Università Ca'Foscari Venezia

Master's Degree programme in Management

Final Thesis

Sustainable fashion: the case of Italian middle-end brands

Supervisor

Massimiliano Nuccio

Graduand

Alessandra Tulisso

Matriculation Number

864614

Academic Year

2020/2021

Sustainable fashion: the case of Italian middle-end brands

• Introduction

The current fashion system is constantly getting faster and more polluting. If we consider the environmental, social and cultural implications of this process, we can clearly see the long-term unsustainability of it all.

Nevertheless, a major shift has been happening and many companies have developed new business models, while consolidated companies are developing plans to include sustainability in their business models. There are also NGOs such as Fashion Revolution working intensively to spread awareness, and important magazines such as Vogue are Business of Fashion giving much more importance to these topics nowadays.

Many recent reports state that customers are becoming more aware and conscious about sustainability within the fashion system. For example, the McKinsey report "The state of Fashion 2019" underlines the increasing attention of consumers regarding sustainability. Furthermore, the interest over time towards the Anglophone term “sustainable fashion” on google queries has been steadily increasing (Candeloro, 2019). Other surveys demonstrate that 66% of the customers are willing to pay more in order to buy sustainable goods, 42% millennials and 37% Generation Z show increasing attention on how companies make products and which kind of materials they use. A large part of the sourcing managers (78%) assumes "sustainability" will be the factors that will affect the most consumers’ purchasing behaviour by 2025 (Candeloro, 2019).

Furthermore, it is also necessary to consider the COVID 19 pandemic and its implications and impact on the overall fashion industry, while also trying to understand how this could affect the sustainability field.

The COVID 19 pandemic has provoked a strong and sudden drop in sales in many industrial fields, being fashion one of the most affected. Clothes, as well as beauty products, are considered hedonistic and superfluous elements, therefore easily avoided and eliminated in a period of crisis and uncertainty like the one we are living. We still don’t know the real impact that COVID 19 will have on the economy, but we are already aware of its social effects nowadays. Brands cancelling orders all over their global supply chain has led to major uncertainty in developing countries, where the majority of the manufacturing process is currently located. The farmers and textile workers are the most vulnerable members of the supply chain and they are now facing a progressive loss of wages, as denounced by Fashion Revolution.

Nevertheless, this unprecedented time could also be the right moment for a reshaping and rethinking of the overall system. The COVID 19 pandemic has in fact sparked a renewed interest in sustainability. People could actually start reevaluating their purchasing habits and become more conscious, according to many reflections published both on Vogue and Business of Fashion. We still don’t know how the fashion industry will evolve after the pandemic, but it is undoubtful that the previous system may face a disruptive innovation process and new demand and offer could emerge.

Going more into detail, this research aims at analysing the phenomenon of sustainable fashion in Italian SMEs, both in light of the fastening digitalization process and the effects caused by COVID.

Sustainability is one of the major challenges of our near future, therefore analysing how companies are approaching it and studying how this process can be enhanced is crucial.

As this is a complex phenomenon, notions from different disciplines will be applied to this dissertation, going from environmental science to marketing, in order to obtain the most multi-faceted and complete study possible.

Taking into account business strategies' implementation, communication initiatives and attitudes, it would be possible to draw a picture of the companies and the overall industry on its path towards sustainability, and to understand how sustainability initiatives are communicated by companies and how sustainable development is likely to evolve.

In the first chapter, we will address the role and implementation of sustainability in the fashion sector, an industry that lags behind many others when considering this topic. The reason for this delay lies in the complexity, fragmentation and lack of transparency of the supply chain. Moreover, in the fashion industry only public companies disclose information and data, making transparency hard to obtain. We'll also analyse the concept of sustainability both from an environmental perspective and a social and ethical one, providing an overview of the major sectors and business models within it.

In the second chapter, we will describe the evolution of the retailing system, focusing on the impacts caused by digitalization. We will address the new forms of retailing, such as e-commerce and social commerce, while also focusing on the multichannel and omnichannel systems and their advantages. Finally, we will focus on how digitalization 4.0 can be a useful tool to innovate, especially for SMEs.

In the third chapter, we will narrow our analysis to the solo Italian market. First, we will introduce the whole Italian fashion industry and its characteristics. Then, we will focus on how the "made in Italy " element, the craftsmanship and the creative districts have enhanced the implementation of sustainability in the Italian fashion market.

In the fourth and fifth chapters we'll conduct an empirical research through a series of one-to-one semi-structured interviews on a selected sample of Italian sustainable fashion SMEs. In order to provide a cohesive and reliable analysis, the scope of analysis was narrowed to the sole Italian market for sustainable fashion, selecting companies with similar characteristics. The focus of the research are independent SMEs, with less than 20 years of activity born as sustainable companies. The decision to analyse various companies was made in order to make the analysis more substantial and to have the possibility to see the issue from different perspectives. This will allow us to have a broader set of observations, in order to highlight commonalities and differences, to consider which actions drove to success or failure, and to draft a more complete analysis.

Finally, we will try to find out if companies with sustainable business models are actually sustainable; we will also see if some patterns and similarities among them emerge and if the Italian consumer is becoming more inclined to buy sustainable; and if digitalisation and e-commerce have actually been a competitive advantage for these SMEs. We will also try to identify how the COVID 19 pandemic affected these businesses. Finally, we will try to identify which future trends can be foreseen.

1 Contemporary Fashion landscape: between fast fashion and sustainable fashion

1.1 Highlights of the current fashion system

The runways of New York
and the factories of Bangladesh
could not seem further apart.
Yet they both drive a global
, 1.5 trillion-dollar industry:
the fashion industry (Thomas, 2019).

In the present chapter we will discuss the main issues regarding the current fashion system, with a focus on fast-fashion and its unsustainable business model. We will also analyse both the social issues and the environmental impact of the apparel industry. Finally, we will present the characteristics of sustainable fashion, trying to acknowledge some new trends and innovations that are leading the change in the industry.

1.1.1 Fast fashion and its characteristics

Nowadays 100 billion garments are produced every year, 20% of which remains unsold. The average garment is worn only 7 times, and afterwards it ends up being incinerated or in landfills. Moreover, the contemporary fashion system is responsible for 10% of global carbon emissions and for 20% of the overall water pollution. 40% of the microfibers released by clothes end up in rivers, lakes and ultimately sea where they are ingested by fish and work their way up to the human food chain (Thomas, 2019). These numbers can help understand how unsustainable the fashion industry is right now and how it concurs to the earth pollution and climate warming issues.

Up to the ‘70s much of the apparel industry was produced in developed countries, outsourcing wasn’t common, and neither was import. But in the ‘80s a new model emerged: fast fashion.
The term fast fashion refers to the current business model of global fashion conglomerates that successfully reduced the lead-time process from 6 to 12 months to less than 30 days (Anguelov, 2016).
Fast fashion is based on the QR (quick response) method: get clothes to shops quickly and restore fast. The idea consists of producing smaller batches of garments, but more frequently, inducing consumers to visit shops more frequently and buy more. If a style does not sell well in the first week, it is dropped out of production and orders are cancelled. Thanks to digitalization and communication technologies the system has become more efficient and faster, allowing for an increase in the number of outputs (Thomas, 2019).
Nevertheless, innovation in the way clothes are made has not kept pace with the acceleration of how they are designed and marketed. Fast fashion is now a large, sophisticated business with a relatively low-tech production system, which inevitably leads to environmental effects: making clothes typically requires using a lot of water and chemicals and emitting significant amounts of greenhouse gases. Moreover, nearly every step is subcontracted and very few factories are directly owned by retailers.

To sell clothes cheaply, while reaping a profit, production is outsourced to independent factories in developing countries, with no safety and low wages, in order to decrease the costs of manufacturing.
It takes for garments to go from the catwalks of New York, to the sweatshops in Bangladesh and then back to Europe to the retail stores in less than a month.
Apart from the exploitation of cheap labour, fast fashion retailers also exploit the lack of environmental regulations in production countries (Anguelov, 2016). The toxic elements used in contemporary textile production cannot be eliminated through purification, which results in permanent environmental damages (Anguelov, 2016).
The only developed country that managed to keep part of the production in the country without exporting is Italy, thanks to its "Made in Italy" label and because of the know-how of companies producing high quality textiles and materials.
It seems that the fast fashion business model is here to stay, as clothing production doubled from 2000 to 2014, and the number of garments purchased per capita increased by about 60 percent (McKinsey, 2019). If we consider that the human population is growing and by 2030 it will reach 8.5 billion people, we can imagine how unsustainable this will be in the long run.

1.1.2 Current impact of the fashion system

The main issues of the fashion industry can be divided in two macro areas: social unsustainability and environmental unsustainability. On one side we have the working conditions of workers in developing country factories, with no guarantees and controls, and on the other hand the neglect of the environment when considering the production system.

1.1.2.1 Social impact

It is often said that the cost the consumer does not pay, when purchasing fast fashion, is paid by someone else; and that someone else is workers and the environment. Overall, it is estimated that fewer than 2% of workers in the industry earn a living wage.

The externalisation of the production from developed countries to areas with lower cost of labour, called dumpling, has led to the creation of Export Processing Zones (EPZ): these are free zones, where subcontractors often locate their warehouses (Rinaldi & Testa, 2013). Retailers externalize in these areas the first steps of the supply-chain, characterized by highly intensive and non-qualified labour. The ILO defines EPZ areas as

> "Industrial zones with special incentives set up to attract foreign investors, in which imported materials undergo some degree of processing before being exported again. In these areas the right of association is often violated and wages are below the living standard. "

The majority of the labour force deployed in these areas are women. Nevertheless, they tend to have lower chances to be promoted to higher roles and they are rarely educated on new skill sets. What's more, the ITGLWF (2011) report denounced pregnancy test practices before the employment, sexual abuse and no respect of the regulations on maternity leaves.

Bangladesh is currently the major apparel producer together with China and Vietnam. It is estimated that in 2018, 4.5 million workers produced more than 30$ billion worth of ready-made garments, in that very same country. Currently Bangladesh is the cheapest country to produce garments, and its economy is completely dependent on the fashion industry. The living wages are below minimum and no safety standards exist: between 2006 and 2012 more than 5 hundred employees died in factory fires. The worst accident to have happened was the Rana Plaza fire of 2013, where 1.134 people died and 2.500 were injured. By now it's the deadliest factory accident of the industry in modern times.

The social unsustainability of the current fashion system doesn't affect only Bangladeshi workers, it is also endemic in other countries.

China, for example, is the largest cotton producer in the world, with 84% of its cotton coming from the Xinjiang region. Amnesty International claims that a vast state-sponsored system of detention and forced labour involves up to 1.8m Uighur and other Turkic and Muslim people in prison camps, factories, farms and internment camps in Xinjiang. It says that the forced labour system across the region is the largest internment of an ethnic and religious minority since the second world war. It is estimated that major brands, from Adidas to Inditex and Uniqlo purchase cotton from these suppliers, even though the majority of them negate the involvement.

Uzbekistan is another of the main suppliers of cotton worldwide: every year the government closes schools, hospitals and offices to deploy all the workforce to the harvest of cotton. It is estimated that through this operation 2 million children, aged between 11 and 17, are involved too, leading to a case of child labour, which is still highly diffuse in the industry together with child slavery.

Subcontracting and externalization are endemic in the apparel industry, creating a fractured supply chain in which workers are easily jeopardized. Most brands use sweatshops in their manufacturing, but because of subcontracting, when an accident happens, such as in the case of Rana Plaza, they can't be kept accountable (Thomas, 2019). Moreover, brands, when they get called out, do not invest in improving the living standards and wages of the subcontractors, they just cease the contract leaving the workers without a wage, which makes things worse (Thomas, 2019).

This whole problem devolves from the retailer: they force the production costs to as low as they want because of their power in the supply chain, with the result of ultimately the workers bearing the whole cost and risk of the system (Los Angeles Times, 2017).

1.1.2.2 Environmental impact

The impact of the current fashion system does not fall only on unskilled workers, but also on the environment. The fractured and non-transparent supply-chain created a chronically unsustainable cycle (Rinaldi & Testa, 2013).

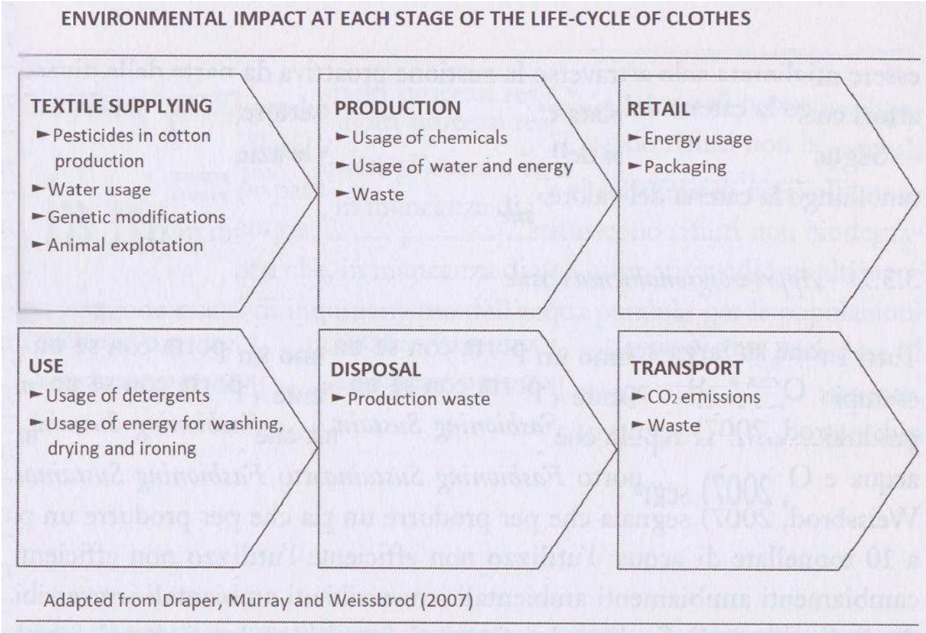


Figure 1Environmental impact at each stage of clothes' life-cycle

Source: (Rinaldi & Testa, 2013)

The environmental unsustainability of the industry can be divided in five macro areas:

- **Textile supply.** Every textile has an impact on sustainability: it requires a high level of energy and water usage, and it often creates not recyclable materials. Moreover, the textiles we consider more sustainable because they are natural, such as cotton and wool, are in fact the most unsustainable ones.
  Cotton, for example, is cultivated in more than 80 countries, representing 2% of the overall cultivated land, even though it uses the 17% of the overall pesticides used in agriculture. Furthermore, it requires high quantities of water that, if badly managed, can create irreversible harm to the environment, such as in the case of the drainage of the Aral lake.
  Wool production is another highly polluting sector: once, cashmere was a luxury material, but nowadays it has been democratizing and in order to deal with the rising demand, more and more fields in Mongolia have been dedicated to gazing, with desertification and habitat destruction as a consequence.
- **Production.** The most polluting phases of production are dyeing, drying and fabric fixing. Furthermore, the production process itself produces non-recyclable leftovers, compromising water, air, and subsequently the life quality of workers.
- **Retail.** It deploys high quantities of energy and waste. Let's just think about the quantity of plastic and paper used for packaging and the energy required to run shops.

- **Usage and disposal.** Once the garment has been purchased, the most polluting part of its life cycle starts, because of repeated usage, washing and drying. In fact, 80% of the overall carbon footprint is caused by the post purchase phase (Rinaldi & Testa, 2013).
- **Transportation.** Globalised and fragmented supply-chains require more frequent and long-distance transportation. Normally, garments are designed in one country, produced in another and sold in another one, not considering the travels back and forth of samples before the actual production of the garment starts.

1.2 New developments: sustainable fashion

The interest around a more sustainable and responsible way of producing clothes is growing and many companies are leading the path. The transition towards a virtuous cycle of production is not only desirable, but necessary in the long-term. It is important to re-educate companies and consumers to a slower rhythm, that has been disrupted by fast-fashion and its overproduction system.

In the next paragraphs we will talk about fashion sustainability both from a producer side and a consumer side. There are various terms that identify sustainable and responsible ways of production and consumption in fashion. We go from responsible fashion, the broadest term, indicating not only the social and the environmental aspects, but also other stakeholders such as media, culture and art (Rinaldi & Testa, 2013), to ethical fashion, referring only to the social aspects, while eco sustainability considers only the environment (Rinaldi & Testa, 2013). Sustainable fashion, on the other hand, stresses the importance of the environmental and social sphere, recalling the concept of CSR (Rinaldi & Testa, 2013), defined by the European Union as

> "The voluntary integration of companies' social and ecological concerns into their business activities and their relationships with their stakeholders. Being socially responsible means not only fully satisfying the applicable legal obligations but also going beyond and investing 'more' in human capital, the environment, and stakeholder relations." (European Commission , 2001)

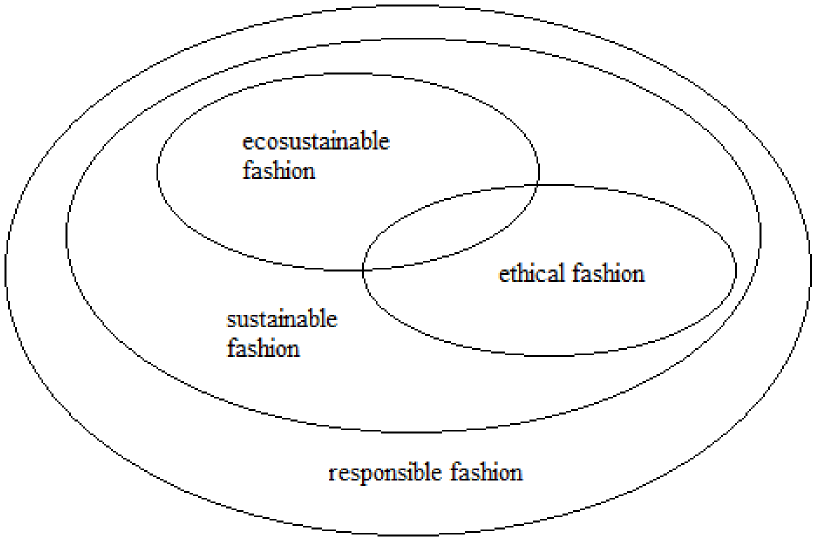


Figure 2 Taxonomy of responsible fashion

Source: (Rinaldi & Testa, 2013)

In this dissertation we will use the term sustainable fashion, as it is the widest used one, not only in papers, but also on companies' websites and media. In fact, as analysed by Candeloro (Candeloro, 2019), the term "sustainable" is the most frequently used term by the sample of 53 companies, chosen among the best 100 listed by the Independent.

Therefore, from now on we will use the term sustainable fashion, specifying, when necessary, if we are considering the ethical or environmental sphere.

Later in this chapter, we will also examine all the different examples of sustainability in fashion, from circular economy, to the vintage and renting phenomenon, as this is an extremely complex and multi-faceted issue.

1.2.1 Definition and characteristics

In the last decades fashion sustainability has increasingly become a popular and widely used term, many brands nowadays sell sustainable fashion apparels and many big brands are moving in this direction.

The fact that sustainability has become a driver in the industry is highlighted by the fact that the keywords "affordable sustainable clothing" and "fashion sustainability" on Google browser increased steadily in the last five years. Furthermore, the Fashion Industry Pulse Report of 2019 states that the 42% of the interviewees considers sustainability as a major factor when purchasing a garment:

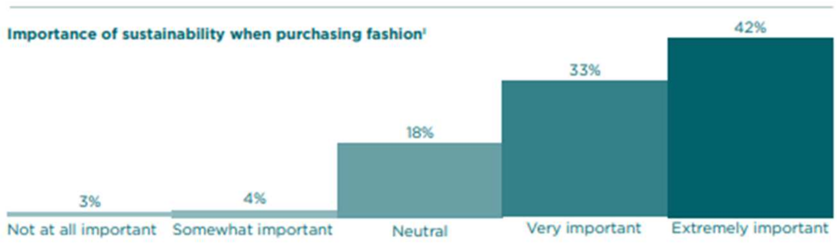


Figure 3 Importance of sustainability when purchasing fashion

Source: (Fashion Agenda , 2019)

Furthermore, the Pulse Report analyses each year the implementation by the fashion industry of the nine main future goals and challenges. The majority of them are all linked to the concept of sustainability:

- Fourth industrial revolution
- Promotion of better wage system
- Circular fashion system
- Sustainable material mix
- Combating climate change
- Respectful and secure work environment
- Efficient use of water, chemicals and energy
- Supply-chain traceability

As we will see in the next paragraphs these are all major challenges already implemented by some companies. Nevertheless, as the report itself states, 40% of companies are not yet actively working on these issues, and much more needs to be done.

Therefore, we can definitely see a shift from a fast fashion business model to a slower type of production and consumption: less is more is in fact one of the main trends of fashion for 2021 according to the annual Mc Kinsey "The State of Fashion" report. But, the magnitude and long-term development of this trend is still to be defined.

Therefore, to analyse more in depth this phenomenon, it is necessary to start by defining the very same concept of sustainability. No agreement exists on the term, but the widest used business definition given by UCLA states:

> "The physical development and institutional operating practices that meet the needs of present users without compromising the ability of future generations to meet their own needs, particularly with regard to the use and waste of natural resources. Sustainable practices support ecological, human, and economic health and vitality. Sustainability presumes that resources are finite, and should be used conservatively and wisely with a view to long-term priorities and consequences of the ways in which resources are used."

On the other hand, the Fashion Revolution Foundation specifies that, if we consider the fashion industry, this concept should be integrated, because sustainability

> “must be rooted in social equity, which means just and fair access, provision, implementation and impact of design, processes, services, programmes and policies. This is important because pollution, rising sea levels, depleted soil and water resources tend to hurt poor and disadvantaged communities the most whilst they have contributed least to these negative impacts.”

The change must take into account not only a transparent supply-chain, a sustainable production system or a responsible consumer, but it must also consider the end of life of the garment. This is why the real challenges, as stated at the Copenhagen Fashion Summit of 2018, are: producing less in small batches and creating a circular business model. In fact, through the implementation of a closed-loop system, the currently inevitable disposal of garments dumped in landfills or incinerated, could be avoided and clothes could be kept in the system for longer. Further in this dissertation, we will show how new types of companies are emerging, challenging the current system and trying to apply this very closed-loop system.

1.2.2 Framing sustainability

Framing sustainability is one of the most complex challenges in the industry. As we have seen at the beginning of the chapter, there is no consensus on the terminologies to be used and no agreement of what sustainability is. Moreover, what sustainability means for a brand and what sustainability means for a consumer isn’t necessarily the same; and this can lead to confusion, misinterpretation and green washing, as we will later see in the next paragraph.

To increase the complexity, the data we rely on is often wrong or only partial. Vanessa Friedman (The New York Times, 2018)claimed that fashion isn’t the second most polluting industry, even though this is one of the statements most agreed upon: it is in fact reported in many policy reports such as in the case of the European Parliament (European Parliament , 2020). She explains how there is a lack of reliable facts, because the supply chain is too complex and non-transparent. Another big challenge is to define the concept of fashion: if we are talking about the supply industry, the apparel and footwear industry or if we are only considering the textile sector.

This inevitably leads to a methodological issue at the moment of studying and creates a theoretical framework for sustainable fashion (Park & Kyung-Kim, 2016). But at the same time, analysing and developing frameworks is crucial to actually understand at what point we are and how we can improve.

Therefore, assessing sustainability is a major challenge and necessity that requires a multi-faceted approach that comprehends not only the economical aspect, but also the social and environmental one.

A widely known and used framework is the Triple Bottom Line (TLB), where triple refers to the three main pillars to be considered: financial stability, social justice and environmental sustainability. The TLB was developed by John Elkington, a CSR expert, in 1994. It wasn’t the first framework to be created, but is the most comprehensive and acknowledged.

Complexity arises from the difficulty to define parameters for the environmental and social sphere. They vary consistently among the institutions that use them, and this leads to difficulties when doing comparisons.

The weight each institution, organization or company decides to give to each parameter is extremely inconstant.

On a general basis, we can say that the main parameters taken into consideration are:

- **Economic sustainability.** Taxation, income, occupancy rate.
- **Social sustainability.** Female labour force participation, level of education, unemployment rate.
- **Environmental sustainability**. Water and air quality, land use, energy use and toxic waste.

Moreover, accounting environmental and social issues isn't easy. Slaper and Hall (Slaper & Hall, 2011) explain how the 3 Ps (Profit, People, Planet) do not have a common measure, and they also highlight the difficulty to quantify the damage done to communities and the environment and how to financially charge institutions accordingly.

The main issue is that there is no universal standard to calculate the TBL and, as we have seen, this is a major problem, but at the same time is the characteristic that determined its success: flexibility and adaptability (Slaper & Hall, 2011).

This is also the reason why the TBL can be used by businesses, as well as governments and nonprofits.

In the specific fashion sector, we want to highlight how useful TBL could be to increase the participation of stakeholders and the creation of specific policies by institutions, because, as we have already said and seen, fashion needs a multi-faceted approach and there is no one-size-fits all kind of solution.

1.2.3 Tackling sustainability issues: Certifications and greenwashing

What is really sustainable and how it is possible to define it is still a challenge; many certifications, codes of conduct and third-party institutions for monitoring exist. Variety and complexity are a major issue when a company tries to define itself, but it is also problematic for the consumer at the moment of purchase. Furthermore, this lack of information and definition can incentivize companies to falsely claim positive actions, such as in the case of greenwashing.

In the '70s, characterized by de-regularization and delocalization, some major intergovernmental agencies developed measures to address the lack of regulation. The first to do so were the ILO, with its Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of 1977 and the OECD in 1976 with the Declaration and Decisions on International Investments and Multinational Enterprise. Nevertheless, these regulations didn't have any real or concrete benefit.

Afterwards, in the '90s the delocalization of the supply-chain, started in the '70s, reached its peak. Boycotts and protests started to increase, the most famous one being the one against Nike's sweatshops. This led to major changes in behaviours, and policies, such as the adoption of codes of conduct by many companies. Nevertheless, from a study of the OECD only 23% of these codes provide the supervision of third-party, which is the only true system to guarantee transparency. At the end of the century, in 1999 the Global Compact was proposed at the World Economic Forum. The proposal was articulated in 9 points: 2 on human rights, 4 on general labour practices, 3 on the environment, in order to push towards a fairer and safer system.

Nowadays, many NGOs and business associations developed organizations to control and supervise companies, the most important ones being:

- BSCI (Business Social Compliance Initiative). Promoted by the Foreign Trade Association, representing European companies at the European Commission. The objectives of this initiative are: increase labour standards, increase transparency and monitoring.
- ETI (Ethical Trading Initiative). Born in 1998, its main objective is to increase labour standards.

Specific certifications in the textile and apparel industry are:

- WRAP (worldwide Responsible Apparel Production). International organization for the social certification of companies in the apparel system. The program presents 12 principles on labour conditions, environmental conditions and safety measures. Today over 1350 companies are certified in more than 30 countries, being the majority in Asia (Rinaldi & Testa, 2013).
- SA8000 (Social Accountability 8000). Created in 1997 by the Social Accountability International and it defines the working standards that companies need to follow. It certifies companies that follow adequate measures related to child labour, safety measures, wages, working hours and right of association. On the other hand, it doesn’t consider environmental issues. This certification is widely diffused in Europe, being Italy the leader with over 880 companies certified.
- GOTS (global organic textile standard). Born in 2006 to harmonize European and United States standards, it controls and evaluates chemicals used in the textile industry. It ensures that all the materials used are sourced from biological farming systems, guaranteeing its traceability.

Other types of certifications exist, aimed at certifying the traceability and safety of the textiles used by companies and the production methods applied, ensuring that they are cruelty-free, non-toxic or organically produced. The main certifications used to label eco-sustainable materials and textiles are:

- BCI (Better Cotton Initiative). It promotes a more sustainable production of cotton and by now it represents 14% of the overall cotton production.
- GRS (Global Recycled Standard). It guarantees the usage of recycled fibres, such as cotton, wool and polyester.
- RMS. (Responsible Mohair Standard). It addresses the welfare of goats and the land they gaze in.

- Fair Trade Textile Standard. It guarantees the usage of certified fibres, freedom of association, adequate living wages and safety measures in warehouses.
- OEKO-TEX. It includes a series of different certifications from environmental to social guarantees.
- C2C (Cradle to Cradle). It's a rating system for manufacturers, divided in five levels: basic, bronze, silver, gold and platinum. The parameters used to classify the companies are material safety, carbon management, water stewardship, social fairness and material reuse.
- FSC (Forest Stewardship Council). It guarantees that the trees and paper used in the production process are certified and controlled.
- Reach Compliance. It certifies that a product is compliant to the EU REACH Regulation (EC) No 1907/2016, allowing the control over the usage of toxic chemicals in objects.

As we have seen, since the '70s policy-makers have created and proposed a wide set of regulations and disciplines. Nevertheless, there is still a lack of systematicity, and not every company takes part in these initiatives. As a consequence, a huge issue across many industries and not only limited to fashion is greenwashing. The green advertising used by companies has nearly tripled since 2006 (Delmas & Burbano, 2011) and more and more companies in every industry dedicate a section of their website to environmental and social practices and performance reviews.

Greenwashing is the intersection of two firm behaviours: poor environmental performance and positive communication about environmental performance (Delmas & Burbano, 2011). This happens more and more frequently through selective disclosure: strategy whereby firms seek to gain or maintain legitimacy by disproportionately revealing beneficial or relatively benign performance indicators to obscure their less impressive overall performance (Marquis et al., 2016). In the long term, greenwashing can erode the trust of consumers towards green products, penalizing companies that are actually sustainable.

The main external drivers of greenwashing are (Delmas & Burbano, 2011):

- Pressure from market actors (investors, consumers, competitors)
- Pressure from non-market actors (NGOs, regulators)

Regulation is the key driver of greenwashing due to limited punitive consequences and lack of regulation itself (Delmas & Burbano, 2011). More stringent and reinforced regulations are indeed needed. Because of the lack of regulation, external forces such as NGOs are the only ones to take concrete actions and taking companies accountable for their actions. An example of this in the Greenpeace website "stop greenwashing", born in 2009.

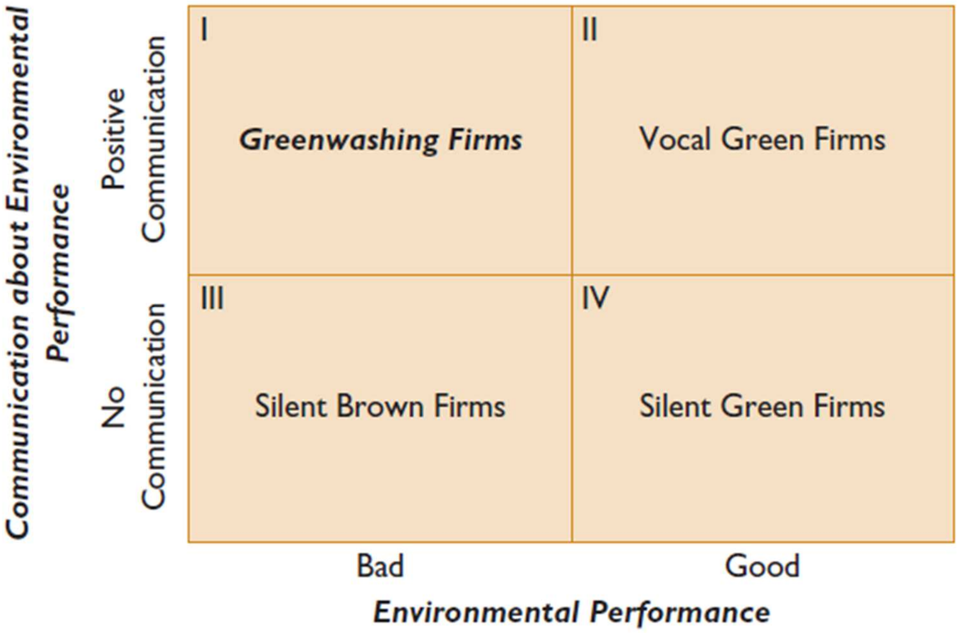


Figure 4 Matrix of Greenwashing

Source: (Delmas & Burbano, 2011)

In this graph we can see four different types of companies when it comes to green advertising. Companies that actively communicate through campaigns and PR activities their sustainability commitment are considered vocal companies, while the others are called silent. When a brown firm not actively working towards a more sustainable supply-chain is vocal, it means that it is performing greenwashing.

A report by the European Union published on 28 January 2021, found out that in 42% of cases the claims were exaggerated, false or deceptive and could be qualified as unfair commercial practices under the EU law. In 37% of cases the use of "eco-friendly", "sustainable" and "conscious" were vague and not appropriate and in 59% of cases no documents were offered to reinforce such claims.

The findings of this analysis will be used for the creation of a new legislative proposal directive for the "consumers for green transition" initiative, aimed at empowering consumers and incentivizing transparency across companies. In the foreseeable future it will be crucial for policy makers to implement regulations in order to avoid and diminish the impact of greenwashing and wrongful green advertising.

1.2.4 Further phenomenon

As we have previously stated, apart from the production of sustainable clothes and the creation of a sustainable supply chain, the implementation of a closed-loop system is crucial. To be truly sustainable, companies need to produce less, in smaller batches, but at the same time they need to reuse materials, avoid wasting resources and clothes need to be kept in the system as long as possible before being dismantled or, hopefully, recycled.

Many different business models have been born in the last decade, applying this very same concept of circularity, and more and more consumers are being drawn to it.

1.2.4.1 second-hand economy & vintage

Every type of garment that has at least 20 years can be considered vintage, while everything that is more recent is considered second-hand. Inside this sector there are wide differences in quality, typology and prices.

