SUSTAINABILITY INTEGRATION IN THE FASHION RETAIL INDUSTRY

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by

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Abstract

Sustainability has gained prominence from past couple of decades, the fashion industry is most polluting industries in the global. This research is to explain the importance of sustainability integration in the fashion industry.

The research methodology applied is first, it provides literature review examining books and articles pertaining to environmental and social responsibility in fashion industry from past decade. Secondly, the case study on H&M Group and interviewing end consumers of fashion.

The results to demonstrate the importance of sustainability in the fashion industry and how fashion retailers play a key role and responsibility for enabling sustainability in the whole supply chain.

Keywords Sustainability, Fashion retail, Supply chain management, CSR, CS, Sustainable fashion.
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List of Abbreviations
CSR Corporate Social Responsibility
CS Corporate Sustainability
IUCN International Union for Conservation of Nature
NGO Non-Profit Organization
SAC Sustainable Apparel Coalition
TBL Triple Bottom Line
UN United Nation
WCED World Commission on Environment and Development
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1. INTRODUCTION

This chapter provides the contextual information for this research with the basic concept defined. First, a brief background of the sustainability and fashion industry is presented to explain the development of the harmful environmental and social impact of its operations. Next, the research aim and objectives present two approaches to sustainability within the fashion industry: Corporate Social Responsibility and Corporate Sustainability. Finally, the research question is presented with a description of the purpose and brief delimitations are addressed. An outline of the study concludes the chapter and provides an overview of the research.

1.1 Background

The word Sustainability dates back more than 30 years, first mentioned in ‘Brundtland report’ which beyond a doubt brought the problems of development of the earth for our future strongly to fore with the concept of sustainable development. The World Commission on Environment Development (WCED, 1987) mention Sustainability or Sustainable development as “Economic and social development that meets the needs of the current generation without undermining the ability of future generations to meet their own needs”. And the International Union for Conservation of Nature (IUCN) (IUCN, 2018) define Sustainability as “Sustainability is the capacity to improve the quality of human life while living within the carrying capacity of the Earth’s supporting eco-systems”. Based on this definition the three main pillars of sustainable development are economic development, social development and ecological development under one societal goal of sustainability.

In recent years, sustainability has become a key managerial issue, researchers and practitioners have increased their attention to the topic as they face challenges achieving the balance between economic, social and environmental needs of the business (Clarke and Clegg, 2000).

Moreover, the fashion industry is one of the largest and most polluting industries in the global level. Since fashion industry’s environmental impact is very high with respect to its global volumes. The fashion industry, especially textile production, is one of the industries that have been associated with exploitation of both natural resources and society (Beard, 2008). Environmental Protection Agency that 15.1 million tons of apparel waste was generated in 2013, in which 12.8 million tons were disposed of (Rhonda.P.Hill, 2016). Fashion industry globally accounts 9.3% of employees and 4% of exports worldwide. The textile industry is one of the top 3 water wasting industry in the world, discharging over 2.5 billion tons of water waste every year. The production processes of the textile in specific to phases of dyeing, drying and finishing of good, will use intensive chemical products and natural resources which is impacting environment (De Brito et al., 2008). Additional, the use of fibres, such as cotton, wool and synthetics have significant environmental impacts, synthetic fibres are produced from non-renewable resources and require significant energy to produce; and whereas cotton and wool production needs large volumes of water and pesticides(Myers and Stolton, 1999).

Since the industrial revolution, the production of the fashion industry has moved the from western world to developing countries for consumers in Europe and the US (Abecassis-Moedas, 2006), this is due to rising labour cost and environment regulations (Dickson and Eckman, 2006), which the consequent to environmental impacts of transportation (Borghesi
and Vercelli, 2003). However, developing nations lack strong social legislation and environmental standards, which shows the dark side of the fashion industry (Kozlowski, 2012). These include unsafe working condition, low-wages, long working hours, child labour, no proper labour unions in the developing countries (SE and NMP, 2006).

Fashion Retailers acts a middleman between producers and consumers (Ytterhus et al., 1999). They are held responsible for activities in their supply chain by both consumers and others (Barry, 2003), (De Man and Burns, 2006), misconduct can lead to loss of the reputation. To embrace the situation, large retailers are trying to enhance changes in the production processes and consumption patterns to overcome social and environmental issues (Durieu, 2003).

Durieu (2003) explains that retailers “Can greatly influence changes in production processes and consumption patterns and are positioned to exert pressure on producers in favour of more sustainable consumer choices”. As a response to global challenges and society pressure, fashion companies stepped outside of archetype that confines the fashion industry and started exploring alternative possibilities that are beyond the existing norms of clothing industry. Lately society has grown more environment, ethical and social consciousness and consumers have begun to show interest in social impacts of fashion industries. (Kozlowski, 2012), (SE and NMP, 2006) explains that companies today face three forms of pressure from their consumers: stakeholder expectations, customer loyalty and ethical pressure.

Sustainability in the fashion industry can be controlled along the supply chain, from fibre production to the end consumer use, at every stage, there are different factors influencing the environment (Gwilt, 2014). In Figure 1.1, the social and environmental impacts along the fashion supply chain are shown.

Source: Gwilt (2014)

![Figure 1.1. Social and Environment impact along the clothing Supply chain](image)

With increasing globalisation in fashion industry is often spread out geographically. The challenges fashion companies face in controlling their global operations who work hard to ensure their global corporate standards for labour, safety, sustainability, quality of the products and so forth are adhered to and maintained throughout their supply chain (York, 2015). To acknowledge this large fashion industries are using or can use two approaches the first approach is the corporate social responsibility (CSR), and the second approach is corporate sustainability (CS) to get a more positive relationship between consumers and brand appeal (Martinuzzi and Krumay, 2013).
CSR and CS is a dominated topic of research recently, which shows it is still evolving (Bolis et al., 2014). And, CS and CSR are based on numerous concepts and theories, many companies or organizations are facing difficulties to find their own path and adapt them to their daily operations.

