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**Innovation: the driving force of sustainability
within the fashion industry**

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within the fashion industry**

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Abstract

Transparency has become one of the most prominent consumer demands, and research has shown that the concept of transparency can be an essential tool in product, process, and business model innovation. The fashion industry is linked to a lot of major environmental problems and is considered the second-worst polluting industry in the world. The growing focus on both sustainability and the effect of transparency has influenced the research question *“How does the demand for transparency add pressure and advance innovation centered around sustainability?”*

Added pressure has been put on the fashion industry, as the consumers are expressing their desire for sustainable fashion, showing willingness to pay more for sustainable clothes. In response, ethical production within the fashion industry has increased and numerous brands have developed policies, programs, and initiatives. Findings from The Fashion Transparency Index, such as a consistent improvement in most of the sections and increased focus on areas concerning sustainability, suggest that there is in fact a desire for being perceived as sustainable. However, not all numbers indicate a commitment to innovative activities related to sustainability. A lot of the major brands share more concerning their policies compared to how they actually apply these policies and the results they have achieved after implementation. Four different brands were presented through a comparative case study, where the focus on innovation activities related to sustainability was reviewed. All brands highlighted the importance of sustainability. The top-ranking brand showed a commitment to sustainability by heavily investing in innovation to further sustainability in the fashion industry, whereas the other brands essentially gave an impression of presenting a false image of being sustainable. Findings presented in the Fashion Transparency Index, such as the consumption area and the implementation, as well as the impression some of the brands gave, suggests that proper action towards sustainability has not been made. Instead, there has been an increase in the concept of greenwashing within the fashion industry.

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1. Introduction

On April 24th in 2013, the Rana Plaza building in Bangladesh collapsed killing 1,134 and injuring approximately 2600 people. This tragedy is considered one of the worst industrial incidents within the garment industry (Akhter, 2014). The day before the incident, reports about large cracks in the building were registered and the lower floors containing commercial banks and shops were evacuated. However, the rest of the floors including five garment factories was not evacuated. 29 global brands were identified as having a relationship with one of the five garment factories, however, a full list of the brands that were sourcing clothes from the building was never established. Identifying the brands connected to the factories proved to be difficult, as companies denied sourcing from the factories (Safi & Rushe, 2018). Brands who were identified through photos and brand labels found in the ruins were not eager to take responsibility, and the brands did not pay sufficient compensation to their workers (Hoskins, 2015). Due to this, pressure was put on the brands through campaigns, demonstrations, and organizations, which eventually led to compensation to the victims, and changes were made within the factories (Hoskins, 2015). Working conditions improved due to considerable public pressure, and movements such as the Fashion Revolution and The Fashion Transparency Index were created to encourage and add pressure to large brands to become more transparent about their operating processes (Revolution, 2020). It was viewed that through an increased focus on transparency, added pressure could be brought to bear on issues such as human rights, working conditions, ethics, and environmental practices within these brands.

The latter point has in recent years become a particular sticking point for several fashion brands with the fashion industry being responsible for about 20% of the worldwide wastewater, as well as 10% of the global Co2 emissions. This amount of Co2 emission accounts for more than all of the international flights and maritime shipping emissions combined. Additionally, the textile dyeing process, which is a huge part of the fashion industry, is the second-largest contributor to global water pollution (Dicuonzo, Galeone, Ranaldo, & Turco, 2020; UNEP, 2018).

In recent years there has been a growing focus on sustainability due in part to increased campaigning and demonstrations, highlighting the need to address environmental issues. More specifically within the fashion industry, there occurred an environmental protest at the London Fashion Week, which generated a significant amount of media coverage (Amed, Berg, Brantberg, & Hedrich, 2020). There has been an increase in the featuring of the industry

from numerous reporters and press, as well as increasing demand from consumers who are now willing to pay more for sustainably produced garments (Amed et al., 2020). The increased focus on the environmental sustainability of the fashion industry is part of a much bigger push to focus on environmental sustainability more generally, and with it being a key focus of the United Nations “2030 Agenda for Sustainable Development”. This is a plan of action consisting of 17 different Sustainable Development Goals (SDGs), implemented and adopted by all the nations that are members of the United Nations (Diaz-Sarachaga, Jato-Espino, & Castro-Fresno, 2018). Multiple brands have been engaging in addressing sustainability issues such as a greater focus on reporting, audits, internal policies, and a greater commitment to open innovation to address an industry-wide problem of sustainability.

The Rana Plaza incident has made an impact on the fashion industry. The difficulty displayed when identifying the responsible parties increased the attention towards transparency, which resulted in change within the factories and improved the working conditions (Safi & Rushe, 2018; Schuessler, Frenkel, & Wright, 2019). Due to the major environmental problems linked to the fashion industry and the growing focus and importance of sustainability, this master thesis will explore whether the increased pressure for transparency related to sustainability within the fashion industry has led to an innovation growth in a product and process sense to address this demand for change more broadly in the fashion industry. More specifically if this demand for transparency can add the right amount of pressure and improve sustainability through innovation.

This paper will start by reviewing different literature related to sustainability within the fashion industry, followed by outlining the research question and methodology used to collect relevant data. The data will then be compared to the literature through a discussion. The last part of the paper will present a conclusion on “*How does the demand for transparency add pressure and advance innovation centered around sustainability?*”, and lastly a limitation of this study including potential areas for future research.

2. Literature review

2.1 Sustainable innovation

The fashion industry is considered to be one of the worst polluters in the world (Craik, 2015; Dicuonzo et al., 2020). The industry releases a significant amount of toxic substances into the environment (Wang, Jia, Xu, & Xu, 2018), which ranks them as the second-worst polluting industry (Muthukumarana, Karunathilake, Punchihewa, Manthilake, & Hewage, 2018), only behind the oil and gas industry (Dicuonzo et al., 2020; Gardas, Raut, & Narkhede, 2018). More specifically, in 2019, the textile sector accounted for 20% of the global water waste, and 10% of the carbon dioxide emission released (Dicuonzo et al., 2020; Parliament, 2019). The fashion industry as a whole is responsible for more greenhouse gases than all air and sea travel worldwide (Dicuonzo et al., 2020; Gardas et al., 2018).

Sustainable innovation is considered to be active measures performed by a firm's varied stakeholders, which typically involves the development of new ideas, behaviors, products, or processes that are focused on addressing environmental concerns (Rennings, 2000). The fashion industry faces a major issue with regards to the environmental spillover effects stemming from pollution and the broader concern that fashion contributes considerably to the emissions of greenhouse gases (Ahmad, Madi, Abuhashesh, Nusairat, & Masa'deh, 2020). There has been increased demand for 'green' fashion, thus the need for sustainable innovation adoption arises within the fashion industry to better meet this demand (Ahmad et al., 2020; Rennings, 2000). Green fashion innovation focuses on sustainable growth and development, creating innovative products that will provide fashion consumers with numerous environmentally friendly choices (Ahmad et al., 2020). While the argument of sustainability have been broadly adopted, evidence suggests that the implementation of sustainable practices within the fashion industry has not proven to be convincible and further steps are required (Craik, 2015)

Recent advances in the production and manufacturing of clothing materials do provide a way to address these rising environmental concerns. As knowledge increases within the fashion community, the motivation to investigate the sustainable supply chain and publish correct detailed information by covering different aspects increases (Ahmad et al., 2020).

2.2 Innovation Policy

The concern for environmental pollution has become one of the most pressing demands facing the government, policymakers, and consumers (Dicuonzo et al., 2020). Thus, many companies try to follow international laws and standards concerning ethics, social responsibility, and environmental protection. Policies within the fashion industry have previously proven to be effective in dealing with brand reputation and corporate image. Many fashion brands have also changed their production policies to be sustainable, which in practice is believed to reduce pollution through different options of suppliers and consumer awareness (Dicuonzo et al., 2020).

Innovation policies are measures implemented to influence and advance innovation or to achieve an overall goal which in the process affects innovation activities (Edler & Fagerberg, 2017). Innovation is usually not the primary goal itself, though a measure in achieving a more extensive overall goal such as economic growth, environmental protection, increased employment, public health, or military capacity (Borrás & Edquist, 2013). There are three main categories of policy instruments widely used, regulatory instruments, economic and financial instruments, and soft instruments. Innovation policy instruments are techniques that are developed to stimulate innovation to achieve a specific goal (Borrás & Edquist, 2013; Edler & Fagerberg, 2017).

Most studies found on policies related to the fashion industry discuss the use of soft instruments. In the comparative study, focusing on sustainability policies by Gupta, 2019, two European brands and one Asian brand were studied in terms of sustainability actions. All brands design their sustainability actions in line with the UN sustainable development goals, sustainability agenda and engaged with the international labor organization and other UN bodies. They all applied codes of conduct, acknowledge the number of supplier audits, workplace inspections, and all of the brands also signed The accord agreement ¹which is tied to safety within the buildings in Bangladesh. Additionally, the two European brands were involved in carbon disclosure projects, the Zero Discharge of Hazardous Chemical program, the Ethical trading initiative, and numerous other programs, initiatives, and certifications. The European brands were especially involved in academic institutions and industry bodies for policymaking and R&D. The policies discussed in this article are regarded as soft instruments, which are

¹ The accord on Fire and Building Safety in Bangladesh (The accord)

characterized by being voluntary. The governed measures applied are not obligatory or associated with any incentives or disincentives. The soft instruments rather focus on providing recommendations and offering voluntary agreements. The use of soft instruments in innovation policy has increased during the last two decades. Examples of soft instruments are voluntary technical standards at an international or national level, codes of conduct, management contracts, public-private partnerships, or campaigns, and public communication instruments such as tv documentaries (Borrás & Edquist, 2013).

Global fashion brands from all over the world have adopted corporate sustainability measures such as sustainable reporting, auditing initiatives like the fair trade association, the development of a code of conduct, labor standards, and transparency practices (Todeschini, Cortimiglia, Callegaro-de-Menezes, & Ghezzi, 2017). The increased attention the fashion industry has received due to their significant contribution to global environmental issues has led to a massive response from not-for-profit organizations like NGOs through campaigning and collaborations (Kozlowski, Bardecki, & Searcy, 2014). Numerous brands have founded voluntary sustainability projects and initiatives such as the Better cotton initiative, Zero discharge of Hazardous Chemicals program, and Carbon Disclosure Project (Gupta, 2019). A not-for-profit organization collaborated with H&M in establishing the “Better cotton” initiative, and North Face have collaborated with designer David Tefler in founding a Zero Waste project which resulted in a positive outcome of brand image, innovated product design, and sustainable innovation results (Kozlowski et al., 2014).

The paper presented by Craik, 2015, discusses challenges within the Australian fashion industry, and how different policies were implemented to advance the fashion industry in Australia. In the 1960s, Australia used to have industry protective policies which enforced import duties, added luxury taxes on imported clothing, and implemented tariff protection, and provided industry subsidies. This encouraged and advanced fashion manufacturing and production in Australia. However, the local fashion industry focused on basic apparel production and increased the need for a low-skilled workforce which introduced problems with the working conditions and employees. Thus, the policies failed to improve the fashion industry in Australia concerning the design aspect and to introduce new consumer trends. Even though the policies implemented did not offset the desired result, they did have a huge impact on the fashion industry (Craik, 2015). Green advocate policies focused on innovation and incentives were later implemented to advance creative solutions, distinctiveness, and high-end fashion.

This was implemented as a response to the previous failings within the fashion industry in Australia, the significance was that the measure of green policy has been considered to be an important factor in advancing innovation as they applied demand-side pressures on the need for innovation more broadly in the fashion industry. The policies implemented by the government were a combination of economic and financial instruments and regulatory instruments.

Regulatory instruments consider the use of legal tools (Borrás & Edquist, 2013). Central instruments can be regulations and standards, the regulatory instruments installed are initially obligatory (Borrás & Edquist, 2013; Edler & Fagerberg, 2017). These regulatory instruments consisting of laws and binding regulations are an important factor in the area of innovation policy, such as ethical regulations associated with innovation activities, policy regulations related to R&D, and other innovation activities managed by different companies in the market or regulations related to specific industrial sectors that affect innovate activities. The fashion sector has adopted several sustainable production policies directed by both national and international regulations due to the high environmental impact the industry serves (Dicuonzo et al., 2020).

Economic and financial instruments provide a specific financial incentive or disincentives and give support to specific economic and social activities. These economic instruments can be positive incentives such as cash grants, loan guarantees, and subsidies, or negative disincentives such as taxes, fees, or charges. Most economic and financial instruments influence innovation from the supplier's side, rather than from the demand side. However, recently the importance of developing instruments to influence the demand side has been recognized (Borrás & Edquist, 2013). The fashion business consists of various suppliers and factories. To establish a sustainable relationship, presenting large incentives together with long-term commitment can give a positive outcome (Kozłowski et al., 2014).

The paper presented by Wilson, 2020, focuses on industrial policies presented by the government that aims to strengthen competitiveness in clothing manufacturing in developing countries. Various types of industrial policies such as trade policies, incentives, industrial licensing, technology, innovation, education, and competition regulations, were categorized as either vertical or horizontal industrial policies. The focus in this paper where vertical industrial policies which target particular industries for intervention. The vertical policies chosen proved to have an impact on the market, clothing production, and productive resources.

The focus however has shifted from evolving around economic growth to focus on a more long-term process in achieving transformative change in challenges such as climate change and sustainable development (Weber & Rohrer, 2012). The traditional and logical need for innovation policy has changed in recent years, and has developed into a commitment to managing societal challenges (Boon & Edler, 2018). For a long time now, the government has recognized the need for a better alignment with the innovation goals related to social and environmental challenges (Schot & Steinmueller, 2018). Regarding innovation policy, the role of the state has also experienced a change in the sense that they have been limited to supporting the ability and connectedness within a system to innovate rather than directly influencing innovation in the fashion industry as an active participant in the industry (Weber & Rohrer, 2012).