- First of all, we have the traditional physical vintage shops that sell high quality, luxury clothes at high prices.
- Secondly, there are thrift shops selling second-hand clothes for low prices. These shops are mainly aimed at low-income consumers, but they are also becoming increasingly popular among young generations as places where to find unique and original garments.
- Lately as the fashion retailing system started moving online, so did vintage and second-hand shops. Many apps were born in the last few years such as Vestiaire Collective (widely used in Europe and mainly aimed at high quality and luxury products), Depop and Vinted, ASOS marketplace and The RealReal[1].
- Furthermore, in the last couple of years a new trend has emerged: people selling vintage and second-hand clothing through the previously mentioned apps, but also through Instagram accounts and Etsy[2] shops. The pieces are carefully selected and sold in small units or single pieces, giving a unique and immediately recognizable brand identity to the shop itself.

. Second-hand is no longer associated with low quality, ugliness and cheapness, but it's starting to be compared to normal fashion shops. 80% of Gen Z respondents in the threadUP report said that there is no stigma in buying second-hand and many feel actually proud. That's why resale is expected to overcome traditional thrift and donation segments by 2024, with an annual growth of 39%, much higher than the thrift market:

[1] Vestiaire Collective, Depop, Vinted, ASOS Marketplace and The RealReal are all reselling online platforms.
[2] Online platform where users can sell old or handcrafted objects in personalized shops.

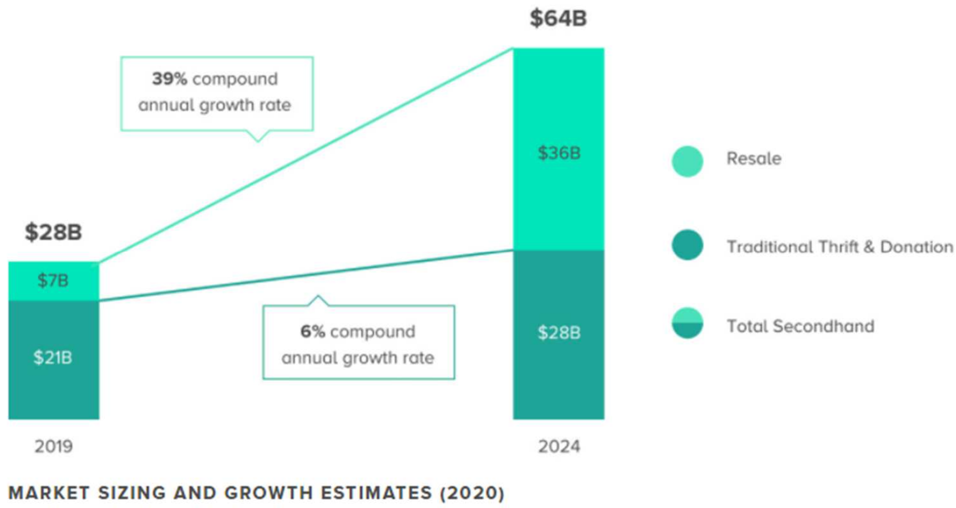


Image 5. Growth in reselling is expected to grow and overcome traditional thrift and donations by 2024Figure 5 Growth in reselling is expected to grow and overcome traditional thrift and donations by 2024

Source: (Thredup, 2020)

And among all second-hand retailers, the ones that sell online are expected to grow faster, because of the Covid19 pandemic:

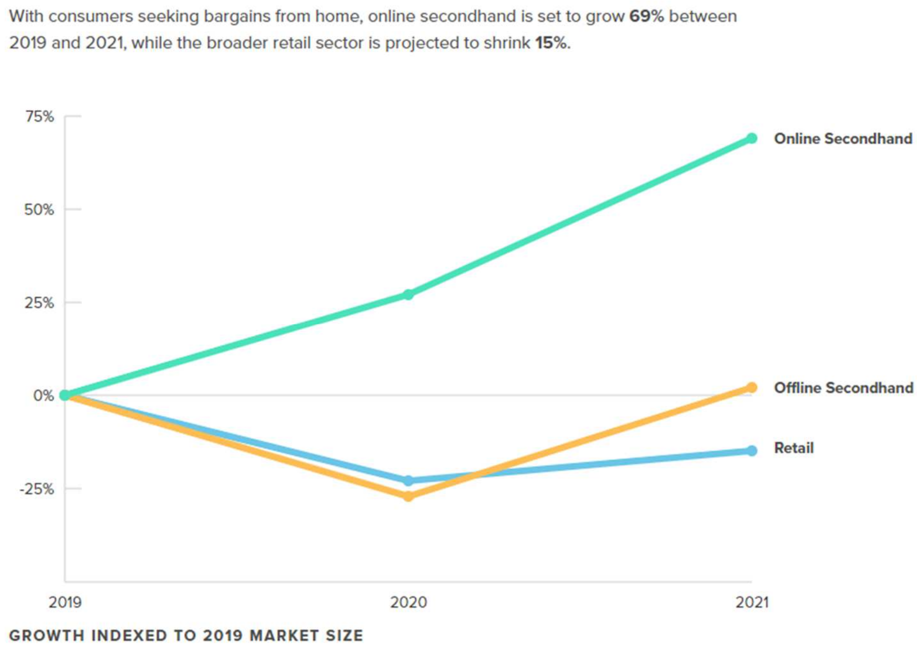


Figure 6 Growth indexed to 2019 market size

Source: (Thredup, 2020)

Overall, in 2019 the vintage and second-hand sector has grown by 15-20% compared to the previous year (BCG, 2020). Furthermore, in the 2020 thredUP report second-hand is expected to grow faster than fast fashion, overcoming it by 2029.

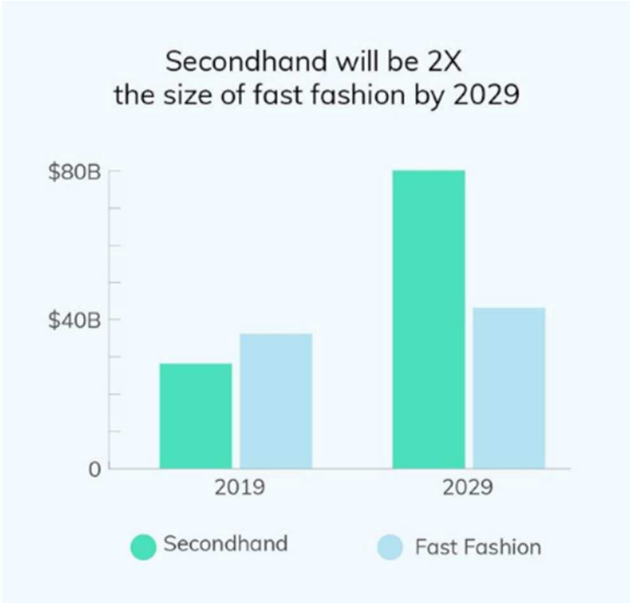


Figure 7 Size of fast fashion and second-hand market by 2029

Source: (Thredup, 2020)

Furthermore, resale is expected to grow 5x in the next 5 years, while retailing is expected to shrink by 4%, a trend already started in 2019, before the pandemic came to be.

But this phenomenon should not be considered only European or western in general; actually, WGSN states that "Idle Fish", an app used in China to sell second-hand clothing, has grown by 53% in 2020, seeing an increase in users by 3 million (WGSN, 2020).

The main factors affecting the steady rise of reselling, as reported by the BCG report are (BCG, 2020):

- Affordability
- Selection availability
- Environmental sustainability
- Need for thoughtful and unique objects and clothes

Fast fashion has accustomed us to buy lots of clothes more frequently, thanks to the strategy of changing the collections every two weeks, but it has also led us to buy products with a lower level of quality, made with cheaper materials. On the other hand, vintage and second-end shops promote an idea of timelessness and uniqueness connected to the garment itself, completely different from the one we are used to.

Moreover, buying second hand is one of the best actions to be carried out in order to be sustainable, as the most environmentally friendly action consists in reusing what is already being made, without producing more.

This concept has been widely understood and used by famous brands in a number of campaigns, with the aim of incentivize people to return and recycle clothes, to keep them from ending up in landfills or from being incinerated:

- In 2020 Zalando[3] and Farfetched, two of the most important e-tailers worldwide, both launched platforms where to sell vintage and second-hand clothes. The Zalando platform "pre-owned" is already available in Germany, France, Belgium and Netherlands, and it will arrive in Italy this year, 2021.
- COS[4] opened in 2019 an e-commerce website called COSresell.com, where the brand allows customers to resell their own garments and buy new or old ones.
- Levi's & co[5]. followed the path of Patagonia and North Face[6], two well-known sustainable brands, allowing customers to return old denims in exchange for new garments. The old collected products are repaired and resold by the company, or in case of necessity recycled.
- Gucci[7] launched an on-line reselling pop-up store on the site of the RealReal. This campaign was carried out in partnership with Treedom[8]: for every purchase made a part of the profit would have been donated to a tree plantation.

Gucci is among the first luxury brands to pursue such a strategy. The reselling market, especially of famous and luxury brands, is wide and profitable, but it is also full of fakes and not under the control of the brands. That is why initiatives like the one carried out by Gucci could become more common in the future, they could help brands be in control of the reselling process and diminish the impact of counterfeiting.

1.2.4.2 Circularity & up-cycling

The term up-cycling refers to the practice of reusing samples and leftovers, recycling materials and giving them a second-life. The idea of circularity behind up-cycling is becoming more and more important nowadays. The EU Circular Economy Action Plan published in March 2020 aims at the creation of a sustainable product policy framework in order to reduce waste in some strategic and highly polluting industries. Among them there is also the textile industry, which is the fourth highest-pressure category for the use of primary raw materials and water, after food, housing and transport, and fifth for GHG emissions.

The Action Plan proposes 4 main actions:

- developing ecodesign measures to ensure that textile products are fit for circularity, ensuring the uptake of secondary raw materials, tackling the presence of hazardous chemicals, and empowering business and private consumers to choose sustainable textiles and have easy access to re-use and repair services
- improving the business and regulatory environment for sustainable and circular textiles in the EU, in particular by providing incentives and support to products-

[3] Zalando and Farfetched are online wholesale retailers
[4] Swedish fashion brand known for its minimalistic style
[5] American jeans brand
[6] Patagonia and North Face are both outdoor fashion brand
[7] Italian luxury fashion brand
[8] Italian startup aimed at planting trees and fight deforestation

service models, circular materials and production processes, and increasing transparency through international cooperation
- providing guidance to achieve high levels of separate collection of textile waste, which Member States have to ensure by 2025
- boosting the sorting, re-use and recycling of textiles, including through innovation, encouraging industrial applications and regulatory measures such as extended producer responsibility

The last point can be directly linked to the phenomenon of upcycling in fashion.

During the round table on "The New Textile Economy" at the Copenhagen Fashion Summit of 2019, it has been stressed how the fashion system considers the life cycle of clothes to be linear: produce, buy, use, throw away; but this isn't sustainable on long-term and for this exact reason a shift in mentality is needed, towards a circular vision of the system.

Ideally, clothes should be produced in small batches, with safe and easily renewable materials, and they should be kept in the system as long as possible. But nowadays this is not the case: only 1% of the overall clothing production is being recycled.

To help consumers be more sustainable, companies could offer repairing services or share tutorials on how to wash clothes properly. Concerning this, a survey conducted by P&G and the University of Leeds showed how using a good quality detergent, low temperatures and quick washing cycles reduce the dispersion of microfiber in the water by 52% and cut dye release by 74%, extending also the life of garments (Leeds University, 2020).

Ben Wouters, vice president of global fabric care at P&G, states that if we used 1 out of 5 of our garments for a 10% longer time, we could save up to 1.6 million litres of water and 6.4 million of garments to be thrown away.

Up-cycling is extremely helpful also for small brands that can have access to high quality materials for a lower price. An example of a small company using leftover materials is Maison Cléo (Rivista Studio, 2020) a Paris-based brand that produces only small batches of clothes with the leftover materials they find in warehouses.

Up-cycling is becoming more and more popular also among big brands and some campaigns have been carried out through this system:

- Coach[9] started reselling old archive pieces, altering them and innovating them.
- Miu Miu[10] presented a collection of clothes found in markets and altered to recall the style and the identity of the brand.
- Ellery[11] collaborated with a young artist, Duran Lantinkyo, who modified and personalized their archive clothes.

1.2.4.3 Renting

[9] American luxury brand
[10] Luxury fashion brand, property of Prada Spa
[11] Australian fashion brand

The latest sustainable trend of the fashion industry is "Renting": instead of buying a piece of clothing, wearing it only one time and leaving it in the closet, this new phenomenon prevents the previous scenario through the rental offer (Financial Times, 2018).

An example of brand that is moving in this direction is Ganni[12]. During the February 2021 edition of the Copenhagen Fashion Week, it presented the new platform, GanniRepeat, where customers will be able only to rent the new collection for a lower price, instead of buying it for a full price. The collection itself is made of only 26 pieces realized at 70% with recycled and certified materials. Even though Ganni is not a sustainable brand, it is still one of the few that is transparent about its supply chain and it is highly committed to environmental issues, also thanks to a totally dedicated account on Instagram called Ganni.Lab.

The biggest player in the renting sector is Rent the Runway, an e-tailing company, that aims at renting not only special occasions and designer clothes, but also day to day garments. The founder of Panoply, the first European renting platform, says that renting should be complementary to buying, in order to reduce our environmental impact thanks to buying less clothes. For the future, she aims at convincing luxury brands to lend them the leftover stocks to be rented, instead of being destroyed or brought to landfills.

Still, the concept of renting is not extremely popular yet, more so among Millennials rather than Gen Z: a Vogue Business study states that Gen Z consumers prefer to buy clothes from independent brands, rather than renting from platforms such as Rent the Runway (Vogue Business, 2020). And they also like the idea of reselling in order to buy something new. Furthermore, the consulting agency Archivale (Vogue Business, 2020) states that Gen Z consumers see the process of renting, delivering and laundry as polluting and not totally sustainable. Many renting platforms, such as Rent the Runway, ask for a monthly fee that the youngest generation is not willing to pay. For them, new platforms are popping up, such as Nuw, an UK start up that works as a clothing swap service, allowing users to borrow clothes for a small monthly fee.

Renting is one of the latest trends of the industry and how and if it will be successful is still hard to tell, but it is still an example of the multiple sustainable responses that are being developed in the industry.

1.3 LOHAS: the sustainable consumer

1.3.1 The new consumer

During the last decades increasing attention has been paid to environmental issues and sustainability has been recognized as a driver of innovation for companies (Bonera, et al., 2020). In fact, as we have seen in this chapter, many realities have been working on technological upgrades and research for new materials; and an increasing number of companies have been working on innovative business models, from renting platforms to vintage e-tailing apps. This is also true if we consider the importance that Corporate Social Responsibility has acquired during the last decade and the many public backlashes

[12] Danish fashion brand

towards greenwashing companies. But, after having extensively analysed the production side, it is time to focus on the consumer side of the fashion industry.

First of all, it is important to notice that a profile of the responsible consumer does not exist since all of us can be more or less sustainable and environment-friendly: the sustainability of an individual should not be considered as given, being something dynamic that changes according to both subjective and contextual factors (Lanzini, 2017).

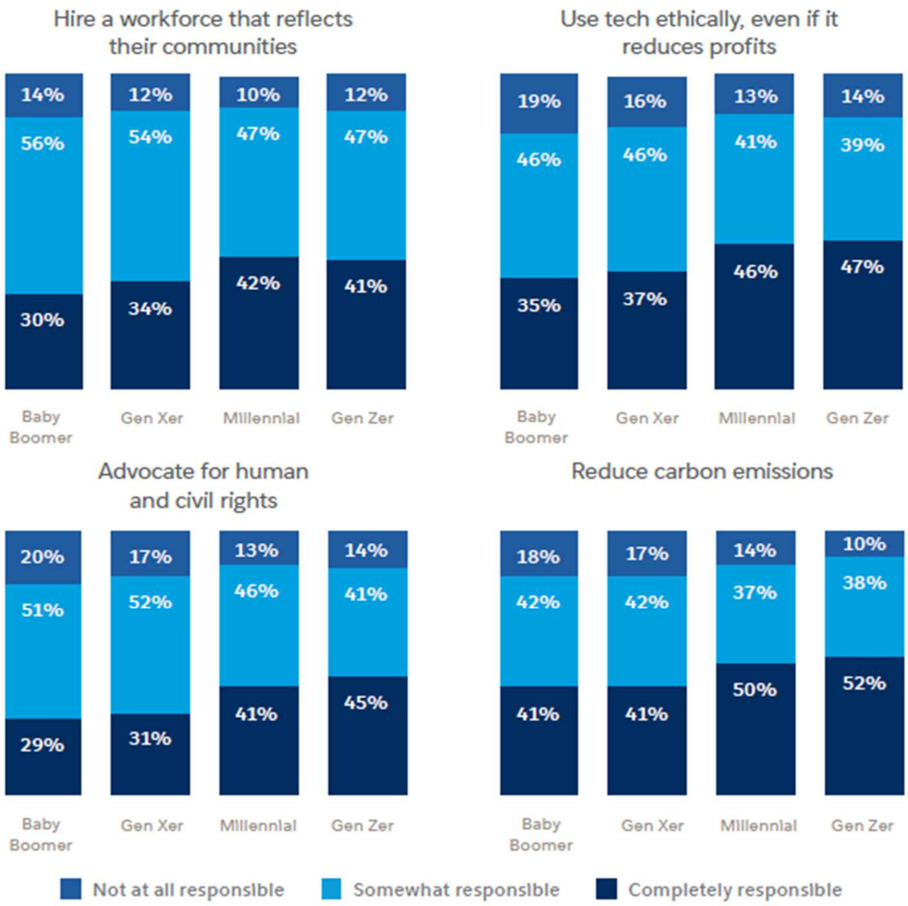
Furthermore, the opinion on what it means to be sustainable and on if a sustainable consumer actually exists are contrasting.

Generally speaking, Millennials are thought to be the leading generation when considering sustainable behaviours (Bonera, et al., 2020). They are often merged with the next generation, called Gen Z, even though they are more commonly differentiated in two different sets: Millennials, born between 1982 and 1996 and Gen Z, born between 1997 and 2010 (Pew Research Center, 2017). Millennials are also referred to as “Green generation” and they are considered to be the most likely generation to pay extra for sustainable and eco-friendly products (Pew Research Center, 2017). They are far more educated than the previous generations and being born during the era of Internet, they tend to be highly informed and used to do research (Pew Research Center, 2017), being therefore more demanding with companies and being more inclined towards sustainable buying behaviours (Forbes, 2020).

Millennials and Gen Z are also acquainted with social media and internet, using more frequently apps and e-commerce to purchase. They are also considered to be much more interested in the ethical behaviours of companies and more vocal about their opinions and values (Salesforce, 2020).

Nevertheless, the extensive knowledge of environmental issues Millennials have, does not necessarily lead to green consumption or green behaviour. This is also known as “green gap” (Bonera, et al., 2020): in fact, ecological knowledge is considered to be weaker than personal motivations, as green products are still considered more expensive and sometimes less performant (Bonera, et al., 2020). Moreover, there are still people among Millennials not interested in environmental topics, and some of them only purchase green for social-status reasons (Bonera, et al., 2020).

In the Salesforce 2021 report on consumers, we can see how an actual shift in perspective is happening among consumers, and that it is not that sharply defined by demographics. From this report, we actually see an overall increase in demand for accountability from companies on social and environmental issues, being carbon emission reduction the most relevant one:



.

Figure 8 Importance of 4 factors when purchasing, divided by demographics

Source: (Salesforce, 2020)

There is also an overall tendency from customers to demand trustworthiness from companies (60% of the sample), pro-environmental practices (55%) and service and support (50%), which is not only limited to the youngest generations:

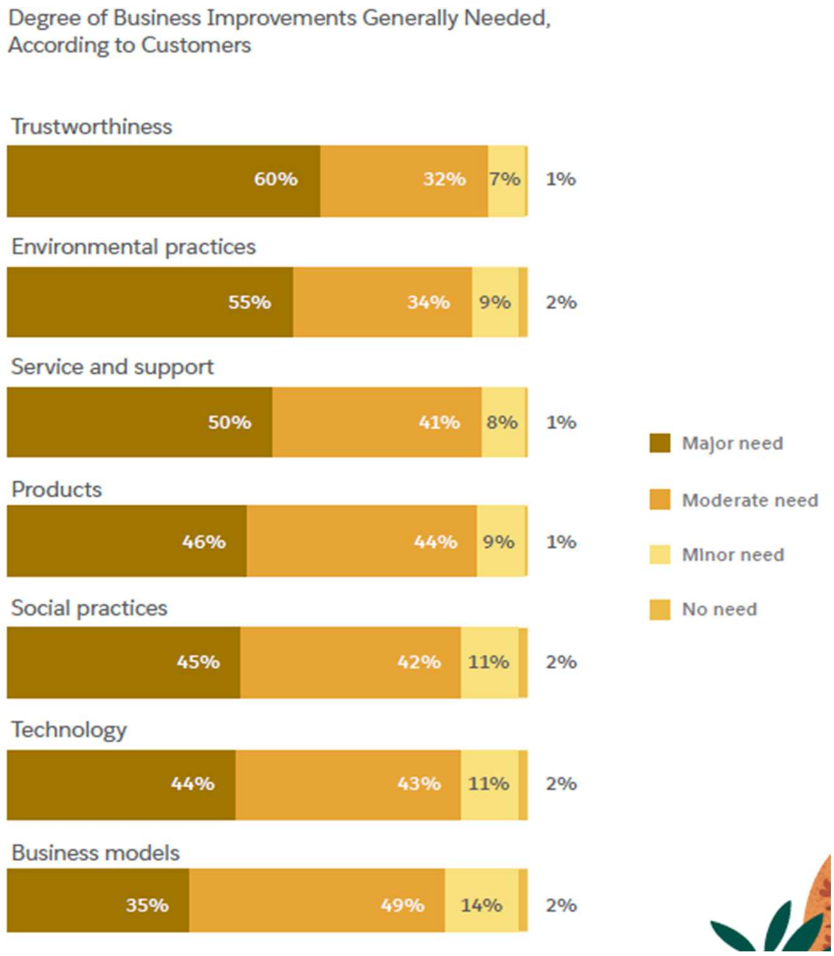


Figure 9 Business improvements needed according to customers

Source: (Salesforce, 2020)

As we have seen, the concept of sustainable consumption is much more complex than what it seems, and a holistic and multi-faceted point of view is needed. In order to suggest a more realistic and comprehensive picture, Lanzini (Lanzini, 2017) suggests to avoid approaches based on demographic and psychographic segmentation, as they tend to be inaccurate, and to point to more complex models (Lanzini, 2017).

Therefore, a possible alternative segmentation has been proposed with the LOHAS (Lifestyle of Health and Sustainability) consumer, a niche segment who is getting bigger year by year. These consumers are not defined by a specific demographic and they do not only seek out safe and sustainable products, but also for good experiences and customer service. They search for brands they can trust and recognize, while keeping them accountable if necessary. This is a huge change in perspective, as we are witnessing the rise of the collaborative consumer (Bonera, et al., 2020): new idea of consumption, collective, where people can directly interact with brands thanks to internet and social medias, where experience and co-creation are crucial (Rinaldi & Testa, 2013).

Furthermore, this new consumer is characterized by brand infidelity, price sensibility, nomadism and selectivity (Rinaldi & Testa, 2013).

As we said, LOHAS are linked together not primarily by demographics, but by their values and beliefs. The current estimate is that LOHAS consists of about 100 million people worldwide and that approximately 20% of the population in Europe may be labelled LOHAS consumers (Picha & Navratil, 2019). They are normally early-adopters of new products and their market consists of several different segments ranging from organic food and spa & yoga services, to fuel efficient cars and natural health products.

They identify themselves as global citizens. They love to travel, visit new cultures and learn foreign languages. They also have a passion for fairness and equality, in the workplace, the society and between developing and developed countries. greater awareness of social and environmental responsibility (Picha & Navratil, 2019).

That's why in the case of sustainable fashion in the West, this segment might be the best one to approach as a target audience. Some studies have been carried out to analyse the role of LOHAS in the specific fashion sector: the Danish Fashion Institute, through the Nordic Initiative Clean and Ethical (NICE), created a framework to analyse European consumers' commitment towards sustainable fashion. In this report the potential role of these new consumers is stressed, but still some obstacles are prevailing:

- **Lack of awareness.** From consumers when purchasing.
- **Lack of transparency**. Related to the supply chain.
- **Scarce offer.** In terms of price, variety and models.

Moreover, sustainable fashion apparels are still considered to be less fashionable and prices are higher; that is why aesthetic risk and economic risk are the two main dissuasive factors when considering slow fashion (Rausch & Kopplin, 2020).

For example, the Fashion Industry Pulse report states that six types of sustainable consumers exist and, even though 42% of the interviewees considers sustainability crucial when purchasing a garment, if we look more in depth, it is not exactly like that. 35% of the sample are complete rejectors, while the 49% have a mild involvement in sustainability and a low level of attitude change, and only the 16% of them are really open to change.

The project NICE, through the development of projects and campaigns, aims at raising awareness among consumers and implementing some best practices across companies to increase the level of transparency and the commitment towards sustainability.

Overall, many initiatives are being carried out by policy makers in order to strengthen regulations, to empower the consumer and to incentivize sustainable purchases, such as in the case of NICE but also with the ``consumers for green transition" initiative by the European Union against greenwashing.

The role of these policy makers is crucial. We cannot rely solely on companies to act in the right way, and consumers need to be encouraged through an adequate offer and they also need to be informed through good communication campaigns, providing them with the tools to choose wisely.

2 The evolution of the retail system and the role of digitalization

2.1 Industry 4.0

Digitalization and IoT have drastically modified many industries of developed countries, such as the automotive one. For the fashion sector it is not that straightforward to apply these new technologies, as the fashion industry is per se extremely reliant on manual labour, which is difficult to automate.

Therefore, implementing and successfully leveraging the opportunities of industry 4.0 will be one of the main challenges in the foreseeable future, and even a potential nudge towards more sustainable processes of production.

“Fourth Industrial Revolution” is a term identifying the current transformation happening in the means of production and consumption across industries, and it is considered a useful tool to reach the sustainable goals of institutions and governments (Teunissen & Bertola, 2018).

The term was first used by the German government in 2011 in a plan aimed at renewing the country's manufacturing system through the potential of digital technologies. This led other countries to adopt the term and also the policies, such as with the Italian “Piano Nazionale Industriale 4.0”.

Industry 4.0 is not only about more powerful and efficient machinery and robotics, but it encompasses the overall production cycle, allowing people and organizations to connect across boundaries through the Internet.

Therefore, thanks to that, a stronger integration and transparency inside the supply-chain could be achieved. This means that all upstream (R&D, inbound logistics, sourcing) and downstream (retail, customer service, outbound logistics) activities functions could be involved and optimized. In this ideal situation, data is systematically collected and shared with all the divisions, allowing managers to take actions, supported and driven by data and analytics.

Moreover, this could also improve customer care, which is of major importance in fashion companies: quick and tailored responses can help retain consumers and reliable data can drive more effective communication campaigns.

Following the study of Teunissen and Bertola (Teunissen & Bertola, 2018), we can divide the Industry 4.0 in three the action areas:

Smart factories: sampling, prototyping, production, logistics.

Smart networks. Supply-Chain Management, Retailing and Communication.

Smart products. packaging process, Surplus Management, Research, Design and Product Development.

It is not easy to find companies inside the fashion sector that apply Industry 4.0 schemes throughout the supply-chain process, but there are certain innovations already well established. Tracking systems such as RFID, already used by some brands such as Max Mara, Fendi and Michael Kors, allow the control of the whole supply-chain: this tool is currently used to avoid counterfeiting, but it could also help developing a transparent supply-chain, where data is readily available.

Therefore, Industry 4.0 can be a powerful tool for new business models to emerge, characterized by democratization, co-creation, sustainability and social media communication.

2.1.1 New technologies in fashion

Before diving into the specific changes caused by Industry 4.0 to the retailing system, we will show how new technologies can have a pervasive impact on the overall supply-chain, and how they can be crucial for a more sustainable type of production.

When implementing a circular business model, the first step is the production of nontoxic materials that are sustainably produced and manufactured, bringing eco-innovation in the system from the beginning. At the round table “Business Models for a closed-loop fashion system”, organized in 2018 by the Copenhagen Fashion Summit, Giulio Bonazzi, CEO of Acquafil, a company that recycles nylon, stated that manufacturers should produce keeping in mind the future of the garments and designing them to make recycling easier. This will be the only way to obtain a wholly sustainable closed-loop model for the sustainable fashion system of the future.

This same concept is also stated in the EU Circular Economy Action Plan:

> “Developing ecodesign measures to ensure that textile products are fit for circularity, ensuring the uptake of secondary raw materials, tackling the presence of hazardous chemicals, and empowering business and private consumers to choose sustainable textiles and have easy access to re-use and repair services”

Currently only 1% of clothes get recycled worldwide, partially because clothes are extremely hard to recycle (Thomas, 2019). They are made with blends of materials: jeans are generally made of cotton and elastane, while cotton t-shirts have polyester sewing thread. Clothes are also dyed with a mix of man-made and natural fibres, which make it even harder to recycle.

A big issue when considering recycling, is the lower quality of some materials. While PET and nylon are infinitely recyclable and reusable, other types of materials, such as cotton, cannot be recycled keeping the necessary quality to produce a new garment, and they eventually get used as industrial material.

Moreover, recycled PET and nylon, when used in combination with other materials for complex products, such as shoes, cannot be separated or recycled afterwards.

That is why a strong and thoughtful design from the beginning is required by companies and designers, to reach full circularity and a higher level of sustainability.

The materials used by fast fashion companies to produce their garments are of poor quality and when they are donated to charity associations, they end up being discarded and thrown away because they are no longer wearable. Part of those clothes gets sold to

Sub-Saharan countries for a low price, but the clothes per se are still second-rate and they will not last long (Thomas, 2019).

Recycling methods and facilities do exist and they can be separated between two typologies (European Commission, 2020):

- **Mechanical recycling.** Blends are recycled this way, in order to separate the fibres making them smaller. This is a form of "downcycling", because small fibres are not good and strong enough to produce other clothes and they end up being used for carpet or for the building industry
- **Chemical recycling.** This type of recycling is used with fibres with large quantities of the same material: breaking down the fibres into their chemical building blocks and then rebuilding them in new fibres. Chemical recycling is still technologically challenging and extremely expensive. Furthermore, the separation of garments by materials is still done by hand, being therefore slow, labour-intensive and hard to scale up

Designing adequate materials from the beginning is a challenge but also the solution for many of the problems faced at the moment of recycling: developing processes that reduce the amount of water needed, selecting sustainable materials such as organic cotton, avoiding chemicals in the process of manufacturing and ultimately using biofabricates.

Biofabrication is the production of complex biological products from raw materials such as living cells, matrices, biomaterials and molecules (Thomas, 2019). Examples of this new frontier of R&D in fashion are:

- **Modern Meadow**. American Biofabrication company that uses fermentation to grow animal-free collagen protein assembled into material to resemble leather. Nowadays leather is $100 billion a year business and the demand for leather products is growing 5% every year worldwide, but leather is also extremely polluting: deforestation to breed the animals, $CO2$ emissions by the farming, use of chemicals to treat the material; and its alternative commonly known as "vegan leather" is made out of petroleum, which means that it is toxic and not recyclable.
- **Frumat Leather.** An Italian company based in Trentino that uses apple waste to produce biomaterial leather, called Apple Skin.
- **Bold Threads.** American biotech company, based in the Bay Area, that produces silk starting from threads of the Blood spider. This material is being used by companies such as Kering, Adidas and Stella McCartney. The reason to find an alternative to silk is the production process of it: silk warehouses are kept at a certain level of warmth and humidity which requires a huge amount of energy and the majority of the plants are coal-fired.
- **Evrnu.** An innovation textile company based in the US that uses regenerated cotton waste to create premium, renewable fibres for apparel. Evrnu consumes 98% less water than virgin cotton, produces 80 % less greenhouse emissions than polyester, viscose, or elastane, emits zero microfibres and does not require farmland. Furthermore, Evrnu can be broken down again and be reused.
- **Worn Again Technologies.** A UK company based in East London that separates, decontaminates and converts polymers into virgin-quality polyester that can be

reused. Polyester is by far the most used material in the fashion industry and is petroleum based: 7 million barrels of petroleum are needed each year for the polyester used in the apparel system. The most commonly used blend is cotton-poly and up until now it was nearly impossible to separate the two and reuse them.

- **Aquafil.** An Italian company that produces ECONYL, a regenerated nylon composed of old carpets and fishing nets. Nylon is petroleum-based too, as polyester. Nylon is broken down into monomers without solvents, but using only renewable energy, and the process can be carried out an infinite number of times, being as circular as it possibly can get.

