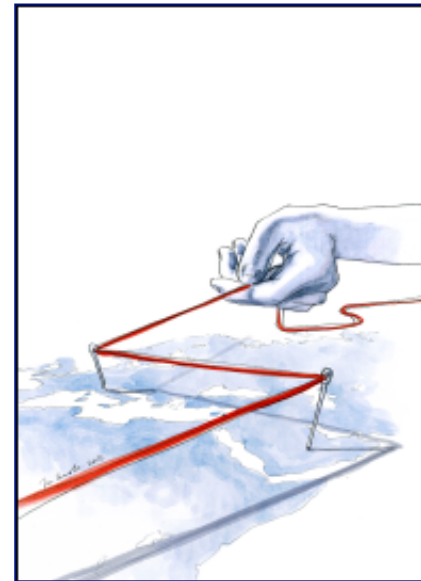




Università Commerciale
Luigi Bocconi

Sustainable Fashion: how can traceability help?

Bocconi



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Agenda

- 1. Sustainable Fashion: an urgent need**
- 2. What about the consumers' interest?**
- 3. What is traceability?**
- 4. Some examples**
- 5. Enhancing transparency in textile supply chains: opportunities & challenges**



1. Sustainable Fashion: an urgent need...



Some examples:

PLANET

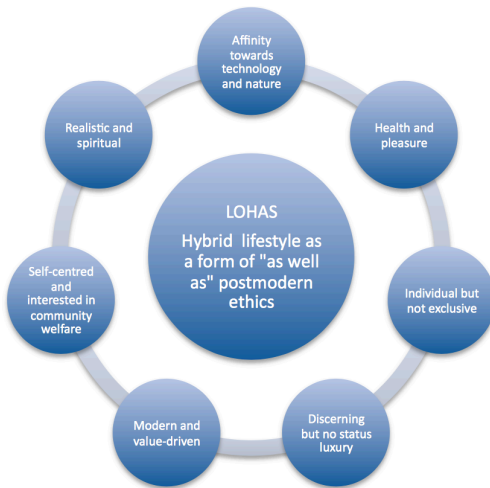
- **Cotton** comprises 45% of all fibres used within the global textile industry (Kaye 2013)
- **19% of all insecticides and 9% of all pesticides are used on cotton** (Cropnosis, UK 2006)
- **Producing 1kg of cotton (a pair of jeans) requires up to 20.000 liters of water** (WWF, 2000)

PEOPLE

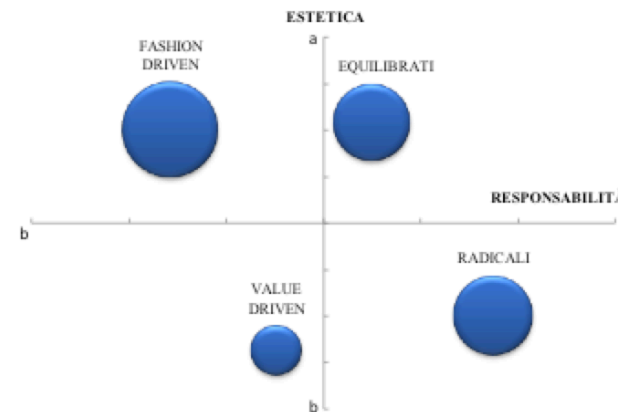
- **10% of textile-related substances are of potential concern to human health** (Kemi 2014)
- Approximately 25% of chemicals manufactured globally are applied in the textile industry (Greenpeace 2013). **Workers in the textile industry are exposed to chemicals that are linked to several kinds of cancers**, including brain cancer, lung cancer and stomach cancer. Chemical contact to skin and inhalation can lead to other serious health effects, while exposure to noise also represents a serious risk to workers (Oecotextiles, 2013)
- **In 2014, 7 to 8% of dermatological diseases in Italy have been caused by textiles and footwear** (Associazione Tessile e Salute, 2014)
- Issues related to **minimum vs living wage and gender inequality** where women are paid less than men, are **still very diffused** (Global Fashion Agenda & The Boston Consulting Group, 2017)



2. What about the consumers' interest?



Source: Kreeb et al. 2009, p.310.



