

BEYOND CONSCIOUS & PREMIUM

A strategy to unite sustainability communication of low-cost brands and retailers in the denim industry



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PREFACE

Dear Reader,

I present to you my master graduation project, that aims to contribute to a more sustainable fashion industry.

This thesis is for all that are interested to learn about the impact of Sustainability Communication from a holistic perspective.

I am grateful to have gotten the opportunity to combine what I love doing most; design for a better world, and my dream as a little girl; to work in the fashion industry.

What an incredible journey it has been! As a 10-year-old I dreamt of becoming the head editor of Vogue Magazine. And now, strategic design has equipped me with the tools I need to pursue my passion for sustainability in an industry that always intrigued me. Throughout this journey and my final thesis, some amazing people were with me every step of the way. Hence, I would like to take this moment to express my gratitude to them.

First of all, I want to thank my TU Delft supervisors for making me see the bigger picture and giving me the confidence to tackle this project the best I could. Erik-Jan for being the rational voice in my head and put everything in perspective. Rebecca for the personal conversations and your attempt to unleash my inner critical reflector.

Second, I wish to thank my company mentor, James for your endless enthusiasm, visionary thinking and go-getter mentality. A great inspiration! Furthermore, from House of Denim I wish to thank Mariette for connecting me with the best interviewees possible and the advisory board for their critical input.

Finally, a special thanks to the many enthusiastic people I got to meet throughout this project and who were willing to share their journey, knowledge and ideas for a better future with me.

Of course, as in any large project, there were days where it was hard to keep my usual large smile and enthusiasm going. Luckily, I have amazing people around me that showed interest in my project and helped me out in any way they could.

First of all, a big thanks to my family for their unconditional support. My dad, for always making me laugh and my mom, for listening and being there for the necessary hugs and push from time to time. A big thanks to my brother and sister who could always relate and cheer me up. My thoughts go out to my grandmother, the ultimate example of resilience, who unfortunately did not get to witness my final result.

Thank you my amazing roommates, Jo, Tes, Jes en Zsa, for putting up with me while I was a walking thesis to-do list and to keep me sane during our numerous coffee breaks and dinners.

A final major thank you to my lovely boyfriend Martijn. Your endless optimism, patience and belief in me were the best support I could have possibly wished for.

Without further ado, enjoy the read!



March 29th, 2023

SUMMARY

The production of denim harms the environment, and given the industry's size, the negative impact is significant. Therefore, denim must be produced more sustainably. In order to bring about change in the industry, an increase in demand for eco-friendly jeans is necessary to incentivise investments in sustainable production methods. Here, low-cost clothing brands and retailers can play a crucial role. With their substantial share in the denim industry and their connection to consumers, they have the ability to grow demand through effective Sustainability Communication. Unfortunately, their efforts currently overwhelm and confuse consumers, consequently damaging consumers' green buying intentions. Therefore, this thesis, in collaboration with House of Denim, a non-profit striving for a more sustainable denim industry, investigates how low-cost brands and retailers can adapt their Sustainability Communication to ultimately increase the popularity of sustainable jeans.

To find a solution, this thesis examines the interorganisational relations in the current system for SC, the brands and retailers' experience of the system and future notions by means of interviews and a literature study.

The investigation of the current system uncovered the multifaceted complexity that causes the SC shortcomings of low-budget brands and retailers. The interorganisational challenges that contribute to this complexity are the indefinite and incomplete means of authorities that fall short in offering the industry constructive guidance. In addition, internal challenges from brands and retailers contribute to the complexity as their commercial strategy is

in conflict with sustainability efforts; they operate individually and end up discouraged. On top of that, the competitive nature of the fashion industry, driven by seasonality, fast-changing trends on low price points makes it challenging for low-cost brands and retailers to prioritise sustainable efforts.

Nevertheless, upcoming European legislation and showcasing eco-efforts to consumers are the predominant motivators for these businesses to invest in sustainable practice.

To overcome the complexity, brands and retailers must collaborate to level the playing field for SC towards consumers. Therefore, the final design is a proposal for a Dutch Denim Coalition. It presents the vision in a storytelling poster, suggests a strategy to build the coalition and offers dialogue starters. The coalition unites brands and retailers and connects them with knowledge and experts. The goal is to encourage managers from brands and retailers to adopt the same principles for sustainable denim and collectively work on improving the current system for SC.

This thesis highlights the fundamental issues that hinder change of these low-cost clothing brands and retailers. It emphasises the significance of involving non-sustainable brands and retailers in sustainability discussions, as they represent a large part of the denim market and cannot be ignored. Hence, the design suggests a new direction for House of Denim which revives and enlarges the impact of their resources with a more inclusive view on the denim industry. Ultimately, it brings them one step closer to their vision; a Brighter Blue.

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INTRODUCTION TO THIS REPORT

This report describes the steps of this thesis on minimising complexity of Sustainability Communication about jeans.

The aim of this project is to make it easier for low-cost brands and retailers to share sustainability efforts with the majority of the consumers.

In order to fully understand the complexity of the problem at hand, this thesis looks at the system for sustainability communication that surrounds these brands and retailers.

Furthermore, this report follows the structure of the double diamond method. The first chapter introduces the project. It places the issue in a larger context; it describes the scope, stakeholders and the interactions. Also, it defines the problem statement and explains the project approach.

The second chapter, Understanding the Context, describes the current system of Sustainability Communication in the denim industry. This thesis then dives into how the brands and retailers experience this system by discussing the difficulties and opportunities of jeans-specific Sustainability Communication. The next section visualises the research insights and finally, it looks at the entire system again to understand how it is transitioning.

In chapter three, the research findings shape the design process. A design brief introduces the design approach and main direction for ideation. The next section describes learnings from discussion meetings with industry experts.

The fourth chapter presents the final coalition design and illustrates the vision, principles and goals in a manifesto.

Finally, this thesis summarises the graduation project

Terms and abbreviations

with a conclusion, discussion, recommendations and a personal reflection.

Sustainable Development (SD):

This term implies that development today should not be at the expense of future generations (Elliot, 2013). The United Nations adopted a broad definition in which sustainable development ranges from protecting the climate to better education and no poverty. This thesis predominantly aims at development that contributes to the environment and the well-being of people that produce denim garments. Yet, it acknowledges the importance of companies to remain economically sustainable.

Sustainability

The usage of the term sustainability in this thesis predominantly implies environmental factors. For instance, in the context of 'more sustainable production', it aims at a production process that is less harmful for the planet and the people that work with the produced products.

Sustainability Communication (SC)

Refers to the process of sharing information and discussing ideas about a wide range of issues to improve ecological, economic and social conditions. SC manifestations are for instance, reporting about environmental performance and advertising (Golob et al., 2022).

This thesis predominantly focusses on ecological SC about jeans towards consumers.

EU:	European Union
EC:	European Commission
CSRD:	Corporate Sustainability Reporting Directive
HoD:	House of Denim
ACM:	Dutch Authority Consumer & Market

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Chapter One

PROJECT INTRODUCTION



- 1.1 Setting the scene: an introduction to the investigated system
- 1.2 Sustainability Communication in the denim industry
- 1.3 Stakeholders
- 1.4 Understanding low-cost brands and retailers
- 1.5 Project brief
- 1.6 Project approach



This first section of the report introduces the investigated issue by placing it in a larger context. This description also introduces the main actors in this thesis and provides a first insight into the SC system that the coming chapters will explicate in detail.

Figure 1 presents the context and the main actors of this thesis. The first actor that is included can be seen on the bottom; the planet. It is commonly known that the world faces many environmental challenges: global warming, loss of biodiversity, extreme weather and rising sea levels. The list continues but the essence remains; the world is in desperate need of Sustainable Development to maintain a liveable planet for future generations (<https://sdgs.un.org>). However, most established systems, small or big, are based on principles that no longer suffice.

One of these systems in need of change is the clothing industry. In fact, the textile industry ranks third in terms of water and land use and has the fourth-highest negative impact on the environment (European Commission, 2022). Within the clothing

industry, denim is one of the largest apparel subsegments and mainly comes in the shape of jeans (Dutch Ministry of Foreign Affairs, 2021).

In other words, the denim industry needs to produce more environmentally friendly jeans. Although new technologies enable production facilities to minimise their impact, this requires significant investments. To achieve better production, stakeholders amongst the supply chain need capital and above all, demand. Without brands and retailers procuring the eco-friendly jeans, there is no incentive to invest in better facilities. These brands and retailers, in turn, also need a market to distribute and sell sustainable jeans. However, many consumers still prioritise low prices over environmental impact. This presents a chicken-and-egg problem as economic sustainable development for companies is also critical. Nonetheless, this thesis emphasises the responsibility of brands and retailers to engage consumers through SC and convince them of the necessity of sustainable production.

Therefore, the next section explicates the importance of SC and the role of brands and retailers in this issue in further detail.

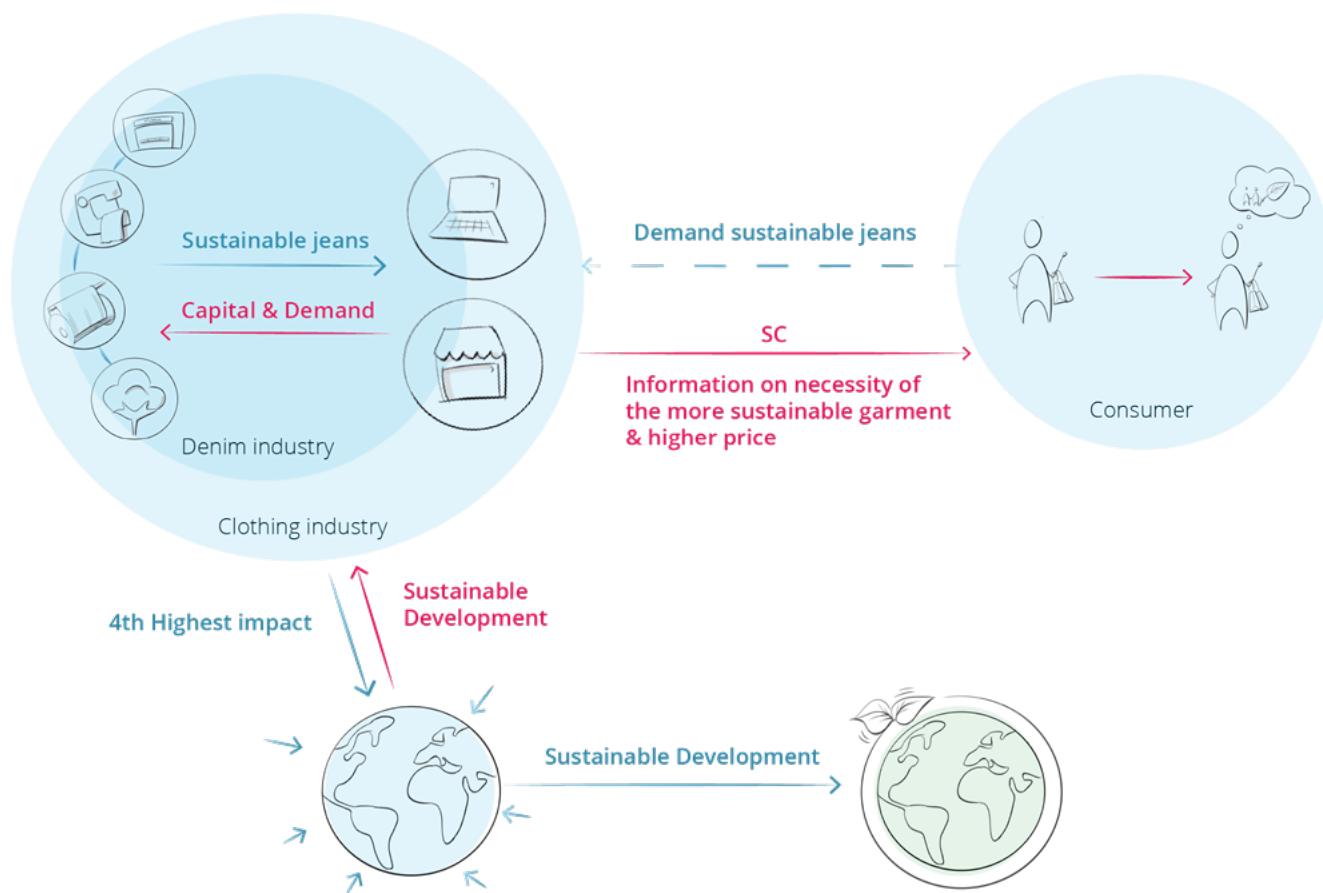


Figure 1: Overview of the investigated system and issue. The pink lines indicate pressures for brands and retailers.

1.2 SUSTAINABILITY COMMUNICATION IN THE DENIM INDUSTRY

The following paragraphs explicate the concept of Sustainability Communication (SC), its relevance for sustainable development of the denim industry and the current pitfalls. Furthermore, it presents upcoming regulations that aim to improve SC from companies and the reason to focus on the denim industry.

1.2.1 Why we need Sustainability Communication

A central issue in the fight against ecological, economic and social challenges, is the communication about sustainability efforts. Communication is necessary since people must understand the importance of sustainable development as a strategy for survival of people on this planet (Godemann & Michelsen, 2011). To illustrate, consider a company that innovates its business model to for instance, a leasing structure. This might be in the best interest of the environment; however, it demands critical change in the habits of consumers. In order for this business to succeed, consumers need to understand the context and urgency of the innovation. That is where effective SC comes into play.

Besides using SC to increase understanding of relatively radical innovation, it also plays a significant role in other situations where stakeholders need to understand changes in the way of operating due to sustainable improvements. An example is the use of SC by companies to prove their compliance to legislation with yearly reports. Or for instance, a clothing manufacturer that attempts to convince a brand that their facility is climate neutral.

Throughout the years, different manners to share this information emerged. Besides reports and plain conversations, SC can result in manifestations like labels, certificates, climate ratings etc.

Figure 2 illustrates the effect of SC in the shape of a label on the product level. In this case, the energy label for household appliances, depicted in the middle. On the right side of the label, the figure shows the effect on the customer. The consumer can quickly evaluate the green value of this product compared to similar products. This way, a consumer gets the chance to decide what 'sustainability level' to settle for within their budget. Also, this type of SC can explain the likely increase in price as a result of the sustainable efforts.

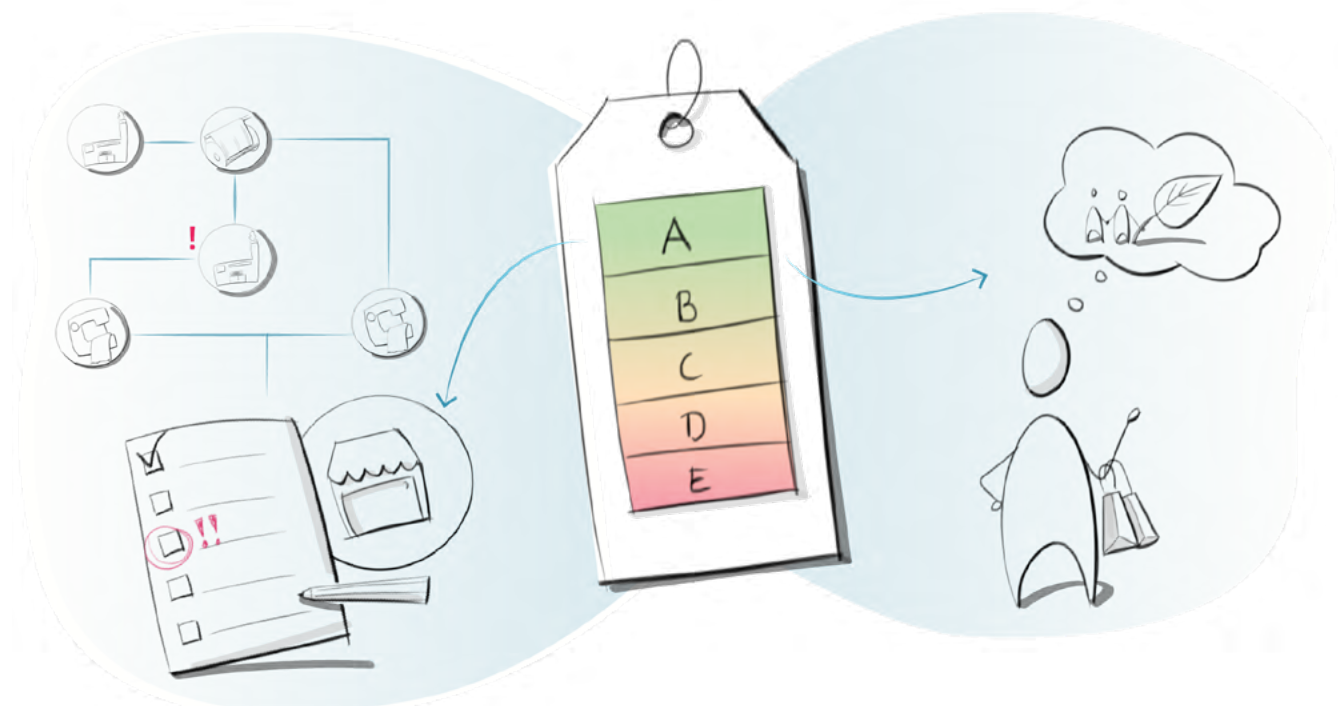


Figure 2: The twofold effect of SC, illustrated by an energy like label.

Asmi et al. (2022) investigate this topic in the denim industry. They argue that the display of green value is imperative to convince consumers to buy the more expensive sustainable pair of jeans (Asmi et al., 2022).

On the left side of the label, the figure shows the effect on companies; it demands transparency. For instance, if a company wants their product to receive level B, they must prove it complies to the set rules for this level. Hence, the gathering of the required information for such a label can expose gaps in the sustainable performance of the supply chain of the business (Grolleau et al., 2016).

In summary, SC is important to include consumers in sustainable innovation, to report on sustainability efforts and to aid consumers in a sustainability-focused decision-making process. In a larger context, including consumers in sustainability-related changes through SC is necessary to increase the consumer demand for sustainably produced products. As a result, more demand for eco-friendly products increases the incentive for brands, retailers and suppliers to invest in more sustainable production. In conclusion, employing effective SC may positively influence the sustainable development of jeans' production.

1.2.2 Ineffective and misleading eco-communication hindering sustainable development

Unfortunately, SC not only encourages adoption of sustainable development. It also creates opportunities for organisations to boost their image. Since it is 'just communication', differentiating between a true and a false claim proves difficult.

In the fashion industry, for instance, the globally used HIGG index was criticised on a number of fronts for greenwashing. This popular clothing climate impact measurement tool, funded by established companies like H&M Group and Patagonia, mislead many consumers with incorrect claims about garments. As a result, the fashion brands suspended the use of the product labelling tool to develop support for the environmental claims (Britten, 2022).

This is just one example out of the many greenwashing scandals that have detrimental negative effects on the sustainable development of the clothing industry. Greenwashing leads to fabricated implementations of regulations and agreements; in the clothing industry it negatively affects green buying intentions due to lack of trust in the sender (Lu et al., 2022).

Currently, information schemes like the HIGG index seem to have lost their effect. Consumers are overwhelmed by the number of labels and certificates (Wijen & Chiroleu-Assouline, 2019); labels

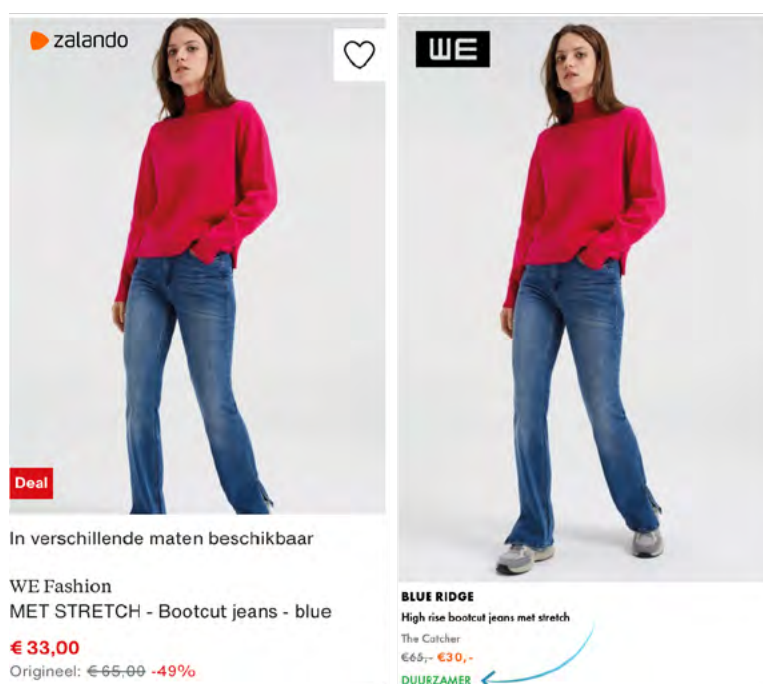


Figure 3: An illustration of different SC about the same pair of jeans on two different platforms (left).

are highly susceptible to greenwashing (Parker et al., 2020); often lack credibility (Boogaard & Pijpker, 2023) and are inconsistent. Figure 3 demonstrates this inconsistency on the product level. It shows the different SC about the same pair of jeans on two different platforms. The multi-brand retailer Zalando (left) does not indicate a sustainability aspect whereas the brand that produced this pair of jeans, WE Fashion (right) tells the consumer it is the 'more sustainable' option. This is a result of different sustainability standards maintained by these organisations. As a consequence, the consumer does not know what to believe and trust in the validity of the claims vanishes. As indicated previously, this has a negative effect on the potential and importance of SC.

Nonetheless, ineffective SC does not only occur on the product level. A recent event illustrates the difficulties of SC on the institutional level. Figure 4 shows one of the many farmers' protests in The Netherlands that marked the year 2022. A sudden announcement of the Dutch government resulted in obstructions of infrastructure. The Dutch government revealed plans for a 30% decrease of the livestock in the country to minimise the problematic nitrogen emissions. In a protest reaction to this, farmers blocked an entire highway. The protests were a result of years of poor dialogue between the government, farmers and other

stakeholders on how to achieve their nitrogen goals. The result of mediocre communication: continuous extension and adaptations of necessary legislation. This provides another example of ineffective SC, where stakeholders are not included well in environmental-related changes, which hinders sustainable development.

What we learn from this, is that current SC efforts from institutions to the industry, as well as the efforts from companies to include consumers are not yet effective.

1.2.3 Crossing the chasm: From conscious to mainstream consumers

As shown in the previous paragraphs, SC takes place on different levels of society and involves many players; from institutions to consumers. To determine where in the denim industry innovation on SC can have most impact, this thesis considers at a concept from innovation science.

Figure 5 displays the diffusion of innovation over time amongst society as presented by E.M. Rogers (2003). The vertical lines indicate different adopter groups; groups of consumers that adopt the innovative idea. The adoption process starts with the innovators and early-adopters. Then, often, the diffusion hits a brick wall; the so-called "chasm" (Moore, 2014). This implicates that the early-majority of the people does



Figure 4: Protest of farmers in The Netherlands blocking a highway (ANP).

not seem to adopt the novel idea.

The challenge to overcome the chasm between early-adopters and the majority of the people, occurs frequently. Nonetheless, the diffusion curve shows that adoption by the majority is necessary to achieve social structural change; full integration of the innovation in society.

The innovation diffusion theory can help in the situation at hand. As explicated previously, SC is necessary to increase the demand for sustainably produced jeans. Nonetheless, despite the increasing amount of SC efforts, the majority of the consumers does not buy clothing based on ecological considerations (Neupane et al., 2021). Moreover, most research investigates the effect of SC, in the form of labels and certificates, on the conscious consumer. This consumer group can be considered the early-adopter of sustainable innovation, but does not represent the majority of consumers. Although it is imperative to convince especially this large consumer group of the idea of sustainable jeans to make production and sales of eco-friendly jeans a worthwhile investment.

To reach the majority, Rogers (2003) and Moore (2014) argue that an organisation must consider this massive consumer group in their diffusion strategy compared to focussing on the conscious consumer. They specifically draw attention to the role of communication in overcoming the challenge of reaching this consumer group.

Based on the above-mentioned reasons, this thesis considers brands and retailers responsible for improving their SC to initiate sustainable change in the denim industry. Therefore, this report investigates the brands and retailers that sell clothing to this 'mainstream' consumer. These parties own the communication pathways towards the mainstream consumer but so far, have not

been effective in engaging them in the importance of sustainable jeans production. Even though, this quest is important to increase the demand and consequently, promote production of sustainable jeans.

Not only do these brands and retailers have the responsibility and capabilities to better involve mainstream consumers; they also need to change their current practice due to upcoming legislation. The next chapter will elaborate on the capabilities and challenges of these mainstream brands and retailers.

1.2.4 Upcoming regulations that will affect the SC system

Upcoming legislation from the EU will force businesses to adapt their current SC efforts. Therefore, this paragraph provides a short introduction to regulation that will affect how companies deal with SC in the future:

- **The Corporate Sustainability Reporting Directive:** forces businesses to report on sustainable impact, verified by a third party.
- **The Digital Product Passport:** a tool to create transparency.
- **The New Consumer Agenda:** addresses sustainability labelling issues. The most recent update is the draft for the **Substantiate Green Claims** law (Euronews.com, 2023). This initiative will require organisations to use standard methodology to validate their claims. Accordingly, the European Commission developed two methods based on the LCA approach.

These regulations will predominantly affect how companies measure, collect and present data on their environmental impact to the authorities. The

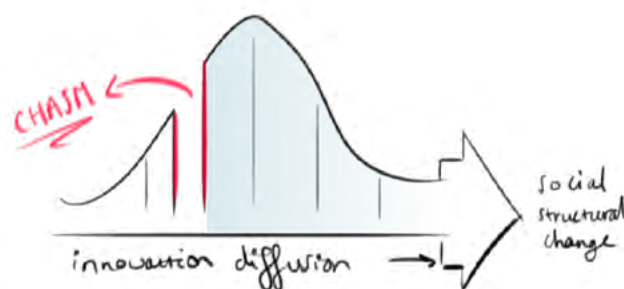


Figure 5: Visual representation of the diffusion of innovations over time (Rogers, 2003). The blue area marks the focus area of this thesis.

Digital Product Passport is the only regulation that aspires to provide more information for consumers in their purchasing decision, besides the aim to boost sustainable production and circularity. In general, these regulatory plans will not determine how to translate this new chunk of information towards consumers. In other words, in the near future there will be more data on sustainable impact of companies but no clear way to showcase this to consumers. The second chapter of this thesis will dive deeper into the guidelines that currently exist for SC on garments.

1.2.5 Why the denim industry has to change

In the last 150 years, the pair of jeans has evolved from workwear to one of the most recognisable items in today's fashion industry. With over 2 billion pairs sold yearly; it is a huge industry (Ellen MacArthur Foundation, 2021).

Unfortunately, the production of jeans has significant detrimental repercussions on the environment and society (Asmi et al., 2022). Figure 6 presents an example of the effect of jeans production. The picture shows a polluted river nearby denim manufacturing plants. The colour is the result of synthetic indigo dyeing; a process which is necessary to make your blue jeans blue. Besides the unnatural colour of

the water, the process also releases chemicals that negatively impact soil and water ecosystems. This affects the health of plants, animals and especially the workers in-and around the factory.

Particularly the production methods for ultra-cheap denim leave higher amounts of hazardous chemicals (Wicker, 2022). Due to the fact that the majority of the consumers tend to purchase these affordable jeans, the impact of their production is felt on significant scale.

To illustrate the impact, the production of a pair of jeans requires on average 3781 litres of water (Levi Strauss & Co, n.d.), which equals enough drinking water for a person for 4 years.

With the expectation that two-third of the world's population might face water shortages in 2025 (WWF, n.d.), change is needed for this globally loved garment.

A final note on the manufacturing process of a pair of jeans is that it has multiple inherently unique aspects. The indigo dyeing, garment washing and finishing all give a pair of jeans the right colour, fade and fashion appeal that consumers want. As these are unique to the denim industry, they require different sustainable solutions compared to other clothing items.



Figure 6: The impact of an indigo factory on Xintang River (<http://www.noorism.com/single-post/2015/12/05/DIRTY-DENIM>)

1.3 STAKEHOLDERS

This research is a collaboration with House of Denim and targets low-cost clothing brands and retailers. The following paragraphs describe these stakeholders in more detail, highlight their relationship to this thesis, and explain the added value of this thesis to them.

1.3.1 House of Denim

There are organisations that are working on improving this industry, like House of Denim, the main collaborator for this project. The next section will introduce this stakeholder.

House of Denim (HoD) is an ambitious non-profit organisation that envisions a Brighter Blue; a more sustainable denim industry. Their main activities include encouraging industry collaboration; educating new talent; and promoting best practices (House of Denim, n.d.). Since 2009, their work continues to contribute to the build of a large denim community. Their activities come together in the dynamic Denim City in Amsterdam, which houses

the Jean School, start-ups and a denim shop (see figure 7).

The focus on SC within this thesis builds upon an ongoing topic within HoD; 'Making Better Choices'. Currently, HoD predominantly works with more premium, denim-focused brands.

This thesis suggests to expand this focus by collaborating with clothing retailers and brands in lower price segments. With this proposition, the project presents a new area for impact and provides a positive step towards a Brighter Blue.



Figure 7: The workplace for Jean School students at Denim City, part of the House of Denim foundation (House of Denim, n.d.).

1.3.2 Low-cost clothing brands and retailers

This project emphasises the need to engage the majority of the consumers in the necessity for sustainable jeans through SC. As pointed out in the introduction, this thesis investigates the role of brands and retailers in this challenge. Specifically, it targets clothing retailers in the lower price segment. Three reasons underly this decision.

The first reason to research these organisations is because they offer jeans to the majority of the consumers since the majority of the people demands cheap clothing (Niinimäki et al., 2020). To illustrate, the clothing retailers with the highest revenue in Europe are: Inditex (Zara, Mango), H&M group (H&M, Monki, Weekday), Zalando, Primark and C&A (Retail-Index, 2019). These brands and retailers are known for offering affordable clothing.

Second, besides offering the jeans to consumers, they also formulate the communication about sustainability aspects of a pair of jeans. Research argues that retailers can act as a “gatekeeper” amidst supply chain and final consumer and thus affect the choices of consumers (Iraldo & Barberio, 2017; Porter, 2008). To illustrate, figure 8 depicts the retailer as a bridge between these stakeholders, emphasising the connection.

Studies on adoption of voluntary eco-initiatives also substantiate the influential role of this stakeholder. Retailers emerge as important figures in pushing organisations’ environmental policies and incite companies to comply with criteria (Iraldo & Barberio,

2017; Chikudza et al. 2020). In other words, brands and retailers carry the responsibility to translate information from the entire value chain into a correct and appealing sustainability message to the consumer. In fact, they play a crucial role in the challenge to increase the demand for sustainable jeans, as addressed in the introduction.

The final reason to focus on the low-cost brands and retailers is that competing at these price points poses substantial challenges. Consequently, these businesses may find it particularly difficult to adopt sustainable practices. On top of that, as mentioned previously, the manufacturing process for cheaper denim garments tends to be more environmentally harmful.

Although this stakeholder sells denim, it is not their primary focus. Especially in the lower price segment, brands offer a diverse assortment of fashion items. This means the characteristics of the fashion industry affect their ability to change. This is important to acknowledge as the fashion industry brings unique characteristics.

Therefore, the next section describes the current structure of the fashion industry and the mindset of its consumers and businesses that hinder sustainable development of the low-cost brands and retailers.

This section describes the underlying structures and norms of the fashion industry that give insight into the difficulty for low-cost brands and retailers to design, procure and sell more sustainable jeans.



Figure 8: Brands and retailers function as a bridge between supply chain and final consumer. They predominantly decide what productions and information from the supply chain reaches the consumer.

1.4 UNDERSTANDING LOW-COST BRANDS AND RETAILERS

This section describes the underlying structures and norms of the fashion industry that give insight into the difficulty for low-cost brands and retailers to design, procure and sell more sustainable jeans.

1.4.1 The complexity of the fashion industry: seasonality grows value chains

First of all, the fashion industry is complex. This can partly be explained by the fact that it is both a social phenomenon, as well as one of the world's largest economic outputs (Čiarnienė & Vienažindienė, 2014). People can express themselves through fashion and feel as they belong to a social group. It is an integral part of society. Figure 9 illustrates why this industry is complex. It depicts the largest stakeholders within the denim value chain, their main locations worldwide and a closer view of the core values that drive brands, retailers and consumers. The overview of the denim supply chain is based on the work of a previous student who created a map of the supply chain for House of Denim (van Raan, 2019). Moreover, the insights in this section are predominantly based on the work of the Transformers Foundation.

Part of the complexity within this industry results from the predominantly global and long supply chains. The many steps in the production of a pair of jeans take place all over the world. From cotton farming in China, to denim mills in Turkey and manufacturing in Brazil. The essential reason for this globalisation is the uncertainty that is inherent to the fashion industry. Fashion differs each season and therefore it is unsure whether a garment will be fashionable and how many pieces will be sold. On the other side, consumers continuously demand increasingly cheaper products (Transformers Foundation, 2020). In these circumstances, offering job security, investing in sustainable fabrics and paying workers fair wages poses a challenge. Therefore, brands and retailers outsource production as a strategy for financial risk minimalization. Suppliers, in their

turn, also offload these risks by subcontracting. Consequently, the supply chain gains complexity and increases in length.

Essentially, brands and retailers have made it near impossible for themselves to trace all the materials, facilities and people included in making garments. However, in pursuit of more sustainable production, and adherence to regulation, they must now understand where amongst this supply chain changes are necessary.

1.4.2 Pressure of consumers, external factors and time

In addition to the challenge these unclear supply chains pose, the fashion industry is dynamic and highly competitive (McKinsey, 2022). The unstable demand is a result of the seasonality and trends that drive strategies of firms in this industry. Consumers demand fast updates of collections that reflect current trends in society and are simultaneously affordable. These elements make time a significant competitive weapon in the race to satisfy consumers (Niinimäki et al., 2020).

Consequently, there is little time left beyond these seasonal and trend-led factors. This means there is limited investment into research and development, technological advancements and for sustainable development; the protection of people and planet (Bonetti & Schiavone, 2014).

Besides fast cycles, to differentiate themselves from competition, brands and retailers resort to strategies such as competitive pricing, branding and staying on top of trends. Especially online retailers play well into this demand with agile and fast delivery of new products (Deloitte, 2022).

External pressures like legislation push these organisations to consider factors beyond commercial strategies. In addition, increasing demand from consumers for transparency and more sustainable action incentivises change for these businesses.

On the other hand, the current economic climate in which low-cost retailers and brands operate is marked by hyperinflation. This might hinder investments in sustainable development as consumers will have less money to spend (McKinsey, 2022).

To conclude, figure 9 shows that brands and retailers operating in the low-price segment deal with long, complicated supply chains. They need to be ahead of the market in terms of trends, deliver new clothes faster and offer the lowest prices whilst maintaining a strong brand image. This means there is little time is left for sustainable development. Also, the existing structure of the supply chain keeps them in the dark in understanding where and how to improve.

Although legislation demands increasingly more transparency, the current hyperinflation across the world might again minimise the time spent on sustainable development.

These previous sections described the potential influence of low-cost online retailers on improving SC of jeans. In addition, it clearly states the constraints in which this stakeholder operates and how these obstructions impede sustainable development of these businesses. Despite these constraints, the brands and retailers face increasing demand to take responsibility in terms of more sustainable practice. This means a solution to accelerate change is desirable for both House of Denim as well as for online low-cost retailers.

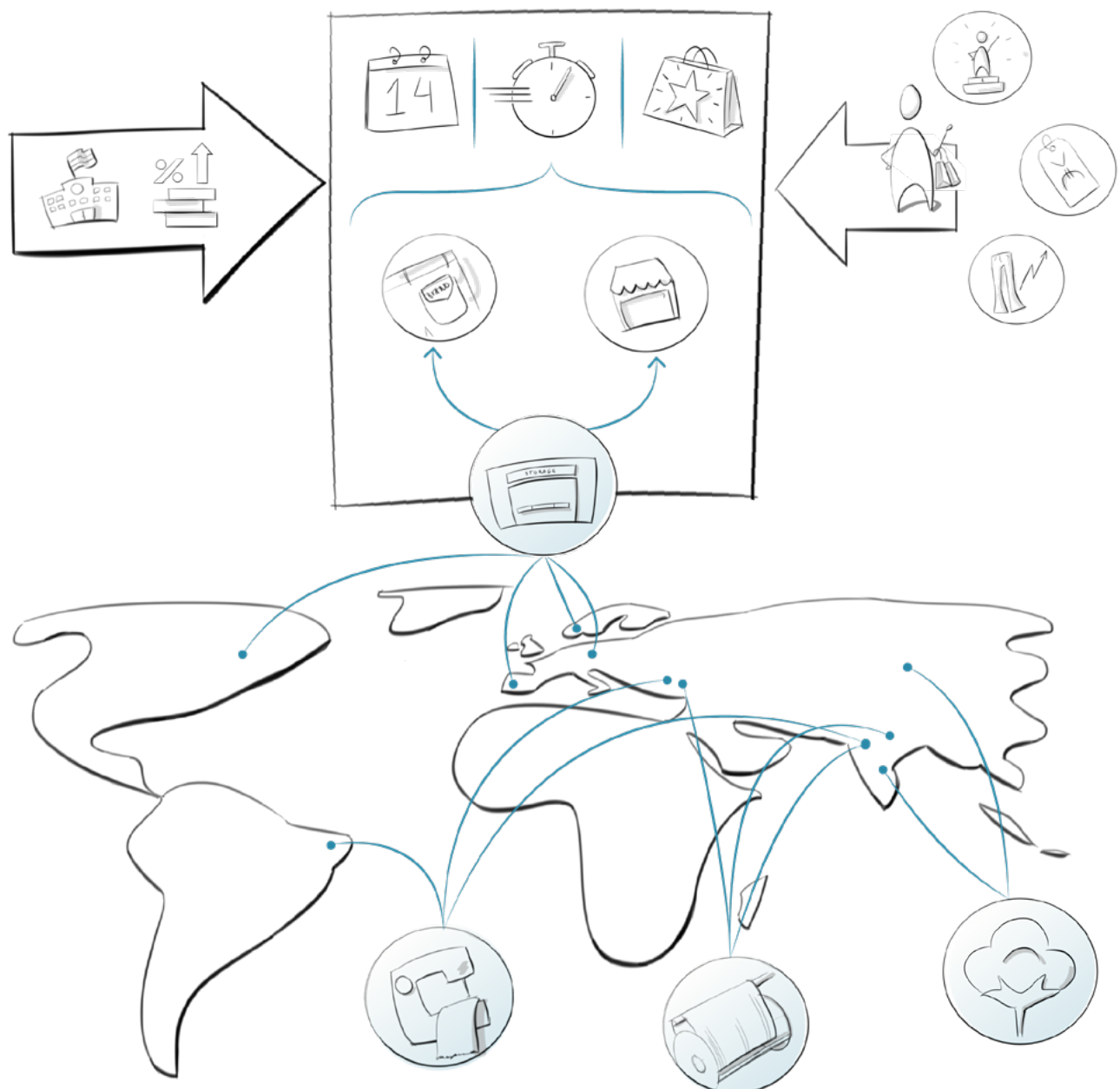


Figure 9: Overview of characteristics of the fashion industry that impede crucial sustainable development of low-cost brands and retailers.

1.5 PROJECT ASSIGNMENT

This project focusses on reaching the majority of the consumers with SC. The initial problem brief, as approved by the graduation committee can be found in Appendix A. The following chapter is a revision of the first problem, grounded in findings from the research phase.

1.5.1 Problem definition

The problem definition describes the challenge to research and design for.

Denim is a significant subcategory within the vast clothing industry, yet its production has a detrimental impact on both planet and people. Therefore, the production of denim garments, like jeans, must become more sustainable. To promote sustainable production in the supply chain, there must be an increase in demand for more eco-friendly denim.

Generally, sustainable production comes at a higher price. Hence it is essential to convince consumers of the necessity of this change. The responsibility for such an endeavour lies with brands and retailers since they are a crucial link between the supply chain and end-consumer.

Unfortunately, the current efforts of the industry to showcase eco-aspects are generally ineffective and above all, confusing for the consumer. Especially the price-sensitive, low-cost segment encounters difficulties with this challenge. Consumers in this segment have high demands; they desire on-trend, cheap clothing that is quickly accessible.

As brands and retailers strive to satisfy these consumers, they adopt highly competitive strategies that grow the length and complexity of their supply chains. Which leaves them with little time and overview to effectively communicate towards consumers.

On top of this, the demand for transparency through legislation from the EU and national authorities rises.

Despite the numerous obstacles that low-cost brands and retailers face daily, they do represent a large segment of the denim market. With their crucial position between the supply chain and consumers, they wield substantial influence over the industry's future. Therefore, innovation is needed to simplify the SC process for the low-cost brands and retailers.

1.5.2 Research questions

This thesis aims to answer the following main research question:

How can low-budget clothing brands and retailers simplify Sustainability Communication about jeans for the majority of the consumers?

To find a solution to this question, this thesis investigates the current system that determines how these brands and retailers deal with SC processes. The aim is to identify factors that contribute to the complexity of the current system and find ways to overcome these. Therefore, the research starts with the following sub question:

1. What are the actors and interactions surrounding brands and retailers that can determine their SC process?

After establishing the interplay between brands and retailers and external actors, the next step is to dive into the internal experience of the system with the following question:

2. What are barriers and motivations for brands and retailers to engage with SC?

The previous questions dive deep into the current system but at the same time they also identify future directions for the regime. By envisioning the potential, simpler future of the SC system, this thesis can make a strategic decision for the direction of the solution.

Therefore, it will analyse the research findings to observe the transition towards the future system by asking:

3. What can the future of this system entail and where in the transition is the system right now?

Finally, the analysis of the transition of the system also supports decision-making on a meaningful role for House of Denim:

4. How can House of Denim use its capabilities to accelerate the transition?

1.5.3 Scope

To ensure the workability of the project, several constraints are necessary.

Figure 10 shows the scope in terms of demographics, the main stakeholder and the price range in which they sell jeans.

In terms of demographics, this thesis will focus on clothing brands and retailers based in The Netherlands, Germany & Belgium.

The Netherlands and Germany are in the top three denim importers in Europe (Dutch Ministry of Foreign Affairs, 2021) and the researcher can more easily connect with organisations in these countries due to proximity.

In addition, the clothing brands and retailers include multi-brand as well as mono-brand businesses, as long as they sell jeans and have a substantial online sales channel.

This thesis focusses specifically on low-budget clothing retailers. Low-budget refers to retailers that mainly sell jeans around €50. To include a larger part of the market in the interviews and in the end, the solution, there is a margin of €25 above and below this average. Appendix C explains the analysis of jeans prices on multiple online platforms that lead to this price estimation. Figure 11 depicts the result of this analysis in a graph. The graph shows the division of jeans prices. The price range €30-€40 has the largest share on the platforms with 20%. With the set price spectrum, 77% of the jeans are captured.

These are the main decisions and descriptions that will provide clarity throughout this report.



Figure 10: Visualisation of the scope of this thesis, it delineates on demographics, price and target group.

1.5.4 Contribution to existing knowledge

In the field of SC, most research investigates the effect on conscious consumers. This thesis, however, looks beyond this group and addresses the need to consider the mainstream consumer in communication strategies.

Furthermore, many sustainability initiatives include brands and retailers that are purpose-driven, sustainability is a core element in their business. However, to boost sustainable development, it is imperative to include low-budget, not necessarily sustainability driven organisations in the dialogue.