1.2 Research Aim and Objectives

The aim of the research is to explain the match between theory and current practice of fashion industry in the integration of sustainability – through the dimensions of CSR and CS. Sustainability integration, according to Laszlo and Zhexembayeva (2017, p.100), is "The incorporation of environmental and social value into the company's core business with no trade-off in price and quality".

Till date, most of the research covers the benefits of CSR initiatives and governance of supply chain in the fashion industry. And some research includes investigating the validity of CSR of the fashion firms. However, the purpose of this thesis is to address the empirical research gap in defining and explaining the major aspect of sustainability integration in large fashion industries.

The construction of this paper is to be based on analyses the two aforementioned approaches and apply them to identify the benefits of sustainability integration. The research objective is to find out how fashion brands that belong to Sustainable Apparel Coalition (SAC) is integrating sustainability using framework developed as a focal company.

1.3 Research Question(s)

The purpose of this research is to analyse the CSR and CS approaches to sustainability and explains the sustainability integration of fashion industry.

The research question of this paper is; “How is sustainability integrated in the fashion retail industry?”

To answer the research question, the author has chosen to do a case study on H&M group and to conduct a content analysis. Relating the results of analyses will allow the author to understand how fashion retail industry are integrating sustainability, and thereby answering my research questions.

1.4 Delimitations

This paper is bound by several limitations in the study, that are connected to the scope and the chosen objectives of the research. Initially this paper focuses on sustainability that create value for the firm and its stakeholders adhering to Porter and Kramer's concept of Creating Shared Value (2011) and the EU new definition of Corporate Social Responsibility (Commission, 2001). The fashion industry is vast in size and market; this research is limited to the apparel industry. And also, study is only based on EU regulations and the apparel industries within EU. Due to the limited timeframe, this research covers case study on only one of the fashion brands.
2. LITERATURE REVIEW

This literature review aims to present most recent journals and theories and books that are used to better understanding of the evolution of fashion industry, Sustainability - triple bottom line, stakeholder theory CSR and CS concepts and definitions. Then, based on several literature sources, the framework for sustainability integration of fashion industry is generated which is used for analysis of the research.

2.1 Sustainable Development

The concept of sustainability was initially formulated in forestry, which means never harvest more than what the forest yields in new growth (Wiersum, 1995). The word Nachhaltigkeit a German word for Sustainability was first used in 1713, which shows concern for preserving natural resources for the future is everlasting; obviously, our Palaeolithic ancestors were worried about their prey becoming extinct, and early farmers must have been worried about maintaining soil fertility (Wildrer, 2007).

One of the first publication focusing on the earth ability to sustain its population was ‘An essay on the principle of population’ written by Thomas Robert Malthus in 1798. In this, Malthus mentions that the future growth in the population was unsustainable, as the populations grow exponentially while resource remains the same, at some point of time populations exceeds the resources availability which would lead to famine, war and plagues (Malthus, 1888).

Sustainability as a policy has first originated in the Brundtland report in 1987. The report was concerned that many natural resources crucial for human life are getting exhausted within two or three generations and on the other hand humankind desire to have a better life. Brundtland report has coined the term ‘Sustainable Development’. WCED (1987) mention Sustainable Development as “Economic and social development that meets the needs of the current generation without undermining the ability of future generations to meet their own needs”. This report highlights the requirement for economic, social and environmental development to be considered to achieve sustainable development in the future.

IUCN (2018) define Sustainability as “Sustainability is the capacity to improve the quality of human life while living within the carrying capacity of the Earth’s supporting eco-systems”. Based on this definition the three main pillars of sustainable development are economic, social and ecological development under one societal goal of sustainability. It is explicitly called as Triple Bottom Line (TBL) of sustainability is frequently used (Elkington, 2013). The idea of sustainability having three dimensions economic, social and environmental performance from the Triple Bottom Line concept, coined by Elkington (Elkington, 2013), and focusing on the balance of all three. A broad perspective on triple-bottom-line model integrating earth, economic, and society into the culture and strategy of the company operations (Kleindorfer et al., 2005).

In 1984 stakeholder theory was developed to measure the performance of the shareholder value, which is used to measure the overall performance of the company (Hubbard, 2009). In 1983 Freeman explained the social responsibility model which include other influence the company may have often identified as regulatory bodies of social and environmental issues. Freeman (1994) stakeholder approach states CSR as states an organization are not only responsible to shareholders but to a variety of stakeholders in achieving the objectives of the
organization. Stakeholders include labour rights organization, non-profits, environmental groups, trade unions, industry associations, investors, consumers, factory owners and managers, workers, shareholders and others (Kozlowski, 2012).

Freeman (1994) framed two questions that stakeholder theory can ask the managers, first question is “What is the purpose of the firm?” in which he designed to inspire managers to create and share the idea behind the values that bring stakeholders together to generate great achievement and the second question, “What responsibility does management have to stakeholders?” asks managers to specify how they want to do business in relationship to the stakeholders and so they know what they can expect.

In recent years, Sustainability is gaining importance in many businesses areas around the world. Many organizations are trying to adopt sustainability in their business operations. Existing studies indicate that there is a positive correlation between economic performance, environmental performance and social performance (Cruz, 2009). On one hand, the cost of activities who are participating in environmental protection and betterment social welfare will be compensated on long term benefits (Brammer and Millington, 2008), on other hand, higher economic benefits will provide for greater social responsibility.