Apart from easily recyclable and non-toxic materials, it is also necessary to reduce the carbon footprint of the overall supply-chain. Thanks to the advances of technology and digitalization many new tools are being incorporated in the production process:

- **3D samples.** An alternative to physical samples that account for over 10 billion in expenses on the overall industry, without considering the CO2 impact caused by transportation. 3D samples simplify the work-flow, they can be directly sent to buyers, speeding up the process and saving a big portion of a company's budgets.
- **3D Avatars.** A new technology that is rapidly evolving, whose goal is to reduce the number of returns thanks to a better understanding of the fit. Some e-taling platforms already have personal avatars for customers, such as Yoox and Luisa Via Roma[13]. Eventually, as hyperbolically stated by Giulio Bonazzi, CEO of Aquavit, everyone will have a 3D printer at home with their own avatar to print the clothes they want, reducing waste and emissions, while eliminating production and returns.
- **Block-chain Technology.** Defined by The World Economic Forum (2017) as "distributed, not centralized (unlike the internet); open, not hidden; inclusive, not exclusive; immutable, not alterable; and secure." It allows us to trace all the journey of a material and the overall supply chain of a company, leading to transparency and availability of information for the consumers. This is becoming increasingly important because the fashion supply-chain tends to be extremely fragmented and divided among various continents and countries. Some companies have already implemented it to provide further transparency to consumers, such as Ganni, but still some problems persist. Blockchain is not regulated and companies could lie or provide partial information, as no third-party supervision is required.
- **Open-Source Innovation**. Even though sustainable fashion is a very complex field, where innovations grow at a fast pace, it is necessary to share knowledge to foster technological advances. The outdoor company Houdini for example developed the Mono Air project, sharing the complete process of production of its own fleece jacket produced with Polartec, a fabric that can be recycled over and over again and that reduces microfibers shedding[14]. The concept behind the action is simple: share the know-how and enhance sustainable change.

[13] Yoox and Luisa Via Roma are both wholesale e-tailers.

[14] Houdini Mono Air Project (houdinisportswear.com)

- **Consultancy agencies.** Many new platforms and consultancy agencies help brands with CSR, best practices and sustainable design. For example, Fashion for Good, an Amsterdam based platform, aims at helping start-ups to scale up in the sustainable fashion system.

2.2 Retailing: from brick-and-mortar to pure-click

After this first introduction on the concept of Industry 4.0 and digitalization, in this chapter we will introduce the major retailing change that has happened in the last decades, enhanced right through this digitization process: the shift from brick and mortar to pure click retailing.

In this chapter, we will mainly focus on the evolution and the new forms of retailing; we will extensively analyse the e-commerce characteristics and typologies, while also reflecting on its future evolution and trends, such as social commerce.

Moreover, we will identify the positive and negative impacts it has on the environment, as sustainable fashion brands should definitely take into account these issues when communicating to their customers and stakeholders, and actively pursue some crucial actions to reduce the environmental impact e-tailing has.

Finally, we will provide a brief analysis on the immediate effect the COVID 19 pandemic had on the retailing system, and we will try to understand if this disruptive process has brought an enhancement in digitalization.

Firstly, we need to define the concept of brick and mortar, a definition that identifies the traditional form of shopping, where buying has always been related to the physical perception of the product and of the venue. Marketers had the possibility to leverage the disposition and organization of products in the shop, the behaviour of sales assistants and also the lightning and scent to convey the adequate atmosphere.

Nowadays thanks to digitalization new types of shopping experience exist, such as:

- **Brick and click.** Companies that sell both online and offline. In the fashion sector, almost all companies sell both in shops and on their website. Many also sell through wholesalers (both online and offline).
- **Pure click.** Companies selling only online are called pure players. In the fashion industry the most famous ones are Zalando, Asos and Yoox.

In both these cases, but especially when we consider pure click players, the website and e-commerce structure must be thought through very carefully in order to offer the best experience possible. Furthermore, in this context the role of the customer service is crucial and must be taken into account.

Thanks to digitalization, marketing has changed and evolved. Digital marketing is on the rise and among its major benefits there is definitely the higher efficiency and the lower spending when compared to traditional marketing and advertising. Among the best practices for e-commerce there are various concepts of digital marketing that can be applied:

- **SEM (Search Engine Marketing).** Used for traditional search engines such as Google, but also for big e-commerce, such as Amazon. It is used to optimize the company's website and e-commerce in order to appear among the first results of the SERP (Search Engine Results Page).
    - **SEA (Search Engine Advertising).** Advertising done online on search engines to a targeted audience through display ads and banner ads.
    - **SEO (Search Engine Optimization).** The process through which the website is ranked and shown on the SERP. It's extremely important to be optimized for the right keywords because people tend to look only to the first result page, and moreover on top of the SERP there's the competition of the ads.
- **SMM (Social Media Marketing).** Increase of website traffic through social media channels.
- **CRM (Customer Relationship Management).** Collection of data and profiling of customers in order to develop the most precise target possible.
- **UX (User Experience).** Company sites and their e-commerce and blogs are now one of the most important touchpoints in the journey of consumers. That's why the creation of an appropriate design, recognizable, easy to use and in line with the brand identity is crucial. For this reason, the role of the UX designer has emerged: to create a fruitful and positive experience that enhances purchase intention. The key terms in this approach are usability, the ability of the platform to be easily used, and customer-centricity, at the moment of designing the platform itself (Huang & Benyoucef, 2013).
- **UX writing.** As a direct consequence of the role of User Experience, a new professional figure has been born, the UX writer: the person that writes all the copy (called also micro-copy) present on the website. The main goal of this practice is to create clear and unambiguous content that can help consumers through their browsing sessions.

Finally, thanks to all the advantages previously listed, the usage of e-commerce helps small companies and entrepreneurs to emerge, reduce costs and communicate more easily with their products (Thomas, 2019). It's also useful because it saves the costs of opening actual physical stores, employees and inventory (Ancarani, et al., 2018).

This change has been crucial for sustainable brands, as the majority of them are small, with a selected list of products and selling on niece markets (Ancarani, et al., 2018).

2.3 E-commerce characteristics and trends

E-commerce has been the major trend in retail for at least the last decade across all Europe. In the specific sector of fashion, the rise has been steady but slower, because clothes are considered high-involvement product categories related to the ego (Blázquez, 2014). They generally need to be touched and seen by consumers before purchase, and that's one of the biggest challenges of e-commerce to date.

Only pure-click[15] Players such as Zalando or Asos have been able to exploit this tool, therefore reaching a strong leadership position.

There are four main typologies of e-commerce are:

- **B2B.** When the relationship is between two companies.
- **B2C.** When the relationship is between the company and the final consumer. This is the case for almost all fashion e-commerce.
- **C2B.** When the final consumer reaches out to the company for further information or to request a service. Thanks to social media this typology is becoming increasingly important.
- **C2C.** When transactions happen between consumers. This is the case of various platforms, being Ebay[16] and Etsi is the most famous one. Regarding the paragraph on second-hand and vintage, we can also include in this section Vestiaire Collective, Depop and Vinted.

Lately new forms of e-commerce have emerged such as:

- **B2E.** Business to employees e-commerce are used to manage bureaucratic activities such as paying wages, for insurance management, online requests and information communication.
- **B2G.** Business to government e-commerce involves the selling and marketing of goods to state and local agencies.
- **G2C.** E-commerce government to citizens are used to pay taxes, provide information, registering vehicles and other social duties.

E-commerce in the fashion sector can be further divided in three major categories:

- Wholesalers that sell multiple typologies of products, such as Amazon, eBay and Alibaba.
- Wholesalers that sell multiple brands of the same product categories. This is the case of the majority of fashion retailers, such as Zalando and Asos.
- Personal e-commerce of a company, where only the brand products are sold.

Companies can have their own personal e-commerce, but they can also sell on multi-brand wholesalers. Actually, it's better not to sell only through the personal e-commerce of the brand, because thanks to diversification it's easier to obtain a higher penetration level on the market.

Both these categories, being pure players, have the same issues when considering the limitations of the e-tailing system: buying online isn't considered a pleasant experience, no interaction with people is possible and the product isn't physically there (Ancarani, et al., 2018).

The use of e-commerce and the overall process of digital have various advantages:

[15] Term that identifies a business that operates solely through Internet.

[16] Online platform for second-hand and reselling

- E-commerce helps companies adapt cost structures and make each step of the value chain better, faster, and cheaper. For example, digitization can enable new logistics, create new ways of customer acquisition, and help predict and manage inventory to create a more efficient supply chain (McKinsey, 2020b).
- e-commerce dimmish the obstacles provoked by distance and also allows small companies to compete on an international level.
- The use of social media and CRM make profiling and targeting easier.
- e-commerce allows people to shop whenever they want.

Nevertheless, e-commerce does have also some negative sides:

- no possibility to see the product when buying
- no instant satisfaction from buying, as the product needs to be delivered

Clothes are a highly hedonic product category to its symbolic, experiential and pleasing properties. That's why the creation of a hedonic environment is crucial to enhance the purchasing desire of the customer. But, as we can imagine, conveying this type of memorable experience is not that easy.

Further challenges for e-commerce are.

- high competition: as the barriers to establish an online shop are lower than the ones required for a physical one.
- e-commerce globalization. In this case the user experience may need to be modified and strong attention must be given to translations.

Among the trends of the fashion e-commerce across Europe, identified by a 2019 report by McKinsey, the main highlights are:

- **Personalization.** Over 70% of consumers expect it both from the garments and from the purchase experience. Some companies offer the option of personalizing products. For example, MyTheresa[17] allows customers to buy personalized Gucci items. Automation, AI and data mining will all be crucial elements for adequate targeting in the future.
- **Digital land grab.** Online pure players started expanding their business also offline. For example, Zalando opened some flagship stores in 2018 for garments difficult to sell online.
- **M-commerce.** Mobile traffic data has surpassed computer traffic and millennials spend an average of three hours per day on the phone. This means that the user experience and the web design of the e-commerce must be mobile friendly In order to enhance purchase. Zalando for example reported that 80% of its traffic comes from mobile phones now.
- **Now or never.** Companies are removing friction points in the purchase process, in order to guarantee a smooth transition from inspiration to purchase. Amazon has accustomed customers to receive products the next day, and fashion retailers need to adapt to this timing to satisfy consumers. The same happens for free returns.

[17] Fashion luxury e-tailer based in Monaco, Germany.

Therefore, the report shows how brick-and-mortar retailers need to adapt quickly and introduce in their business model the concept of e-tailing or they will risk to fall behind.

2.3.1 From multichannel to omnichannel

Thanks to the presence of social media and online shops, brands need to manage different touchpoints and resources, both online and offline.

This can really be a challenge, but at the same time it can be an incredible advantage. In fact, the customer journey of consumers is nowadays an intricate path that goes from online to traditional media and channels, therefore it is necessary that companies also start using the same approach.

The term channel identifies a customer touch point, a means through which the company can interact with the customer (Aiolfi, 2018). Offline channels (brick-and-mortar) and online channels (web sites, e-commerce, direct marketing) have always been considered separately. As digitalization evolved and consumers started to change their purchasing habits, these two separate channels have become more and more integrated (Aiolfi, 2018).

With an increased usage of online channels and a progressive integration of the channels, we no longer talk only about multichannel, but of omnichannel.

The 2018 report of PwC Italy "Nell'era dell'e-commerce il retail si rinnova "states that people prefer an omnichannel type of experience, where the research part is done online and the purchase action off-line. This statement is especially true for the apparel industry, because, as we have already said at the beginning of the chapter, people prefer to try on clothes and buy them physically.

Thanks to this steady integration of channels two strategies have emerged:

- **Click to brick.** Pure online players have started to include brick-and-mortar stores to their strategy, such as in the case of Zalando. This strategy mainly aims at targeting consumers that still do not buy online and to increase the number of touchpoints to become more pervasive. Furthermore, online retailers opening stores have a huge advantage: they can use all the data collected through years of online shopping, recommendations and reviews, to create a personalized experience offline.
- **Brick to click.** On the other hand, brands selling in physical stores have evolved their strategy integrating online channels. This passage is not always easy as online selling has specific characteristics, different from the ones brick-and-mortar companies are used to: different customer base, cost structure, operations of order fulfilment.

Nevertheless, channel integration does have some negative aspects, because, if not managed well, it could lead to channel cannibalization. Moreover, if the online or offline channel has a better performance than the other one, it could raise expectations for the other channel.

2.3.1.1 Multichannel

When we use the term multichannel, we indicate an integrated channel strategy, where brick and mortar companies also use other types of distribution channels in the online world. It can also mean that the company is integrating various typologies of technology inside the stores, such as AR (augmented reality) or automatic cash desk, or free wi-fi (Blázquez, 2014).

Nowadays the customer journey of consumers is not linear any more, but it's much more complex. When consumers consider buying something, they may go to the shop to try out the garment, and then they will buy it online. Some consumers first check the new collection of a brand on the website and then they will go to the shop to buy it.

Overall, the process has become much more complex and consumers have much more information. They could actually decide not to buy from the brand, but from an online wholesaler that sells the product at a lower price.

This conveys a huge advantage for multichannel, as it offers a consistent, integrated and holistic experience to consumers.

The major challenge in the multichannel approach is the design of a mobile customer experience. People consider their smartphone their most important technological device (Blázquez, 2014), and they use it to scroll through fashion websites not only to buy, but to take a look. They consider it an entertaining experience.

For this same reason, social media has become crucial in a brand strategy: people connect with each other, they seek advice and, most importantly, they criticize brands. That's why companies need to be present online and be able to respond quickly, through good customer service and good community management.

All the previously mentioned trends in omnichannel have also changed the shopping experience. Shops are becoming showrooms, where a few pieces are displayed, through the previously seen strategy from-click-to-brick. The characteristics of the store itself represent at their best the values and identity of the brand. We could say that brands that are selling more and more online, for their stores they are adopting a similar strategy to luxury brands.

In this way, it will be easier to attract customers that search for a memorable shopping experience and that are willing to pay more for it (Blázquez, 2014).

2.3.1.2 Omnichannel

Omnichannel is defined as the phenomenon for which the customer considers all the retailer's sales and marketing channels as one entity, and the shopping experience is seamless regardless of which channel the customer uses (Aiolfi, 2018).

Therefore, omnichannel is the conceptualization of the total merge of the channels, where no separation is seen. In the case of multichannel the retailer has no control over the integration process and the customer cannot trigger no interaction, while with omnichannel the customer can trigger interactions and the retailer has full control of the integration process.

It’s important to analyse why a retailer would go from a multichannel strategy to an omnichannel one. In their paper, Aiolfi and Sabbadini offer a framework with key drivers:

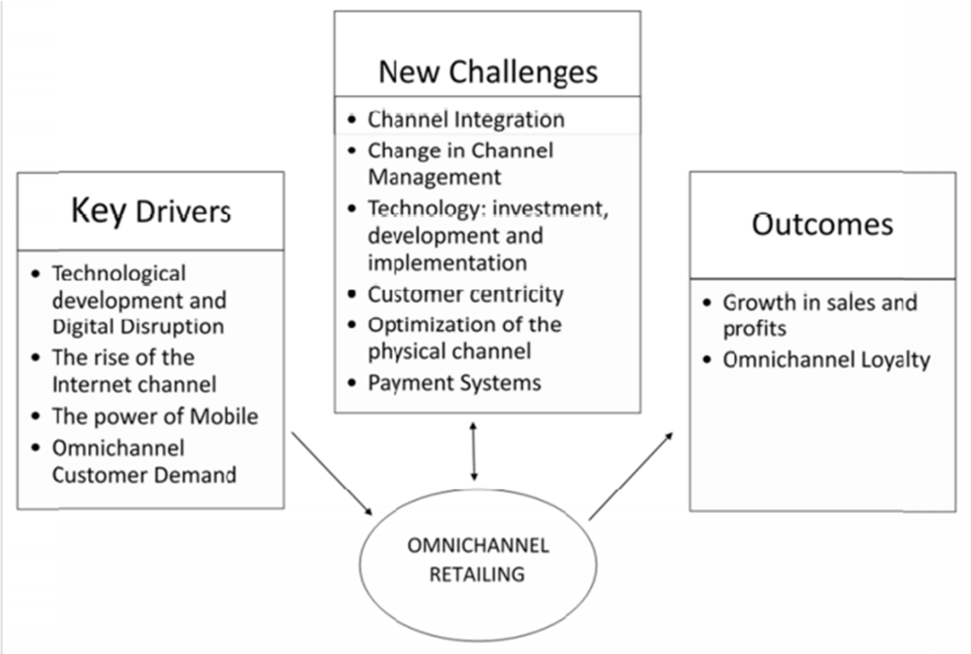


Figure 10 Omnichannel framework

Source: (Aiolfi, 2018)

Among the key drivers of an omnichannel strategy we must consider:

- **Technological development and digital disruption.** Thanks to digitalization customers have changed their purchasing habits and they are much more accustomed to buy through a variety of devices and modalities: mobile payment, e-coupons, digital flyers, augmented reality, location-based services.
- **Rise of Internet channel in a service dominant perspective.** The Internet allows synergies. We often hear about the concept of sharing economy. Internet has increased the number of interactions between consumers and retailers
- **The power of mobile.** They are the most used technological device and they have hugely altered consumer behaviour. As consumers, we use mobiles to purchase, scroll through catalogues, make shopping lists, seek advice and reviews and engage in the post-purchase experience.
- **Omnichannel customer demand.** Customers are always connected, and they use their smartphone throughout their customer journey, potentially communicating with the retailer at any time. There are two main shopping behaviours:
    - **Showrooming**. People searching offline and buying online.
    - **Webrooming.** People searching online and buy offline.

To obtain a complete and adequate omnichannel transition, various elements must be taken into consideration: promotion, transaction management, product and pricing information management, information access, order fulfilment and customer service.

The major channel to create a smooth omnichannel strategy is the creation of well-suited return policies, as the rate in online channels is much higher than in offline ones, and shipping services. Companies need also to consider how much integration there should be among products availability and pricing.

2.3.2 Further development: the social commerce

The new frontier of online shopping and e-commerce is called social commerce. This new phenomenon puts emphasis on the social side and co-creation capability of online users.

Social media changed drastically the global marketing environment from company-centric to individual and community-centric (Hsiao, et al., 2020): now consumers can create content, share information and communicate with each other.

In this new landscape the concept of social commerce has emerged. Social commerce leverages social media and Web 2.0 technologies which support social interaction and user generated content to assist consumers in their decision-making and acquisition of products and services within online marketplaces and communities (Thomas, et al., 2020).

Social commerce can actually have a huge impact on business; it can support the brand development, help define new brand opportunities and also strengthen relationships with current customers (Huang & Benyoucef, 2013).

Social commerce is extremely effective, and the two key factors of this success are Observational learning and Social influence (Xu & Liu, 2019). Observational learning refers to the phenomenon that people's behaviour changes depending on their observation of the behaviour of others. An example of this phenomenon can be the tendency to choose a crowded restaurant over an empty one.
On the other hand, Social influence requires a proper communication channel and an actual communication for the influence to occur. Sometimes this term is used interchangeably with the term e-WOM (word of mouth).

The usage of social media is a further step towards the integration of the omnichannel, that can improve the overall experience of users. It can make the passage between platforms much simpler and smoother.

Nowadays, companies have the capability of understanding what consumers want, how they behave, but especially they need to interact with them. Indeed, the information flow has changed drastically: communication is no longer one way from the company to the consumer, but it has become bi-directional. This means that the information flow has become much more similar to a dialogue and companies need to take this into account.

According to Huang and Benyoucef (Huang & Benyoucef, 2013), the main differences between e-commerce and social commerce are:

- **Business goals**. E-commerce tries to maximize efficiency in recommendations on past purchase behaviour, optimized search queries. While social commerce is focused on communication and sharing, with only a secondary goal of selling.
- **Customer connection.** On e-commerce platforms customers interact individually and independently with the site, without interaction with other consumers. While the main objective of social commerce is enhancing interaction.
- **Social interaction.** E-commerce is a one-way type of browsing system, where the consumer rarely sends back a feedback, while in social commerce consumers are free to express themselves.

Social commerce exists within has two main configurations according to Sanchez (2020):

- Social network with options to communicate with other customers and advertising and transaction systems (Facebook, Instagram etc…)
- Website dedicated to sales with e-commerce design and features, including social tools, such as forums, reviews and evaluation systems (Amazon, AliExpress etc…)

Social commerce has various advantages for both sides: consumers can make more thoughtful purchases thanks to collective intelligence, and companies can have a deeper understanding of consumer behaviours (Anaya-Sanchez, et al., 2020).

The crucial factors that companies need to take into account if they want to obtain the best user experience and maximize profits are (Anaya-Sanchez, et al., 2020):

- **Web design.** Main factor that determines user perception of quality. Web design must take into account functionality, usability and sociability.
- **Social learning**. On social commerce people can access the knowledge and experience of others.
- **Intention to buy.** It can be enhanced through the two factors previously highlighted.

According to Huang and Benyoucef (Huang & Benyoucef, 2013), as social commerce is based on a user-centered design, its key factors are:

- **Participation from users.** Participation is a key characteristic of Web 2.0. It's about encouraging people to produce information, interact and engage, enhancing e-WOM.
- **Conversation among users.** It refers to the interaction among consumers. One of the key elements of social networks and social commerce is to nudge people into interaction and the creation of communities.
- **Community.** It refers to networks with strong power and influence on purchase decisions.
- **Recognizable participants.** People with a strong social proof that influence others.
- **Good system quality.** It significantly impacts the user perception of the online and purchasing experience.

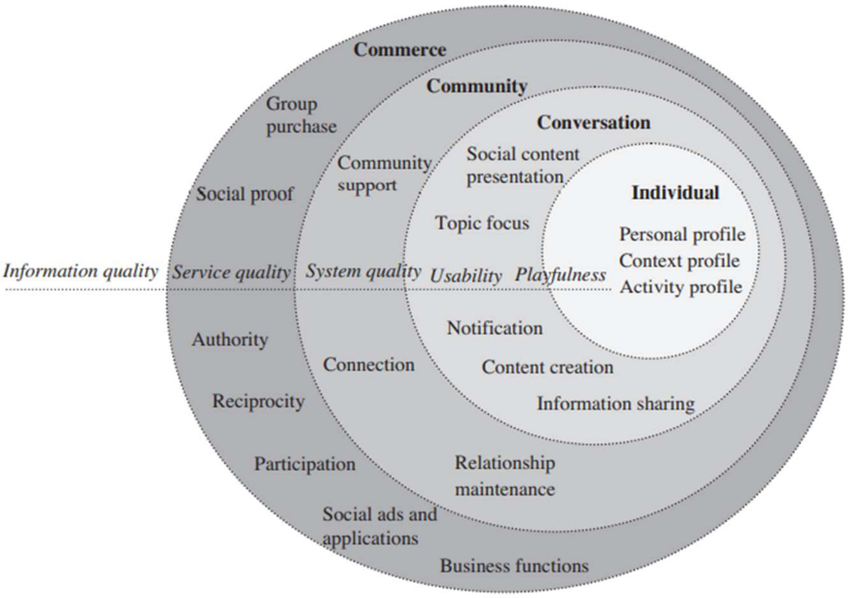


Figure 11 Social commerce levels

Source: (Huang & Benyoucef, 2013)

From this graph we can better understand the key points of the social commerce which merges the inner area proper of e-commerce, with the three external layers which are typical of social networks.

In the case of fashion brands, the most important and useful social-commerce is definitely Instagram, especially since the latest update of November 2020, when the shop feature was introduced.

This new option allows companies to introduce part of their product catalogue on their Instagram feed, granting people the possibility to buy directly from the social platform.

This feature was introduced after the success of the Facebook marketplace, a similar feature.

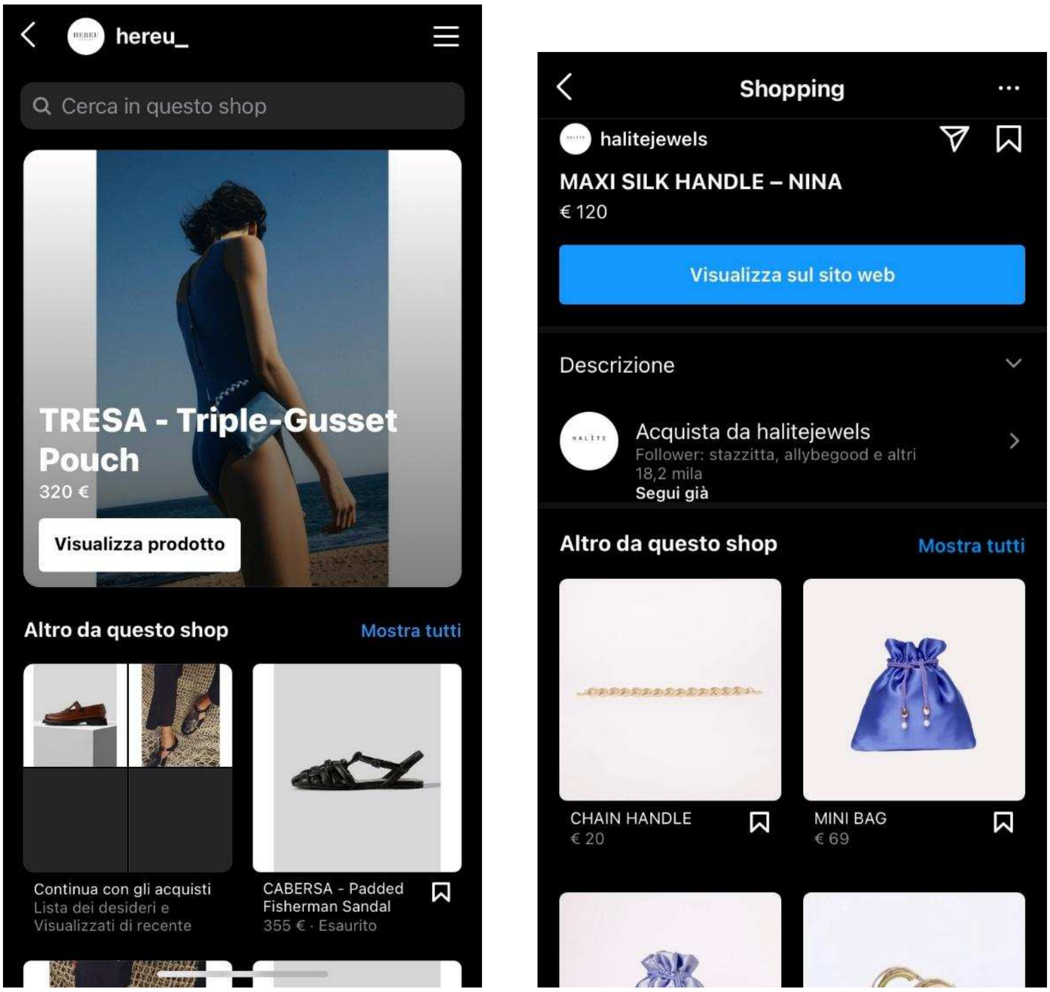


Figure 12 Two examples of the Instagram shop feature of two sustainable fashion brands

Source: Instagram

From February 2021 also Tik Tok integrated the social commerce feature through a partnership with Shopify[18], nevertheless it's still too soon to know which will be the outcomes of this upgrade.

Instagram is considered to be the best option for fashion companies, as the platform itself relies mainly on photos and aesthetics, being clothes a highly hedonistic product where aesthetics is crucial (Kusumah, 2015).

Thanks to social commerce, many entrepreneurs had the possibility to create a business purely online through Instagram and thrive with relative low entry barriers:

[18] Canadian e-commerce platform, that allows anyone to set up their own e-commerce

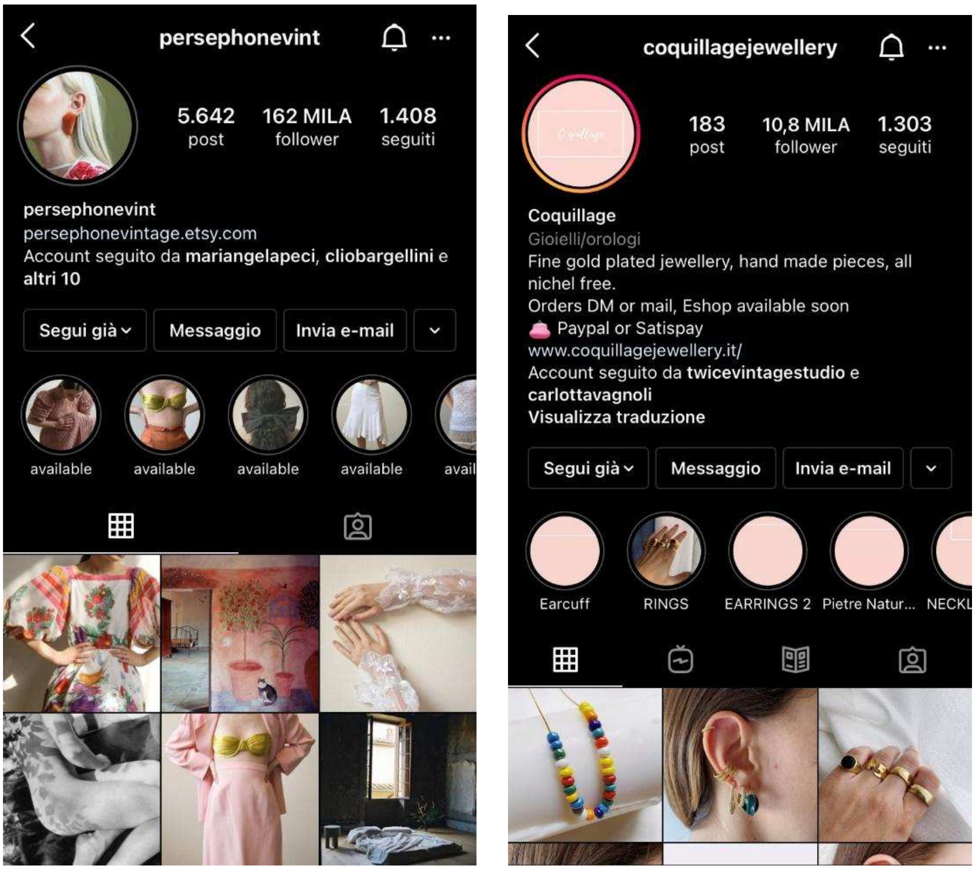


Figure 13 Two examples of pure social commerce businesses

Source: Instagram

Thanks to Instagram these profiles can sell their products directly from the social network. People can find photos about the products, information and location of the business. Furthermore, they can contact the company directly through DM (direct messages) to buy, reserve or order a product.

There are two main setting options to inform the customers of the products available, both through Stories:

- **Seasonal catalogue.** The products always available are archived on Stories Highlights by category, for example Gloves, Hats, Tops etc.
- **Available products.** In the Stories Highlights are kept the garments (hand-made, vintage or produced in small batches) that are available at the moment.

Generally, when the profile starts to grow and customers start to increase, the business opens an e-commerce store as a further step to get the business growing. Therefore, we can certainly say that social commerce is a valuable tool for solo entrepreneurs or growing businesses and start-ups to sell online, avoiding high costs. Nevertheless, the two main issues are the impossibility to keep the business only on the platform, when it starts growing, and the total dependency on a platform that it is not owned by the company, which is extremely risky if the account gets temporarily blocked or if Instagram goes down for a few hours.

2.4 Impacts of retail digitalization on sustainability

Retailing is the most important sector for fashion when it comes to sustainability: as the environment is fast and highly competitive, players must be quick to respond to changes. Nevertheless, in formal studies much more focus has been given to the supply chain of the fashion industry (Yang, et al., 2017).

Considering sustainability, two main areas need to be tackled, especially in the case of online retailing:

- Transportation
- Store operations

Currently, even though in the leading countries online retailing has only a 15% penetration rate compared to physical retailing, its growth is steady and exponential and its impact is significant (Mangiaracina, et al., 2015).

Many people praise the great advantages of e-tailers because of its undoubtful benefits at a logistic and cost-effective level, nevertheless digital does not necessarily tie with sustainability. In fact, we must also consider its inevitable impact on the environment.

Therefore, we will now further explain the benefits and disadvantages of e-tailing when compared to traditional brick-and-mortar.

2.4.1 Positive aspects

Online retailing is currently seen as the most successful strategic tool for companies. Furthermore, digitalization is considered to be an enabler of sustainability and a great tool to implement the triple bottom line (Parida, et al., 2019). Incremental digitalization directly impacts the company's business performance thanks to better efficiency, data collection and data mining. Especially incremental improvements in efficiency are considered to be fundamental in the achievement of sustainability (Parida, et al., 2019).

Among the various advantages, we can list the wider range of products compared to physical shops, competitive prices, highly customized experience for users and premium service level, for example the free return of garments (Mangiaracina, et al., 2015).

E-commerce carries also the benefit of the larger digitization process. The reduction of printed material, such as printed catalogues, newspapers and magazines, even though we must remember that information technology is still polluting because of the energy required to power data centres.

It also helps predicting and managing inventories and it helps create a more resilient supply chain (McKinsey, 2019b). The fundamental enabler of all these benefits is data—the transparency, governance, and accuracy of which have never been more important: precision and better management could really impact on the efficiency and quality of the overall retailing system, which eventually could also positively affect the environment. In fact, better management of inventories and the capability of understanding what customers want could drastically impact also the production chain diminishing the number of unsold items. As we have seen in the previous chapter this could really be a game-changer, because the overproduction is one of the main issues that needs to be tackled to make the fashion system much more sustainable.

B2B and B2C e-commerce could save up many square-feet of retail space, and the usage of centralized warehouses could also decrease the usage of energy for heating, lighting and cooling.

2.4.2 Negative aspects

It is not often considered that e-tailing systems could also actually have a strong negative environmental impact on the long run, especially if they keep growing unsustainably. Among the various factors, the main ones are increase in the information technology usage, use of additional packaging and physical distribution, being the last one also the most damaging at this point (Mangiaracina, et al., 2015).

Distribution involves both warehousing and transportation. Transportation is currently the most harmful step, because of CO2 emissions. Currently, the number of inefficient deliveries is extremely high. These include deliveries when the person is not home and deliveries across a vast geographical area.

On the other hand, if the area of distribution is limited, such as in the case of cities, and if the transportation method used is low in CO2 emission, the delivery system has actually a low environmental impact.

Therefore, we see how the major problem isn't the delivery per se, but the transportation method used and the area of the delivery service. With time e-commerce will be used more and more and the areas of distribution will increase, which will eventually lead to higher van traffic. For this reason, the scalability of e-tailing must take into consideration this crucial point in order to reduce GHG emissions and the impact it has on the environment.