Finally, with the increase of strict legislation on greenwashing and reporting, there is a need from the industry to innovate on dealing with SC in this new landscape.

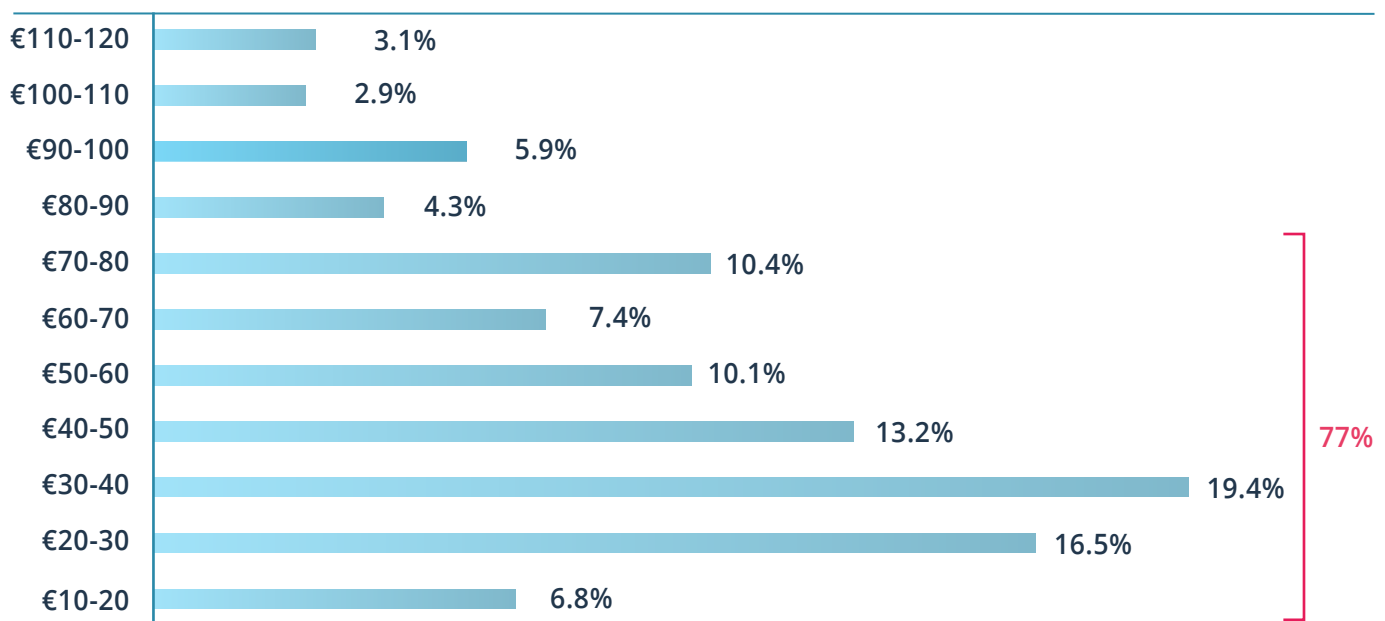


Figure 11: The distribution of jeans prices per range of €10 in percentage of the total amount of analysed jeans (18.639)

1.6 PROJECT APPROACH

This chapter describes the plan of this project and the methods that were used.

1.6.1 The general process

This thesis approaches the design process based on the double diamond method, developed by the Design Council (Design Council, 2019). Figure 12 shows the four phases that shape this method: discover, define, develop and deliver.

The Discover phase allows for exploration of the problem, the current status and who is involved. In the define phase, the designer analyses the data and reformulates the initial design brief accordingly. The designer then generates ideas that might solve the problem in the develop phase. Finally, in the deliver phase, the designer tests the solutions and the last iterations lead to the final design. Figure 12 also shows a visualisation of the activities of the researcher per phase for this project. The following paragraphs will describe these in further detail.

1.6.2 Understanding the context

The first phase is about discovering the new context, the researcher 'dives' into the topic. The multiple research methods applied in this thesis are: a literature review, desk research, visiting Denim Days and semi-structured interviews.

The goal of these activities is to outline the current system for SC and how it affects the low-cost brands and retailers.

For the literature study, the following topics were studied via papers found on Web of Science:

- Organisational adoption of voluntary eco-initiatives
- Changing the norm in a society; innovation sciences and institutional theory
- Sustainability Communication

Furthermore, desk research investigates the current SC guidelines and rules and identifies existing initiatives that aim to improve denim SC. Together with insights from the interviews on interactions between key actors in the system, these efforts provide a comprehensive understanding of the overall system.

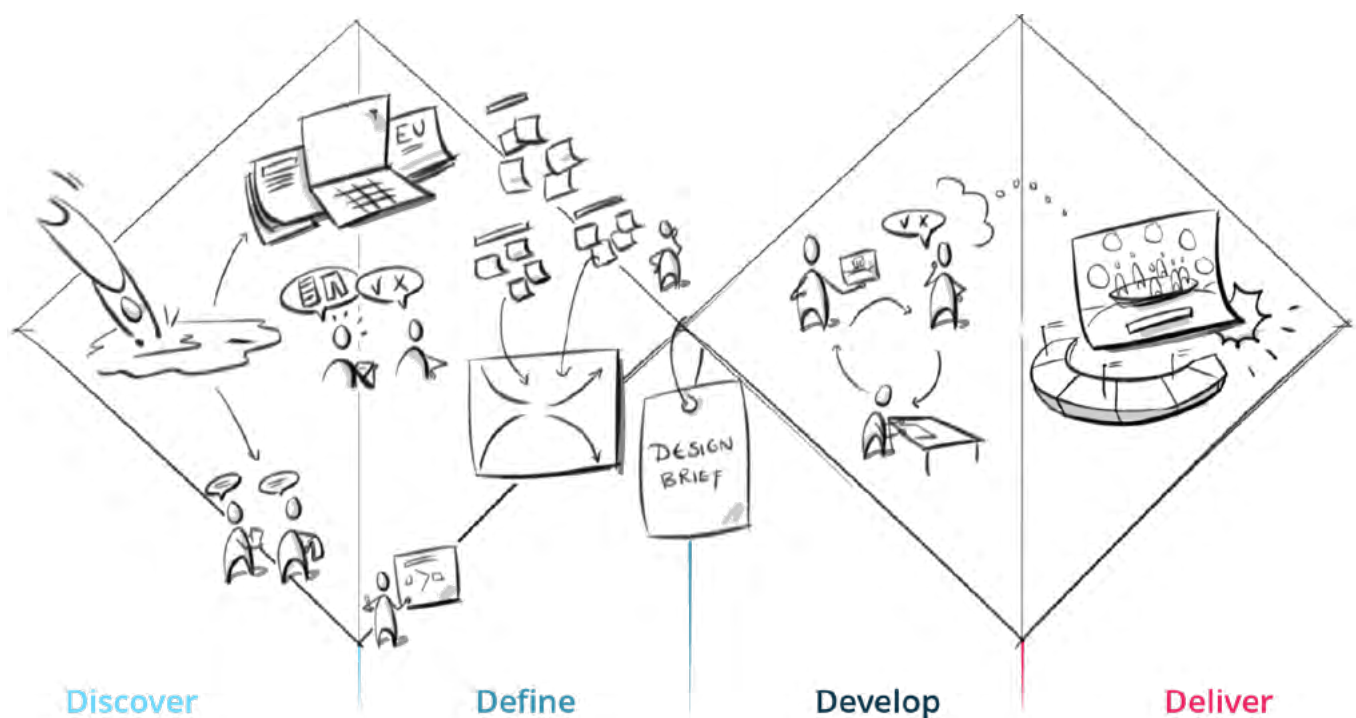


Figure 12: Visualisation of the activities of the researcher per phase of the Double Diamond (Design Council, 2019).

To get to know the denim industry, its people and companies better, the designer visited the Denim Days and the Kingpins Show in Amsterdam, a trade show for the denim industry. During this week, the designer pitched the research plan to both the advisory board of HoD and at the denim leadership breakfast at Denim City (see figure 13). At the Kingpins Show, a trade fair for denim, many short conversations about the research plan gave insight into the view of stakeholders throughout the denim supply chain. The visit aimed to make connections for the in-depth interviews in a further stage of the research. Appendix B describes the activities in more detail.

An important part to gain a deeper understanding of this industry were the insights from 17 semi-structured interviews. The interviewees have different expertise, ranging from experience in retail to sustainable denim. Most participants were found via LinkedIn and through personal connections. The interview guide followed a main structure and focussed on:

- Getting to know the interviewee;
- The general approach to product SC;
- Barriers and motivations for implementing a jeans-specific climate rating.

See Appendix D for the full interview guide.

The focus of the questions on a jeans-specific rating followed from the initial project brief (Appendix A).

Also, as described, the fashion industry is fast and busy. Therefore, a concrete proposition could enhance the response rate for interviews and help to receive more constructive feedback on for instance, why this solution would not work.

The insights were analysed and revealed a more promising direction to solve the current complex sustainability communication.

The interviews were transcribed to be translated into data with open coding. This results in clusters of the coded insights described as types of barriers and motivations to adopt jeans-specific SC. The data provided insights into interactions between brands, retailers and other key actors in the system, like authorities and the media.

To comprehend the position of brands and retailers in the current system better, a visualisation presents the most important barriers and motivations that lie the ground for the design brief.

The final activity in the discovery phase is to map all the research findings onto the X-Curve framework (Loorbach et al., 2017). This provides a big picture view on the transition of the system.



Figure 13: The designer pitching the research at the leadership breakfast with approximately 50 denim leaders from all over the world. Picture by Leila Polman.

Assessing this transition aids in aligning the design direction with the future which allows for strategic decision making in the design brief.

1.6.3 Defining the design brief

Insights from the Discover phase led to a reframed problem. The design brief describes the problem, design goal and requirements to allow for ideation. It also immediately specifies the general design direction which can aid to propose more concrete ideas in the fast and busy industry of this thesis.

1.6.4 Develop solutions

The ideation for this graduation brief focuses on creating design interventions. First, a presentation on the research findings and initial design intervention allows for feedback from the HoD co-founders and advisory board and two people experienced with guiding coalitions.

The feedback drives the next concept iteration, the second design intervention. Discussions with 5 experts with varied backgrounds on the second concept show opportunities and points of improvement.

These insights serve as inspiration for the final design idea.

1.6.5 Deliver the final solution

This graduation project delivers the final design for the coalition in three elements. First, a storytelling poster presents the vision for the coalition. Next it provides a strategy with recommendation on how to build the coalition. Two phases in this strategy aim to start the dialogue. Therefore, this thesis also presents four conversation starters with suggestions for activities and questions, all substantiated with quotes from the interviews.

The design phase will conclude with an evaluation of the concept based on the desirability, feasibility, viability and potential effect on the system.

KEY TAKEAWAYS

Figure 14 depicts the system as introduced in Chapter 1.1 with additions of the key-take aways from the entire chapter. The pink lines indicate pressures on the main stakeholder of this thesis; low-cost brands and retailers. From bottom to top, the following bullet points describe the visual.

- The production of denim harms the environment and must change.
- - This thesis collaborates with House of Denim, a non-profit that strives for a more sustainable denim industry.
- To boost sustainable production of jeans, demand for sustainable jeans from the majority of the consumers has to increase.
- Low-cost brands and retailers, being a bridge between supply chain and consumer, can influence this demand through SC that convinces consumers of the necessity of sustainably produced jeans.
- Current SC efforts are not effective; they overwhelm and often mislead consumers.
- Low-cost brands and retailers offer a wide range of fashion items, jeans are only a part of this larger assortment, hence this thesis investigates structures of the clothing industry.
- Low-budget brands and retailers compete in the fashion industry by prioritizing branding, speed and reflecting seasonal trends; resulting in complex supply chains. They attempt to satisfy a price-sensitive consumer group

that demands trendy items at the expense of sustainability. These characteristics impede crucial sustainable innovation of this stakeholder.

- Upcoming European legislation that demands more transparency will force these businesses to change.
- To leverage the crucial position of low-cost brands and retailers in this issue, innovation is needed to simplify the SC process for the low-cost brands and retailers.
- To tackle this problem, this thesis will investigate the current system, its impact on brands and retailers and its transition towards the future.
- This research converges to a design brief which indicates a main design direction. From there, the designer creates two design interventions and discusses these with industry experts.
- These insights will lead to the final design, a vision for the coalition, a strategy to build this coalition and conversation starters.

The next chapter explicates the research phase of this thesis, starting by zooming in on the existing guidelines, rules and interactions between main actors in the system.

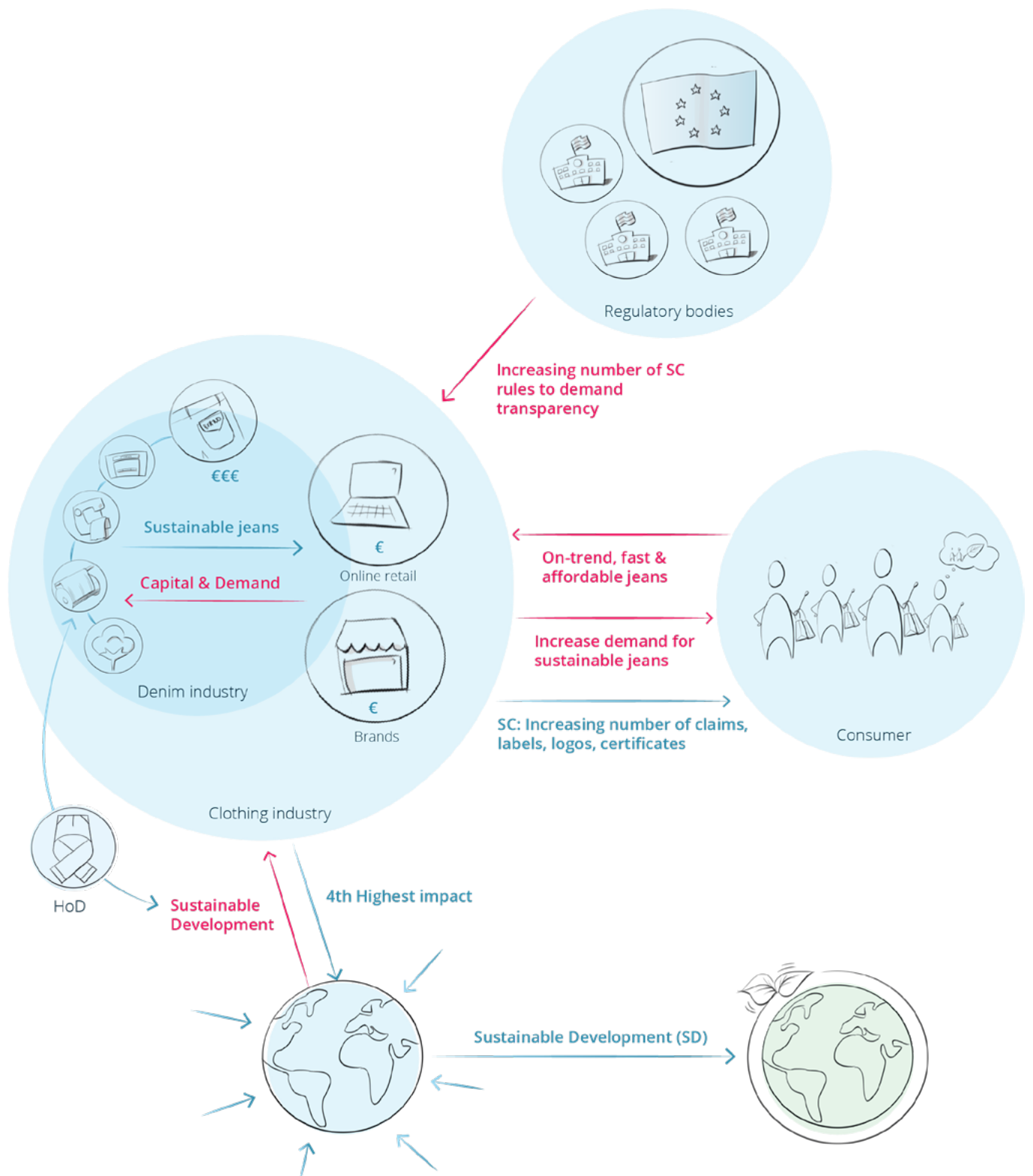


Figure 14: Summary of Chapter 1 captured in the investigated system. The pink arrows represent a pressure on brands and retailers.

2

Chapter Two

UNDERSTANDING THE SYSTEM FOR SC IN THE DENIM INDUSTRY

- 2.1 Current SC system for SC in the denim industry
- 2.2 Motivations and barriers for SC about jeans
- 2.3 Zooming out: the transition of the system

2.1 CURRENT SYSTEM FOR SC IN THE DENIM INDUSTRY

The introduction specified the issue under investigation and presented the considered system. This chapter expands this system by examining its current structure, its future notions and the interactions on an interorganisational level. The examination increases comprehension of the shortcomings of the current system, which is necessary to develop a solution to the problem in the next phase. Hence, this section starts with an overview of the main actors that establish SC rules and guidelines. Then, it uncovers the impact of each actor on the SC processes of low-cost brands and retailers. Next, it presents initiatives that aim to improve SC for denim specifically. Finally, it observes recent events that indicate a promising shift of the current system towards a collective, European regulated system.

2.1.1 An overview of the organisations that affect SC with guidelines and rules

Claims about sustainability aspects of products should be based on predetermined, specific standards. For instance, if a company claims that a product is “more sustainable”, there must be an explanation on what this entails; like a set amount of CO₂ reduction in the production compared to similar products. For the development of these standards, companies can define them themselves or rely on certain guidelines. Either way, there are rules they must adhere to.

Figure 15 depicts the main actors and their interrelations that shape the current system of SC in the clothing industry.

The authorities that establish guidelines are visible at the top of the figure:

- Third parties that provide certificates;
- The European Union;
- National supervisory authorities like the Dutch Authority Consumer & Market (ACM).

The latter two parties also supervise whether companies actually adhere to these rules.

The following paragraphs elaborate on the role of each of these actors by means of examples and quotes from industry experts. The section concludes with a summary based on the visualisation of the system.

2.1.2 The current approach of the EU is incomplete

The EU is primarily concerned with guidelines for company-wide communication on sustainability. To illustrate, the European Non-Financial Reporting Directive from 2014 obliged companies to publish a yearly corporate sustainability report (Directive 2014/95/EU). As brands and retailers have a consumer-focused platform, these reports can often be found on a separate, dedicated corporate webpage.

As pointed out in paragraph 1.2.4 of the introduction, the EU is working on multiple new legislative acts that will push for more transparency of firms with regards to their SC on the company's general performance and towards consumers. In general, this is a positive development, nonetheless, there are shortcomings. For example, one of the announced legislations that seems to concern the industry most is the CSRD. However, these rules are only mandatory for listed companies, starting off with companies with more than 500 employees. According to the European Commission this will affect 11,700 companies from 2024 and approximately 50,000 companies in 2026, when also listed SMEs need to comply. To put these numbers in perspective, this accounts for roughly one-sixth of all large undertakings and SMEs and 0.17% of all companies in the EU (Eurostat, 2022). On top of that, for the clothing industry, this legislation will primarily result in a lot of data about an already confusing supply chain. Therefore, it is questionable what the actual impact will be for the simplification of SC.

Furthermore, little guidance exists for communication towards consumers. Except general rules that it is not allowed to mislead the consumer.

In conclusion, the impact of transparency focused European legislation does not reach far and does not tackle the fundamental issue of the complicated supply chain in the clothing industry. Furthermore, they are not yet active in providing companies with constructive guidelines for more transparent SC towards consumers. Hence, the current approach is incomplete and too high level to aid brands and retailers on the short-term with their SC challenges.

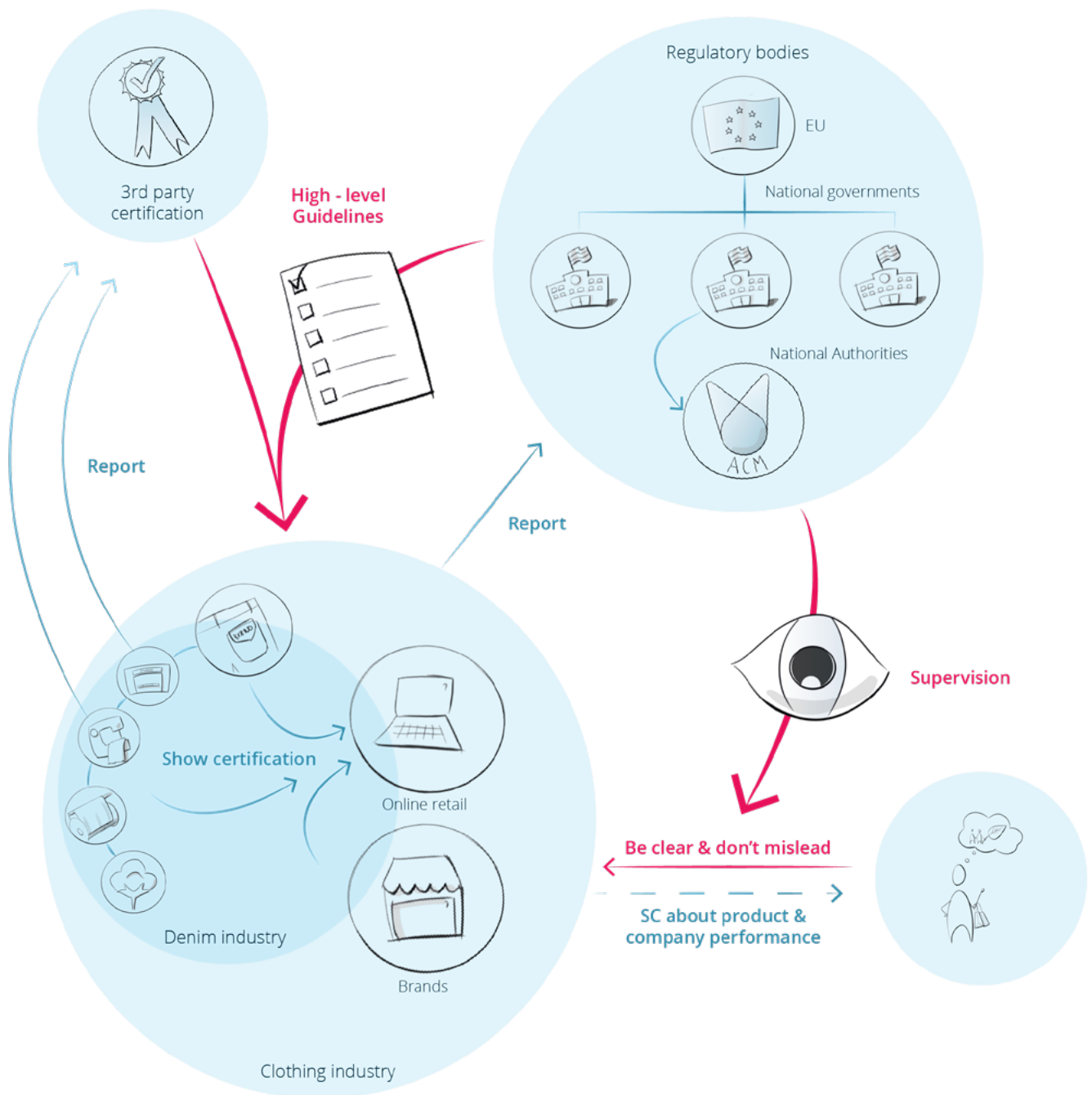


Figure 15: Overview of the current system for SC, highlighting the main actors and the interorganisational relations. The pink arrows indicate pressures for brands and retailers.

2.1.3 The attempt of national authorities to define guidelines for SC towards consumers is indefinite

Local authorities are in fact more active in shaping the current system. For instance, in The Netherlands, the Authority Consumer & Market (ACM) supervises correct use of sustainability claims. To illustrate, together with the Norwegian Consumer Authority, the ACM alarmed the industry of incorrect use of the HIGG Index, as pointed out in the introduction of this report. Consequently, they drew up guidelines for how the clothing industry should use the Higg material index.

Furthermore, in 2021, they published the first guidelines with five rules of thumb for making correct sustainability claims. The following quote shows one of the rules to illustrate the detail level of these guidelines.

“Make sure that visual claims and labels are useful to consumers, not confusing.”

In general, the five rules are high level and boil down to providing honest, clear and factual information; they are not concrete nor constructive. Nevertheless, via the Unfair Commercial Practices Directive (UCPD), national regulators can take enforcement action when companies fail to comply to these guidelines. This can result in fines up to €900 000 (Pelkmans et al., 2022).

Besides the lack of concrete guidelines, the demands of national authorities differ. Especially for the mostly internationally oriented brands and retailers, this complicates communication of sustainability aspects; even for third party certification. The following quote, derived from one of the interviews, illustrates this complexity. The interviewee gives an example for the communication challenge as a result of a new European regulation that aims to shift responsibility for post-consumer to organisations:

“For the Extended Producer Responsibility regulation, the question of which recycling logo to imprint on product packaging remains an issue. With each country having unique requirements, companies decided to just include all the logos. On top of that, certain nations prohibit specific logos despite their global recognition, making the situation even worse and above all, leaving a confused consumer. Then you need to realise, the packaging process often occurs all the way in the far east: it's disastrous.” -CSR Manager fashion brand

To conclude, the EU leaves the active supervision of SC towards consumers to governments of member states. This further complicates the process of SC as rules differ per country. On top of that, genuine efforts of national authorities to guide the industry towards less misleading claims prove to be indefinite. Unfortunately, these unclarities lead to initiatives often being shot down before maturing.

2.1.4 Third-party certification is popular but there is a growing debate on its effectiveness

The third authority involved in the system of SC are organisations that provide third party certification. This means that an independent organisation reviews the production process of an item and determines whether it complies to the specific standards of that certification. These standards are more detailed and topical compared to guidelines from the EU or the local authorities. To give an indication of such certificates, figure 16 shows frequently used certificates in the fashion industry. This type of SC is increasingly popular as it boosts consumer trust in the claim and the EU promotes the use of third-party certification (Chikudza et al., 2020; EU Strategy for Sustainable and Circular Textiles, n.d.). This popularity however, has a downside as the number of certificates on products currently overwhelm consumers (Wijen & Chiroleu-Assouline, 2019). In addition, certificates generally represent the sustainability performance of specific aspect of a product. Therefore, one product could be labelled with multiple certificates.

In response to the growing number of certificates, Zalando, the largest multi-brand retailer in Europe, integrates third party certification to define compliance of garments to their own labels. Appendix E gives insight into how they translate this towards the consumer. For brands, this means that if they want their pair of jeans to have a sustainability label on the Zalando platform, they need to provide the data per garment, by hand. From the interviews it became clear that even though the unified label throughout the platform is better for the consumer, they do cause for concern:

“Every retailer has their own way of measuring sustainability which causes mountains of paperwork for brands, especially for a smaller brand like us, filling out forms per retailers is extremely time intensive.” - Sustainability manager denim brand

On top of that, obtaining certificates is also not evident:

“Third party certification is expensive and the audits require many resources, especially time. For smaller brands, this makes it incredibly hard to show consumers third party verified information.” - Denim Lead fashion brand

This leads to the conclusion that small brands cannot meet the demands of large multi-brand retailers, even though they might qualify for certain sustainability aspects.

It causes an unequal playing field as they do not have the resources to obtain the industry accepted certificates.

Nevertheless, third party certification is also not the ideal solution for larger enterprises.

For several certificates, the industry disagrees on

how they should be used and to what extent they are actually sustainable. Multiple interviewees exemplified the Better Cotton Initiative (BCI) to illustrate such a conflict. BCI is a certificate that is based on a mass balance system and is used intensively throughout the clothing industry. The method of mass balance is utilised to track volumes which enables the replacement of Better Cotton with conventional cotton, provided that the same quantities of Better Cotton are obtained (<https://bettercotton.org>). This means that a BCI label on a garment only states that the company invests in Better Cotton but does not implicate that the material was used to produce the garment.

The following quote illustrates the frustration of a sustainability manager in using certificates correctly:

“Consider the usage of the Better Cotton logo. We noticed that to use the logo you need two separate claims that were extremely unclear. Specifically, you must emphasize that it is a mass balancing system, and that the sustainable cotton you purchase is somewhere along the supply chain, not necessarily in the article. As a brand, you don’t want to include two explanatory phrases on a label with other credentials, but Better Cotton and ACM agreed in dialogue that it should be included. This is not at all customer-friendly and in fact, contradictory with what the ACM wants. In these discussions, they must consider the customer and marketing.” - Sustainability manager variety store



Figure 16: The most common certificates used in the fashion industry ([https://fashionunited.com/i/sustainability-certification-organizations-in-fashion n.d.](https://fashionunited.com/i/sustainability-certification-organizations-in-fashion-n.d)).

Overall, the growing trend towards third-party certification represents a positive step towards enhancing sustainable production as it provides clear standards that unify the industry. By relying on established, independent bodies to verify and validate their claims, the confidence in sustainable progress grows. However, the popularity grows the number of certificates which in turn, overwhelms consumers, as well as brands and retailers. Furthermore, obtaining certification is costly and can exclude smaller brands from large retail platforms. In addition, even if a company is able to obtain certification, communication towards consumers is difficult as they often require specific technical captions.

To address this challenge, the following paragraph introduces an exploratory solution for streamlining and consolidating various certifications into a more accessible and user-friendly format for consumers.

2.1.5 Initiatives for better denim SC: a Jeans Index & the Denim Deal

In a response to the increase in certificates and labels that overwhelm consumers, House of Denim researched a potential solution. In 2019, a Strategic Design student researched how House of Denim could help the conscious consumer to make a better choice (Ebbers, 2019). Ebbers described the many certification schemes that exist for the denim industry, e.g., BCI Cotton, and developed a method to rate a pair of jeans based on these existing dimensions. The design: a jeans impact index rating. The idea could give new meaning to the growing mountain of certificates as well as establish a standard for sustainable denim, verified by House of Denim.

A different approach to unifying the denim industry manifests in another initiative of House of Denim; the Denim Deal. The Denim Deal is an agreement between the Dutch government and industry. The deal describes specific goals for the use of recycled cotton in denim production. A collaboration with 30 stakeholders established voluntary goals which they all signed, see figure 17. This example shows



Figure 17: The signed Denim Deal with Imogen Nulty (Scotch & Soda) on the left, James Veenhoff (House of Denim) in the middle and Hans Bon (Wieland textiles) on the right (Sommer, 2020).

that not only labels and certificates can improve standards in an industry. In fact, it illustrates that a collaborative initiative can improve communication between parties which aids in setting binding, unified goals and even result in local authorities adapting legislation to execute the established goals.

Moreover, well-known research institutions like Transformers Foundation, for denim, and the Ellen MacArthur Foundation (EMF), for fashion, increasingly provide the industry with insights on legislation, improving operations and standards. To illustrate, the EMF Jeans Redesign guidelines are now one of the most followed principles towards circularity by many brands.

This research contributes to the goal of the jeans impact index by expanding its essence to a larger scale; the majority of the consumers. Furthermore, it builds upon the learnings of the Denim Deal by aiming to increase collaboration within the industry to set goals that precede regulation.

2.1.6 Future notions of the system for SC

The announcements of the EU on upcoming SC related legislations provoke thoughts on the impact for the industry. Therefore, online and in the news, there are opinions and discussions that provide interesting insights into how this field is shifting.

The general observation is that experts express the need for more collective, centralised action.

Kiki Hagen, a member of the Dutch House of Representatives, advocates for an “energy-label-like” system for fashion (October 15th, 2022). In line with her proposal, the European Commission (EC) aims to make it easier for consumers to choose the better product in the future, with the Digital Product Passport.

In an extensive article in the Dutch newspaper NRC, multiple researchers and industry experts, like H&M’s sustainability manager, express the need for harmony in guidelines for Europe (Boogaard & Pijpker, 2023).

Transformers Foundation, representing the voice of denim manufacturing in sustainable innovation, recently published a report on the complex and ineffective chemical certification (Wicker et al., 2022). Again, the researchers established the problematic individual approach of brands and retailers on SC and emphasised the need to embrace collaboration.

We can conclude that the issue on complex SC comes from the lack of unifying, clear guidelines. Ultimately, it appears that European regulations may achieve more collective SC in the clothing industry.

To summarise, figure 18 shows the current SC system with the uncovered challenges. In general, current efforts of authorities do not yet contribute to simplification of the SC process as their guidelines and rules are indefinite and incomplete. Also, third party certification, despite its growing popularity, is costly, confuses consumers and cannot offer the industry the desired guidance in their SC challenge. Certification does however provide some alignment in the industry on sustainability standards. In addition, there is little harmony in the supervision on environmental claims towards consumers as this

responsibility lies with each member states' national authority.

House of Denim demonstrated with two different previous initiatives how the industry can align on standards; by establishing a denim standard and increase collaboration to define similar goals. These are important manifestations as it appears from the observed notions that alignment between brands and retailers on standards could simplify the SC process. The next chapter dives deeper into the experience of brands and retailers amidst of this system.

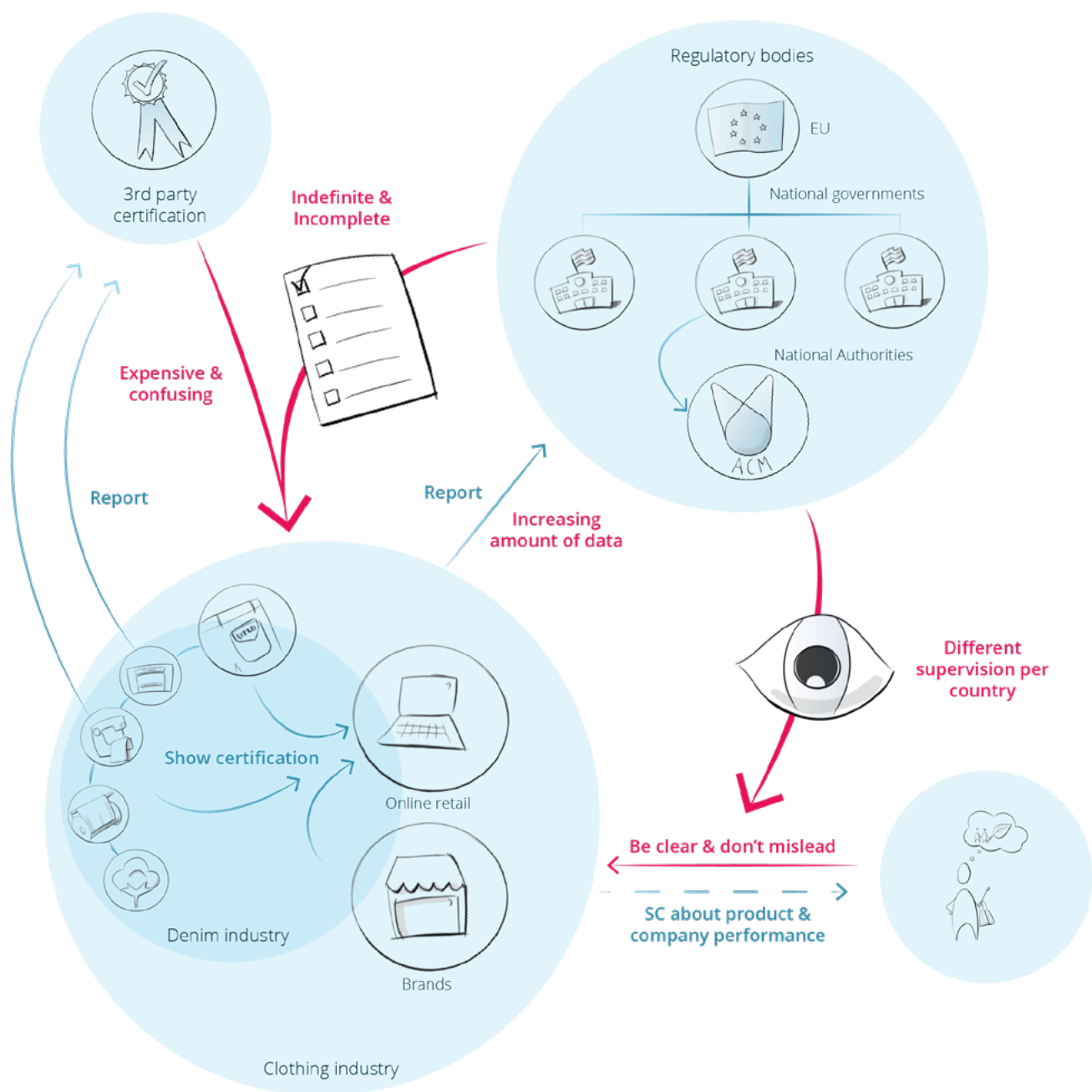


Figure 18: Overview of the current system for SC, highlighting the main actors and the interorganisational relations. The pink arrows indicate pressures for brands and retailers.

2.2 MOTIVATIONS AND BARRIERS FOR SC ABOUT JEANS

The previous chapters described the challenges that arise from the characteristics of the fashion industry and the larger system that surrounds the low-budget brands and retailers in their SC efforts. Subsequently, it is important to understand the perspective of this stakeholder in this system. Therefore, the next paragraphs examine the challenges and motivations for online brands and retailers to engage with product eco-information by means of interviews. Figure 19 presents an overview of the interviewees' different fields of expertise and the number of interviewees with that specific background. As pointed out in the project approach of this report, the interviews explore a concrete solution for SC challenges. The clothing industry is fast and there is little time for such initiatives, therefore proposing a tangible idea helps to learn from the reasons why

it would, or would not work. The interviews explore the option of the jeans-specific climate index as introduced in paragraph 2.1.5. First, this chapter presents tables with motivations and challenges in adopting the climate rating. Second, it provides a visual summary of the most important findings. The final paragraph describes insights about this industry from the researchers' experience.

Interviewees field of expertise	#Nr
<i>Talks at Kingpins Show:</i> Fiber makers, Denim mills, Supply Chain mapping tool, Denim supplier Manchester High Street, Garment factory	7
End-of-season fashion platform	1
Multi-brand online retailer	1
Retail	2
E-commerce	2
Fashion brand selling jeans	4
Jeans brand	3
Denim circularity expert	1
Sustainability consultant for fashion brands	1
Transparency solution for brands and retail	1
Rating technology denim finishing	1

Figure 19: Overview of the interviewees based on their field of expertise with the corresponding number of experts in that category.

2.2.1 Motivations to adopt jeans-specific SC

On the next page, Figure 20 presents a comprehensive overview of the different types of motivations to adopt a jeans-specific label. Each row represents a type of motivation which is further detailed with the corresponding sub-types, an explanation, a potential link to scientific research and a quote from an interviewee to demonstrate the motivation. It also indicates the number of different interviewees that mentioned the motivation.

Overall, the interviewees expressed a belief in the effectiveness of product labelling, particularly if it helps to level the playing field and aligns with European regulations. With level playing field, interviewees for instance referred to the benefit to send a unified message to consumers as an industry and a reduction in paperwork if all retailers were to adopt the same labelling system. As mentioned in Chapter 2.1, brands currently need to provide different information per retailer, per garment to obtain the rightful sustainability label on that specific platform.

In other words, the number of labels on the market is not only confusing for consumers, it is also challenging for many brands.

Most interviewees also highlighted certain conditions that would need to be met for them to have faith in such a label. The fourth motivation, for example, is closely tied to these conditions, as it emphasizes the need for a distinctive rating system with a clear and aspirational goal. This comment makes sense given the existing landscape of labelling schemes in which consumers are already overwhelmed (Wijen & Chiroleu-Assouline, 2019). The interviews also shed light on the highly consumer-driven strategies employed by retailers and brands, consequently, many interviewees view eco-ratings as a valuable means of showcasing their environmental efforts. Interestingly, some interviewees also saw the rating as an opportunity to collaborate on the issue of SC; sharing tangible knowledge and insights in anticipation of upcoming European regulations.

To sum up, product labelling can offer various advantages, but their effectiveness is subject to certain prerequisites. If multiple brands and retailers implement the rating, it can potentially offer guidance in the overwhelming landscape of SC for both consumer and businesses. The next paragraph will further detail the preconditions for successful implementation of this solution.

Type of Motivation	Sub types	Explanation
1. Increase collaboration about sustainable communication	3  1a. Connection method between retail and the brands/producers 2  1b. Bring together data providers, (correct) communication experts	There are many initiatives to provide companies with information about communicating the sustainability of their products. In the shape of data, LCA's, criteria etc. Adopting this grade could help to harmonise this information by improving collaboration between various parties.
2. Connection to EU regulation	3  2a. Translation of relevant regulations 5  2b. Showcase for CSRD compliance	Regulations from the EU are a powerful drive. Companies, on the other hand, are unsure how to deal with them. Therefore, a motivation is to adopt the rating is if it has a useful connection with regulation, a tangible translation and specifically, it serves as showcase for the increasing CSR demands.
3. Access to tangible knowledge	2  3a. Sustainable procurement 4  3b. Sustainability communication 3  3c. Concrete applicable tool 4  3d. To understand where they stand	The rating can be popular if it provides tangible knowledge for brands and retailers both on deciding what is sustainable procurement and on how to communicate in a fun, yet technically correct way.
4. Distinctive from other available schemes	5  4a. Clear goal 4  4b. Aspirational goal	Unique as in, the benefits of this label should be clear and distinctive from what is out there. It should be simple and evidence-based.
5. Consumer satisfaction	4  5a. Decrease informational gap regarding sustainable efforts 4  5b. Consumer demands transparency 2  5c. Boost brand image	Brands and retailers are mainly consumer-driven. It would be a motivation if the rating provides the additional information if requested by consumers. Also, it is a showcase of eco-efforts and therefore boosts the image towards the consumer.
6. If it creates level playing field	3  6a. Minimise paperwork & effort 2  6b. Provides fair competition 4  6c. Most impactful message to consumer	Many brands operate in several markets. They need to meet the demand of each country and each retailer, who also applies different criteria. A more centralised standard would provide a huge benefit.

Figure 20: The table presents the main motivations for adoption of jeans-specific SC by brands and retailers. The table continues on the next page. This side shows the types of motivations, the corresponding sub-types and a short explanation.

Link to literature	Proof quote	Stakeholder
1. Leroux & Pupion (2018) indicate that collaboration and communication within organisation fields leads to adoption as it is a normative pressure.	<i>"Collaboration between retail and producer is increasing since the demands are changing."</i> - E-commerce expert	Online multi-brand retailer, fashion brand, data providers and communication experts
2. The integration with other EU policies is seen as a motivator for companies (Marrucci et al., 2021).	<i>"The government doesn't help brands to implement regulations and we don't know how to do it."</i> - CEO fashion brand	Online multi-brand retailer, large fashion brand
3. Labels can be a useful showcase for eco-innovation efforts and increase the knowledge of consumers (Iraldo & Barberio, 2017). A barrier is the lack of strategy on EU level on how to use and deal with these labels so offering tangible knowledge is indeed important (Marrucci et al., 2021) .	<i>"There is a lack of knowledge in what can be communicated towards the consumer which limits sustainable change."</i> - Founder sustainable fashion consultancy	Online multi-brand retailer, especially for smaller fashion brands
4. No specific link to literature exists, however, Wijen & Chiroleu-Assouline (2019) do describe the competitiveness that emerged in labelling. Therefore, it makes sense that adopters would want to see what differentiates this initiative.	<i>"The rating should be distinctive & unique in order to be wanted by brands."</i> - CSR lead denim brand	Online multi-brand retailer, fashion brand
5. Positive consumer perception drives companies since it boosts their reputation (Chikudza et al., 2020) and marketing advantage (Margaryan & Stensland, 2017). Also it could close the information gap between companies, consumers and retailers (Iraldo & Barberio, 2017)	<i>"Motivations for fashion companies to change are: intrinsic, because of regulations, consumer demand & brand reputation."</i> - Founder sustainable fashion consultancy	Online multi-brand retailer, fashion brand
6. A finding of Margaryan & Stensland (2017) contradicts the wish for level playing field; a company's belief that the own rating method works fine. However, if many players adopt the rating, it could lead to higher mimetic pressure (Leroux & Pupion, 2018).	<i>"For the rating to work, it should at least be implemented on national level and preferably on EU level. With local initiatives we won't achieve actual change."</i> - Founder transparency solutions for fashion brands	All stakeholders in the denim value chain

Figure 19: Continuation of the table with types of motivations to adopt jeans-specific SC. This side shows per type of motivation the link to literature, a quote from an interviewee and the affected stakeholder.