In the UN’s Agenda 21, Sustainable development has been translated into principles and guidelines for companies. The companies can make a positive impact towards the Sustainable development goals through sustainability initiatives. Sustainability initiatives are crucial for the firms with sensitive business areas (intensive chemical use, natural resource, poor labour condition etc), as in the case of the fashion industry. In the year 2015, UN’s have updated new set of sustainable development goals which could transform the world by 2030. The universal set of goals and indicators that the UN members frame their agenda and political policies until 2030 (theguardian, 2015).
Figure 1.2. The interactions between ecological, economic and social (community) development

2.2 Fashion Retail Industry

The traditional fashion industry had accompanied by a fixed routine of fashion shows presenting the approaching season’s traits (Grete et al., 2003). This made it viable to forecast future trends in fashion based on preceding sales fact (Simone, 2001). The modern organizational modifications in the apparel industry started out about 30 years in the past when the conventional luxury style industry’s long-established structure was challenged by political deregulation and business models and fashion trends, especially globalization, changes in its market base, and new entrants in formerly protected markets (Djelic and Ainamo, 1999). Because of the impact of the above-mentioned parameters, the stable slow fashion (Karaosman et al., 2014) has been disrupted, a new model called ‘quick fashion’ (Simone, 2001), ‘street fashion’ or fast fashion (Doeringer and Crean, 2006) evolved into existence.

'Fast fashion' is a term meaning, the designs from fashion shows is translated into mainstream fashion trend at a very fast pace. This means that the apparel is mass produced with the use of cheap raw materials and sold at a low cost. The trend dies out quickly and the companies board on to capitalize on the next trend. This fast fashion is targeted on consumerism where the
shopping has turned to leisure activity rather than necessity shopping. This consumerism is in
direct conflict with sustainability.

The fast fashion industry is known to widespread across both first world and third world
countries. The search for lowering the production cost has made the apparel companies to
outsource manufacturing facilities to developing countries in the east (Smith, 1996). These
countries have weak trade unions and less severe environmental regulations compared to the
developed countries in the west. Despite outsourcing of led to longer lead times, complicated
supply chain due to geographical distance, which consequent to the environmental impact of
transportation (Borghesi and Vercelli, 2003).

Moving the production process to developing countries has led to dramatic social impact in
European countries, where the low-skilled labours have lost their employment and have no
other skill to get employed in other industries. At the same times, in the far east, labours have
gained immediate employment but poor working conditions (Rosen, 2002). The textile
companies boomed within a short time at the cost of polluting the environment. This led to rise
a of harsh ethical accusations on the fashion industry for exploiting the labours and
unsustainable use of natural resources. Company's visions and strategies form the business
model and the overall organizational improvement of a business enterprise. Unsustainable
management choices neglecting social and environmental problems impede the complete
organization from enhancing their sustainability.

Fast Fashion retailer such as H&M produces more clothes in less time by utilizing and
exploiting workers in developing countries that lack strong labour regulations which lead to
poor working conditions (Kozlowski, 2012). The press strongly criticized H&M back in 2010
after a fire broke out in one of the supply chain factories in Bangladesh killing 21 persons
(Kozlowski, 2012). The fire occurred during the night and fire exits are blocked, the employees
were working late to meet a quota, which is common in fast fashion companies (Hickman,
2010). This news widely spread across the globe leading to consumers boycotting the fast
fashion companies. Incidents like this publicize the harsh and dark side of the fashion industry.

Environmental or social issues are tangential concerns (Gwilt and Rissanen, 2012). However,
as stakeholders become aware of the issues while producing apparel such as environmental
problems, the effects of fast fashion, wastage of apparel, violations of labour rights, use of
chemicals and pesticides, workers’ rights, producing products in developing countries where
the environmental and labour laws are enforced, fashion brands have been increasingly
scrutinized their business practices and strategies (Kozlowski, 2012).

Some stakeholders are genuinely concerned over the irresponsibility of corporations as they
increase cost and cause a severe effect to the society (Widiarto Sutantoputra, 2009). NGO’s
have been increasingly examining the fashion brands to reveals whether they have been
complying to the local laws and regulations in the countries where they are operating,
offshoring of the production of apparel can be viewed as contributing factor for the
sustainability activities in the fashion industry (Kozlowski, 2012).

To summarize, Fashion industry faces challenges along all the pillars of sustainability:
economic, environmental and social.
2.3 Sustainability

This section presents the complexity and evolvement of CS and CSR concepts and theories of them and explaining the forces of CS and CSR in the fashion industry. Further in detail variation of definition, theories and concepts of it are discussed.

2.3.1 Corporate Social Responsibility

CSR is a highly debated topic in the corporates and academic world as they are struggling in achieving clear definition for it (Dahlsrud, 2008) as they are many available definitions (Kozlowski, 2012). The CSR is surrounded by many concepts such as sustainable development, corporate citizenship, sustainable entrepreneurship, and ethical business (Van Marrewijk, 2003). Howard Bowen was first to use the term social responsibility and it was in the 1950s that this concept emerged in the business literature (Cataldi et al., 2010).

The CSR is built on five dimensions: Social, environmental, economic, stakeholder and voluntariness (Dahlsrud, 2008), (Commission, 2001). European Commission defined CSR as “A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with stakeholders on a voluntary basis” (Commission, 2001, p.6).

The CSR definitions are defining a phenomenon but fail to provide any guidance on how to handle the challenges in the current scenarios within this phenomenon (Dahlsrud, 2008). Therefore, the challenge for the business does not define the CSR, but as it is to understand how CSR is socially formulated in a specific context and how to consider when business strategies are developed (Dahlsrud, 2008).

2.3.2 Corporate Sustainability

Corporate sustainability is related to corporate management theory, as it is dependent on whole value chain life cycle and dominant design (Utterback, 1994). Corporate sustainability can be viewed as evolving corporate management paradigm. Wilson (2003) mentions CS perceives the corporate growth and profitability as important as the same time it requires the corporation to pursue societal goals relating to sustainable development – environmental protection, social justice and equity and economic development.