Fonte: F.R. Rinaldi & G. Pandolfini, "Lo sviluppo della moda sostenibile: one size doesn't fit all", Economia & Management, 2015

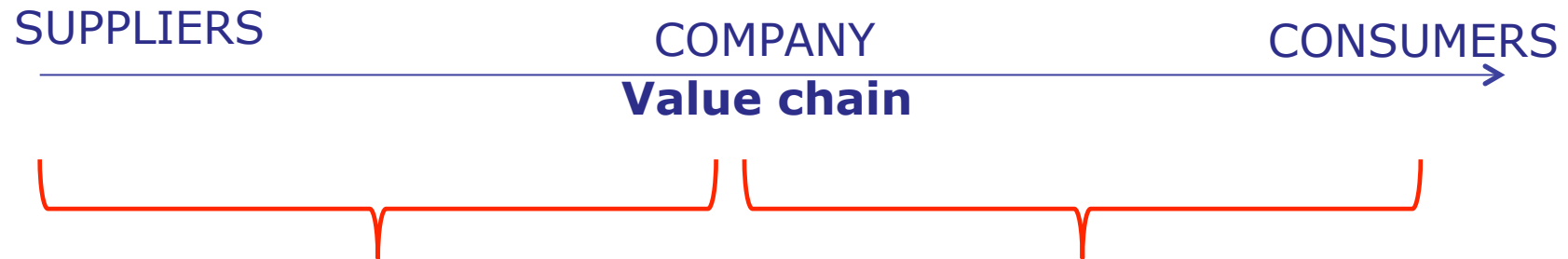
- **Well-designed information campaigns and educational programmes can change behaviours** (OECD, 2011)
- **Some CSR initiatives**, such as companies' environmental commitments, along with some corporate abilities, such as product quality, **significantly explain consumers' willingness to pay for a product** (Feldmand and Vasquez-Parraga 2014)
- While some consumers are informed and aware of environmental and social issues connected to their purchases, others show little interest. **Little communication had been made to consumers** (Saicheua et al. 2011).
- **Knowledge of environmental issues** in the apparel industry and universalism values were found to **influence consumers' expectations** of retail brands ethical behavior (Diddi 2014).



3. What is traceability?

"Transparency goes beyond gaining visibility into the extended supply chain. It is the process by which a company takes action on the insights gained through greater visibility in order to manage risks more effectively".

Linich (2014)



A traceability project starts from **collecting all the data regarding the suppliers on a shared platform.**

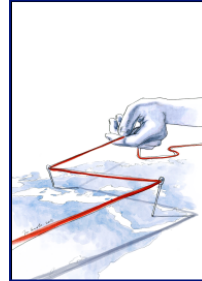
The **narration of traceability** consists in giving the consumers some information regarding the story of the product along the value chain.

It is characterized by being:

- **Transparent**
- **Multilayered** (visual + click for additional info)
- **Emotional** (use of videos, synthetic but informative)



3. What is traceability?



The extent and complexity of textile supply chains makes it very hard for companies to collect accurate information about sources and relevant environmental/health risks and impacts. Some technological advancements are helping to cut costs and improve the quality and reliability of data (Linich, 2014).

Traceability tools:

- **Assessment tools for use across the supply chain** (traditional third-party audit services VS SMS-based surveys)
- **Managing internal key performance indicators (KPIs) with external supplier data** to visualize, anticipate, and preempt supplier-level risks
- **Tracing individual products** with RFID tags or other technologies
- **Blockchain**
- **Transparency to inform and engage end users**



4. Some examples: traceability in Patagonia

the footprint CHRONICLES

The Footprint Chronicles® examines Patagonia's life and habits as a company. The goal is to use transparency about our supply chain to help us reduce our adverse social and environmental impacts – and on an industrial scale. We've been in business long enough to know that when we can reduce or eliminate a harm, other businesses will be eager to follow suit.

[view our suppliers map](#)

ARVIND LTD.
Sewing Factory
A Patagonia supplier since 2009

35/2a, Industrial Area
6, Singasandra
Bengaluru, Karnataka
India

Arvind controls its supply chain, from raw material to finished product. That helps us to better monitor working conditions, reduce transportation and make our high-quality products more cost effective. Arvind is also a progressively minded company, courageously transparent about its challenges and extremely willing to continuously improve its practices.