2.2.2 Barriers to adopt jeans-specific SC

The benefits of the label were often mentioned in connection to specific conditions that need to be met first. Therefore, figure 21 on the next page shows the overarching types of barriers that interviewees see before successful implementation is possible. Again, each row represents a barrier, substantiated by the corresponding sub-types, explanation, link to literature and illustrative quote. It also shows how many different interviewers identified the barrier.

One of the biggest challenges faced by businesses in the fashion industry is the inherent conflict between their commercial goals and sustainability efforts. As outlined in Chapter 1.3 of this report, competition in the industry is fierce, with businesses striving to stay on-trend, meet seasonal demands, and offer fast and affordable clothing. The brands and retailers targeted in this report, in particular, already compete on the lowest price points and strive to be as on-trend as possible. Consequently, the main strategy to differentiate from competition is with branding.

Interestingly, in discussion with the experts, it became clear that generally, sustainability messages don't fit their brand image. Especially in this price range, they try to sell a feeling of care-free fashion, available for all. Sustainability messages that are technically correct and well explained disrupt the idealised, worry-free world they are trying to project to their consumers. As a result, low-budget brands and retailers have little incentive to place the responsibility of sustainability on their consumers, as would be the case with a rating system. Rather, they focus on implementing solutions behind the scenes and assuring the consumer that they are taking sustainability seriously as a company.

In addition, the retailers and brands are hesitant to downgrade part of their collection. Not all clothing items will be produced equally sustainable overnight. This can lead to confusion and questions from consumers about why certain items are more sustainable than others, is the company not capable enough?

Furthermore, particularly in online environments, brands and retailers prefer to have a single rating solution for all their garments, as they fear that multiple sustainability labels per subsegment may only serve to confuse consumers further.

In terms of external impacts on the adoption of a jeans-specific label, several interviewees raised concerns about potentially misleading consumers through the use of such labels. The reason for this concern is the belief that authorities and media overly protect consumers from incorrect sustainability messages and do not take into account their need for marketing and branding. They feel there is no freedom for first mover mistakes. As discussed in Chapter 2.1, even though these actors just do their part in the current system, the established guidelines that companies need to build upon are vague. Therefore, this causes hesitance from retailers to communicate about sustainability aspects.

In conclusion, there is a need from brands and retailers to showcase sustainability efforts. The target group is consumer-driven and consumers increasingly demand more information. On the other side, there is fear to confuse consumers and make mistakes as authorities are on top of misleading claims these days. Therefore, interviewees also expressed interest in assuring consumers about the image of the company in general instead of sharing all the specifics per garment. This would also deal with fear to downgrade parts of a collection.

Type of Barrier	Sub types	Explanation
1. Focus on short-term business goals	7  1a. Focus on commerciality 2  1b. Fear to declassify part of the collection 4  1c. Conflict with brand identity	The daily business focusses on conversion, securing product-value and maintaining the brand identity. This blurs the vision to see potential positive impact of sustainable efforts which often reveal themselves on the long term.
2. Guaranteed pushback about sustainable communication	4  2a. Fear that actions are seen as greenwashing 3  2b. Fear to show weaknesses	Generally, there seems to be a zero-tolerance policy when it comes to sustainability communication. This has a negative effect on the motivation of companies to make a move, since perfection in the first attempt is unlikely.
3. Doubt whether consumers want it	4  3a. Expected recession 3  3b. Current behavior indicates otherwise 1  3c. Lack of awareness due to limited marketing	This industry is consumer-driven. First companies need proof of consumer willingness to adopt. Especially in the online environment doubt exists, consumers often search online to find lower prices, not sustainable products.
4. Narrow application scope	3  4a. Fear to confuse consumers with multiple ratings per garment 4  4b. Unclear about the added value in the broader scope of regulations and sustainability demands	There is doubt because the rating is too specific for an online environment in terms of products and not distinctive enough regarding the larger goal.
5. Lack of confidence in achieving industry-wide consensus	4  5a. The denim industry is too complicated to push into three categories 2  5b. The denim industry exists of too many brands and producers to define one standard	The denim industry is quite fragmented, it exists of many brands, retailers and it has a long value chain. Also, transparency is currently low and therefore there is doubt whether the rating could achieve one standard.

Figure 21: The table presents the main barriers for adoption of jeans-specific SC by brands and retailers. The table continues on the next page. This side shows the types of barriers, the corresponding sub-types and a short explanation.

Link to literature	Proof quote	Stakeholder
1. Literature considers positive financial aspects as incentives (Chikudza et al., 2020). The conflict with brand identity was not found, which can be explained by the unique position of the fashion industry regarding the importance of branding.	<i>"Brands are focussed on short-term touchpoints with commercial goals but in the long-term CSR efforts will be beneficial."</i> - CSR manager fashion brand	Online multi-brand retailer, fashion brand
2. Eco-information schemes are highly susceptible to greenwashing, especially when designed poorly (Parker et al., 2020). However, it did not appear often as barrier. The lack of transparency in the fashion industry could explain this sceptical view.	<i>"If you make a first move as a large corporate in sustainability, you will make mistakes. These are now extremely criticised but at least there is change."</i> - E-commerce expert	Online multi-brand retailer, fashion brand
3. Lack of awareness and demand by consumers is a well-known barrier (Iraldo & Barberio, 2017; Marrucci et al., 2021). They also indicate that this comes from a lack of promotion and support from public institutions.	<i>"Consumers will have to demand sustainable products to initiate actual change from retailers."</i> - Retail expert, co-founder first circular department store	Online multi-brand retailer, fashion brand
4. Both Marrucci et al. (2021) and Parker et al. (2020) indicate narrow product variety as a barrier. Parker et al. (2020) identify a connection to broader changes in regulatory systems as an incentive.	<i>"In communication towards the consumer, you need the same rating for each type of garment, especially in an online setting."</i> - CSR manager fashion brand	Online multi-brand retailer, fashion brand
5. The denim and also the fashion industry are known for their complexity, which could be the reason for a current lack of consensus on what sustainability means in this context. A lack of belief in effectiveness and efficiency is indeed a barrier (Margaryan & Stensland, 2017).	<i>"The clothing industry is extremely fragmented, you don't have a few large players that you can target to make the change but it is essential that everyone plays by the same rules."</i> - CEO fashion brand	All stakeholders in the denim value chain

Figure 20: Continuation of the table with types of barriers to adopt jeans-specific SC. This side shows per type of barrier the link to literature, a quote from an interviewee and the affected stakeholder.

2.2.3 Visual summary of the perspective of brands and retailers on product-specific SC

Figure 22 is a visual representation of the conclusions from the interviews. See Appendix F for the clusters from the insights that underlie the visualisation. In general, online retailers seek level playing field and industry consensus on sustainability principles. They envision one label that rates the climate impact of all clothing items they offer. There is a general belief that European legislation is the only way to achieve this. The figure, in contrast, depicts a relaxed EU and heaps of paperwork from national governments. According to the interviewees, European regulation

is complex and slow.

Authorities are not providing knowledge on what can and should be communicated. At the same time, these institutions and the media fiercely protect the consumer from incorrect sustainability claims, visible on the right of figure 22. This demotivates these organisations to initiate sustainable action since they do feel it is imperative to share sustainability aspects with their consumers. This is due to two reasons: they operate in a low-price segment so a price increase needs reasoning; also, they are consumer-driven and need consumer confirmation to verify a positive effect from their effort.

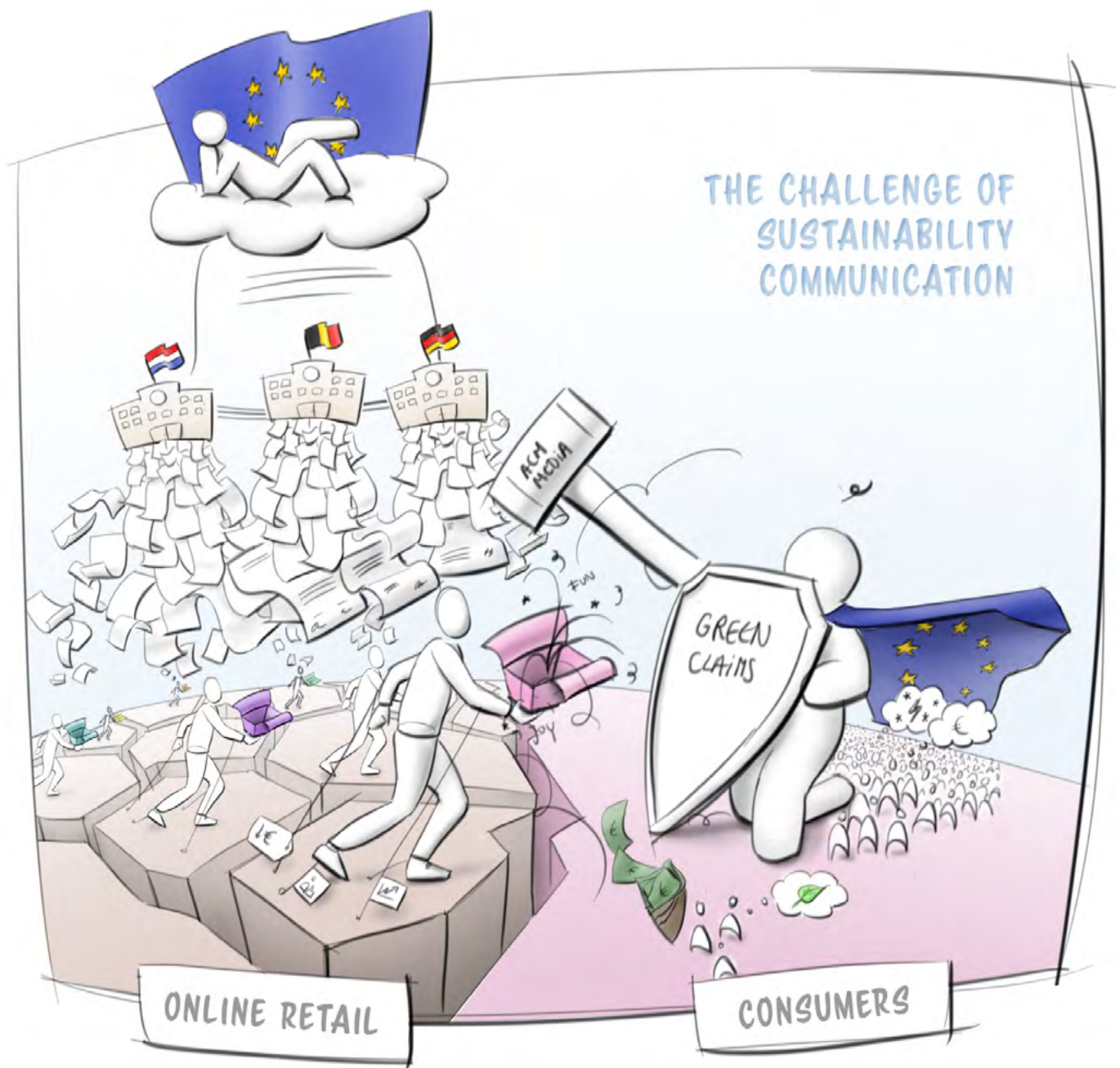


Figure 22: A visual representation of how brands and retailers experience the current system for SC, based on the barriers described in paragraph 2.2.2

2.2.4 A moment of reflection: insights on dealing with the fashion industry

Besides insights from interviews, a literature study and desk research; this paragraph describes learnings from dealing with fashion industry as an outsider.

In general, this is a highly competitive and fast industry; which is reflected in busy schedules and seasonal visions. The fashion brands and manufactures need to be seasons ahead of the market. In addition, there is quite an individual, organisational, focus. People within these companies are in a race against the clock in a fast-changing market and world.

This complicates the attempt to start a discussion on sustainability. Especially if the proposition is not concrete or engaging enough.

Furthermore, a more personal reflection is the feeling that if you want to be heard in this industry, you need passion for denim and fashion. More than ever when trying to introduce sustainability and design, you need to fully understand the industry and be able to pick up at their high pace.

However, this industry is also not transparent yet, fragmented and well-known for long and complicated supply chains. As a starter and outsider, it is challenging to fully grasp their way of doing business, which sometimes hinders fruitful conversations.

The final insight is that this is a proud industry. Fashion is for many people like art; a way to express themselves. Therefore, emotions play a larger role in this industry.

This also affects how open-minded people are to other perspectives. Art is about taste and feeling. Criticism on the way of doing business is not easily accepted hence it requests a sensitive approach.

To conclude, if you want to make a difference in this industry: be passionate about fashion; understand the different way of doing business; build connections and above all, communicate concrete propositions. For the design it is imperative to clarify the benefits towards the industry and to offer a concrete solution.

2.3 ZOOMING OUT: THE TRANSITION OF THE SYSTEM

The previous sections provided an extensive explanation of the current system for SC, the interaction between dominant actors and the experience of brands and retailers. Besides this, the research also found indications for what the future system might entail. These findings can assist to discover a possible, more effective future scenario and align the direction of the design strategically. Hence, the following paragraphs will zoom out and reflect on the transition of the system by means of the X-curve framework. First, this section explicates this framework, after which it evaluates the research findings as dynamics in the transition and determines patterns and signs of the new system. Finally, it concludes by pointing out where the system is in the transition and what role House of Denim could play in accelerating it.

2.3.1 Understanding a transition by means of the X-curve framework

The X-Curve framework (see figure 23) illustrates transition in the shape of an X that describes patterns of build-up and breakdown (Loorbach et al., 2017). The framework shows that in order for a new system to work, the old one has to be phased out. Especially for sustainable transitions, the X-curve can offer

guidance in understanding the dynamics and make them actionable (Hebinck et al., 2022).

The patterns of build-up and breakdown consist of ten different transition dynamics. These are indicated on the side of the lines and point out the phases of the transitions. Determining the phase of the transition can be helpful in various ways. For instance, if it appears that the observed system is in a state of collapse, referred to as 'chaos' in this framework, this means it is at a critical point of break-down. In such a situation, it can be interesting to promote the new initiatives, norms and alliances that boost institutionalisation of the new system.

The next paragraphs apply this theory to the situation at hand. They review the research findings to see whether they indicate a pattern of buildup, or breakdown.

This reflection helps to identify crucial elements to phase out the current system; understand what initiatives contribute to the new system; and to determine the direction for House of Denim.

It should be stressed that transitions are a subjective perception and can differ based on the observer's perspective and the evaluation of the specific context (Hebinck et al., 2022).

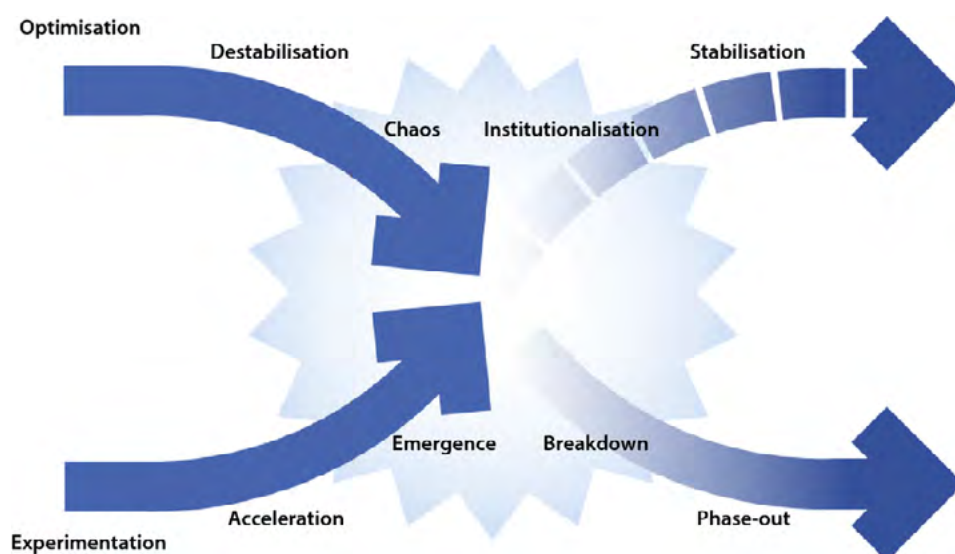


Figure 23: The X-curve framework depicts sustainable transitions based on patterns of build up and breakdown (Loorbach et al., 2017)

Hence, the interpretation of the dominant transition dynamics and system depend on the researcher and the specific insights. The analysis is for sense-making and does not necessarily claim this perspective to be the truth.

2.3.2 Patterns of breakdown

Figure 24 presents the analysis of the X-curve framework. The red areas represent the patterns of breakdown. The transition dynamics, the phases, are on the left. Each phase consists of identified patterns based on the research insights.

The following list describes the observed patterns in figure 24 from top to bottom. First, it gives a brief explanation of the transition phase, then it introduces the specific patterns.

Optimisation

Efforts and investments that continuously optimise the current regime.

Commercial goals

Generally, the commercial goals of the low-cost brands and retailers' conflict with SC. Numerous efforts from these businesses as a result of the commerciality maintain the current situation. Little time is left to think about sustainability efforts when the day-to-day business is dominated by conversion, growing the consumer base, staying on-trend and producing faster. This results in a continuation of the current complex system, there is no time nor incentive to invest in other solutions.

Slow and complex legislation

Another major contributor to the complex landscape for SC is the European fundamentally complicated way of regulating. The reasons for this are the different implementation of European initiatives per member state; the way in which authorities announce new legislation; and the little available knowledge on how companies can implement it. These factors overwhelm businesses, people do not understand the positive impact of the legislation and end up discouraged, writing endless reports on sustainability impact.

Consumer protection

In fact, a significant number of these laws aim to protect the consumer from companies' misleading claims. Even though this is important to avoid wrong environmental statements, brands and retailers currently feel neglected in their needs in the determination on what is allowed. Especially the media contribute to scrutiny on attempts of brands and retailers to show eco-efforts. This again affects the motivation of people within these businesses to stay motivated and pick-up new sustainability projects.

Long and complex supply chain

A fundamental issue obstructing positive change of the SC system is the fashion industry's supply chain. As explicated in Chapter 1.3 the length and thus complexity of the value chain continuously increase due to the characteristics of the fast and on-trend fashion industry and the risk-averse strategy of many brands. On top of that, the interviews showed the lack of faith in the success of better SC as long as the supply chain is structured like it is today. Making changes however is also complicated. For example, if a retailer increases the standard for usage of certain chemicals in denim; suppliers will have to meet this demand. Nonetheless, they would need economic support to make the crucial changes to their production facility. As brands often only have a small share at a supplier, they must collectively decide to increase their standard and show the producer the demand will be worth the investment. Furthermore, legislation that aims to increase transparency will force companies to publish their impact along the value chain but it will only grow the amount of data. In communication of sustainability efforts, this is not necessarily a useful step. Even though it is a positive starting point.

In other words, the complicated and long supply chain is challenging to change, minimises the industry's trust in SC solutions and is hence in the way of a better SC system.

The analysis continues after the presentation of the full X-curve framework on the next two pages.

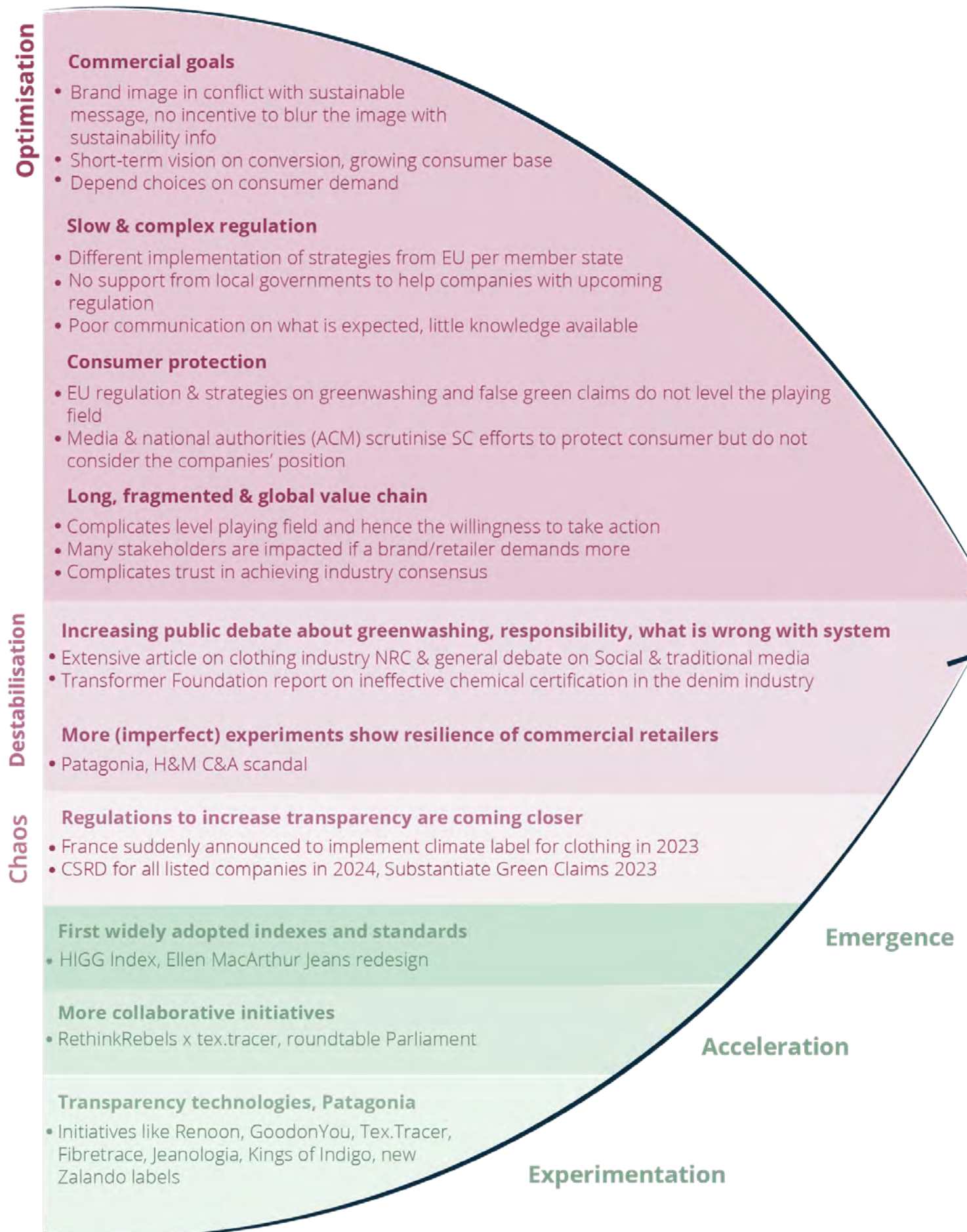
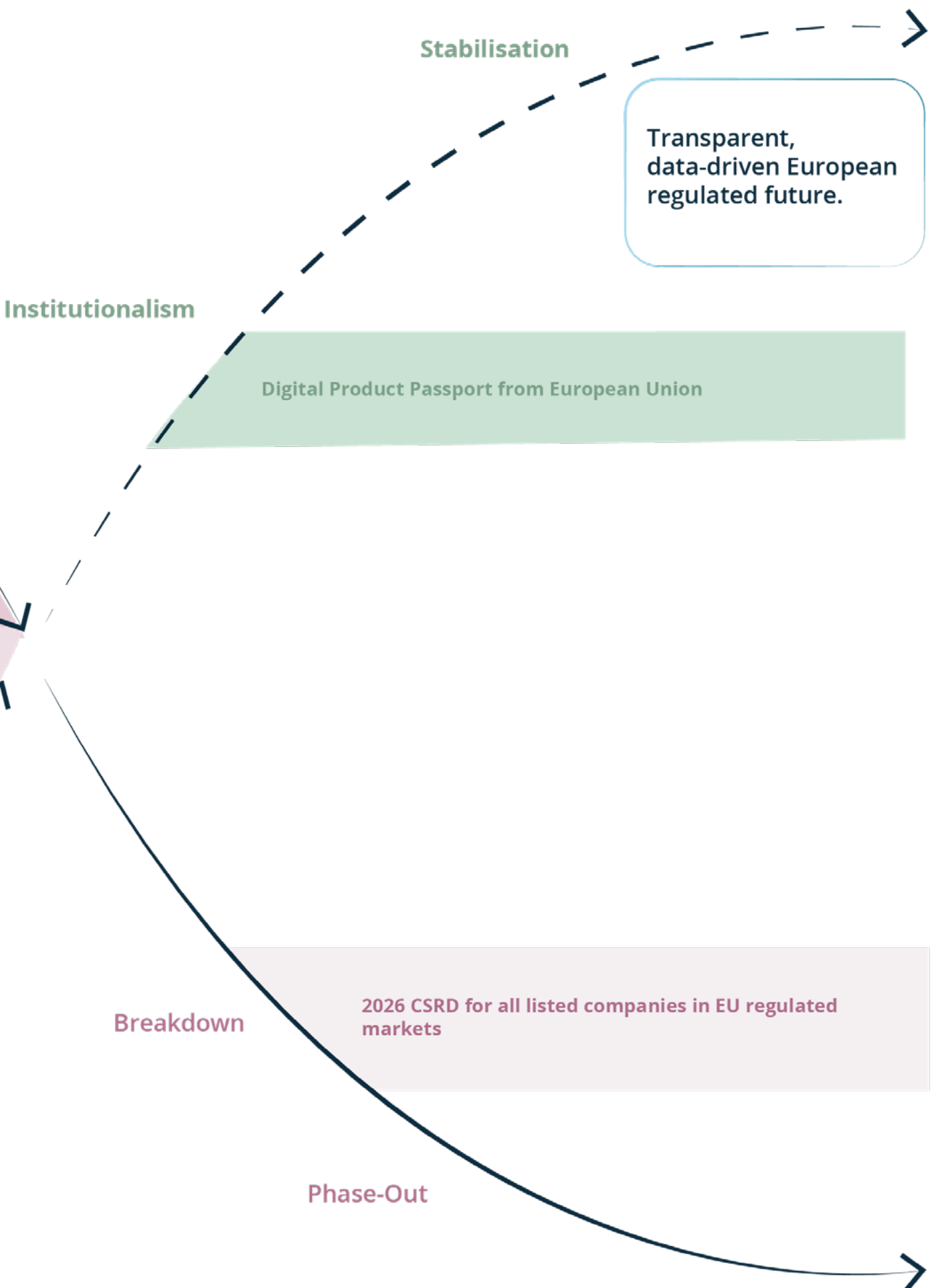


Figure 24: The X-curve framework (Loorbach et al., 2017) adapted to the situation at hand based on the observed patterns of build up and break down. The transition dynamics are in bold alongside the lines. Red areas indicate patterns of breakdown, green areas indicate patterns of build up.



Destabilisation

Doubts and tension emerge about the current system.

Increasing public debate

The media not only scrutinises businesses, their critical view on the current regime also contributes to destabilisation. With investigations, important questions and extensive articles they can expose the underlying issues. Besides journalists, researchers from for instance institutes like Transformers Foundation add external pressure on the system. Especially in a recent report they spread doubt about fundamental issues in the fashion industry, like the complicated supply chain. These examples show that different voices start to speak up and spread doubt about the current way of business.

Experiments show resilience of commercial brands and retailers

Another indication is perhaps less evident but interesting to mention. Brands and retailers struggle with the scrutiny on new SC attempts towards consumers, they are afraid of the company's image. However, there is a pattern that shows the resilience of companies where SC attempts went sour. They demonstrate that a company's survival is not necessarily jeopardized if an attempt goes wrong. All in all, doubts about the current system arise and experience shows the brands and retailers' hesitance for not attempting SC might be unsubstantiated; signs of destabilisation.

Chaos

Loss of security, breakdown of strong institutions and thorough political intervention.

Regulations to increase transparency

Several new laws are on the horizon that will have a significant impact on the SC system; the CSRD and the Substantiate Green Claims. This may be in response to the growing public concern about misinformation, as described above. One of the primary goals of the new legislation is to impose scientifically proofed transparency of companies. This would change the landscape, as it means that all information of companies is open to the public. Initially, these laws will affect larger, listed companies. However, in the coming years, it could pave the way for a more

effective system. Another sign of breakdown is the sudden action of France to implement a mandatory climate label for clothing in their country. Even though it is just an announcement so far, it is a first attempt to force companies to collectively deal with SC.

Breakdown & Phase-out

Current regime is unable to function.

The CSRD standards will affect all listed companies in the EU in 2026. Once this is mandatory and the law is effective in demanding more transparency, the landscape will look different. The push for more data and clarity will breakdown the old system of being afraid to show weaknesses, keep information to themselves. This way, everyone can see the challenges. Hopefully, this will make space for more innovation and initiatives that help to translate all this data in meaningful messages towards stakeholders and consumers. Phase-out of the old system is far ahead and serious fundamental challenges are still in the way.

In conclusion, a number of fundamental issues in the clothing industry optimise the current regime; the commercial, consumer-driven strategies and the complex supply chain. On top of that, the communication and difficult implementation of legislation discourages many brands and retailers to seek for new approaches to SC. Nonetheless, there are signs of destabilisation. Researchers and journalists uncover the flaws of the system and trigger public doubt. Finally, a recently published law seems to mediate the increasing tension about the current way of operating by demanding more transparency; the start of breakdown of the old system. Overall, most research insights still indicate patterns that contribute to optimisation of the current system. Signs of destabilisation appear and this analysis signals the first pattern that manifests the 'chaos' phase.

2.3.3 Patterns of build up

Besides patterns of breakdown, figure 24 also shows the identified patterns of build-up. The patterns are depicted in green and the transition dynamics are along the curve. This paragraph describes each phase with the corresponding patterns.

Experimentation

Experimentation with profound novel practices, protected from the regime's pressure.

Increase in transparency technologies

Most new perspectives on SC that this research encountered aim to improve transparency to both stakeholders and consumers. For instance, new digital transparency technologies like FibreTrace, Jeanologia and tex.tracer can help brands and suppliers to trace their textile from origin to retail. The innovations range from the design of physically traceable fibres to platforms that connect suppliers and brands to provide trust and overview throughout the supply chain. These suggest completely new ways of dealing with information from the supply chain. Instead of the risk-averse, rather ignorant current attitude towards stakeholders amongst the supply chain, this offers a more open-minded and genuine approach. Besides, new practices appear in communication towards the consumer. The growing transparency of companies also allows for, for instance, storytelling about the origin of a garment. In addition, platforms arise that collect this data for consumers and provide them with a sustainability rating of brands, like Renoon and GoodOnYou.

These developments show an interesting interaction between dynamics of build-up and breakdown. Where legislation that obligates transparency forces the breakdown of the old system, these technologies help companies to deal with this increase in data; which builds-up the new system.

Acceleration

Increasing accessibility of new practices.

More collaborative initiatives

One indication that shows the diffusion of these new ideas and technologies are the increasing number of collaborative sessions that were observed via

LinkedIn. For instance, tex.tracer and RethinkRebels, offers sustainability advice for businesses in fashion, hosted an deep-dive session together to discuss the impact of the CSRD. Where the consultancy brings clients in contact with the technology of tex.tracer and new legislation pushed companies to seek for this advice. This interaction of transition dynamics accelerates the adoption of the new practices. Moreover, the Dutch Parliament recently organised a roundtable discussion about the sustainability of the textile industry. They invited a range of companies and initiatives with a diverse focus on sustainability to get together and learn from each other. Again, in such situations, communication about new ideas increases which helps the process of diffusion.

To conclude, more collaborative initiatives boost the **new system**, in interaction with the legislation that helps break down the old regime. Nonetheless, it appears the acceleration is just beginning, as this research only identified a few patterns.

Emergence

New routines and organisations emerge as 'niche-regimes', small networks of actors operating on the edge of the system (Bui et al., 2016).

First widely adopted indexes and standards

This analysis observes a small hint to the emergence of new structures in the industry. These examples are still far from perfect but they show the rise of new efforts. One of the examples is the HIGG Index, the climate impact tool Developed by the Sustainable Apparel Coalition in collaboration with several fashion industry leaders. Despite the criticism, as pointed out in the introduction of this report, it is a solid new attempt for better SC. So far, this is the only commonly used assessment tool. One might argue they are still in the Accelerating phase, however, the organisation behind it and the cooperation with established firms does indicate a network of stakeholders that tries to work with a new system. Another identified pattern of emergence are the Jeans Redesign principles of the Ellen MacArthur Foundation. They also united large fashion brands to rethink how they design their jeans. Interestingly, the Foundation shows how rethinking the design

could also be part of the future regime. They indicate that a more genuine intention from the start could simplify the entire improvement of the system. Nonetheless, clear results remain forthcoming. In other words, while some stakeholder networks attempt novel approaches to dealing with SC, the new structures they propose are still in early stages of development.

Institutionalism & Stabilisation

Creation and stabilisation of new routines, norms and cultures.

The final observation for this transition is that the Digital Product Passport of the EU could support the establishment of actual new routines. In interaction with strong and effective CSRD guidelines, this initiative could support companies to translate the new data into a meaningful message to stakeholders and consumers. Nevertheless, this law needs significant development. Its success depends how it handles various product groups and the amount to which it tests with customers. Then, it has the opportunity to institutionalise the new system.

Stabilisation is a long way off and it is unknown what it will look like. Based on findings of this study, it appears the system is transitioning towards a transparent, data-driven European regulated future.

To conclude, there are patterns of build-up that indicate early phases of the transition. In the experimentation phase, new technologies play into upcoming transparency legislation which are accelerated by means of collaborative initiatives that discuss content and connect relevant actors.

2.3.4 Current position of the transition and the potential role for House of Denim

After describing the transition dynamics, this analysis concludes with the current position of the system and connects this to the potential role for House of Denim. Figure 25 depicts a minimalised version of the X-curve framework for this transition. The vertical, pink line indicates the position of the transition. This position follows from the main conclusions of the analysis.

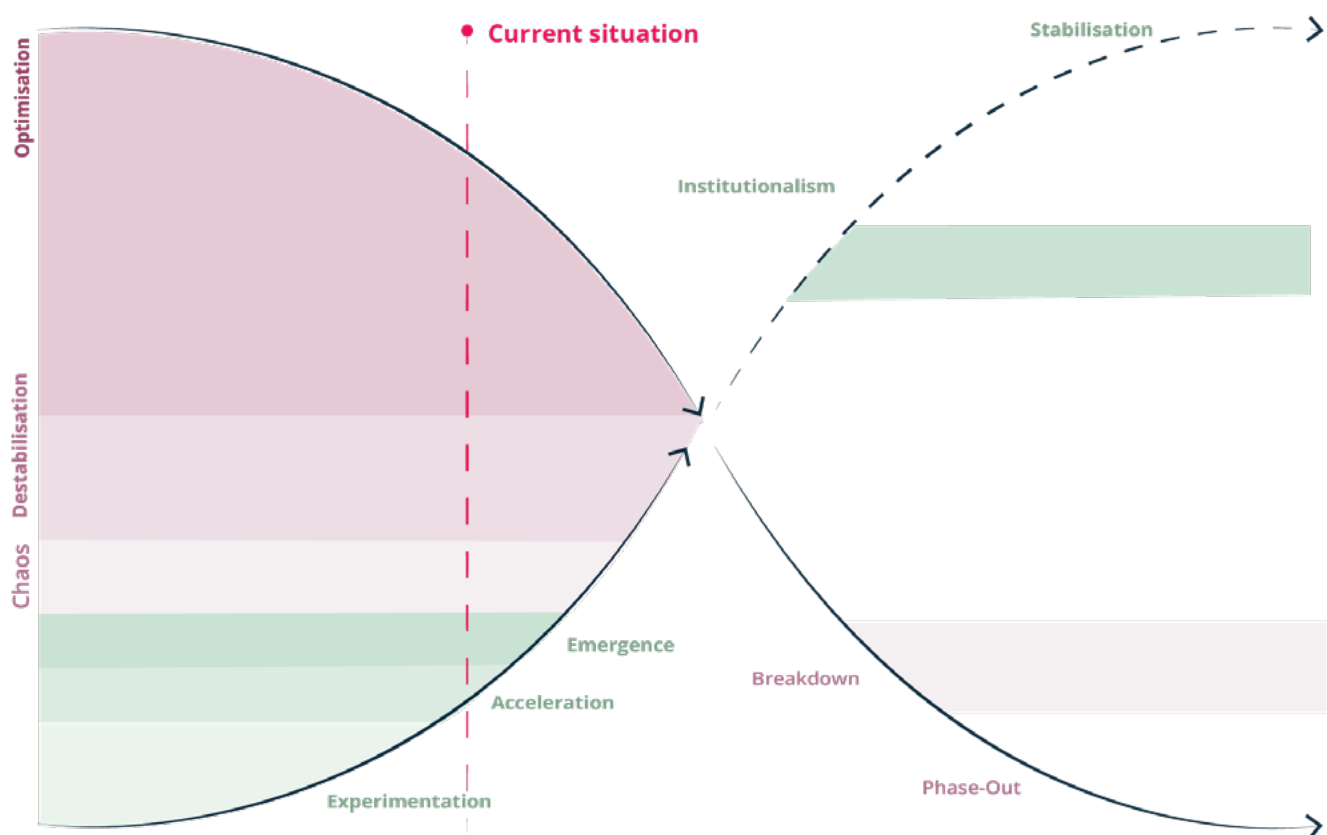


Figure 25: A simplification of the X-curve framework presented in figure FIXME to indicate the current situation and balance between patterns of build up and breakdown.

To summarise, experimentation with new technologies is growing and collaborative initiatives accelerate the adoption of the novel ideas. In the meantime, legislation that starts to have effect in 2024 will demand transparency, pushing more businesses towards the novel approaches for SC. These interactions between dynamics of breakdown and build-up indicate the current position of the transition; in Acceleration. Nonetheless, the X-curve framework in figure 25, shows a significant amount of red, all patterns that still optimise the current system. Most of these patterns relate directly to issues that are integrated in the industry, like commerciality and the complex value chain. This could indicate that in the transition towards better SC, the consumers are not yet in scope. First, the 'back end' must change, before being able to include the consumer in a meaningful and effective way in the front end.

The established position of the transition also implies what House of Denim could do to contribute to a new, simplified system.

To illustrate this role, figure 26 shows an interpretation of the X-Curve framework by Flatland, a visual thinking agency. The creator imagined different roles of people in throughout the transition dynamics.

The pink arrow points at the intended role for House of Denim; the connector. In fact, this analysis observes that connecting the right parties with new ideas supports to boost the new system.

Therefore, to take the transition to the next level, House of Denim could accelerate the existing, early-stage SC initiatives and start experimentations with a long-term vision on a transparent, data-driven European future. The focus should be on initiatives to fundamentally change the system on the industry side. The next Chapter translates these findings into a Design Brief which will indicate the direction for ideation.

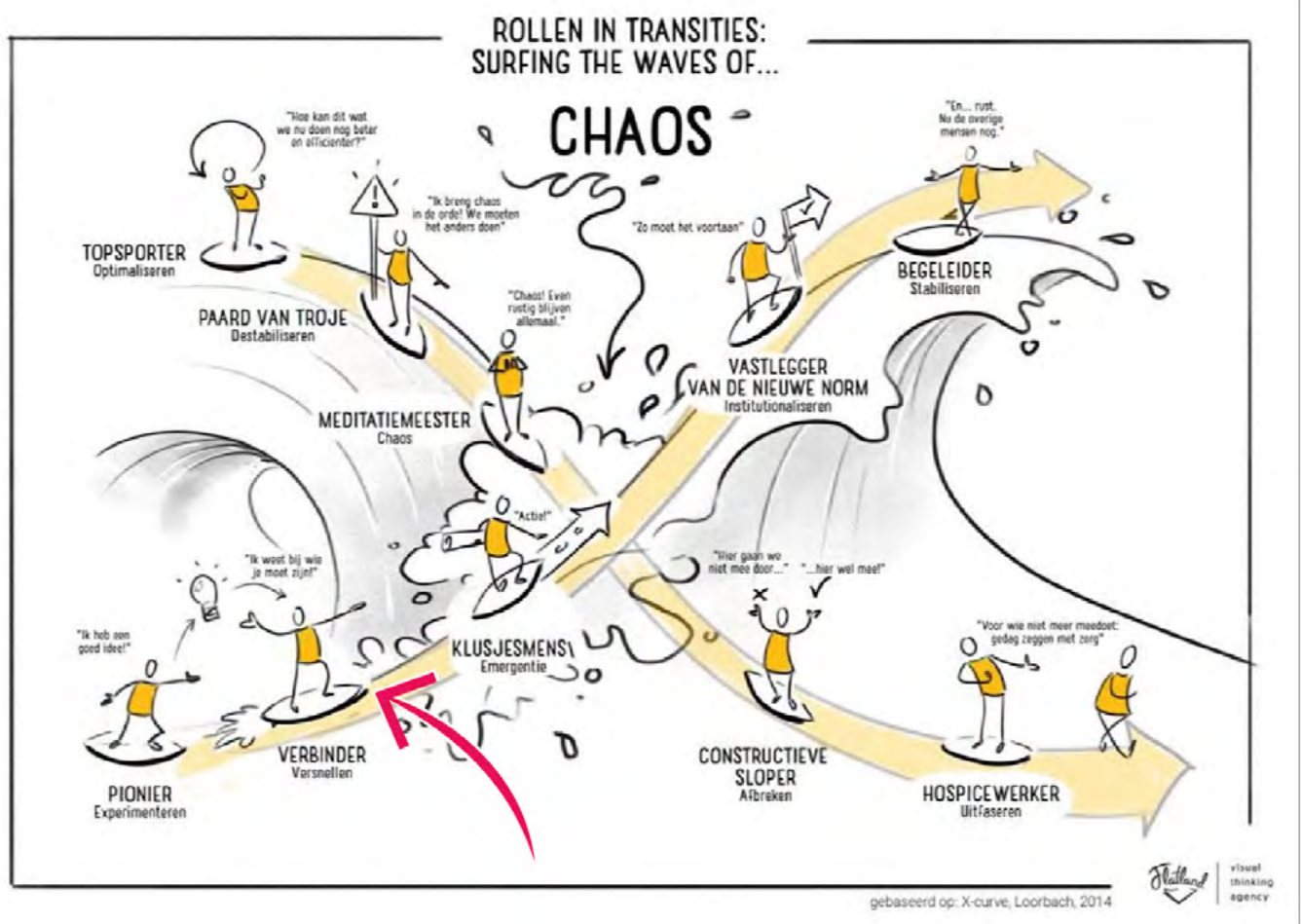


Figure 26: An interpretation of the different roles per transition dynamic in the X-curve framework by visual thinking agency Flatland. The pink arrow indicates the envisioned role for House of Denim.