The CS is built on four more established concepts: Sustainable development, Corporate Social responsibility, stakeholder theory and corporate accountability (Wilson, 2003). Corporate Sustainability is defined as “Corporate Sustainability is a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments” (Böhringer and Jochem, 2007).

CS and CSR are based on similar approaches that usually overlap and supplement each other (Hockerts and Morsing, 2008), numerous authors and researchers have contributed to the development of the CS/CSR theories and concepts. In fact, CS and CSR cannot be managed in isolation within the company, if they are trying to solve sustainability issues (Seitanidi et al., 2010). CS and CSR refer social and environmental issues, but there is no clear definition of two terms (Montiel, 2008). Recent research shows that they are converging despite their difference paradigm (Nordin, 2015). CS and CSR definition are more aligned to the conceptualization of the value and economic dimensions.
Practically companies use both CS and CSR interchangeably. Van Marrewijk (2003, pp.78-79) summarised this as “Traditionally, CSR performed a binding function between a company and its stakeholders while the sustainability paradigm promotes actions for a fairer world and a more humane future. Sustainable development enriches the older CSR concepts by providing a broader normative anchor and a guiding agenda”.

Source: Lassi Linnanen and Virgilio Panapannan, Helsinki University of Technology, Panapanaan et al. (2003)

![Diagram of Corporate Sustainability]

Figure 1.3. General Model of CS\CSR and its dimensions

2.3.3 Driver of Sustainability in the Fashion Industry

This literature review covers the four driving forces of sustainability in the fashion industry. These drivers CS, CSR, Circular economy and Technology innovation are analysed how they impact the fashion industry, and also define conscious capitalism by Arthur, value chain by Michele Porter which is used immensely in fashion industry.

As in fashion industry, CSR and CS are quite new terms as per Dickson and Eckman (2006). As in traditional business, a company primary motive is with financial success (Kozlowski, 2012). The common approach in the fashion industry is the designer is responsible for the design and create a saleable product and set a price which is reasonable enough with market expectations and constraints with the manufacturing (Kozlowski, 2012).

The adoption of CSR by a company can results number of forces (Kozlowski, 2012):

1. Improving financial performance, as consumer willing to choose the products with sustainability at higher prices.
2. Opportunity for being ethical in response to consumer demand.
3. Being competitive products in the marketplace where others are capturing the market with CSR strategy.
4. A sense of moral obligation and providing honest information to the public.
5. Potential cost reduction by using sustainable production materials, waste handling etc.,
6. Meeting requirements imposed by the government regulations.
7. Meeting the public demands for the industry.
8. Each partner will share the benefits derived from the CSR implementation through-out the supply chain.
9. CSR embedded in the supply chain with the characteristics of inheritance, transitivity and traceability.

As per global compact the adoption of CS by a company can results number of forces:

2. Strengthening society – Taking actions and collaborating with others to advance global challenges.
3. Leadership Commitment – effecting long-term change begin with a company’s leadership.
4. Reporting Progress – Transparency in business practice is crucial for sustainability.
5. Local Action – Viewing sustainability through a local lens.

CSR and CS strategy represents an effective tactic for coordination with sustainability integration in fashion industry supply chain. Effective Supply chain management social responsibility to a supplier’s performance not only give the direct and positive impact but also provide the mediated effect through the improvement in the trust and the performance (Carter and Jennings, 2002). This emphasis that that there is need for fashion brands to conduct ethical and social responsibility to the stakeholders and society (Kozlowski, 2012). This will result in CS and CSR strategy is increasingly implemented in the business strategy of the fashion industry to maintain the good relationship with the stakeholders and the society (Cataldi et al., 2010).

Murray et al. (2017) mentions “The Circular economy represent most recent way to integrate economic activity and environmental wellbeing in sustainable way”. Circular economy is to base economic production on focussed restoration and regeneration. The circular economy is linked to resources cycling, where firms uses each other’s waste as resources in order to delay the waste output (Murray et al., 2017). The three R’s recycle, reduce, reuse have become the central part of the circular economy (Murray et al., 2017). Circular economy challenges fashion industry by drawing a sharp distinction between consumption and use of materials. It is advocating the need for a functional service model characterized by manufacturers or retailers increasingly retaining product ownership and acting as service providers (Todeschini et al., 2017).

The adoption of Circular Economy by a company can results number of benefits:

1. It extends the lifespan and decrease the need for natural resources.
2. Upcycling the products wastage materials to generate new products.
3. Recycling the existing products to generate different products.
4. Reduce the consumption of new materials.

Technology Innovation is techno-economic trend encompassing various technologies innovation, and enabling improved sustainability in the fashion industry (Todeschini et al., 2017). In the fashion industry sustainable alternative fibres innovation most, prominent innovation. The impact of technology innovation includes improvement in clothing longevity, reduce the waste, use of sustainable materials and creating wearable technology.


Porter (1985) define a value chain is a high-level model used to describe the process by which businesses receive raw materials, add value to the raw materials through various processes to create a finished product, and then sell the finished product to customers. According to Porter (1985) “The companies conduct value-chain analysis by looking at every stage required to create a product and identifying ways to increase the efficiency of the whole chain”. The overall goal in the companies is to deliver maximum value for the least possible total cost and create a competitive advantage (Porter, 1985).
3. METHODOLOGY

This chapter outlines the used method for this research is presented. The research paradigm, approach and strategy are explained in the synopsis of research. The data collection for the literature review is presented in the flow chart form, and the operational of the research is presented in the conceptual model to help the readers to easily understand the research process.

3.1 Research Paradigm

The research is based on the paradigm of ‘Interpretivism’. Collis and Hussey (2009) states that Interpretivism as the assumption that social reality is in our minds and is subjective that is focusing on ‘exploring the complexity of social phenomena with a view to achieving the interpretative understanding and where discovery is not derived from the statistical analysis of quantitative data’ (Collis and Hussey, 2009, p.57). The qualitative research method is used to understand the opinion and analyse the behaviour to reach the conclusion of the research.