Packaging is another serious issue for e-commerce deliveries. The majority of the time the volume of material, composed of plastic and cardboard, is higher in volume than with physical shopping.

Moreover, people tend to buy different products from different e-commerce, which eventually leads to an increase in deliveries and van traffic (Mangiaracina, et al., 2015). This factor could be easily avoided if people did a solo big trip to a commercial area to buy all the products at once. Consumers also tend to buy more on the internet, both because buying on-line is much simpler and faster, and because they know that they can return the item (Sui & Rejeski, 2002).

Consumers should definitely be educated about the impact of their actions, as small changes in behaviour could lead to big environmental improvements.

2.5 Effects of COVID 19

COVID 19 profoundly impacted the state of the fashion system, bringing it to a strong crisis. The surge in online commerce caused by the quarantine didn't counterbalance the damage done to physical retailing venues (BCG, 2020b). A consumer's survey carried out by McKinsey during the pandemic showed that offline purchase intention dropped by 70 % and the online purchase intention by 40% (McKinsey, 2020).

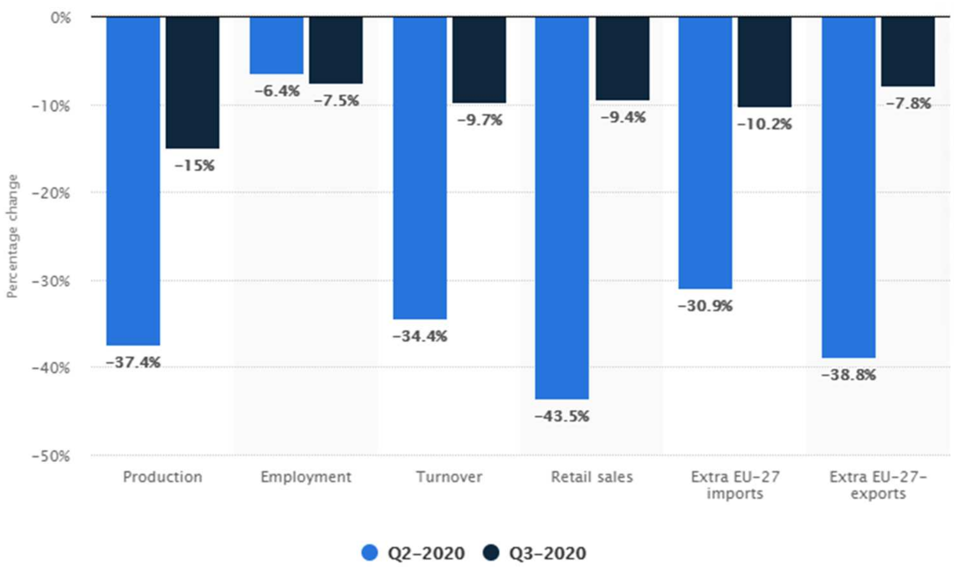


Figure 14 Impact of the COVID 19 pandemic on the fashion industry

Source: (Statista, 2020)

Because of this unprecedented change, the same BCG analysis offers a set of main pivoting points (BCG, 2020b):

- **Channel shift acceleration.** Omnicanality and digitalization will be the main drivers of the change. In this environment, the companies that are in an advanced stage of digitalization will thrive compared to the others, who will need to catch up quickly.
- **Change in retail stores.** They will no longer be places where all the collection can be seen and bought, but they will resemble more and more showrooms, where the consumer will have the possibility to experience the brand and see a selected representative number of garments.
- **Consumers will expect more.** Retail digitalisation requires a good web design, thoughtful user experience and excellent customer service. The customer experience will become customized and more personal, in order to make it feel less distant.

For the fashion industry the pandemic has been an accelerator of innovation that has widened the gap between leaders and laggards. The companies that already had a multichannel or omnichannel system were favoured by this unexpected event and gained a huge advantage from the other companies.

Therefore, the drastic changes in digitalization that are currently happening are here to stay and the long-term effects are yet to be understood.

3 New business models: an analysis of the sustainable fashion industry in Italy

3.1 General framework of the Italian fashion industry

In the present chapter of the dissertation, we will narrow down our analysis to the solo Italian industry. We will start by briefly describing the main events and evolution of the Italian fashion system. Secondly, we will outline the structure and characteristics of the industry¸ focusing also on the phenomenon of industrial districts. Moreover, we will define what Made in Italy means and why it is considered an asset for companies, and we will also mention the phenomenon of reshoring and how it is affecting the industry.

Finally, we will focus our analysis on the specific sector of sustainable fashion in Italy. We will outline the structure of the overall supply-chain, the type and number of companies present all over the territory, and we will try to identify some major trends, if any emerges.

3.1.1 Characteristics and history of the industry

Fashion has always been considered a major part of Italian culture. Everyone knows the term Made in Italy, the concept of Italian style and design. Moreover, fashion has a central role in the Italian economy; in fact, currently, the fashion Italian system is valued at 80 billion euros and it employs 500 thousand people (EY, 2020).

Nowadays we are facing a change in the system, as stated by Corbellini and Saviolo (Corbellini & Saviolo, 2009): quality has regained a place inside the fashion industry, and the product is taking a central role. This trend is having a strong impact on companies and the way they do business: better and stronger partnerships within the territory, traceability, higher goods' quality and the renewed use of the label "Made in Italy".

The story of Italian fashion starts after the II World War. Until that point fashion was only considered when related to haute couture and tailored made garments. At that point France was the capital of fashion, and Rome started emerging as a new centre, thanks to the presence of the cinema industry, alongside Florence.

In the late '70s things started to change thanks to the rise of prêt-à-porter, with designers introducing industrial techniques into the production, such as Walter Albini. The modernisation of the industry allowed for major accessibility and popularity, which led Italian fashion to its current success.

Nevertheless, after the economic boom of the '80, Italy faced an offshoring period, starting in the '90 and that only after the 2008 crisis started to invert. Italian leather, fashion and textile companies started offshoring, leaving directional activities (marketing, management, R&D. prototyping) and downstream activities (retailing, distribution) in Italy (Talamo, 2016).

Following the 2008 crisis, after decades of offshoring, we are assisting a new phenomenon: companies moving the production back to Italy, in an effort to reacquire a higher level of quality, lost by the offshoring process.

Nevertheless, nowadays the Italian fashion industry is in a weak position, when compared to France. Many of the brands, such as Bottega Veneta and Gucci, have been acquired by French conglomerates, while no similar reality exists in Italy. The majority of the Italian fashion brands are smaller and family owned, which makes the structure less reactive and innovative. Furthermore, no real support from institutions offers proper formation at a public level nor help for emerging designers. The ones who want to succeed need to refer to the LVMH prize, the biggest French luxury conglomerate. Moreover, no museum of fashion exists in Italy.

Finally, also the COVID 19 pandemic, which disrupted our habits, needs to be taken into consideration. Reports and experts are talking of a change in the way we will produce and consume: slow production and high quality will become more and more common, while also mentioning a revival of territoriality and "Made in Italy".

3.1.2 Structure of the industry

The Italian fashion industry is characterized by the presence of small and medium size enterprises, often family owned. In fact, SMEs companies employ 70% of all employees of the industry. Small, family-owned companies can be less reactive on one side, but they can also have a strong advantage in terms of innovation: a small structure allows for flexibility and higher specialization.

Corbellini and Saviolo (Corbellini & Saviolo, 2009) divide fashion companies in a pyramid of six different types of business models, depending on the target, revenue model and type of supply chain.

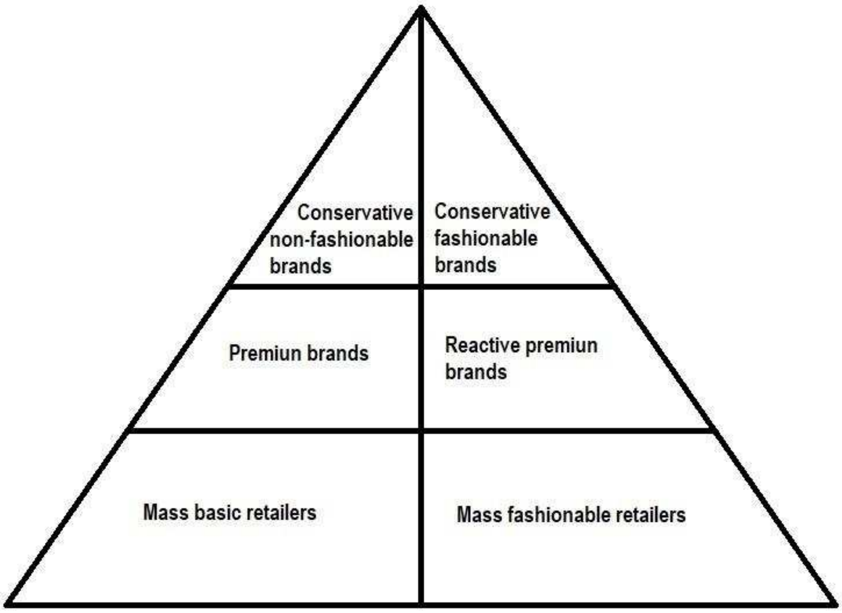


Figure 15 The pyramid of fashion brands' segments

Source: (Corbellini & Saviolo, 2009)

The six types of business models identified by Corbellini and Saviolo can be divided in three macro categories:

- **Luxury brands**
  - Conservative non-fashionable brands.
  - Conservative fashionable brands.
- **Premium brands**
  - Premium brands
  - Reactive premium brands
- **Fast fashion**
  - Mass basic retailers
  - Mass fashionable retailers

Luxury brands generally have a long and well-established history, with a strong legacy. The conservative non-fashionable brands, such as Dior and Chanel, emphasise the timelessness and quality of their product, and their brand image is much stronger than the designer image. On the other hand, fashionable brands, such as Gucci and Prada, follow and create trends more easily, being more modern. Both tend not to integrate but to rely on specific and well selected suppliers.

Premium brands have a higher control of the manufacturing and distribution process and they sell both in personal retail and wholesale. They are not too fashionable and they have a few iconic pieces, such as jeans in the case of Diesel. Names are generally invented (ex. Diesel) and they do not have a strong legacy, but they tend to have an emotional and unique storytelling (ex. Diesel only the brave). On the other hand, reactive premium brands are much more fashionable and fast-paced than the former. In this section we can consider Isabel Marant and Sandro, both modern and trendy.

Fast fashion brands are mainly vertical retailers, whose competitive advantage it's the low prices. Inditex is a perfect example of total integration: design, manufacturing, distribution and retail. Mass basic retailers have minimal recognisable products, such as in the case of Benetton and Uniqlo. On the other hand, Mango, Zara and H&M are fast-paced brands, following the trends of the moment and answering quickly to them.

Taking into consideration sustainable brands, we will focus on the premium brand category, as the majority of these brands fall inside this section. Producing high-quality products, obtaining certifications, producing in Italy and providing fair wages increases the costs; therefore, sustainable brands cannot be mass retailers, because the nature of the brand itself doesn't allow them to, as costs are too high.

3.1.3 Data and effects of COVID

To provide with some concrete data about the volume and importance of the fashion Italian supply-chain, we can start by mentioning that the Italian fashion system is worth 97,9 billion revenue (Confindustria Moda, 2020), and it accounts for (EY, 2020):

- 60% of worldwide textile supply
- 1/3 of al value generated by the fashion system in Europe is due to Italy
- Italian textile export accounts for 77% of all European textile export
- 70% of it all is in the medium-high sector

Confindustria Moda states that the complete Italian fashion system, encompassing the whole supply chain, is made of 64.300 companies and 575 thousand employees.

After the 2008 crisis, the main driver of the Italian fashion industry has been the Far East, mainly China. It is estimated that it makes up for 35% of the overall demand (EY, 2020). Nevertheless, because of COVID, a 35% flexion is expected, and pre crisis levels will be reached only in 2-3 years.

In fact, the textile sector is the one that has suffered the most, alongside tourism and the food industry: the McKinsey Global Fashion Index of 2020 expected a 70% drop in clothes purchases in Europe and EU.

Even though currently e-commerce sales make up for 10% of overall sales, this estimate is expected to grow. Nevertheless, the digital transformation process is far behind in the Italian fashion industry, especially for medium and small size companies.

The COVID19 pandemic had a huge impact on the textile sector, as in 2020 it recorded a sales decrease of 43,4% (Intesa San Paolo, 2021), a decrease in export of 13,9% (Intesa San Paolo, 2021) and an average turnover decrease per company of 29,7% (Confindustria Moda, 2021).

In the Ey report (2020) the action proposed to recover after the pandemic are:

- Digitalisation
- New business models and sustainability

- Partnership and innovation
- Incentives and structural help

We will later see how some of these key drivers have already been implemented by sustainable middle-end brands, such as digitalisation, sustainability, new business models and innovation.

3.2 The value of Italian fashion

In this paragraph we will describe the three main elements of the current Italian fashion system. First of all, we will identify the characteristics of the industrial districts, how they shaped the industry and the reason why they are so important. Then, we will also mention the label “Made in Italy”, its origins and what contribution it offers to the system. Finally, we will analyse the phenomenon of reshoring and why it is becoming increasingly widespread.

Thanks to this take, we will be able to comprehend the distinctive characteristics of Italian fashion, which are still providing companies with an environment where to grow and thrive.

3.2.1 Craftsmanship and production districts

Thanks to the presence of industrial and creative districts all over the Italian territory, Italy is the only European country to have maintained a strong presence of craftsmanship up to this day.

An industrial district is an area with a high concentration of small and medium companies, specialized in a specific industrial skill, covering the all supply-chain of production. They create a strong economic and social network between private and public institutions. Moreover, they should not be confused with the term industrial area, identifying a conglomerate of companies of different industries not specialized in one sector (Ricciardi, 2013).

There are four main types of companies inside Italian industrial districts (Ricciardi, 2013):

- **Blocked companies**. Micro realities specialized in single types of production. When alone. They are extremely vulnerable to external competitors and they do not hold any strategic power.
- **Pulled companies**. They have a strategic role in terms of production, nevertheless they do not export nor innovate, therefore they are vulnerable like “blocked companies”.
- **Specialized companies**. They produce both half-processed and finished products, but they do not sell with their own brand name. When they keep up with the technological innovation process, they are an advantage, as entry barriers are high for technically specialized types of production.
- **Leader companies**. More vertically integrated companies, able to sell directly with their own brand. They still need the previously listed companies for their

production through outsourcing. An example is the Italian company Liu Jo, born in 1995 in Carpi, where a textile industrial district is located.

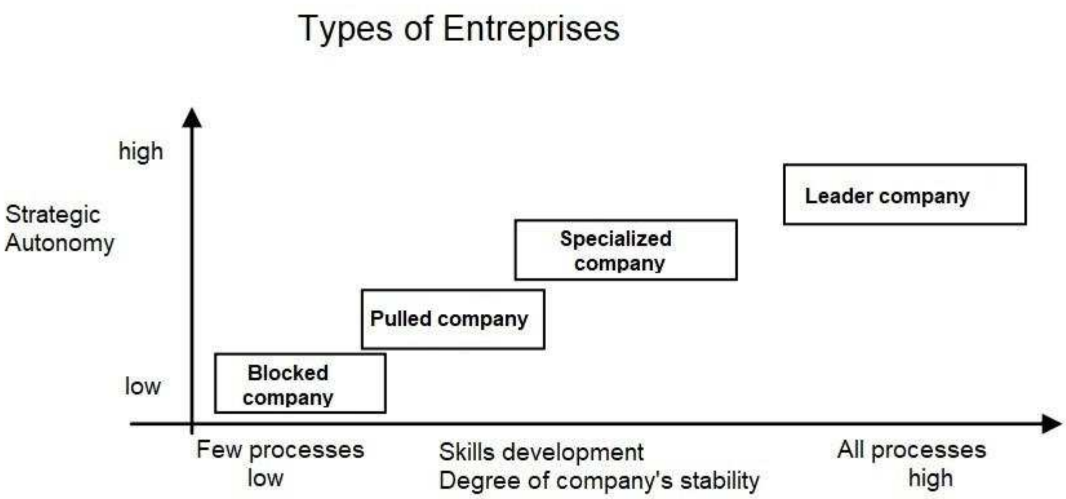


Figure 16 Types of enterprises inside the industrial districts

Source: (Ricciardi, 2013)

The network is based on quality, know-how and open innovation, where also schools and academies are based. The major advantages of this system, as identified by Saviolo and Testa (Saviolo & Testa, 2000) are:

- Presence of a strong and integrated system
- Cooperation rather than competition
- Strategic leadership
- Common goals

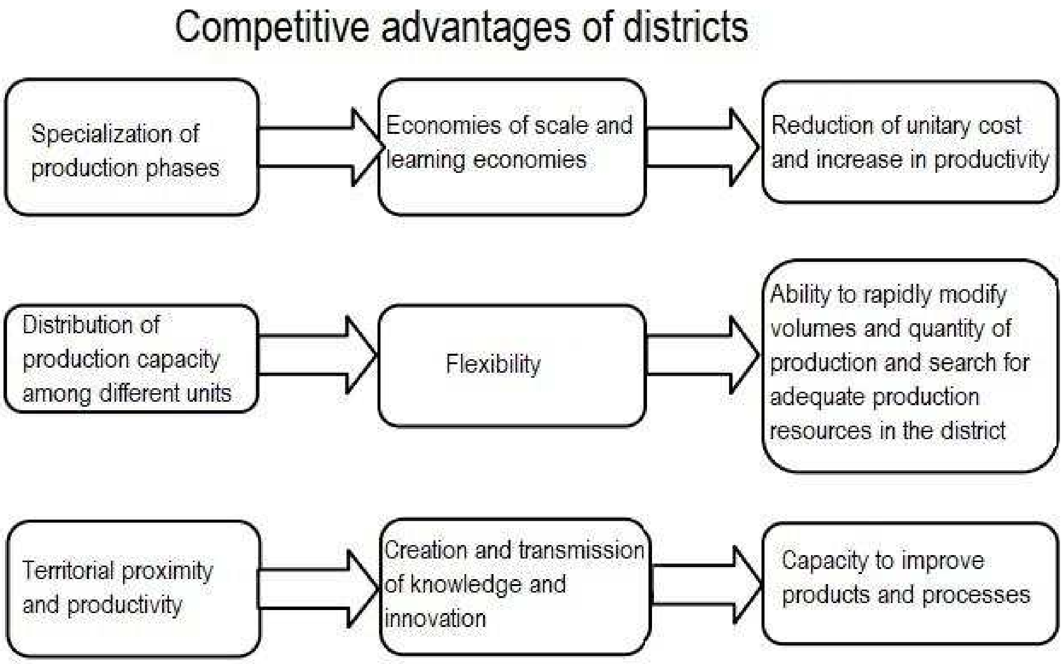


Figure 17 The competitive advantages of the industrial districts

Source: (Ricciardi, 2013)

Each company inside the district has the possibility to specialize in some specific part of the production process, allowing each one of them to reach a higher level of excellence and quality. Rather than competition, it emerges from a system of collaboration, advantageous for everyone. Therefore, companies can use economies of scale, while obtaining a high level of flexibility.

Innovation is at the core of the industrial district, but not intended as a disruptive type of innovation, but rather a gradual process of specialization and improvement embedded in the territory.

In Italy, the textile industrial districts started or strengthened themselves in the '50, with the post-war boom, and consolidated themselves in the 70s, but they eventually lost their position of power in the 90s because of delocalization, while suffering an even stronger relegation because of the 2008 crisis.

The industrial districts are distributed all over Italy, with a strong presence in Veneto and Marche, and complete absence in Liguria and Valle d'Aosta. As shown in the graph below, nowadays we are assisting at the maturity phase of the districts, where some issues are emerging:

- Lack of systematic research in technology and innovation
- Lack of marketing activities
- No real control of quality or legislation
- Low level of strategic cooperation among companies

The success of a district does not depend on the territory or the industry, but rather on the strategic capabilities of the district itself. Nowadays, in fact, the disparity between successful and declining districts is growing. Collaboration with universities, research centres and the investment in technology and quality are the main factors of success.

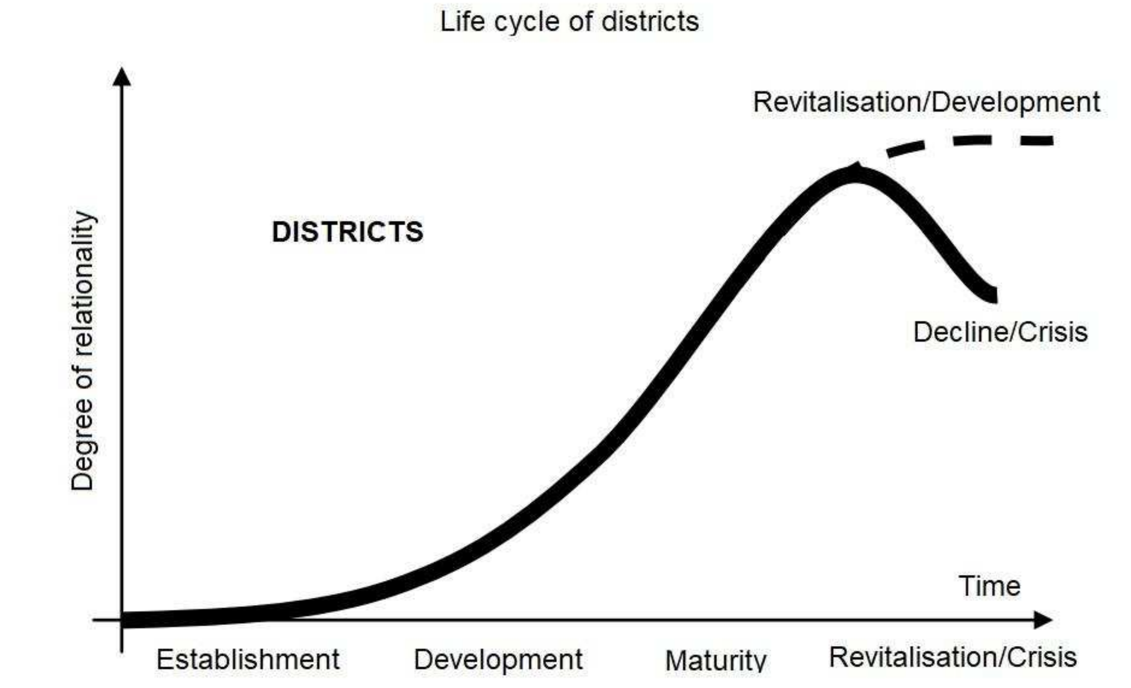


Figure 18 The life cycle of districts

Source: (Ricciardi, 2013)

Even though these districts are a true excellence, the number of technicians and artisans is decreasing, because of a series of concomitant factors. As public schools do not offer proper formation or incentives, we are assisting a growing number of luxury companies financing formation and creating schools, such as the Alta Scuola dei Mestieri of LVMH or the Polimoda, owned by Ferragamo. These schools aim at providing adequate formation to the craftsmen of the future, in order to keep the knowledge and tradition alive. Luxury and Fashion companies do this because they thrive thanks to the Made in Italy brand and because many of the techniques they need are only carried out in Italy.

The "Osservatorio Nazionale dei Distretti" (National District Observation Centre) identifies 36 districts in the textile and fashion sector.

Figure 19 Geographic distribution of the industrial districts in Italy

Source: (Ricciardi, 2013)

Basilicata	• Corsetry district of Lavello • Goldsmithing district of Marcianise • Leather district of Solofra • Textile district of Sant'Agata dei Goti - Casapulla • Textile district of San Marco dei Cavoti • Textile district of San Giuseppe Vesuviano • Footwear district of Grumo Nevano – Aversa – Trentola Ducenta • Textile district of Calitri

Emilia-Romagna	• Footwear district of San Mauro in Pascoli • Footwear district of Fusignano e Bagnacavallo • Textile district of Carpi

Lazio	• Clothing district of Valle del Liri

Lombardia	• Button district of Grumello del Monte • Textile district of Val Seriana • Textile district of Lucca • Footwear district of Castel Goffredo • Silk district of Como • Footwear district of Vigevano • Clothing district of Gallarate • Textile district of Valle Camonica

Marche	• Hat district of Ascoli Piceno • Footwear district of Fermo e di Macerata

Molise	• Distretto dell'abbigliamento di Trivento e Riccia

Piemonte	• Wool district of Biella • Textile district of Chieri - Cocconato • Textile district of Oleggio – Varallo Pombia

Puglia	• Footwear district of Barletta
	• Footwear district of Casarano

Sicilia	• Textile district of Bronte

Toscana	● Footwear and leather district of Castelfiorentino ● Footwear and leather district of Santa Croce sull'Arno ● Footwear district of Valdinievole ● Textile district of Prato ● Footwear district of Lucca ● Goldsmithing district of Arezzo ● Footwear and leather district of Valdarno superiore ● Clothing district of Empoli

Umbria	● Embroidery district of Assisi ● Cashmere district of Perugia

Veneto	● Eyewear district of Belluno ● Goldsmithing district of Verona ● Sportswear district of Montebelluna ● Footwear district of Riviere del Brenta ● Leather district of Verona ● Footwear district of Verona

Among the many realities previously mentioned, we would like to highlight some of them that stand out from the others. First of all, the cashmere district in Umbria, where in 1907 Luisa Spagnola started breeding her own sheep. From that moment, this district became a centre of excellence, where Brunello Cuccinelli, a luxury sustainable brand, is currently based. Another excellence centre for the wool production is Biella in Piemonte, where Loro Piana, the most famous luxury wool brand, has its suppliers.

Finally, the most famous Italian districts are the Tuscan ones. They are considered an excellence because they managed to specialize themselves in the whole supply-chain, offering also highly formative training programmes. The possibility to carry out the whole object production in the very same district is the very exact reason why the majority of luxury brands, from Chanel to Gucci, produce there.

3.2.2 Made in Italy

The label "Made in Italy" is so powerful that it is among the three top brands worldwide, alongside Coca-Cola and Visa, in a survey of KPMG of 2012.

In Anglo-American countries and in Asia, especially China, the “Made in Italy” label is synonymous with beauty and chic and it relates to the Italian history of art, cultural heritage and cinema. The label was first launched after the II World War, and it consolidated with the Milan prêt-à-porter in the ‘70s- ‘80s.

The label “Made in Italy” was born and purposefully used in the ‘80s to boost consumerism in an age of rampant economic growth (Ferrero-Regis, 2008), that led Italy to become the fifth largest industrial economy in the world. This new system reorganised the industry, introducing new technologies, flexibility to high quality manufacturing process, which was still extremely labour intensive. Milan was chosen as the centre of this revolution, as at the time it was already the established midst of Italian journalism and design, where prêt-à-porter brands started to grow, from Walter Albini to Giorgio Armani.

Therefore, the strength of the “Made in Italy" brand comes from a vague stereotype of Italian creativity, derived from the Renaissance age and the Fellinian concept of “Dolce Vita”, but also from an actual strength of the industrial districts, communication skills of Vogue Italia and popularity of the prêt-à-porter (Ferrero-Regis, 2008). Thanks to all of these factors, the “Made in Italy" brand was able to combine ‘high culture’ with craftsmanship in its claims of quality and excellence in materials and execution.

Nowadays, there is a growing focus on the “Made in Italy” label, mainly linked to the reshoring phenomenon that we will later discuss. This renewed interest can also be spotted in the way Italian fashion and luxury companies are communicating these days. Many of them, especially luxury brands have started to showcase the artisans, the factories and locations of the production of their iconic products.

The most recent and emblematic case is Fendi, which developed a campaign to promote Italian craftsmanship, “Hand in hand”: a limited edition of 20 Fendi baguette bags, one per Italian region, decorated by one of the most significant crafts of each area. The campaign was then marketed and communicated through their social media networks and website, showcasing the process of production and the artisans involved with videos, photos and brief descriptions.

Figure 20 Example of "Hand in hand" craftmanship project

Source: (Fendi, 2020)

This is an example of how crucial the narrative behind the product is, especially when we want to convey quality and scarcity, which are the main elements of many fashion Italian brands. According to Rinaldi and Testa, the *genius loci* is embedded in the aesthetic characteristics of the company's products: in this way the sustainable fashion company gives back to the community and territory from which it has taken inspiration.

Nevertheless, "Made in Italy" is not at all a real guarantee of quality. Nowadays products created abroad can be identified with this label also when only the final stage of production has been carried out in Italy. This can have a long-term detrimental impact on consumers' trust on the quality perception of the product. Furthermore, the label "Made in Italy " does not relate to natural and non harmful ways of production, link seldomly used by companies in an attempt of greenwashing.

On a legal level, not enough has been done. Italy is part of the 1981 Madrid Agreement, which states the obligation to indicate precisely and in clear characters the country of production.

On a national level, the Italian Parliament introduced the decreto-legge 135/2009 (A.C. 2897). In the article 16 of the decree, a new regulation has been introduced: when the product is completely produced in Italy, it may carry the label "100% made in Italy" or "100% Italia". With the law 55/2010 (A.C. 2624), a specific law for the textile, shoe and leather industry, the label "Made in Italy" can only be used for products that carry out the majority of the production or at least two phases in Italy.

On a European level, the article 60 of the European Customs Code (2013) states that the "made in" can be assigned to the country where the last substantial phase of transformation is carried out.

Moreover, counterfeiting and country sound branding is still on the rise, and constitutes a threat for brands who want to export.

As we can see, a small brand producing completely in Italy is at a disadvantage, when compared to a multinational company that delocalizes the majority of the production process. The competition is therefore unfair. Certification, transparency and laws that protect local producers are very much needed if we want local companies to thrive and help in their counter-current decision.

To further explain and understand how the Made in Italy label has become so important nowadays it's necessary to consider the phenomenon of reshoring that we will describe in the next paragraph, where the Made in Italy label is crucial.

3.2.3 The reshoring phenomenon

With the term reshoring, also called reshoring, we identify the phenomenon by which Italian companies move back the production to Italy, after having previously offshored it to other countries, mainly developing countries with a cheaper labour market.

In Fashionopolis, Dana Thomas highlights this phenomenon both in the USA and in Europe, where, after many years of off-shoring, now we are facing a phenomenon of reshoring, where companies bring operation back, closer to the headquarter of the brand. The example given by Thomas is Levis Strauss, the famous denim producer, that for over a decade produced its garments in Turkey. The logistics difficulties were mainly located in the sample analysis phase: when the sample was produced it was sent to the US headquarter to be analysed and, if it wasn't accepted, the process started all over again. This was a highly expensive and time-consuming system that also decreased the reactivity of the company to new trends, and therefore it was discarded.

Globalisation and off-shoring provide companies with the possibility to move the production phase to countries with lower labour costs, while digitalization and fast transports fasten the overall supply-chain. Off-shoring in fact seems advantageous at first, but, in many cases, it underlines hidden costs, as seen in the case of Levis Strauss. Moreover, it has a negative impact on the home country with loss of jobs and a considerable negative reputation for the company.

The US is the main country facing a reshoring phenomenon. According to a PwC report (2015), 46 companies in the textile sector reshored to the States, bringing back 2.000 jobs in 2014 only.

In the UK, 100/200 thousand jobs could be created thanks to reshoring by 2025, which could eventually lead to a 0,4/0,8% increase in the national GDP (PwC Italy, 2015).

The major Italian companies to have reshored back to Italy are Prada, Ferragamo, Piquadro, Benetton and Falconeri. In the case of Italy, the main hidden cost is the loss of quality. Moving the production to countries with lower labour costs provides a good solution for standardized and cheap clothing, which is not the case of companies focusing their business on quality and the value of Made in Italy; that's why many started reshoring. In fact, it is estimated that over 75% of the value is produced in Italy (EY, 2020). Moreover, the phenomenon of reshoring is tightly linked to the industry 4.0, analysed in the second chapter, that provides efficient systems and new technologies to reduce costs.

The main advantages of reshoring for Italy are:

- **Rise of labour cost in Far East Asia.** Producing abroad isn't as competitive as it was before
- **Time-to market.** Nowadays it is much more important to be reactive to the market changes and being closer to the outcome market is crucial.
- **Control of quality and supply chain.**

The first instances of reshoring in Italy started to emerge after the 2008 crisis, when the Italian fashion sector managed to survive thanks to internationalization and product diversification. As the internal market considerably shrank, while the international one grew larger, reshoring provided emphasis on the Made in Italy and producing luxury products with high quality (Talamo, 2016).

The main countries where Italy exports its fashion and luxury products are China, Russia and the Emirates, being leather goods the most successful ones. Actually, the leather district in Tuscany consists of 62% of the overall European leather production and 17% of the global one, and it also exports 20% of worldwide finished leather (Talamo, 2016). This successful export strategy exists thanks to the huge value given to Italian craftsmanship and to the Made in Italy label. Therefore, maintaining the quality through reshoring is crucial to keep the competitive advantage and the allure of exclusiveness.

The majority of the reshored Italian companies (48%) are textile and fashion companies, and the regions where reshoring is more frequent are Veneto, Lombardy, Emilia Romagna and Tuscany (Talamo, 2016), that a we have previously seen, are the areas where the production districts are located.

The export of Made in Italy products is considered to grow, especially in emerging countries such as in the Rapid Growth Markets (China, South Korea, Argentina, Brazil, Chile, Saudi Arabia, Egypt, Emirates, Hong Kong, India, Indonesia, Malesia, Mexico, Nigeria, Poland, Qatar, Chez Republic, Ukraine, Russia, Thailand, Turkey, South Africa), where Italian export is expected to grow by 9,6%, with Asia been the main catchment area (Talamo, 2016).