To reduce the environmental impact caused by textile production as well as throughout the lifespan of the product, numerous policies have been developed by fashion brands. However, as this remains relatively recent there is not, as of yet a considerable and well-established literature on the efficacy of these policies. The development of sustainability policies is an important first step, the implementation and integration of these policies is a crucial factor in whether the fashion industry can deal with the rising pressure of transparency and produce innovation to overcome the challenge of making fashion more sustainable (Kozłowski et al., 2014)

2.3 Open and closed innovation

The fashion industry has sought to achieve sustainable growth through the use of an open innovation framework. This approach differs considerably from previous innovation approaches, where the focal point was the designer's perspective, creativity, and experience. By embracing the open innovation practice, the fashion industry can reach beyond their internal resources and can produce better ideas at a faster pace, at a reduced cost which are likely to have positive industry-wide effects (Chun, Song, & Ko, 2014). The open innovation model is considered to be the opposite of the traditional vertical integration model, where products distributed by the company are internally developed through internal research and R&D activities. Open innovation is the use of knowledge to accelerate internal innovation as well as expanding the market for the external use of innovation. The model manages R&D activities as

an open system where the assumption is that valuable ideas can derive from both inside and outside of the company, as well as enter the market from outside or inside of the company (Chesbrough, 2006).

The fashion industry has previously had a traditional point of view, where the designer's tacit knowledge is the most important factor (Chun et al., 2014). This resembles the closed innovation model, built on the philosophy that “Successful innovation requires control” (Chesbrough, 2003). This model was for a long time considered to be “the right way” to foster new ideas in the market (Chesbrough, 2003). The fashion industry is highly competitive and achieving a competitive advantage can be an important factor. Attitudes towards knowledge sharing, therefore, vary among fashion brands. Some brands refuse to share ideas and thoughts with any other brands, while some are willing to share knowledge if it concerns a common goal. Thus, many brands are willing to share knowledge to achieve sustainability goals. This could be through the exchange of knowledge or collaborations to improve production, supply chains, or products (Molderez & Elst, 2015).

Nike developed a running tracking concept through collaboration. The Nike + concept was a result of the open innovation practice through collaboration. Nike + was co-created by Nike and Apple with input from runners. This innovation was developed through Nikes shoe knowledge, Apple’s software, and the runner's experience and preferences and provides a demonstratable example of open-innovation spanning sectors to better tailor product offerings to consumer demands (Di Benedetto, 2014).

The study presented by Di Benedetto, 2014, highlights the importance of finding a good working partner when engaging in open innovation. Within the fashion industry, there are two types of partners to be recognized which is suppliers and retailers. A good relationship with key suppliers can be beneficial as they possess knowledge about trends in materials and production processes, which can result in increased efficiency and lower cost. Retailers are important due to their customer interaction. They possess knowledge concerning customer trends, preferences, and responses to promotional activity and prices. Thus, other stakeholders’ input is crucial in successful open innovation. The concept of open innovation can be applied at any stage of the innovation process (Chesbrough, 2017; Di Benedetto, 2014). For example, at the start where investors, new ventures, startups are desired if the idea is to find an alliance or partner to start a joint development product. Or further down the innovation stage with technical

development, where often the need for technical assistance from scientists and engineers found outside of the company is required (Di Benedetto, 2014). Open innovation can also be applied at the end of the innovation process through selling or licensing the product (Chesbrough, 2006; Di Benedetto, 2014).

Open innovation models, thus often build on an outsourcing deal with contract service organizations to reduce cost, risk, overcapacities, and expand through complementary advantages (Chesbrough, 2017). Applying the use of open innovation means acknowledging the importance of partnerships and collaboration, using both external and internal ideas to create value and advance innovation (Chesbrough, 2012). There are multiple options a company can take into account when building a relationship with other companies to advance innovation. Research conducted by Hagedoorn & Duysters, (2002) suggested a distinctive pattern on how companies choose to foster open innovation through relationship building. Companies operating in highly intensive technology industry sectors prefer to build relationships through alliances. This provided flexibility and the opportunity to learn and gain knowledge through loosely structured agreements. Thus, in more low technology sectors attaining formal control by applying a merger or acquisition strategy was more favorable. However, the preferred strategy to access external sources of innovation is highly influenced by the degree to which the chosen strategy is related to the company's core business. If the external source of innovation possibilities is related to the company's core business, a higher level of control is preferred, and the aspect of integration becomes more relevant. Under these conditions, the practice of merger and acquisition, which provides more control therefore often becomes more valued (Hagedoorn & Duysters, 2002). The fashion industry has actively used the merger and acquisition strategy to expand product lines, diversify customer experience, and grow market share by entering new markets. This strategy has especially been practiced within the luxury fashion market, where a few big companies such as Moët Hennessy Louis Vuitton, Richemont, and Kering have used the strategy to grow their business and collectively now own almost all of the leading luxury fashion brands (Fox & Green, 2018).

2.4 Market pull of innovation

Consumers have become increasingly aware of the environmental issues caused by the fashion industry, as a result, there has been a considerable behavioral change in consumer preference and an increased interest in green products. Large fast fashion brands like Zara and H&M have responded by investing in sustainability actions. This development is what is considered the market pull approach, which aspires to produce products or services that the market demand (Dixon, 2001). The market pull or demand-pull approach is viewed as an important factor concerning any successful innovation (Pavitt, 1984). This is also the case for environmental innovations. While innovation processes towards sustainable development and new sustainable efficient technology can be categorized as push factors, preferences towards more eco-friendly products and image, which ultimately motivates the sustainable development, can be categorized as market pull factors (Cleff & Rennings, 1999; Rennings, 2000). The concept of the push factor is based on the belief that companies recognize a market need before the market is even aware of the necessity by analyzing, learning, and understanding the customer problem. The companies create demand and fulfill this need in ways customers may not initially recognize. In this scenario, the companies outline and educate the consumers (Dixon, 2001).

Fashion brands such as ProGarments consider themselves as trendsetters concerning new sustainable materials like recycled polyester and organic cotton. They are considered innovators with the intention to influence the market through new solutions (Molderez & Elst, 2015). Hence, their core business concerning innovation to produce sustainable materials can be considered a push effect, however, their business was motivated by increased demand for sustainable materials, thus a market pull situation. Many sustainable and innovative business models have not been successful because they have failed to convince their customers about the added benefits of these new sustainable fashion products or processes (Todeschini et al., 2017). This is considered a market push failure as well as a market pull failure because the motivation behind the business model is caused by customer demand.

One of the greatest challenges is to produce products and services customers find desirable and want to purchase. There is a fine balance between providing the customer with exactly what they want and providing them with what the producers find to be a much more superior solution. In a market pull situation, the customers or the market makes a demand, which defines a problem. The companies respond to this problem by developing and delivering a product or a solution. The customers hold significant power and influence on product development. Because

the final solution or product is based on the perception of what the customers or market demands and desire, essentially, the customers are the ones who defines and outlines the solution and educates the companies (Dixon, 2001). Lowsumerism² and slow fashion are movements developed as a direct response to changing consumer preferences in consumption. This directly impacts how the designers and brands operate, design, and change their business models (Todeschini et al., 2017).

New cultural and socioeconomic macro trends such as sharing economy and circular economy have challenged traditional mass clothing production. This is driving the need for innovative and sustainable business models. Numerous brands and organizations have founded sustainability initiatives and programs such as an increased focus on the circular economy. In 2015, H&M entered a partnership with the Ellen MacArthur Foundation to further the development of the circular economy, and in 2014, C&A initiated a program to advance the circular economy and zero waste (Todeschini et al., 2017).

On the issue of innovation related to environmental protection on a product level, there is a much higher relevance of strategic market behavior. Because innovation towards products is more directly tied to the consumers this is of concern to the consumers, thus the market pull exhibits an influence on the nature and direction of innovation (Cleff & Rennings, 1999). When the concept of customer benefits gets introduced, this immediately plays a crucial role in environmental innovation. As soon as a product or service successfully delivers an added value to the consumers, there occurs a market demand (Kammerer, 2009).

2.4.1 Transparency

Transparency has become one of the most prominent consumer demands today. The concept of transparency concerns information, it is about sharing information that may be conceived welcoming or uncomfortable (Farrell, 2016). Multiple fashion brands have responded to the transparency demand by sharing information related to the cost breakdown of products and the manufacturing processes. Research has shown that the concept of transparency can become an essential tool in a product, process, and business model innovation (Kim, Kim, & Rothenberg,

²“ Involve, respectively, a commitment to owning and using only a limited amount of clothes for a fixed period of time and the adoption of a generally critical approach to consumption that prioritizes conscious and moderate acquisitions of new goods.”

2020), and has become accepted as a process or a way to conduct business worldwide by numerous activists and organizations (Ball, 2009).

Transparency has become a force of power. Strategically viewed, companies are considering the trade-off between presenting market information, resulting in the attraction of new customers and the risk of losing information, resulting in losing the advantages to customers and competitors. Companies and corporations that are open achieve a better performance result. Transparency has become more than just an obligation to share fundamental financial information (Tapscott & Ticolli, 2003). To increase ethical production within the fashion industry, numerous brands implement policies and programs for factories and suppliers to increase transparency and accountability throughout the supply chain (Kozłowski et al., 2014).

Consumers and institutions who are in communication with companies are given unprecedented access to various information related to corporate behavior, performance, and operations. The companies are now prone to scrutinization by stakeholders due to new tools, which more easily discovers important information within their interest. The customers are able to evaluate the value of the products and services to a new degree that was not achievable before (Todeschini et al., 2017). Thus, the importance of transparency has increased. Meanwhile, the consumer is now more aware of the environmental issues linked to the fashion industry, causing a shift in customer preferences (Dixon, 2001).

Because the world today supplies instant communication, journalist, media outlets, and googling, companies are under constant exposure. As a result, there has been an increased focus on production processes and sustainability, holding firms to a higher standard. Companies are re-evaluating their values and behavior for the better. While being an increased demand on firms, it is ultimately a net benefit for consumers and producers. An increasing number of companies across the world are now showing more responsible behavior to be successful in a transparent economy and to build a solid and trusting relationship with the consumers. The emphasis on business integrity is increasing, and it is about more than just legal and ethical intentions. It also makes sense economically and environmentally (Tapscott & Ticolli, 2003).

3. Research Question

The fashion industry is ranked as the second-worst polluting industry (Muthukumarana et al., 2018). The concern towards environmental pollution has become one of the most pressing demands facing the government, policymakers, and consumers. The consumer especially has become aware of the environmental issues caused by the fashion industry which has resulted in behavioral change in consumer preference and an increased interest in green products (Dicuonzo et al., 2020; Dixon, 2001). Transparency has also become one of the most important demands by consumers. Multiple fashion brands have responded to the transparency demand by sharing information, which can provide further insight into sustainability actions.

Research has shown that the concept of transparency can be an essential tool in a product, process, and business model innovation (Kim et al., 2020). However, innovation is usually not considered to be the primary goal, but a measure in achieving a more extensive overall goal, which in this case is sustainability (Borrás & Edquist, 2013). More specifically sustainable innovation is recognized as active measures performed by the company's different stakeholders, such as the development of new ideas, behaviors, products, or processes that are focused on addressing environmental issues (Rennings, 2000).

Considering the growing focus on sustainability, increased attention towards transparency caused by consumer demand, and the important role it plays towards innovation, concurrently and in line with this gap within the current literature focused on the role of transparency and its impacts on innovation in the fashion industry this paper will explore the research question, *“How does the demand for transparency add pressure and advance innovation centered around sustainability?”*

4. Data and Method

The thesis is based on a sequential exploratory design, using a desk research method to obtain the relevant data needed to answer the research question *“How does the demand for transparency add pressure and advance innovation centered around sustainability?”* The first part is based on secondary data collected from “The Fashion Transparency Index 2020” presented by Fashion Revolution. The transparency index is reviewed and used to identify four different brands that will be used to establish a case study. The second part involves a

comparative case study design, further exploring H&M as the top-ranking brand, Monsoon and ASOS as the highest and lowest improving brands, and J.Crew as one of the worst ranking brands. Due to the lack of available information on the bottom ranking brand, and because several of the worst ranking brand do not fully belong in the same category as the other brands selected for the case study, J.Crew was chosen. The brand was ranked as the 8th worst brand, provided sufficient information and belonged to the proper category. Data about the different companies is retrieved from research on their website, comparing sustainability actions, R&D expenditures, and innovation and sustainability commitments of the brands under study.

4.1 The Fashion Transparency Index

The Fashion Transparency Index (FTI) was developed by the Fashion Revolution as a tool to encourage and add pressure to large brands to become more transparent, encouraging them to reveal more information about how they conduct their business concerning practices, supply chain, and policies (Revolution, 2020). The first FTI report released was the 2016 edition, which was created in a collaboration with Ethical Consumer (Phoenix & Ashdown, 2018), who is an independent, not-for-profit company making ethical choices easier by providing sufficient tools and resources to consumers (Ethical Consumer, 2020). The index is a part of the Fashion Revolution movement, which was motivated by the Rana Plaza tragedy in Bangladesh in 2013 (Brun, Karaosman, & Barresi, 2020; Phoenix & Ashdown, 2018). The index grades and ranks some of the largest fashion brands in the world according to the level of information they disclose to stakeholders (Brun et al., 2020; Jestratijevic, Rudd, & Uanhoro, 2020; Phoenix & Ashdown, 2018). The Index makes use of a rating methodology to properly benchmark the different fashion brand's public disclosure, tracking information based on five primary sections; *Policy & Commitment, Governance, Traceability, Know, Show & Fix, and Spotlight Issues* (Brun et al., 2020; Jestratijevic et al., 2020; Phoenix & Ashdown, 2018; Revolution, 2020). The five different key areas are also weighted differently, Policy & Commitment being weighted as 18.8% of a brands total performance on the index with, Governance consisting of 4.8%, Traceability consisting of 31.6%, Know, Show and Fix consisting of 25.2%, and Spotlight issues consisting of 19.6% of the total (Revolution, 2020). The data used in this thesis will be based on The Fashion Transparency Index 2020 Edition. This report ranks 250 of the world's largest fashion brands according to their level of disclosure regarding social and environmental practices, impacts, and policies. The Index provides an

overall perspective on transparency, covering not only environmental but Human rights, Animal welfare, Gender equality, Child Labor, Employee wages, and benefits i.a. (Revolution, 2020).

