also, one can see that 8% of people relied that there is no changes in advertisement as well as in eco promotions these days.

**Table 16 What do you feel after watching promotion which was focused on the sustainability?**

	Frequency	Percent
I feel inspired after watching it, and I want to change something to be more eco-friendly	31	31%
I feel inspired, but then I don't do anything	13	13%
I recommend my friends to watch it	11	11%
Next time, when I make purchases, I will keep an eye on the brand with sustainable lines	42	42%

According to the information from Table 16, 31% of respondents replied that after watching the promotions which was focused on sustainability, they feel inspired and they want to change something to become eco-friendly. Then, 13% of respondents said that they also feel inspired after watching, but they don't change anything. Looking at the information from the survey about people who would recommend friend to watch such promotions, one can say that only 11% would do it. However, 3% of respondents replied that they don't feel anything after watching eco promotions. Finally, close to the half of respondents 42% said that next time they will pay attention on eco brands.

### 6.3 Data analysis summary

According to the information from the questionnaire, one can notice that sustainable marketing established its influence on people. The majority of customers are familiar with the concept of sustainable fashion and eco brands. Some respondents even replied that they would make purchases from eco brands. Some respondents replied that they would like to know more about sustainability. It shows that people want to be educated in such sphere, so there is a need to show people more about main ecological problems of the world. Companies should teach consumers about ecological situation with the help of social media. It should be stated that the results of this survey about changes in social media of different brands show really good results. People noticed changes in social media and in the marketing overall. It means that the strategy of implementing new eco marketing is working well.

According to the survey, one can see that people feel inspired after watching eco promotions and sustainable advertisements means that with the help of such way companies can communicate with their audience and send message to them.

## 7 Discussion

In recent years the sustainable movement has gained the popularity and a lot of companies changed their activities to eco-friendlier. Pollution of the environment, deforestation and pollution of water, climate changes, became the crucial problem of today. Such problems led humanity to develop new sustainable movement. Eco materials organic and recycled materials gained its importance in current life. People and companies are trying to be sustainable in their operations and everyday life. Majority of people choose eco alternatives to support the planet and switch to the conscious consumption.

### 7.1 Answer to the main research question

By using all the above tools, methods and strategies, the data for the main research question was collected. The answer to the questions “How the marketing of fashion brands has changed due to eco movement” should be explained.

Fortunately, a lot of brands are fighting against pollution and other environmental problems by changing their activities and other operations. That is why companies are implementing sustainable marketing with the new concept of 4P's which is named as 4C's. Secondly, the marketing changed by focusing on eco promotions and collaborating with ambassadors of sustainability. Fashion brands added sections to their web site about sustainability. Such strategy helps them to enable easy access to information about sustainability of the company. Some organizations are publishing their sustainable annual reports in order to be transparent in the choice and origin of materials.

New sustainable lines are creating, and the use of materials is focused mainly on fabrics which are not causing harm to the planet. New eco materials and fabrics are created and companies focus on the use of it.

In order to be more sustainable, LUMI introduced new line of bags which is made from recycled materials, it has a special document meaning that the line is certified as sustainable. Moreover, the scent line by LUMI is based on the natural ingredients which are eco-friendly as well. The marketing is mainly focused on introducing the green products to the customers and make them to buy eco-friendly goods as the alternative.

The answers to sub-questions should be also given. The first sub questions “Why should fashion companies be sustainable?” can be explained as if companies want to be successful, they have to follow the changes in the market and changes in tendencies. There is a growing movement “sustainability” and that is why brands have to implement new strategies and change their action towards something new. There is an answer to the second question



“How the actions of the fashion industry affect the planet?” A lot of environmental problems fashion industry is causing nowadays like pollution of air and water, CO2 emissions, waste of materials, deforestation, animals are in danger, climate change and so on. There is the third sub question- “How will the fashion industry change if the "environmental movement" grows in the future?”. Here is the answer, the fashion industry will change in a eco-friendlier way. Brands will follow sustainability movement and implements the same strategies in order to become 100% sustainable. Companies have to be innovative in order to be successful and competitive in the market.

## 8 Conclusion

The thesis dealt with research on the marketing of fashion brands and an explanation of how marketing changed because of the sustainable movement. The methods used in this research study can be used as faithful information for giving an explanation to the main research question. The main objectives were accompanied by the strong theory part and convincing data regarding LUMI brand as an example.

Consequently, because of the "eco- movement", marketing can be used as an instrument for making the changes happen and convey people about it. Not switching to the sustainable side of the business, will lead to several problems for companies, because of the high competition of innovative brands. It is important to increase the number of opportunities for business, and the studies show that mainly eco-oriented companies will be successful in the market. Recently, a large number of new environmental companies have entered the market, meaning that competition is already high. One can notice that big brands have begun to change their actions and goals in order to be environmentally friendly, for example, large organizations as LVMH, Inditex and Kering. These companies have set environmental goals for the coming years, such as transparency reporting, minimizing waste, water consumption, carbon emissions to minimize the harmful impact on the environment.