In Italy there have been some positive examples of realities trying to implement and boost the reshoring phenomenon. A virtuous case is the 2015 "Progetto reshoring", organized by PwC and Sistema Moda Italia, that firstly started in Veneto and Puglia. Through requalification, networking, innovation and education activities, the promoters aimed at creating a positive environment for companies to thrive. The project was presented at the 7th Luxury Summit, organized by PwC in 2015.

Another example of reshoring is the project "Laboratorio Moda", born in 2017 in Molise. The project aimed at redeveloping an industrial area in the Isernia district, creating a new network of companies and a hub of innovation and expertise. Thanks to the project, the start-up CreAzioniModa was born, with the aim of reshoring the manufacturing industry in Molise and proposing Made in Italy products, while also applying natural dyeing systems, in compliance with the growing consumer demand. Therefore, the main objective of this project is to combine the label Made in Italy with the concept of sustainability and ethics, following the current trend of the industry.

This year, during the summit "Italia 2021–Competenze per riavviare il futuro", always organized by PwC, Erika Andreetta, partner at PwC, explained how digitalisation, sustainability, "Made in Italy" and reshoring are crucial elements for the Italian fashion industry, more so now after the COVID pandemic.

3.3 New frontiers: the sustainability factor in the Italian fashion landscape

In the present chapter we finally introduce the core topic of this essay, the sustainable fashion Italian landscape. After a general introduction of the characteristics of the system, we will focus on the existing policies that incentivise sustainable business models, both on a national and European level, and we will also address the concept Benefit company, a term born only recently and linked to the idea of Corporate Social Responsibility. Finally, we will also outline a framework of the existing Italian middle-end brands, focusing also on their key drivers, in order to identify patterns, if they emerge.

3.3.1 Characteristics and trends

The "Camera Nazionale della Moda Italiana" (National Italian Chamber of Fashion) released a code o-f conduct in 2012, called "Manifesto della sostenibilità per la moda italiana" (Sustainability Manifesto for Italian Fashion) for companies and stakeholders, which defines the objectives of the Italian fashion sustainable sector (Rinaldi & Testa, 2013). The main areas of interest and analysis are:

- **Design.** The sustainable fashion company designs high quality products with the aim of making them last for a long time.
- **Raw materials.** The sustainable fashion company uses high quality materials, sourced with respect towards social and environmental criterions.
- **Production.** The sustainable fashion company produces, as much as possible, the negative impact on the environment and on society.
- **Distribution, marketing and sales.** The sustainable fashion company aims at including sustainability also in the last phase of the supply-chain and in relation to the consumer.
- **Management system.** The sustainable fashion company works towards the steady improvement of the company's performance.
- **Country system.** The sustainable fashion company supports the terroir and the "Made in Italy".
- **Company's ethics.** The sustainable fashion company includes global values inside its own structure.
- **Accountability.** The sustainable fashion company communicates its performance to its stakeholders.
- **Education.** The sustainable fashion company promotes ethics and sustainability with consumers and stakeholders.

Even though many companies engage in CSR activities, especially big corporations in the luxury sector, this doesn't mean that they are necessarily sustainable. In fact, as we already saw in the first chapter, the majority of the time companies engage in greenwashing and use CSR only as a marketing tool.

This is not a systematic way of approaching the issue. These CSR actions are positive but they do not have a stable and long-term impact, and they cannot be considered excellence examples to be followed. Actually, nowadays small and medium sized companies are leading the way of innovation as they apply sustainability in the majority of their supply-chain, with some of them being even fully committed towards circular economy, as we will see further along.

In this dissertation we want to focus ourselves on middle brands, because we think that true sustainability and a shift in the paradigm can only be achieved when the majority of the companies and of the consumers are involved. One of the main myths among consumers is the expensiveness of the clothes, which was true until a decade ago, but now it is no longer an issue. Middle brands can be and hopefully will be the new frontier of this sector, allowing scalability and increasing adoption of this system among other brands, with their price range, which is more affordable by a wider consumer segment.

Nevertheless, there are already some long-lasting companies that are Italian and that are engaging in sustainability in the luxury sector. The most famous one is Brunello Cuccinelli, a brand that takes the name of its founder. The company was started by Brunello Cuccinelli in 1985, with great anticipation of the future. The company is based in Umbria and it relies on Made in Italy, craftsmanship and high quality. We could say that it is the Italian counterpart to Stella McCartney. The whole project of the company started from cashmere production, which has an excellence district in Umbria.

Nowadays, we do not only have structured luxury companies, because digitalization has enhanced and helped the creation of sustainable fashion SMEs and it has also disrupted the system, decentralizing the industry. Thanks to internet activities previously expensive are now far more reachable:

- Access to information and suppliers
- Possibility to sell on-line, without investing in physical shops
- Direct to consumer model
- Digital Marketing being more affordable than traditional one
- Smaller inventories and less costs on stocks thanks to the pre order system
- Pre order system

Some companies are moving towards a circular economy, trying to close the loop, which would be the most sustainable action ever. To do so, repairing and recycling systems are needed, as well as a thoughtful process to design a product already ready to be disassembled and recycled.

3.3.1.1 Società Benefit and B Corp

In Italy there exists a term called "Società Benefit", a legal definition in the Italian system that is also a worldwide unicum. While this concept is purely Italian, there is also a similar definition: B Corp, which is international. B Corp is a certification released by the company B Lab, which is a no profit based in Maryland and founded in 2010. B Corp companies are "for-profit companies" that do not operate according to the shareholders primary theory, but they include stakeholders in their strategic goals (Gazzola, et al., 2019). B lab developed the BIA (Benefit Impact Assessment), a questionnaire with over 150 questions organized in five areas: governance, employees, community, environment and customers. The certification, once obtained, lasts two years and it needs to be reassessed periodically.

The B Corp certification consists of (Gazzola, et al., 2019):

- **Accountability.** Directors must take into consideration both stakeholders and shareholders.
- **Transparency.** Companies need to carry out and publicly disclose a report with internationally approved indexes.
- **Performance.** The performance is evaluated through the BIA questionnaire. The maximum score is 200, the minimum 80.
- **Permanent checks.** The certification needs to be redone every two years.
- **Assistance.** Use of the B Lab certification and logo. No formal support is offered.

While in the United States the B Corp certification is regulated by law, in Italy it is not. Therefore, companies have three years to become Benefit companies, which is the Italian equivalent.

On the other hand, the "Società Benefit" concept is regulated by the law 28-12-2015 n. 208, Subsection: 376–384, 2019, and Italy has been the first European country to do so. The main difference between the "B Corp" and "Società Benefit" is that the latter do not have a compulsory certification process, which can be therefore auto declared and the B Lab logo cannot be used. The B Corp certification can cost between 5000 and 50000 euros, depending on the company's performance, and

3.3.2 Policies

As we have already seen in the first chapter, many new certifications have been created to guarantee the actual sustainability of the garments and in order to avoid greenwashing, even though much is still left to do. Both on a national and European level, new forms of laws and incentives have been published in order to enhance sustainability, protect companies that actually invest in these types of businesses and to protect consumers from misinformation.

On a European level, the main policies currently active are:

- **Green Deal Eu.** The Green Deal is an ambitious programme proposed in 2019 by the European Commission, whose aim consists of drastically reducing the environmental impact of the Union by 2050. With the 15 January 2020 resolution, the European Parliament formalized the Green Deal. Inside this ambitious roadmap, there is also the Circular Economy Action Plan, adopted in March 2020 by the European Commission.

    - **Circular Economy Action Plan.** We already thoughtfully discussed the European Union Action Plan for Circular Economy in the first chapter and we already pointed out the specific actions to be taken in the textile and fashion industry. Nevertheless, we would like to mention it here again, as it is currently the major policy tool on sustainability and circularity in Europe.

- **Website Screening.** As we already mentioned in the first chapter of this dissertation, greenwashing is a major problem when talking about sustainability. In a report published the 28 January 2021
- **Horizon Europe - Research and Innovation Programme.** Horizon Europe is the main funding programme of the European Union since 2017. This year the European Commission has approved a financial plan for the period 2021-2024, worth 95,5 billion euros. The project aims at financing the best ideas related to innovation, sustainability and technology.
- **Nordic Initiative Clean and Ethical (NICE).** In 2008 the Nordic Fashion Association was born, and in 2014 it proposed the NICE, under the Nordic Council of Minister request. Even though the plan was never adopted by governments, nevertheless the plan is actually used and implemented by small companies all over the region. As we already have seen in the first chapter, the Nordic countries have been pushing towards sustainable fashion for a decade and right now the Copenhagen Fashion Week is the worldwide referent of the sector. The Nordic Initiative Clean and Ethical is divided in four main points:
    - **Reduce CWCW (Carbon, Water, Chemicals & Waste).** This is a global initiative that involves NGOs worldwide and it aims at tackling the issue of microfibers.
    - **Replace DDT (Design Destined 4 Trash).** Specifically directed at the Norwegian sweaters industry, the project aims at designing quality products and recycling them, closing the loop.
    - **Redirect OSG (Out-sourcing Globally) 2 OSL (On-shoring Locally).** This project, specifically tied to Nordic countries, aims at incentivising reshoring, a phenomenon that we already discussed in a previous paragraph.
    - **Rethink ED (excluding design) 2 ID (including design).** This initiative aims at shifting the paradigm and changing consumers' minds, making them more conscious and less likely to overconsume.

Moreover, specifically in Italy we have:

- In 2016 the "Camera Nazionale della moda italiana", in collaboration with "SMI-Sistema Moda Italia", "Associazione Tessile e Salute", "Cittadellarte-Fondazione Pistoletto", "Federchimica", "UNIC-Unione Nazionale Industria Conciaria" and "Altagamma", published a document: *Linee Guida sui requisiti eco-tossicologici per gli articoli di abbigliamento, pelletteria, calzature ed accessori* (Guidelines on ecological and toxicological requirements for garments, leather objects, footwear and accessories. This document can be used by the companies of the industry and promote

a better understanding of the pollution of the textile industry, especially the dyeing process.
- Regione Lombardia has a structured project in Open Innovation. Currently, this is the only specific Italian project on the circular economy carried out by a region.

As we have seen many initiatives, laws and guidelines exist and hopefully will continue to emerge, nevertheless the pathway towards a full implementation of sustainability and circular economy is still far away, and much more needs to be done to protect consumers from false claims and to help virtuous companies while keeping grey ones accountable. Much more transparency, clarity and accordance on terms is needed, as well as more control and clear parameters on the supply-chain. Suppliers and factories need incentives to innovate and invest in new technologies in order to disrupt the industry from the inside out. Investing and promoting realities such as accelerators and start-ups is crucial to keep innovation active.

3.3.3 New forms of business models

This is in no way an exhaustive analysis, as solo entrepreneurs selling only on Instagram have not been considered, as they do not have a structured company nor a website or e-commerce.

Moreover, among the most structured brands, we did not include the ones focusing on craftsmanship and "Made in Italy", but that did not explicitly mention or used sustainability and ethics in their communication channels and website.

The three tables below show the main Italian sustainable middle brands divided by category. For the "Retail Strategy" classification, we tried to identify which brands had a pure click strategy, which had a mixed strategy and which had a "made to order" strategy. On the other hand, with the "sustainability" classification we tried to identify which type of sustainability the brand implements and we categorized it in three main options. The typologies are not based on specific literature and definition, but on the analysis of the brands involved. The majority of the brands that claim the term sustainable implement both ethical and environmental actions, such as local production, textile certifications and fair wages. Nevertheless, some brands are not fully committed to the environmental part of sustainability, and even though they produce locally and they have fair wages, they only hold a few certifications, without implementing innovative or recycled materials, and without including low impact types of production. On the contrary, some brands have a strongly structured supply-chain and they commit to reaching a closed loop system, as much as possible, including recycled materials, recycling programs, educational materials, with a focus also on suppliers. Therefore, the classification is as follows:

- **Circular economy.** Companies are fully committed to both ethical and environmental sustainability. Companies both ethical and sustainable, that use certified textiles, produce locally, and reduce the environmental impact of packaging and retailing
- **Sustainable.** Companies both ethical and sustainable, that use certified textiles, produce locally.
- **Ethical.** Companies focused on craftsmanship, local production and high quality, who mainly use certified and organic textiles, with no o little structured effort toward environmental sustainability.

Finally, we also identified which companies highlight concepts such as "craftsmanship" and "Made in Italy" in their communication channels and website. The objective is to understand how many companies rely on these concepts and believe they are useful for their image and identity.

Thanks to this first general analysis we can have a better understanding of their characteristics and we can definitely see some patterns. First of all, almost all companies have less than 10 employees, so they can be considered micro companies inside the SMEs umbrella. The number of employees grows as time passes and companies become more structured. It is also important to highlight that all the majority of these companies outsource the production, therefore the core business is composed of the marketing, sales, e-commerce and fashion design departments. In fact, the only companies with over 50 employees have a cooperative structure, which explains the extremely high number.

As they grow, the retailing strategy changes and the company's approach a brick and click strategy. This may be because as they grow, they have more capital to create their own showroom, which is definitely more expensive than having an e-commerce.

Moreover, the majority of the companies have a sustainable strategy, being a circular strategy less common. This may be because it is much more complex. Finally, almost all companies use the terms "craftsmanship" and "Made in Italy" to convey quality and prestige to their products. Only a few do not do so, such as Avavav Firenze, which is a modern company closer to innovation and modernity than to tradition, this may be the reason behind the choice. Moreover, bag and shoe companies, which use leather, have a stronger circular approach, than companies producing garments. As the leather industry is much more polluting, probably these companies are incentivised to put an extra effort on environmental sustainability and circularity.

Clothing companies

Name	Founded in	Based in	Employees	Retail Strategy	Sustainability type	Made in Italy
Eticlò		Treviso	4	Brick and click	Ethical	Yes
Rifò Lab	2017	Prato	5	Brick and click	Circular economy	Yes
Par.Co Denim	2014	Bergamo	<10	Brick and click	Sustainable	Yes
Vescovo Vescovo	-	Milano	<10	Pure click	Ethical	No
Asciari	2016	Milazzo	<110	Brick and click	Ethical	Yes
StudioSartoriale	2019	Verona	<10	Pure click	Circular Economy	No
Progetto Quid	2012	Verona	<100	Brick and click	Circular Economy	Yes
Casa Gin	2017	Padova	5	Brick and click	Sustainable	Yes
Sartoria Vico	-	Milano	<2	Pure click	Ethical	Yes
Licia Florio	2010	Milano	<10	Pure click	Sustainable	Yes
Blue of a Kind	2017	Milano	<10	Brick and click	Circular economy	Yes
Herth	-	-	<10	Brick and click	Circular economy	Yes
Chitè	2017	Milano	<10	Pure click	Sustainable	No
Aequae	-	Milano	<10	Made to order/	Ethical	Yes
Marigré	2020	Torino	<10	Pure click	Sustainable	Yes
Filotimo	-	-	-	Brick and click	Sustainable	No
Melidè	2016	Vicenza	10	Brick and click	Sustainable	Yes
Vernisse	2019	Milano	<2	Mde to order	Sustainable	Yes
Artknit	2018	Milano	<10	Pure click	Sustainable	Yes
Aramù Italia	2018	Biella	<2	Made to order	Ethical	Yes
SCILé	2018	Milano	<2	Pure click	Sustainable	Yes
Sartoria vico	2010	Milano	<10	Pure click	Ethical	Yes

Avavav Firenze	2017	Firenze	<10	Pure click	Circular economy	No
Arturo storie	-	-	-	Brick and click	Sustainable	Yes
Undswimwear	2017	Bologna	<10	Brkc and click	Circular economy	Yes
Lido lido	2017	Venezia	<10	Brick and click	Sustainable	Yes
Wuuls	2019	Teramo	<2	Pure click	Circular economy	Yes
Haikure	2011	Perugia	<50	Brick and click	Circular economy	Yes
Twins Florence	2015	Firenze	<10	Brick and click	Ethical	Yes
Save the Duck	2012	Milano	<50	Brick and click	Sustainable	No

Tabella 3 List of sustainable clothing brands in Italy

Shoes' companies

Name	Founded in	Based in	Employees	Retail Strategy	Sustainability Type	Made in Italy
Womsh	2014	Vigonza (PD)	8	Brick and click	Circular economy	Yes
Iindaco	2020	-	<10	Brick and click	Circular economy	Yes
Yatay	2018	Milano	<10	Brick and click	Circular economy	Yes

Tabella 4 List of sustainable shoe brands in Italy

Bags' companies

Name	Founded in	Based in	Employees	Retail Strategy	Sustainability Type	Made in Italy
Studio Sarta	2017	Palermo	<10	Pure click	Ethical	Yes
Euterpe	2020	Vicenza	<10	Brick and click	Sustainable	Yes
Halite	2018	Margherita di Savoia	<10	Pure click	Ethical	Yes
THEMOIRè	2019	Milano	<10	Brick and click	Sustainable	Yes
Zoe de Huertas	-	Roma/Berlino	<10	-	Sustainable	Yes
NI DO	2018	Brescia	<10	Pure click	Sustainable	Yes

Tabella 5 List of sustainable bags brands in Italy

4 Empirical Research: a multiple case study of Italian middle-end fashion SMEs

4.1 Overview and object of analysis

4.1.1 Objectives

The fashion industry has always been a leading economic force in Italy and, as we have seen, it has also faced some major changes in the last decade.

This dissertation aims at analysing the phenomenon of slow fashion and sustainable fashion in Italy, in light of the fastening digitalization process and the effects caused by COVID. We will try to identify if the process of digitization, the use of the brand Made in Italy and the presence of industrial textile districts helped small sustainable fashion companies to thrive. We will also try to highlight major changes caused by the COVID pandemic and we will try to identify if some patterns emerge, and which future trends can be foreseen.

As we have already seen, this field is pretty new and it is growing faster and faster every year. New brands are being born and currently stable fashion brands are trying to get closer to sustainable fashion.

We have also seen and discussed how digitalization and Industry 4.0 have the ability to create innovation from the bottom up, thanks to the lowering of entry barriers and the global communication offered by the Internet. These are two of the main reasons why entrepreneurs are able to found small brands, thrive and offer new types of business and products (Thomas, 2019).

As in Italy we are facing a new flourishing of entrepreneurship and small businesses, we want to see how these brands are operating and which is their value proposition. SMEs are much more flexible and reactive than big brands, when it comes to innovation and risk, but at the same time they have less resources and it can be more dangerous. Moreover, these SMEs have many advantages on their side: digitalization, made in Italy and a close supply chain.

Are these factors actually crucial? Can these companies thrive on the long term and propose themselves as an alternative to the current fashion system? Are their businesses actually sustainable and scalable in the long run? These are all questions to be answered through the case study.

4.1.2 Methodology

To carry out the research, the semi-structured interview method was chosen to allow the brands to freely share any kind of information they considered to be relevant and valuable, while keeping a general structure to avoid going off topic. The interviews are one-to-one in-depth interviews, which length lasts between 30 and 60 minutes, depending on the case.

In the next paragraph, the brands are introduced in order to have a clear picture, and the answers of their interviews are shown.

4.1.3 Subjects involved

The companies chosen and interviewed have been selected through the criteria and for the reasons explained in the aim of the thesis. They have been selected for their products and value proposition, because they are structured middle-end companies, and because they are all produced through a short supply-chain, which emphasises their link with the territory and Italian craftsmanship.

The brands were selected following some main criteria, aimed at homogenizing the sample. Small realities personally owned by freelancers were discarded, as well as brands selling only through social commerce, therefore without a website or an e-commerce.

Applying these criteria, the final sample of 7 companies is characterized by:

- Presence of a website and an e-commerce
- Active presence online on major social platforms
- Brick and click retailing strategy

More than 5 employees and presence of a marketing and communication manager.

Company	Year of foundation	N. Employees	Yearly revenue (Mln)
Womsh	2014	8	1379
Par.co Denim	2014	<10	47
Eticlò	2018	4	657
Casa Gin	2017	5	156
Rifò Lab	2017	5	310
Melidé Factory	2017	10	189
Euterpe	2020	5	-

Tabella 6 List of the companies interviewed

4.1.3.1 Womsh

Womsh is a shoe company based in Vigonza (PD), founded by Gianni Della Mora. In 2014 they started producing vegan shoes with apple skin, produced in Trentino. The name of the brand, Womsh, comes from "world of mouth", implying that the main mission of the company is the implementation and spread of a sustainable lifestyle throughout society.

The values of Womsh are:

- Fashionability
- Environmental sustainability
- Social ethics
- Innovation
- Transparency

For their products, they use "Bianca", a metal free leather. Through the wet white metal free process, it is possible to reduce the toxic chemicals spread in the environment. Moreover, they only use leather coming from slaughterhouse waste and of EU origin.

For the vegan line they use apple skin produced by Frumat Leather, a company based in Trento. The company's production technology allows for the creation of a non-toxic leather, through efficient production processes that also reduce CO2 emissions.

The company doesn't provide with a complete circular process, but they do take action to tackle main issues throughout the supply-chain:

- **CO2 Compensation.** Since 2014, year of the foundation, Womsh has worked with LifeGate at the *Impatto Zero®* project, whose aim is to calculate and compensate for the emissions produced by the partner companies. Thanks to this initiative, Womsh has contributed to the reforestation of 11.000 sqm of from Italy to Madagascar.
- **Recycling.** Consumers can take their old Womsh shoes to the selected resellers. The company will then recycle them in collaboration with the "Giardino di Betty" project (Betty's garden). This initiative uses old shoes, tennis balls and tires to create the floor for children's playgrounds.
- **Clean energy.** The partner factory of Womsh produces in Italy with a system that uses clean energy at 90%.
- **Packaging.** The shoe boxes are created with recycled paper and paper made with corn starch. In this case, the partner company is Favini that produces this type of paper called Crush, always in Italy. In fact, Favini does not use only corn, but also kiwis, olives, coffee and other edible waste.

They have an e-commerce store, while also selling their shoes in selected wholesalers both in Italy and overseas. They are also extremely active on social media, engaging in influencer marketing campaigns and content creation.

For the Fashion Revolution Week, organized by Fashion Revolution each year from 19 to 25th April to remember the Rana Plaza collapse that happened the 24 April 2013, Womsh collaborated with Renoon.

Renoon is a B2C mobile app, founded in 2020 by Iris Skrami. The aim of the project is to provide a place for consumers where to follow and buy from sustainable brands, being sure that they actually follow what they claim, while also featuring a blog that provides information about the industry.

Womsh took over the Renoon app for one day, showing to an international audience their headquarters, products and values.

Figure 21 Post announcing the "Fashion Revolution Week campaign" by Womsh

Source: (Womsh Instagram page, s.d.)

Always for the Fashion Revolution Week, they also showcased their factories and artisans through social media, and Gianni Della Mora organised an IGTV with the founder of Rifò, another Italian sustainable fashion company that has been interviewed for the present dissertation.

Figure 22 Post announcing the events for the "Fashion Revolution Week" by Womsh

Source: (Womsh Instagram page, s.d.)

Moreover, each pair of shoes comes packaged with a QR code on it. When scanned, it provides the consumer with information about the overall supply-chain, thanks to the use of the blockchain technology.

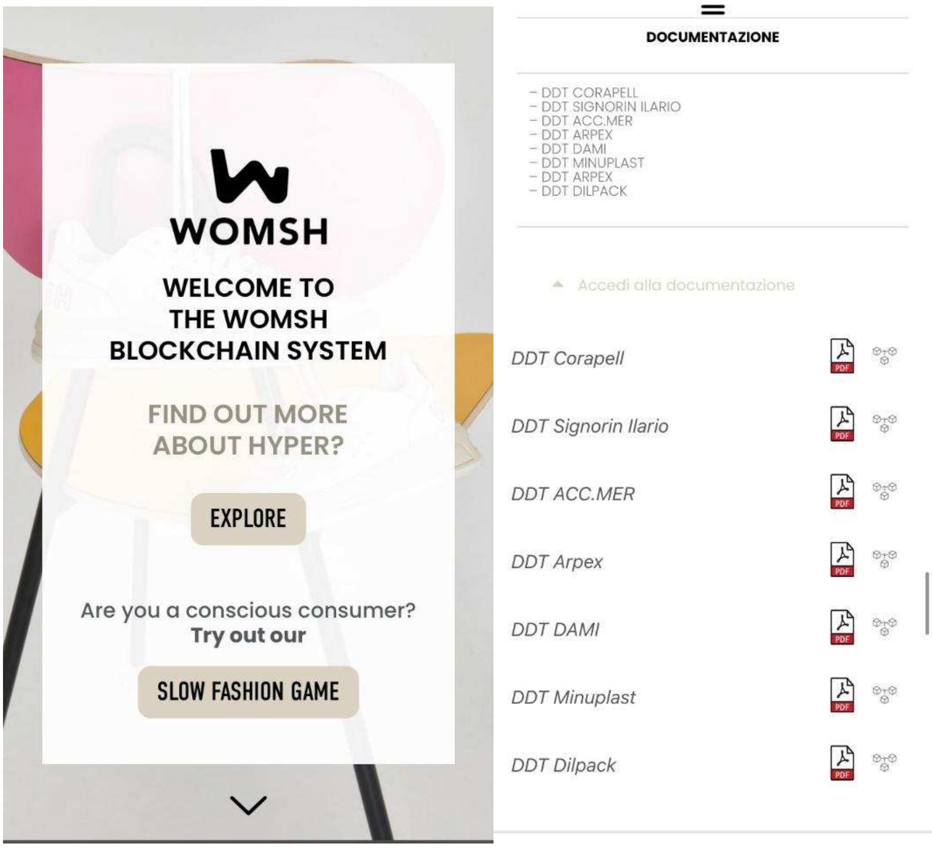


Figure 23 Womsh blockchain

Source: (Womsh, s.d.)

For the launch of their new shoe, Hyper, made with apple skin, they gifted the product to a selected number of influencers with apple marmalade and other culinary products Made in Italy. In fact, the Made in Italy label is quite important for Womsh, as they state in the website: in their website, the company emphasises the central role of the local production, highlighting the product's quality and craftsmanship.

4.1.3.2 Par.co Denim

Par.co Denim is a company based in Bergamo and it was founded in 2014 by two cousins, from which the name of the brand is derived, Parimbelli cousins. The idea of the founders was to create a quality product, sustainable and ethical, completely Made in Italy.

The main values of the company are:

- Circularity
- Digitalization
- Education of the consumer
- Partners and employees that share the same values

Their main objective is to create a totally digital and carbon neutral business. Through the adoption of a short supply-chain, all denim is produced in small artisan companies at a maximum 35 km of distance from the headquarters.

For their production they only use biological cotton, certified GOTS (Global Organic Textile Standard), and recycled cotton and polyester, both certified GRS (Global Recycle Standard).

Denim is one of the most polluting garments, both because of materials and production processes:

- Denim is made of cotton, which is an extremely polluting crop as we have seen in the first chapter. Using organic and recyclable textiles is the best choice to solve this issue.
- The production of denim is extremely polluting and it requires high quantities of water. To soften the material and to create dyeing effects, the "stone washing system" is used. This is a very polluting process that requires garments to be inserted in washing machines with stones to be centrifuged. An alternative, equally polluting, is the acid washing technique.

On the other hand, Par.co Denim uses biostoning and laser technology, by the Italian company Sei LASER, to dye the denim. Buttons are sourced from the "button district" in Bergamo, while tags are produced with recycled graphite g_label®.

Nevertheless, the company still does not have a tracking system for water consumption and CO_2 emissions.

As stated in their website, through all these actions, Par.co Denim commits to the SDG 12 of the UN 2030 Agenda for Sustainable Development. The SDG 12 "Guarantee sustainable models of consumption and production", to reduce pollution and degradation.

Par.co Denim sells on its e-commerce, in their flagship store in Bergamo and in some selected retailers, both in Italy and in Austria. From e-commerce they send the garments without packaging and they try to minimize CO_2 emissions through the use of green DHL.

They have an Instagram page where they showcase their products, but they also explain what their mission is. In their Instagram feed they alternate images of their products with images of the production process, where they highlight the craftsmanship and quality of their designs, as well as information about the production process.

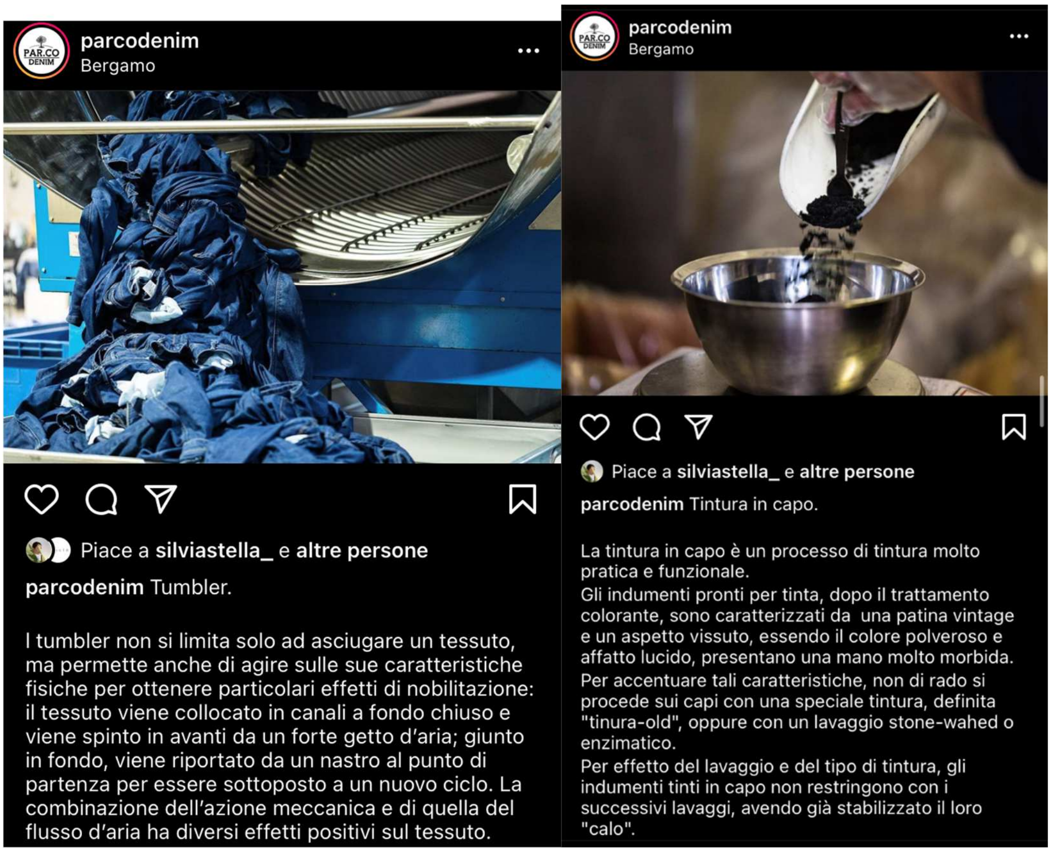


Figure 24 Examples of Par.Co Denim Instagram posts on their supply-chain

Source: (Par. Co Denim Instagram page, s.d.)

They maintain the same type of communication also on their LinkedIn page, even though the tone of voice is more institutional. Describing the production process and insights about the company is a leitmotif inside their communication strategy, as shown by the stories highlight "About us", where the brand also shows their workers and the activities behind the final pair of jeans.

4.1.3.3 Eticlò

Eticlò was founded by Desiree Madonna and Sara Zanello in 2018. The company offers minimal and evergreen garments that are sustainable, comfortable and ethical. In fact, the term Eticlò itself, that comes from the mix of the words ethical and closet, encompass the principles and values of this reality: simple clothes made respectfully.

All their textiles are produced using organic cotton and linen, certified GOTS, Italian wool and pure silk. They have a short supply-chain and all factories are located in Veneto, between Treviso and Padova, where the garments are dyed with the single dye technique, which is far more sustainable than single fibre dyeing.

They have recently created a capsule collection in collaboration with Casa Gin, and they will shortly release a baby line made of organic cotton. Furthermore, they also have a homeware line, made with organic cotton and linen, that they sell in Natura Sì shops, all over the country. Eticlò sells both online and in store. In Italy they sell through their e-commerce and also through wholesalers, while abroad they sell only through sustainable fashion platforms and their e-commerce. They also have a flagship store in Bologna, where they sell their own collections and other sustainable brands, such as Par.co Denim, Womsh and Melidé Factory. They are also present on the Renoon app.

They communicate mainly through their website, Facebook and Instagram page. None of the two has much content about the brand, its history and values. They mainly use them to display their products. From their website, it emerges the importance for quality and ethics, but not a great emphasis on environmental sustainability nor circularity. Therefore, not much information about their environmental commitment is present.