250 brands were chosen to be a part of The FTI 2020 report, a full list can be found in the Fashion Transparency Index 2020 (Revolution, 2020). However, only 53% of the brands participated by responding to the questionnaire that was sent out. Fashion Revolution made the decision to include all 250 brands regardless of their participation, which is likely to have some impact on particular brands, but the case studies in this research only focus on brands that completed the questionnaire. The result often presented a lower score for the brands that did not participate, compared to the brand that participated and answer the questionnaire. This was due to the companies who responded to the questionnaire utilized the opportunity by providing information that the researchers might have missed, which resulted in a higher score. The brands received a score based on the information gathered from company webpages and published reports by a third party or self-produced, regardless of the brand's participation. By not responding, the opportunity to provide admissible disclosure the researchers might have missed was lost, often resulting in a lower score. Therefore, depending on the company's participation, this made a significant impact on the score level, viewing the total ranking, multiple brands received a zero score (Revolution, 2020).

4.1.1 Initial findings

What follows is a descriptive analysis of some of the key contextual findings from the FTI 2020 edition, which was also used to identify and select brands for further exploration in a case discussion presented later in the paper. The overall average score for the 2020 edition was 23%, showing a consistent improvement since 2017 as shown in figure 1 below. Presented in figure 2, the average score for the brands that participated by answering the questionnaire was 12% higher than the overall average score, and the average score for the brands that did not participate by choosing not to answer the questionnaire was 12% lower than the overall average score of 23%. Every brand that received a score above 40% participated in The FTI by completing the questionnaire.

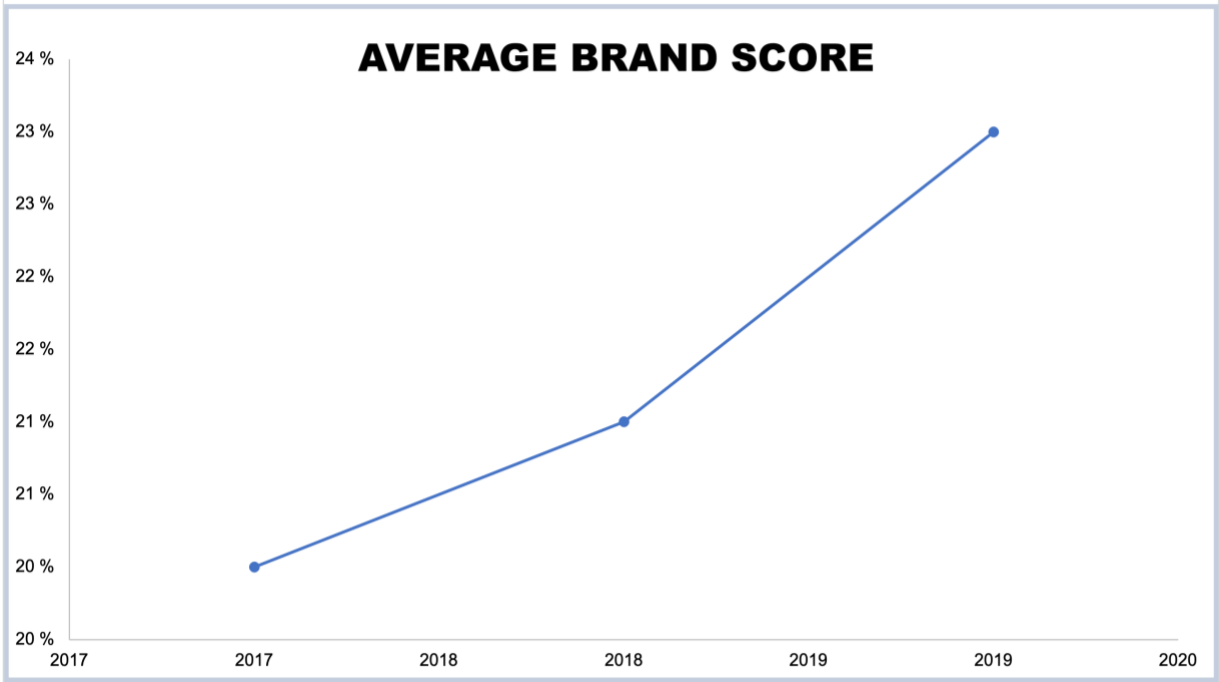


Figure 1– Total overall average score of brands in FTI 2020 edition

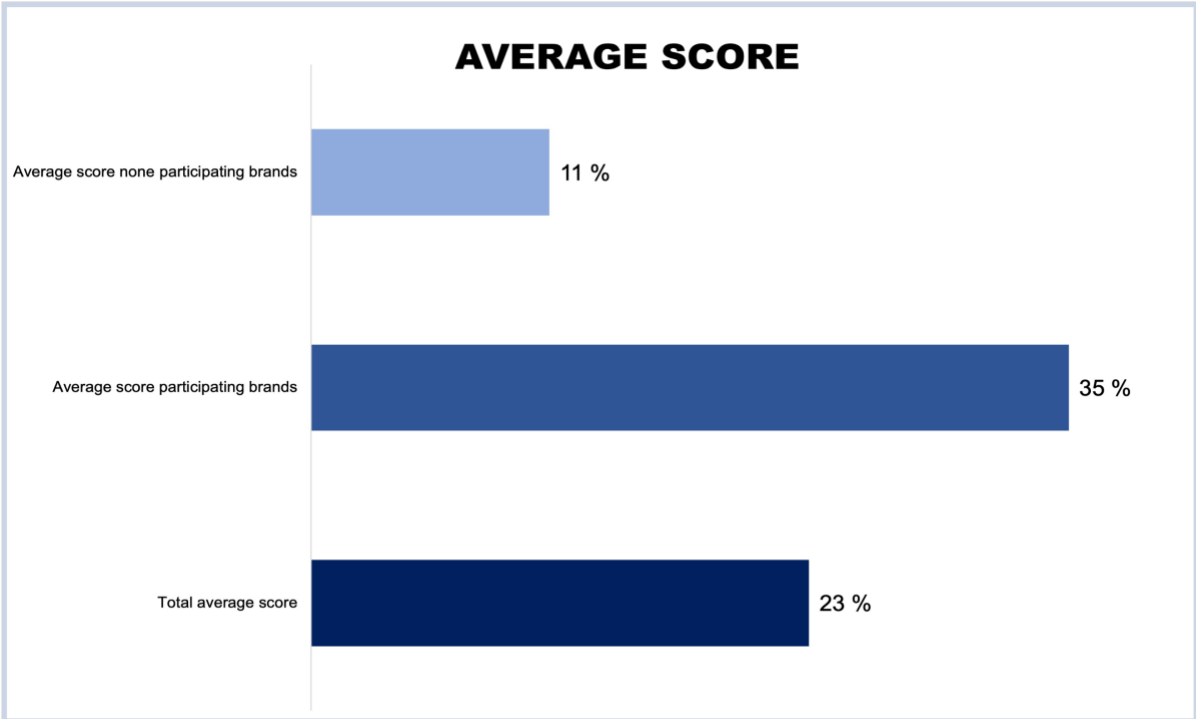


Figure 2 – average score of brands in FTI 2020 edition

Table 1 shows the top 5 highest and lowest scoring participating brands, which have been identified. This provides a quick overview, which allows for further investigation on what type of brands this is and how they differ.

<i>Top 5 high scoring brands</i>	<i>Score</i>	<i>Top 5 low scoring brands</i>	<i>Score</i>
<i>H&M (H&M Group)</i>	72.8%	<i>BCBGMAXAZRIA</i>	3.2%
<i>C&A</i>	69.8%	<i>United Arrows</i>	7.0%
<i>Adidas/Reebok</i>	69.4%	<i>Armani</i>	8.8%
<i>Esprit</i>	64.2%	<i>Dr. Martens</i>	9.6%
<i>Patagonia</i>	60.4%	<i>Furla</i>	10.2%

Table 1 – Top 5 high, low scoring brands

Table 2 shows the top 5 movers and the top 5 decliners of the participating brands. This is representing the brands that have made the biggest improvement and the brands that decreased the most, meaning they received a lower score than the previous year. The top 5 movers are not close to being the top 5 overall scoring brands. However, they are the brands that have made the largest improvements, taking action and becoming more transparent. Furthermore, 37 brands received a lower score compared to 2019 and approximately 30 brands have had a consistent score since 2017, which may indicate that they have not taken any significant measures to become more transparent.

<i>Top 5 movers</i>	<i>Improvement</i>	<i>Top 5 decliners</i>	<i>Decrease</i>
<i>Monsoon</i>	+23.2%	<i>Asos</i>	-4.0%
<i>Ermenegildo</i>	+22.4%	<i>Patagonia</i>	-3.8%
<i>Sainsbury’s – TU</i>	+18.8%	<i>Old Navy/Gap/Banana</i>	-3.8%
<i>Clothing</i>		<i>republic</i>	
<i>Dressmann</i>	+17.2%	<i>Asda</i>	-3.8%
<i>ASICS</i>	+15.4%	<i>Levi Strauss & Co</i>	-3.2%

Table 2 – Top 5 movers, decliners

Furthermore, only 10 out of the 250 brands received a 0 % score in this year’s index, however, not one single brand received a score exceeding 80%. H&M was the only brand with a score above 70%. As presented in figure 3, 71 brands received a score of 10% or below. This corresponds to about 28% of the brands, which is an improvement compared to last year (2019 edition) where 36% of the brands presented (200 brands) received a score of 10% or below which illustrates the increasing relevance and empirical validity of relying on the FTI as a tool to identify brands. This could also be the case of the floor effects occurring; however, these methodological issues are discussed further below in the limitations section.

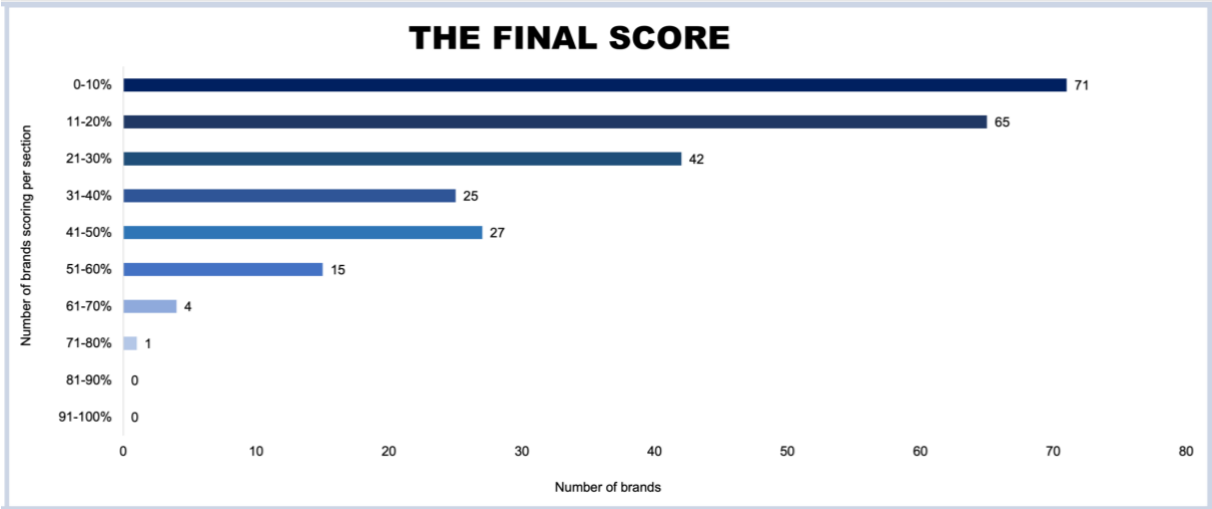


Figure 3 – The final score

4.1.2 The five key areas

Five key areas are measuring public disclosure as a benchmark for the Fashion Transparency Index, Policy & Commitment, Governance, Traceability, Know, Show and Fix, and Spotlight issues. The five different key areas are weighted differently, Policy & Commitment being weight 18.8%, Governance 4.8%, Traceability 31.6%, Know, Show and Fix 25.2%, and Spotlight issues 19.6%.

Policy & Commitment has always been the highest-scoring section, presenting an average score of 52%. Brands are consistently disclosing more regarding their policy and commitment towards social and environmental problems compared to the other four sections. Luxury brand Gucci has the highest score of 100%, while sport apparel brands Adidas and Reebok are runner up with 99%. Approximately 7% (17) of the companies score above 90% and 10% (25) scored below 10%, which means 25 companies do not reveal anything or very little about their policies

concerning environmental and social activities. 29% (ca.73) of the companies now publish an annual report validated by a third party, containing sustainability information. This is an improvement from last year where 26% of the companies published an annual report in this way.

As mentioned earlier, this area has the highest average percentage score among the five key areas. The numbers are appearing to be increasing and highly positive. However, looking at figure 4, what is visible in the 2020 edition as well as previous years is that a lot of the major brands disclose more around their policies compared to what they disclose regarding how they apply the policies and what results they have achieved following the policy implementation.