KEY TAKEAWAYS

- Third-party certification is popular as it unifies standards on separate steps in the fashion's supply chain. Nonetheless, it lacks a holistic approach, is costly, can exclude smaller organisations and it does not offer a solution as SC tool
- From an objective point of view, legislation is incomplete and indefinite in its ability to guide the industry to set standards for SC. Brands and retailers experience it as slow and complex
- There is an imbalance between the efforts of authorities to protect consumers from misleading claims compared to the endeavours to guide companies in comprehending and implementing legislation.
- Low-cost brands and retailers struggle with the trade-off between the technical correctness and an engaging marketing tone of SC. Engaging is important as branding is a key differentiator for their business, yet brands and retailers feel authorities do not understand these marketing needs.
- Low-cost brands and retailers all operate individually, even though they deal with similar challenges.
- Faith lies in collectively levelling the playing field on sustainability standards as a solution to the complex SC process.
- In the long term, the system seems to transition towards a transparent, data-driven European regulated regime.
- The transition currently seems in the acceleration phase. However, multiple fundamental issues are still in the way of the build-up of the new system: the complex supply chain; commerciality; complex and incomplete legislation.
- The current complexity for brands and retailers results in ineffective SC towards consumers. Another label would not solve the problem. In fact, it may be beneficial to delay SC towards consumers for the time being and collectively work on the underlying issues.
- House of Denim should act as a connector between brands, retailers and novel ideas and initiatives to boost the build-up of the new system.

3

Chapter three

FROM RESEARCH TO DESIGN



- 3.1 Design brief
- 3.2 Design development approach: interventions
- 3.3 Design intervention 1: a coalition of the willing
- 3.4 Design intervention 2: a manifesto



3.1 DESIGN BRIEF

The previous chapter described the research phase of this project extensively. This phase investigated the system from three different perspectives; the existing guidelines and rules; the experience of brands and retailers; and the transition of the system. Each element provided insights that lead to the challenge that needs to be solved. The design brief describes this challenge by including the context of the design problem, the target group, the requirements and the vision.

3.1.1 Context

Low-cost brands and retailers are an essential bridge between the supply chain and final consumer. They have a large responsibility to minimise the environmental impact of denim production by creating demand for better denim. A significant means to increase this demand, is to engage their consumers with strong and effective SC. Unfortunately, these brands and retailers deal with numerous internal and external challenges that impede their SC attempts. Internal challenges arise from their commercial and consumer-driven strategies.

They struggle to integrate sustainability messages due to conflicts with their brand image and consumer relationship. On top of that, they face complex legislation from national authorities and the EU, which primarily focuses on consumer protection and provides little support for businesses. Currently, the brands and retailers deal with these pressures individually, even though they desire a level playing field between competitors to simplify the SC system.

The combination of these factors leaves them discouraged and hesitant to take upon new sustainability projects. Nonetheless, SC towards consumers remains an essential motivator for these businesses to adopt more sustainable practice. Luckily, novel technologies and collaborations show that another regime is possible. To accelerate the adoption of such new ideas and tackle the

fundamental issues of the current way of operating, collaboration and experimentation is necessary.

Therefore, innovation is needed to encourage brands and retailers to transition from individual concern to collective action to level the playing field of their SC towards consumers.

3.1.2 Design statement

Design an initiative that unites the power of low budget online brands and retailers to encourage experimentation with levelling the playing field in Sustainability Communication to consumers in the denim industry.

To illustrate, figure 27 shows an impression of the desired impact of the design on the visualisation of the challenges. The pink area indicates the brands and retailers that join hands and stand together to face their challenges.

3.1.3 Requirements

Based on the main insights from the interviews and the transition analysis, the solution should:

1. Contribute to level playing field;
2. Challenge participants in setting sustainability goals;
3. Initiate dialogue between multiple stakeholders in the system;
4. Be pro-active towards EU regulation from the Green Deal (CSRD, Digital Product Passport, Substantiate Green Claims);
5. Provide a way to communicate the efforts to consumers & stakeholders;
6. Include a valuable role for HoD that suits their mission;
7. Be distinctive, provide an advantage compared to existing initiatives;
8. Be desirable, viable and feasible

3.1.4 Design vision

In 2025, multiple low-budget brands and retailers collaborate to continuously stimulate the dialogue on SC for jeans. They have a holistic perspective and are not afraid to tackle the fundamental issues of the industry. In their pursuit towards more transparent, data-driven yet simple SC they share knowledge and learn from a large variety of experts. They actively support and suggest legislation to stimulate European regulated solutions.

The next section will introduce the approach for developing the design.

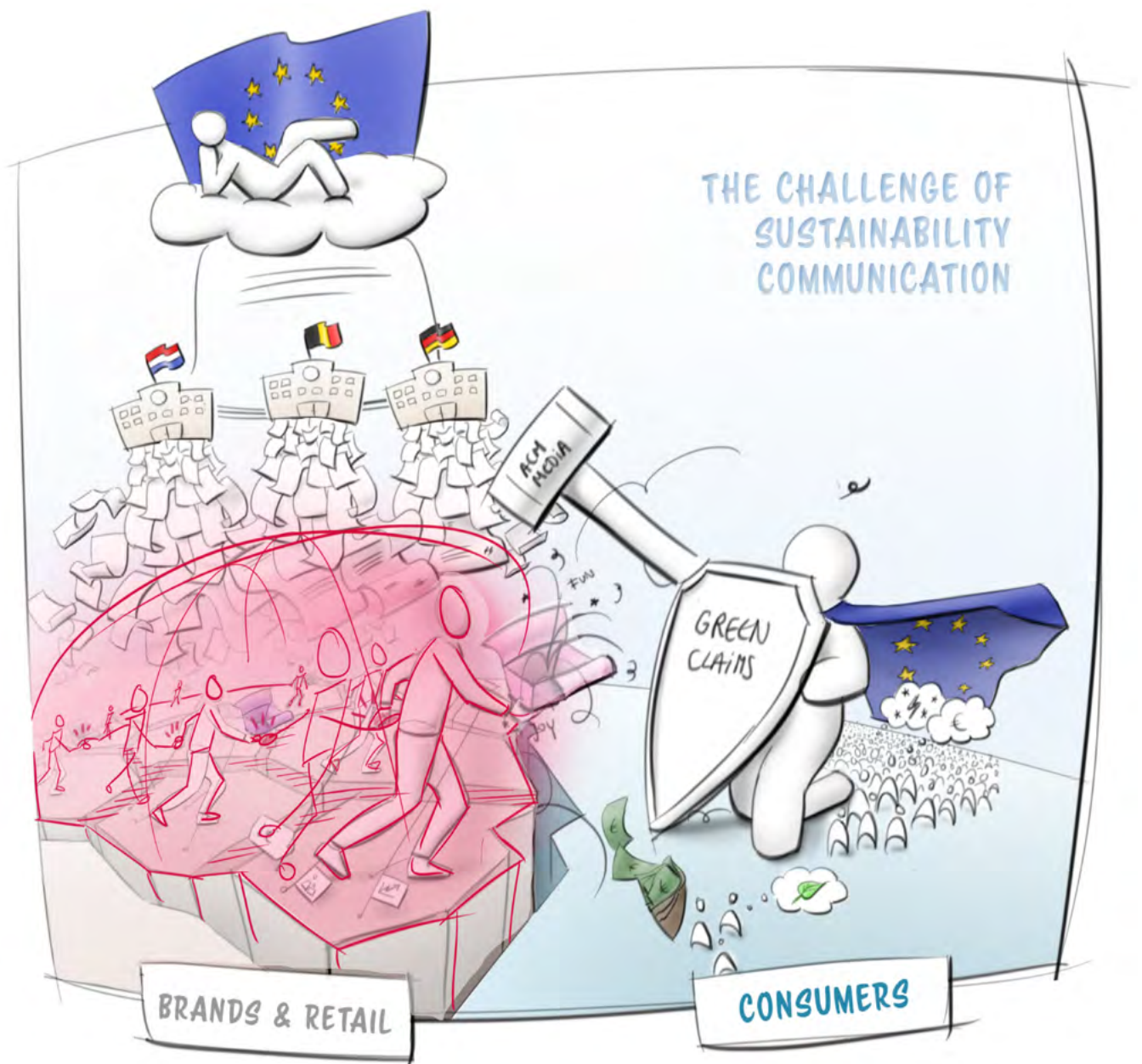


Figure 27: An impression of the goal of the design by means of a sketch on top of the visualisation of the SC challenges of brands and retailers. The pink sketch shows the envisioned connection that unites the powers to form a strong, pink bubble to stand up against their challenges.

3.2 DESIGN DEVELOPMENT: INTERVENTIONS

The design brief established the main objectives and requirements for the final design solution. The following chapters describe the journey towards creating the final design. Before diving into the concepts, this section introduces the approach that will be used to develop the design.

In short, the designer explores two concepts, referred to as design interventions, which are tested with the industry to gather feedback. These interventions align with a predetermined primary direction and were generated by means of sketching and storytelling.

3.2.1 Design approach: 1 direction, 2 interventions

To determine the approach for the design development, two factors play a role.

The first factor is a learning from Chapter 2.3, which reflects on working with the fashion industry. One of the conclusions is that this industry needs concrete solutions. This will increase the chance on response from busy people.

Another factor that played a role in determining the approach, is the desire to maximise the learning experience during the design development. Especially learning from reasons why a solution would not work is valuable in such a complex scope.

Therefore, the designer will create design interventions within a set focus area. With an intervention, the designer tries to provoke responses from industry experts. The concept interferes with the users' daily way of operating, which stimulates constructive input on reasons why a solution would or would not work. Besides industry feedback, additional research also shapes the iterations. This results in the following structure for the chapters:

- Development of the concept
- Introduction of the concept
- Theory/research that led to the concept

- Interaction with industry
- Main take aways that lead to the development of the next intervention

After two iterations, the collected insights will shape the final design.

3.2.2 Design direction: collaborative initiative

As mentioned before, the concept development has constraints in terms of its focus area. Setting these boundaries can contribute to more concrete solutions in the limited time available for the development phase. Therefore, in consultation with the company mentor, the most promising direction was chosen.

The final design will be in the shape of a collaborative initiative. There are couple of reasons that underlie this decision.

First of all, this direction fits the strengths of House of Denim. They have a strong track record in connecting people, organisations and initiating change in the denim community. As introduced in the first chapter, the Denim Deal was a good example on the capabilities of House of Denim in this area. It makes sense to build upon the success of that initiative and look at opportunities for such collaborations for the new target group as introduces by this thesis; low-cost fashion brands and retailers.

Secondly, research on the adoption of voluntary sustainability initiatives, like eco-labelling, by managers demonstrates the importance of collaboration. Specifically, such collaborations can set criteria for common practice that pressure businesses in the same professional field to meet these standards (Delmas & Toffel, 2008). Furthermore, if key players in a system understand the positive effects of a sustainability strategy in the long term, despite the necessary resources, this can increase the chance on adoption (Low et al., 2014). Finally, a collaboration between brands and retailers

can trigger mimetic pressure. Mimetic pressure is a term from institutional theory that implicates that in uncertain situations, like the SC system described in this thesis, firms tend to adopt the winning strategy (Leroux & Pupion, 2018a).

Finally, this direction suits the design brief. It connects directly to the objective to unite brands and retailers whilst offering possibilities to integrate the requirements.

3.2.3 Design development method

The research outcomes are the main source of inspiration in the development of the design. Most ideas came to life by sketching interactions, values and solutions whilst using different methods of storytelling. These two methods go hand in hand. The sketching helps to connect the dots and creatively think about what the concept should entail. Where the story itself makes the idea concrete and understandable for others. Finally, the sketches also work inspiring for outsiders.

The next chapters describe the steps and iterations that lead to the final design.

KEY TAKEAWAYS

The main direction for the concept will be a collaborative, voluntary initiative. This suits the strengths of House of Denim; literature proves the effectiveness; and it matches the primary research outcomes.

This project considers the design development phase as a means to learn more from the perspective of the industry by provoking reactions with two design interventions.

The designer aims to generate ideas with hand sketching and storytelling.

3.3 DESIGN INTERVENTION 1: A COALITION OF THE WILLING

This chapter introduces the first design intervention that connects with the direction introduced in the previous section. The first idea is called a coalition of the willing. This chapter starts with the origin of the concept by explicating the three primary research outcomes that were the inspiration for this concept. Next, it explores the concept of level playing field as the objective of the design is to equalise the competition between low-cost brands and retailers in SC towards consumers. The knowledge from this exploration is the foundation for the ideation on the activities of the coalition. After establishing the main outlines of the first design intervention, this chapter describes the input from industry experts. Finally, it presents the conclusions for further development.

3.3.1 The origin of the concept: from product labelling to rewarding a company's willingness to change

After establishing the design brief and main direction, it is time for the first concept iteration. The concept resulted fluently from the research outcomes. Predominantly three outcomes triggered the development of this concept.

- First, the desire of brands and retailers to ensure the consumer that their brand as a company is trustworthy in terms of sustainability.
- Second, the willingness of the interviewees to increase collaboration in connection to European legislation.
- Thirdly, the general need of this industry to level the playing field on sustainability standards and their communication.

From these outcomes, two elements inspired the first design intervention.

- The initial element is the idea to move away from product specific labelling, as explored in the interviews in Chapter 2, and label the company in general for their denim related sustainability efforts.
- In connection to the group of people that are willing to take action; the idea came to mind to communicate; 'We are part of the Brighter Blue

coalition', essentially, a coalition of the willing. A group of managers that wants to take action, share their knowledge and collectively think about the SC challenge and the implementation of the complicated legislation.

The next paragraphs will explain how the exploration of level playing field as a concept leads to these primary activities for the coalition.

3.3.2 Ideation by discovering level playing field

This paragraph investigates the concept of level playing field (LPF) in order to define the meaning in the context of the design direction and hence the primary activities of the coalition. As described in the design brief, a goal of the design is to level the playing field between brands and retailers selling at competitive price points. Level playing field is however, interpreted in conflicted ways by people with different expertise (Appelman et al., 2003). From an economical and policy background, there are two common specifications for LPF, it is either rules-based or outcome-based. Figure 28 depicts the core principles with two examples. Equal rules, could for instance mean that two companies of different size, large and small, need to pay the same tax percentage. On the right, LPF is based on equal chances. In this case, the government would for instance offer higher subsidies to smaller companies to support fair competition with larger, established firms. For each LPF challenge, a decision on these two methods should be taken. Nonetheless, Appelman et al. (2003) claim that the conventional approach to addressing a LPF issue is to assume that rules-based is desirable.

Further inspiration for the definition can be drawn from recent events. Former U.S. Vice President Al Gore's speech at the World Economic Forum, in January 2023, emphasised the outdated mindset of companies to solely consider fellow firms when discussing fair competition. He argues that the planet should be part of this equation. Hence, the players that are included in the equation matter for the outcome on what could level the situation.

Another illustration is the discussion in The Netherlands about a law initiative for international corporate social responsibility. Large corporates responded fiercely and threatened to move their business abroad, they claim the law would jeopardize LPF for their global operation. On the contrary, an expert from MVO Nederland, a network organisation that facilitates innovation for corporate socially responsible business, argues it is only fair. He measures with a different standard on what sustainability for a business entails.

These examples show the relevance of a clear definition of LPF. Nonetheless, above all, the stakeholders should feel like there is LPF. This means that the defining it also needs to happen

collectively with the participants of the coalition. In addition, House of Denim should represent and protect the perspective of the sustainable jeans. The organisations that this coalition targets are focused on daily commercial objectives. Therefore, it is imperative that House of Denim safeguards the underlying reason for starting this coalition; producing more sustainable jeans.

A brainstorm by means of sketching discovers the insights from theory and recent news with the question: "How can we create level playing field?" Appendix H shows the brainstorm outcome and the connection between several ideas. These connections shape the following three main principles that will be taken into account for the design. To level the playing field, there is a need to:

1. Review multiple perspectives, aim for a holistic definition;
2. Create mutual understanding through clarity and explicit communication;
3. Create a feeling of cohesion.

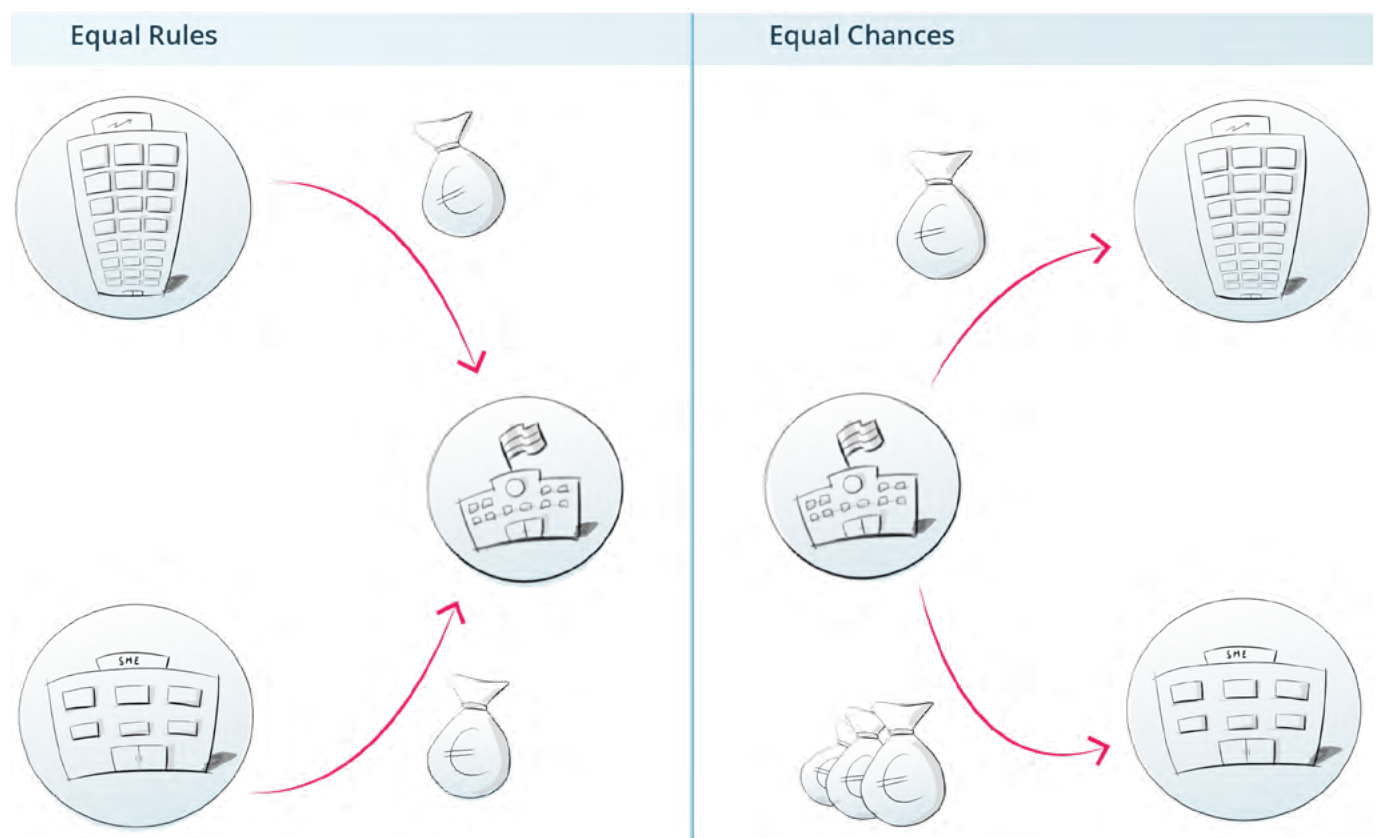


Figure 28: An illustration of the two approaches to level playing field by means of an example with taxes (left) and subsidies (right).

A second brainstorm aims to identify specifically what could level the playing field for the problem at hand. This leads to the following conclusions on the LPF:

- The field: jeans around €50 with a lower limit of €25 and upper limit of €75.
- The players: brands and retailers that do not yet have sustainability in the core of their business but are willing to explore how to incorporate it better,
- The level: a set of minimum principles that each 'player' will communicate in a similar way.

Furthermore, this translates in the following activities envisioned for the coalition, as depicted in figure 29:

- Define the minimum standard for the sustainability level of a pair of jeans in this price category.
- Experiment with communication of these principles to the consumer.
- Encourage members of the coalition to adopt a long-term vision.
- Share knowledge between participants.
- Connect coalition goals to upcoming European regulation.
- Publish the established principles to make them binding.

These key activities were also presented in the presentation to industry experts. The next paragraph will describe how the feedback was obtained and the main insights.

3.3.3 Concept presentation for feedback from the industry

A succinct presentation updates the experts on the research findings and the idea for the coalition of the willing. The presentation contains a narrative about the journey of the research, from starting point to this concept. The story includes the main research outcomes and how the coalition naturally arises from this. The slides can be found in Appendix G. Figure 29 shows two slides to illustrate the approach. The presentation was sent via email to the advisory board of House of Denim and the co-founders. They represent the perspective from the denim industry. Furthermore, the communication & policy manager of an established coalition and a relationship manager from MVO (Corporate Social Responsibility) Nederland gave feedback via phone. They support a perspective based on their experience in building a sustainability focused coalition and in collaborating with companies on upcoming regulation.

Part of the Brighter Blue coalition!

LET'S Build a coalition of the willing that unites the power of these brands & retailers to level the playing field.

Figure 29: An example of one of the slides from the concept introduction presentation. It shows the concluding statement after presenting the research findings.

3.3.4 Insights from initial feedback

In general, the direction makes sense as a next step for House of Denim. Also, stepping away from product-specific labelling was received positively. Nonetheless, there was some critical feedback. The following points of improvement will be taken into account in the design process:

Be clearer about the positioning

From the input it became clear that people were confused about the purpose of this coalition compared to the many existing initiatives. Therefore, the objective of the coalition should be clearer and differentiate itself in the current field of collaborative initiatives. On top of that, a clear vision is necessary for a coalition to succeed according to the communications manager of an established coalition:

“Say, for instance, we are searching for new partners. It is very easy to find participants who are totally in sync with our vision but when there is only a slight disparity or someone is at a disadvantage, thing can get pretty tough quickly.” Communication & Policy manager of an established coalition

Build intrinsic motivation

The communications manager of the established coalition indicated doubt concerning the motivation of the low-cost brands and retailers. Their experience shows that for a coalition to succeed, the partners must share the same vision and are intrinsically motivated to that purpose. For the viability of the coalition, it would be relevant to explore how the program can also help to build more intrinsic motivation to adopt new sustainable practices.

“I would recommend building intrinsic motivation as part of the coalition. I know from experience that sustainable behaviour eventually disappears if it is not intrinsically built in. For example, you can emphasise the benefits of sustainability with regard to the social sphere, how the organisation then works better and how that also brings economic benefits.” Communication & Policy manager of an established coalition

More active and specific connection to authorities
Respondents were enthusiastic about the connection

to authorities. Nevertheless, a call for more details on which legislation and authorities arises. Furthermore, it seems important to be more active towards regulation. Specifically, to actively recognise and support (upcoming) regulation. Support from the industry can influence the implementation of new legislation.

Include smaller brands and retailers

Authorities typically implement new legislation in phases, with larger companies being the first to comply before smaller ones need to follow. This approach can be linked to an attempt to level the playing field, as larger enterprises have greater resources and generally more impact. However, one of the interviewees explicated that this is not necessarily true. The quote below presents the argument.

“The introduction of CSRD legislation is especially problematic for SMEs (Small to Medium Enterprise). Even though it first takes effect for large companies, it immediately affects smaller players. For example, almost every big company does buy products or services from an SME. If the big companies have to become fully transparent, they too will immediately have to make that change only with significantly fewer resources.” – Relationship manager MVO Nederland

Do not define new minimum standards for denim

The meaning of the ‘minimum standard’ is confusing. Now, people wonder why there would be another standard for denim. Denim sustainability experts say there are already minimum requirements. Also, it is questionable whether House of Denim has the authority and knowledge to define standards for an industry. There are already principles for jeans from for instance the well-known Ellen MacArthur Foundation. The next intervention should be clearer in the meaning of the principles in this context. Specifically, that they serve as a means to collectively communicate towards consumers more than it is about setting a standard.

To conclude, people generally support the idea of the coalition. Nonetheless, the concept currently lacks clarity and vision, especially in connection to the wide variety of existing collaborative initiatives that aim to make the clothing industry more sustainable. On top of that, 'Coalition of the willing' is a term for an international alliance, with usually a military focus. It is directly connected to a military command led by the United States in Iraq in 2003. Due to this strong connotation, the concept will no longer carry the name of coalition of the willing.

The coming section describes the ideation for an iterated design intervention based on the learnings from this chapter.

KEY TAKEAWAYS

- The first design intervention aims to level the playing field on denim SC by building a coalition of the willing.
- The idea is to introduce company labelling by starting a coalition of CSR & denim managers from low-cost brands and retailers that are willing to change. They can then communicate 'we are part of the Brighter Blue coalition'.
- Level playing field is desirable yet often used in conflicting ways. This project considers LPF if companies define sustainability aspects of denim in the same way.
- The core activities of the Coalition of the willing are to define the minimum standard for their denim, integrate European legislation and share knowledge.
- Input from industry experts revealed that the coalition should have a clearer position in connection to existing initiatives; not attempt to define new standards; focus on specific upcoming legislation that will change the SC system and potentially include smaller businesses.

3.4 DESIGN INTERVENTION 2: A MANIFESTO

The key take aways from chapter 3.2 will serve as inspiration for the iteration on the concept of the coalition. This chapter therefore presents the second design intervention; a manifesto established by the coalition of willing brands and retailers. The following paragraphs explicate this new direction. The first section describes the creation of the manifesto in relation to the outcomes of the previous intervention. Next, it introduces the manifesto. Finally, it presents the feedback from industry experts on this proposition and translates these into key take aways for the final design.

3.4.1 Integration and ideation that lead to the new intervention

The integration of the key take-aways from chapter 3.2 started with the main concern about the positioning of the coalition in the wide landscape of sustainability focused collaborative initiatives. A method to define a differentiating purpose for organisations is by looking at the competition, the frame of reference (Beverland 2021). Therefore, the first step was an extensive online search to find the most relevant initiatives to investigate. Appendix I shows the included initiatives with their main purpose and focus area. For instance, there are differences in whether the focus lies on research, building a network, connecting to legislation or on campaigns. The main take away from this exploration was that there is no initiative that focusses on SC towards consumers. There are only organisations that for instance help companies with preparing for the Corporate Sustainability Reporting Directive, which increases reporting towards authorities. Furthermore, most of these organisations communicate their objectives only Business to Business. They do not seem to actively share being part of such initiatives towards consumers. Moreover, most organisations either focus on a specific sustainability aspect, like chemicals or for instance, on fair wages for workers in factories or

are wider-oriented and abstract in their objectives. Little actionable yet holistic initiatives were found. Finally, few medium sized low-cost brands and retailers participate in the initiatives. Only the large firms in the competitive price segment join, like Inditex, H&M group and C&A.

The learnings influenced the creation of the second intervention. It shows that it is unique to focus on communication of the coalition's principles to consumers. Together with the input on the last intervention that it lacked clarity, the idea for a manifesto came up. A manifesto is a way to declare a vision of a group of people in a powerful and clear manner. This could potentially be a more concrete, powerful and explicit outcome of the coalition. The primary activity of the coalition could be to develop denim sustainability principles they are willing to adhere to and share this, as a coalition with the consumer. This way of operating also increases the accessibility of the principles for smaller brands and retailers. The initiators can establish the principles and their communication, whereafter the smaller firms can join.

By means of sketching and writing a short narrative, the designer further developed this idea. Sketching values and interactions inspires the narrative and vice versa. All the separate elements come together in a final sketch that captures the essence of this concept. The following section will describe the final visualisation for the manifesto in detail.

In conclusion, the manifest will be a manner for the coalition to define principles that are actionable and clearly communicate these towards consumers and other stakeholders. Furthermore, the principles should consider specific European legislation and follow the guidelines of national authorities. Finally, by focusing on establishing holistic yet explicit principles that can easily be adopted by other brands and retailers, the coalition sets itself apart. The next page shows the visualisation of the concept (figure 30), the following paragraph describes it.

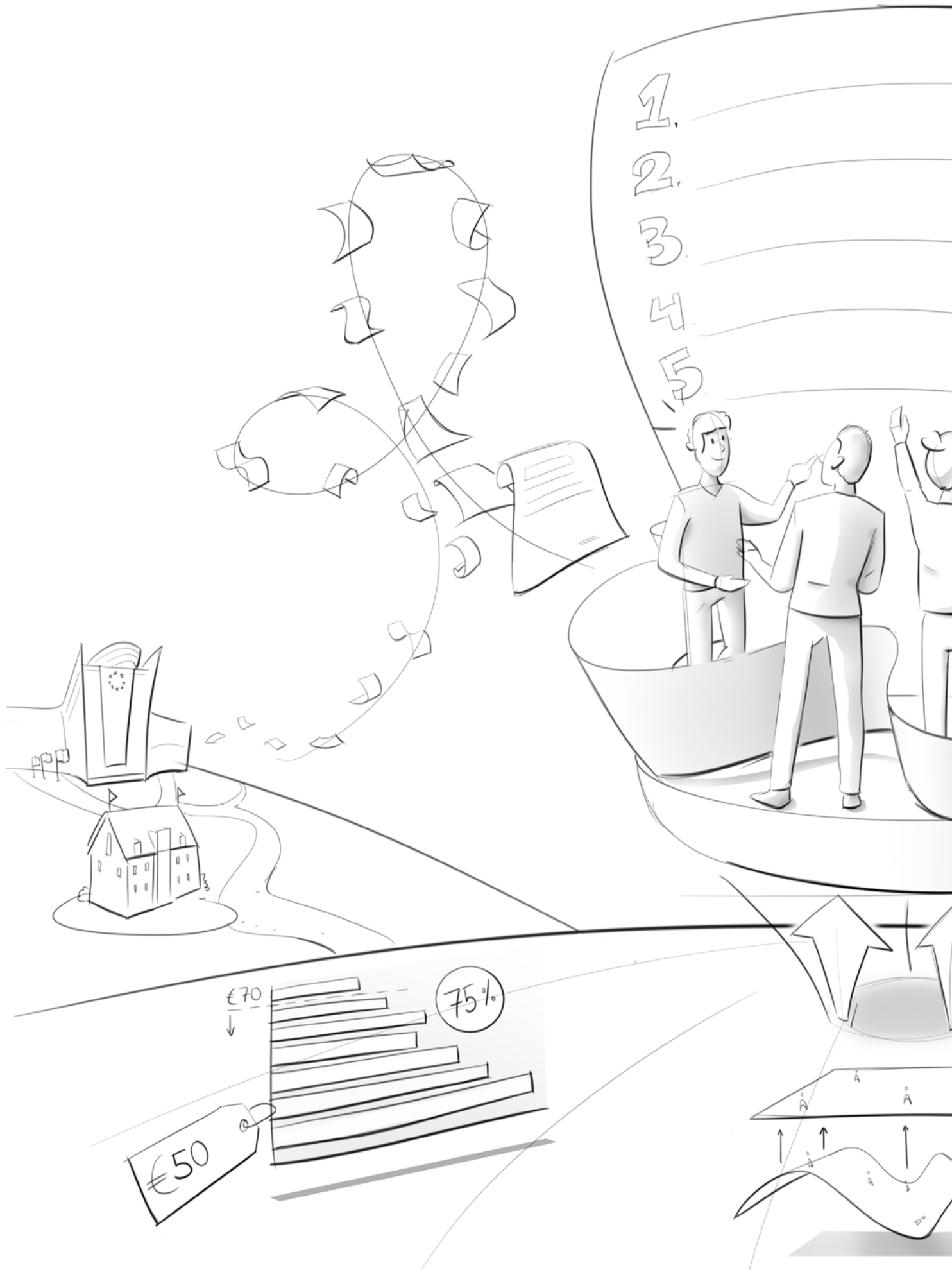
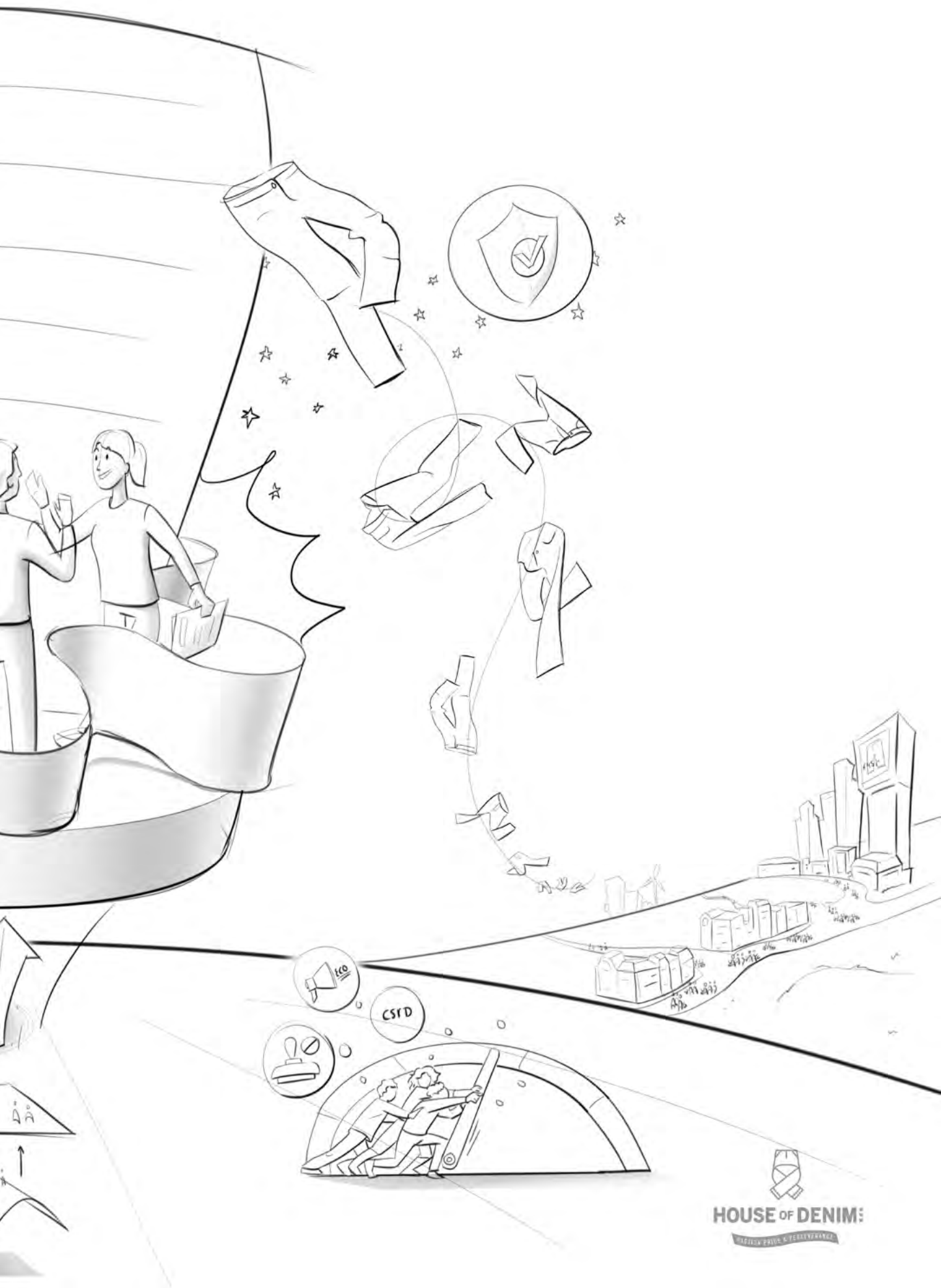


Figure 30: The visualisation of the second design intervention that helped to develop the concept and to present it to industry experts for feedback.



3.4.2 Introducing the second intervention: a manifesto

The manifesto aims to represent and join together the companies that struggle with similar issues. The communication of the manifest provides a space where they can go on the record with sustainability ambitions and consequently, do so in the same way. One message towards the consumer. This idea tests if self-imposed, collectively formulated intentions could encourage brands and retailers to take a positive step towards united and clear SC for consumers.

Figure 30 shows the visualisation of the concept. At the bottom of the poster are the three research outcomes that underly the coalition. These are the challenges that unite the participants of the coalition, from left to right;

- Including brands and retailers that sell jeans at a competitive price point. Especially the businesses that are, in size, just below the large enterprises that lead this segment.
- Levelling the playing field between these brands and retailers. The coalition aims to get multiple parties to agree upon the same principles for their denim and how they communicate these towards the consumer.
- Finally, the need for collective action in the industry to deal with: upcoming complex legislation; finding the balance in their SC between marketing value and technical correct claims; and the scrutiny from authorities and the media on their SC attempts. From these challenges, the activities of the coalition appear. On the left, collectively dealing with legislation that affects the SC system. Like the European Substantiate Green Claims initiative. On the right, the visual depicts the translation of principles to the consumer. In dealing with this collectively, the coalition can build a trustworthy image. Consumers can be certain that this coalition provides the best denim they can right now, which they can check by reading the explicit and understandable principles in the manifesto.

The coalition itself is in the middle of the sketch. The participants are excited and in discussion on the definition of five principles. The platform created by House of Denim literally boosts them upwards. The sketch helps the designer to shape the idea

of the manifesto. Besides that, it can increase understanding of the concept by industry experts, which is necessary to obtain valuable feedback on the idea.

3.4.3 Collecting input from the industry on the new proposition

Feedback from industry experts is indispensable to create a desirable design. Ultimately, this concept should help House of Denim in their mission and to help low-cost brands and retailers. Therefore, it is imperative to keep checking in with the potential users.

To reach and trigger experts for a brainstorm discussion, an email was sent with the narrative that was used to develop the concept. The story includes a proposition for the manifest with reasoning on why this is a relevant direction. See Appendix J for the invite. The activating question in the email asks for the experts' opinion on the 5 key principles that will be the foundation of the manifest. The interview guide in Appendix K aims for coherency between discussions. To start the discussion and inspire the interviewee, the designer presents figure 30 during the conversation.

The following experts shared their feedback, all people from fashion brands sell jeans for approximately €50 or below.

1. Creative Lead/Senior product development manager Denim at a large fashion brand;
2. Sustainability Manager of a variety store;
3. CSR Manager medium-sized fashion brand;
4. Denim Circularity expert;
5. VP Product Design and Development at luxury denim brand with extensive experience at low-budget brands in various positions from buying to development.
6. Supervisory & Lawyer from the Dutch Authority Consumer & Market.

3.4.4 Insights from expert discussions on the manifesto

The interviews were extensive and especially interesting for the reasons why the solution would not work.

This paragraph will describe the outcomes from the talks that will be taken into account in the final design. Overall, experts encourage the connecting and supporting role of House of Denim in the concept. Furthermore, people promote the collaborative aspect to discuss the challenge which aims to achieve more collective action. Also, the need for a European solution to label clothing was again mentioned frequently.

Figure 31 shows the values that should be taken

into account for the final design based on the critical feedback from the experts. The following list explains these values, substantiated with quotes from the interviews.

1. Encourage different perspectives to learn from each other.

To move from individual concern to collective action, it is important that people step outside of their own perspectives. It became clear throughout this research and the design development that most sustainability managers of low-budget brands and retailers focus on their own business goals.

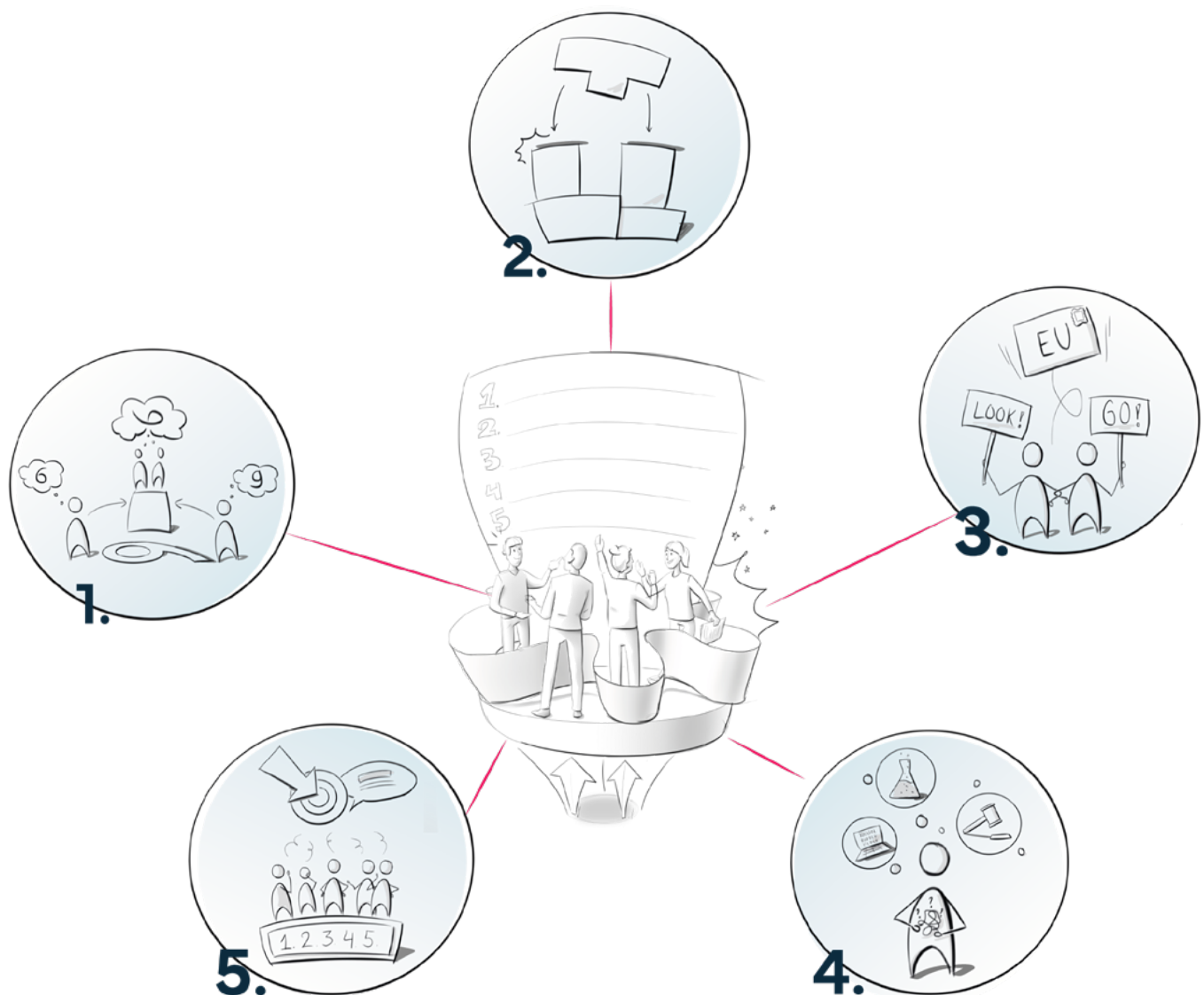


Figure 31: The five main insights from discussions with experts on the second design intervention.

"I'm not convinced that communication on sustainability aspects should be equal between brands. The customer of my brand needs to be addressed differently than the customer of another brand." – Sustainability manager variety store

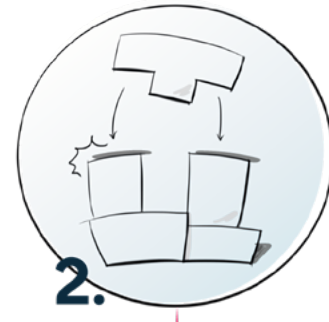
People express the need for collective action but especially on this topic, there is not much happening yet. This lack of action can be seen as an indication that even though people are concerned about the topic, they do not yet see the bigger goal in actually adopting more collective practice. Furthermore, people with different backgrounds have other beliefs about whether SC is complicated or not. For instance, a denim sustainability expert said the following:

"Sustainability communication is easy, if you can back it up with scientific proof you can say it. Brand X has nothing to worry about, they are doing good in terms of sustainability." – Denim circularity expert

Nonetheless, the interviewee that works at the brand this expert is pointing at says the following:

"In the face of legal risks, we must tread carefully in making sustainability claims. The strict legislative environment and nervousness of our legal team stifles innovation. To avoid creating an environment of fear that discourages sustainable initiatives, we must explore alternative ways of measuring impact and push for greater transparency." Creative Lead large fashion brand

In conclusion, people assume they know how others experience and view this topic. If they would actually look beyond their individual frame, knowledge can be shared and collective action can actually help the industry further.