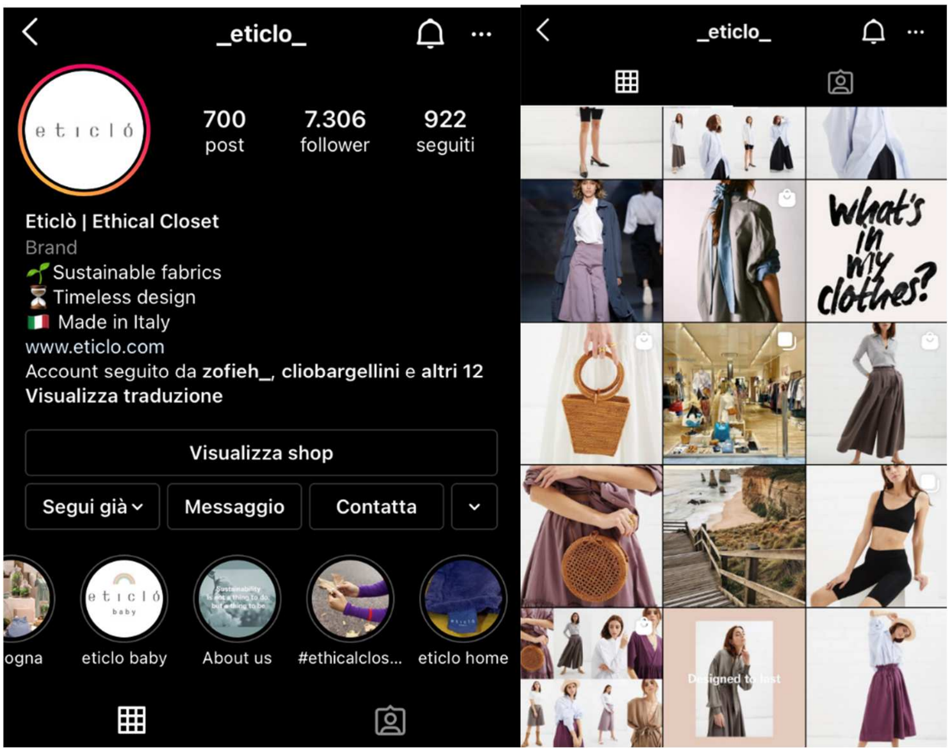


Figure 25 Eticlò Instagram page emphasising "sustainability" and "Made in Italy"

Source: (Etclò Instagram page, s.d.)

4.1.3.4 Casa Gin

Casa Gin is a company founded in 2017 by Daniela Prandin and based in Padova. After working in the fashion industry for many years for companies such as Prada, Daniela decided to create her own company, based on the values of sustainability and ethics.

The name Casa Gin comes from the union of the term "Home" (casa in Italian), symbolising the comfortability of the clothes, and Gin, acronym of:

- **Genuine.** Clothes are simple, minimal and practical.
- **Innovative.** The materials used are modern and highly selected.
- **Natural.** All materials are sustainably sourced.

The production is completely carried in Italy and all the products are compliant with the STANDARD 100 by OEKO-TEX® . As the brand itself states in their website, the Made in Italy is the best guarantee of quality and safety. Moreover, they also state that the factory where they produce uses solar energy.

The factory is at only 70 Km from the Casa Gin headquarters, which provides the company with a short supply-chain model, with a subsequent cut of emissions and pollution. The packaging is made of recycled paper and corn-starch paper, produced by TUV Austria.

On their website, they provide information about all their suppliers, indicating where they are based.

Casa Gin offers product lines for both men and women, and it has three main categories:

- Underwear
- Homewear
- Swimwear
- Active wear.

The active wear line is called Bi.Gin and it uses Green Performing 2.0 technology that provides materials that are both regenerated and biodegradable, such as Polyamide Amni Soul Eco®.

For the other product lines, they utilize:

- **Recycled PET.** Used plastic bottoms can be completely recycled. In this case the majority of the plastic comes from the ocean, which has a secondary positive effect: cleaning the ocean. As well as Econyl, PET can be recycled an infinite number of times too.
- **Econyl.** Recycled nylon produced in Lake Garda, that we already mentioned extensively in the first chapter.
- **Beech fibre.** The material extracted is called TENCEL™ Modal, it is completely produced in Austria and it is a sustainable alternative to cotton. In fact, comparing the production of 250 grams of textile, we see that:

	Cotton	TENCEL™ Modal
Water consumption	1430 litres	66 litres
CO2 consumption	0,75 Kg	0,52 Kg
Landfill use	3,40 sqm	0,50 sqm

Source: www.casagin.com

- **Eucalyptus fibre.** From this tree it is possible to obtain a textile called TENCEL™ Lyocell. Eucalyptus do not need irrigation and pesticides to grow, therefore they are more sustainable than cotton.
- **Recycled cotton.**

The price policy doesn't provide discounts and sales, to discourage overconsumption and impulse consumption. Casa Gin sells both through their own e-commerce and selected wholesalers, both in Italy and abroad (Switzerland, Germany, UK and France).

On a communication level they focus a lot on the quality of the products, but also on displaying inclusivity and care for the environment. They have Facebook, Instagram and also LinkedIn. For example, one of their latest campaigns was "Stay wild". 10% of the revenues coming from the sales of a specific clothing line were donated to the WWF.

Casa Gin is also an inclusive brand, as it produces clothes for all sizes and promotes diversity through its campaigns, as we can see in this Instagram post.

Figure 26 Casa Gin inclusive campaign

Source: (Casa Gin Instagram page, s.d.)

On their website page they display many information about their environmental commitment and how they try to tackle pollution through their supply chain choices. They also have an entire section dedicated to Econyl and on to Lyocell, the materials they use, where they explain what it is and how it is less harmful to the environment.

This very same type of communication is also present on their Instagram and Facebook page. In fact, in occasion of the Fashion Revolution Week they created some tailored content on this regard, such as this one:

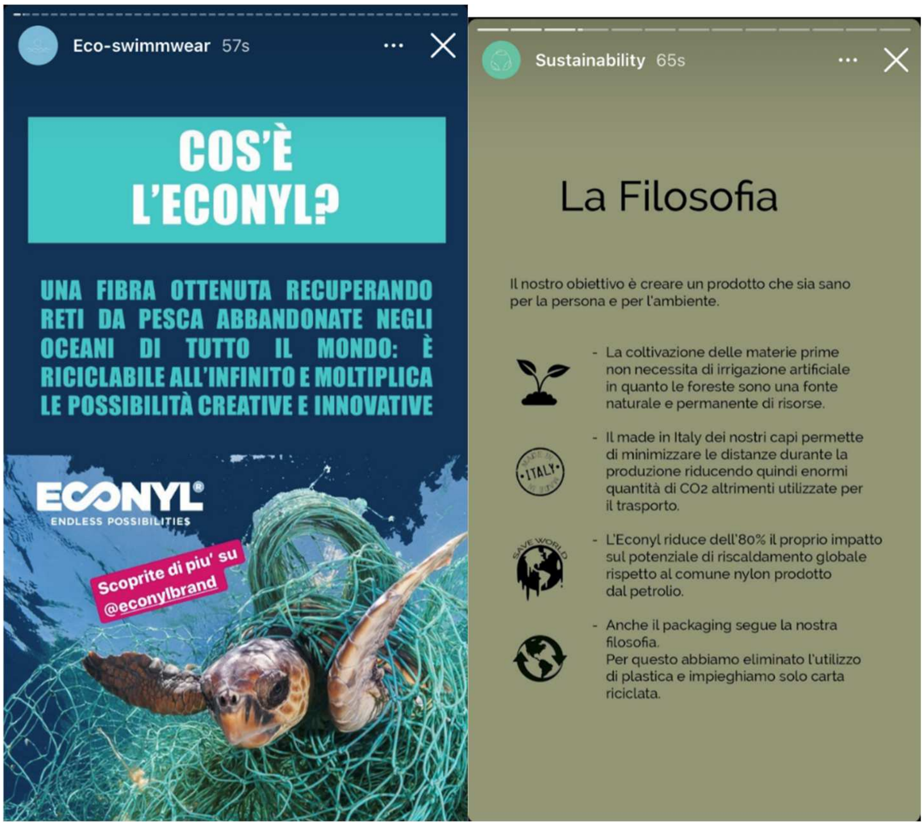


Figure 27 Casa Gin Instagram highlights on Econyl

Source: (Casa Gin Instagram page, s.d.)

4.1.3.5 Rifò Lab

Rifò is the Tuscan term for the Italian rifare (remake) and it is a project inspired by the cenciaioli, Tuscan professionals who remake and regenerate clothing. The company is based in Prato, one of the main textiles centres of Italy, and it was founded in 2017. It became a proper company in 2018, after an acceleration programme. Nowadays, Rifò is also a benefit company.

Benefit company is a law term that identifies Italian companies having a social mission. As they themselves state, ethics, sustainability, craftsmanship and "Made in Italy" are at the core of the project. Moreover, they are the only interviewed company to have a Sustainability Report.

The mission of Rifò is to provide clothing made of 100% regenerated materials, reaching a good level of Circular Economy, with a short supply-chain all based in Prato. Prato is in fact very important for the brand. For this very reason Rifò created 2love Prato. Each client can donate 2 euros for social initiatives chosen by the company regarding Prato and its area.

For their e-commerce, they use plastic-free packaging, made with recycled paper. In alternative, for 3 euros clients can buy the Repack option. Repack is a start-up based in

Finland which provides brands with a package made of polypropylene, that can be send back to Repack and reused at least 20 times.

Figure 28 Rifò website image dedicated to the different types of packaging available

Source: (Rifò Lab, s.d.)

Rifò sells through a brick-and-mortar strategy. They have a personal e-commerce and a showroom in Prato, but they also sell in over 100 shops across Europe.

Currently they have resellers in Germany, France, Austria, UK, Belgium, Netherlands, Slovakia, Slovenia, Poland and Iceland.

Proposing itself as a circular brand, Rifò offers two recycling services for their clients:

- **Jeans gathering.** All denim made with 95-100% cotton can be brought to Natura Sì shops that participate in the initiative. In exchange, consumers get a 10 euros discount on their next purchase at Rifò. Currently they are only in Parma, Prato, Lucca and Pistoia, nevertheless the brand is aiming at increasing the distribution.
- **Wool and cashmere gathering**. If a garment is 100% wool or cashmere, it can be sent to Rifò, obtaining a 10-euro discount on any next purchase.

Rifò has a LinkedIn, Instagram and Facebook page. In their pages they do not only display their products, but, as Womsh and Pr.co Denim, they also tell the story of the brand, focusing on craftsmanship, environmental sustainability and ethics.

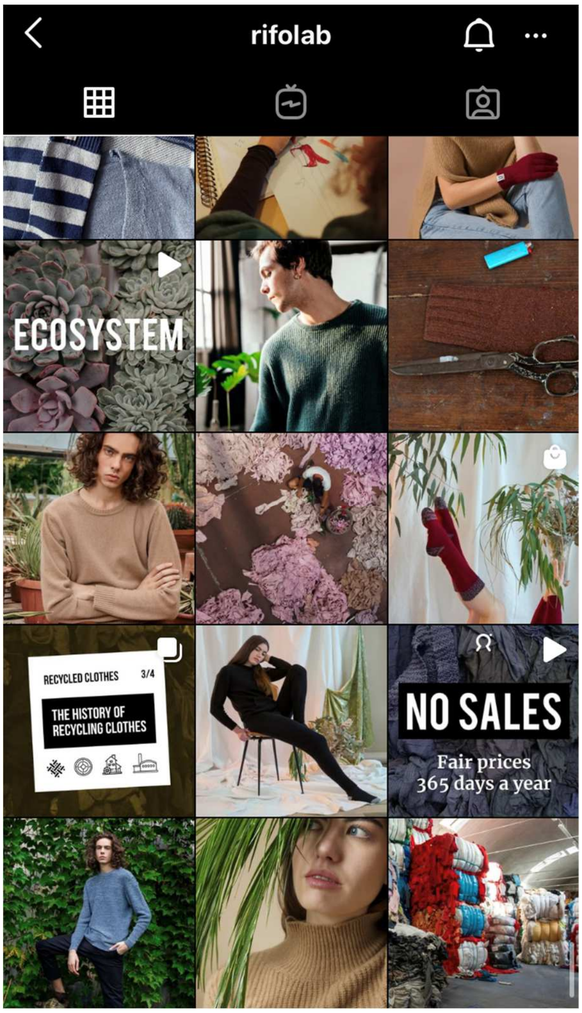


Figure 29 Rifò Lab Instagram page highlighting their products and displaying sustainable content

Source: (Rifò Lab Instagram page, s.d.)

They also participate in the Green Week and the Fashion Revolution Week. The Green Week is an initiative promoted by Patagonia during the black Friday period, whose aim is to raise awareness of overconsumption. Brands taking part in the initiative remark the importance of full prices, as they are the only tool to keep quality standards high and the wages fair.

For the Fashion Revolution Week, they created content mainly focused on their artisans and the craftsmanship behind the company and its products, in order to offer people knowledge about the great work behind Rifò.

Image 31

Figure 30 Rifò Lab Instagram story announcing "Fashion Revolution Week" campaign content

Source: (Rifò Lab Instagram page, s.d.)

4.1.3.6 Melidé factory

Melidé was born as a start-up in 2017 and it has steadily grown since then. Now, it is a company with 10 employees, all women. The core product of the company is a simple white t-shirt, hand embroidered, customisable and made of organic cotton.

Since the beginning, Melidé started using Instagram and Depop to sell their product. At the beginning it also collaborated with major Italian influencers, such as Chiara Ferragni and Giulia Valentina, with whom they keep collaborating. These partnerships helped them grow and become more renewed.

The philosophy of the brand is to create timeless and quality products, made carefully and thoughtfully. The love for Made in Italy and craftsmanship brought the brand to extend their product line consistently.

Currently, on their website, they sell:

- Embroidered t-shirts. They are sold alone or accompanied by books edited by independent bookstores
- artisanal friulane, a type of shoe made by artisans in Friuli
- Tracking boots made by artisans in Alta Badia

- Skirts made with deadstock textile
- Raffia hats for the summer, handmade in Lazio

They also sell jewels, cashmere sweaters and many more products. Each year they increase their range of products, always keeping the same philosophy: artisanal, Italian, high quality products, made to satisfy the needs of their consumer, who seeks for a timeless and unique wardrobe.

The aim of the brand is not only to promote local craftsmanship and slow consumption, but also other realities, such as in the case of independent bookshops.

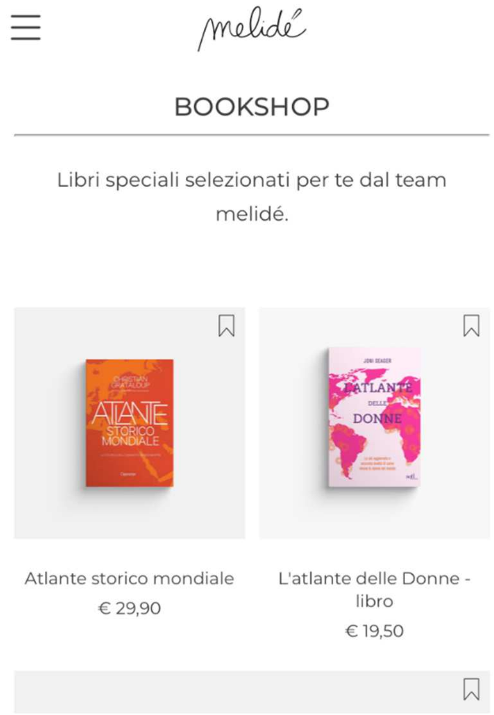


Figure 31 Melidé Factory website page dedicated to independent books

Source: (Melidé, s.d.)

The cotton they use is organic, certified GOTS and fairtrade. Moreover, they have a type of mule made with canapa, that as we have already seen in the first chapter, is a biodegradable and sustainable alternative to cotton.

4.1.3.7 Euterpe Studio

Euterpe Studio is a small company producing leather bags, founded by Sofia Nardi, recently graduated in Fashion Design. The company was born in November 2020, which means that it is an extremely young company, born during the pandemic. The name Euterpe comes from the Greek Muse of lyric poetry, identifying therefore joy, beauty and simplicity.

The main goal of the founder was to create a quality product that could be also affordable. All the production is 100% Made in Italy. The headquarters is in Vicenza, while the bags are produced in Tuscany. In the website it is claimed that the leather comes from Italian sources. Euterpe holds the REACH certification, which guarantees a proper production process that does not use harmful chemicals in. The packaging is completely recycled, nevertheless there is no activity aimed at tackling the delivery pollution. Their products are sold with a dustbag in organic cotton and they are sent inside a packaging made of recycled paper, certified recycled FSC, but they do not provide any kind of carbon compensation activity.

As in the case of Eticlò, the Euterpe website does not provide much information about their certification and sustainability goals and activities.

During the pandemic the company has steadily grown thanks to a successful Instagram Influencer campaign, that spread the popularity of the brand, alongside a wide coverage in magazines and media.

They use their Instagram page mainly to display their products, similarly to many other fashion brands that focus on a specific aesthetic, but at the same time they also provide information about their sustainability values and craftsmanship:

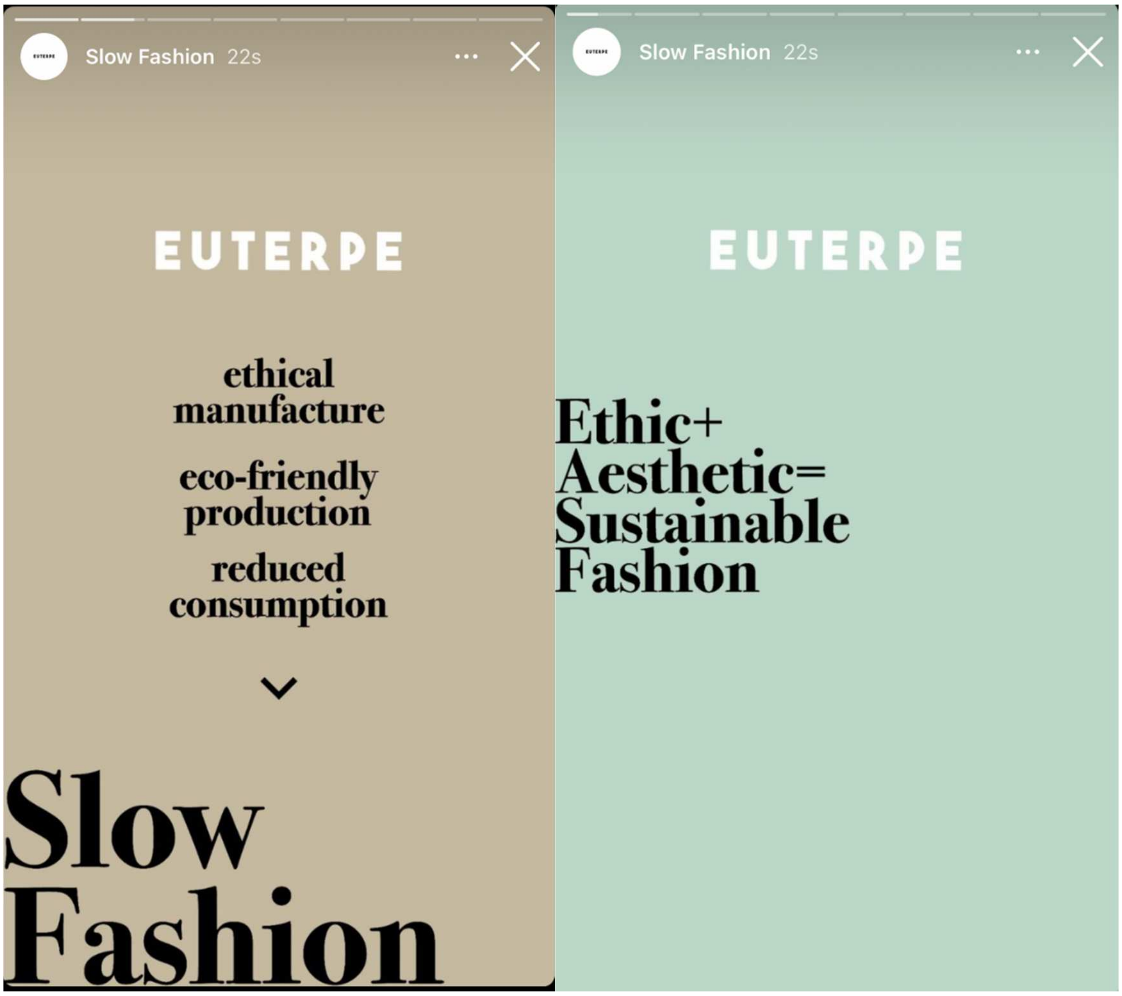


Figure 32 Euterpe Instagram highlights dedicated to sustainability

Source: (Euterpe Instagram profile, s.d.)

Moreover, they emphasise the importance of buying good quality products that can last forever, as the garments that our mothers and grandmothers bought.

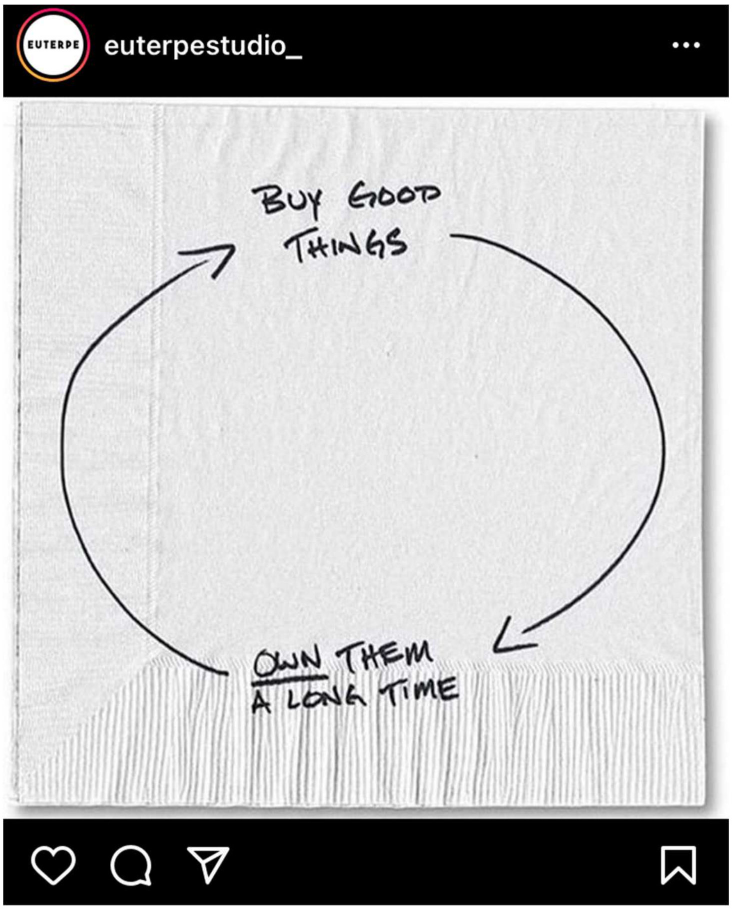


Figure 33 Euterpe Instagram posts dedicated to thoughtful purchasing habits

Source: (Euterpe Instagram profile, s.d.)

4.2 Empirical research: emerging themes and patterns

4.2.1 The sector of sustainable fashion in Italy according to the companies

DATE	COMPANY	INTERVIEWEE	ROLE	DURATION
15/04/2021	Casa Gin	Matteo Donolato	Marketing Director	30 min.
06/05/2021	Womsh	Gianni della Mora, Claudia Mainardi	Founder, Communication Specialist	60 min.
07/05/2021	Par.co Denim	Fedora Agosti	Sustainability Specialist	50 min.
13/05/2021	Eticlò	Desiree Madonna	Founder	60 min
21/05/2021	Euterpe	Sofia Nardi	Founder & Designer	45 min
27/05/2021	Rifò Lab	Niccolò Cipriani	Founder	30 min
28/05/2021	Melidé Factory	Alessandra Delbono	Founder	70 min

Tabella 7. Companies interviewed

As we can see from the framework above, the companies interviewed follow the pattern of the sustainable companies previously listed in chapter three: they are all small realities with less than 50 employees, born after the 2008 crisis. All these companies have a thing in common: they were all born as innovative realities, with a strong focus on sustainability, both environment and ethical. Each one of these companies outsources the production process to specific suppliers in their area, that make part of the industrial district aforementioned. Moreover, from the analysis of their website, social networks and the interviews, some interesting topics and similarities emerge.

First of all, we must mention the role that digitalisation had in their businesses. In the second chapter, we highlighted how literature is seen as a crucial strategic tool for small companies, as it allows them to succeed and sell internationally, keeping costs low. For all of them, apart from Casa Gin, e-commerce was the point of start that lately led also to wholesale brick sales. Some of the companies have a showroom, as in the case of Eticlò, while others want to open one, such as Womsh. Moreover, all of them sell through wholesalers, apart from Melidé because, as Alessandra Delbono claims, “the costs are too high to allow for a percentage of the revenue to go to the retailer.

The most interesting and surprisingly positive fact is that all of them considered the issues caused by digitalisation of pollution and almost all of them tried to act accordingly. The actions are not homogeneous, but neither are the options available. Some of them, such as Casa Gin, offer a system of carbon compensation. They use DHL, a company that commits itself to participate and donate to world-wide sustainable programs. On its own, the carbon compensation practice is not useful and it could also be considered a case of greenwashing; nevertheless, integrated in a complex system of many sustainable choices, it can be a positive addition.

The company that is tackling the transportation issue extremely well is Rifò Lab. They offer the Repack service, created by a Finnish start-up. Repack follows the track route of the national postal system, diminishing partially the quantity of CO2 emission.

Another interesting common point is the fact that all of the companies have a multichannel approach. They all sell both online and offline, through wholesalers and personal channels. As Gianni Dalla Mora states, selling only online is not advantageous, and in the long term is important to build a strong presence offline, also in order to reach a more diversified audience.

When the companies start talking about their ideas of shops, one common pattern that emerges is the desire to create a showroom that conveys a lifestyle, rather than a shop where to merely sell. This is actually an interesting thing to notice, because it is connected to the theory of the LOHAS consumer and the various findings and predictions seen in chapter one: the consumers not only want clothes, but a lifestyle, something they believe in and trust.

When talking about the possibility of creating a shop, they all talk about the sustainable aspect, from resources to energy use; some of them, such as Euterpe and Eticlò, sell also products from other companies, always Italian and sustainability driven, with the aim of creating a strong network of realities and delivering a precise experience to the customer.

As claimed by Sofia Nardi, CEO of Euterpe, "We chose to display and sell products from other small Italian brands to give each other support".

None of the companies have an omnichannel approach. This can be easily explained by the fact that they are all SMEs: in fact, small companies have a hard time with implementing an omnichannel strategy, which requires a lot of effort and a strong organisation. Moreover, an omnichannel strategy for very small companies is not at all very advantageous and not even necessary.

Finally, another common trait of all the companies is the prevailing use of digital communication, which in some cases is the only type of communication. All of the companies own a social account on Instagram and Facebook. While Casa Gin and Eticlò also use traditional advertising, as they sell a lot offline, all the others concentrate their efforts on the web. For some of them Instagram has been a major tool for success, such as in the case of Melidé and Euterpe, for whom also Pinterest has been extremely useful. On the other hand, for other companies selling evergreen and less fashionable garments, the use of social media has been less important, such as for Casa Gin.

On a communication level, another positive common trait is that none of the companies interviewed actively greenwashes, but all of them commit themselves on some level to real sustainability. Among them, the two that are less sustainable are Euterpe and Eticlò. Euterpe is still a young company, as it was only born in 2020, and from the interview we can definitely see the interest and knowledge of the challenges they will have to face in order to become truly sustainable. The main problem is that Euterpe sources its leather from Argentina; therefore, the leather it's not vegan. Moreover, we cannot know which treatment was given to the animals before being slaughtered, which type of food they ate, how that food was cultivated and sourced, if the animals gazed in deforested land. Womsh is actually a good example of leather use: they offer a vegan option as we have seen, and for the animal leather line they use slaughterhouse waste from Italian sources.

On the other hand, Eticlò doesn't want to become environmentally sustainable, as the company has ethnicity as a long-term goal. This means that some actions, such as using organic cotton, choosing sustainable suppliers, offering recycling programs to clients, moving towards a circulatory system are not taken, making the overall sustainability only partial.

On a positive note, almost all companies, apart from Eticlò, try to communicate their value and their efforts towards a more sustainable approach. Many of the companies display their certifications on the website, Rifò Lab also has an annual sustainability report, Casa Gin shows how much waiters get saved from the use of Econyl.

Even though none of the companies engage in greenwashing, there is still much to do and teach about the pollution caused by online retailing and home deliveries. In fact, only Rifò Lab has a sustainability report, because the other companies claim that it is too hard to gather the data, a common theme that comes up many times during the interview also for the implementation of the block chain, as the hardest part is retrieving that information from suppliers and avoiding mistakes.

In fact, Fedora Agosti, Sustainability Manager of Par.Co Denim, explains that "we need a project manager and a dedicated office for this kind of activity. At the moment, we do not have the time and the resources. A help from the institutions would be much needed".

Another similar common issue among all the companies is the institutional financial help. None of the companies interviewed has ever had any external help on a national or European level, nor regional. The only exception is Rifò participated and won in an acceleration programme, and thanks to the monetary compensation it managed to become a B Corp. In fact, Melidé explains how participating in these kinds of opportunities is expensive and time consuming. The same problem comes up with the label Made in Italy, that we will later discuss. Guarantees and help for small companies do not exist and hiring a professional only for this activity can be quite expensive. Melidé also points out the problem with many consulting agencies, which are much more useful for big companies with resources who want to transition to a more sustainable business model, rather than for small companies already in the system.

As we already mentioned, from the interviews it emerges a strong sense of what sustainability and circular economy are. Some of the companies are already circular, such as Rifò Lab, while others strive towards this direction. As we have mentioned in the first chapter, circularity is the only viable way to be truly sustainable in the long run and completely steer the current production system. Nevertheless, for many of them this goal is actually extremely complicated. For example, shoes and jeans are complex products, made of many different parts, therefore they aren't easily recyclable. As Gianni Dalla Mora states, the only way to actually be truly sustainable and apply a closed-loop system is to design a shoe with removable parts, that can be completely separated and recycled, which has not been invented yet. A second option would be to collect used shoes and separate them, which would require hours of work, making the whole process financially unsustainable.

To take circular actions, many of the companies offer to the customers a service to return the garments, allowing for a proper recycle. This type of service is offered both by Rifò Lab and Womsh at the moment but the only company that actually manages to bring back the material inside the process is Rifò Lab.

Another crucial factor in order to claim to be sustainable is the use of certifications, which are a guarantee for the consumers. Claiming anything without certifications is only greenwashing. The main issue with certifications is that they are expensive. This is reiterated both by Euterpe and Melidé Factory: Sofia Nardi and Alessandra Delbono explain that having a short supply chain is fundamental to control how the garments are produced, and in order to guarantee a high quality, avoiding to pay too many certifications. Obviously, this is not systematic, nor scalable. Certifications are needed, because people cannot only trust the company itself.

On the other hand, a point of slight divergence is the use of the label Made in Italy. As we have previously seen in chapter 3, the label Made in Italy is one of the top brands that come to people's mind when talking about Italy and fashion; nevertheless, we have also emphasised how the current European and Italian law do not really help companies producing in Italy, benefitting big international companies.

Overall, every single company interviewed, but also the companies listed in the tab 3., has its supply-chain almost fully in Italy. There are only a few exceptions mainly related to the raw materials used: Eticlò, for example, sources its cotton in Egypt and Euterpe sources its leather from Argentina. Producing everything in Italy is possible, but for some products and some realities harvesting the raw materials from abroad is still necessary.

What encompasses every company is the pride of working in Italy, as many of them proudly state in their Instagram profiles, but also the desire for some of them to drift apart from the general use that is being made of the label Made in Italy.

The brand is much stronger outside of Italy, and as Gianni Dalla Mora claims "It's crucial outside of Europe". In Italy, on the other hand, the brand doesn't hold that much power; in fact, it is sometimes seen negatively, as Alessandra Delbono, founder of Melidé Factory, claims. In fact, companies carrying out only the last step of the production in Italy can use the "Made in Italy" label too, and this is a great problem, when considering the consumer's trust. For example, this is mentioned by Sofia Nardi: "In Italy the term Made in Italy has lost its value, consumers do not trust it".

An interesting point of view is added by Alessandra Delbono: this term is overused and especially misused, and for how laws are conceived, it doesn't incentivise or reward SMEs. But what they all agree upon is the crucial role of the industrial districts, as every company interviewed is based inside one of them, and therefore they are tightly linked to the local knowledge. Womsh, for example, is based in the Brenta area, where there is a long-lasting presence of footwear production, started at the end of the XIX century. On the other hand, Rifò Lab is based in Prato, one of the main Italian districts for the wool production. Furthermore, as we have seen, the main characteristic of Rifò, the recycled wool, is an ancient technique crafted by the "cenciaioli".

On this topic, during the interview to Par.Co Denim, Fedora Agosti highlights the importance of being based in Bergamo, one of the biggest textile districts in Italy, because of the presence of a strong supply-chain. Moreover, as described by her, one of the future developments of Par.Co Denim will be the creation of a hemp line, as hemp is an indigenous crop in Lombardy. Therefore, the idea of restarting it after decades is also an action of care and love for the territory.

It is also interesting to note how Melidé Factory approaches the industrial districts, as this company offers a wide range of products in its e-commerce, coming from all over Italy. In this way, they have the possibility to offer a wide range of real artisanal products, without being themselves based in an industrial district.

Overall, all of them agree on the major advantage that being inside an industrial district offers, from the know-how that provides high quality products and the possibility to actually oversee the supply-chain and the production process, to the environmental implications. In fact, the internal transportations between places are drastically reduced, and in this way also the environmental impact of transportation decreases.

Nevertheless, local productions do not solve every environmental problem. As all these companies outsource the production, the majority of the environmental impact involves the factories' responsibility. While the majority of the companies interviewed collaborates with factories that reduce their environmental impact, such as Casa Gin, Womsh, Par.Co Denim and Rifò Lab, others do not. Eticlò, for example, works with a local company in Veneto, female led and with an ethic certification that guarantees the fairness of the wages, but on an environmental level the company does not engage in any activity, and the same happens with Euterpe Studio, that makes use of Tuscan artisans for the production of their bags. It is true that a local production, with minimum displacement, is much more sustainable than outsourcing, and moreover, on an ethical level, is extremely positive and successful, nevertheless on an environmental perspective is not enough. Claiming to be sustainable requires not only ethics, but also a strong environmental commitment, that here is lacking.