[VIEW FULL SUPPLIER DETAILS](#)

NUMBER OF WORKERS/GENDER MIX
2733 / 45% Female, 55% Male

LANGUAGE(S) SPOKEN
Kannada and English

PRODUCED HERE
Sportswear

Sewing Factory / A Patagonia supplier since 2009

Arvind Ltd.



ADDRESS
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FEATURE STORY

Growing Pains

We moved the sewing of our jeans to Bangalore because of India's vertical supply chain and excellent global reputation for quality and social programs. Our ensuing relationship with the factory there illustrates the complexities of moving production, even to a venerable and established supplier.



[VIEW THE SLIDESHOW](#)


FACTORY SYNOPSIS


Many consumers want jeans that look worn and faded, but distressing denim requires the use of resources like water, chemicals and energy. Arvind's initiatives to reduce its impact in these areas include using recycled municipal water (normally used for agriculture), treating wastewater in an on-site facility and washing garments with ozone machines and enzymes to reduce chemicals, sludge and energy use.

On social responsibility, our audits show that Arvind is in compliance in most areas. The only social responsibility finding we did cite during a audit in May 2011 was that in some instances, employee salaries did not reflect minimum wage increases. The Indian government raises the minimum wage annually in April. It takes Arvind a few months to analyze how that should affect their own employees, who generally earn more than the minimum

4. Some examples: traceability in IOU Project


IOU STORIES | SHOP | BLOG | TRUNK SHOW HOSTS | IOU PEOPLE | IOU CODE

> LOGIN  Log In


 **IOUEYOU**


Everyone By Role By Design

0 0







Every IOU item has a story...

 **IOUEYOU**


> LOGIN  Log In

0 0


Like 215 SHARE THIS STORY    Refresh




The Work Shirt
It's slim, and flattering with charming details, and we call it the Work Shirt, but what if it were so wonderful you'd want to wear it all the time? So what if...




...R. Dhandapani, former and IOU weaver, picked his most successful pattern and hand wove this special fabric so that...




...using one of IOU's designs...




ABOUT THIS ARTISAN
...Elisabeth and her friends at Mundicane could magically make it into a great article of clothing for...







The Work Shirt
It's slim, and flattering with charming details, and we call it the Work Shirt, but what if it were so wonderful you'd want to wear it all the time? So what if...




...R. Dhandapani, former and IOU weaver, picked his most successful pattern and hand wove this special fabric so that...



...using one of IOU's designs...



...Elisabeth and her friends at Mundicane could magically make it into a great article of clothing for...



...someone we hope will enjoy it. You perhaps?

4. Some examples: traceability in Re-Bello



YOUR PRODUCT STORY

WHERE AND HOW WAS YOUR GARMENT MADE?