2. Build upon existing collaborative initiatives, research institutions and sustainability standards for jeans.

Multiple experts emphasised the importance to connect the concept to existing materials and initiatives. Feedback on the previous concept focused on combining standards that exist and differentiate from other initiatives. The request from interviewees this time goes beyond that by asking for integration of existing knowledge from a wide range of organisations. Most frequently mentioned initiatives to look at are the Denim Deal, research from Transformers Foundation and the jeans redesign principles of the Ellen MacArthur Foundation. Again, they warned for blurring the field even more with establishing a new standard. Hence, it must be clear that it is not necessarily a new standard, it is about convincing more brands and retailers to adopt the same. To make sure the solution is desirable, it would make sense to learn as much as possible from the existing knowledge.

The next two quotes illustrate the point of view from the industry experts on this topic:

"Initiatives for denim principles exist already. The organisations that define these have great resources for strong research. Find a way to plug into the existing." – Denim Circularity expert

"For instance, we're discussing a new deal that'll come after the Dutch Agreement for Sustainable Textiles, which is proving to be quite the challenge. But negotiations are happening and there's a real desire to make it work. The topics on the table are pretty diverse, ranging from societal issues to stuff like water, energy, and chemicals. It seems like if we, with this coalition, can tackle at least one of those topics and make it explicit, it'll make things a lot

easier. We can work together to find a solution that works for everyone” – CSR Manager medium-sized fashion brand

In other words, people see an opportunity in a coalition that connects clearly to the existing. In reflection, this also makes sense in relation to two research outcomes. First, the X-curve framework in Chapter 2 indicated an opportunity space in the transition of the system for House of Denim as connector and accelerator. Besides connecting brands and retailers, they can fully utilise their network by integrating the existing. Moreover, uniting brands and retailers might help for the collective feeling as they share the same challenges. Nevertheless, there is a reason they have these obstacles; hence they are in need of external knowledge to actually initiate a positive step.



3. Support, recognise and promote regulations to improve the relationship between industry and authorities.

This thesis endorses the significant role that the EU will play in the future of SC. Nevertheless, to achieve this, the interaction between authorities and the industry needs to change. The brands and retailers feel retained and authorities misunderstood. To improve this relation, the industry must show support and authorities need to increase collaborations. The quotes below exemplify the struggles in this collaboration, from both sides.

“When the ACM published the first guidelines, there was a lot of grey area. They sent companies that were on their radar a letter as a warning they had to change quickly. But in a session about these guidelines, they only sent information, there was no space for us to ask any questions.” – Sustainability Manager variety store

“Where an employee from the ACM says the following: “In development of the guidelines, we did consult with a couple of large parties. But these businesses always have their own interest in the back of their minds. So, it is hard to really collaborate on such a topic, we established the guidelines and then asked for feedback.” – Lawyer & supervisor Dutch ACM

Two other interviewees point out the potential of collaboration:

“Everyone is still looking too much from their own perspective. Dialogue between companies, government (like the ACM), that needs to happen much more.” – CSR Manager medium-sized fashion brand

Also, integrating regulation provides an advantage for participants and more collaboration with policymakers could allow for increasing leeway:

“There is a lot going on about this topic but collective action is missing. If you can include the government in the discussion, there will be more space for translating information to the consumer.” – VP Product Design & Development denim brand

And finally, a strong statement from a sustainability expert:

“Either be compliant with the law or above the law but be ahead of the curve.” – Denim circularity expert

In short, the coalition should be pro-active in starting collaborations with authorities. If the group can show support for existing and new legislation, it is more likely that these parties can have constructive conversations. Ultimately, this brings the coalition closer to the final goal of level playing field.



4. Embrace complexity in a safe environment, experiment

This thesis aims to simplify the current SC system for brands and retailers. However, insights on legal challenges with the communication of the manifesto to consumers, show it is hard to avoid complexity. Any message that goes to the consumer, needs proof and must be grounded in data.

“Communication about plans in the future is a hot item but also misleading unless there is a clear plan which is executable & verified by an external party. Also, so many companies now claim that, for instance, in 2050 they will be climate neutral. But there is no clear plan and because many claim it, it loses its value.” – Lawyer & supervisor Dutch ACM

Therefore, the concept should embrace complexity and build a space for experimentation to be able to deal with it in a more low-key and inspiring way.

“You could focus on a Dutch coalition, a smaller working group that tries out different things. Have some pilots see if, in their shared market, they can create something. – Denim Circularity expert

“I’d be more interested if the coalition would have like pilot setting. We like to think about these kinds of challenges.” – Sustainability Manager variety store

In addition, referring back to Chapter 2, a major phase in the transition is to experiment with the new system. As indicated, multiple initiatives are attempting to change the system. Potentially, the coalition could function more as a working group that connects and experiments with existing ideas to accelerate the transition. Translate the knowledge into explicit action.



5. The coalition should think about when to include the consumer by presenting the established principles.

The main goal of the coalition is to establish five principles about the sustainability of their denim that can easily be communicated to the consumer. However, in conversations with industry aspects, it is questionable at what point the coalition is ready to include the consumer. This predominantly follows from the discussion with the legal expert. Looking from an experimental perspective, it would be interesting to play around with principles and see the effects. Still, this must be legal. If the coalition can build a strong collaboration with a representative from, for instance, the Dutch ACM, there might be more possibilities to legally experiment. This should however be explored further. The interesting thing here though, is that it seems the industry and authorities have overlapping struggles. Sharing challenges can unite them.

This thesis shows that the industry currently feels discourages to take upon new sustainability ideas due to the legal risks. In conversation with the legal expert, it appeared they experience something similar:

“Legally, we have an opinion on misleading claims. On the other side, we do not want to stand in the way of sustainable development. It is a tough balance.” – Lawyer & supervisor Dutch ACM

A final note also subscribes the doubt on whether to communicate the principles as a first step of the coalition.

"If the doubt to communicate about sustainability aspects is because they are scared, maybe because not all products will be as sustainable. Wouldn't it be better to not yet communicate about it?" – Denim Circularity expert

Another comment that questions the immediate step towards consumers:

"I would not add 'we are part of the Denim Coalition' on labels right now. Employees in stores do not have the knowledge on what it entails, they might share wrong information and only confuse consumers more." – CSR Manager medium-sized fashion brand

A way to tackle this could be to first implement it online or do trials in certain stores. Nonetheless, the quote shows the doubt on the immediate translation of the principles to consumers.

To conclude, communication towards consumers comes with a legal risk. A tight collaboration with authorities could allow for more space to experiment with the principles. However, it seems the better strategy is to first start the conversation, decide the direction of the coalition, lobby at authorities and then see what leeway there is. At least, the coalition can already get attention for the topic and show others how to get together and discuss the challenges.

3.4.5 An insight on the target group for the coalition

A reflection on the discussions with multiple experts reveals an important insight. Even though elements of this insight are already described in this thesis, in chapter 1.1 and 1.2, it is worth noting it again. The target group and goal of the concept are

in conflict. The low-budget brands and retailers generally sell a broad range of clothing and accessories. This means there are not necessarily people within the organisation that are willing to join a denim-focused collaboration, they would rather see one solution for all garments.

There are two ways to play into this tension: first, target brands and retailers with a clear denim department; second, create denim-exclusive principles and clarify the relevance of this focus. Denim has characteristics that no other garment has, therefore, to provide consumers with a genuine sustainability message, brands and retailers must take these into account. The early-adopters of the concept should understand this vision and see the relevance of developing denim explicit principles. Two interviewees, who are part of fashion brands with a significant denim department do see the value.

To illustrate the type of brands that should be targeted first, figure 32 presents a range. On the left, it shows the brands that are sustainably driven and mainly produce denim, these are often the more expensive brands. Moving to the far right, there are the brands with a small denim segment, often on-trend and low-cost, thus not sustainably oriented. The coalition should start by targeting brands in the middle of this range, with a significant denim department who can understand the value for denim specific principles. Later, the coalition can become accessible for smaller brands who also want to learn more about how to improve their denim collection. Nevertheless, it can be challenging to convince brand and communications managers to adopt a separate style for denim as an in-between step. The advantages must be extremely clear and the solution should provide a clever way to share the principles without challenging the harmonised communication by the brands.

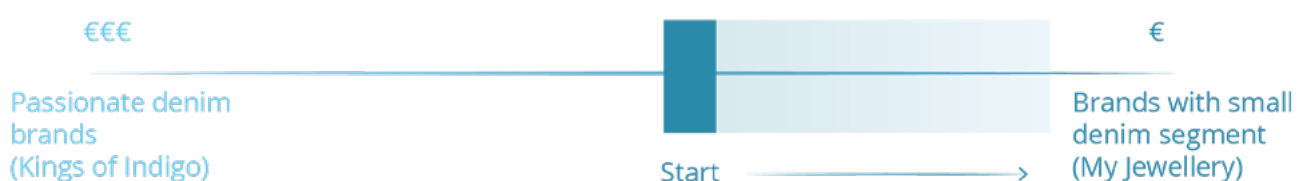


Figure 32: The range of brands and retailers that sell denim. The dark blue area indicates who should be targeted in the beginning and the light blue area indicates the future target group.

To conclude, to find early adopters for this collaboration, the coalition should first target brands that find themselves in the middle of the range, of figure 32. Next, the goal would be to find more participants on the right side of the scale. This increases the area of impact for HoD and multiple participants explained the importance of combining resources between larger and smaller brands. The insights from this design intervention will inspire the final design, which will be presented in the next chapter.

KEY TAKEAWAYS

- Self-imposed, collectively formulated intentions could encourage brands and retailers to take a positive step towards united and clear SC for consumers IF they build clearly upon existing knowledge. Brands and retailers do not have the knowledge to change the system by themselves. House of Denim should act as a connector.
- The coalition should operate as a working group. This is more attractive for stakeholders and allows for experimentation with existing knowledge. With such a setup, they can translate this knowledge in explicit action and accelerate the transition.
- Immediate translation of these principles to the consumer does not seem desirable right now. To avoid legal repercussions, the coalition should first focus on changing the current system towards a system that allows them to experiment with SC. For instance, by building strong ties with representatives from authorities.
- The activities of the coalition should be denim exclusive. This could be a key differentiator and give brands and retailers a clearer view on what they can expect.
- A final note; when starting the coalition, House of Denim should target low-cost fashion brands with a significant denim department. Brands with smaller denim sections might not see the benefit of working on denim specific sustainability topics. However, they should be targeted in a later stage when it is easier for them to join and adhere to actionable statements that the coalition established.

KEY TAKEAWAYS

- The aim of the design is to unite brands and retailers to collectively deal with the SC challenge to encourage them and level the playing field.
- The design development consists of two design interventions, created in the pre-determined direction of a collaborative, voluntary initiative.
- The first design intervention tests if a 'coalition of the willing' could level the playing field by introducing a company label based on self-established jeans standards.
- This intervention uncovered that the coalition could be interesting yet it must take a clearer position and vision compared to existing initiatives and should not attempt to define new standards. Also, 'coalition of the willing' was used during the Iraq war and therefore has an undesirable connotation.
- The second intervention tests a more concrete and outspoken version of the company label. It suggests a manifesto that captures self-imposed, collectively formulated intentions to encourage brands and retailers to unite their SC.
- Feedback from the industry showed that the coalition should serve more as a working group instead of publishing one manifesto. Also, communication of these intentions towards consumers can have legal repercussions.
- Brands and retailers do not have enough knowledge to change the system together, therefore, the coalition should build upon existing knowledge and initiatives and translate this knowledge into explicit actions and principles.
- To differentiate, the activities of the coalition should be denim exclusive and clearly integrate existing knowledge.

4

Chapter Four

FINAL DESIGN, THE DUTCH DENIM COALITION



- 4.1 Vision for the coalition
- 4.2 Strategy towards building the coalition
- 4.3 Dialogue starters
- 4.4 Concept evaluation



4.1 VISION FOR THE COALITION

This chapter presents the final design of this thesis, the Dutch Denim Coalition. This voluntary initiative will unite brands and retailers with a variety of experts to collectively deal with and improve the SC system that is currently in place. First, it will introduce the final concept by presenting the vision for the mission and activities of the coalition. Next, it will explicate the strategy for developing the envisioned coalition. Subsequently, it shares conversation starters for two phases in the strategy. Finally, this chapter concludes by evaluating the final concept on the feasibility, desirability and viability.

4.1.1 The coalition's mission

The storytelling poster on the next page (Figure 33) will serve as a guideline to explain the vision for the coalition, placed in a smaller version on the right. Starting at the overall mission. The coalition unites brands and retailers and connects them with knowledge and experts. The goal is to encourage managers from brands and retailers to adopt the same principles for denim and collectively work on improving the current system for SC.

As a united front, the businesses will have more leverage into shaping the system and interactions with authorities they envision.

4.1.2 The coalition's drive: why the coalition exists

The left and right corner of the visual illustrate the current situation and the future vision for the SC system as described in this thesis. The mission of the coalition connects to the elements that are needed for the system to transition towards a more simple and effective future.

On the left, it depicts the current effect of the system on brands and retailers. As described in chapter 2, it became clear that the current system discourages these businesses to initiate sustainable innovations. On top of that, they operate individually, on different islands.

Another outcome of this research is the future vision, depicted on the right. It seems most people believe in a European regulated solution to level the playing field. On the contrary, the brands and retailers also indicated the challenges they face in the interaction with authorities. There is little understanding for their commercial goals and there is mainly a passive communication line which leaves the brands and retailers even more discouraged.

Therefore, the coalition brings the brands and retailers together to provide a sense of unity and offer guidance by integrating existing knowledge, to ultimately work towards a better system.

4.1.3 The role of House of Denim in the coalition

The left person on the visual represents House of Denim. Within the coalition, House of Denim is the connector, the spider in the web. Over the years, they have built strong connections and developed a denim community. They know where specific knowledge is and whom to involve. They have shown their strength in connecting people and making topics actionable with the Denim Deal. Many people within the industry know House of Denim via this initiative. Therefore, they will have the credibility to attract experts and brands and retailers to make the coalition a success.

4.1.4 The composition of the coalition

Below the depiction of the co-working group on the poster, is the composition of the coalition. The primary members are sustainability & CSR managers of low-cost brands and retailers as well as people in charge of denim procurement, design & production. These are people with most affiliation and time to invest in denim specific sustainability progress.

In addition, according to the key takeaways from Chapter 3.4, there is a variety in the size of the firms that the people of the coalition represent.

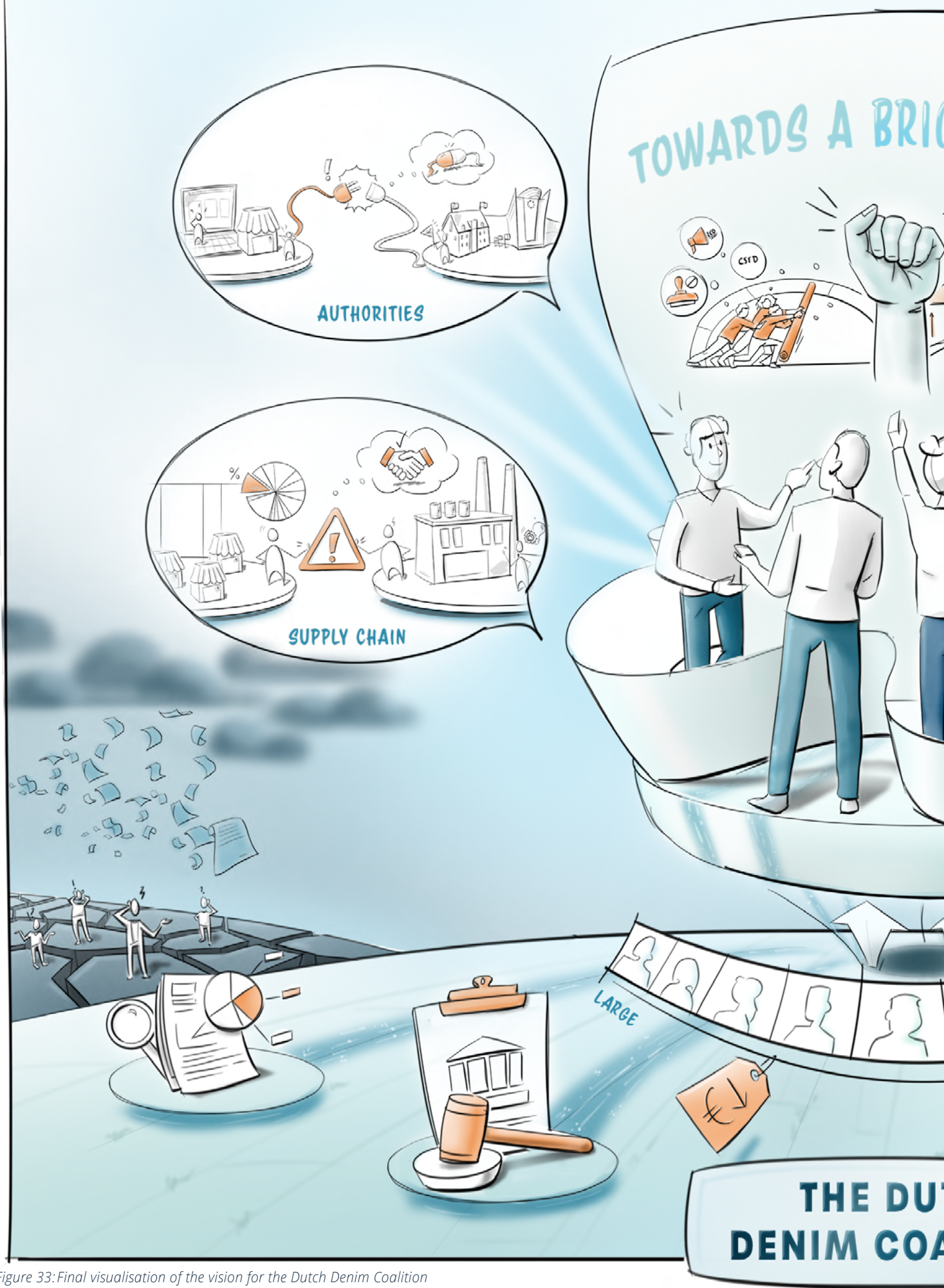
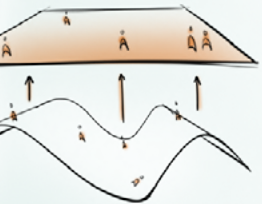
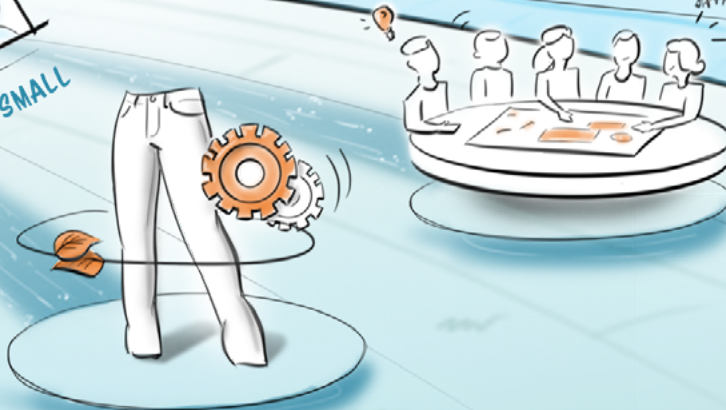
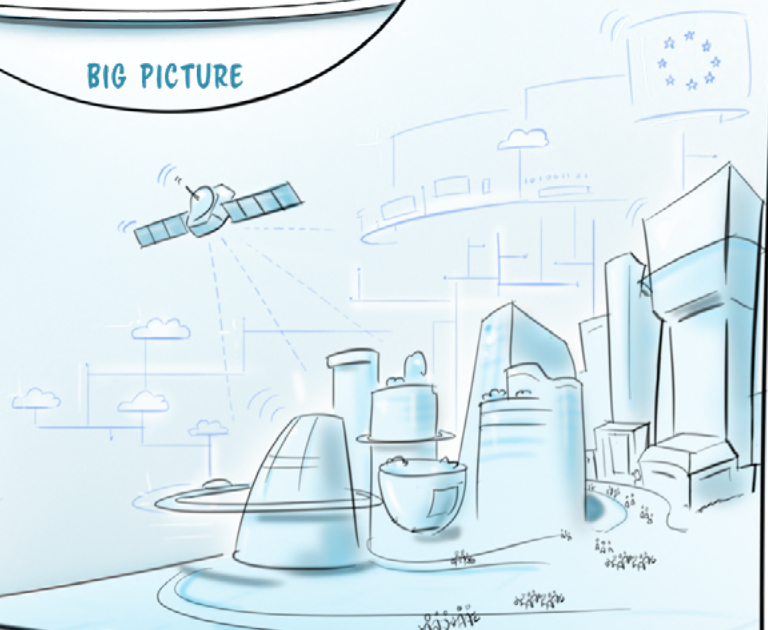
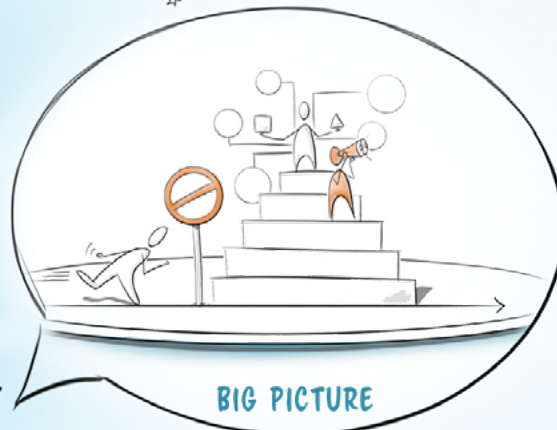
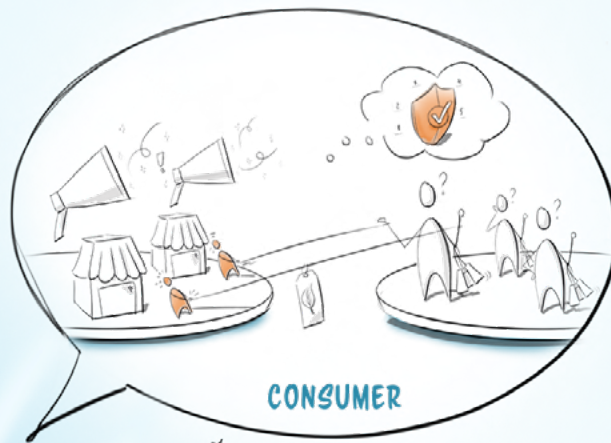


Figure 33: Final visualisation of the vision for the Dutch Denim Coalition

HTER BLUE



ATCH
ALITION




HOUSE OF DENIM
PASSION PRIDE & PERSEVERANCE

Companies with more resources and people available for denim initiatives are more likely to initiate the coalition, like C&A. Nonetheless, the future objective is to attract smaller brands and retailers as well. This research explicates that this industry is fragmented. This causes that many small players individually do not have the leverage nor resources to change within the rigid current system. Therefore, it is important that specifically these brands will be included in the knowledge of fellow managers and experts.

Furthermore, the coalition will invite guest speakers continuously. The following paragraph describes the variety of backgrounds they will represent.

4.1.5 The core activities of the coalition

The coalition has one main activity that they carry out and explore through different themes; to translate existing knowledge to explicit action in the shape of statements. The statements are a manifestation of the coalition's vision on the minimum sustainability

of jeans production in their price range, grounded in the existing.

The four bubbles in the visual represent themes that help the coalition define these statements, they include:

1. Understanding the supply chain;
2. Connection to authorities;
3. Including the consumer;
4. Zooming out, the big picture.

Chapter 4.3 explains these themes in detail.

On the visual, starting at House of Denim, multiple lines lead to different islands that depict the diverse types of knowledge and experts involved in gathering the information.

In pursuit of this objective, knowledge can be shared and created. Important to note here is that it is specifically about building upon existing knowledge. As described in chapter 2 of this report, the coalition should act as an accelerator in the transition of the SC system. The X-curve framework shows there are multiple initiatives that contribute to the new

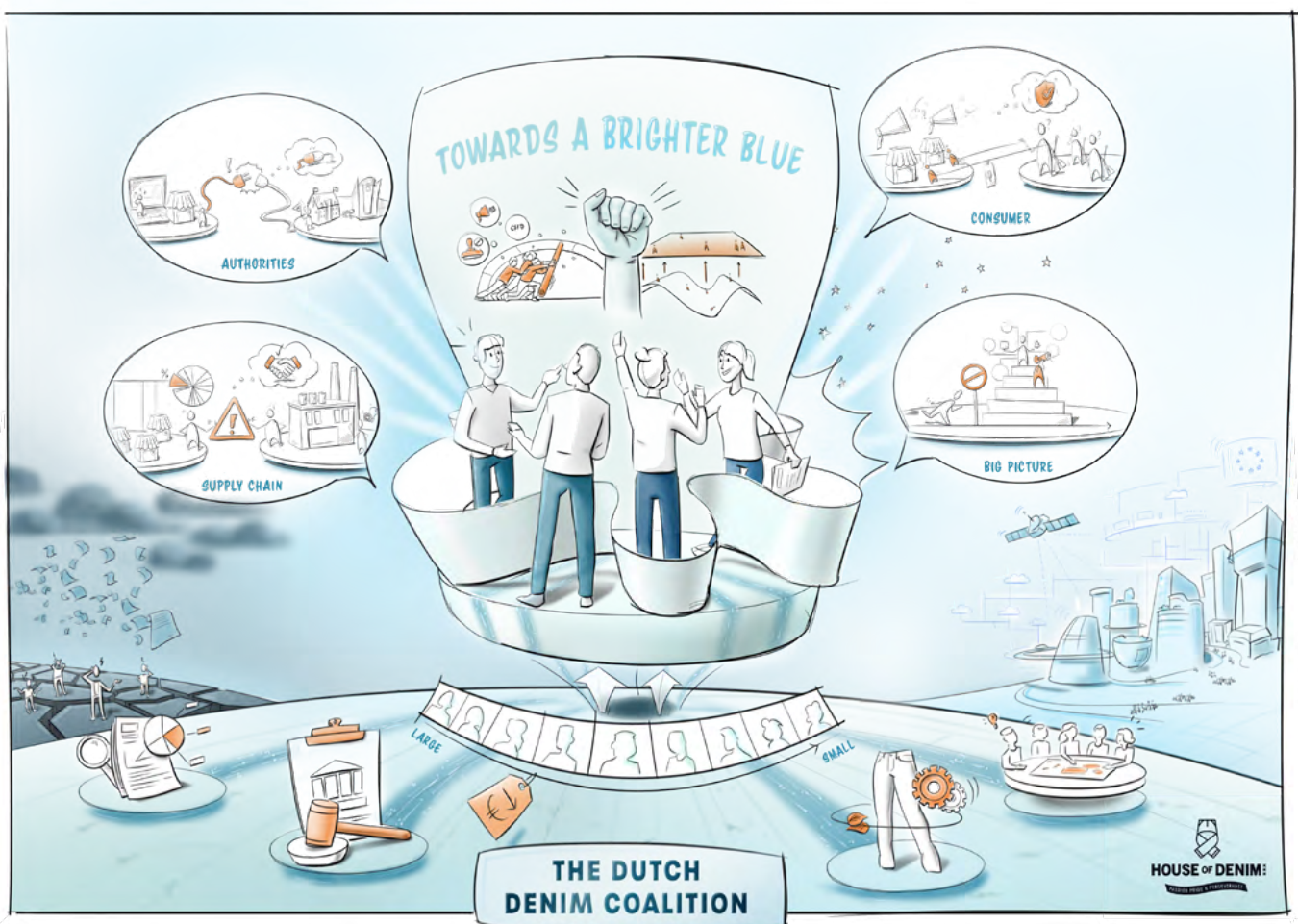


Figure 31: Final visualisation of the vision for the Dutch Denim Coalition

system. House of Denim is in the core a connector and can, with this coalition, offer a space where others can experiment with these ideas and push forward the positive change in the industry. This is a necessary step in the transition of systems.

To illustrate the type of knowledge and experts, figure 31 shows the envisioned parties on the bottom. From left to right, there are research institutes, policymakers, denim sustainability experts and other initiatives like the Next Agreement, successor of the Dutch Agreement for Sustainable Clothing. An interviewee indicated that during the discussions for such agreements, many interesting topics arise for which it would be great to explore explicit actions.

The next paragraph exemplifies the integration of existing knowledge in discussions of the coalition to formulate statements. For instance, for the theme 'Include the consumer', the idea is to define principles that each member of the coalition can adhere to. Collectively, they can experiment with how to best formulate this towards consumers. A primary topic for more sustainable denim is the usage of chemicals. Especially on a topic like chemicals it is hard to communicate to consumers without becoming too technical. Therefore, an idea would be to discuss the outcomes of the yearly deep dive reports of the Transformers Foundation. This is a research institute that represents the voice of denim manufacturing in sustainable innovation. In 2022, they investigated the complex world of

chemical certification. They conclude with five calls to actions for brands and retailers. Instead of defining their own standards, the coalition will invite one of the writers or researchers and translate that knowledge into explicit action. One of the calls to actions is that brands and retailers should align on certification equivalence, preferably to ascribe to ZDHC MRSL standards for chemicals. The coalition could for instance dive into these standards together, invite a supplier as well and brainstorm on what it would mean to ensure their denim meets these standards. The coalition could identify the low-hanging fruit for chemicals in denim production that they can collectively support. For instance, they could decide that in 2025, their denim will ascribe to this standard. The more brands and retailers join, the smaller the risk and step for suppliers to adapt as there will be demand for their product.

To summarise, the coalition aims to translate existing knowledge and ideas to tangible action. They define these actions in statements. By means of discussions on four themes, they explore together with experts what could be the low-hanging fruit. This knowledge can then be translated into a statement. These statements are guidelines the members should adhere to, hence unite them as a group.

4.2 STRATEGY TO BUILD THE COALITION

The previous section described the vision for the Dutch Denim Coalition. In order to reach this vision, House of Denim first has to initiate it. Therefore, the following paragraphs present a strategy to help House of Denim start the coalition. The strategy aims to develop a coalition that plays into the current needs of the target group whilst engaging them in topics that serve to the future goal.

The strategy follows from the research outcomes and consists of five steps.

Figure 34 shows the five steps of the strategy with the main activity per phase. The following paragraphs will elaborate each step by explicating the goal, the activities and the reasoning.

1. Initiate

In April, the international denim industry will gather in Amsterdam for the Kingpins Show, a trade show for all stakeholders in the denim scene. A similar sequence of events will take place where the researcher of this projects was part of in October. At Denim City, denim leaders will gather to network and at the Kingpins show, House of Denim has a stand, making it an excellent opportunity to present the findings of this research. The coalition vision storytelling poster, as presented in the previous paragraph, can be utilised in presentations and talks to initiate responses. Also, a visualisation in combination with text helps people to remember the proposition better.

The goal during these days is to gather people that are intrigued by the concept and are willing to participate in the next phase; the explorative

Present coalition vision on Kingpins & Denim Days & invite enthusiasts to explorative session.

Explore common ground by questioning three industry desires.

Start inv

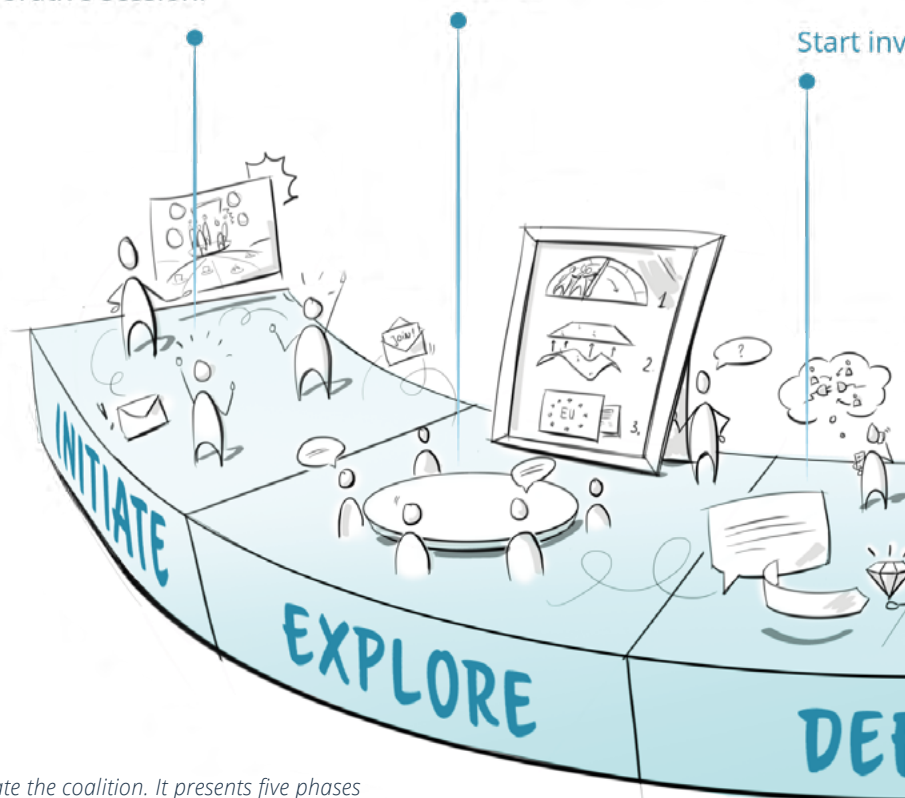


Figure 34: The proposed strategy for House of Denim to initiate the coalition. It presents five phases and the corresponding primary activity in text and visualised.

session. Ideally, at least half of the invitees should work at a low-budget brand or retailer. Specifically, denim should be a part of their business, but not the sole product in their collection. This is important because the goal of the coalition is to expand knowledge on sustainable denim to the lower price segment, where they generally offer a wide range of products, hence change is most difficult and necessary.

Furthermore, all interested people should be able to join as long as they have significant experience with denim design or for instance in working with stakeholders from the denim supply chain. This would provide a wider view on the topics that will be discussed in the next phase. From the design development, it became clear that it is important to push participants to see other perspectives. That would be the first step in going from individual concern to collective action.

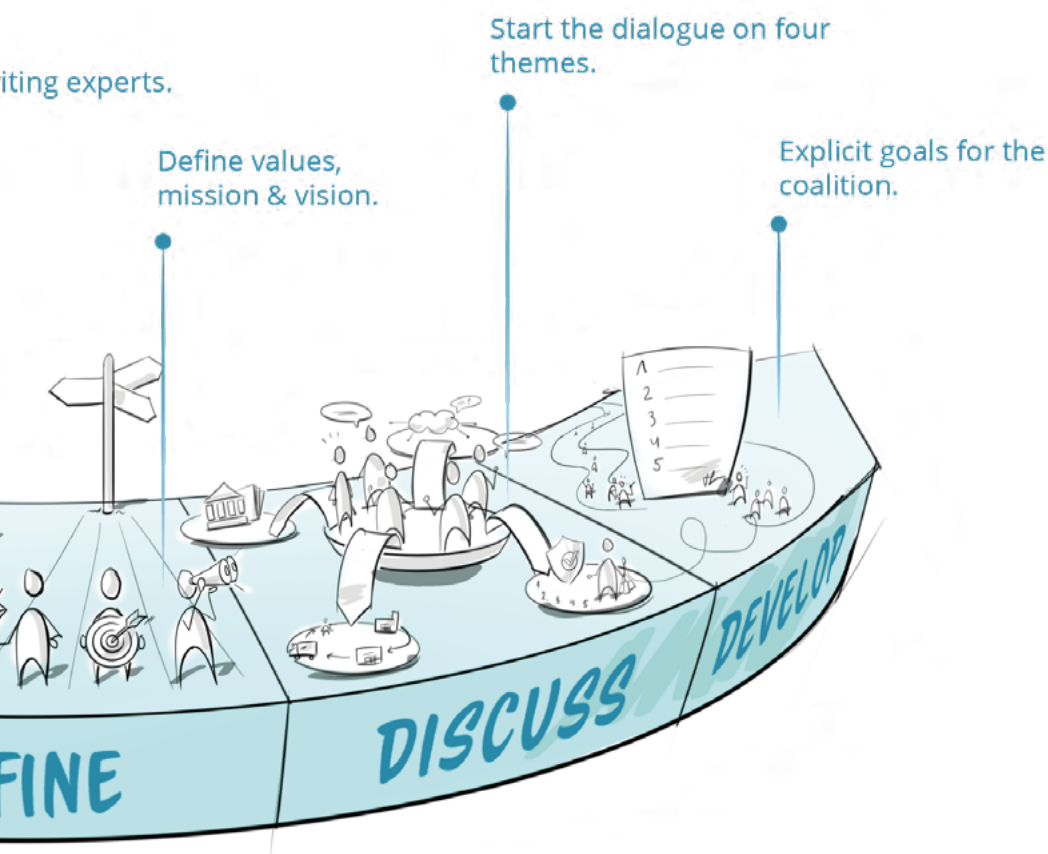
To conclude, the initiate step aims to present the concept to the denim scene and gather participants for the explorative session in the second step.

2. Explore

Subsequently, the next step is to host the explorative session with the interested participants at Denim City. This action has two goals. First, it will be a test to see if these stakeholders are indeed ready to invest in collective action, instead of only expressing their concerns.

The second goal in this phase is to find common ground on what actions of this coalition would provide the biggest positive step. The outcome of this conversation will serve as guideline for the next phase where the vision will be determined.

To start the conversation, the discussion leader (in blue in the visual) holds up a mirror by describing three topics. These are the most frequently mentioned desires within the industry for where the system should go, according to Chapter 2 of this report: collective action, level playing field and European regulated labelling for clothing. Even though many people express these desires, there are little signs of action. Therefore, it would be interesting to start the conversation with the



question: why, if evident, is no one taking action towards these envisioned values for the system? This way, the coalition can better understand what actions could help to overcome the potential challenges.

Depending on the level of conclusiveness, it might be necessary to host 2-3 sessions.

Chapter 4.3.1 describes the conversation starters introduced in this paragraph in more depth.

The learning from this session will help in the next phase.

3. Define

This phase aims to define the vision, mission and values of the coalition. This focus follows from an interview about the first design intervention with an established coalition. It became clear that it is necessary for the success of the initiative to have a strong and clear view that is supported by the members of a coalition. This thesis suggests a vision and values for the coalition which can serve as inspiration but it is most important to play into the

need of the interested participants. Therefore, the previous step serves to establish common ground and align on key elements of the coalition.

In addition, for instance, decisions are needed on whether the suggested topics will be tackled in sequence or simultaneously. Another important question is how time intensive the activities of the coalition can be.

Furthermore, in this phase, a House of Denim representative should initiate contact with experts from research institutes, other initiatives and authorities. Lobbying is a large part of a coalition and in order for this coalition to produce effective outcomes, knowledge from different experts will be necessary.

After establishing a general vision for the coalition, it is time for more in-depth conversations per theme.

4. Discuss

This phase aims to start the dialogue on topics that are relevant to achieve better SC. The participants take their first action towards defining explicit

Present coalition vision on Kingpins & Denim Days & invite enthusiasts to explorative session.

Explore common ground by questioning three industry desires.

Start inv

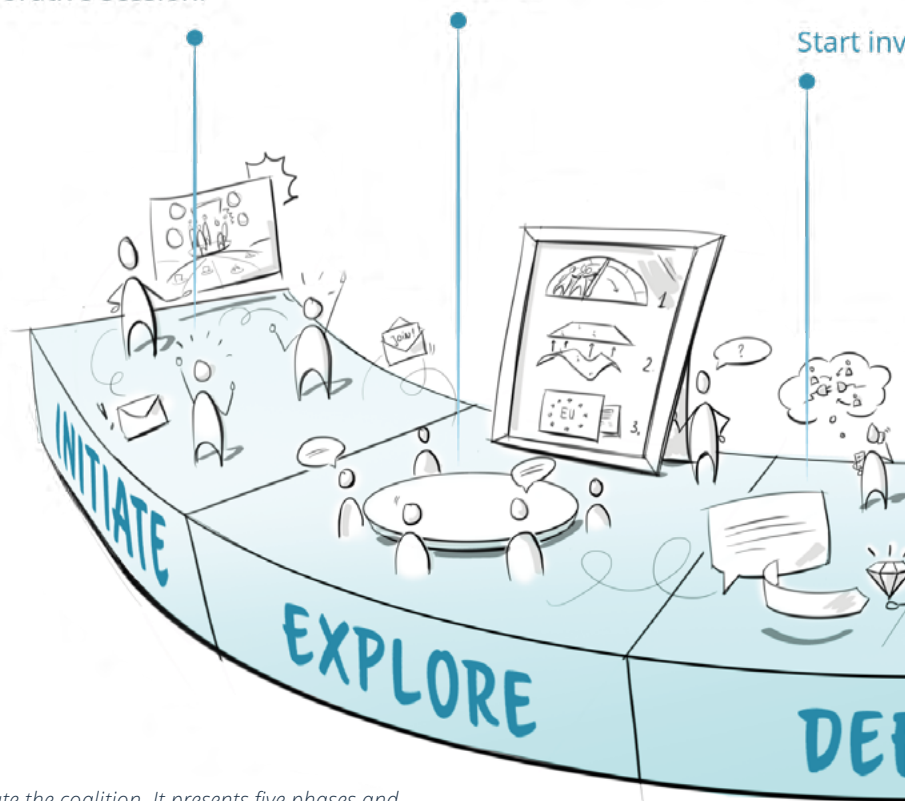


Figure 34: The proposed strategy for House of Denim to initiate the coalition. It presents five phases and the corresponding primary activity in text and visualised.