3.2 Research Approach

The research approach is ‘abductive’. Abductive approach uses both deductive and inductive approach to establish the conclusion (Håkansson, 2013). The inductive approach establish conclusion based on the general proposition of the particular facts whereas deductive approach derives the conclusion from the known premises (Håkansson, 2013). Abductive derives the conclusion in the combination of both the approaches likely from the incomplete set of observations (Håkansson, 2013).

The thesis deploys qualitative research approach based on case study methodology. The limited descriptive research sources available on the sustainability integration, due to sustainability is still developing theoretically. The author selected a single case study method for the empirical research insisting that a single case study can give actual knowledge through the deepening of the current understanding of the phenomena (Yin, 2017), in this particular case - the integration of sustainability within a large company.

Our model seen in figure 1.4, which was adopted from the Noor (2008) was constructed to describe the synopsis of the research method and contains three stages: Preliminary, analytical and conclusion which is created to structure the case study research. Noor developed a theoretical framework to structure and guide case study research.
The model started in the preliminary stage with researching the objective of the research and followed by the theoretical framework of Sustainability and CS/CSR. Upon the review of the theoretical framework, the company for the case study is selected. H&M was chosen because it is multinational enterprise belonging to the SAC with large market share with several CSR initiatives and brand segment to their business strategy. SAC is an industrywide alliance between different brands and stakeholders who are all working towards a more transparency and sustainable fashion industry. Due to time constraint author have chosen to focus only on one company. Next step is the analysis stage of the research, where secondary data collection of the H&M is chosen, understand their approach to sustainability integration as a core business strategy. Primary data is collected through a sustainability week session conduct by H&M on their way of integration of sustainability in their core business. This has led to a data analysis of Sustainability integration in the Fashion industry. Finally drawing a conclusion based on the analysis and suggesting further research.

### 3.3 Data Collection

The methods of research employed for study are 1. Literature review, 2. Data collection and analysis of H&M (secondary data), 3. Sustainability in H&M session and questions and interviews with end consumer (primary data). Both primary and secondary data are collected in order to conduct, analyse and draw conclusion in this thesis. The majority of the data is collected via secondary and only when it is exhausted primary data is taken into consideration as suggested by (Churchill and Iacobucci, 2006). Primary data is collected as interviews with H&M representatives and end consumer of fashion. Secondary data is collected for case study from the company’s websites provided necessary information for the research. The specific choice of data was collected in order fulfil the purpose to research, how sustainability integrated in to fashion retail industry.
3.3.1 Literature Review

The qualitative data collected for this research is within the context of the research (Collis and Hussey, 2009). The data collected for this research contain a systematic approach for literature analysis from a variety of primary sources of articles, journals, books and websites which are more recent and relevant publication on Sustainability, CS and CSR concepts. KTH Primo databases and Google Scholar are used as the main platform of searching of the literature.

The theoretical frame of sustainability is very wide and involves a lot of theories and concepts from different fields, thus the author has used relevant words and search criteria for the selection of sources as mentioned in figure 1.5.

Source: Adopted from Karaosman et al. (2016)

![Flow chart of literature review](image)

Successively identifying combination, the keywords, which are used for identifying the theories for sustainability integration in the fashion industry. The theories of sustainability are chosen from CS and CSR, understanding this concept are quite important as this would help to better understand H&M case study and sustainability integration of it in their business strategy.

3.3.2 Secondary data - Case Study

This research focused on publicly available information regarding sustainability initiatives and actions of H&M. H&M Sustainability reports 2017 (SUSTAINABILITY, 2018), H&M annual reports 2017 (Annual, 2018), H&M annual report 2016, frequently asked question, blog, books printed from the H&M group website and store are collected. Web-based reporting is chosen as the internet has become the primary form of communication of information for all the companies. The information available on the website are for the stakeholders, general public
and can be accessible easily. Sustainability initiatives and actions are considered to be an indicator for progress toward integration of sustainability in their business strategy.

### 3.3.3 Primary data - Interview Process

The interview process is implemented as follows: Author happened to attend Sustainability week initiative at H&M for a week-long session for one hour daily. The sessions were based on broad perceptive details as below in Table 1.1.

Table 1.1. Session participants process

<table>
<thead>
<tr>
<th>#</th>
<th>Session</th>
<th>Presented</th>
<th>Place</th>
<th>Date</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H&amp;M Foundation and the Red Cross</td>
<td>H&amp;M Foundation and Red Cross</td>
<td>Årstaängsvägen 13, Stockholm</td>
<td>9th April 2018</td>
<td>08:30-09:30</td>
</tr>
<tr>
<td>2</td>
<td>Future trends in sustainable fashion</td>
<td>Head of Sustainability H&amp;M, H&amp;M Foundation</td>
<td>Årstaängsvägen 13, Stockholm</td>
<td>10th April 2018</td>
<td>08:30-09:30</td>
</tr>
<tr>
<td>3</td>
<td>Reality check; the supplier's version</td>
<td>Owner of Key Lock</td>
<td>Årstaängsvägen 13, Stockholm</td>
<td>11th April 2018</td>
<td>08:30-09:30</td>
</tr>
<tr>
<td>4</td>
<td>Our way to Broader Perspective</td>
<td>H&amp;M Diversity and Inclusiveness</td>
<td>Årstaängsvägen 13, Stockholm</td>
<td>12th April 2018</td>
<td>10:00-11:00</td>
</tr>
<tr>
<td>5</td>
<td>How do we reach 100% circularity?</td>
<td>H&amp;M Store development and Buying Office</td>
<td>Årstaängsvägen 13, Stockholm</td>
<td>13th April 2018</td>
<td>10:00-11:00</td>
</tr>
</tbody>
</table>