**DISCOVER IT BY ENTERING THE PRODUCT
CODE IN THE BOX BELOW**

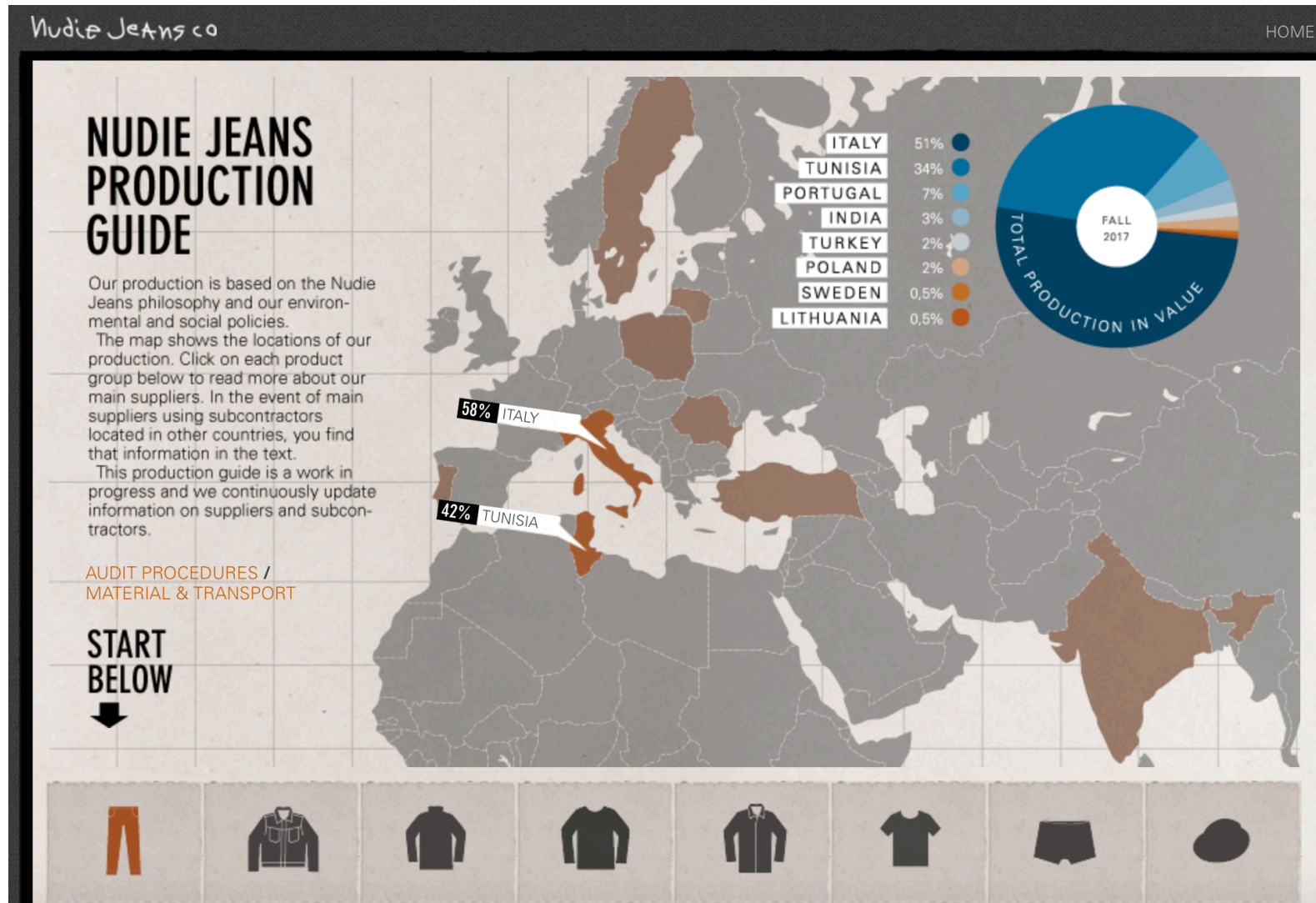
You can find the code on the label attached to your RE-BELLO product.
Enter it and discover everything on how and where your garment was
made.

[CAN'T FIND YOUR CODE?](#)

<input type="text" value="Example: T01W"/>	SEARCH
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4. Some examples: traceability in Nudie Jeans



4. Some examples: traceability in Wräd

GRAPHI-TEE™ LOGO

Handpainted Limited Edition
BEST OF THE BEST 2017 - RedDot Design Award



55,00€

BENEFITS

- certified organic cotton, better for the environment (it consumes 90% less water than regular cotton) and for your own health;
- no chemical colorants: GRAPHI-TEE™ is dyed with wasted graphite powder, a technology we developed with Perpetua – we had to invent it. [Click here to watch its story on video](#);
- uniquely soft hand, because graphite is a natural lubricant;
- hey – it's an award winning t-shirt! Proceeds support our R&D program aimed at tracing innovative paths for a more sustainable fashion industry.

Scroll down for details.

WHAT'S YOUR FIT? [discover more](#)



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5. Enhancing transparency in textile supply chains: opportunities & challenges

Opportunities

- **Consumers exposed to traceable supply chains are more willing to buy:** transparency improves comprehensibility and comparability (Egels-Zandén and Hansson 2015)
- Higher visibility of the supply chain → willingness to improve → **higher efficiency** on the long term

Challenges

- **Higher investments** in infrastructure, human capital and technological knowledge
- **Sharing of know how?**

Technology can help cut the costs involved in enhancing supply chain transparency!



Thank you for your attention

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