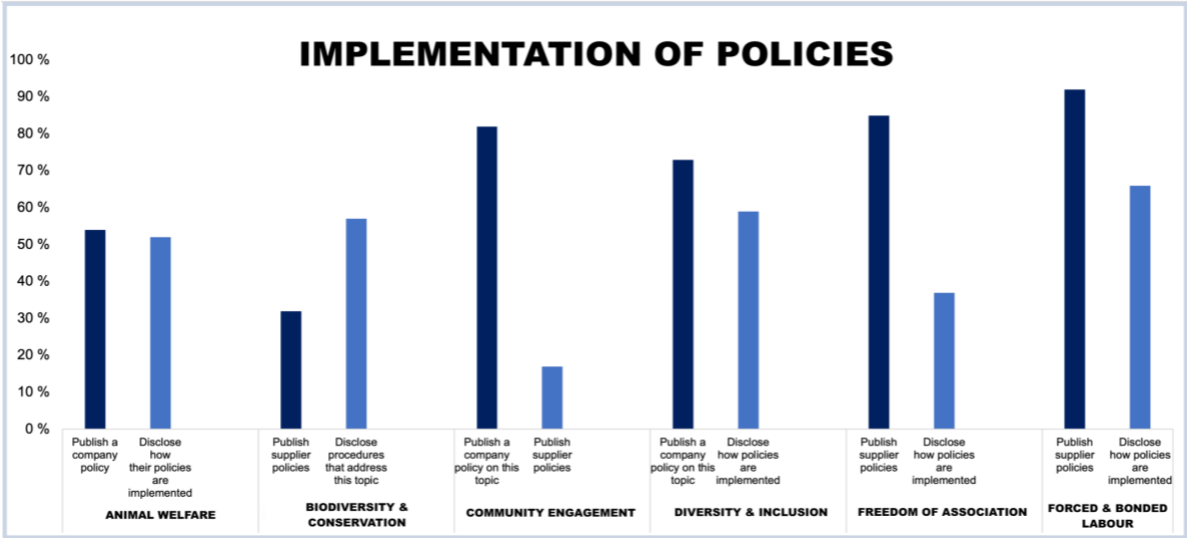


Figure 4 – Implementation of policies

Furthermore, implementation actions concerning the environmental impact and human rights are presented in figure 5, the majority of the brands disclose more about goals aimed at bettering environmental impact compared to human rights. In more specific cases, 91% (ca.228) of the brands published a child labor supplier policy, yet only 46% (115) of the brands disclosed any information on implementation actions and procedures regarding the policy. Whereas environmental actions, 79% (ca.198) of the brands shared specific actions and procedures on how to implement policies regarding “energy and carbon emission”, and 75% (ca.188) share activity concerning “office and packaging waste and recycling”.

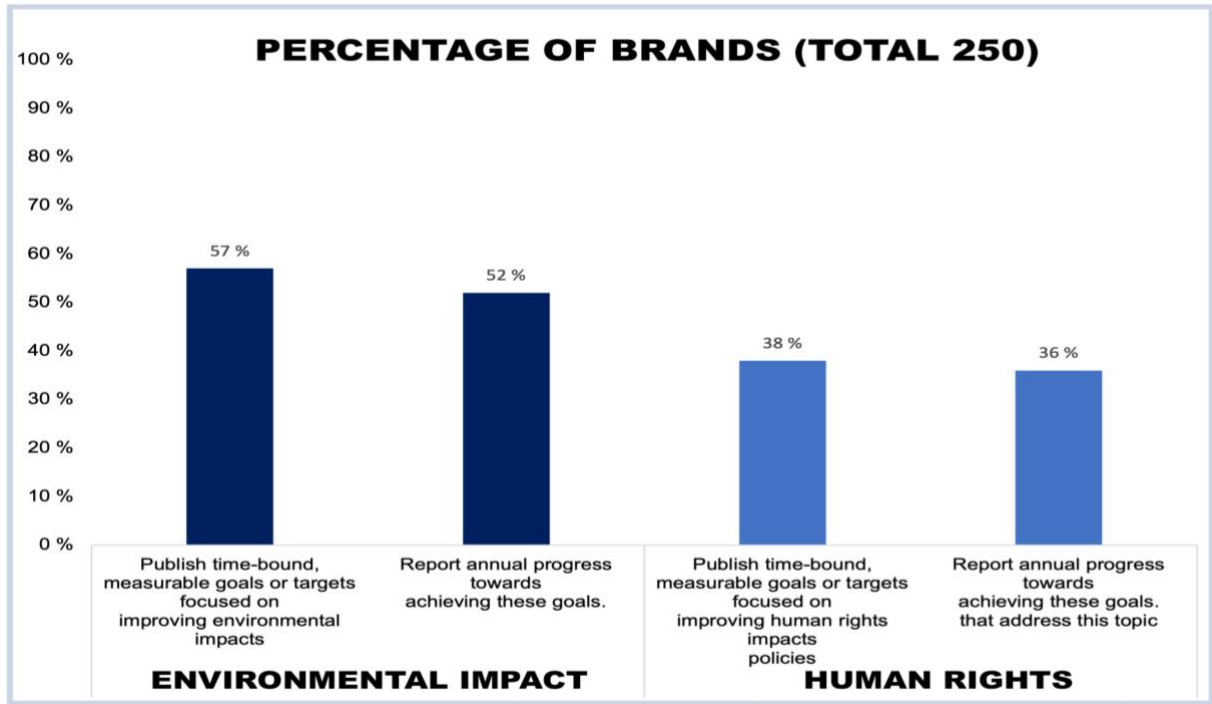


Figure 5 – Environmental impact vs Human rights

In the governance section, a total of nine brands received a 100% score. However, 52% of the brands received a score of 20% or below. Based on the number presented in figure 6, most brands publish direct contact details like an email address connected to their CSR or sustainability department. However, reaching the manager with the lead responsibility for the team is more difficult, only 35 brands provide contact details directly to individuals in charge of the department. Many brands share information regarding board-level accountability, still not half of the brands even disclose the identity of the board member responsible for the issues in the company concerning human rights and the environmental impacts. Not many brands disclose information concerning incentives tied to social and environmental progress. However there have been improvements since last year (2019 edition) where only 10% of the brands explained “how executive-level incentives (pay and bonuses) are tied to improvements in social and environmental impact”, this year 14% of the brands disclosed that information.

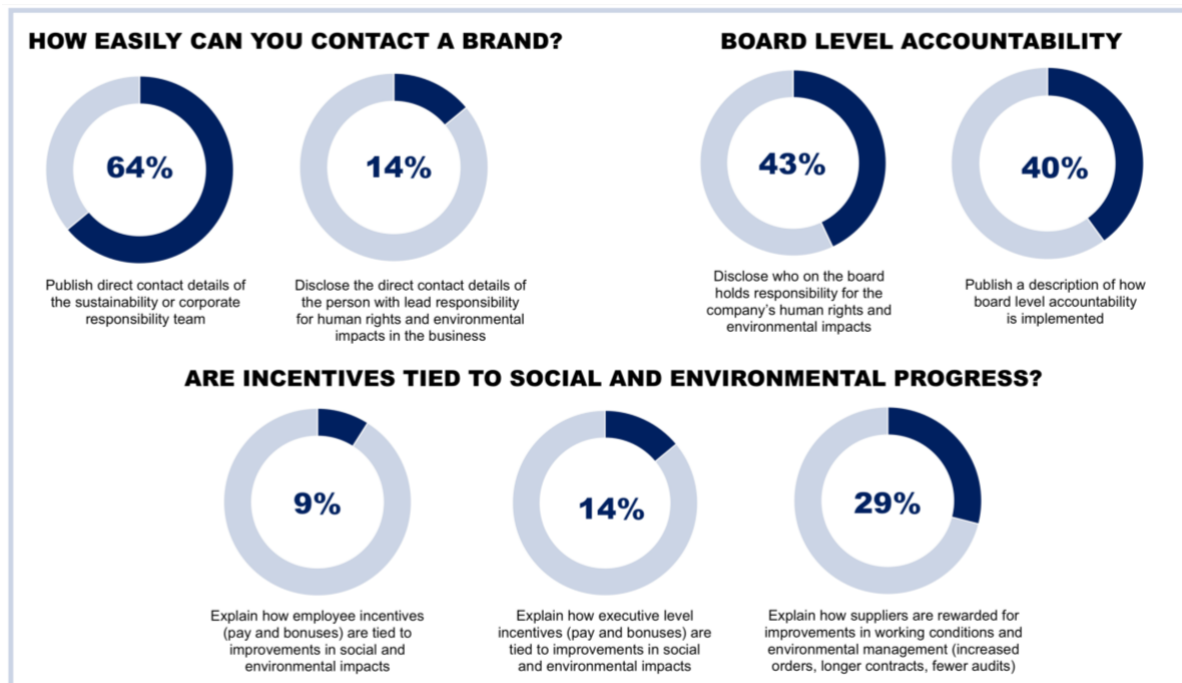


Figure 6 - Governance

The traceability section holds the second-lowest average percentage score of the five key areas, with a total score of 16%. However, this number has improved every year since 2017 where the total score was 8%. There are no brands in the 2020 edition that received a score above 90% and 145 brands received a score below 10%, meaning 58% of all the brands are not sharing information on any suppliers.

Looking at figure 7, the data indicate that the further down the production line, the more reluctant brands are to share information on manufacturers. Even though 100 brands in 2020 share a list over their first-level manufacturers, still only 70 of the brands disclose the percentage of manufacturers that are published on that list. On a positive note, there has been an improvement across all manufacturing levels. Luxury brand Hermes has been sharing several of its suppliers and manufacturers for several years, however, presented in the 2020 edition, Ermenegildo Zegna was the first luxury brand to provide a detailed supplier list. Other improvements have also been made since last year's report. 14 brands that have previously failed to disclose a supplier list, managed to publish their first-level manufacturers for the first time in this 2020 edition. Concerning the second level, 15 brands that have previously failed to share information regarding processing facilities, have this year managed to disclose several of their processing facilities. The numbers on third-level information are fairly low compared to

the first-level information provided by the companies. 10 brands publish the supplier's address, and 15 brands provide information on which raw materials are being used. Half of the brands have started publishing traceability information on at least one specific raw material. This is typically cotton, viscose, recycled polyester, wool, or leather. The tool used on the traceability work is often a type of certification structure. 7 brands that have previously failed to share information concerning their suppliers on raw material, has this year for the first time managed to disclose a few of their raw material suppliers.

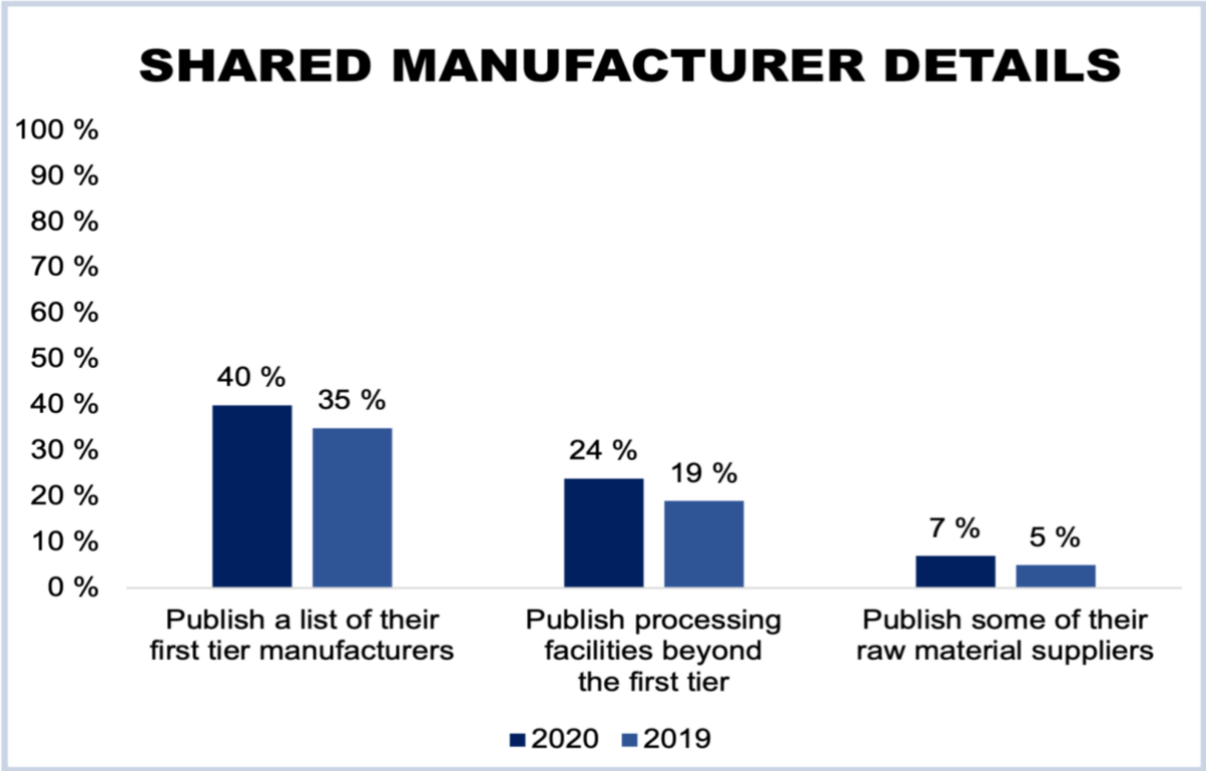


Figure 7 – Shared manufacturer Details

In the Know, Show, and Fix only three brands received a score of 59%, which was the highest score in this section. And 100, which is 40% of all the brands score in the lowest ranking which is 10% or below, and 68% (170) of the brands which is about two-thirds of the companies score below 20%.

The company’s due diligence and supplier assessments it’s what comprises the “Know” part of this section. Figure 8 shows that few brands disclose information concerning the due diligence process, however, more brands disclose information regarding supplier’s assessment. For instance, almost all the brands (230) disclose what supplier assessment they perform, which is an improvement from last year where 88% of the brands disclosed this information.