End Consumers are interviews to understand their knowledge and opinion on fashion. The interviews were variable length based on their availability and interest on the subject, which has lasted 30-45mins. With some of them implemented in Table 1.2. The semi-structured interviews are conducted according to the interview guidelines (see Appendix 1). The interview questions were about sustainability, Fast fashion, Sustainable fashion and current fashion industry.
Table 1.2. Interview with end consumer of fashion

<table>
<thead>
<tr>
<th>#</th>
<th>Interview</th>
<th>Place</th>
<th>Date</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vegard Jensvoll</td>
<td>Phone</td>
<td>9th May 2018</td>
<td>45min</td>
</tr>
<tr>
<td>2</td>
<td>Swetha Vijayaraghavan</td>
<td>Solna</td>
<td>11th May 2018</td>
<td>30mins</td>
</tr>
<tr>
<td>3</td>
<td>Ramya Ravishankar</td>
<td>Alvik</td>
<td>10th April 2018</td>
<td>30mins</td>
</tr>
<tr>
<td>4</td>
<td>Marjorie Monte</td>
<td>Phone</td>
<td>12th May 2018</td>
<td>25min</td>
</tr>
</tbody>
</table>

3.4 Data Analysis

The conceptual model seen in the figure provide the guidance that will follow the empirical finding and discussion chapter (Jahnstedt and Sylvan, 2015). Conceptual study model is constructed to show a clear overview of how the theoretical framework connects with the case study as in figure 1.6. The initial stage covers the sustainability introduction drawing two theories triple bottom line and Stakeholder theory (Jahnstedt and Sylvan, 2015). Understanding the issues in Fashion Industry, how they are adopting CSR activities external factors in their business strategy, and how they are adopting CS activities as the internal factor the fashion industry core business. This lead to the exploration of H&M, how they shift toward integration of sustainability of the industry. Based on this it would be determined that the sustainability integration of the fashion industry requires policy changes and how sustainable fashion act as core business strategy.

Source: Adopted from Jahnstedt and Sylvan (2015)

Figure 1.6. The conceptual model
3.5 Ethical Consideration

All the interviewees were offered by collaborator and their names will be mentioned, and the stage of interview with interviewees, they were offered voluntary participation and they avoid question or withdraw any stage during the discussion. To retain the confidentiality of case company and interviewee, the detail transcript is not included, however the takeaways from each interview is included in Findings and Discussion.

3.6 Empirical Case Study: H&M

3.6.1 General Information of the Company

H&M AB (Hennes & Mauritz) is Swedish multinational clothing retail company. H&M company was established in 1947, in Västerås, Sweden by Erling Persson. The store was initially selling women’s apparel only and the name store was Hennes. In 1960, the first store outside Sweden opens in Norway. Just over 20 years in 1968 Erling Persson has acquired Mauritz Widforss, a man apparel and that also sold hunting and fishing equipment. Then the new name of the brand was born: Hennes & Mauritz and started to selling women’s, men’s and children's clothing. In 1974, H&M was listed in Stockholm Stock Exchange and during next couple of decades, it has expanded to world-wide market such as Germany, the Netherlands, Belgium, Austria, Luxemburg, Finland and France (History, 2018).

In 2000, H&M open first store in US and Spain. In subsequent years H&M opens in more European markets and also in Asia. The first designer collection started with Karl Lagerfeld. The collaboration was followed by many more. In the year 2006, H&M online sales begin (History, 2018).

In the year 2007, News brands have added to the H&M group. In the same year, the H&M Conscious Foundation is founded as a non-profit global foundation. COS is launched as a new brand in 2007 and H&M acquires the fashion company Fabric Scandinavian AB, with its brand Weekday, Monki and Cheap Monday (History, 2018). In the year 2010, the first conscious collection of H&M, consisting of more sustainable material is launched (History, 2018).

Today H&M group is one of the world’s leading fashion companies which comprises seven independent brands – H&M, COS, Weekday, Cheap Monday, Monki, H&M Home, & Other Stories and ARKET. Current President and CEO of the company is Karl-Johan Persson. H&M headquarters is situated in Stockholm, Sweden. In the year 2017, H&M group has around 171,000 employees and more than 4739 stores in 69 markets and 45 online markets, Sales figures 232sek billion in sales incl. VAT (Annual, 2018).

H&M group business concept is ‘Fashion and quality at the best price in a sustainable way’. They want to make sustainable, good-quality fashion accessible to as many people as possible, today, tomorrow and in the future. H&M define sustainability as an important element and significant resources are allocated to increase the sustainability (SUSTAINABILITY, 2018).
3.6.2 Fundamental Attitude Towards Sustainability

In the year 2002 H&M group has started their CSR Reporting because of the size of the company and consumer demand (Action, 2015). In the year 2010 H&M has changed their sustainability report to what they then called as H&M Conscious action which includes seven CSR commitments which they strive to make a change (Actions, 2010). In the same year, they have started using organic cotton and continued to work different eco-friendly and sustainable materials. In the year 2011, H&M has launched first conscious collections with the clothing’s made of organic materials. It has continued to grow every season and year on year.

During the year 2012, H&M has noted continuous growth and simultaneously implemented sustainability is the biggest challenge it faces to maintain the successful business operations (Li et al., 2014). The issues regarding environmental pollution, the impact of water resource, chemical usage, unfair treatment of worker in supplier factories and production process.

H&M group is committed to make a difference by providing conscious products for the customers, at the expected price with modest possible impact on the environment. H&M striving to fulfill their commitments they have created conscious actions and continuously working towards it. H&M is continuously working to find alternatives for the harmful materials, by finding eco-friendly production processes, it also working to increase the use of sustainable materials by replacing solvent-based glues in the production of accessories (SUSTAINABILITY, 2018).