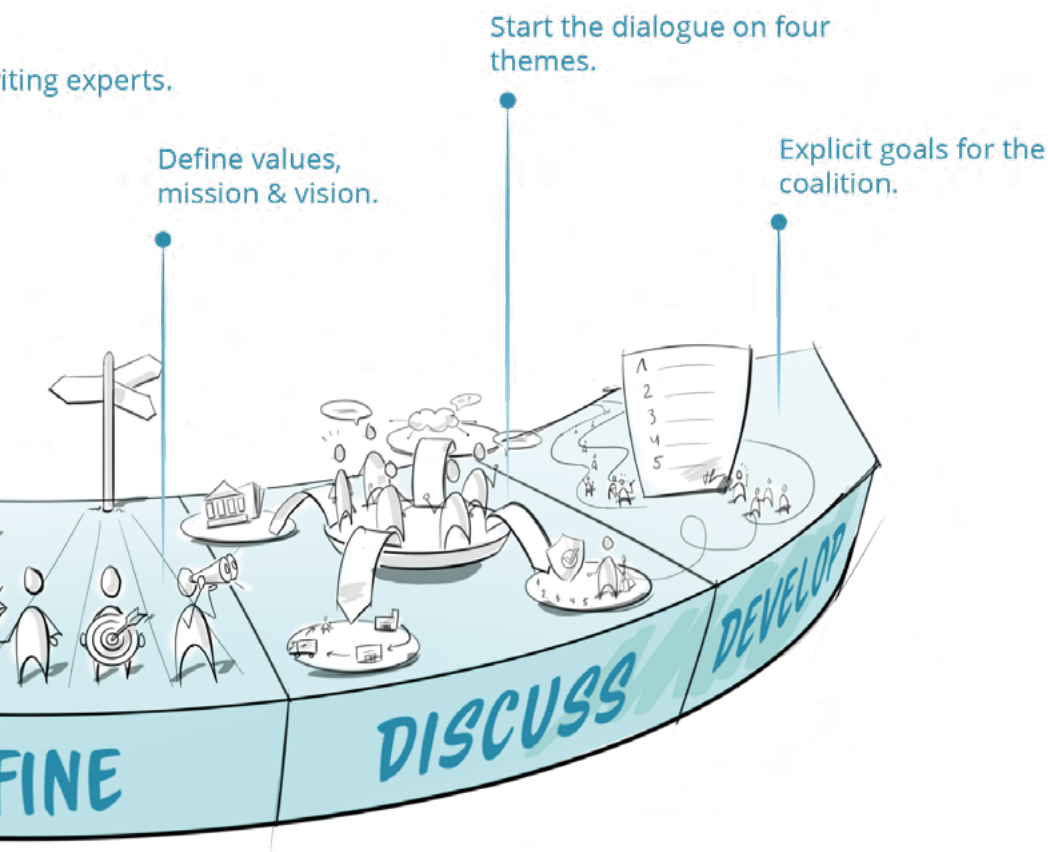
goals for the coalition. The low-budget brands and retailers are increasingly committed and the first experts are joining the discussions. The goal is to explore a shared vision through constructive conversations about the four themes. This thesis suggests four topics based on the findings from the research that represent popular themes on which interviewees raised concerns, suggested ideas and showed interest. In conversation with each other, they experience different perspectives and they can complement each other in ideas for the coalition. To start the conversation, Chapter 4.3.2 presents the four themes with corresponding suggestions for activities and questions.

5. Develop

The final stage in this strategy aims to define explicit goals and/or perspectives for the coalition. After this phase, the coalition should be ready for an official launch. The goals can be a result from the discussions in the previous step. The idea is to for instance define five principles that define this coalition. Together with a clear vision and mission

statement, people throughout the denim and clothing industry should be able to understand the purpose of the coalition. Furthermore, after establishing explicit goals, these can be utilised to initiate a new wave of official members. For instance, smaller brands can join and also aim to adhere to the same principles.

To conclude, the strategy suggests five steps to help initiate the coalition. In the core, these steps aid initial participants to explore each other's perspectives on crucial topics for better SC. These steps contribute to the goal of the coalition; to encourage and unite low-cost brands and retailers with each other and existing knowledge for collective SC. In order to achieve this, the participants must step out of individual thinking. Therefore, the next section proposes dialogue starters that will push participants to take a different perspective and hopefully, understand the benefits of collective action.



4.3 DIALOGUE STARTERS

The previous chapters described the vision for the coalition and the strategy for building the coalition. As indicated, two phases of the strategy include conversation starters, step 2 'Explore' and step 4 'Discuss'. These are the issues that this thesis considers essential to be discussed in the pursuit of simplifying SC for brands and retailers. The dialogue starters are based on frequently mentioned topics and themes by interviewees throughout this research. The following paragraphs will first explicate the three topics for the second step in the strategy, 'Explore'. Next, it will introduce the four themes for the strategy's fourth step, 'Discuss' step

in more depth. Per topic it explains why the issue is included in connection to the coalition's goal; it suggests specific questions and discussion topics; these are substantiated with multiple quotes from industry experts.

4.3.1 Explore phase conversation starters: holding up the mirror

The first conversation that this strategy recommends concerns the three most frequently mentioned desired elements for a better SC system. Presenting these topics is like holding up a mirror; this is what everyone says, why is it not happening?

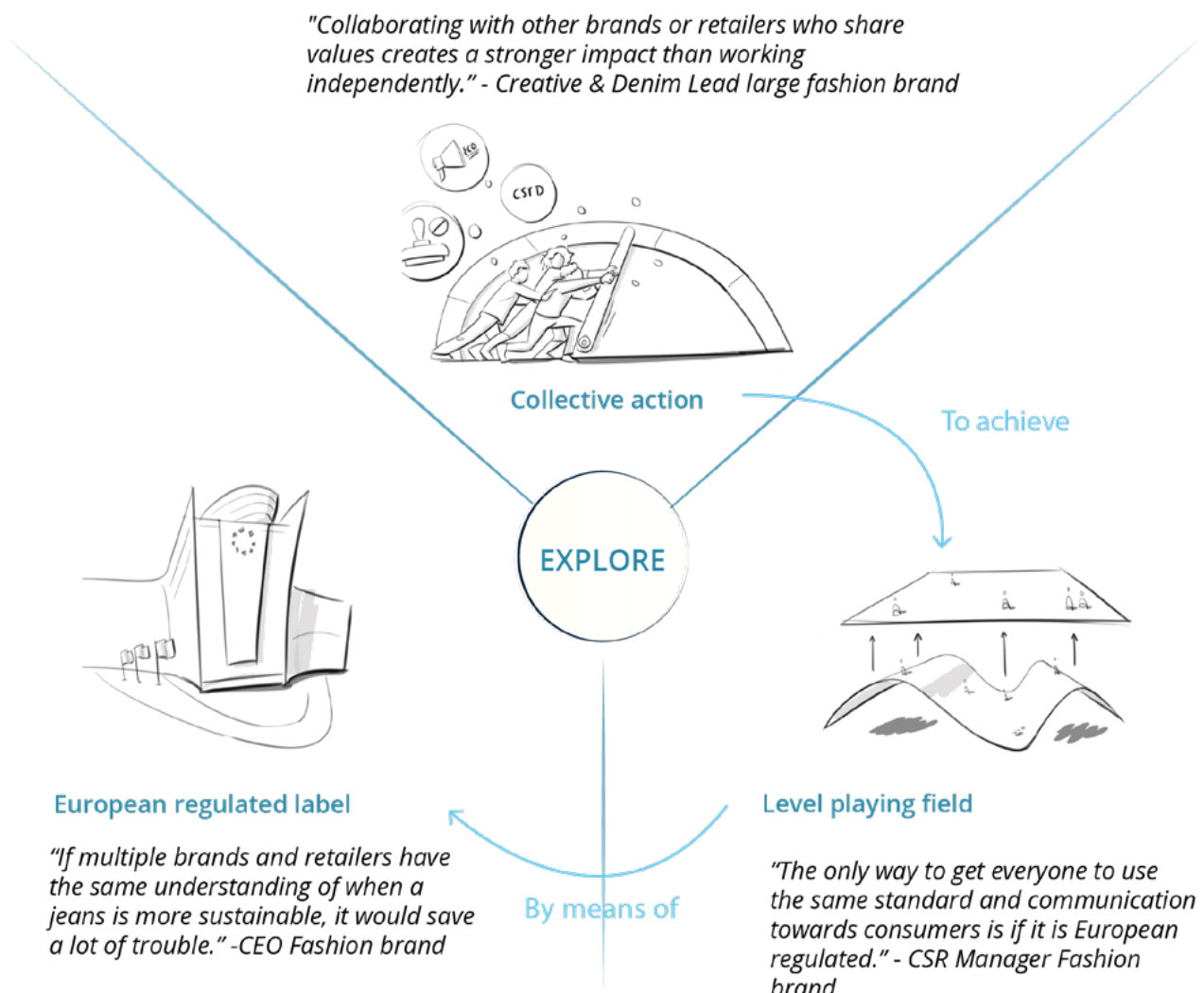


Figure 35: The three topics for discussion in the second phase of building the coalition; 'Explore'. The quotes and visualisation substantiate the understanding of each topic.

The goal of the conversation is threefold. First, to critically assess whether people from low-cost brands and retailers are ready to choose for the collective. Second, it should aid participants to find common ground on which the coalition's vision can be based. Finally, it contributes to the feeling of ownership which is imperative to create the necessary drive for such a voluntary initiative. Figure 35 shows the three conversation starters, substantiated with a quote that captures the meaning. The topics are;

- Collective action

The quote illustrates that people in the industry understand the value of a collective approach. Nonetheless, there is currently little collaboration on the topic of SC. The conversation should aid to find out why there is collective willingness but little action. What are the doubts and obstacles that are in the way of a collective effort. Furthermore, it should question if they are willing to exchange knowledge and do they have faith in developing a shared vision on what a sustainable pair of jeans entails in this price range. Would that help to create level playing field?

- Level playing field

The second topic is the frequently mentioned 'level playing field'. A discussion could conclude whether having a similar understanding of what a sustainable pair of jeans is can help to level the playing field in the industry. Moreover, it is relevant to share thoughts about the number of brands and retailers that should adopt the standards for it to level the playing field. Also, are we all working towards a similar envisioned future

- European regulated label

This research found multiple indications for the belief in a European regulated future, specifically, a climate impact label for clothing. The conversation about this topic can help to understand what is so appealing about this solution. Subsequently, it identifies the learnings and how this translates to the coalition's vision.

In the end, the 'mirror' activity should result in either of two outcomes. One option would be that there is not enough incentive and common ground to

form a coalition. In which case, this thesis refers to recommendations section 5.2.2. If, on the other hand, there is a sign of harmony and enthusiasm, the conversations should result in a shared vision and a clear way forward.

4.3.2 Discuss phase conversation starters: four themes to explore a better system for SC

The following four pages describe the topical conversation starters for the development of the coalition. Also, the established coalition can draw upon these themes in the future. To fully understand the structure of the following pages, this paragraph provides a short reader guide.

Each theme starts with the context of the topic. Also, it describes the relevance of that specific topic concerning the journey of simplifying SC for brands and retailers. After understanding the necessity for discussing the theme, it gives 3-5 questions that could start the conversation.

Below, it presents the quotes that lead to defining these questions. The citations range from concrete suggestions to concerns and observations. They show what is on the mind of people in this system. The page ends with a visualisation of the themes' core challenge.

Besides providing explicit discussion points, it also confronts participants with the opinions of fellow managers. This way, they are forced to see the perspective of others, whether the quotes came from brands and retailers or from, for instance, a vertical denim mill. As described in the previous paragraph, this is important to boost the motivation for collective action and to share knowledge. Understanding the challenges of others and learning from each other is imperative to make change happen in this industry.

Theme 1: understanding the supply chain

The current structure of the denim supply chain hinders sustainable progress. The complex and long value chains limit transparency, and making it difficult to understand where in the chain the problems are. On top of that, new legislation will push organisations to publish more data about their supply chains. This can help to give companies insight into their value chain. Nonetheless, more data will not minimise the complexity of the value chain. It only provides more data about a confusing supply chain. Even though consumer demand transparency, it is questionable whether this should be the goal. Therefore, in the

transition toward a collective European-regulated future, the structure of the supply chain needs to change. This way, brands can be technically correct, without complicating it for consumers. Currently, brands and retailers outsource the majority of the production processes, meaning that the expertise on sustainable improvements lies with producers rather than at the brands themselves. Therefore, it is crucial that we initiate the dialogue between these stakeholders to increase the leverage of brands, unite their power in pushing for sustainable investments at these facilities and learn from the producers.

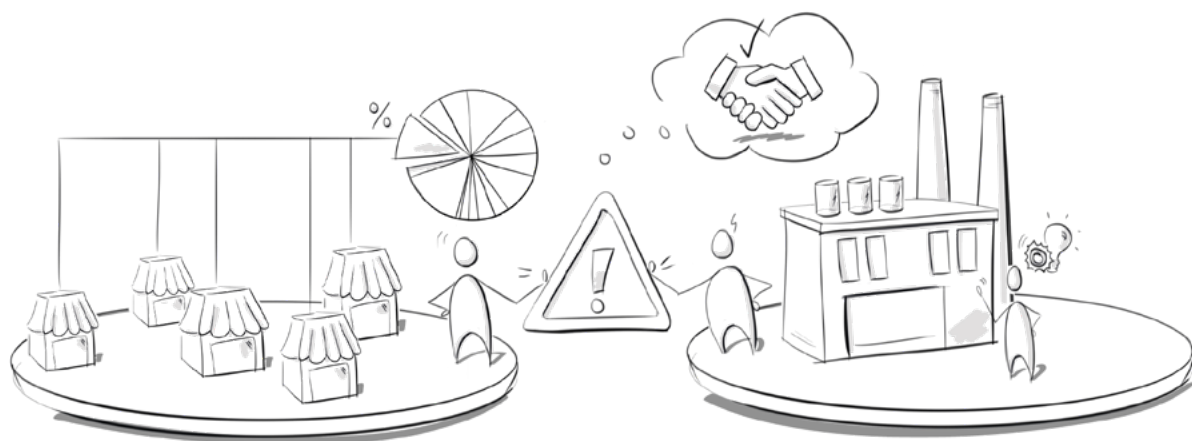
1. How can we increase our understanding of challenges from suppliers in improving their facilities for more sustainable production?
2. How can we improve the trust between suppliers and brands? So that efforts from suppliers can be rewarded without the need of costly certification?
3. How can we unite the power of brands and retailers to help producers make the changes they need and can?

"Smaller brands have minimal impact on their producers, their production volume is tiny compared to larger brands. This means, if they want to produce more sustainable, the other brands that produce there also need to be willing to pay the price. More collaboration here can boost sustainability. For instance, brands can cut deals together, buy the same fabric together etc."
- Denim expert low-budget and high-end retail

"Change at suppliers is extremely important. But the share of brands and retailers at a supplier is only a small percentage in most cases. We, for instance, don't do 50 per cent in a factory but it takes investments of millions of euros to put better machines there. This makes it difficult to push for positive change."
- Sustainability Manager Fashion brand

"As a larger brand, we have knowledge on which production facilities are better in terms of sustainability. Smaller companies don't have the resources to really check this, we could share this information and help them decide where to outsource their production."
- Creative & Denim Lead Large Fashion brand

"...need to change the processes at suppliers, that does happen but those are machines and methods of commercial companies. That's okay but it's really hard for us to check if that's actually happening. There is no third party to check that, how can we give more value to that, the initiatives that do occur. I wouldn't dare tell the customer but, but these are important steps."
- Sustainability Manager Fashion brand



Theme 2: connect to authorities

A primary outcome of this thesis is the belief in a significant role for the European Union in the future of SC for clothing. However, this research shows that current legislation for SC is complex and discourages brands and retailers to adopt sustainable practice. Therefore, change is necessary in the interaction between brands and retailers and the authorities. Both parties need to reassess their current way of communication to achieve more collective action. Ideally, there will be a link between the Dutch government, potentially a European representative and this coalition. Investment in building such a relationship is relevant for three reasons. First, these conversations will foster greater mutual

comprehension between the policymakers and the coalition members. Then, together, they can envision what could be constructive ways to improve SC-related legislation. In addition, it gives the coalition the benefit to lobby for legislation that helps their purpose.

Next to this, the interviews indicated that legislation currently feels limiting due to the lack of recognition for their challenges as commercial brands. In conversation with policymakers and fellow managers that recognise this feeling; this coalition might lift this burden and help everyone see the possibilities. Finally, collaboration with employees from the Dutch ACM could increase flexibility in communication towards the consumer.

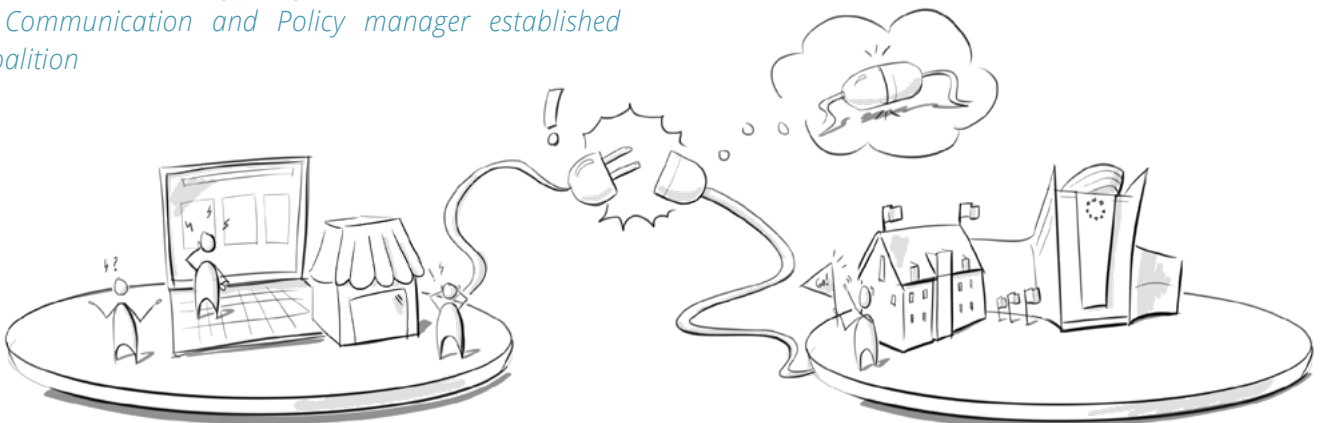
1. Discuss outcomes of Dutch Parliament roundtable discussions on a sustainable textile industry. How can we anticipate as a coalition to exemplify translation of such conversations to explicit action?
2. Invite a policymaker to express challenges from both sides. Could there be a more constructive way to communicate?
3. Organise session specifically for understanding new legislation that will affect SC. For instance, the Substantiate Green claims. How can we deal with the increase in data in a meaningful way?
4. Organise a session on certification communication.

"A great deal of legislation and regulation is coming our way. Which is important but the question here is, what do you want the effect to be, compliance or improvement? There is so much coming at us, few companies really know the overview. Legislation is translated differently locally, and a lot of time is spent making reports. It is very complicated. Is it becoming a goal on its own?" - CSR manager fashion brand

"In the unpredictable world of politics, success depends on the ability to pivot and explore various approaches. This includes establishing valuable connections within parties and ministries, leveraging personal contacts in specific working groups, and proactively seeking media attention to push politicians to take action."
- Communication and Policy manager established coalition

"The government doesn't help to implement regulations and companies don't know how to do it." - CEO fashion brand

"In the face of legal risks, we must tread carefully in making sustainability claims. Third-party certification can provide a measure of legitimacy, but the strict legislative environment and nervousness of our legal team hinders innovation. To avoid creating an environment of fear that discourages sustainable initiatives, we must explore alternative ways of measuring impact and push for greater transparency."
- Creative & Denim lead large fashion brand



Theme 3: Including the consumer

One of the primary manifestations of SC is showcasing eco-efforts towards consumers. On top of that, sharing eco-efforts with consumers is a substantial motivator for brands and retailers to invest in sustainable development. Despite the motivation, the current system discourages them to inform the consumer. Therefore, including the consumer is an important theme to discuss collectively. If some brands and retailers stand by the same principles and statements, they are a stronger voice against

the authorities and the media; the parties that scrutinise their current efforts. Also, a coalition of multiple companies could attract the attention of policymakers which increases their leverage to discuss this sensitive topic in more depth. The main concern of brands and retailers is that authorities lack understanding for their need to use marketing language. In the pursuit of simplifying SC for these businesses, a discussion is necessary. Perhaps, the 'ping-pong' process between authorities and companies on misleading claims can happen within the safe walls of the coalition.

1. When do we start to include the consumer? Can we as a coalition create an 'in-between' phase?
2. Start the dialogue with a representative of an authority on the balance between marketing, technical correctness and what consumers need. Can we look beyond just following the law against misleading?
3. How can we level the playing field in SC without compromising each brands' unique brand image?
4. What if, as a coalition, we promise to our consumers to no longer present sustainability details per garment until we figure out how to do it in an engaging yet correct way? What would be the opportunities and barriers?
5. Can we define low hanging fruit for explicit statements on the sustainability level of jeans? For the topics: water, chemicals, dyeing, energy, longevity.

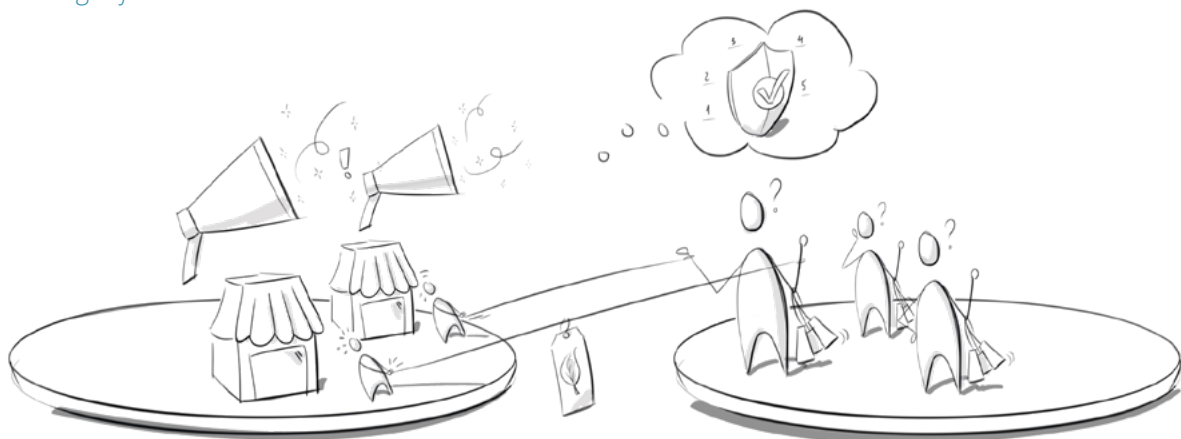
"I doubt whether it would be beneficial to level the communication about denim between brands and retailers. The consumer of brand X needs to be addressed differently than from brand Y."
- Sustainability manager large variety store

"I'm honestly afraid for what the media will do to the companies that will have to publish their environmental impact in 2024 due to the CSRD. Change starts with knowing what is wrong, but such public scrutiny can push companies to cover up parts which would jeopardize the impact of this legislation."
- CSR manager fashion brand

"The responsibility is at the brands, you want to assure your consumer that shopping at your brand is the right choice." - CEO fashion brand

"It would be nice to first implement the rating behind the scenes of a brand, to identify weaknesses and then after 1,2 years publish." - CSR manager fashion brand

"The consumer needs to see the same sustainability communication across the offered products of a brand."
- Both CEO fashion brand as well as Sustainability manager large variety store



Theme 4: Big picture, are we starting the right dialogue?

It is important to keep reflecting on whether the activities of the coalition still make sense in the current environment and in connection to the core objective. Therefore, this theme suggests activities that push participants to evaluate their perspectives and current practice. In addition, for a coalition to succeed, partners should share the same vision. Hence, evaluating the direction of the coalition maintains the feeling of belonging and ownership. Another element in this theme is to encourage reflective thinking. These brands and retailers are extremely busy with their daily commercial

objectives. This topic can provide a moment of pause and guide participants to reflect in an engaging way by means of the suggestions below.

The final purpose of this theme is to critically review the statements made by the coalition. The coalition should ensure that the statements drive actual sustainable development. To illustrate, using recycled PET in clothing is not necessarily helping the environment. Frequently, these bottles come from a different industry where they could have been continuously reused. Especially with these type of 'progress' claims, it is important to zoom out and review whether the effort indeed aids the planet.

1. Zooming out, is the coalition focused on the right dialogues? What is the bigger picture, where do we want to go and do our actions still match this?
2. Invite Jean School students to share their vision for the denim industry. Express at what companies they wish to design for and how. What can we learn from a new generation that is educated in more sustainable designing?
3. Host a 'MythBusters', for instance based on research from Transformers Foundation on cotton Myths. Or look at the example of recycled PET in clothing, where most bottles are just taken from an industry where they could have been reused. What is actual sustainable development? And how can we make sure that what we claim is helpful?

"Education is also interesting. We should change how each person within a company views the system and shift it towards circular thinking"

- Denim expert low-budget and high-end retail

"Everyone is still looking too much from their own perspective. Dialogue between companies, government (like the ACM), that needs to happen much more."

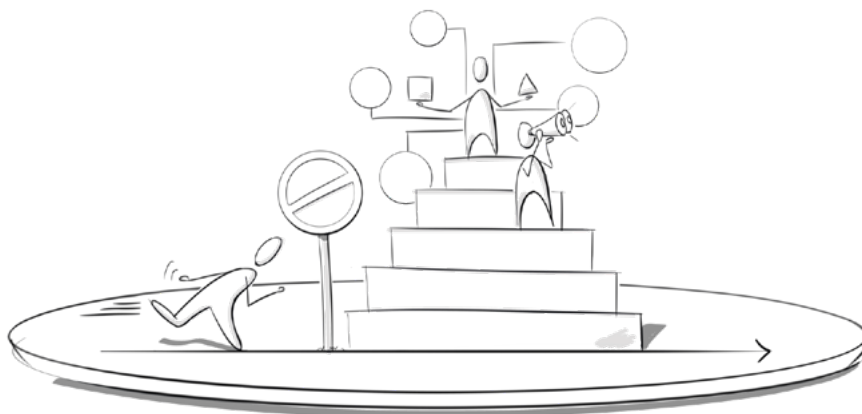
- CSR Manager fashion brand

"The daily business within companies like ours is always about commercial goals, brands get caught up in this and forget about sustainability."

- CSR manager fashion brand

"Building a strong coalition requires shared goals and vision, rather than stringent requirements. Financial constraints should also not be an obstacle, and in fact, partners who are just starting out can bring greater intrinsic motivation to the table. Ultimately, it is alignment around a common purpose that strengthens a coalition, rather than a rigid set of rules."

- Communication and Policy manager established coalition



4.4 EVALUATION OF THE CONCEPT

After introducing the final concept, this section evaluates the design proposal. First, it will look back at the system as introduced in Chapter 1 and 2 and illustrate the potential impact of the coalition. Finally, it examines the desirability, feasibility and viability of the concept.

4.4.1 The coalition within the investigated system

Figure 36 shows the system as developed throughout this report. The coalition is at the centre. The following changes are visible, from left to right clockwise:

1. Representatives of organisations that provide certification bring their expertise to the coalition. In return, the coalition promotes the use of certain certificates, makes sure the members are aligned and therefore increase the opportunity for producers to invest in more sustainable facilities and machines.
2. The coalition introduces a new actor to the system; the research institutions, scholars and other initiatives, described here as 'knowledge'.
3. A more constructive and direct feedback loop with authorities allows the coalition to better understand legislation, experiment with communication of statements and be pro-active in suggesting new regulation.
4. A healthier relationship with the consumer is visible. The coalition sends one, united message to their consumers which increases the trust towards them in providing sustainability information.
5. Finally, managers from brands and retailers share challenges, knowledge and unite their power to transition to a harmonised and European regulated system.

Generally, there is an increase in feedback loops between multiple actors to promote mutual understanding. The relationships and interactions between actors in the system are equal and constructive. All the improved interactions help brands and retailers to send a unified message to the consumer, a precursor to the envisioned future.

4.4.2 Evaluation of the desirability

The first point for evaluation is the desirability of the concept. It questions whether the stakeholders in the project see benefits in the coalition. The following list provides short argumentation on why the solution is desirable for each stakeholder.

- **House of Denim:** the identification of low-budget brands and retailers as a new target group shows a novel area in which the organisations' connections and knowledge can make impact. Moreover, this thesis shows what this target group needs, hence it becomes easier for House of Denim to act upon this opportunity. Ultimately, this concept brings the organisation a step closer to their envisioned 'Brighter Blue'.

- For **low-budget brands and retailers** this coalition offers a place where they feel heard, encouraged and see new possibilities. Also, if the coalition succeeds in its mission, their job will become easier. Eventually, working with the coalition should harmonise and simplify SC towards consumers. As their strategy is mainly consumer-driven, an improved relationship with the consumer is desirable. + gives them knowledge.

A critical note could be that the focus on denim specifically will not be desirable for all brands and retailers. However, as long as the early participants see benefits in denim exclusive principles and are willing to put in the effort to develop them, other brands and retailers can join in later for a small fee. In the end, denim has characteristics that need innovations for the production that do not exist for other garments.

- The **consumer** will experience benefits from the solution as it should clarify the communication from companies. Also, as the coalition has an objective third party involved; House of Denim and a link with authorities, it can help build trust.

- For **representatives of the authorities**, the coalition can provide a shortcut to the industry. Above all, it will increase understanding of needs and objectives for authorities as well as for the coalition members. Finally, they can benefit from a large group of businesses that support legislation.

-For **researchers** and other **initiatives** that invest time and resources in generating knowledge to help the clothing industry, the coalition increases the value of their work as it hopefully reaches more organisations.

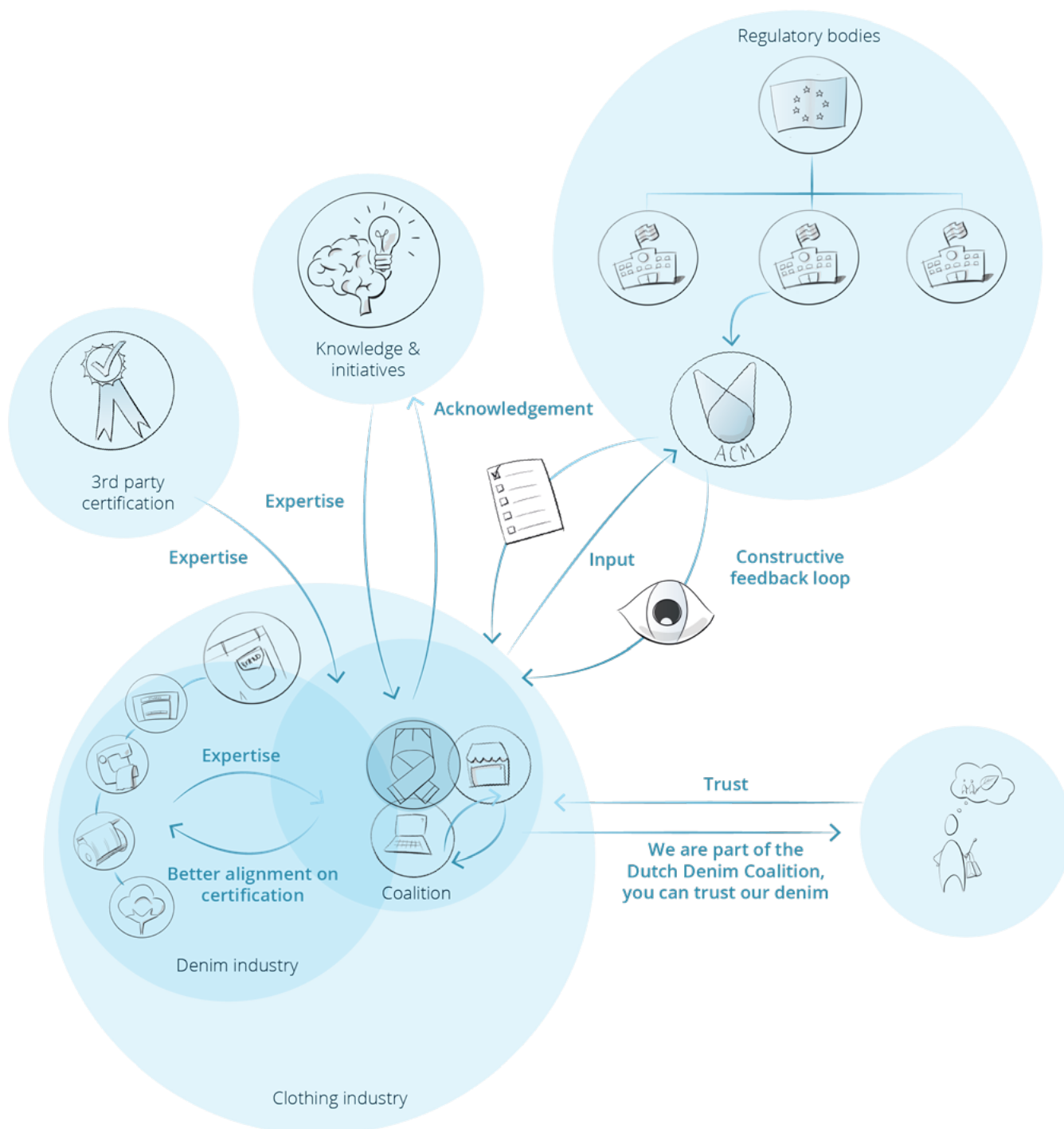


Figure 36: Introduction of the coalition in the investigated system to evaluate the potential impact on the interorganisational relations.

4.4.2 Evaluation of the feasibility

The second test in this review is on the feasibility of the concept. The feasibility test questions whether House of Denim has the resources and capabilities needed to capitalize on the identified opportunity. As a non-profit with a relatively small board who all have different daily jobs, House of Denim does not have endless resources. What they do have is connections, knowledge and drive. This concept builds upon these three strengths which increases the chance of implementation.

Nevertheless, time is one of the largest challenges in developing the coalition. This issue also affects the potential participants in the coalition. The success of the endeavour depends on whether or not enthusiasts can be brought together. Once a few early-adopters get together, the concept could serve as inspiration to identify which elements would be most interesting right now or seem most feasible.

As a result, the design can still provoke discussions that might not have occurred and have an impact on the current system, albeit in a more low-key manner.

4.4.2 Evaluation of the viability

The final evaluation test is to examine whether it is possible to maintain the coalition over time. The following thoughts on the viability of the concept are predominantly based on the research into other collaborative initiatives, the interview with the communications and policy manager of an established coalition and an email exchange with Hezelburcht subsidy advice.

Initially, a member of House of Denim can lead the start-up phase. Subsequently, once the coalition achieves its first success and proves its potential, it is time to consider the following;

- Hire someone to guide the coalition's activities and write a policy, initially perhaps one or two days of the week.
- Next, partners of the coalition should contribute with a small partner fee. However, this should not be the main criteria for new partners, it is imperative to first align based on vision and consider the fee in a later stage.
- Besides a partner fee, it could be interesting to apply for subsidies for certain projects of the coalition, for instance for a pilot. Subsidies are not available for a non-profit in general, hence a member of the coalition should invest time in the organisation of such application. The other solution would be to start a funding campaign, either public or private.
- For viability on the long-term, the coalition should grow towards an independent body that is aligned to House of Denim.

KEY TAKEAWAYS

- The final design is a proposal for a Dutch Denim Coalition. It presents the vision in a storytelling poster, suggests a strategy to build the coalition and offers dialogue starters.
- The coalition unites brands and retailers and connects them with knowledge and experts. The goal is to encourage managers from brands and retailers to adopt the same principles for sustainable denim and collectively work on improving the current system for SC.
- As a united front, the businesses will have more leverage into shaping the system and interactions with authorities they envision.
- The coalition develops the statements by exploring four themes that integrate main findings from this research and push participants to consider other perspectives.
- The common goal of the individually operating brands and retailers is the desire to share eco-efforts with consumers. Ultimately, if these brands and retailers are successful in this endeavor, the demand for sustainably produced jeans could increase. The design plays into this main motivator by ensuring the activities revolve around this common goal.
- The solution is desirable for low-cost brands and retailers as it offers a place where their challenges are heard, they feel encouraged and see new possibilities. Most importantly, it can boost the effectiveness of their SC and thus better satisfy their needs.
- House of Denim acts as a connector, which suits the organisation's strengths. The design suggests a new direction for the non-profit which revives and enlarges the impact of their resources with a more inclusive view on the denim industry. Ultimately, it brings them one step closer to their vision; a Brighter Blue.
- The design is feasible for House of Denim as it builds upon the organisations' strengths. It is viable, although on the long-term, if the coalition succeeds, a partner fee will be required.
- The design intervenes the current system by enhancing the interactions between organisations and including existing knowledge. The intervention aims to aid brands and retailers in their SC efforts, which benefits consumers and the overall growth of sustainably produced jeans.

5

Chapter Five

DISCUSSION, RECOMMENDATIONS, CONCLUSION, REFLECTION



- 5.1 Discussion
- 5.2 Recommendations
- 5.3 Conclusion
- 5.4 Personal reflection



5.1 DISCUSSION

The following paragraphs discuss the findings of this research. They present the primary results that contributed to answering the research question, the researchers' interpretation of the outcomes, the broader implications of this project and its strengths and limitations.

5.1.1 Collaboration to simplify SC towards consumers

This project aims to simplify the task of SC towards consumers for low-budget fashion brands and retailers. More effective SC can convince more consumers to purchase sustainably produced jeans, hence increasing the benefits for brands and retailers and manufacturers to invest in sustainable production. As the low-cost segment represents a large part of the denim industry, such a shift will contribute to a more sustainable denim industry, which is the greater purpose for both this thesis and House of Denim. In pursuit of this objective, the research analysed the current system, its impact on low-cost brands and retailers, and how it can transition towards a transparent and European regulated future.

This thesis uncovered several important factors that help to understand how brands and retailers can contribute to a simpler SC system. The key insight is that to simplify the system, multiple low-cost brands and retailers should collaborate to agree on the same standards for the sustainability of denim. Another way to achieve this is via European legislation, unfortunately, such regulation is years ahead. Therefore, this thesis proposes a constructive plan to unite brands and retailers by encouraging them to find level playing field through dialogues. The coalition aims to push stakeholders to explore other perspectives on challenges regarding SC. This aids low-cost brands and retailers to release their individual focus, comprehend the value of collaboration to finally, embrace actual collective action. Which is necessary to simplify the system for SC towards consumers.

5.1.2 Leveraging the drive to inform consumers to initiate industry-wide change

This research devotes significant attention to SC towards consumers, mainly in the shape of labels. It uncovered a general desire from the industry to have a European clothing label in the future. This paragraph discusses the relevance of this focus as a strategy to invoke sustainable development from low-budget brands and retailers. As well as the importance for a new generation of consumers.

In short, this research demonstrates that consumer satisfaction and a better reputation are the primary motivators for low-cost brands and retailers to adopt more sustainable practices. On top of that, they compete for the lower price points, leading to a strong desire to level the playing field on sustainability standards. By agreeing on a common ground for sustainability standards and communication, these companies can compete pricewise while having certain guarantees on the competitors' sustainability levels. This will equalise what brands share about eco-efforts and increase the level to which they can minimise cost without cutting corners on sustainability.

This leaves us with the question, is communication toward consumers merely a selfish action?

Potentially, yes. Little evidence exists for the effectiveness of eco-labels in guiding consumers, especially in the clothing industry. On the contrary, from a regulatory perspective, labels can be useful (Yokessa et al., 2019). This thesis arguments a move towards regulated labelling will be beneficial.

For instance, if the EU implements a clothing label, it can help to level the playing field between European denim brands and retailers, as it defines the standards by which the sustainability level of a garment should be measured. Furthermore, a mandatory label evades the branding challenge, which this research shows is one of the barriers to adopt product-specific SC.

Also, the established standards can help brands and retailers to tweak their products to meet the demands and fit in a certain sustainability level. By focussing on the best possible presentation of this information towards consumers; they simultaneously invest in more sustainable production.

Moreover, a new generation of consumers arises: Gen Z (Deloitte, 2022). Generally, this generation is concerned about the environment and roughly 30% lessened their relationship with retailers that are harmful for the environment. The largest part of this generation does not have the money yet to buy from premium, sustainability-driven brands. Therefore, it is also beneficial for low-cost brands and retailers to change their strategies to target this group of consumers.

In conclusion, developing a European sustainability label for denim might sound redundant, especially in the low-price segment where the consumers' budget is the dominant decision factor. However, this thesis shows it is a strategy to unite brands and retailers to use sustainable development in their pursuit to satisfy the consumer. This strategy is also looking ahead, as a new generation will change the consumer landscape as they start becoming more and more financially powerful.

5.1.3 The social dilemma of collective action

A primary result of this research is the need for collective action on SC between low-cost brands and retailers and experts. By combining efforts and creating transparency, the possibility of individual brands deferring to cheap unsustainable production methods is reduced. This thesis assumes this as a plausible vision and integrates the insight in the

final design. Nonetheless, it is relevant to question whether this vision can be achieved by examining the meaning of collective action in relation to the research insights.

Most studies argue that multiple social dilemmas play an important role in collective action (Heckathorn, 1996). For instance, according to Olson (1965), collective action involves a social problem, that is, actions that make sense on an individual level can result in outcomes that are irrational for the group. He argues that people try to enjoy the advantages of others' participation while avoiding the cost of participating themselves. When everyone behaves this way, collective action fails. Thus, such free-loading is a problem in achieving collective action (Olson, 1965). This problem can be formally represented by the famous social dilemma as identified by game theorists: the Prisoners' Dilemma (Hardin, 1971). Here, cooperation between individuals would help the group but from an individual point of view, there might be a gain in defecting from this strategy. To illustrate, figure 37 shows the prisoner's dilemma for the problem at hand. For instance, if one brand invests in sustainable production, they must increase the sales price of their jeans. Hence, if the second brand does not increase the price, right now, they will sell more jeans as most consumers make their purchase decision based on price. From an individual point of view, the dominant logic is to not invest since this minimises the risk. With the coalition, the majority will produce more sustainably which helps the planet, their reputation and prepares them for upcoming legislation. Nonetheless, as long as there is little punishment for the deviating strategy, it can be challenging to convince brands and retailers of the greater good with the planet at heart.

	Collaborate (Coalition / EU legislation)	Deviate (determine own standards)
Collaborate (Coalition / EU legislation)	3,3 + 	1,4
Deviate (determine own standards)	4,1	2,2



Figure 37: The Prisoners' dilemma ($n=2$) for a brand whether to invest in sustainable production of denim. The pink numbers indicate the preferred strategy, however, the coalition aims to convince brands and retailers to follow the pink arrow, towards collaboration.

Moreover, Olson argues that this problem mainly occurs in large groups, in which individual action feels negligible. Even though, the coalition is not a very large group, they also do not have strong ties. Therefore, there might be a chance that this dilemma occurs and complicates the search for coalition members.

On top of that, this research uncovered that the low-cost brands and retailers have the tendency to operate individually; to focus on their own business. This could indicate that convincing managers of brands and retailers that the individual investment in the coalition is worth it as it will improve the collective outcome.

However, these businesses have commercial strategies and are highly competitive. The cost for them lies in losing their position in the market by sharing relevant knowledge with competition. In defence of the coalition, in an interview with a relationship manager of the MVO, it became clear that companies are more willing to cooperate and see the benefits as long as they do not have to share radical innovations in which they invested a lot.

Another indication for a discrepancy between intentions and behaviour is the paradoxical attitude of brands and retailers towards legislation. On one hand, interviewees argue that current regulations are overly complex and hinder their sustainability operations. In addition, literature proves companies tend to rely on their own methods to determine the sustainable progress (Margaryan & Stensland, 2017). On the other hand, this research uncovered the general belief that legislation is necessary to level the playing field for SC in the industry. This is a particularly interesting example since policies are the epitome of a collective good. Therefore, the attitude of this stakeholder towards legislation could predict whether they will recognise the benefits of the collective compared to the individual costs.

Otherwise, the development of the coalition might face a start-up dilemma, that is, no one sees benefits from contribution (Marwell and Oliver, 1993) and the coalition will not get off the ground. Interestingly, the coalition pushes participants to review other perspectives and release their individual focus. This could increase the organisations' belief in collective

action. Hence, the coalition can contribute to the preparation of organisations for future legislation. Which is in line with the envisioned European regulated future system.

In conclusion, it is questionable if the coalition's intended participants are willing to go beyond merely expressing collective interest. This doubt arises from the comparison between the social dilemma underlying collective action and several research findings, which suggest a potential gap between the intentions and actual behaviour of low-cost brands and retailers. Given that the launch of the coalition hinges on finding members; it is crucial to learn from social dilemma theory and emphasise the necessity of their involvement for the greater good. The next section will further detail this thought with a recommendation. If the coalition succeeds, it can play an important role in preparing these organisations for actual collective action; European legislation.