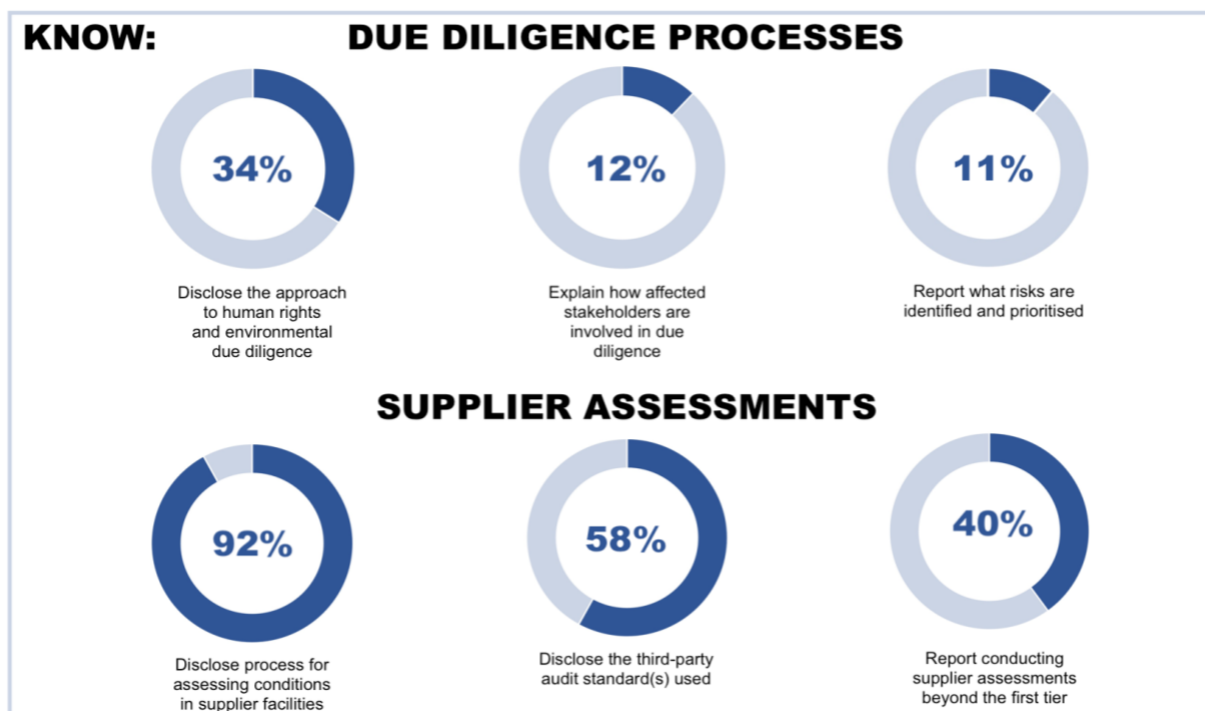


Figure 8 – Know

The “show” part of this section is about how they disclose the result of their supplier assessment. 45% (ca.113) of the companies disclose results from their factory audits, however, these are just general findings. 25% (ca.63) of the companies disclose selected audit results for some specifically named factories.

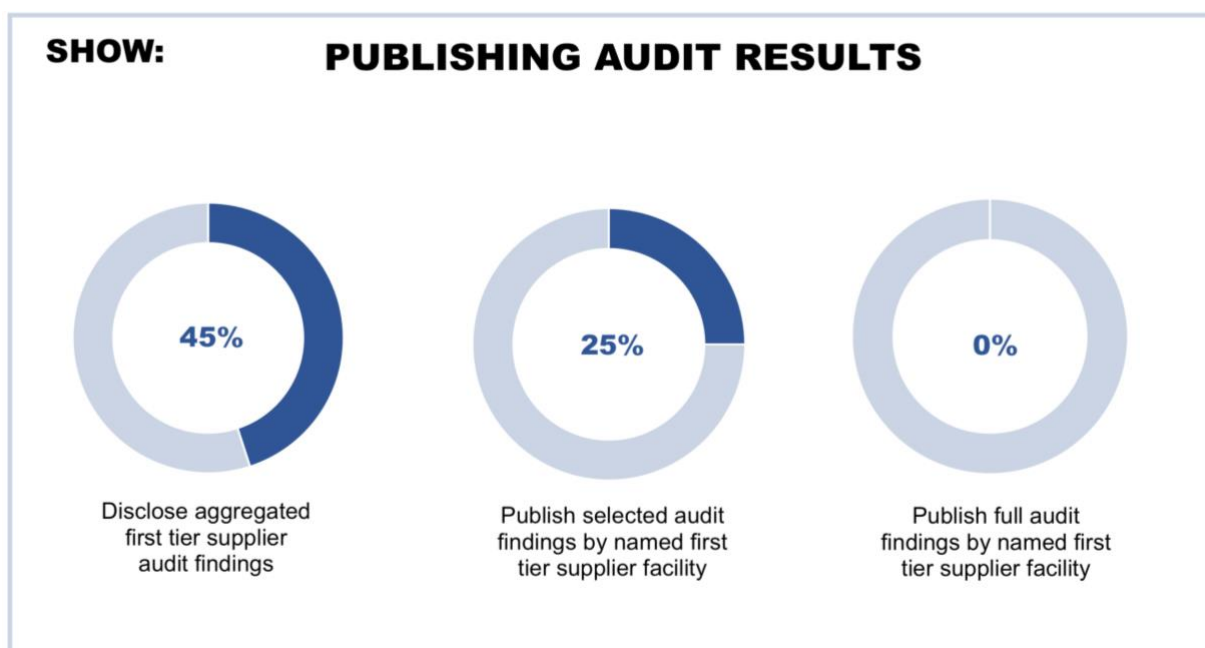


Figure 9 – Show

The “Fix” part of this section regards how the companies are approaching shortcoming that has been discovered as a result of the supplier assessment. This involves how the company assesses the problem identified, and if they proceed in establishing a supplier remediation plan. Figure 10 shows that 75% (ca. 188) of the companies share information on how they deal with issues that do not meet the requirement regarding business operations or working environment, which has been identified through the supplier assessment report. This is an improvement from last year with 69%, and 2018 with 62%. However, only 10% of the brands give an explanation concerning the development and implementation of the remedial management plan and the involvement of different affected stakeholders like trade unions or workers. Furthermore, figure 10 shows how brands address grievance mechanisms for their supply chain workers, and the number of brands that disclose a confidential outlet for the worker to file complaints, corruption, and report violations.

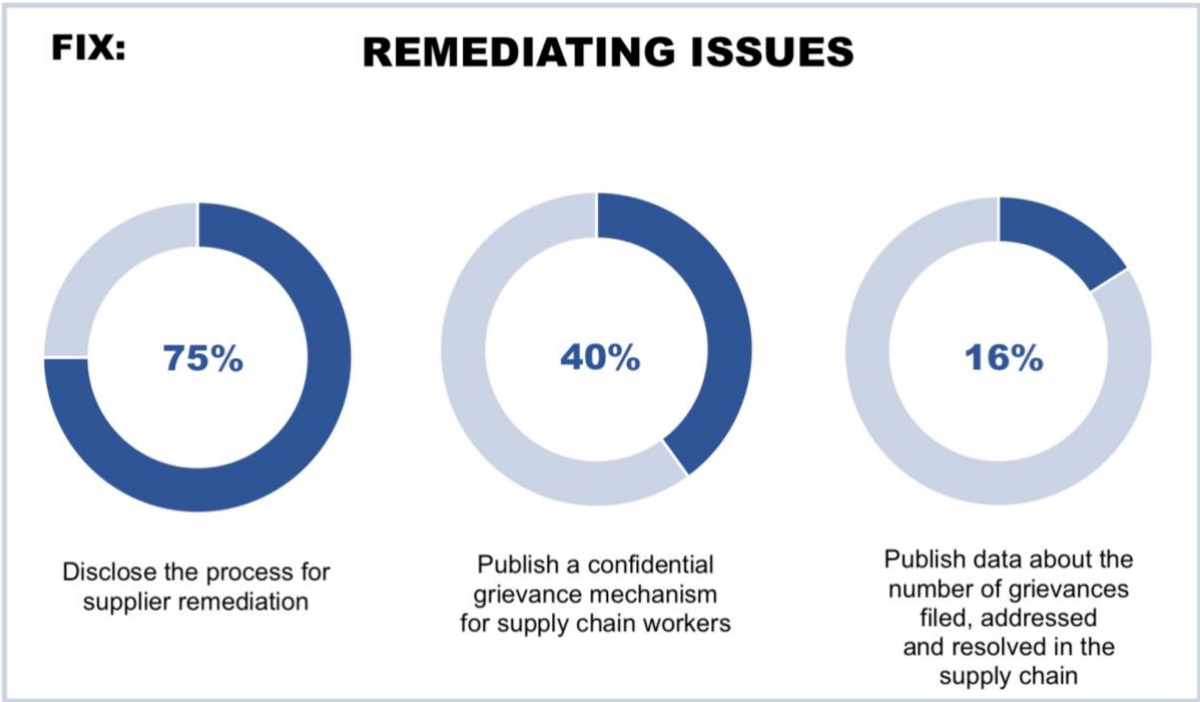


Figure 10 – Fix

The spotlight issue section received the lowest average percentage score among the five key areas with a total score of 15%. Looking at figure 11, only one brand received a score above 60% which was H&M who has had the highest score in this area for the second year in a row. Furthermore, only 9 brands received a score within the next highest range, and over half of the brands, received a score below 10%, which is the lowest range. In total 186 brands received a score of 20% or below. In this section, four strategic areas are highlighted, Conditions, Consumption, Composition, and Climate. The three last areas are very much linked to sustainability and will be further reviewed.

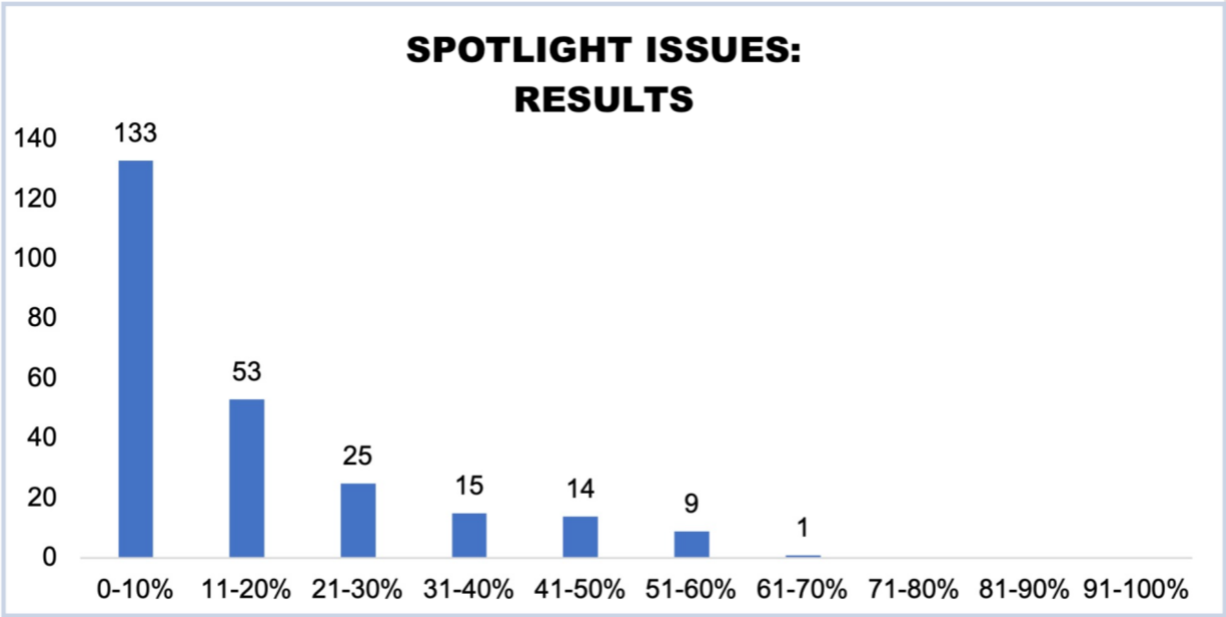


Figure 11 – Spotlight issues

The consumption area explores what measures the brands on how they deal with overproduction, reduce waste, and how they advance towards achieving circularity. The global consumption of clothing and footwear has gone beyond double from 74.3 billion in 2005 to 130.6 billion items in 2019. This corresponds to every single person on this planet purchasing 15 pieces of clothing and 2 pair of shoes every year. The world is facing a major accelerating climate change, which is why companies cannot continue producing this amount of clothing, and consumers cannot keep buying at this expected rate.

Figure 12 reveals the number of brands that publish how much textile waste was generated, furthermore, only 3% (7) of the brands disclosed information on the number of products destroyed during this reporting period. Only 23 brands disclosed data on the total number of products produced during an annual reporting period. Figure 12 displayed the top six ranking brands concerning production volume. There is a lot of waste associated with clothing production, and only 11% (ca.28) of the brands are publicizing the progress they are making in reducing that waste. Concerning waste issues tied to the consumer stage, 30% (75) of the brands offer a take – back, and in-store – recycling scheme for their customers throughout the year, and 16% (40) of the brands offer a repair service for their clothes, which could help extend the products life cycle. Figure 12 shows that 18% (45) of the companies describe what measures they take to attain a circular solution. However, only 4 brands published data on the number of products designed to allow textile-to-textile recycling at the end of their life cycle and the number of products designed to a closed-loop.