In the H&M group Vision and Strategy 2016, they have changed their seven conscious commitments and three ambitions: 1. 100% leading the change, 2. 100% circular & renewable energy 3, 100% fair and equal. This is why H&M is very much collaborative with the UN Sustainable Development Goals (SDGs) and the SDG Agenda (SUSTAINABILITY, 2018).

To stay in the forefront of the sustainability, H&M works hard continuously to improves its sustainability initiatives. Together with the stakeholder, colleagues, business partner, H&M makes an ongoing sustainable change. To be the leader of sustainable innovation, H&M has started the recycling of old clothes as standard in the industry. A worker in their supplier factories negotiates wages and working conditions in the fair dialogue (SUSTAINABILITY, 2018). H&M and its supplier together make the clothes with minimal impact on the water resources and providing the consumer all over the world.

To achieve sustainability change, H&M shows its commitment that all the workers in the supplier factories working in acceptable working hours with fair wages. And collaborating with stakeholders and customers is a key step to achieve these goals (SUSTAINABILITY, 2018).

In the year 2016, Karl-Johan Persson, the CEO of H&M, addresses sustainability as follows, “At H&M it has always been important for us to act in a way that makes it possible not just for the present but also future generations to enjoy fashion. In a world with growing populations and finite resources, both H&M group and the entire fashion industry must look for new ways of working. I’m convinced our new sustainability strategy presented in this report will take us closer towards our vision; to lead the change towards circular and renewable fashion while being a fair and equal company” (Annual, 2018).
The prominence of sustainability at H&M has built what they call it as H&M conscious, which the company’s promise to bring more sustainable choices to the fashion industry which is good for the people as well as the planet (SUSTAINABILITY, 2018).

The CEO himself sum-up sustainable efforts and fundamental attitude in sustainability report 2017 SUSTAINABILITY (2018) as “We believe sustainable fashion should be available for everyone. The idea is that people who enjoy fashion should be equally able to dress sustainably. However, to be able to continue to offer sustainable fashion to present and future generations in a world with growing populations and finite resources, both the H&M group and the industry must look for new ways of working. That is why we are taking a circular approach and being a fair and equal company. That includes a more effective use of resources, support of innovations within recycling technologies as well as an increased use of existing or new sustainable materials. Our ongoing work to contribute to good working conditions for the people making our products is just as important”.

3.6.3 Impact Around H&M Value chain

H&M value chain defines a full order of processes involved in the production of a product and lifespan of it, from product ideation to end customer use and disposal of it (SUSTAINABILITY, 2018). Impact along the value chain is quite vast, it is connected to social, environmental and economic impacts are significant and far-reaching. The maximise the business idea, H&M need to maximise the positive impact and reduce the negative impact along the value chain. Below analysis is from the H&M sustainability report 2017 (SUSTAINABILITY, 2018).

H&M value chain have seven segments (SUSTAINABILITY, 2018):

- **Design** – Sustainability starts with design, fashion without compromising on design, quality, price or sustainability. H&M choice of materials and designs impacts the environment and people who make and wear clothes. To reduce the impact, create positive impact H&M is choosing sustainable materials and reducing what ends up on the floor.

- **Raw Materials** – Processing of raw materials such as cotton involves high water and chemical use and often associated with poor working conditions. H&M uses raw materials as competently as possible, making and using sustainable raw materials choices and working towards 100% circular goal.

- **Fabric and yarn production** – H&M Business partner purchase yarn and fabric, they need consider water use, chemical use, greenhouse gas emission and working conditions. H&M doesn’t have direct relationship with mills. To manage this, H&M works with organization such as WWF and Swedish textile Water Initiative(STWI) to help mills improve. H&M have already coordinating with fabric and yarn mills that are involved in making about 60% of H&M products into supplier assessment systems (SUSTAINABILITY, 2018).

- **Product manufacturing** – 1.6 million people work with H&M business partners, in which 62% are women. Social security wages, freedom of association, health and safety and working hours and all salient human right issues.
• Transport – Transport represents approximately 2% of the greenhouse gas emission, by choosing right way transportation it can reduced further. H&M have the opportunity to influence the transport companies about the awareness and actions on environmental issues.

• Sales – H&M has over 4700 stores across the globe. As H&M grow, new employees will join. H&M trying to live up to their values and ensure inspiring and healthy working environment. End consumer expect rightfully good quality products and shopping experience. H&M try to provide the privacy of their data and advertise in a responsible way.

• Use – Caring of clothes at home is 20% of the greenhouse gas emission. Today’s challenge is to create sustainable fashion that customer will love in all the season with low impact on the environment and the society. H&M want to inspire the customers to be more conscious in the way they care the clothes and make it easy for them not end the fashion in landfill.

Climate impact indicators are based on a scope 3 assessment made by Ecofys in 2016, based on the 2014 data (SUSTAINABILITY, 2018).

3.6.4 Vision & Strategy on Sustainability

The H&M group has a strong history of sustainability. They want to make sure fashion is enjoyed today and for the coming generations to come. H&M vision to lead the change towards circular and renewable fashion industry while being fair and equal (SUSTAINABILITY, 2018). Gedda (2018) mentions, “A company of our size and scale has a responsibility, as well as a great opportunity to lead the change towards a more sustainable fashion and design industry”.

Source: H&M Sustainability Vision and Strategy (SUSTAINABILITY, 2018)

Figure 1.7. H&M three ambitions
3.6.4.1 100% Leading the Change

It is H&M commitment to act as a catalyst for change across the fashion industry. This is to bring together the business partner to identify the challenges and share the innovate ideas and solutions. To lead the change in the operations and those in the industry, the catalyse three focus areas (SUSTAINABILITY, 2018):

1. Innovation – Innovation is key to achieving full circularity. H&M is supporting ground-breaking companies such as re: newcell, Worn Again, Thread and Sellpy and Treeto textile for this.