• Conclusion

After having analysed and displayed the present research, we can clearly affirm that sustainability and digitalisation are two key factors in the present and future evolution of the fashion system not only in Italy, but on a worldwide level. Nevertheless, the results of this study have to be seen in the light of some limitations. Therefore, we have to acknowledge its shortcomings, in order to properly put results into perspective.

First of all, there is a general lack of studies in the research area, both because sustainability in the fashion sector is a new and evolving topic, and the existence of these specific research on European and Italian case studies is almost non-existent. On a research level, no full data access was present.

Secondly, on a methodological level, the sample size used is quite narrow, as it only encompasses seven companies of the total. Moreover, the research scope is geographically limited and inhomogeneous. Therefore, it would be necessary to expand the research scope to have a proper image on a national level. Besides, the use of semi-structured interviews carries with it a series of limitations, as we have already extensively seen at the beginning of chapter four. Therefore, to obtain a better overview of the analysis, the interviews were used to support and complete the research, such as the analysis of the companies' websites and social media pages, and a broader study of the industry.

Thirdly, this research was conducted during a period of instability, caused by the COVID pandemic, which means that we do not already know which will be the effects on the industry and the companies, and, in this case, we can only draw assumptions from the past and the present analysis, knowing that there is a partial lack of certainty about what holds the future. Therefore, for future research, it would be necessary to broaden the scope of the analysis on more companies and obtain more information about them, possibly also on their financial status. It would also be desirable to control how, after the end of the COVID pandemic, the companies have evolved and the industry changed, to have a long-term view of the market.

As we have extensively seen in chapter four, the results of the analysis lead to some reflections. All things considered; from this analysis we can see how all these companies are actually aiming at true sustainability and all of them are aware of the challenges and limitations.

Themes	Research question	Research results
Digitalisation	Which role does digitalisation have in the success of sustainable fashion SMEs?	All of the companies claim that digitalisation and e-retailing allowed them to be founded and thrive, reducing costs. Moreover, all of them have a multichannel strategy, as an omnichannel one would be too difficult to implement for such small companies. Finally, all of the companies are aware of the impact digitalisation has on sustainability and each of them engages in actions aimed at reducing such impact.
Communication Strategy	What type of communication strategy is adopted by sustainable fashion SMEs? Do they have any point in common?	As all of the companies were born through e-commerce, also their communication strategy is almost purely digital with a few exceptions. For all of them the main channel of communication is Instagram and there is almost no offline activity.
Sustainability	Are sustainable fashion SMEs as sustainable as they claim to be? Can we talk about Circular Economy?	Five out of seven companies have a strong sustainable business model and one of them can be actually considered to have a real circular system. Moreover, none of the companies engage in any form of greenwashing and throughout all of their channels they manage to educate the consumers about every sustainable decision they take.
Institutional support	Is sustainable entrepreneurship incentivised by any kind of support both on a national and an european level?	From the analysis it emerged that none of the companies had any kind of support. In fact, the European law on Made in Italy is weak and it

		advantages companies offshoring to low wages countries. Things could change in the future, thanks to the new European policy on Circular Economy. All the companies interviewed agree that applying for funds is hard and time-consuming, and many of them do not have the resources to do so.
Made in Italy	Is Made in Italy a key strategic factor in the success and sustainability of Italian fashion SMEs?	All of the companies agree on the fact that Made in Italy is not part of their strategy. They all are inside Industrial Districts and they all value craftsmanship and quality, but at the same time they feel that Made in Italy is an overused and abused term that could also be detrimental for them. Furthermore, on a juridical level, no real protection or support is given to companies fully producing in Italy, putting them in a disadvantaged position when compared to offshoring companies.
Industrial Districts	What strategic role do Industrial Districts have in the success of sustainable fashion companies in Italy?	All of the companies interviewed are based inside one of many Industrial Districts in the italian territory. Every company thinks that the major advantage of being inside an industrial district are the know-how, the craftsmanship and the possibility to actually oversee the supply-chain and the production process. Moreover, the closeness between facilities drastically reduces transportation time and emissions, positively impacting the environment.

Tabella 8. Synthesis of the results

An interesting leitmotif among all the companies interviewed is the almost total absence of help from institutions and policy makers.

● Appendix

Interview conducted with Matteo Donolato
Sales & Marketing Manager of Casa Gin

Author	**Quali sono i valori della vostra azienda?**
Donolato	Daniela ha fondato l'azienda nel 2017, basandosi sui principi di sostenibilità dei materiali ed etica del lavoro. Utilizziamo di risorse in modo responsabile, in modo da lasciarne l'utilizzo anche a chi verrà dopo. Occhio di riguardo alla qualità, a ciò che mangiamo ma anche ciò che indossiamo. Indossare una t-shirt frutto di schiavismo o una t-shirt prodotta in Italia legalmente non sono la stessa cosa. È importante anche per il nostro benessere.
Author	**Vi potete definire un'azienda a filiera corta?**
Donolato	Realizziamo tutti in Italia, avvalendoci di piccole aziende italiane locali. Produciamo praticamente tutto in zona, a Padova. Così minimizzare trasporti ed inquinamento. Portare ai clienti un indumento sano, fatto con prodotti certificati è il nostro obiettivo. Ad esempio i container di trasporto che provengono dall'estero vengono sanificati e così vanno ad incidere sulla tossicità del prodotto. Questo è anche uno dei nostri pilastri, tant'è che il nostro slogan è: vogliamo portare il benessere ai nostri clienti.
Author	**Packaging e trasporto, che scelte fate per essere sostenibili?**
Donolato	I nostri prodotti sono piegati a mano. Il packaging è in amido di mais compostabile (non solo biodegradabile) e una busta in cotone organico riutilizzabile. Stiamo introducendo un sistema per permettere al cliente di scegliere un trasporto a basso impatto ambientale. È ancora una sfida però.
Author	**Quanto conta il Made in Italy per la vostra realtà aziendale?**
Donolato	Ad ora siamo 5 dipendenti, abbiamo una sede a Padova. Produciamo una linea di intimo, una linea per la casa e nel 2019 abbiamo introdotto le pantofole di lana, costumi e l'ultima collezione di abbigliamento sportivo, Bi.Gin (punta di diamante dell'azienda a causa dei materiali impiegati). Per noi dunque il Made in Italy è un pregio ma è anche un costo. È un vantaggio. Alle fiere infatti il prodotto piace, anche grazie a garanzie e certificazioni. La tintura made in Italy per esempio è fra le più certificate (ecotext).
Author	**Avete mai usufruito di finanziamenti? Investite in innovazione?**
Donolato	Ci siamo autofinanziati fin dall'inizio, a livello europeo non abbiamo mai ricevuto nulla o partecipato a bandi. Ogni anno però investiamo in un prodotto nuovo. L'ultimo è un poliamide biodegradabile, la cui cucitura avviene con la tecnica a quattro aghi.
Author	**Avete o implementerete un sistema di economia circolare?**
Donolato	Ad ora non possiamo definirci circolari, ma stiamo implementando elle pratiche, come un servizio di riparazione. Usiamo l'Econyl, che è riciclato, per costumi e capi sportivi. Inoltre è morbido, protegge dai raggi UV, muscolo compressore e traspirante.
Author	**Qual è il vostro consumatore tipo?**
Donolato	Il nostro consumatore tipo ha tra i 19 e i 45/55 anni. La maggior parte sono donne. Sono persone interessante alla sostenibilità o che vogliono provare

	prodotti di qualità. Sono persone interessate al benessere: faggio e eucalipto infatti producono dei tessuti antibatteriche ed ipoallergeniche. Tant'è che da poco abbiamo iniziato a vendere i nostri prodotti anche nelle farmacie, proprio per questo motivo. Faggio ed eucalipto inoltre sono piante coltivate con irrigazione naturale, a differenza del cotone. Le persone dunque che vengono da noi non cercano solo la sostenibilità ambientale, ma anche prodotti di qualità e sicuri per la pelle.
Author	**Quali sono i vostri canali di retail?**
Donolato	Vendiamo tramite l'e-commerce ma anche tramite i negozi. Siamo partiti dai negozi per farci conoscere e ad oggi abbiamo una strategia multicanale. Siamo anche in alcuni marketplace multimarca online. Un nostro obiettivo sarebbe avere anche punti vendita fisici, però è un momento difficile per questo. Vorremmo creare un marketplace fisico con vari prodotti dedicati al benessere e sostenibili in futuro.
Author	**Qual è la vostra strategia di comunicazione?**
Donolato	Principalmente comunichiamo online. Spingiamo molto l'e-commerce, perché vogliamo farlo crescere. Per far conoscere il prodotto però è anche importante l'offline. Ad ora usiamo la stampa online, i social network (Instagram e Facebook soprattutto, Pinterest sta aumentando e LinkedIn lo usiamo per comunicazione corporativa). La comunicazione offline invece è costosa ed essendo ancora giovani è difficile. Per ora facciamo principalmente PR offline.
Author	**Che impatto ha avuto la pandemia del COVID su di voi?**
Donolato	Inizialmente abbiamo visto un incremento delle vendite. Era aumento anche il numero delle visite al sito delle visite. Secondo me le persone con la pandemia hanno iniziato ad interessarsi di più sulla qualità del prodotto. Adesso vorremmo espanderci all'estero. In Francia e Germania lo siamo già grazie ad un market place. In UK e USA siamo entrati da poco. Per ora il 20% del fatturato arriva dalla Germania.

Interview conducted with Fedora Agosti

Sustainability Ambassador of Par.Co Denim

Author	**Sul vostro sito web vi definite Business digitale. Cosa intendete per questa definizione?**
Agosti	Stiamo facendo dei forti investimenti su sito e e-commerce. Inoltre come team, lavoriamo in smart working. L'headquarter è ufficio, showroom fisico e magazzino insieme. Nasciamo come un team giovane, siamo sempre stati digitali, non è stato il COVID a obbligarci. Usiamo Slack per la comunicazione interna ad esempio. Ci definiamo digitali anche per l'implementazione della produzione in pre-order: è uno degli elementi più difficili da gestire. Ad oggi facciamo misto: sia capsule che pre-order, ed è un sistema che sta andando bene in Italia.
Author	**Come pensate che i clienti reagiscano al pre order? È un sistema apprezzato?**
Agosti	È una modalità più consapevole di acquisto, l'attesa non è vista negativamente, anzi crea soddisfazione. Logisticamente funziona bene se si

	hanno poche quantità di tessuto e se l'azienda è piccolo. In più c'è la percezione di unicità.
Author	**Sul sito ho potuto notare che vendete sia nel vostro shop online che tramite retailer? Qual è la vostra strategia distributiva e dove siete presenti?**
Agosti	I capi dei retailer sono in conto vendita, quindi no comprati dal negozio. Poi facciamo wholesale in showroom italiani ed europei. Abbiamo anche piattaforme di dropshipping (che trattengono il 10-15%). Produciamo anche come private label per conto terzi, sempre sostenibili.
Author	**Perché i vostri clienti vi scelgono? Quali sono le motivazioni?**
Agosti	I clienti ci scelgono a posta: la nostra filiera corta ha infatti molto valore. In Europa vendiamo in Germania e Austria. Vorremmo espanderci in Italia ed Europa più capillarmente. La logistica però è molto costosa, dobbiamo ancora capire se ne vale la pena.
Author	**Qual è il vostro cliente tipo?**
Agosti	Ad ora non abbiamo un gestionale per capire i nostri target. Le donne sopra i 25 sono e gli uomini sopra i 30 sono il nostro cliente principale. A volte ci sono uomini adulti che comprano per donna, per le figlie probabilmente. Da quello che possiamo capire, ci scelgono principalmente donne coscienti, consapevoli, che ci conoscono perché sono attive e fanno ricerche. Ci comprano perché siamo in primis sostenibili, e poi anche per il design. La filiera corta ed il Made in Italy sono legati a questo desiderio di qualità, più che alla creazione di prodotti alla moda. Il fit inoltre è secondario, arriva dopo. I modelli da uomo inoltre sono meno diversificati e articolati.
Author	**Per quanto riguarda la vostra strategia di comunicazione, prediligete l'offline o l'online?**
Agosti	noi facciamo prevalentemente digitale, usiamo Instagram e Facebook principalmente. A volte usiamo anche LinkedIn per le attività di comunicazione corporativa. Facciamo interviste per testate ed eventi digitali (soprattutto dopo il COVID). In futuro vorremmo partecipare a fiere, eventi etc. Quest'estate ad esempio faremo una sfilata a Roma per brand sostenibili, organizzata da Alta Roma, a cui abbiamo già partecipato a maggio dell'anno scorso. Ad ora invece, non facciamo ancora influencer marketing, ma vorremmo. Instagram adesso è il social su cui stiamo lavorando di più, Facebook è secondario. Abbiamo il social commerce ma non sappiamo quanto genera. Inoltre facciamo campagne di ads. Le nostre attività sono recenti. La comunicazione è fatta da liberi professionisti, non c'è un ufficio interno.
Author	**Per quanto riguarda i finanziamenti, sia a livello regionale che statale ed europeo, ne usufruite?**
Agosti	Vorremmo ma ci servirebbe un project manager che faccia quello e ad oggi non lo abbiamo. È un potenziale che ancora non sfruttiamo. È un iter lungo e bisogna avere dimestichezza. Per i piccoli brand è difficile. Regione Lombardia fa tante cose ma noi non siamo abbastanza strutturati.
Author	**Come ha impattato su di voi il COVID?**
Agosti	Tra febbraio e aprile le vendite sono calate drammaticamente. C'è stata una ripresa grazie ai social (ad esempio, ad agosto c'è stata una crescita quando di solito non c'era). Ci ha colto impreparati sulla comunicazione. Il brand è bergamasco quindi abbiamo sofferto più di altre realtà.
Author	**Vi definite GREEN BUSINESS, cosa intendete con questo concetto?**

Agosti	l'azienda nasce con intenti e visione precisa. Rispetto dell'ambiente su processi produttivi, materiali, cruelty free, ma anche sociale (Made in Italy, filiera corta, tutto in provincia di Bergamo). È una zona dalla lunga tradizione manifatturiera. Inoltre vorremmo diventare società benefit.
Author	**Per quanto riguarda le consegne effettuate sull'online store ed il packaging, che scelte sostenibili avete implementato?**
Agosti	Non avevamo il reso gratuito ma ci limitava troppo, quindi abbiamo dovuto toglierlo, anche se così i costi sono più elevati. Sul sito comunque cerchiamo di spiegare che l'acquisto deve essere consapevole. Abbiamo un plugin di una startup per inserire le tue misure per personalizzare la taglia e diminuire gli acquisti erronei. Spediamo senza packaging, c'è solo la busta del corriere. Vorremmo fare un'analisi della CO2 e intraprendere un percorso di compensazione. Ci appoggiamo ad Ascendia, azienda di Bergamo che si occupa nella consegna. Il customer care è curatissimo, non abbiamo problemi e ci troviamo bene.
Author	**Parliamo invece del vostro prodotto, il jeans.**
Agosti	Utilizziamo prevalentemente cotone organico. Abbiamo introdotto il cotone riciclato in un mix con poliestere riciclato (è un tessuto rigenerato proposto dal nostro fornitore). Abbiamo pensato anche a riciclare jeans ma per ora è solo un'idea. I filati recuperati ad oggi non sono ottimali a causa della scarsa qualità del cotone. Inoltre le fibre miste non sono riciclabili. Per questo preferiamo il cotone organico.
Author	**Investite in innovazione?**
Agosti	Ad ora per i tessuti ci appoggiamo a Evlox, fornitore spagnolo, e Berto. In futuro vorremmo investire in ricerca, per ora però non si può. C'è un'area a Bergamo dove stanno recuperando canapa e lino, sarebbe bello implementarle, rendendo tutto locale e circolare. È una sfida. Ci stiamo approcciando ai cimosati: telaio a navetta e cotone biologico che è una tecnica giapponese.
Author	**Come funziona la vostra supply-chain?**
Agosti	Il tessuto arriva dai fornitori citati sopra, poi arriva a Bergamo dove viene prodotto. I semi lavorati vengono spostati all'interno della provincia di Bergamo per essere lavorati. Con la lavanderia vorremmo migliorare i processi e gli impatti. Vorremmo ottenere certificazioni anche per i fornitori. Berto per esempio punta molto su questo, abbiamo potuto visitare la fabbrica. C'è grande competenza e trasparenza.
Author	**Che valore ha per voi il label Made in Italy?**
Agosti	All'estero è molto apprezzato. A Bergamo e in Lombardia piace la località. Noi vogliamo dimostrare che il nostro Made in Italy è vero, cosa che però il legislatore non aiuta a fare: paga giusta, rispetto della vita, norme. Non vengono usati agenti chimici inquinanti, tutto fatto in sicurezza.
Author	**RENOON e GOOD ON YOU e STAIY, li conoscete, siete presenti su queste piattaforme?**
Agosti	con Staiy stiamo contrattando per il loro marketplace. Su good on you vorremmo essere presenti. Su Renoon non ci siamo, magari in futuro.
Author	**Fashion Revolution Week, cosa avete fatto per l'occasione?**
Agosti	abbiamo iniziato un progetto di Disclosure. Abbiamo presentato la lavanderia, i processi e il backstage. È una campagna che andrà avanti. Loro sono piccoli, non hanno materiali fotografici e quindi siamo noi a dover creare.

Author	**Avete in mente di produrre un report di sostenibilità in futuro?**
Agosti	Il report di sostenibilità è un nostro obiettivo. Il problema è sempre lo stesso, la mancanza di dati e ad ora di un gestionale. Il legislatore inoltre obbliga solo le aziende grandi alla reportistica che comunque, come possiamo vedere, non evita i casi di greenwashing. La speranza è che con il green deal, l'Europa faccia passi avanti in questa direzione.
Author	**E per quanto riguarda la blockchain?**
Agosti	La blockchain è una buona idea, ma le informazioni possono essere false, non sono controllate. Puoi fermare dei PDF. Se non hai nulla che certifica, è difficile. La trasparenza ad oggi è solo comunicazione, a meno che non ci sia giornalismo investigativo su brand piccoli. È un'arma a doppio taglio. Si ripropone il problema di prima.

Interview conducted with Desirée Madonna

Founder & CEO of Eticlò

Author	**Parliamo dei valori del brand e di come è nato**
Madonna	Siamo nati a fine 2017, con l'obiettivo di proporre balance tra etica ed estetica. Nasciamo come brand femminile, con lo scopo di creare un prodotto sano, in modo da sapere cosa ci si mette addosso. Da un'analisi di mercato all'epoca mancava un prodotto di design, bello ma al contempo sano e sostenibile. Entrambe le cose contano: 50-50 di importanza. Nasciamo senza investimenti esterni. Abbiamo iniziato a vendere a marzo 2018, con una compagine sociale di 4 persone, ora 3.
Author	**Qual è il vostro modello distributivo?**
Madonna	In Italia abbiamo iniziato con l'e-commerce e subito dopo abbiamo aperto il negozio fisico, dove vendiamo anche altre marche allineate con i nostri valori. Abbiamo deciso di iniziare con questi canali diretti.
Author	**Vendete anche in Europa?**
Madonna	Dopo un anno e mezzo abbiamo iniziato con retail e piattaforme wholesale. Il marchio comunque è registrato in Europa, e ad ora il 30% del fatturato proviene da Francia, UK e Germania. Diciamo che i nostri rivenditori fisici sono italiani e le piattaforme digitali sono europee (finlandese, olandese, tedesca, tutte nella moda etica). Essendo il prodotto medio alto, lavoriamo più sui negozi fisici e nel nostro e-commerce. Le piattaforme digitali sono più di rappresentanza (lavorano in drop shipping). In ogni caso vendiamo di più in Italia.
Author	**Qual è il vostro cliente tipo?**
Madonna	Siamo partiti con donne di 40/50 anni. Donne colte e informate, con un approccio consapevole e disponibilità economica. Dopo il primo anno il target si è abbassato. Adesso siamo sui 35 in su, fino ai 60.
Author	**Perché è avvenuto questo cambio secondo voi?**
Madonna	È avvenuto per cambiamenti interni di branding e posizionamento. Gli utenti in più si stanno sensibilizzando e iniziano ad affacciarsi sempre di più a questo mondo. A 30 anni comunque inizia ad esserci la disponibilità economica necessaria.
Author	**Qual è il vostro posizionamento ora?**

Madonna	noi non siamo monoprodotto, vendiamo anche scarpe, bambini, borse. È più difficile posizionarsi. Il target è piccolo (3% della popolazione). È stato un divenire, non c'è stata pianificazione. Ci si rende conto che ci sono fasce giovani che si vogliono avvicinare. Siamo passati dalla seta al cotone, per avere prezzi più bassi, in modo da avvicinare anche le fasce più giovani, in modo tale da diversificare.
Author	**State implementando l'economia circolare all'interno del vostro business?**
Madonna	Noi partiamo dal tessuto che deve essere 100% naturale, infatti tutti i nostri materiali sono organici e/o certificati. La compagine sociale parte da un passato nel cibo biologico. Provenienza e certificazione sono fondamentali. Non usiamo fibre riciclate e non le implementeremo in futuro. Abbiamo un approccio etico e responsabile.
Author	**Tintura**
Madonna	Tingiamo in Veneto tra Cairano e Mogliano. Le tintorerie sono anche lavanderie. Le tinture sono certificate GOTS, non hanno additivi chimici e metalli pesanti, ma non sono fatte con le piante (non sono abbastanza resistenti). La tintura in capo viene fatta alla fine dentro lavatrici. Per questo il colore è più polveroso.
Author	**Parliamo invece della vostra Supply-chain**
Madonna	Noi abbiamo una filiera corta, made in Veneto. I nostri tessuti sono tutti certificati GOTS, tranne la seta. I nostri fornitori sono tutti italiani. Il cotone è coltivato in Turchia e Egitto. Non lavoriamo con stampe, pizzi e tessuti misti. A breve forse la proposta aumenterà. Per il confezionamento, collaboriamo con tre service (San Marco, Mogliano Veneto e Badoer per il lanificio). Sono service old school, senza certificazioni. Tutte aziende femminili. Non sono fabbriche strutturate. Tutte certificate Durk: certificazione etica.
Author	**Blockchain e trasparenza al cliente. Che azioni implementate al riguardo?**
Madonna	Collaboriamo con Sustainable Brand Platform. Siamo su Renoon ma non su Good on you. La blockchain non è nei nostri obiettivi
Author	**Il vostro negozio di Bologna è stato costruito secondo parametri di sostenibilità ambientale?**
Madonna	Sì, certo. Abbiamo utilizzato vernice ad acqua. Non usiamo packaging di plastica, ma di carta. Anche online il packaging è certificato FSC e la plastica per imballare esternamente il prodotto è riciclata. Anche all'ingrosso spediamo senza plastica o con il minimo indispensabile.
Author	**Come ha impattato su di voi il COVID?**
Madonna	Il negozio è quello che ha risentito di più. Anche l'e-commerce ha avuto dei mesi senza vendite. Col 2021 siamo partiti meglio invece. È aumentata la consapevolezza, basta vedere quanto sono aumentati i clienti giovani. Ci sono più persone che leggono le etichette di composizione. Questo è un trend che potrebbe restare, ma c'è grande confusione. L'utente che compra da noi veramente capisce la qualità del prodotto.
Author	**Quanto è importante per voi il Made in Italy**

Madonna	Dal punto di vista produttivo è più caro ma c'è maggiore qualità. È un''arte tramandata di anno in anno. Produciamo in Italia per motivi etici e per controllare la filiera step by step, non avrebbe senso produrre in Cina. Il label Made in Italy però è più importante se il prodotto ne è all'altezza. Alcune categorie merceologiche ne traggono grande vantaggio (la camiceria per noi).
Author	**Investite in innovazione?**
Madonna	Nella ricerca dei tessuti assolutamente sì. Nella lavorazione si cerca di non sprecare il prodotto e il tessuto. L'esperienza in questo è fondamentale
Author	**Qual è la vostra strategia di comunicazione?**
Madonna	Facciamo comunicazione organica. Manteniamo un'immagine pulita e volgiamo crescere con un feedback naturale. Abbiamo sia account sui social media che press office e client service, come la newsletter. Prima del COVID facevamo eventi, sviluppati in collaborazione con Natura Sì (in collaborazione con loro abbiamo la linea per la casa, che vendiamo nei loro negozi). Su Facebook lavoriamo di più per le attività fisiche e scriviamo in italiano, Instagram invece è internazionale. Non facciamo ADV, solo su Instagram una volta a settimana e solo sui prodotti.
Author	**Quali sono i vostri obiettivi futuri?**
Madonna	Approcciare a 360 gradi il settore tessile. Abbiamo già iniziato. A livello economico la linea casa è fondamentale a livello economico. Ciò che ci differenzia è proprio questo. Da dove veniamo, ossia da Natura Sì e dal mondo del cibo biologico. A livello di prodotto, i nostri capi sono più ricercati a livello estetico.

Interview conducted with Gianni Dalla Mora
Founder and CEO at Womsh

Author	**Quali sono le caratteristiche distintive del vostro brand?**
Dalla Mora	Dato il mio passato di imprenditore nel settore, la filiera produttiva è corta e utilizziamo il Know-how della zona. Ho sempre lavorato con la filiera produttiva italiana, anzi potremmo parlare di Made in Veneto. Non si fa sovraproduzione, la filiera è controllata sia per qualità che per quantità prodotte. Svantaggi: produrre in Italia costa. Siamo però più reattivi e impattiamo meno sull'ambiente.
Author	**Qual è il vostro consumatore? Varia tra l'Italia e i paesi del Nord Europa?**
Dalla Mora	Innanzitutto noi consideriamo l'Europa il nostro mercato domestico. La sostenibilità è differenziante e importante. Ci scelgono per questo (danesi, olandesi e tedeschi). Il prodotto è esteticamente bello e fatto bene. In Italia il design è la chiave. Abbiamo due linee di prodotto: scarpe tradizionali e scarpe vegan (le scarpe vegan sono apprezzate perché sono vegan, le altre molto spesso vengono acquistate anche solo per il design).
Author	**Vendete sia online che offline. Che differenze riscontrate nei vari canali di vendita?**
Dalla Mora	Sull'e-commerce vendiamo più vegano che in pelle, perché probabilmente in sede è più difficile trovare scarpe di quel tipo, per cui

	il cliente va sul sicuro. È anche un fattore generazionale, la generazione 18-35 è più abituati all'online e più sensibile alla sostenibilità.
Author	**Qual è il vostro cliente tipo?**
Dalla Mora	Il nostro cliente tipo è molto eterogeneo. C'è chi ci conosce per il prodotto, c'è chi ci conosce per la sostenibilità. L'estetica è comunque fondamentale. È anche funzionale: facile, intuitiva e internazionale. La usiamo per comunicare i nostri valori.
Author	**Nel futuro come volete espandere la vostra produzione?**
Dalla Mora	Vogliamo fare una collezione di abbigliamento, a partire dalla primavera 2022, e forse una capsule già online a settembre. Il tutto sostenibile e Made in Italy, anzi made in Veneto, con materiali e tinture sostenibili. Cotone organico GOTS, renylon, jersey GOTS. Il grosso del lavoro è sulle tinture, poiché è la cosa più complessa (2 euro al kilo vs 12 euro al kilo; ma una tintura sostenibile può arrivare a 30 euro). Tingere in Italia industrialmente è comunque una garanzia. Nel Vicentino c'è molto inquinamento della falda acquifera da tintoreria e conceria. In generale però più componenti ha un prodotto più è difficile: per quello la scarpa è più difficile della maglia.
Author	**Ho visto che da quest'anno avete anche introdotto la blockchain**
Dalla Mora	Da questa stagione siamo non solo PETA approved, ma abbiamo anche la blockchain. La blockchain è stata difficile da implementare: le scarpe hanno molti componenti. Essere trasparenti porta via tempo, serve la collaborazione dei suppliers, visto che ci affidiamo a terzi.
Author	**Qual è la vostra strategia comunicativa?**
Dalla Mora	Vendiamo principalmente online, non abbiamo un flagship store. Non ha senso fare cataloghi e cartelloni. Facciamo più digitale, è anche più sostenibile. Anche chi vuole fare ordini per i propri negozi lo può fare online, è molto più diretto. Instagram è il canale di comunicazione più importante. Adesso iniziamo a fare dei panel, due al mese, proprio su Instagram, invitando personalità in ambito sostenibilità, anche di altri settori: Choose the change with (che è il payoff). Lo faremo con realtà italiane. Abbiamo anche Facebook (facciamo adv con un'agenzia) e Youtube (ma meno anche se vogliamo aumentare).
Author	**Per voi è più importante l'online o l'offline?**
Dalla Mora	L'e-commerce vale il 15% rispetto al totale. Partiamo da una formazione B2B, quindi abbiamo iniziato con retailers. Adesso l'e-commerce cresce di più. Il futuro secondo noi è brick and click. Abbiamo una strategia multichannel. Apriremo un flagship store a Padova per testare la strategia, magari con la collezione di abbigliamento. Magari in futuro produrremo anche occhiali, un vero lifestyle di Made in Italy e sostenibilità. Anche il negozio dovrà essere sostenibile, così come l'energia usata e le vernici. Non è difficile, la scelta però è inferiore. Anche in Europa vendiamo in negozi fisici. Ora come ora cominciamo ad approcciare Asia, Canada e USA. Vendiamo più all'estero (70-30), soprattutto Germani e Olanda.
Author	**Che impatto ha avuto su di voi il COVID?**

Dalla Mora	non abbiamo fatto segno meno, continuiamo a crescere. Saremmo cresciuti di più e l'e-commerce è aumentato. È anche vero che deve aumentare.
Author	**Spedizioni e packaging, che scelte fate per essere sostenibili?**
Dalla Mora	Il reso non è gratuito (è un servizio in meno ma inibisce ordini fatti tanto per fare). I cambi taglia li facciamo senza spese. Lavoriamo con GSL: loro compensano la C02 in crediti di carbonio. Anche FedEx e DHL nell'ultimo miglio. Nelle città consegnano con mezzi elettrici. Il packaging invece prevede una velina in cellulosa, ma vorremmo renderla riciclata. La scatola invece è fatta cartone e amido.
Author	**Che ruolo ha il label Made in Italy per voi?**
Dalla Mora	All'estero il Made in Italy vale molto. È un valore molto importante. Uscendo dall'Europa è chiave. Avere l'etichetta che lo certifica è fondamentale.
Author	**Parliamo del processo di ideazione e implementazione? Investite molto sul prodotto e tecnologia?**
Dalla Mora	Produrre sostenibile è difficile. I fabbricanti mi prendevano in giro. La prima produzione era scarsa. Si rompevano tutte. Il materiale non andava bene. È slittato di sei mesi la produzione. L'apple skin è migliorato molto. Fra poco ci sarà un poliuretano biobased per unire cotone e mela. Usiamo anche PET riciclato. Ridurre la pelle usata è uno dei nostri obiettivi, anche da un punto di vista dell'allevamento e della coltivazione intensiva (fa tutto parte di un processo). Noi comunque usiamo scarto. Io sono vegan, quindi questa è una filosofia omnicomprensiva. Agire sull'intera filiera è molto complicato.
Author	**Applicare un'economia circolare è uno dei vostri obiettivi?**
Dalla Mora	L'obiettivo finale è diventare circolari, ma attualmente è difficile da fare. Ci stiamo lavorando. Abbiamo dei prototipi di scarpa completamente riciclata. Riciclare le scarpe e farle diventare quello che sono ora non è praticabile. PET e renylon sono riciclabili ma separarli è molto difficile. Una scarpa è fatta di 50 pezzi. Sono 5 ore di lavoro separarli, non è efficiente. La sostenibilità economica deve esserci. Sarebbe il caso di creare prodotti già smontabili. Per ora non è ancora stato fatto. È un obiettivo a lungo termine.

Interview conducted with Niccolò Cipriani
Founder of Rifò Lab

Author	**Voi ad ora siete una srl, ma siete nati come start up. Qual è stato il vostro percorso?**
Cipriani	Siamo sì una srl, ma siamo anche start up innovativa. Abbiamo fatto un percorso di accelerazione 3 anni fa, poi siamo diventati srl. Abbiamo deciso di essere start up innovativa, poiché è una possibilità offerta dallo stato italiano che comporta dei benefici.
Author	**Siete anche società benefit e B Corp, giusto?**
Cipriani	Sì, esatto. Abbiamo vinto il festival dell'economia civile, organizzato da partner di Giusto, che prevede un premio. Grazie a quello abbiamo deciso di diventare società benefit. Ad ora siamo B Corp, ma non ancora società benefit. Ci stiamo lavorando in ogni caso.