5.1.4 Working with and understanding 'the enemy' as strategy for House of Denim

This research demonstrates the importance of including low-cost brands and retailers in pursuit of a more sustainable denim industry. This is a new strategy for House of Denim, as thus far, they predominantly focused their efforts on denim-oriented brands in higher price segments. Even though this is important to build credibility as a denim-specific organisation, this new direction can initiate a wave of change in a segment where most jeans are sold. With this suggestion, this work shows it is important to look beyond the public opinion.

By means of a design approach, this study gives insight into the experience of these brands and retailers, to uncover why their current SC practice is ineffective and, sometimes unintendedly, misleading. Rather than assuming the common opinion that they are 'the enemy' and not willing to change, this thesis gives them the benefit of the doubt. From a design perspective, holistically, it tried to understand what drives and impedes them in providing consumers with more sustainable jeans. Ultimately, the research was able to identify

a meaningful intervention for House of Denim by leveraging these factors.

5.1.5 Introducing design in a low-cost, competitive environment

In essence, if we zoom out, this project applies elements of design practice to a low-cost, competitive environment. The final design proposed quite a holistic, reflective approach to SC challenges. It pushes participants to reflect on what actual change entails. This ensures that not only they do not mislead consumers with incomplete information, they also avoid misleading due to ineffective sustainability efforts. For instance, recycled PET in clothing is not helping this industry forward as it extracts plastic bottles from another industry where they could be recycled multiple times compared to clothing where they are often blended with other fibres, making the garment unfit to recycle. Hopefully, the coalition can serve as an example on how to get together in a genuine and meaningful way and trigger thinking of managers that go beyond blindly continuing in their fast-pace.

5.1.6 Limitations

Although this thesis provides new insights and contributes to the purpose of the main stakeholders, there were limitations to the method and approach. One of the primary limitations of this research is the fact that only one researcher was involved in the data collection. Having just one researcher can limit the perspectives represented in the data, potentially leading to an incomplete or bias understanding of the studied topic. It also affects the interpretation of the research insights to the design brief. It is possible that some insights resonated more with the researcher, unintentionally pushing the design in a certain direction.

Furthermore, even though the focus on low-cost brands and retailers is relevant for House of Denim, it also has its limitations considering the focus on denim. Specifically, this group of brands and retailers sells a wide range of fashion products, from t-shirts to accessories. This affects the collected data during interviews as most input applies to the clothing

industry in general, instead solely denim. As the research is short-term and the researcher had little prior knowledge about this industry, it complicates the integration of this data for the specific problem at hand.

5.1.7 Implications for the field of SC

This discussion concludes with a broader implication of the thesis for the field of SC.

The introduction of this report highlights the increasing competition in the field of eco-information. An overwhelming number of certificates, labels and ratings inundates consumers as well as brands, retailers and suppliers. In response, this thesis uncovered multiple SC manifestations that brands and retailers deal with when attempting product SC. Communication on several levels, for instance from authorities but also media publications. The problems in these communication 'flows' in fact lead to ineffective SC of brands and retailers about their products. Hence, it shows that when solving an SC issue, it can be relevant to look on other levels of SC as they might interact.

Therefore, this thesis acknowledges that another 'front-end' solution will not suffice. Instead, it suggests a collaborative initiative that strives to discuss the fundamental issues that obstruct actual change.

5.2 RECOMMENDATIONS

This section presents several recommendations based on the preceding discussion. The recommendations aim to offer House of Denim practical and actionable advice for implementation of the proposed design and research findings.

5.2.1. Host a pilot session to test separate elements of the concept

The first suggestion is to organise a pilot session. Due to time constraints this was not possible during this project, nonetheless, it is the most obvious step forward. A pilot session aids to test the concept in a collaborative setting. There are multiple elements of the design that need testing:

- The design proposes collective action of stakeholders that thus far, show mostly individual actions. The pilot can reveal if there is actual support for collaboration about this topic.
- Also, it can assess whether the research outcomes indeed reflect the industry's challenges and perspectives. As emphasised in the limitations, there might be bias involved in the integration of the research insights. The pilot could reject, nuance or emphasise certain conclusions. These outcomes can be taken into account going forward in developing the coalition to for instance prioritise specific topics.
- Furthermore, it would be interesting to see if a small group of brands and retailers could translate knowledge into an actionable statement. Hence, the pilot session could test one of the suggestions from the conversation starters. For instance, they could discuss the chemical deep dive report of Transformers Foundation. It is important to observe whether the group can come to a conclusion that unites their thoughts on the topic. It is essential to the success of the coalition that the participants can capture a collective vision on sustainability aspects of jeans. If this appears to be difficult, it might be relevant to prepare the sessions with experts and

predetermine statements and discuss what would or would not work.

- Finally, a pilot can provide a moment to check how much time people are willing to invest in the coalition. Based on these talks, House of Denim can decide how to move forward. Therefore, next paragraph explains strategies on how to use the design that differ in time-intensiveness.

5.2.2. Implementation strategies based on time investment

House of Denim can work with the proposed design in multiple ways. The strategies differ based on their level of time-intensity. As mentioned in the feasibility test and the discussion, the amount of time available by House of Denim and potential participants could impede the development of the coalition. Therefore, besides implementation according to the written strategy, this thesis recommends three ways to make use of the outcomes:

1. Use the vision storytelling poster just to inspire the denim network of the importance to include low-cost brands and retailers in their sustainability denim knowledge. Spread it online and present it during the Denim Days, observe the responses and see where it takes the coalition.
2. Organise small sessions on the suggestions per theme. For instance, host a myth-busters night, keep it casual, fun and interactive. House of Denim could invite researchers from the Transformers Foundation to share their knowledge and stimulate networking between multiple stakeholders.
3. Organise separate discussion sessions about each of the four themes, no strings attached, just separate informative sessions to promote the importance of these topics. Potentially, the enthusiasm about a certain topic could indicate it as a direction that is worthwhile to pursue more intensively.

5.2.3. Promotion recommendations to recruit participants

The final recommendation concerns the recruitment of participants for the coalition.

The discussion highlights the challenge to convince the target group of the coalition to engage in collective action. Drawing inspiration from literature, particularly institutional theory, suggests that leveraging certain types of pressures may be promising in tackling this challenge. These pressures can explain the tendency of companies to adopt environmental practice. Insights from these studies can be leveraged in the promotion of the coalition.

1. To deal with uncertainty, firms tend to adopt similar strategies of the allegedly more knowledgeable organisation (DiMaggio & Powell, 1983). Since this thesis demonstrates the doubt and hesitance that exists for SC; this supports the effectiveness of this strategy as this is often the case in climate change issues (Kolk & Pinkse, 2007). House of Denim has credibility in the denim community and, together with maybe one or two established firms join, they can leverage this mimetic pressure to push other organisation to adopt the same strategy; join the coalition. As such, it could be interesting to recruit ambassadors and increase communication between them and other managers to promote the coalition as successful strategy in the uncertain SC system (Leroux & Pupion, 2018).

2. This thesis highly recommends House of Denim to start lobbying at authorities to build strong ties. Literature shows that such a connection can motivate managers of firms to join voluntary initiatives as it increases the coercive pressure (Leroux & Pupion, 2018; Marrucci et al., 2022; Parker et al., 2020). Therefore, a connection with for instance a policymaker or lawyer from the Dutch ACM could be a powerful strength to highlight in the coalition's promotion.

3. Besides institutional pressures, the decision of organisations to join the coalition can also depend on the available resources and the strategic options it offers (Orsato et al., 2015).

5.2.4. Recommendations based on a discussion with Kiki Hagen, member of the Dutch Parliament

On the final day of writing this thesis, the researcher had a meeting with a member of the Dutch Parliament, who strives for a more sustainable clothing industry in The Netherlands. The discussion aimed to identify ways in which the coalition could enhance the interaction with authorities. This results in the following recommendations:

- It is important that it is heterogenous coalition. Let anyone that is willing to cooperate and make a change join.

Currently, the conversation between government and industry primarily lingers at the large, often less sustainable firms. Nevertheless, the ministries do not have all the knowledge to create a law, they must learn from the industry. As smaller, pioneering businesses do not have the time nor resources to respond to consultation sessions with the government, this leaves them with a one-sided perspective. As a result, the law adapts to the perspective of the less sustainable side of the industry; to the players that have the loudest voice. This is where the coalition could play a meaningful role. A representative of the coalition should take place in the important conversations between government and industry, to share their knowledge. Most importantly, to eliminate the misinformation that often comes from larger, more polluting firms.

In addition, a group of frontrunners can show that change is possible. This is an important task in relation to legislation because of the following. The European Commission often initiates directives based on what they observe in member states. Examples on what works and what is effective become the guideline. Hence, as a country you are able to push the European Union to a more sustainable future. This offers an opportunity for the Dutch Denim Coalition. If it gathers multiple industry players that are willing to change, and they can demonstrate a new way of dealing with SC, it can potentially become the European norm in the long term.

5.3 CONCLUSION

The current system discourages low-cost clothing brands and retailers to attempt SC towards consumers. The task is too complex. To overcome this issue, this thesis proposes an intervention that unites brands and retailers to level the playing field on SC. It emphasises the importance of genuine and constructive conversations in order to reach actual collective action in a fast and competitive industry. This study contributes to the field of SC by showing the interconnectedness of different SC manifestations and how comprehending this can contribute to defining a meaningful place to intervene in the system. Furthermore, this thesis highlights the importance to include non-sustainably driven brands and retailers in sustainability

conversations. As they make up a significant portion of the denim market, they cannot be overlooked. In addition, this thesis shows there is willingness to change, yet it is often constrained by rigid structures and overshadowed by unjust notions of an inability to change.

In response, the final design demonstrates how a shared interest can bring fundamentally different parties together to work on a larger purpose. This coalition has the potential to show that low-cost brands and retailers are willing to move beyond individual concerns and participate in collective action towards increasing sustainable production of jeans in the substantial lower price segment.

→ Finally, within the ministries, there is a cultivated way of asking specific companies for their opinion. Nevertheless, because we are now in a transition, she believes it is necessary to specifically question the frontrunners about our legislation because that is where we have to go. Hence, an opportunity for the coalition could be to actively promote themselves as a conversation partner on legislation.

To conclude, the coalition should be heterogenous and represent the willing, smaller firms. A meaningful contribution would be if the coalition actively participates in conversations with ministries about legislation. Here, they can share their knowledge, eliminate misinformation and together, represent a larger voice to push legislation towards the sustainable side of the industry. If the coalition manages to demonstrate results for better SC, it even has the potential to become a precursor for European legislation.

5.4 PERSONAL REFLECTION

To conclude the thesis, this section presents a personal reflection of the designer on the project and on the personal development throughout the project.

The theme that ties this reflection together is my comfort zone. This individual project brought out the best and worst in me which helped me to discover my strengths, weaknesses and what is actually my comfort zone. I'll zoom in on for me, the largest challenge as well as opportunity of this project: the interviews with over 25 people with established functions in both companies and at authorities. In reflection, these conversations revealed that stepping outside of my comfort zone is not in actually talking to these people. However, my personal challenges appears that I'm hesitant to ask questions. In avoidance of criticism, I try to push the conversation to what I wish to hear, instead of being a genuine conversation partner and respond to what is said. This project brought this up specifically since I was in a completely new industry, with no prior knowledge. Hence, I tend to accept what people say and later investigate what it actually means. In addition, I discovered I'm a pragmatic designer. I can keep going easily but standing still to reflect is my challenge as a designer. As a result, it was challenging to converge the data from the interviews to reach rich insights. So, a note to my future self: dare to ask questions and dare to design.

Nonetheless, I also deviated from the initial project brief as I saw a more promising direction. Perhaps my first step as a future confident strategic designer. The reframing also posed multiple challenges. Especially in writing the report, reframing the problem statement appeared to be more challenging than expected. The introduction to the topic changed as the focus was no longer on helping consumers, but helping brands and retailers.

Another note on the general process is that the design brief was not specific enough. In retrospective, I realise that I tried to include almost all of the research findings. This complicates the design development as in an attempt to meet all these demands; the concept becomes high-level and wide-spread. In the end, I captured most of my findings which hopefully help House of Denim to learn from all the interviews. Nonetheless, the concept could have been more concrete if I had chosen a specific area to focus on.

Moreover, this project allowed me to discover a youth dream; to work in the fashion industry. I learned valuable insights about what it takes to pursue this dream and become a worthy member in this industry.

Luckily, the project also revealed strengths. Later on in the process, I realised how sketching helps to shape my thoughts. Also in understanding the meaning of the interview insights, drawing it made it way clearer. Instead of only using this skill to visualise end-results, in the future I will consider it as a research and design skill.

Going forward, I will continue to build confidence in conversations to ask follow-up questions by creating space between me as a person, and my work as a designer. In addition, I will better utilise my drawing skills throughout the design process. Finally, in my future work, I will schedule reflection moments with others to push myself to zoom-out, slow down and understand what actions are meaningful and bring me closer to a solution. And with this final note, I conclude my master thesis.

Thank you for taking the time to read my report,



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Appendix

APPENDIX



- A. GRADUATION BRIEF
- B. DENIM DAYS
- C. JEANS PRICE ESTIMATION
- D. INTERVIEW GUIDE
- E. MULTI-BRAND RETAILERS' APPROACH TO SC
- F. CLUSTERS SC CHALLENGES BRANDS AND RETAILERS
- G. PRESENTATION COALITION OF THE WILLING
- H. BRAINSTORM LVP & COALITION
- I. EXISTING COLLABORATIVE INITIATIVES
- J. INVITE SECOND DESIGN INTERVENTION
- K. INTERVIEW GUIDE - MANIFESTO

IDE Master Graduation

Project team, Procedural checks and personal Project brief

This document contains the agreements made between student and supervisory team about the student's IDE Master Graduation Project. This document can also include the involvement of an external organisation, however, it does not cover any legal employment relationship that the student and the client (might) agree upon. Next to that, this document facilitates the required procedural checks. In this document:

- The student defines the team, what he/she is going to do/deliver and how that will come about.
- SSC E&SA (Shared Service Center, Education & Student Affairs) reports on the student's registration and study progress.
- IDE's Board of Examiners confirms if the student is allowed to start the Graduation Project.

! USE ADOBE ACROBAT READER TO OPEN, EDIT AND SAVE THIS DOCUMENT

Download again and reopen in case you tried other software, such as Preview (Mac) or a webbrowser.

STUDENT DATA & MASTER PROGRAMME

Save this form according the format "IDE Master Graduation Project Brief_familyname_firstname_studentnumber_dd-mm-yyyy". Complete all blue parts of the form and include the approved Project Brief in your Graduation Report as Appendix 1 !



family name Stukker
 initials D. given name Daphne
 student number 4534425
 street & no. _____
 zipcode & city _____
 country _____
 phone _____
 email _____

Your master programme (only select the options that apply to you):

IDE master(s): ☐ IPD ☐ DII ☒ SPD

2nd non-IDE master: _____

individual programme: _____ (give date of approval)

honours programme: ☐ Honours Programme Master

specialisation / annotation: ☐ Medisign

☐ Tech. in Sustainable Design

☐ Entrepreneurship

SUPERVISORY TEAM **

Fill in the required data for the supervisory team members. Please check the instructions on the right !

** chair Erik Jan Hultink dept. / section: DOS/MCR

** mentor Rebecca Price dept. / section: DOS/MCR

2nd mentor James Veenhoff

organisation: House of Denim

city: Amsterdam country: The Netherlands

comments (optional) Erik Jan and Rebecca collaborated with James before, they know House of Denim. Also, Rebecca's expertise will be important in the beginning of the project where Erik Jan can support in the end with the go-to-market strategy.

Chair should request the IDE Board of Examiners for approval of a non-IDE mentor, including a motivation letter and c.v..



Second mentor only applies in case the assignment is hosted by an external organisation.



Ensure a heterogeneous team. In case you wish to include two team members from the same section, please explain why.

APPROVAL PROJECT BRIEF

To be filled in by the chair of the supervisory team.



chair Erik Jan Hultink date 27 - 09 - 2022 signature _____

CHECK STUDY PROGRESS

To be filled in by the SSC E&SA (Shared Service Center, Education & Student Affairs), after approval of the project brief by the Chair. The study progress will be checked for a 2nd time just before the green light meeting.

Master electives no. of EC accumulated in total: 21 EC

Of which, taking the conditional requirements into account, can be part of the exam programme 21 EC

List of electives obtained before the third semester without approval of the BoE

☒ YES all 1st year master courses passed

☐ NO missing 1st year master courses are:

name C. van der Bunt date 27-09-2022 signature CB

FORMAL APPROVAL GRADUATION PROJECT

To be filled in by the Board of Examiners of IDE TU Delft. Please check the supervisory team and study the parts of the brief marked **. Next, please assess, (dis)approve and sign this Project Brief, by using the criteria below.

- Does the project fit within the (MSc)-programme of the student (taking into account, if described, the activities done next to the obligatory MSc specific courses)?
- Is the level of the project challenging enough for a MSc IDE graduating student?
- Is the project expected to be doable within 100 working days/20 weeks?
- Does the composition of the supervisory team comply with the regulations and fit the assignment?

Content: ☒ APPROVED ☐ NOT APPROVED

Procedure: ☒ APPROVED ☐ NOT APPROVED

- end date should be 2023

comments

name Monique von Morgen date 4/10/2022 signature MvM

The role of online retailers in the mass adoption of a jeans impact index project title

Please state the title of your graduation project (above) and the start date and end date (below). Keep the title compact and simple. Do not use abbreviations. The remainder of this document allows you to define and clarify your graduation project.

start date 27 - 09 - 2022

07 - 03 - 2022

end date

INTRODUCTION **

Please describe, the context of your project, and address the main stakeholders (interests) within this context in a concise yet complete manner. Who are involved, what do they value and how do they currently operate within the given context? What are the main opportunities and limitations you are currently aware of (cultural- and social norms, resources (time, money,...), technology, ...).

This graduation project is an ongoing collaboration with House of Denim, a not-for-profit organisation that aspires to make the denim industry more sustainable, innovative and collaborative. In 2019, an SPD student explored the push for sustainable development from a consumer perspective. The design: an impact rating for the conscious consumer to help them make the better (more sustainable) choice. This topic is still on the agenda of the board of House of Denim; however, a couple of aspects have come into play which ask for a new perspective.

The current design relies solely on the conscious consumer to make a better decision. However, innovation diffusion theory by Rogers (2003) emphasises the importance of a communication strategy that incorporates more consumer adopter groups. On top of that, literature on successful implementation of ecolabels, although limited, points out the need for a promotional strategy to increase company adoption (Iraldo & Barberio, 2017). Finally, as presented by Porter (2008), retailers have great power in influencing the choices of consumers.

A comparison of this theory with the development of a similar successfully implemented index, the Dutch Beter Leven quality mark, confirms the potential of collaborating with retailers and brands. Therefore, this thesis will focus on the following stakeholders: House of Denim, jeans brands and online, multi-brand fashion retailers.

Stakeholder limitations & opportunities:

For both sustainable and non-sustainable jeans brands there are advantages in implementing an impact index. It could increase the consumer base for low-impact jeans and it allows for knowledge sharing.

A challenge is that the brands demand authenticity from the organisation providing an impact index and need to have faith in the methodology used which has been difficult so far.

Online fashion retailers are growing ("GfK Consumentenonderzoek," 2022), and along with the demand, there is an increased call for more conscious action (Deloitte, 2022). However, retailers often do not have in-house sustainability knowledge. Furthermore, the multi-brand, online retail allows the consumer to easily compare products and they offer a wide range of brands. This market is highly concentrated so if they are part of the solution, the impact could be significant.

A new generation, referred to as Generation Z, recently joined the workforce and is shifting the focus of many companies (Deloitte, 2022). This broad customer group has more complex demands regarding social and environmental responsibilities, and it is notoriously challenging to capture its attention (Deloitte, 2022).

To conclude, theory and practice show the importance of a communication strategy in the success of an implementation. Also, the potential impact of collaborating with online retailers on this strategy has not been investigated yet. With my research question, we could find out how retailers can help consumers make better denim choices.

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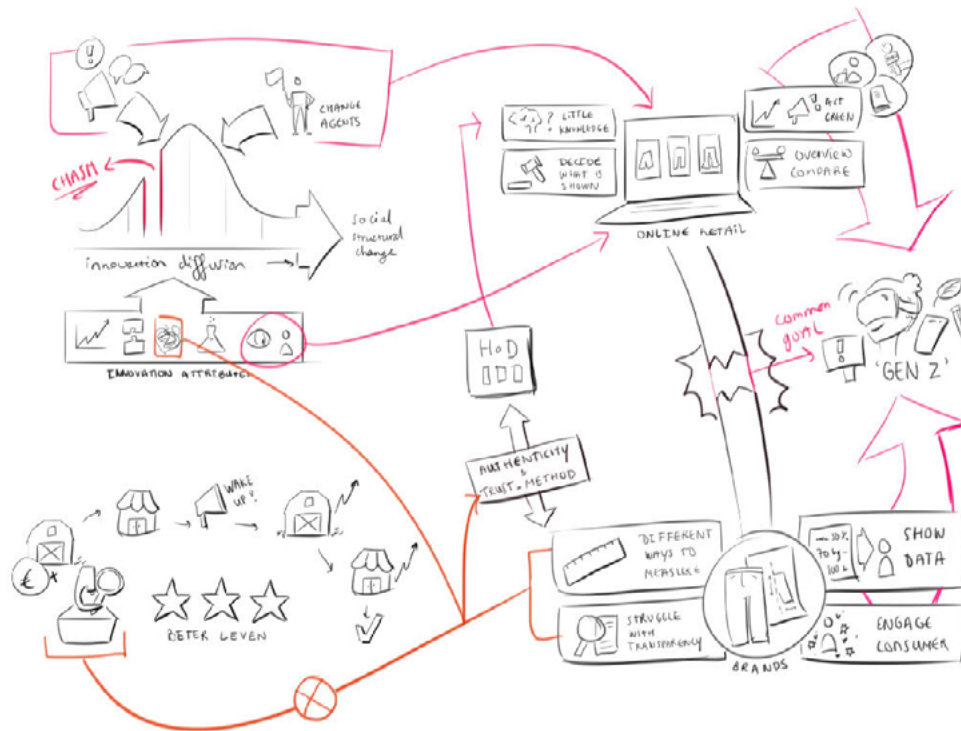


image / figure 1: Overview of comparing theory to practice and identifying opportunities for main stakeholders.

BrighterBlue impact index

What we know

We can create one holistic, multi-dimensional quality mark based on existing dimensions that can be objectively rated by an industry panel.

We work with 3 categories: good - better - best

We can minimise complexity

What we want

From informational/educational to positive nudging

From 'early adopter' to 'early majority' for both consumers and brands

Incorporate online retailers to make this jump

Online retailers because: size, scalability, data, comparative

Set the right conditions to maximise adoption in market

image / figure 2: Short overview indicating the strengths of the current index & what I will research

PROBLEM DEFINITION **

Limit and define the scope and solution space of your project to one that is manageable within one Master Graduation Project of 30 EC (= 20 full time weeks or 100 working days) and clearly indicate what issue(s) should be addressed in this project.

The designed impact-index's influence did not reach its full potential. The index was created for the conscious consumer, with a focus on defining the rating methodology. The diffusion of the idea is currently stuck in the chasm between early adopters and mass adoption.

House of Denim aspires to push the denim industry to set new, more sustainable standards. To reach this goal, the impact of the index must be increased.

Theory and practice demonstrate the need for a communication and implementation strategy to increase mass market adoption. Furthermore, collaboration between current stakeholders and clothing retailers has been limited, despite the fact that online clothing retailers have the potential to influence consumer decisions significantly. Therefore, I will research:

How might online clothing retailers enable mass market adoption of a jeans impact-index (through communication)?

Subquestions:

- What is the current relationship between the stakeholders? ; What are internal and external drivers to work on a solution? ; How might a jeans specific index reward stakeholders?; What can innovation science teach us about strategies to design for adoption? ; What are the necessary conditions to enable wide-spread adoption? ; What is the effect of online retailers on adoption by brands and consumers?

Scope

Online multi-brand retailers

ASSIGNMENT **

State in 2 or 3 sentences what you are going to research, design, create and / or generate, that will solve (part of) the issue(s) pointed out in "problem definition". Then illustrate this assignment by indicating what kind of solution you expect and / or aim to deliver, for instance: a product, a product-service combination, a strategy illustrated through product or product-service combination ideas, In case of a Specialisation and/or Annotation, make sure the assignment reflects this/these.

I plan to research how online retailers can assist in diffusing an impact index beyond the conscious consumer in order to establish a new industry standard. For this, I will take a value chain approach, combining insights from innovation sciences with stakeholder incentives and barriers (retailers and brands), as well as testing assumptions with lead users. I will create a go-to-market strategy to oversee the implementation and diffusion of the jeans impact index among companies.

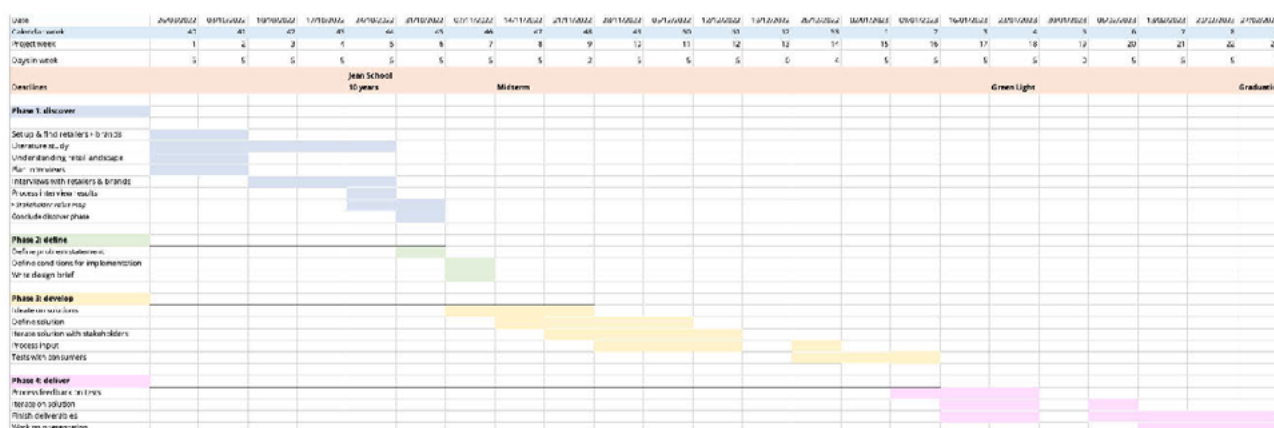
PLANNING AND APPROACH **

Include a Gantt Chart (replace the example below - more examples can be found in Manual 2) that shows the different phases of your project, deliverables you have in mind, meetings, and how you plan to spend your time. Please note that all activities should fit within the given net time of 30 EC = 20 full time weeks or 100 working days, and your planning should include a kick-off meeting, mid-term meeting, green light meeting and graduation ceremony. Illustrate your Gantt Chart by, for instance, explaining your approach, and please indicate periods of part-time activities and/or periods of not spending time on your graduation project, if any, for instance because of holidays or parallel activities.

start date 27 - 9 - 2022

7 - 3 - 2022

end date



MOTIVATION AND PERSONAL AMBITIONS

Explain why you set up this project, what competences you want to prove and learn. For example: acquired competences from your MSc programme, the elective semester, extra-curricular activities (etc.) and point out the competences you have yet developed. Optionally, describe which personal learning ambitions you explicitly want to address in this project, on top of the learning objectives of the Graduation Project, such as: in depth knowledge a on specific subject, broadening your competences or experimenting with a specific tool and/or methodology, Stick to no more than five ambitions.

This assignment suits me for multiple reasons.

- I was part of Forze Hydrogen Racing, a student team of the TU Delft. For one full time year I worked as PR and Communications manager. It was amazing to send a positive and thrilling sustainable message into the world. However, I also noticed the negative image around acting environmentally aware. I believe this 'tree-hugging' image hinders innovation and it is my passion to shift this perspective. For the course Strategic Value of Design I wrote a positioning report in which this statement is leading. This project for House of Denim fits my vision, it concerns promoting a more sustainable option in a 'bad-ass' way and pushing for a systemic change.

- Communication has always been a focus in my extracurricular activities and side jobs. I've worked for multiple years for the promotional team of IDE and the Delft University of Technology. Currently I'm part of the communications team of a fieldlab of the TU Delft. Moreover, for my student association I was responsible for all PR work for two years. The impact index is a way of communicating to the consumer which is connected to my interest and experience in this field.

- A personal learning goal is to find the balance between thinking and doing. I tend to stay in my own head too long instead of testing assumptions and thoughts in practice. Both in the contact with stakeholders as well as in the contact with my supervisory team, I'll have to share my thoughts often even when it's not fully defined and polished yet.

- Furthermore, I'm passionate about the field of sustainable fashion. In this project I can learn more about the actual practical struggles and limitations of many key stakeholders of the entire value chain. I hope these learnings will help me to understand the challenges better and give perspective to where I could contribute as a designer. Also, it will allow me to build connections for job orientation.

FINAL COMMENTS

In case your project brief needs final comments, please add any information you think is relevant.

This section reports on the visit of the Denim Day. The purpose of the activities was to make connections, learn about the denim industry and receive thoughts on the research direction. The week started with a pitch for the advisory board of House of Denim. The next day took place at the Kingpins Show. On the final day, a pitch was given at the leadership breakfast and in the evening there was a network event.

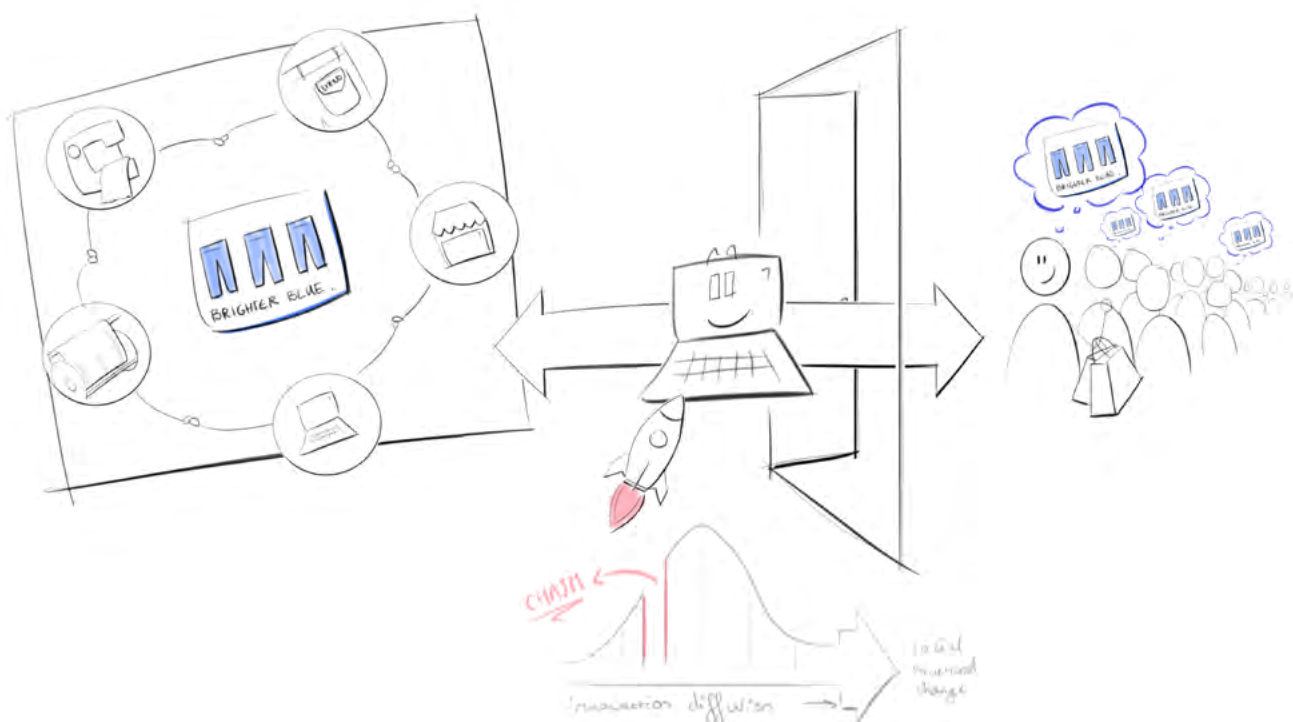
B.1 Advisory Board Pitch

One of the main activities was the pitch for the advisory board. Lots of preparation went into defining the story and slides. The advisory board of House of Denim consists of eight people with significant experience and a variety of perspectives. The expertise ranges from cotton production to retail.

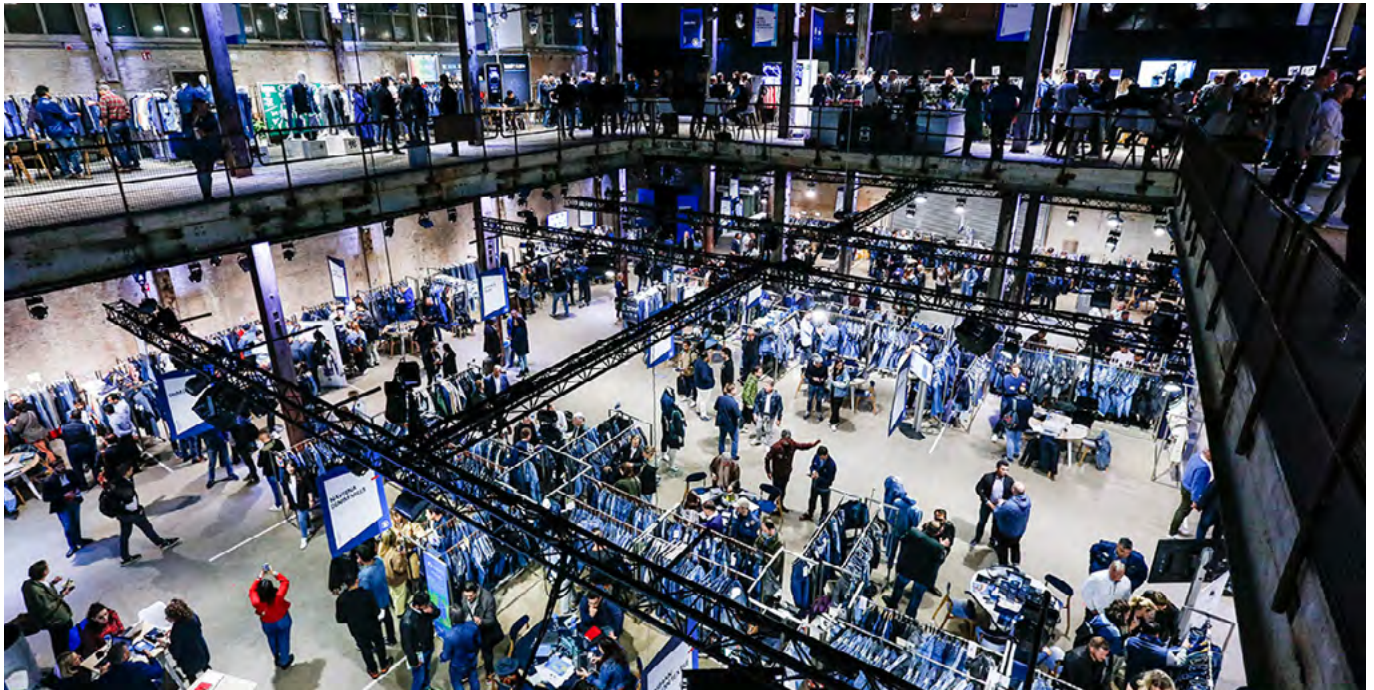
- **Andrew Olah**
- **Adriana Galijasevic**
- **Adriano Goldschmied**
- **Alberto Candiani** (not present)
- **Alberto de Conti**
- **Menno van Meurs**
- **Sedef Uncu Aki**
- **Mira Copini**

Furthermore, the House of Denim Board was present. Including James Veenhoff, Mariette Hoitink, Lucel van den Hoeven and Ludo Onnink.

The aim of the pitch was to share the research direction and receive feedback & tips. The slide below shows the visualisation of the hypotheses; that online multi-brand retailers can accelerate the adoption of a jeans-specific climate rating. There was only limited time for feedback and with many people present, it was hard to derive to a conclusion. Primarily, they raised concerns about the rating itself, how to capture sustainability in three to five categories, whether it would distinguish the type of jeans, the price range etc. Furthermore, there were comments on the willingness of such retailers to cooperate and the fact that buying jeans online is not something they wish to promote.



The Kingpins Show (see picture below) allowed for many 1.1.1 Subtitle with companies from all over the denim value chain. This helped to understand the complexity and length of this chain. The researcher explored what people in this industry love about denim, what stakeholders are part of the production, sustainable innovations, the demand for these innovations and then the idea of the jeans rating was explained. Most people considered it interesting as it would give brands and retailers a feeling where they are compared to others. Nonetheless, they also raised concern about how it would be measured. Generally, the conversations indicated the importance of talking to fashion brands and retailers with a direct link to consumers.



B.3 Leadership breakfast pitch

Furthermore, the research was pitched during a breakfast with over fifty leaders from the denim industry (see the picture below). The pitch introduced the research topic at that time; democratising better choices. This entails to simplify the SC about jeans for the majority of the people. Quite some enthusiastic people came afterwards to learn more about the project. In the evening there was a celebration where many people from the denim industry were present. The focus was on having fun, still there were several interesting talks. Two people that were interested were interviewed later.





JEANS PRICE ESTIMATION

This section analyses the sales prices of jeans. The jeans on the largest platforms for mainstream consumption: Zalando, AboutYou, C&A and Wehkamp (Retail-Index, 2019).

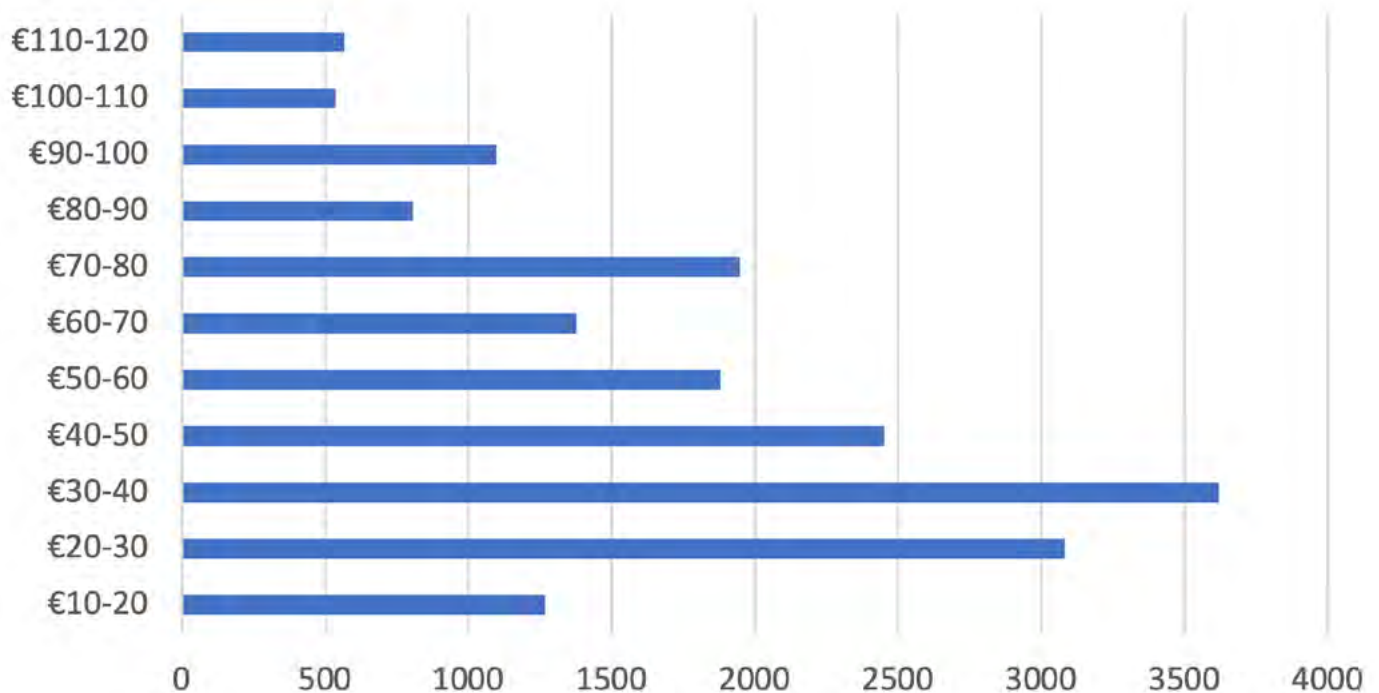
C.1 Method

Per website, the price range can be adjusted to a range of 10 euros. Then the amount of jeans on sale is deducted of the total amount in that range. Each number is noted in Excel, the amounts per platform are combined and presented in a graph. Also the percentage that represents the range is calculated for a quicker overview.

Prijs ^ Lengte v

€ 10 — € 20

Aanbiedingen ☐



The distribution of jeans prices per range of €10 in percentage of the total amount of analysed jeans (18.639)

INTERVIEW GUIDE

The interviews followed a similar structure based the interview guide presented in this appendix. Most interviews were in Dutch, hence the example is in Dutch.

The **structure** per interview is as follows:

- Introduction of researcher and the resesarch
- Getting to know the interviewee
- Context for SC in general
- Obstacles & chances for retailers
- Ideal situation

The interviewees represented a wide range of expertise, hence the questions were adapted to fit their specific background.

Example interview

(*introductie*)

Ik zal eerst kort wat over mij en het onderzoek vertellen. Ik ben daphne, ik ben master student van de opleiding strategic design aan de tudelft. Wij zijn bezig met de business kant van ontwerpen van product en service design, dan gaat het met name om innovatie en strategie. Ik ben erg gepassioneerd over duurzaamheid en ben super enthousiast dat ik eindelijk wat ik heb geleerd kan loslaten op de praktijk.

Ik werk samen met house of denim, we kijken naar het makkelijker maken voor veel mensen om de iets duurzamere keuze te maken. Daarvoor werken we met een klimaat impact rating van 3 categorieën. We richten ons op de grote groep mensen die er net een beetje aan zijn blootgesteld en broeken kopen tussen de 60-120 euro. Die willen we laten nadenken over een betere keuze jeans. Dat willen we gaan doen via de online multi-brand retail. Mijn hypothese hierin is dat online retail key is in het promoten van het gebruik van de rating.

Ik ben benieuwd naar obstakels waar je vanuit jouw vakgebied tegenaan loopt binnen dit onderwerp en welke kansen je juist ziet. Aan het eind lijkt het me tof om te speculeren over jouw droomsituatie en wat ervoor moet gebeuren om daar te komen. Ik heb een aantal vragen opgesteld maar als je tussendoor wat willen vragen, stel ze gerust.

(*kennismaken*)

- Kan je me iets meer vertellen over jouw persoonlijke weg naar waar je nu bent?
- Wat is jouw rol binnen BRAND?
- Wat betekent sustainability voor BRAND?