The key to a successful business is to concentrate on sustainable marketing. Companies should include the concept of sustainability to their action plans. Sustainability is not only a trend, but it is a crucial aspect of humanity's future. Marketing has changed in the following ways: sections about sustainability were added to the web sites, increased the number of eco promotions, sustainable lines are presented. Customers have to be informed about the current environmental situation via different communicational channels, for instance, it can be social media. Nowadays, it is seen that more and more companies rely on sustainable marketing. According to the resource, the main benefit of sustainable marketing is that it specifies the truth of the product when conventional marketing shows defunct benefits of the products. However, not every company can switch to the sustainable side, but in the future, almost every organization will operate in a sustainable way.

According to the researched information and used methods, LUMI is introducing the new sustainable line as an alternative for green consumers and the marketing of the brand is focusing on the promotion of the new sustainable line. Once, the company is positioning itself as a green brand, then in the future, the organization has to maintain its presence in the eco market. A lot of new collaborations can be conducted between sustainable companies and as a green movement is popular nowadays (and will be more popular in the future), companies have to think about changing their current activities.

The case company is already using sustainable marketing and implementing it in everyday operations. According to the interviews, it is seen, that it is important to have a strong mindset about the idea which you want to share with other people. The owners of the company are saying about sustainability not only because it is popular, but because they care about our planet. Their purpose is to do something in order to change the current environmental situation. To achieve a common goal, every person in the team has to share the idea and work on one important thing.

The completed thesis represents a work about changes in the marketing of fashion brands because of the sustainability movement. The work shows the green players in fashion industry and their decision regarding the main question. Additionally, the main environmental problems are described in this work. LUMI's strategies and actions are taken into account for answering the question. The interviews and questionnaire were made to support the thesis.

Eventually, collected and carefully analyzed data can be used by companies or other parties to understand the way how the marketing of fashion brands has changed due to eco-movement.

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## Appendices

Appendix 1- Interview question with LUMI team about eco concerns.

What are the most important eco awarenesses?

## Appendix 2- Interview questions with CEO

- 1) Why did you choose fashion and especially bags and leather accessories as a career? The sub question is- Is this something you knew since being a child that you would want to do?
- 2) Despite all the hardships, what is it that still makes you love your job, and love what you have accomplished so far and keeps you working for LUMI?
- 3) Where do you receive your inspiration from? The sub question is - is there a role model? One more sub question is - Is there a specific person you had in mind when designing a bag? Was there a feeling, emotion or something you wanted others to experience?
- 4) What other passions you have other than fashion? Sub question is - Do you receive inspiration from other hobbies?
- 5) What is fashion to you?
- 6) What motivates you to be a better designer?

## Appendix 3 - Questionnaire

### 1 Age group

- Under 15
- 16-18
- 19-24
- 25-34
- 35-44
- 45-54
- 55 and more

### 2 Gender

- Female
- Male
- Prefer not to say

### 3 Occupation

- Schoolkid
- Student
- Employed
- Housewife
- Retired
- Unemployed

### 4 Do you know that there are problems in the environment caused by fashion industry?

- Of course

- May be just few
- I was not interested
- Never heard about it

5 Do you know the meaning of sustainable fashion?

- Yes, I know a lot
- Yes, I heard about it, but I don't know what the meaning is
- Not sure what to answer
- Never heard about it

6 If not, would you like to educate yourself with the concept of sustainable fashion

- Yes
- No

7 If you answered yes in question about meaning of sustainable fashion, do you personally, follow the concept of it?

- Yes! I do everything to be sustainable and choose only eco-friendly brands
- Yes, I try to be sustainable, but I can't follow this concept for 100%
- I am not trying to be eco-friendly and I don't choose the companies with eco strategy
- I would like to, but I don't know how to follow this concept. What should I do?

8 Would you make a purchase from eco brand?

- Yes, because I think it is important
- Yes, but I don't know what brand to chose
- No

- May be

9 How many eco-fashion brands do you know?

- 0
- Just few
- More than 10

10 Have you noticed any changes in strategy or mission of brands in recent years?

- Yes
- No
- Not sure

11 What kind of changes in brands can you admit?

- The emergence of new eco-friendly lines or collections as an alternative
- The packaging has changed
- The opportunity to give away the old clothes to the store
- Reduced use of plastics
- Use of eco materials has increased
- Nothing

12 Which elements of marketing has the most influence on your decision to buy green products?

- Product
- Place
- Promotion
- Price

- Everything

13 If the price of eco-products would be higher, would you purchase it?

- Definitely yes
- I have to think
- Definitely no

14 Have you noticed any changes in brands' social media?

- Yes, the information about environmental problems is provided often
- No
- Brands are collaborating with ambassadors who care about the environment
- The publications of new eco lines have increased
- Brands started to position themselves as eco friendly

15 Have you noticed that nowadays brands are using more eco focused promotions?

- Yes, it is more visible now
- Not sure
- No

16 What do you feel after watching promotion which was focused on the sustainability?

- I feel inspired after watching it, and I want to change something to be more eco-friendly
- I feel inspired, but then I don't do anything
- I recommend my friends to watch it
- Next time, when I will make purchases, I will keep an eye on the brand with sustainable lines



- Nothing