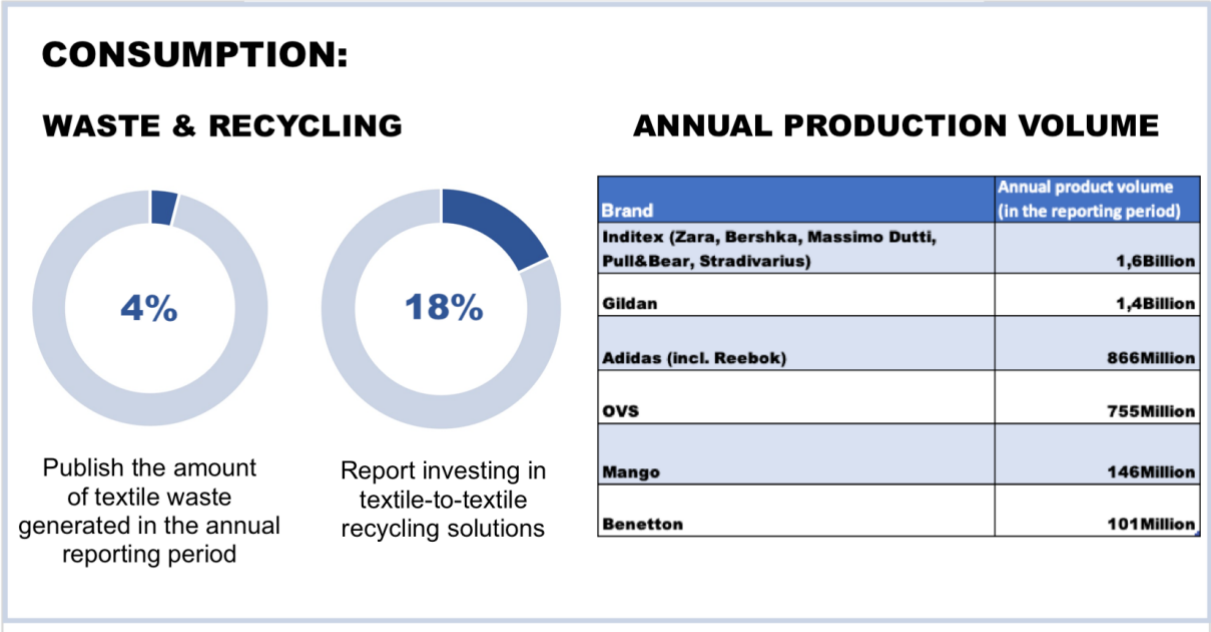


Figure 12 – Consumption

The composition area explores whether brands take active measures in using more sustainable materials. The adoption of materials such as organic cotton, traceable downs, and recycled polyester is often what determines if the collection is branded as sustainable. Clothes made by synthetics materials release microfibers when being washed. As many as 700 000 microfibers or tiny plastic particles can emit from one regular wash, which then gets transferred into lakes, rivers, and oceans. Figure 13 presents data on how many brands take action in reducing

microfibers and the use of virgin plastic by disclosing what measures they are taking in reducing the fallout from microplastic, and the progress they are making.

The section concerning sustainable materials shows the most dedication from brands, having the highest score of the three areas within the composition section. Based on figure 13, nearly half the brands publish a measurable and time-framed strategy concerning the usage of more sustainable materials. However, fewer brands share the progress they are making in achieving their goals in using more sustainable materials. This is however an improvement from last year where 29% of the brands disclosed this information.

Concerning the usage of hazardous chemicals in their products, the data presented in figure 13 implies that more brands are responsive to share measurable and time-framed strategies on removing the usage of hazardous chemicals in their products compared to their attention to share the progress they are making in achieving that goal.

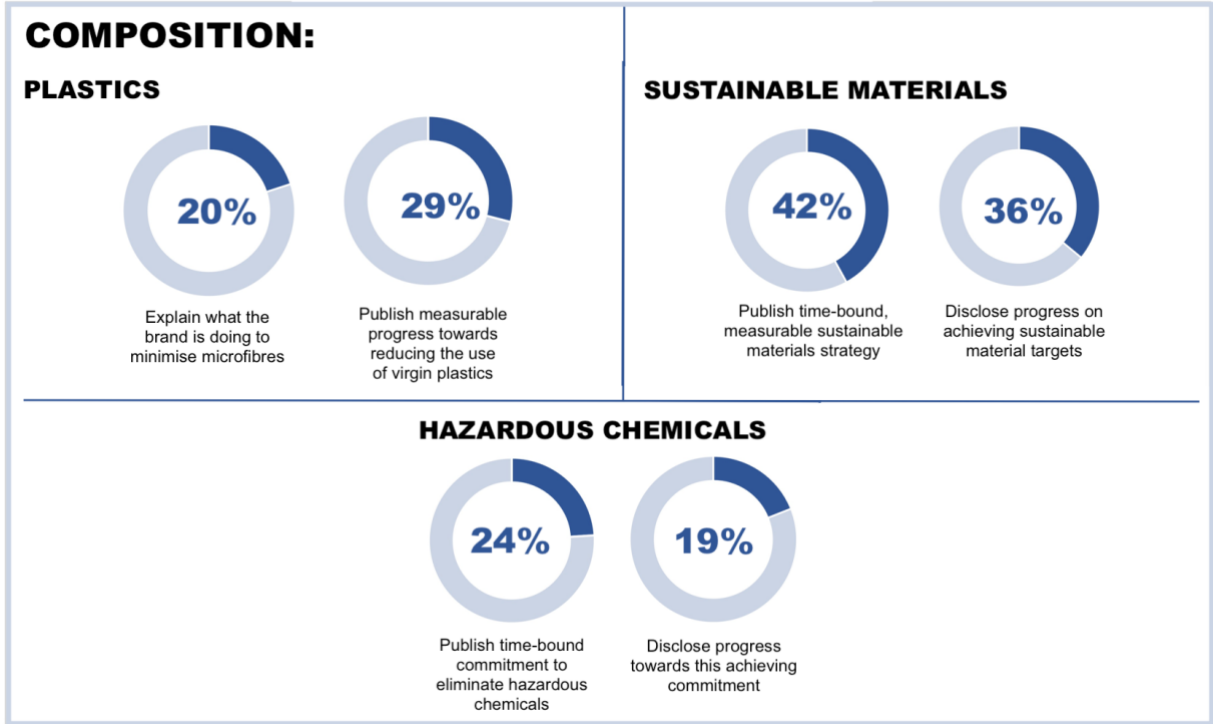


Figure 13 – Composition

Climate is the last of the four strategic areas highlighted in this section. As mentioned earlier, the planet is facing a major accelerating climate change. Leading scientists have stated that we only have a decade to diminish the worst of the global warming impacts. 78% (195) of the brands acquire a company policy on carbon emission and energy usage, additionally, 52% (130) of the brands operated by publishing a supplier policy concerning this issue as well.

Figure 14 presents the number of brands that annually published the total amount of carbon emissions within their own operating facilities and within their supply chain. The data shows that over half of the brands annually publishing the amount of carbon emission within their own operating facilities. However, regarding the supply chain, considerably fewer brands share information on the amount of carbon emission produced. Furthermore, 36% (90) of the brands publish renewable energy usage within the company's own operating facilities, while only 6% (15) brands disclose the same information regarding the supply chain. Only 7 brands are outlining the environmental impacts that are directly associated with the company's financial performance. For instance, the Kering group, which includes brands like Gucci, Balenciaga, and Saint Laurent is using an innovative open-source methodology, which is a very detailed report on environmental profits and loss. The Kering group has openly been sharing their innovative open-source methodology, making it available for other companies since 2015, however other brands are not taking advantage of this opportunity. Furthermore, only 4 brands are publicizing a measurable and time-framed engagement on deforestation.

The ongoing global water crisis is considered to be a very serious issue, as it is listed in the top 5 global risks by WEF³. 52% (130) of the companies have a policy on water usage, and 42% (105) of the brands have a policy on water usage within the supply chain, thus this is an improvement from 2019 with 36%. The data presented in figure 14 show the number of brands that disclose annual water footprint within their own operating facilities and at a raw material level. The disclosure on water footprint has remained the same the last year.

³ World Economic Forum

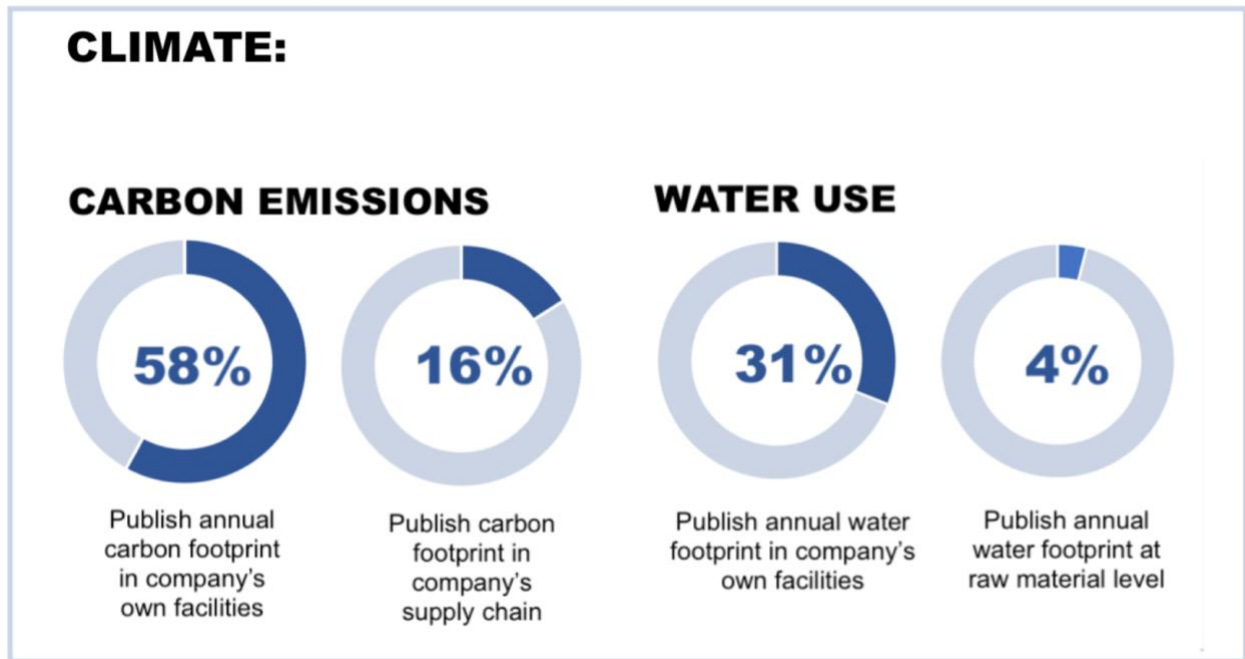


Figure 14 – Climate

4.2 Case study

This section involves a case study based on four brands that were selected from the FTI 2020 edition. The brands were selected based on their relative full performance within the FTI in the most recent year (2020) and include the top-ranking brand **H&M, Monsoon**, the most improved brand, **ASOS**, the least improving brand, and **J.Crew**, one of the bottom ranking brands. The purpose of this case study is to contextualize the development of the brands under study and to provide a better insight into how these brands internalize transparency into their business development and the resultant impact this has on both innovations within these firms, and their broader aims around improving sustainability within their business.

4.2.1 H&M Group

The H&M Group, previously known as Hennes & Mauritz was founded in 1947 in Västerås, Sweden by entrepreneur Erling Persson. The first store was named Hennes, which means “Her” in Swedish, and was created with an idea that fashion should be available and affordable for everyone. H&M has expanded considerably in recent decades to become one of the leading fast-fashion chains in the world (Zhang, Zhang, & Zhou, 2021), with over 5000 stores across 74 markets. The H&M business model has however faced some challenges in recent years with much recent scholarship focusing on the sustainability of fast

fashion with Joy, Sherry, Venkatesh, Wang, & Chan, 2012 and Zhang, Zhang, & Zhou, 2021 referring to it as particularly unsustainable. However, H&M has responded with a clear sustainability vision on becoming circular and climate positive. This objective is set to be achieved while still staying true to the idea that fashion should be available and affordable to everyone, they strive to offer their customer the best possible combination of fashion, price, quality, and sustainability.

H&M has internationalized through the years by practicing a number of different growth strategies. The company has mainly grown its brand through market development by the establishment of subsidiary brands and acquisitions. Their global expansion started in 1964, when the first H&M store opened in Norway, followed by Denmark, U.K, and Switzerland. They have established four fully owned subsidiary brands, COS, H&M HOME, ARKET, & other Stories. MONKI and WEEKDAY have also become a part of the H&M family through acquisition by purchase from FaBric Scandinavian AB.

H&M highlights the importance of innovation in terms of sustainability and their goal to become a fully circular business, therefore investing a lot of their resources in innovation activities. H&M is using their investment arm H&M CO:LAB to invest in different companies that work on developing new technology and software's that will lead the fashion industry towards a circular business model and a more sustainable future (H&M Group, 2019, 2020). H&M has also started a circular innovation lab with the purpose to fulfill the gap between early-stage start-ups and commercial production. This lab will conduct testing of new materials and production processes from the initial concept to the development of pre-industrial pilots. H&M Group has also founded the H&M Foundation, a separate legal entity. The H&M Foundation is a non-profit foundation that works towards achieving the UN Sustainability Development Goals, and the foundation is privately funded by the H&M founder Stefan Persson's family. The Perssons family has since 2013 donated 1.5 billion (SEK) to the H&M Foundation. This foundation has started multiple projects by teaming up with other companies to accelerate research and innovation. In 2016 the H&M Foundation teamed up with The Hong Kong Research Institute of Textiles and Apparel (HKRITA) with a project called "Recycling Revolution". The project lasted from 2016 – 2020 and the total amount donated to the project was 6 million euros (H&M Foundation, 2019). The collaboration with HKRITA was successful and the collaboration therefore continued. A new five-year project called the "Planet first program" was established. The H&M Foundation donated 12 million (USD) to this project,

combined with HKRITAs funding, the total estimated budget for the project is 100 million (USD) over five years (H&M Foundation, 2020b). Another initiative created by the H&M Foundation is the “Global Change Awards”, which was founded in 2015 in a collaboration with Accenture and KTH Royal Institute of Technology. This award has become known as the Nobel Price of Fashion and was created to accelerate innovation towards a sustainable future for the fashion industry and the project has a time limit from 2015 - 2030. Five winners are awarded a 1 million Euro grant to share, and a one-year long tailored Innovation Accelerator Program. This program is designed to support and scale the winner’s innovations, taking their ideas to the market as fast as possible to help and maximize the impact of the innovation on the fashion industry. After the one-year program is finished they will receive further support by joining an alumni network (H&M Foundation, 2020a). In order to make more sustainable decision-making over the value chain, H&M has worked on innovation concerning artificial intelligence and has teamed up with the “The European AI Alliance” to further work on responsible artificial intelligence (H&M Group, 2019).