Author	**Come start up, partecipate ho avete partecipato a bandi o progetti europei?**
Cipriani	No, mai. E molto difficile partecipare e serve del personale a posta. Per ora non è una nostra priorità.
Author	**Qual è il vostro cliente tipo?**
Cipriani	Il nostro cliente tipo ha tra i 25 e i 40 anni. Per la maggior parte sono donne. Dopo ogni acquisto inviamo un questionario per la profilazione dei clienti, e, per la maggior parte le persone che acquistano, i principali interessi sono nutrizione, cultura e attività all'aria aperta. In più sono persone internazionali che parlano più di una lingua.
Author	**Qual è la vostra strategia distributiva?**
Cipriani	Per ora vendiamo prevalentemente online. Le fasce in età più avanzata iniziano solamente ora a comprare online, ma con contrassegno. In Europa vendiamo più offline tramite wholesale che tramite l'e-commerce. Questo dipende dal fatto che la comunicazione la facciamo prevalentemente in Italia, per cui sicuramente questo penalizza la vendita online in Europa.
Author	**Qual è la vostra strategia di comunicazione?**
Cipriani	Facciamo solo comunicazione online. I negozi ci contattano per entrare nella loro selezione di prodotti, inoltre partecipiamo a fiere, ma non facciamo molto altro. In realtà non ci interessa fare offline, alla fine l'online è la scelta migliore per il nostro target, ed è meno costoso. Usiamo Facebook, Linkedin, Instagram, Google. Instagram però è decisamente il canale più importante. Facciamo anche campagne di Influencer marketing: la collaborazione con Giulia Torelli è stata davvero utile, ad esempio.
Author	**Qual è la cosa fondamentale nella vostra comunicazione? Quanto conta per voi il Made in Italy?**
Cipriani	Nella nostra comunicazione conta molto la storia del nostro prodotto, il fatto di aver recuperato un lavoro, quello dei cenciaioli, tipico della nostra zona, che porta con sé una grande tradizione. Dall'altro è fondamentale la sostenibilità, quindi il fatto di produrre capi partendo dagli scarti. Questo è molto più importante del concetto di Made in Italy, che è generico e poco indicativo.
Author	**Mi puoi raccontare qualcosa in più sulla vostra supply-chain?**
Cipriani	Noi abbiamo una filiera corta, composta da 10 fornitori nel distretto di Prato. Sono tutte realtà piccole, a gestione familiare e storiche. Li contattiamo settimanalmente e li visitiamo di persona. Abbiamo quindi dei rapporti continuativi. Noi scegliamo solamente fornitori che abbiano già certi standard. All'inizio non era semplice: molti non capivano le nostre richieste e l'utilità delle certificazioni, ma ora è più facile. Anche loro adesso vedono che la direzione che stiamo prendendo è quella giusta. È un investimento per il futuro.
Author	**Rifò ha dei prezzi molto competitivi sul mercato rispetto ad altre realtà sostenibili, come fate?**
Cipriani	Il prezzo è per noi una scelta fondamentale per l'inclusione. Vogliamo creare un prodotto accessibile a tutti. Abbiamo un approccio diretto col consumatore, riusciamo quindi a mantenere un prezzo basso. Così facendo non ci avvalliamo di agenti o distributori.
Author	**Che impatto ha avuto su di voi la pandemia?**
Cipriani	Abbiamo riscontrato una maggiore sensibilizzazione sulla sostenibilità da parte dei consumatori e maggior interesse verso capi prodotti in prossimità,

	in Italia. Abbiamo venduto di più e soprattutto nel periodo natalizio c'è stato un boom dell'e-commerce. Gli influencer hanno comunque avuto un ruolo ed i risultati ci sono stati, e sono buoni.
Author	**A livello di circolarità, che attività implementate?**
Cipriani	Innanzitutto vogliamo aumentare e rafforzare l'e-commerce. Inoltre abbiamo un progetto di raccolta di jeans e maglioni usati per il riciclo. Fino ad ora i centri raccolta erano pochi e prevalentemente situati in Toscana; da poco invece abbiamo aperto 107 nuove unità di raccolta in tutta Italia. Inoltre abbiamo un servizio di ritorno del packaging che ad oggi è al 15%. Lo riteniamo un traguardo abbastanza alto, ma vorremmo aumentasse. Un altro obiettivo è sicuramente quello di ridurre il reso.
Author	**Quali sono i vostri prossimi obiettivi?**
Cipriani	Per il momento vogliamo rafforzare i servizi che già abbiamo. In più di vogliamo creare una scuola di cenciaioli per richiedenti asilo e disabili. Speriamo di aprirla entro l'anno, COID permettendo. Vogliamo diventare un brand leader in Italia in ambito sostenibilità. Vogliamo realizzare progetti collaborativi, includere partners. Noi ci teniamo a comunicare la storia di questo distretto e la sua artigianalità. È un processo che si è sviluppato nel tempo, ma che non abbiamo ancora concluso..

Interview conducted with Alessandra Delbono
Founder & CEO of Melidé Factory

Author	**Quali sono i valori della vostra azienda?**
Delbono	Abbiamo creato un'azienda per caso. Mettevo le magliette ricamate su Depop. Avevo un blog nel 2009 e sono approdata sui social. Scaricavo i pattern da internet e appena diventata mamma sui body di mio figlio. Un'amica ha iniziato a fare disegni originali per me. Albano è un paese piccolo dei castelli romani, tutti si conoscono. Siamo 40.000, una comunità con stimoli e ambizioni. Le amiche hanno deciso di essere coinvolte: una advertising manager e una grafica che adesso non lavorano più con noi. Nel 2015 Paypal ci ha notificato che avevamo superato la soglia massima, così abbiamo deciso di la partita iva. Perché aprire la partita iva se tutti chiudono? Dopo il 2008 era difficile, ma alla fine nel 2015 abbiamo aperto la partita iva. Abbiamo un bel prodotto e dei valori. All'epoca nascevano tante start up, volevo una startup diversa. Io non volevo vendere la start up, io volevo creare un'azienda. Adesso siamo in 9. Abbiamo investito per passare tutte le dipendenti all'indeterminato. I nostri valori sono le persone, non solo chi lavora ma tutto l'ecosistema, anche artigiani e consulenti. Il lavoro per me è una grossa fetta della nostra vita, non va sottovalutato, non è solo un mezzo, deve diventare un fine. Anche il lavoro è un valore per noi. Melidé è un brand digitale e si basa sulla comunicazione. La maglietta è essa stessa comunicazione, il prodotto fa tutto da sé.
Author	**Quanto conta per voi il Made in Italy?**
Delbono	Per noi non conta. Io ho l'idea che tutti dobbiamo poter stare dove vogliamo. Per me è importante il territorio dove si lavora, non il territorio

	di per sé. Siamo in centro Italia, una zona notoriamente poco innovativa. È tutto a Milano. Non voglio avere un freno. Io voglio incentivare il posto dove stare, posso avere il diritto di restare dove sono senza emigrare. L'importante è avere un ecosistema vivo. Anche il sito nuovo sarà così. Credo moltissimo nel territorio e nella filiera corta, fondamentale per tracciare. Le certificazioni costano molto ed alzano i prezzi. Io stessa posso controllare come lavorano le persone che ingaggio. Io mi spetto che le istituzioni si rendano conto che ci devono aiutare.
Author	**Investite in innovazione? Avete finanziamenti esterni?**
Delbono	Vogliamo aprire un ufficio dedicato proprio a questa attività. Dobbiamo registrare brevetti e cercare bandi, ma per farlo ci serve una risorsa umana a posta. Ci siamo sviluppati molto internamente e per ora abbiamo investito su contratti, per cui ad ora un ufficio interno dedicato non è una necessità urgente, bensì un obiettivo. Ci vuole tempo e denaro. Le agenzie di consulenza ti prendono troppi soldi se sei piccolo. Lavorando online è comunque semplice per ora, perché è tutto tracciato. Per noi è importante essere legali e trasparenti.
Author	**Ecco, parlando di digitalizzazione, quanto è importante per voi?**
Delbono	Per noi è un presupposto indispensabile. Al di là della democraticità dei social, non avremmo mai avuto il potere economico di aprire un negozio fisico. Non saremmo riusciti a crescere. Abbiamo chiesto in prestito 9 mila euro a mia sorella per pagare il notaio e basta. Abbiamo investito nel sito web, ma per il resto sono briciole. Non avevamo copertura per gli stipendi dei dipendenti. Non volevo chiedere soldi ai miei genitori. Ci abbiamo messo l'anima. Bisogna creare un brand però che viva indipendente dai social. È necessario essere indipendenti. Non posso legarmi alle sorti di un'altra azienda.
Author	**Qual è la vostra strategia distributiva?**
Delbono	Non abbiamo margine per fare wholesale e per ora non abbiamo un punto vendita. Però sarebbe un bell'obiettivo. Non è logisticamente fattibile per ora. Con l'ecommerce stiamo meglio.
Author	**Vorreste espandervi all'estero in future?**
Delbono	Vorremmo espanderci all'estero ma per ora il sito non funziona. L'anno prossimo però vogliamo espanderci. Infatti abbiamo tanti clienti in UK. Anche la Germania, l'Olanda e il Belgio amano la sostenibilità. Vorremmo anche capire se esteticamente piacciamo in Francia. Abbiamo venduto un periodo negli Stati Uniti grazie alla Ferragni, quando è tornata in Italia dagli USA. Il carrello medio USA arrivava a 150 euro, mentre il carrello medio in Italia è di 70 euro. Quindi lì c'è grande potere d'acquisto, per questo vorremmo espanderci Vorrei tradurre il sito nel loro slang americano. È un bell'obiettivo e vorremmo fare una buona comunicazione visto che per ora i social sono in italiano.
Author	**Qual è il vostro cliente tipo?**
Delbono	Il nostro cliente tipo ha fra i 18 e i 45 anni. Sono al 96% donne. Chi ci segue viene da due realtà digitali diverse: Chiara Ferragni e Giulia Valentina, le due influencer che ci hanno fatto crescere. Tutt'ora siamo amiche di Giulia. È importante creare un dialogo con le realtà che lavorano con te. I follower esteri vengono da Chiara.

	Abbiamo tante mamme e giovani donne. Tanti vengono dal mondo del marketing, dalla moda. Alcuni ordini vanno agli headquarter di Gucci, o Stella McCartney: gli addetti ai lavori che capiscono il valore economico di ciò che facciamo e hanno chiare le dinamiche, regalano i nostri prodotti all'interno delle aziende. È una grande soddisfazione.
Author	**Parliamo invece della sostenibilità dei vostri prodotti**
Delbono	Più che essere sostenibili vogliamo essere circolari. Le gonne che abbiamo appena fatto sono prodotte con tessuti recuperati, tramite stock enormi. Alcune gonne vengono fatte con materiali ecosostenibili, ma per ora non hanno la resa che vogliamo, ci stiamo lavorando. La sostenibilità è lo scoglio più duro. L'anno prossimo proporremo maglioni con materiali riciclati, ma non completamente. Vogliamo lavorare con gli scarti del nostro magliaio. Usare prodotti 100% riciclati è troppo costoso, vorremmo proporre più linee in modo che ci siano più fasce di prezzo. Serve un ufficio predisposto come, ti dicevo prima. Avevamo contattato Ecoage, ma i costi erano alti.
Author	**Come affrontate invece la questione sostenibilità dal punto di vista dei trasporti**
Delbono	Non facciamo nulla. È un tasto dolente. Vogliamo capire la questione della compensazione del carbonio. Comunque cerchiamo di disincentivare i resi. Ci teniamo a mandare tutto assieme. Mi preoccupa la condizione di lavoro dei trasportatori. Il Fair trade è un problema italiano. Ho bloccato tutte le spedizioni con il COVID e ho chiamato altri CEO. Bloccate per due settimane in solidarietà con i trasportatori.
Author	**Pensate di implementare delle forme di comunicazione della trasparenza sul vostro sito?**
Delbono	Innanzitutto voglio far vedere l'IVA e mostrare i costi. Ci sarebbe la Blockchain, ma per ora è troppo complicato. In questo ci aiuterà l'agenzia che ci fa il rebranding.

Interview conducted with Sofia Nardi

Founder & Creative Director of Euterpe Studio

Author	**Quali sono i valori della vostra azienda?**
Nardi	Euterpe è nata a novembre 2020 da un'idea mia e di mia sorella. Non era immaginabile per me aprire un'azienda non sostenibile. Lo ritengo un obbligo morale. In questo periodo inoltre tutti vogliamo passare dal fast fashion verso qualcosa di sostenibile, tornare ad acquistare qualcosa che possa durare più di un paio di stagioni. Per me, come consumatore, mancava un'alternativa tra fast fashion e sostenibilità. In questo periodo molte persone non possono permettersi cose troppo costose, ma non voglio comprare fast fashion. Abbiamo quindi provato a creare un compromesso: borse belle, fatte con materiale certificato fatto da artigiani. Facendo un'analisi di mercato, è emerso che esistono brand di borse sostenibili, ma con un design inadatto al nostro target, ossia ragazze fra i 20 e i 35 anni. La borsa sostenibile e con prezzo adeguato c'è, ma con bello stile non c'è.
Author	**Quali sono i vostri canali distributivi?**

Nardi	Siamo nati online, ma vendiamo anche in negozi selezionati. In ogni caso, vendiamo prevalentemente online. Possiamo vendere in tutto il mondo, ma per ora la comunicazione è limitata all'Italia. Più avanti magari ci apriremo alla in negozi fisici in Europa come rappresentanza. Per ora vendiamo più in Italia.
Author	**Come affrontate la sostenibilità dal punto di vista della distribuzione?**
Nardi	Innanzitutto utilizziamo packaging riciclato. Inoltre vogliamo diminuire i giorni in cui spediamo le borse. Il cliente è abituato ad Amazon e questo è un problema, non è sostenibile. I trasporti inquinano. Per ora quindi stiamo diminuendo i giorni di spedizione e raggruppiamo le spedizioni. Va rieducato il consumatore. Ad ora non abbiamo compensazione di carbonio.
Author	**A proposito dell'educazione del consumatore, voi cosa fate in merito?**
Nardi	Per tempistiche abbiamo tralasciato questo passaggio. Siamo nati da poco ed il sito non è ancora ben strutturato. È comunque un obbligo morale dimostrare l'impegno e informare il consumatore. In futuro lo faremo. Ci è stata suggerita la blockchain ma per ora non abbiamo il tempo materiale per implementarla.
Author	**Qual è la vostra strategia comunicativa?**
Nardi	Facciamo comunicazione quasi esclusivamente solo online. Stiamo aprendo un negozio un week end al mese, come showroom. Come canali utilizziamo LinkedIn, Facebook, Instagram, Pinterest e Tik Tok. Facciamo sia comunicazione organica che sponsorship e campagne per Instagram e Facebook. Poi abbiamo iniziato con SEO e ADV Google. Vogliamo fare campagne su Pinterest. Siamo anche su Youtube non a pagamento, utile per le entrate al sito. Tik Tok adesso ha shopify ma non è il nostro target. Grazie a shopify, con Pinterest invece abbiamo molte entrate (dopotutto siamo un brand basato sull'estetica). Senza marketing online non ce la faremmo. Grazie a Giulia Torelli abbiamo fatto tantissimo. Tra l'altro era un contenuto organico, non ADV. Anche l'influencer marketing è molto utile. Solo così c'è maggior margine di crescita.
Author	**Mi descriveresti brevemente la vostra supply-chain?**
Nardi	Abbiamo un'azienda che ci fornisce le pelli, da Arzignano. La pelle è lavorata in Italia e certificata Reach. Vorremmo ottenere altre certificazioni in futuro. Tutta la borsa è fatta in pelle. La pelle viene portata a Firenze. Le borse vengono fatte da artigiani diversi. Le borse vengono spedite da Firenze a Vicenza. Vorremmo scendere dalle quattro spedizioni a settimana per inquinare meno con i trasporti.
Author	**La pelle da dove proviene?**
Nardi	L'animale proviene dal sud America, ma la lavorazione viene fatta in Italia. La macellazione avviene in Sud America.
Author	**Investite in innovazione?**
Nardi	Ci piacerebbe anche investire in nuovi materiali, siamo un tema giovane e vogliamo metterci in gioco. Non abbiamo voluto mettere molta carne sul fuoco immediatamente. Abbiamo molte idee ma per iniziare abbiamo scremato per farsi conoscere con le basi e far concentrare il cliente sulla qualità.
Author	**Avete intenzione di implementare un business model circolare?**

Nardi	Ad ora permettiamo a cliente di riparare la borsa. Diamo anche una garanzia. Quando abbiamo disegnato i modelli abbiamo fatto in modo che gli scarti venissero usati per fare le borse più piccole. Mettendo in produzione le Isidora, che hanno uno scarto, poi possiamo creare le più piccole.
Author	**Quanto è importante per voi il Made in Italy**
Nardi	Noi abbiamo una filiera corta, dove tutto perfettamente controllabile. Se c'è un problema posso risolverlo io prendendo la macchina al volo. Allo stesso tempo il controllo della qualità può essere diretto. Avere una filiera lunga vuol dire essere più strutturati, ma la certezza che ti dà il tuo occhio non te lo può fare un documento. Vorrei continuare così ma se si cresce è più difficile. La filiera corta è l'unico modo per garantire la qualità che diamo. Per l'extra Italia il concetto di Made in Italy è ben assodato e ha un grande valore aggiunto. In Italia invece è sdoganato quindi ha meno valore. Non basta per ottenere fiducia. Il cliente non lo dà per scontato, ma il problema è che il cliente ha l'idea che non valga più come una volta.
Author	**Che effetto ha avuto su di voi il COIVD?**
Nardi	Siamo partiti nel momento giusto a livello logistico. Erano tutti a casa. Abbiamo deciso di lanciare l'e-commerce quando l'e-commerce era al massimo. Il lato negativo è che abbiamo creato borse, un vezzo. Te ne basta una. In crisi economica è stato un punto a sfavore. Considerato il periodo storico non ci è andato male. Questi due aspetti assieme si sono neutralizzati. Né svantaggi né vantaggi. Stiamo crescendo normalmente.
Author	**Vendete di più in Italia o all'estero?**
Nardi	Italia-estero. 90%-10% Prima vendevamo al 100% con l'e-commerce, e il 5% in negozi. Ora invece abbiamo firmato con un negozio in Italia e tre in Germania. Vogliamo arrivare a un 70%-30%.
Author	**Quali sono I vostri obiettivi futuri?**
Nardi	Chiudere il primo anno bene, raggiungere stabilità, raggiungere le vendite che coprano l'investimento entro novembre. Vedere concluso lo showroom e capire come funziona, espanderci in Europa e capire come e dove il prodotto funzionerà.
Author	**Mi sai dire qualcosa di più sul progetto dello showroom?**
Nardi	Sarà un luogo dove inviteremo le persone per far conoscere i nostri prodotti. Verrà costruiti per essere anch'esso sostenibile: inserire pezzi di design italiani e sostenibili di piccole realtà. Per educare il cliente, per farci forza tra piccoli brand, perché siamo tutti giovani. Abbiamo già fatto collaborazioni con una mia compagna di università che fa orecchini in pelle con gli scarti per uno shooting. Creeremo eventi in questo senso. Aiutano a mantenere la comunicazione fresca, al cliente piace essere stimolato con questi input.

• Bibliography

Aiolfi, S. S. S., 2018. The new paradigm of the omnichannel retailing: key drivers, new challenges, and potential outcomes resulting from the adoption of an omnichannel approach. *International Journal of Business and Management,* 13(1), pp. 85-109.

Anaya-Sanchez, R., Castro-Bonano, J. M. & Gonzalez-Badia, E., 2020. Millennial Consumer Preferences in Social Commerce Web Design. *Revista Brasileira de Gestao de Negocios,* 22(1), pp. 123-139.

Ancarani, F., Kotler, P. & Keller, K., 2018. *Marketing per manager: capire il marketing Made in Italy.* II a cura di Milano-Torino: Pearson.

BCG, 2020b. *Fashion Big Reset.* [Online]
Available at: https://www.bcg.com/it-it/publications/2020/fashion-industry-reset-covid
[Consultato il giorno March 2021].

BCG, 2020. *Consumers Segments Behind Growing Second Hand Fashion Market.* [Online]
Available at: https://www.bcg.com/it-it/publications/2020/consumer-segments-behind-growing-secondhand-fashion-market
[Consultato il giorno March 2021].

Blázquez, M., 2014. Fashion Shopping in Multichannel Retail: The Role of Technology in Enhancing the Customer Experience. *International Journal of Electronic Commerce,* 18(4), pp. 97-116.

Bonera, M., Codini, A. P. & Miniero, G., 2020. The great Millennials' trouble: leading or confused green generation? An Italian insight. *Italian Journal of Marketing,* Volume 4, pp. 289-308.

Camera Nazionale della Moda Italiana, 2016. *Sustainable Fashion: linee guida sui requisiti eco-tosicologici per gli articoli di abbigliamento, pelletteria, calzature ed accessori.* [Online]
Available at: https://www.cameramoda.it/media/pdf/linee_guida_it.pdf
[Consultato il giorno March 2021].

Candeloro, D., 2019. Sustainability in the Fashion Brands Websites: SEO Keywords Density Analysis and Consumers' Behavior. In: S. T. C. F. C. L. Kalbaska N., a cura di *Fashion Communication in the Digital Age.* Cham: Springer, pp. 188-197.

Casa Gin, s.d. *Homepage.* [Online]
Available at: https://www.casagin.com/
[Consultato il giorno April 2021].

Copenaghen Fashion Summit, 2018. *Business Models for a Closed-Loop Fashion System.* [Online]
Available at: https://vimeo.com/270358117
[Consultato il giorno February 2021].

Copenaghen Fashion Summit, 2018. *The new textile economy.* [Online] Available at: https://vimeo.com/270417428
[Consultato il giorno March 2021].

Corbellini, E. & Saviolo, S., 2009. *Managing Fashion and Luxury Companies.* Milano: Etas.

Delmas, M. A. & Burbano, V., 2011. The drivers of greenwashing. *California Management Review ,* 54(1), pp. 64-87.

Di Cicco-Bloom, B. & Crabtree, B. F., 2006. The Qualitative Research Interview. *Medical Education,* Volume 40, pp. 314-321.

Eticlo, s.d. *Homepage.* [Online] Available at: https://eticlo.com/
[Consultato il giorno April 2021].

European Commission , 2001. *Green paper: Promoting a European framework for Corporate Social Responsibility (366).* s.l.:s.n.

European Commission, 2019. *Green Deal.* s.l.:s.n.

European Commission, 2020. *Circular Economy Action Plan.* s.l.:s.n.

European Parliament , 2020. *Scientific foresight: what if fashion were good for the planet?.* s.l.:s.n.

Euterpe, s.d. *Homepage.* [Online] Available at: https://euterpestudio.com/?gclid=CjwKCAjwnPOEBhA0EiwA609Red9tvKYIxdeNA1XvXMISQu5YBuhPeOvh9FBwz8bwi6do3P1mXW7a2RoCxTUQAvD_BwE
[Consultato il giorno April 2021].

EY, 2020. *Settore Moda e Covid 19: scenario, impatti e prospettive.* [Online] Available at: https://assets.ey.com/content/dam/ey-sites/ey-com/it_it/generic/generic-content/ey-settore-moda-e-covid-19-v5.pdf
[Consultato il giorno March 2021].

Fashion Agenda , 2019. *The Pulse Report.* s.l.:s.n.

Fashion Revolution, s.d. *Manifesto.* [Online] Available at: https://www.fashionrevolution.org/manifesto/
[Consultato il giorno March 2021].

Ferrero-Regis, T., 2008. Fatto in Italia: Refashioning Italy. *Journal of Multidisciplinary International Studies,* 5(2).

Financial Times, 2018. *Rent à porter. Would you hire your wardrobe?.* [Online] Available at: https://www.ft.com/content/3211b24c-c171-11e8-95b1-d36dfef1b89a
[Consultato il giorno March 2021].

Forbes, 2020. *Sustainable retail: how Gen Z is leading the pack.* [Online] Available at: https://www.forbes.com/sites/gregpetro/2020/01/31/sustainable-retail-how-

gen-z-is-leading-the-pack/?sh=4961ff262ca3
[Consultato il giorno March 2021].

Gazzola, P., Grechi, D., Ossola, P. & Pavione, E., 2019. Certified Benefit Corporations as a new way to make sustainable business: The Italian example. *Corporate Social Responsibility and Environmental Management,* Volume 26, p. 1435–1445.

Global Fashion Agenda, 2017. *Innovation with the Next Generation.* [Online] Available at: https://vimeo.com/217958627
[Consultato il giorno February 2021].

Google Arts & Culture, s.d. *In che modo l'Italia è basata sulla moda.* [Online] Available at: https://artsandculture.google.com/theme/how-italy-is-built-on-fashion/gAIC9FJsetDDIA
[Consultato il giorno April 2021].

Griecoa, A. et al., 27-30 June 2017. *(FAIM2017) An Industry 4.0 Case Study in Fashion Manufacturing.* Modena: Elsevier.

Houdini Sportsware, s.d. *Mono air project.* [Online] Available at: https://houdinisportswear.com/en-gl/highlights/project-mono-air
[Consultato il giorno February 2021].

Hsiao, S., Wang, Y., Wang, T. & Kao, T., 2020. How social media shapes the fashion industry: the spill over effect between national labels and private labels. *Industrial Marketing Management,* pp. 40-51.

Huang, Z. & Benyoucef, M., 2013. From E-commerce to Social commerce: A Close Look at Design Features. *Electronic Commerce Research and Applications,* Volume 12, pp. 246-259.

Kusumah, R., 2015. Analyze the Effect of Trust, Price, Quality and Perceived Risk Toward Consumer Purchase Behavior in Online Shops Instagram. *Jurnal Berkala Ilmiah Efisiensi,* 15(5).

Laboratorio Moda Molise, 2017. *CreAzioni Moda.* [Online] Available at: http://www.laboratorimoda.it/wp-content/uploads/2017/07/CreAzioni-Moda.pdf
[Consultato il giorno April 2021].

Leeds University, 2020. *Quicker and cooler is best for clothing.* [Online] Available at: https://www.leeds.ac.uk/news/article/4524/quicker_and_cooler_is_best_for_clothes
[Consultato il giorno February 2021].

Los Angeles Times, 2017. *Behind a 13$ shirt, a 6$ an hour worker.* [Online] Available at: https://www.latimes.com/projects/la-fi-forever-21-factory-workers/
[Consultato il giorno 2021].

Mangiaracina, R., Marchet, G., Perotti, S. & Tumino, A., 2015. A review of the environmental implications of B2C e-commerce: a logistics perspective. *International Journal of Physical Distribution and Logistics Management,* 45(6), pp. 565-591.

Marquis, C., Toffel, M. & Zhou, Y., 2016. Scrutiny, Norms and Selective Disclosure: A Global Study on Greenwashing. *Organizaion Science,* 27(2), pp. 483-504.

McKinsey, 2019b. *Report: Online as the key frontline in the European fashion market.* [Online]
Available at: https://www.mckinsey.com/pl/~/media/McKinsey/Locations/Europe%20and%20Middle%20East/Polska/Raporty/Moda%20na%20e-commerce/McKinsey-report_Online-as-the-key-frontline-in-the-European-fashion-market.pdf
[Consultato il giorno March 2021].

McKinsey, 2019. *Report: the State of Fashion.* s.l.:s.n.

McKinsey, 2020b. *The fashion industry's digital transformation: now or never.* [Online]
Available at: https://www.mckinsey.com/industries/retail/our-insights/fashions-digital-transformation-now-or-never
[Consultato il giorno April 2021].

McKinsey, 2020. *Global survey of consumer sentiment during the coronavirus crisis.* [Online]
Available at: https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/global-surveys-of-consumer-sentiment-during-the-coronavirus-crisis
[Consultato il giorno February 2021].

Melidé, s.d. *Homepage.* [Online]
Available at: https://melide.it/?gclid=CjwKCAjwnPOEBhA0EiwA609ReWBqcdqOS7LOem6f6rge09Pn1KufUksbvTc0IwFQF9clwc4exsAAexoC3GQQAvD_BwE
[Consultato il giorno April 2021].

Mora, E. & Volonté, P., 2014. Local Culture and Global Market: A Conversation with Protagonists of the Italian Fashion System. *Fashion Practice,* 6(2), pp. 263-272.

N., A., 2016. *The dirty side of the garment industry – Fast fashion and its negative impact on environment and society.* Boca Raton, USA: CRC press.

NICE, 2017. *Nordic Initiative Clean and Ethical.* [Online]
Available at: http://nordicfashionassociation.com/projects/a-nice-future/
[Consultato il giorno April 2021].

Par.Co Denim, s.d. *Homepage.* [Online]
Available at: https://parcodenim.com/
[Consultato il giorno April 2021].

Parida, V., Sjödin, D. & Reim, W., 2019. Reviewing Literature on Digitalization, Business Model Innovation, and Sustainable Industry: Past Achievements and Future Promises. *Sustainability,* 11(391).

Park, H. & Kyung-Kim, Y., 2016. An empirical test of the triple bottom line of customer-centric sustainability: the case of fast fashion. *Fashion Textile,* 3(25), pp. 2-18.

Parlamento italiano, 2013. *Lotta alla contraffazione e Made in Italy.* [Online] Available at: https://leg16.camera.it/522?tema=92&Made+in+Italy+e+lotta+alla+contraffazione
[Consultato il giorno April 2021].

Paulicelli, E., 2014. Fashion: The Cultural Economy of Made in Italy. *Fashion Practice,* 6(2), pp. 155-174.

Pew Research Center, 2017. *Where millennials end and generation z begins.* [Online] Available at: https://www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins/
[Consultato il giorno March 2021].

Picha, K. & Navratil, J., 2019. The factors of Lifestyle of Health and Sustainability influencing pro-environmental buying behaviour. *Journal of cleaner production,* Volume 234, pp. 233-241.

Politecnico di Milano, 2015. *Politecnico del Made in Italy: tra crisi e sviluppo, il progetto reshoring.* [Online]
Available at: http://www.politecnicomadeinitaly.it/it/news-room/163-reshoring-puglia-veneto.html
[Consultato il giorno April 2021].

PwC Italia, 2015. *Report: Reshoring.* s.l.:s.n.

PwC Italy, 2015. *Report: Reshoring, keep calm and go back home.* [Online] Available at: https://www.pwc.com/it/it/publications/assets/docs/reshoring.pdf
[Consultato il giorno March 2021].

Rausch, T. M. & Kopplin, C., 2020. Bridge the gap: Consumers' purchase intention and behaviour regarding sustainable clothing. *Journal of cleaner production,* 278(1).

Ravazzoni, R. & Petruzzelli, L., 2004. Strategie di vertical branding del sistema-moda italiano di alta gamma. *Esperienze d'impresa,* Volume 1, pp. 19-50.

Regione Lombardia, s.d. *Iniziative regionali Agenda 2030.* [Online] Available at: https://www.openinnovation.regione.lombardia.it/it/open-lombardia/iniziativa
[Consultato il giorno April 2021].

Ricciardi, A., 2013. I distretti industriali italiani: recenti tendenze evolutive. *Sinergie: rivista di studi e ricerche,* pp. 21-58.

Rifò Lab, s.d. *Homepage.* [Online] Available at: https://rifo-lab.com/
[Consultato il giorno April 2021].

Rinaldi, F. & Testa, S., 2013. *L'impresa moda responsabile.* Milano: Egea.

Rivista Studio, 2020. *Maison Cleò.* [Online] Available at: https://www.rivistastudio.com/maison-cleo-instagram/
[Consultato il giorno January 2021].

Salesforce, 2020. *Report: State of the connected customer.* s.l.:s.n.

Saviolo, S. & Testa, S., 2000. *Le imprese del sistema moda: il management al servizio della creatività.* Milano: Etas.

Slaper, T. & Hall, T., 2011. The Triple Bottom Line: What Is It And How Does It Work?. *Indiana Business Review,* Volume 86.

Statista, 2020. *Coronavirus impact on clothing industry in Europe.* [Online] Available at: https://www.statista.com/statistics/1131181/coronavirus-impact-on-clothing-industry-europe/
[Consultato il giorno March 2021].

Sui, D. & Rejeski, D., 2002. Environmental Impacts of the Emerging Digital Economy: the E for Environment E-Commerce?. *Environmental Management,* 29(2), pp. 155-163.

Talamo, G., 2016. Internazionalizzazione, backshoring e made in Italy: un'analisi del settore moda e lusso in Italia. *Rivista Trimestrale di Scienze dell'Amministrazione.*

Teunissen, J. & Bertola, P., 2018. Fashion 4.0. Innovating Fashion Industry Through Digital Transformation. *Research Journal of Textile and Apparel,* 22(4), pp. 352-369.

The New York Times, 2018. *The Biggest Fake News in Fashion.* [Online] Available at: https://www.nytimes.com/2018/12/18/fashion/fashion-second-biggest-polluter-fake-news.html
[Consultato il giorno February 2021].

Thomas, D., 2019. *Fashionopolis.* London: Penguins.

Thomas, L. J., Brooks, S. & McGouran, C., 2020. Antecedents of value co-creation activities for online fashion brands. *Journal of Strategic Marketing,* 28(5), pp. 384-398.

Thredup, 2020. *Resale growth.* [Online] Available at: https://www.thredup.com/resale/#resale-growth
[Consultato il giorno March 2021].

Unionecamere Lombardia, 2009. *Guida pratica alle regole di origine della merce e alla nuova normativa sul "Made in Italy".* [Online] Available at: https://www.pv.camcom.it/files/Estero/GUIDA_PRATICA_ALLE%20REGOLE_DI_ORGINE_DELLA_MERCE%20.pdf
[Consultato il giorno April 2021].

Vogue Business, 2020. *Gen Z isn't ready to rent clothes.* [Online] Available at: https://www.voguebusiness.com/fashion/gen-z-isnt-ready-to-rent-clothes-yet
[Consultato il giorno March 2021].

WGSN, 2020. *Can Chinese resale market threaten luxury.* [Online] Available at: https://www.wgsn.com/en/article/can-chinas-resale-market-threaten-luxury/
[Consultato il giorno January 2021].

Womsh, s.d. *Homepage.* [Online] Available at: https://www.womsh.com/it_it/ [Consultato il giorno April 2021].

World Economic Forum , 2018. *Report: Blockchain beyond the hype, a practical framework for business leaders.*. s.l.:s.n.

Xu, P. & Liu, D., 2019. Product Engagement and Identity Signalling: The Role of Likes in Social Commerce for Fashion Products. *Information and Management,* Volume 56, pp. 143-154.

Yang, S., Song, Y. & Tong, S., 2017. Sustainable Retailing in the Fashion Industry: A Systematic Literature Review. *Sustainability* , 9(7).