(*context*)

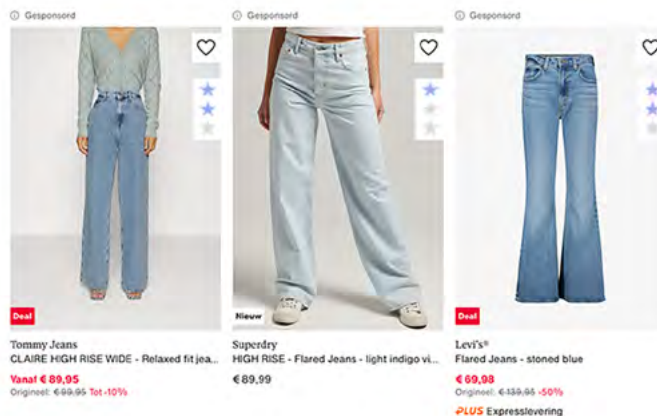
- Hoe gaan jullie bij RETAIL / BRAND X om met de consument informeren over de impact van de producten?
- Werken jullie hiervoor samen met andere partijen?
- Wat is de grootste uitdaging die jullie hierin tegenkomen?
- Wat is jullie motivatie om hiermee aan de slag te gaan
- Wat is jouw mening over het werken met een eco rating als retailer?
- Wat is jouw mening over de invloed van online retailers op de consument?

-> continues on the next page.

(Conceptueel)

- Wat is jouw mening over een eventuele jeans specifieke klimaat rating?
- Welke obstakels zie je voor het succesvol implementeren van de rating?
 - financieel
 - sociaal
 - technologisch
 - politiek
- Welke Kansen zie je voor retail hierin?
 - samenwerkingen?
 - als voorbereiding industrie op EU?
 - financieel gezien?
 - Delen van kennis?
 - Druk zetten op productie?
- Wat zou volgens jou de ideale situatie zijn voor communicatie naar de klant over producten?
- Wat heb je nodig om de ideale situatie te bereiken?

The following one-pager was added to the email invites or via LinkedIn to introduce the research.



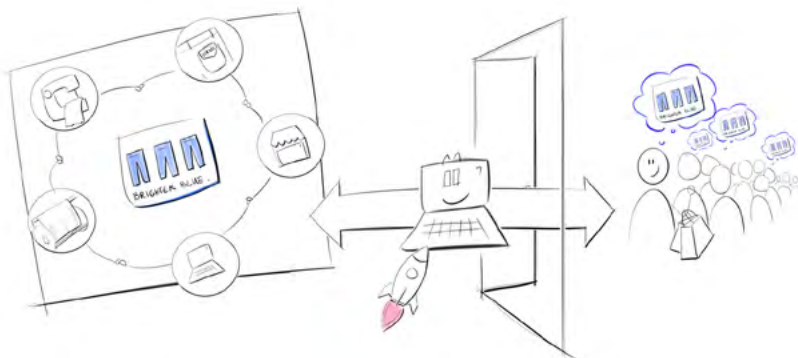
First impression of the rating on an online multi-brand platform.

ONLINE RETAIL TO BOOST THE USE OF A JEANS CLIMATE IMPACT RATING.

House of Denim wants to **democratise 'Making Better Choices'**. Therefore, research has been done to develop an impact index based on existing dimensions/standards. This way, a pair of jeans can get a rating for its climate impact. House of Denim will provide the rating. It has 3 categories, good-better-best.

To increase the impact of the index, we need to reach the majority of the people. To achieve this, **brands and retailers should be willing to adopt the index.** Therefore, in my research I look at the business case for this idea.

Specifically, what the role of online retail could be in accelerating the use of this system.



E MULTI-BRAND RETAIL SC APPROACH

The following paragraph will elaborate on current CSR practices of the three largest online, multi-brand retailers that fall within the scope of this thesis: AboutYou, Zalando and Wehkamp. This analysis was done to give insight into the sustainability practices of these companies, since it was difficult to get in touch with employees. Therefore, these insights are derived from the corporate websites of the retailers.

In general, each organisation sets their own goals based on a couple of pillars. These include at least goals for the impact of their organisation, private labels and the brands they sell via their platform. All three mainly identify sustainable progress in the percentage of more sustainable assortment and revenue. However, most interesting to consider is the relation between retailer and brands, thus the table below shows the expectations for brands per platform.

There exists a clear difference in the extensiveness of sustainability criteria per platform. Zalando clearly has the highest ambitions where Wehkamp is behind with general statements that are not measurable.

Retailer	Minimum Requirements, code of conduct	Additional, voluntary, sustainability requirements
Wehkamp	- Working condition requirements, defined by ILO - Show origin of raw materials - Minimise water pollution and use of chemicals, water and energy - Animal welfare	-
Zalando	- Better working conditions, show progress towards increasing adoption of HIGG FEM index - Animal-derived materials, 50% leather comes from LWG tanneries - Forst fibers & Materials, - Better materials, 50% of cotton should be sustainably sourced by globally recognised certification	Zalando labels to earn if proof is shown for certificates, trademarks or licensed materials in the categories: 1. Organic Materials, 6 options 2. Recycled Materials, 17 options 3. Responsibly sourced Materials plant-derived, 31 options 4. Responsibly sourced Materials animal-derived, 12 options 5. Improved Production, 4 options 6. Innovative Materials, 8 options 7. Designed for Circularity, 6 options
AboutYou	- Bare minimum working conditions - Provide detailed information of supply chain - Protection of environment, minimise impact	To earn 'sustainable' label, have a certificate/trademark in one of the categories: 1. Eco-friendly materials - 6 options 2. Eco-friendly production - 2 options 3. Friendly & social - 2 options

he main take away of this exploration is the way in which these platforms use existing certificates to define the sustainability label for their consumers. For instance, Zalando has relatively high minimum requirements in which they already draw on labelling schemes. For animal-derived products, 50% of the leather has to come from LWG certified tanneries. This is a global, multi-stakeholder community that is committed to produce responsible leather. In a way, we could compare this to the client organisation of this thesis. It gives insight into where the jeans rating could also make an impact.

Furthermore, the platforms give brands the option to apply for a sustainability tag. Zalando updated their label in October 2022 from 'sustainable' to eight different 'Zalando own logos', increasing the transparency towards their consumers. The focus is currently on the production of garments, however in 2023 they will

reveal circular design criteria as well. Third party labels, if obtained, are shown on the webpage. However, on the overview page (picture below) Zalando has their own logos.

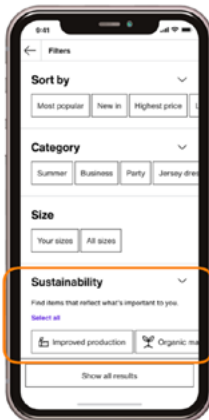
Product Sustainability at Zalando

Customer Experience

We will make it easier for customers to find products with sustainability attributes

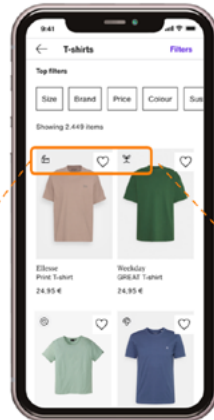
Catalogue – Filter

Identifying items with sustainability attributes via icons. This will replace the previous "impact area" filters.



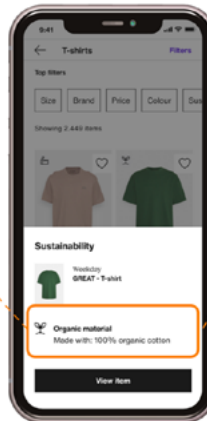
Catalogue – Product cards

Identifying items with sustainability attributes via icons, and providing more info when customers interact with the icon



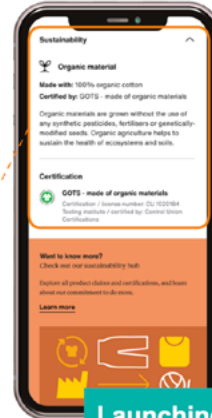
Catalogue – Flyout

Finding explanatory information



Product Detail Page (PDP)

Identifying items with sustainability attributes and finding explanatory information



Launching Q4 2022

Even though this seems like positive sustainable development, there is a negative side effect for fashion brands. If the brands want to receive an optional highlight, someone has to input all data in the collection tool per garment. To illustrate the amount of work, see picture below, this information is retrieved from a 60 pages thick slide deck that updates frequently.

Where Zalando is pushing for more transparency, it makes it more complicated for the fashion brands. AboutYou works with a simple system which is beneficial for brands, however you can question the completeness and the extent in which it would push companies to improve their way of business.

Product Sustainability at Zalando

Data Collection Requirements

Wholesale: Fashion, Accessories & Footwear

How to share sustainability attribute data

Fashion Wholesale

Brand partners are responsible for filling out the Article Master Data Sheet (AMD) for their wholesale products.

a)	Sustainability label	d)	Percentage of sustainable material in product/component
	Global Organic Textile Standard "Made with Organic"		55%
	Global Recycled Standard		70%
	LENZING™ ECOVERO™		90%
	RCotton (Recover™)		100%
b)	Component/Full Product		
	Full Product		
	Outer Material		
	Full Product		
	Full Product		
c)	Certification level	Certification number	Testing institute

- Download the AMD from Retail Center
- Navigate to the "Sustainability" columns in the AMD sheet.
- Complete the relevant sustainability data fields using the dropdown menus:
 - Sustainability label used in the article (e.g. Certificate, Trademark or Licensed fibre)
 - Component the sustainability attribute applies to, if applicable **NEW!**
 - Data required for use of third party certifications (e.g. GOTS, OCS, GRS, etc)
 - Certification level **NEW!**
 - Certification number
 - Testing institute / certification body
 - Percent (%) of sustainable material used in the product or component
- Ensure that any red cells which appear are filled in with the required information, based on the label selected.

If the required data is not provided completely, the product cannot be highlighted with sustainability information. Only when all criteria is met will the article receive a sustainability attribute.

Information entered into the AMD is a **self-declaration** of the brand partner. Please ensure you have all the relevant documentation to hand to prove your product attributes, as this is **required on request**.

In case of specific process questions please reach out to your **Category Operations** counterpart.

CLUSTERS FOR SC CHALLENGES BRANDS AND RETAIL

Visualisation of insights

Description

Fragmented system causes unclear sustainability communication

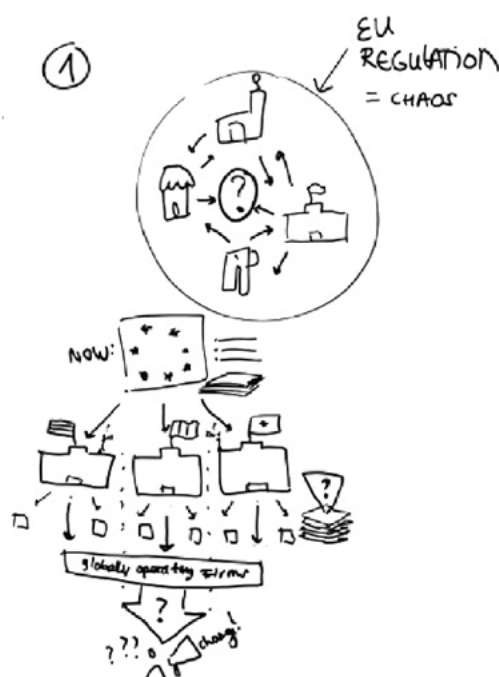


The fashion industry is huge and highly fragmented. There are not a few players that capture the largest part of the market, like in the oil industry. This makes it harder to come to a mutual understanding on what sustainable jeans mean.

Every retailer therefore applies their own system to determine how sustainable a product is.

Consequently, fashion brands have to fill out different forms for each garment per retailer they supply. For the end consumer this entails that both brands and online retailers communicate a different sustainability level about the same jeans.

Unstructured and ambiguous regulations divide an industry that craves for tangible solutions



The European Union sets goals for its member states. Local governments then translate this into regulations that fit the country.

Communication about these plans is often unstructured and ambiguous. Also, even though the goal of the European Union is to create level playing field to accelerate transitions, regulations come per country.

Many large retailers and also fashion brands however operate in multiple countries. This makes it even harder to keep track of the changes and even if there is a willingness to change, the information is unclear.

Especially in the fast and passionate fashion industry, people need tangible tools.

Visualisation of insights

Description

Zero-tolerance environment for sustainability communication demotivates brands to take the next step.

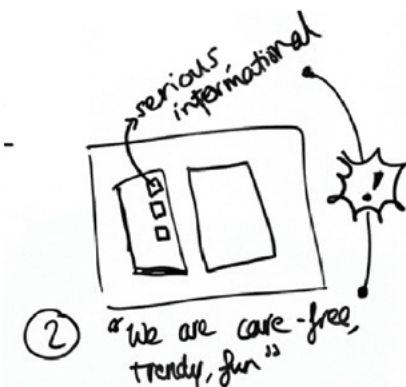


The European Union, local governments, independent regulators like the Dutch Authority for Consumers & Markets and even the media all greatly focus on protecting consumer rights.

Even tiny mistakes in sustainability communication are unacceptable. This seems to have a negative impact on the sustainable development of retailers and brands. If they produce more sustainable products, they are most likely more expensive thus they need to communicate the reason somehow.

Therefore, on the short-term brands would rather use the rating system internally to see where they can improve.

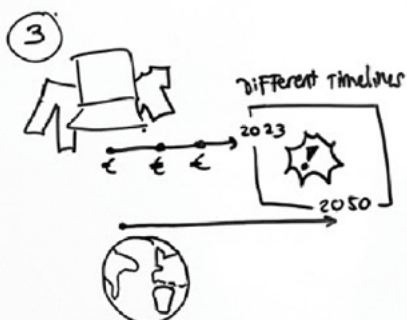
The care-free identity and short-term ideology of fashion brands and retailers is in conflict with eco-communication.

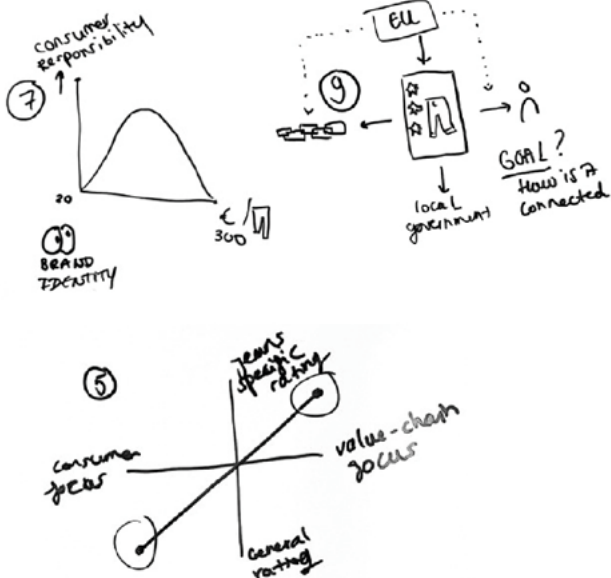


The core daily business of these companies is focused on commercial goals. Anything that seems to disturb this equilibrium is ignored. This short-term view on development hinders the adoption of sustainable practices.

Many brands and retailers sell the feeling of being trendy, care-free and convenience. Therefore, in communication, adoption of a sustainable message is extremely difficult.

The marketing slogan will attract the consumer but attract pushback from organisations like the ACM since it is probably technically incorrect.



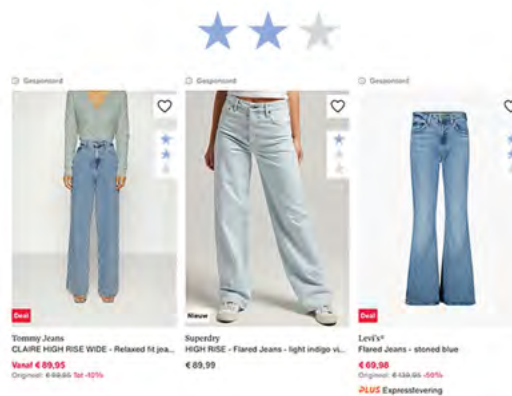
Visualisation of insights	Description
The goal of the rating depends on the place of intervention within the system.  The diagrams consist of three parts: Top Left (7): A graph with 'consumer responsibility' on the y-axis and '€ / unit' on the x-axis. A bell-shaped curve starts at 20 on the y-axis and ends at 300 on the x-axis. Below the x-axis is the label 'BRAND IDENTITY'. Top Right (9): A flow diagram showing 'EU' at the top, leading to a box containing a jeans icon. Below this box is 'local government'. To the right is a person icon with the text 'GOAL? How is it connected?'. Bottom (5): A coordinate system with two axes. The vertical axis is labeled 'jeans specific rating' and the horizontal axis is labeled 'value-chain focus'. A diagonal line passes through the origin. Two circles are placed on this line: one in the lower-left quadrant labeled 'consumer focus' and one in the upper-right quadrant labeled 'general rating'.	There seems to be a linear relation between the specificity of the rating and the focus within the jeans industry. Especially in an online environment the belief is that consumers need one holistic rating for all garments. Also, the target audience plays a role in setting the goal. To generalise, brands that sell most of the garments below the price point of €60/70 don't want to bother consumers with choosing more sustainable products. They just want to ensure their consumer in general they are in the right place for a conscious decision. However, if the intervention is aimed to improve the value-chain, a jeans-specific rating is seen as valuable. Therefore, the goal and shape of the rating is highly dependent on its function within the system.

G PRESENTATION COALITION OF THE WILLING

STARTING POINT.



BETTER CHOICES FOR THE MANY



MINIMISE COMPLEXITY WITH A RATING ON MULTI-BRAND ONLINE PLATFORMS



18 INTERVIEWS

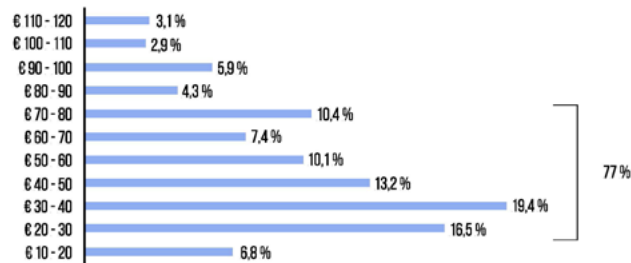
- (CSR) Managers from fashion & jeans brands
- Sustainable fashion experts,
- Transparency experts,
- Retail experts

DESK RESEARCH

- European regulation & local implementation
- Labelling of large multi-brand retailers
- Case studies on labels in other industries
- Academic research on retail & labelling

DISCOVER IF IT IS THE RIGHT SOLUTION

INTRODUCTION TO MAIN INSIGHTS & NEW DIRECTION



The distribution of jeans prices per range of €10 in percentage of the total amount of analysed jeans (18.639)

Based on full-price jeans offered on Zalando, AboutYou, Wehkamp and C&A

1.

THIS IS WHAT THE MAJORITY OF THE PEOPLE BUYS

Most jeans offered in Western Europe are priced between €25-€75

nrc

ZATERDAG 7 JANUARI & ZONDAG 8 JANUARI 2023

sten zijn in de maak." Het voorbeeld laat volgens Feenstra zien hoe ingewikkeld het is om alles op de juiste manier te doen. Daarom zou zij duidelijke, geharmoniseerde richtlijnen voor heel Europa toejuichen. „Als elk bedrijf op dezelfde manier communiceert, is dat makkelijker voor ons én voor de consument.“

Ook de ACM pleit voor uniformiteit bij keurmerken. Daarbij ziet het een rol voor de overheid: die zou bijvoorbeeld een standaardkeurmerk kunnen introduceren. In Europa wordt al gewerkt aan wetsvoorstellen daarvoor. Dit najaar pleitte Tweede Kamerlid Kiki Hagen (D66) voor een variant op de Nutri-Score, het logo dat aangeeft hoe gezond een voedselproduct is in vergelijking met vergelijkbare producten door een score van A (de gezondere keus) tot E (de ongezondere keus) toe te kennen. Bij kleding zou een A voor duurzaam geproduceerd staan en een E voor vervuilend.

Maar hoe definieer je 'duurzaam'? En met welke informatie zijn consumenten wel geholpen? „Lastige vraagstukken“, vindt een woordvoerder van de ACM. Volgens hem zijn correcte feiten en onderbouwing het belangrijkste. „Consumenten moeten de informatie kunnen beoordelen.“ Ze moeten uit het keurmerk de schade door productie en door gebruik van elkaar kunnen onderscheiden, om een gewogen oordeel te kunnen vellen.

In Brussel ligt nu het idee op tafel van een digitaal 'productpaspoort', met informatie over materiaalgebruik, herkomst en vervuiling. Volgens onderzoeker Spaepen is dat een „stap in de goede richting“ omdat zo'n paspoort voldoet aan de behoefte aan eenduidige én gecontroleerde informatie. In dit geval zou de EU zorg moeten dragen voor de controle. „Die groene

2.

INDUSTRY, POLICYMAKERS, AUTHORITIES: “WE NEED EUROPEAN ACTION”

This will create **level playing field** and help to achieve industry consensus on sustainability principles.



22 June 2022

EU policymakers strengthen rules for companies' sustainability disclosures with mandatory ESG standards, but delay its implementation

3. BUT: EUROPEAN REGULATION IS SLOW AND COMPLEX

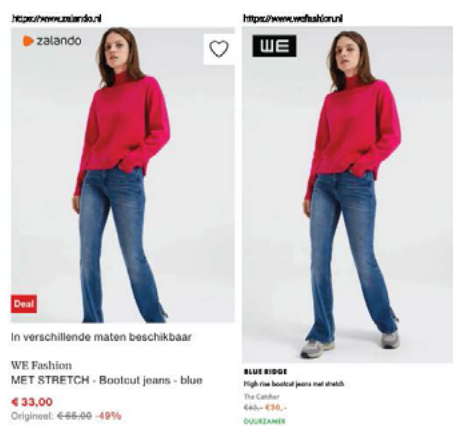
Policymakers observe little industry readiness. Communication about upcoming strategies and regulation is complicated.



Part of the Brighter Blue coalition!

4. INDUSTRY ASKS TO BE LABELED FOR COMPANY EFFORTS

There is willingness to change but, for now, they'd not want to bother the consumer with a jeans specific label.



Same pair of jeans, different labelling

5. WE NEED TO MOVE FROM INDIVIDUAL TO COLLECTIVE ACTION

There is a need for more collaboration about the topic of sustainability communication.

SO Right now, a jeans-specific label is not the right solution to minimise complexity for the mass majority.

FAITH Lies in European regulation to unite the industry on sustainability principles for the entire clothing industry & its communication.

BUT Implementation is slow & complex and the majority still buys unsustainable items for low prices.

SO What can we do now to accelerate the implementation of European regulation that will eliminate these jeans forever?

Part of the Brighter Blue coalition!

LET'S Build a coalition of the willing that unites the power of these brands & retailers to level the playing field.

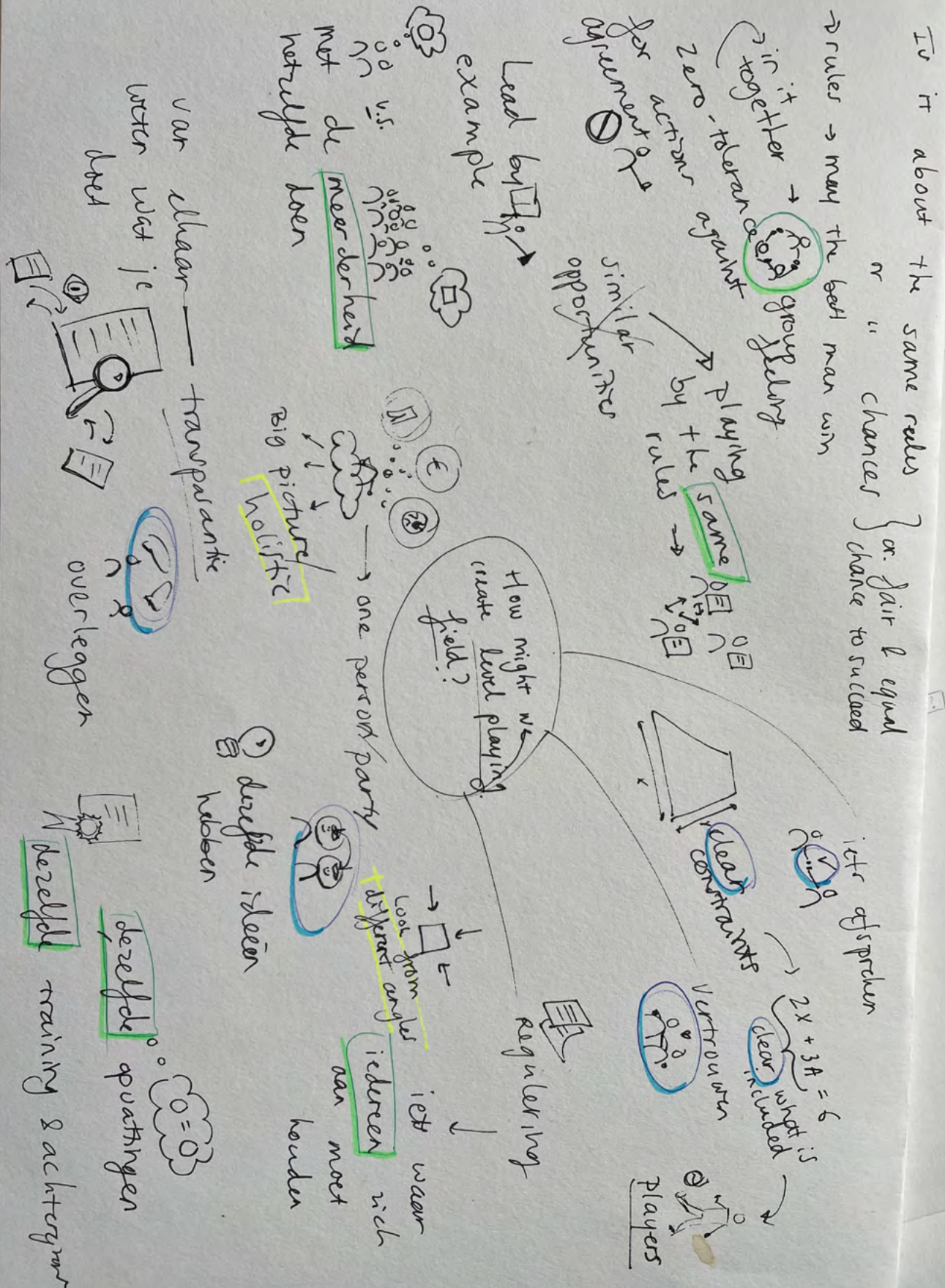
Topics on the program of the coalition

1. Establishing minimum sustainability principles for production of denim.
2. Experiment with communication of the principles to the consumer.
3. Encourage to adopt long-term vision (up to 2030), update principles yearly.
4. Connect coalition goals to upcoming European regulation.
5. Publish the established goals to make them more binding.
6. Sharing knowledge between participants & experts.

Thank you for your time!
I'd love to hear your opinion on this 'bottom-up' strategy to get one step closer to a **Brighter Blue**



BRAINSTORM LVP & COALITION

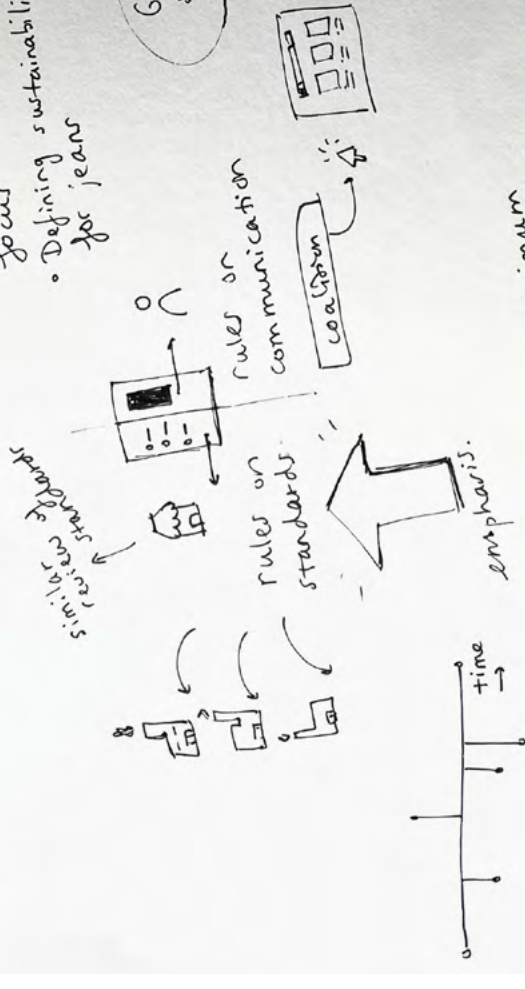


Why would sc on jeans between retailers not be fair?
 ↳ If CA does adopt better principles → could be more expensive & have disadvantage compared to H&M since these consumers do not care enough yet

↳ If Law sets higher standards in NL than in Germany

Should we go global?

- Goal**
- Eliminate low priced jeans
 - Stimulate long-term focus
 - Defining sustainability for jeans



Same minimum standards.
 ↳ € / €€ / €€€ per price
 doesn't make sense to set same standards for CA or KOI
 ↳ you want to make joining less they → take them along

Bring them together in one field
 ↳ jeans below €50 should not exist
 ↳ I want fair comp. for my 40 years

GENERAL

collaboration needed? ↳ who is involved.

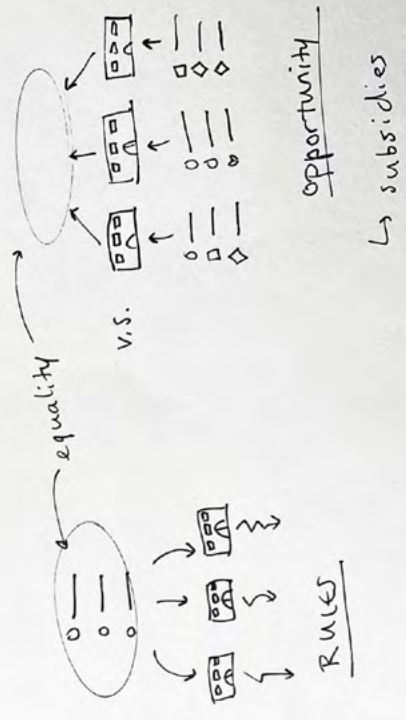
who can this? determine experts?

differs how everyone looks at the playing field so what feels fair

Goal
 • prevent undercutting rivalry
 • fair competition

↳ not charging shipping costs
 ↳ charging because cost too little to pay for it

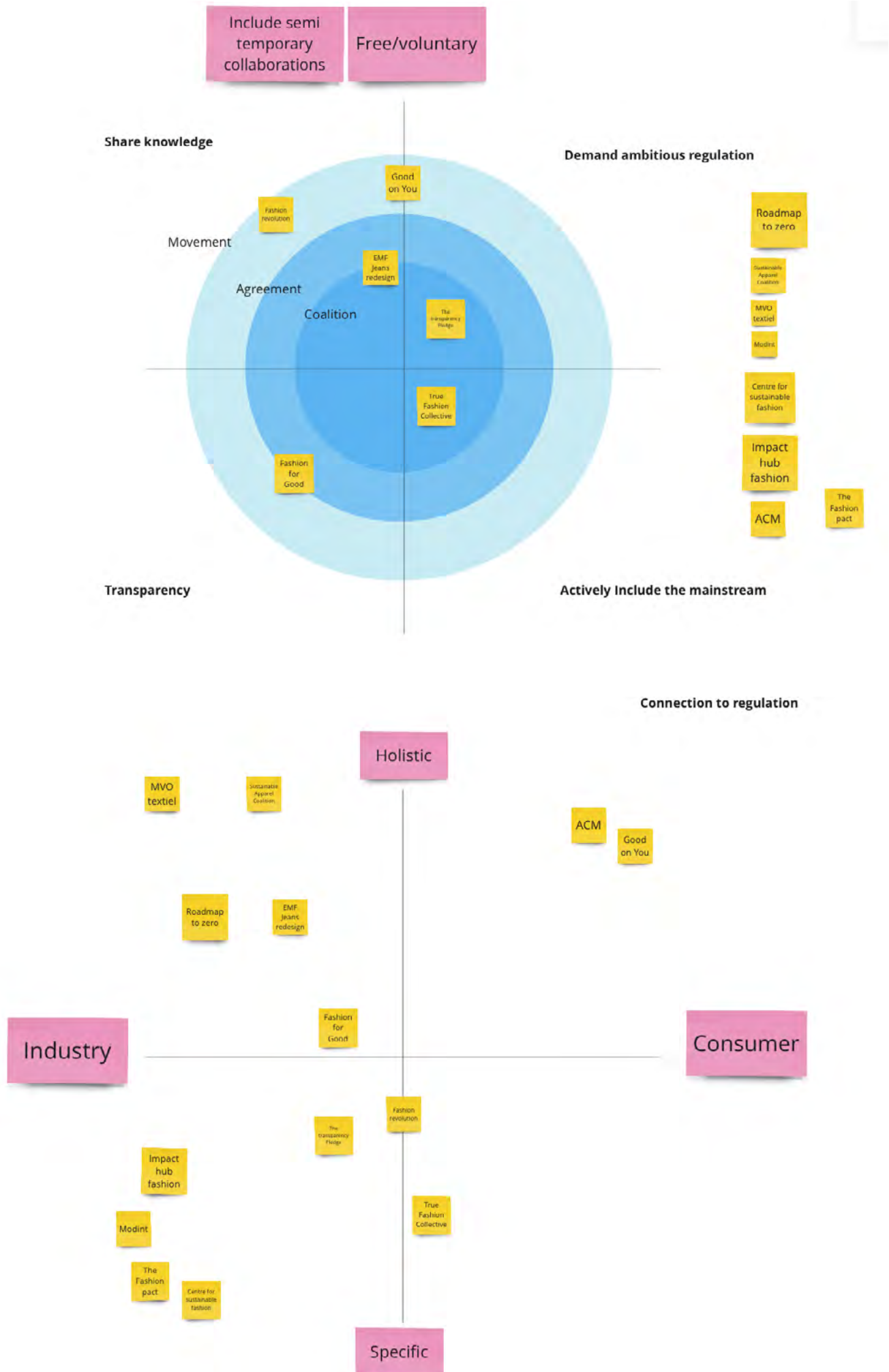
How to determine the dimension?
 ↳ collective goal?

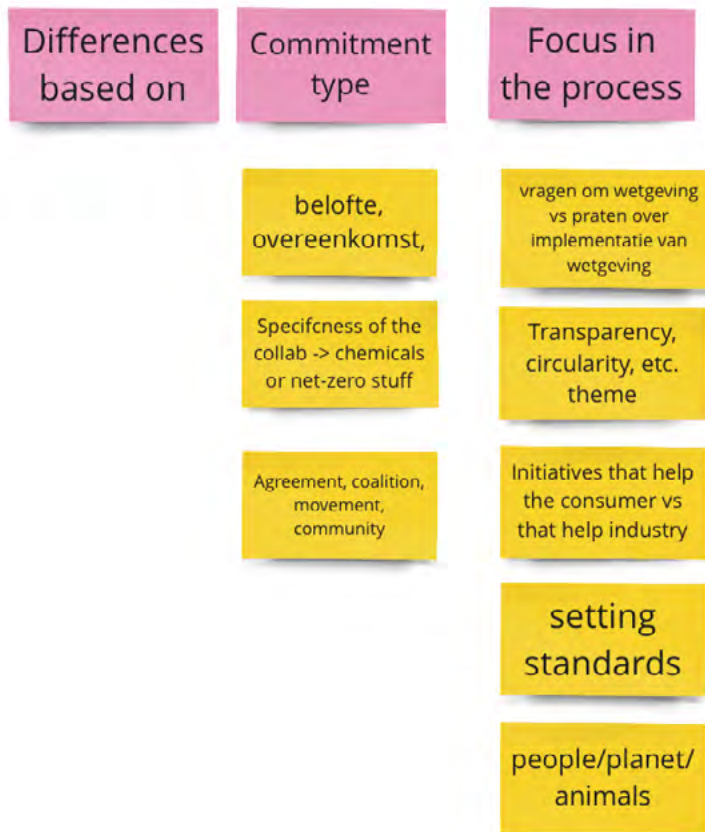


EXISTING COLLABORATIVE INITIATIVES



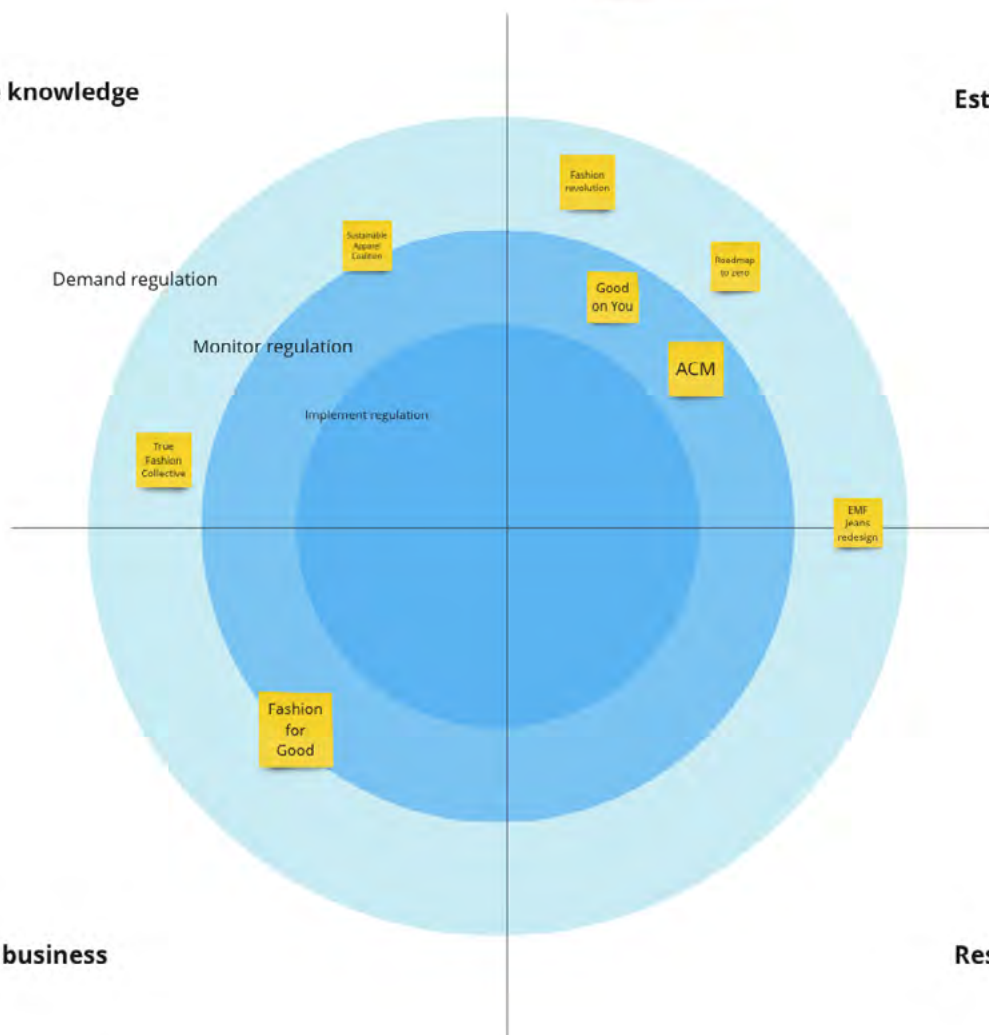
Good on You	Rates fashion brands	Planet, people, animals	For consumer	
ACM	Guidelines	How to use HIGG index in communication	Brands & Retailers & manufacturers	Governmental authority
True Fashion Collective	Bring sustainable fashion agenda to the mainstream	Doesnt seem active anymore		
Fashion for Good	Museum	Innovation platform		
Impact hub fashion	Ecosystem approach	Scale-up small initiatives & start-ups	Share knowledge	
The Fashion pact	Coalition of apparel CEO's	7 tangible targets, 3 themes	Science based targets	Presented to head of state during G7
The transparency Pledge	set minimum standards	supply chain disclosure	Focus on people	





Share knowledge

Establishing guidelines



Grow business

Research

J [INTERVIEW INVITE SECOND DESIGN INTERVENTION]

Dear,

Via -connection- I'm reaching out to you as denim & apparel expert.

I'm graduating from the master's degree in Strategic Product Design at the Delft University of Technology in collaboration with House of Denim to discover the next step towards a Brighter Blue!

To create a valuable design, feedback from industry experts is indispensable. Therefore, I would like to invite you to a 45-minute brainstorming session on the following proposition:

We want to give brands selling competitively priced jeans a place to go 'on the record' with their sustainability ambitions. During my research I learned that most jeans are sold for around €50. These brands are often underrepresented in sustainability initiatives, face complex regulations and experience scrutiny when communicating sustainability aspects and ambitions. We hope that by bringing precisely these companies together, we can take the next step toward better jeans for all consumers.

Our goal is to create a shared manifesto and establish 5 key principles that can level the playing field in this market. We are exploring how we can initiate a positive step with self-imposed, collectively formulated intentions. In this way, we will also represent this group of brands to the outside world and build a bridge with upcoming regulations from the EU.

Now I am very curious what these five points would be for -brand- and what it would take to make it happen.

Would you be open to sharing your thoughts and ideas on this in three quarters of an hour next week (6-10 Feb)?

K INTERVIEW GUIDE - MANIFESTO

Introduction

I'm Daphne, I'm graduation from the masters strategic product design at the delft university of technology. This is more the business side of product and service design with a focus on innovation and strategy.

I'm in the final phase, I started my research end of September and have now arrived at phase where I try to design a solution for the problem. And that is the proposition you read in the email.

I would like to discuss the concept in general, then as indicated in the email the five principles and if we have time, what it would take to get there. You can share any thoughts/questions, also if you feel like this would never work. It is an exploration and the goal is to create something that is desirable.

o First, would love to learn more about you! Could you please tell me more about how you got where you are and what you do?

o What was your first thought when you read the invite in my email?

Introducing the concept visualisation

Below you can see my main research insights, the importance of including brands that sell competitively priced jeans, the need for level playing field from the industry and the need for collaboration to deal with similar issues like the CSRD and scrutiny on sustainability communication. With the manifest we want to provide the first step towards defining the minimum sustainability principles for jeans. BY incorporating relevant upcoming regulation and sharing knowledge we can establish five principles. Those will be translated towards the consumer as one message: if you buy jeans here, we assure you, this is the minimum.

Five principles

o Let's imagine that you are one of these people on the platform. They work for similar brands. You are face to face and can't leave until you agree on 5 principles that will shape the minimum standard for a pair of jeans.

o We can start with what would you say are the most important themes?

o What is in your opinion the biggest obstacle to achieving agreement?

o On which point would you say you need more info, knowledge?

o What do you think of linking the principles to for instance larger and more establish coalitions, to really see this manifest as an initial step?

o What is your opinion on the fact that the principles are self-imposed?

How to get there?

o Would you say this could provide a positive step for brands and retailers to level the playing field?

o What do you think needs to happen in order to have a minimum standard?

K.1 Questions specifically for people from coalitions/collaborative initiatives

- Hoe werven jullie participanten? Wat trekt hen aan om zich erbij te voegen, zijn er financiële incentives?

- Hoe ziet de samenwerking eruit? Komen jullie samen, hoe vaak?

- Hoe ontvangen ministers en ministeries jullie voorstellen en initiatieven? Geven ze ook feedback voor hoe dit beter zou kunnen, wat hen bijvoorbeeld zou helpen bij wetgeving?

- Als ik dit van de grond wil krijgen, wat zouden mijn eerste acties moeten zijn

- Ik heb een wat meer controversieel idee, ik wil graag het concept zoals jullie dat bijvoorbeeld hebben opgezet gebruiken om juist vervuilende partijen mee te krijgen. Wat is jouw mening hierover?



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Master thesis

Delft University of Technology
MSc Strategic Product Design
Faculty of Industrial Design Engineering

Date

29-03-2023

Graduation committee

Chair: Prof. dr. Hultink, E.J.
Mentor: Dr. Price, R.A.
Company supervisor: Veenhoff, J.