H&M has published a report regards to sustainability since 2002. The first time having a section about transparency was in the Sustainability Report 2016, the same year as the first FTI report was published. H&Ms sustainability report from 2017 had a similar design and a designated section called “Transparency”, as well as frequently mentioning the Fashion Transparency Index. They list Transparency as one of the leading changes and highlight the importance of transparency in terms of “Empowering informed choices” and “Accelerating Sustainable change within the business and in the fashion industry.” With transparency, information is more visible, which can lead to external scrutiny and often bad media coverage. However, H&M believes that transparency is a necessity to push change concerning issues such as climate change.

H&M highlights the importance of transparency and is ranked the best scoring brand and is also among the highest-ranking brands in each key area in the FTI 2020 edition. The brand focuses on sustainability and has a vision of becoming a fully circular business and is highlighting the importance of innovation to achieve their sustainability goals by investing in multiple innovation activities. The issues of sustainability through innovation are certainly addressed, however, how much of this is due to transparency remains to be seen.

4.2.2 J.Crew

J.Crew began as a family business under the name Popular Club Plan in 1947 and was founded by Mitchell Cinader and Saul Charles. They originally started as a low-priced clothing line targeting women, however, in 1983 they reinvented themselves and became a catalog business known under the name J.Crew. The brand rose to fame and became a household name in 2008 when Michelle Obama made a guest appearance wearing a J.Crew ensemble on “The Tonight Show With Jay Leno”, where she was questioned about her outfit (Friedman, Maheshwari, & de la Merced, 2020). Today the J.Crew Group is an internationally recognized brand, consisting of the brand J.Crew and Madewell. The companies head office is located in New York and they market their products through retail stores, factories, selected partners, and through their website. Currently, they are operating 190 J.Crew retail stores, and 172 factories, and 138 Madewell retail stores (J.Crew, 2019).

J.Crew differentiates itself by offering high quality, style, design, and fabrics. In 2004, J.Crew acquired the legal rights for the old industrial workwear brand Madewell, which was founded in 1937. In 2006, they opened a new brand under the name Madewell, now with a new modern interpretation. This was a growth strategy to target the younger customer segment that what their main brand offered (Milnes, 2015; Nozowitz, 2014).

J. Crew expresses how they want to do good in terms of how they operate their business. They do not want to have a negative impact on either the planet or the people who are making the products. There is no specific overall goal other than doing good. J.Crew tries to achieve this by investing in strategic partnerships, they have partnered up with multiple different non-profit organizations aimed at human rights and sustainability. Since one of their main characteristics towards their brand identity was quality fabric they are focusing on the term re-imagining fabrics. This means they are highlighting the importance of using sustainable quality fabrics, developed through innovative technology.

J.Crew does not mention anything regards to transparency, however, they did participate in the “Fashion Transparency Index”. They have acknowledged the importance of disclosure concerning topics like sustainability and policy commitments by maintaining animal, welfare policy, vendor codes of conduct, chemical management approach and forest protection policy (J.Crew, n.d.-a). Even though they are expressing their concern towards taking care of the planet, they do not mention any specific goals and actions. Although they are listing all of their

sustainable and innovative fabrics, they are not expressing any importance in innovation investments. In May 2021 J.Crew filed for bankruptcy. They are regarded as one of the first major clothing brands to fall during the covid pandemic. However, their struggle started before the coronavirus outbreak. In 2006 the company raised \$376 million by taking the brand to an initial public offering, by 2011 however, the company became private again due to a leveraged buyout of \$3 billion by TPG Capital LP and Leonard Green & Partners of \$3 billion (DiNapoli, 2017; Friedman et al., 2020; J.Crew, 2019). In addition to large debt, J.Crew has struggled with adapting to the consumers changing preferences in clothing style. Previous CEO Millard Drexler also admitted to giving the perception of being a more exclusive and high priced company than they originally were, and that he managed to miss what might have been the biggest trend of all time, which is technology, and how quickly it has changed the fashion industry (Safdar, 2017). This implies that a high level of transparency was not present, at least regarding the quality of the clothes. This claim also supports the importance of innovation.

J.Crew recently (April 2021) launched their Re-Imagine initiative. J.Crew is creating a brand new design, assortment, and a new expression. This new sustainable strategy is aligned with United Nations' Sustainable Development Goals and is created with the purpose of realizing specific CSR and sustainability goals focused on their products, supply chains, third-party partnerships, and their supply chains. J.Crew's strategy follows the beliefs that change in the market and that principle and profits can cohere is built on responsible business practice combines with collaboration and innovation (J.Crew, n.d.-b). With the launching of this new strategy, J.Crew is making a change in disclosing sustainability actions compared to previous communication and target.

Other than participating in the FTI, J.Crew did not show any significant interest in the commitment to transparency. Sustainability actions highlighted are through collaboration and partnerships, however, no specific innovation measures towards sustainability are mentioned. The brand has struggled these past years and has admitted to failure in keeping up with the rapidly changing fashion industry. Their Re-Imagine initiative, heavily focuses on transparency and sustainability, introducing goals and sustainability activities, which was not found at all a couple of months ago. Suggesting a sudden strong commitment to sustainability. Because this concept is recently introduced, results concerning increased innovation towards sustainability derived from this initiative cannot be shown yet. If the commitment to sustainability through the Re-Imagine design concept is due to transparency remains to be seen.

4.2.3 Monsoon

Monsoon was founded by Peter Simon, and the first store opened in London in 1973. The brand concept is based on a bohemian-inspired style with art and handcrafted pieces. The company consists of two clothing chains, Monsoon and Accessorize, which was founded in 1984. The inspiration behind the Monsoon concept came from the exotic and vibrant fabrics and colors found in the Asian region where founder Peter Simon undertook extensive travel. Today the company operates 970 stores across 44 different markets (Monsoon, n.d.-b). Within the two brands they have launched Monsoon Children in 1995, and Monsoon home in 1999. In 2008 Monsoon Accessorize was honored with the Queen's Award for International trade.

What makes Monsoon unique is its bohemian style with handcrafted colorful artisan pieces. They have become more than just a clothing brand, identifying themselves as a lifestyle brand. Instead of changing their brand design and expanding their style options through a growth strategy to fit a broader audience they have focused on improving their choices and broadening their collection of products to their already established customer base. Opening Accessorize and creating Monsoon Children, Monsoon home, and an additional bridal line, have made them a lifestyle brand. Accessorize opened in 1984, the first range of childrenswear launched in 1995, Monsoon home launched in 1999, Monsoon bridal launched in 2005, and in 2014, Accessorize launched a Z collection, which is a luxurious range of jewelry created by Zara Simon. Monsoon does not share any specific innovation measures towards sustainability, they do however mention their use of recycled materials, cotton, cellulose fibers, and different certification requirements (Monsoon's Sustainability group, 2017). Monsoon considers transparency to be one of their key pillars concerning their sustainability approach and provides an overview of their own policies as well as the ones they require from their business partners, such as Restricted Chemicals List, various Environmental policies, Code of Conduct Compliance, and Sustainable Sourcing Principles (Monsoon's Sustainability group, 2017; Monsoon, n.d.-a). In 1994 Monsoon Accessorize Trust was founded. The charity helps and supports people from communities with disadvantages across the Asia region to drive sustainable change through healthcare, education, and income-generation projects. The Monsoon Accessorize Trust has a 100% donation policy and has financed 262 sustainable development projects across the world and spent £5, 962, 469.21 on eliminating poverty. Even though sustainability and human rights appear to have been a priority, Monsoon has faced criticism for failing to pay their workers minimum wage as well as charging their suppliers a rebate of 4% on invoices and an additional charge of 10% for early payment (BBC, 2015; Nias, 2013).

Monsoon considers transparency to be an important factor, which is why they provide an overview of their policies. Transparency has also resulted in heavy criticism, however, this also led to change and improvement. Monsoon does not mention anything on innovation activities. They promote sustainability actions such as the use of more sustainable materials, only this gives the impression of being a marketing approach rather than a measure to improve sustainability as they do not give any specific details on the process. Their mention of focus on sustainable materials and certification requirements, implicitly meaning innovation has taken place because innovation is needed to create these materials. However not necessarily achieved through support from the brand, as Monsoon does not mention innovation or investment activities related to innovation towards sustainability.

4.2.4 ASOS

ASOS is a global online retailer aimed at fashion-loving people in their 20-somethings all around the world. The ambition is to give their customer the confidence to be whoever they aspire to be through fashion (ASOS PLC, 2020). ASOS was launched in the year 2000 under their previous name “As Seen on Screen”, the company was founded by Nick Robertson in London. The intention was first to sell clothes as seen on celebrities and in movies and tv. In 2002 the company started using the acronym ASOS, and a couple of years later, they started changing their target to fashion-loving people in their 20’s (Butler, 2018). In 2020 ASOS had revenue of £3, 263.5 million and 2.7 billion visits to their online platform. They also have 22.2 million followers across their different social media platforms. ASOS provides 85 000 different products sourced from 850 different third-party brands and a mixture of their in-house labels. They market their products through their market-leading app and web experience which is available in ten languages across 200 markets (ASOS PLC, 2020).

ASOS's overall company goal is to become the number one destination for fashion-loving people in their 20-something. This is a broad target group, which is why their growth strategy is based on expanding their options by creating equal opportunity for everyone, providing choices for all by including a range of sizes, supporting body positivity, LGBTQ support, and gender-neutral collections. ASOS has also entered a partnership with the British Paralympic Association, providing the team with their formal and ceremony outfits. The strategic use of partnerships is frequently used by ASOS. They collaborate with different supply chain partners to further innovation aimed at lower carbon emissions. In January 2018 a third-party brand program was created; the goal was to transform the industry through collaboration by driving a

systemic change in how brands approach sustainability and ethical trade. By establishing ASOS as an industry hub for innovation, learning, and collaboration this was believed to be achieved. The third-party program consists of minimum requirements and key pillars to follow, which include transparency and visibility engagement, and Circularity and sustainable materials (ASOS, n.d.-b). ASOS is known to be an innovative company, in 2016 Forbes ranked them as “Most Innovative Growth Companies for 2016” (Gregersen & Dyer, 2016). Their innovative focus is on technology, building the customer experience through app development and website solutions. In 2018 they established a partnership with the innovation Re:Tech to find new solutions and advance their e-commerce activities. In 2016 they launched a new acceleration program in a partnership with Wayra UK with the aim to invest and support the development of new retail tech products (Santamaria, 2018). In 2019, ASOS announced the trial run of “See my fit”, which is an augmented reality tool that offers the customers the chance to try the outfit on by simulated view. This was developed through a partnership with the innovative technology company Zeekit (Wightman-Stone, 2019).

ASOS runs a program called Fashion with Integrity (FWI), which pushes their transparent, responsible and inclusive business approach. Their work related to the FWI program is divided into four key pillars, products, business, customers, and community (ASOS, n.d.-a; ASOS PLC, 2021). Some of their focus areas include Ethical trade, sustainable sourcing, responsible edit, circular fashion, improving supply chain processes, worker welfare, and carbon reduction (ASOS, n.d.-c).

ASOS gives the impression as to consider transparency to be an important factor even though their score in the FTI has decreased. By participating in the “Fashion transparency index”, as well as sharing numbers, reports, policies, and sustainability actions, they give the impression of being transparent. However, they do not highlight the importance of innovation in terms of sustainability. Most of the innovative activities that are highlighted are referred to technology developed to advance the customer experience through web and phone solutions. There is not a particular focus on innovation with sustainability, however, the requirements to the third-party brands can drive the third-party brands to stay innovative to meet the requirements. ASOS also highlights the importance of sustainable material use and lower carbon emission, this requires new innovative technology, which implicitly means innovation.

5. Discussion

Recently, the growing focus on sustainability and the demand for transparency within the fashion industry, has highlighted the need to address environmental issues. Specifically, the fashion industry has received a lot of attention and criticism from numerous reporters and the press, as well as increasing demand from consumers who are now willing to pay more for a sustainable garment (Amed et al., 2020). In the following, the influence of the demands for transparency related to sustainability will be discussed with regards to the research question:

“How does the demand for transparency add pressure and advance innovation centered around sustainability?”

In the fashion industry, the recent change of customer preference when it comes to sustainability is considered to be a market pull factor. This adds pressure on companies, which are forced to reevaluate their values and behavior for the better due to this constant focus on addressing environmental issues. The four brands presented in the case studies recognized the environmental issues and claimed to focus on sustainability, highlighting the sustainability actions their brands performed. As presented in figure 5, more brands disclose information about implementation actions concerning environmental impact compared to human rights. The FTI was initially developed as a response to the Rana Plaza incident (Revolution, 2020), which is very much tied to human rights. This development reflects how sustainability has increased in importance these last years.

Although all four brands claim to focus on sustainability, information on specific actions and results was more difficult to find for some of the brands. Figure 6 showed that most brands published direct contact details connected to their sustainability department. However, getting in contact with the manager responsible for the team proved to be difficult. Also, many brands disclosed board-level accountability, but very few disclosed the identity of the board member responsible for the issues in the company concerning environmental impacts. The brands presented themselves as open, however as getting real answers from the people responsible proved to be difficult, this may be an indication that they are not as open as they would like to be perceived. There were also very few brands that gave information concerning incentives tied to social and environmental progress, although this score has improved. This all suggests that

being presented as sustainable is important, but whether the companies are really committed to sustainability is another case. These findings can be an indication of greenwashing⁴.

Research suggests that to establish a solid and trusting relationship being successful in a transparent economy is important (Tapscott & Ticolli, 2003). The FTI overall average score has consistently improved since 2017, which can be viewed as a positive outcome from the added pressure put on companies. The purpose of the FTI was to add pressure to large brands to become more transparent, which arguably has been done given the consistent improvement. However, the score is still only 23% and almost half of the brands chose not to participate. The most frequently received score among brands shown in figure 3 is 0-10%. Adding all of the brands earning a scoring above 50% amounts to only 20 brands (Revolution, 2020). Meaning, there are a lot more brands that are not being transparent compared to brands that are being transparent.

ASOS, Monsoon, and H&M recognize the importance of transparency and highlights this as an important issue. J.Crew did not show any concern towards transparency other than participating in the FTI until April 2021, where the concept of transparency was highlighted in their new Re-Imagined design concept. This might indicate a market pull situation, where J.Crew recognized the increased importance of transparency, and how they received a low score in the FTI. Also considering their previous failure in keeping up with the rapidly changing fashion industry. Monsoon considers transparency to be one of their key pillars in regard to their sustainability approach, yet they have received heavy criticism related to minimum wage and supplier's rebate. This highlights one of the stumbling blocks from the firm side on providing more transparency – it opens a brand up to criticism. This can seem contradictory to their claims about transparency, however, this led to change and improvement suggesting a power of transparency. H&M who have also been under scrutiny as a result of a lack of transparency, list transparency as one of the leading changes and highlight the importance of transparency in terms of “Empowering informed choices” and “Accelerating Sustainable change within the business and in the fashion industry”. They have dedicated a whole section to transparency in their annual sustainability report and frequently refer to the Fashion Transparency Index, which shows commitments towards transparency, and support of the FTI. H&M has accepted that

⁴ Defined by Cambridge Dictionary as “to make people believe that your company is doing more to protect the environment than it really is”.

transparency comes with more visible information which can lead to external scrutiny and negative media coverage, but they believe that transparency is necessary in order to push change. The criticism both brands received added pressure, which may be viewed as a market pull that resulted in improvement and changes tied to the issues.

When collecting material for the case studies, finding sufficient information proved to be a challenge. All four brands claimed to focus on sustainability and highlighted different sustainability actions performed by the brand. However, finding deeper information on specific actions and results related to sustainability for the case studies, was difficult for some of the brands. This indicates that the brands recognize the importance of being perceived as sustainable and presenting sustainability information may be an attempt to be transparent. However, only partly sharing information is not being completely transparent. Suggesting transparency has resulted in the desire to be perceived as sustainable, rather than pushed them to become sustainable and take action by investing in innovation. This supports the argument made of this being a case of greenwashing.

The FTI showed that the Policy & Commitment section was and always has been the highest-scoring section. Meaning that the brands consistently provide more information related to their policy and commitment towards social and environmental problems compared to the other four sections presented in the FTI. This is supported by the fact that all four brands highlighted their sustainability policies such as codes of conduct, supplier audits, chemical hazards. This is not directly innovation policies, but the policies can create an indirect relationship to innovation. These policies are created to achieve the goal of improving sustainability and not innovation, remembering that innovation is not usually the primary goal itself, though a measure in achieving a more extensive overall goal (Borrás & Edquist, 2013), in this case, sustainability. The process can however result in innovation as a tool in achieving this goal prompted by the policies, thus an indirect relationship. Most of the sustainability actions presented by the brands are voluntary and are therefore considered soft instruments in terms of innovation policy.

H&M was the highest-ranking brand in the FTI. The brand shared a lot of information concerning their sustainability actions and how they use innovation to improve sustainability. They published information concerning policies, audits, and a yearly sustainability report. H&M especially highlighted the importance of innovation and a lot of their activities were related to innovation, such as Global Change Awards, H&M CO:LAB, and the circular

innovation lab. ASOS also shared a lot of information concerning their sustainability actions but there were no direct claims on how they highlight the importance of innovation to improve sustainability. However, ASOS consistently work on advancing their e-commerce service, and have established a collaboration with Re:Tech, to improve the online shopping experience. Innovation such as their “See my fit” augmented reality tool, which was developed in a collaboration with Zeekit, let the customer try outfits on by simulated view (Wightman-Stone, 2019). The improved customer online experience can result in reduced return rate, and can therefore be categorized as sustainable innovation, suggesting they do consider innovation as an important tool to improve sustainability. ASOS's focus is fashion, how they innovate is, however, often linked to technology. Their open innovation practice allows them to reach their sustainability goals that are highly associated with technology by attaining the competence and skills they lack.

H&M also makes use of the open innovation practice in reaching its sustainability goals. H&M CO:LAB makes investments in various companies that work on developing new technology and software that will advance the fashion industry towards a circular business model and a more sustainable future (H&M Group, 2019, 2020). The H&M Foundation, which is a non-profit, separate legal entity works towards achieving the UN Sustainability Development Goals and has initiated multiple projects by teaming up with other companies to accelerate research and innovation. Their collaboration with HKRITA concerning the “Recycling Revolution” project was highly successful and the collaboration continued to a new five-year project called the “Planet first program”. The Global Change Awards”, which was also created by the H&M Foundation founded in a collaboration with Accenture and KTH Royal Institute of Technology, has become known as the Nobel Prize of Fashion and was created to accelerate innovation towards a sustainable future for the fashion industry. The sustainability actions mentioned are mostly soft instruments. “The Global Change Awards” can be viewed as financial instruments as the winners are rewarded with a monetary grant. However, there are few global regulatory, financial, and economic instruments presented by the government within the fashion industry.

J.Crew has partnered up with the textile supplier Lenzing to improve their cellulosic fiber use. However, the brand's sustainability actions are not directly linked to innovation. While their partner Lenzing is producing new sustainable fibers through innovation, this is not a response to anything J.Crew has done. Monsoon sustainability actions are similar to J.Crew’s. The brand

does not mention innovation or any type of investment activities related to innovation towards sustainability. Their sustainability actions do however include the use of recycled materials, cotton, cellulose fibers, and different certification requirements (Monsoon's Sustainability group, 2017). The focus on sustainable materials and certification requirements can implicitly mean innovation because innovation is needed to create these materials. However, it does not necessarily mean innovation is induced as a result of anything Monsoon has done.

The FTI shows that almost 46% of the brands published information on implementation actions concerning child labor supplier policies, while 79% of the brands shared specific implementation actions concerning energy and carbon emission policies. This implies that environmental impact is of higher priority than human rights, suggesting that the market pull concerning sustainability focus has had a significant effect. This supports the assumption that there has been an increased focus on the environmental sustainability of the fashion industry. Because sustainability has increased in importance for consumers, it makes sense that all the brands presented in the case studies mention sustainability and want to be perceived as a type of brand that takes sustainable measures. However, presented in the FTI, a lot of the major brands share more information about their policies compared to the information they provide about how they apply these policies and the results they have achieved after the implementation of the policies. This suggests that the developed market pull has just created a desire for being perceived sustainable but has not resulted in a commitment to activities tied to sustainability. This is supported by the fact that both J.Crew and Monsoons talk about their sustainable activities but fail to present any type of innovation or solutions to improve sustainability as a direct result of their activities. They acknowledge the change in the fashion industry and the increased attention on sustainability from the industry and consumers, however, their engagement in sustainability appears to be superficial. J.Crew did not mention anything regarding transparency and it was difficult finding information regards to goals and activities towards sustainability. This was until the brand recently launched their new Re-Imagined initiative, rebranding the brand with a more sustainable focus, introducing detailed goals and activities focused on sustainability. This can be considered as J.Crew responding to the market pull effect, also considering them being one of the worst ranking participating brands in the FTI 2020 edition finally understanding the importance of sustainability. This can imply that transparency has resulted in an aspiration to become more sustainable, however, this can also indicate superficial engagement suggesting the Re-Imagine concept being just a marketing

response to a PR failure, making this a case of greenwashing. Because this concept was launched in April 2021, it is too early to see any results on sustainability improvements.

The consumption area, which is a part of the spotlight issue section in the FTI, showed that only 4% of the brands disclosed information on how much textile waste was generated, and very few brands shared information on how many products are being produced. Furthermore, few brands gave information on their progress on reducing waste. These issues are highly linked to the environmental issues the fashion industry is facing. Sustainability allegedly being such a big priority for brands, these numbers should be higher. Again, supporting the argument of greenwashing.

Findings from both the FTI 2020 edition and the case studies suggest that most brands understand the importance of sustainability within the fashion industry and acknowledge the concept of transparency, having experienced both the negative and positive effects. Because instant communication, inquisitive media, and googling make it difficult for brands to present themselves as sustainable without actually being sustainable. Thus, it is not enough to just pose as sustainable, the brands must take real measures in becoming sustainable. This suggests that transparency might push innovation related to sustainability. ASOS to some extent and especially H&M have specified how they worked on sustainability in terms of innovation. Their commitment towards sustainability suggests a positive effect has been made. The consistent improvements presented in the FTI also support that there is a positive effect made by transparency. However, Monsoon and J.Crew both gave an impression of presenting a false image of being sustainable. Findings presented in the FTI such as the consumption area and the implementation, as well as the impression Monsoon and J.Crew gave, suggests that proper action towards sustainability has not been made. Instead, there has been an increase in the concept of greenwashing within the fashion industry. This implies that transparency has resulted in the desire to be perceived as sustainable, but not actually pushed them to become sustainable and take action.

6. Conclusion

6.1 Summary

The fashion industry has endured a lot of negative attention and criticism, which has resulted in increased consumer demand and willingness to pay more for sustainable clothing. This development supports the notion that transparency has become a force of power pushing change. In response, ethical production within the fashion industry has increased and numerous brands have developed policies, programs, and initiatives. However, if these activities are improving sustainability through innovation remains to be seen and further analysis will be required to take better account of the impact these policy changes have had within firms in particular, and the industry more generally.

Findings from FTI suggest that there is in fact a desire for being perceived sustainable, however not all numbers indicate a commitment to innovative activities related to sustainability. For example, a lot of the major brands disclosed more concerning their policies compared to the information they provide about how they actually apply these policies and the results they have achieved after the implementation. The low disclosure on consumption, and the fact that only 53% of the 250 brands chosen to participate accepted cast further doubts on widespread changes within the industry as a whole. Most of the numbers presented in the FTI have improved each year, suggesting transparency is increasing in importance. ASOS and especially H&M, who was the highest-ranking brand in the FTI, specified how they worked on sustainability in terms of innovation. Multiple sustainability activities were shared by all four brands presented in the case studies, again especially by H&M.

The changing customer preference and the negative attention and criticism the fashion industry have endured have created a considerable market pull effect on the industry. Transparency has created a desire for being perceived as sustainable as increased attention is now focused on firms within the fashion industry and their commitment, however, this commitment to innovative activities tied to sustainability is not a given. There are however brands such as H&M that have taken this seriously and have invested heavily in innovation to further sustainability in the fashion industry, and findings suggest that more brands are following this example. However, there is also an indication of a rise in the concept of greenwashing. To answer the research question *“How does the demand for transparency add pressure and advance innovation centered around sustainability?”*

- Transparency does in fact add pressure and affect sustainability measures to an extent, as there is a noticeable change within the fashion industry and more brands are taking action towards sustainability. However, the desire of being perceived as sustainable compared to taking concrete action is still the more attractive option for most brands.

6.2 Limitations, future research, and contribution

The master thesis is based on a sequential exploratory design, using a desk research method to obtain the relevant data, where secondary data is collected from “The Fashion Transparency Index 2020” presented by Fashion Revolution. The advantages of using secondary data are that it is an inexpensive and effective method. The data is easily available and time-saving, which is positive considering the time limit. However, unlike primary data, which is collected specifically for your research question, secondary data is collected to answer someone else's research question. Therefore, the secondary data collected may not be a complete match to your research question. However, the FTI is considered representative to this research question due to its relevance to the fashion industry and considering the index has been published every year since 2016.

The high number of low scoring brands may indicate a floor effect. If this is the case, the comparisons of different brands may be inaccurate. Whereas the FTI requirements are hard to meet, a very large percentage of the brands received a score close to the lower limit, resulting in skewed data which can be hard to measure and analyze.

The FTI also revealed that a lot of the major brands shared more around their policies compared to what they disclose concerning how they apply the policies and what results they have achieved following the policy implementation. This can indicate that insight into policy efficacy is not possible, and should not be inferred from a reading of the paper.

The case study design approach is often used in exploratory research and is a comprehensive investigation of individuals, groups, events or units, where the data is retrieved from different sources using a variation of methods. This allows for a more detailed investigation on the topic.

However, because the case study only presents a small selective unit, it is not certain that the case study investigated is representative for a wider selection of units. A case study is conducted by analyzing qualitative data, which requires interpretation performed by the author, in this case me. Meaning there is an extensive observing of bias, which may influence the results. A comparative case study which is performed in this thesis may minimize the risk of bias, however it does not guarantee general validity. In other words, in the case study presented in this thesis, the four brands selected for the comparative case study may not be representative for all the brands comprising the fashion industry. Although the individual case studies cannot be used to form a representative picture of the fashion industry, the comparison of the different case studies may contribute to a deeper insight and understanding of the fashion industry.

The findings from this study suggest that some brands may be more interested in being perceived as sustainable companies rather than taking concrete action when it comes to sustainability. These findings provide insightful information that may contribute to a better understanding of the fashion industry in regard to innovation related to sustainability. However, it would be interesting to conduct further research to strengthen the reliability and validity of the research findings. It could be valuable to conduct a quantitative research based on a higher number of brands, covering brands not included in the FTI 2020 edition. It may also be relevant to collect primary data directly linked to the fashion brands through tailored interviews or questionnaires gaining further insight.

The findings found in this thesis implied that the interest of being perceived as sustainable was more desirable than actually being sustainable. An interesting topic to explore would therefore be the concept of “greenwashing” in the fashion industry.

The government and the UN have a great focus on environmental issues, however, initiatives made are mostly recommendations. Also, most of the sustainability activities presented in the case studies was voluntary, thus the use of soft instruments. It would be interesting to further explore the use of financial and regulatory instruments implemented as global or national regulations.

H&M was heavily invested in several sustainability activities and collaborations, more than were possible to cover during this paper. It may be interesting to conduct further research on H&M’s sustainability work and its impact on the fashion industry.

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