2. Transparency - Transparency is key to building trust and credibility along the supply chain and empowering the business partners and end customers to make more sustainable choices. The greater transparency will help to lead the change toward more sustainable industry with two key ways:
   - Sharing the information in a transparent way
   - Collaborating on industry wide transparency

3. Rewarding sustainable actions – H&M believes it is more important to encourage and empower sustainable actions throughout the value chain. Incentives and rewarding helps to achieve long-term, positive and behaviour changes. To achieve this, H&M has developed different reward system that tailored to different groups of change makers: Business partner, Colleagues and Customers.

3.6.4.2 100% Circular & Renewable

Global demand increasing rapidly as the population growth continues as expected, the volume of clothes sold will be triple to 160million tonnes by 2050. The fashion industry is running out of natural resources for its use to make products and operate in the same way as it is today. H&M group is shifting from linear to a circular business model (SUSTAINABILITY, 2018).

Circular model maximises resources and minimizes the waste, resources stay in use for long as possible before being regenerate into new products and materials. This will result in the reduction of waste and negative impact. H&M moving from linear to a circular model. To achieve this building circularity at every stage of the value chain, including product design, making and customer care and dispose of products. For being circular H&M is focusing on five key stages in the value chain (SUSTAINABILITY, 2018).

1. Design
2. Material choice
3. Production processes
4. Product Use
5. Product reuse and recycling

A business model can only be truly circular if it powered by renewable energy. H&M is working to use 100% renewable energy throughout the value chain operations, which will significantly reduce the climate impact (SUSTAINABILITY, 2018).
3.6.4.3 100% Fair and Equal

H&M group firmly believe that everyone that is connected to business is treated fair and equal way. For being 100% fair and equal means making sure our values and respect for human rights are endorsed within their company and across the value chain (SUSTAINABILITY, 2018).

H&M 100% fair and equal have two focus areas (SUSTAINABILITY, 2018):

1. Fair Jobs – A fair job means fair compensation, a safe and healthy environment, workplace, discrimination-free environment, and respect for every employee voice. This means every individual feel valued and respected within the workplace.
   a. Within H&M group
   b. Within Supply chain

2. Steward for diversity and inclusiveness – H&M through their relationship with employees, business partners and customers, they represent and connect with a huge and diverse group of people around the world. H&M believe that each and every individual is treated equally.

H&M group is accessible to all and reflects the diverse mix of people in the world, to achieve their ambition to act as stewards for diversity and inclusiveness. Internally, they act as stewards of diversity and inclusiveness by welcoming, accepting and celebrating all the employees and individuals regardless of difference.

Externally, they act as stewards of diversity and inclusiveness by engaging with customers through global marking campaigns and collections that aim to recognise and support everyone is right to proud and express, who they are. 90% of H&M group employees agree with the statement that ‘people are treated fairly regardless of age, sex, ethnicity, sexual orientation and disabilities’.

In 2017, 76% of all H&M group employees were females, and 72% of management position filled with female employees. H&M developed a global guidance on adapting for an ageing workforce. The guidance supports an active approach to managing age in the workplace. In board of directors was represented by a 56:44(female: male) gender ratio.
4. FINDING AND RESULTS

This following section is dedicated in analysing and comparing to the theoretical framework from chapter two. It is always challenging to compare the reality with theory as reality will rarely works according to theoretical model. The author believes that developed model will become more applicable to the reality when it is expanded with other factors. In addition, with comparison between the theory and reality, a major part of this chapter is to find the answer for the research questions. How the selected company applying sustainability integration as core business strategy.

Fig. 1.8 Mechanisms, influence factors of the sustainability in H&M

4.1 Analysis

H&M is a large firm with a high market share in the fashion industry and at the start without any environmental or social sustainability. Today H&M is sustainability leader in the fashion industry, but this was not the case when they have started in 1947. They have implemented sustainability has market demand as step by step process, environmentally and socially sustainable products have been produced so the awareness in the company has increased. Now H&M views business as not only today but also for future of the company and acting consciously (SUSTAINABILITY, 2018). H&M is working to bring sustainable fashion to the people and acting consciously to make difference on the planet.

Despite the environmental and social disaster that H&M has been involved and faced earlier, their environmental and social sustainable commitments are in place, which made them one of the leading business in sustainability in the fashion industry. There are part of SAC and acting as the board of members for it, through which adds pressures for other companies on the
sustainability. Earlier sustainability was not being part of their core business strategy, but today H&M is sustainable integrated throughout the value chain. H&M continuously invests in research and development such as finding alternatives to harmful chemicals, materials and finding environmental friendly production process. Additionally, they are looking good working condition for people working in the developing countries, working with NGO, government bodies for safety and working standard for the employee at the suppliers.

Based on the analysis of sustainability integration mechanism and the above facts about H&M, author find that conscious actions of seven segments come from external activities mechanism as depicted in fig. 1.8. H&M makes full using of capabilities of a business partner, such as rewarding the high achieving and ambitious partner with more orders. Together with a business partner trying to implement sustainability-related issues such as being ethical, being fair & equal and to reuse, recycle, and reduce by circular. With increasing supply chain density, information sharing, and transparency is promoted among the business partners to be easier with information sharing and building the trust. H&M is trying to pay more attention from upstream and downstream business partners, thus increase the capability of sustainable action across the value chain refer Appendix 2 for H&M key achievements.

On other hands, H&M is trying internalising sustainability from internal activities mechanism as depicted in fig. 1.8 through three ambitious goals 100% Leading the change, 100% Circular & Renewable and 100% Fair and Equal by doing this they are creating new opportunities for their long-term business success. H&M is trying to take advantage of consumer demand and providing them more sustainable and environmentally friendly products for the conscious customers. H&M using innovation is key to achieving full circularity by supporting ground-breaking companies such as re: newcell, Worn Again, Thread and Sellpy and Treeto textile for this (SUSTAINABILITY, 2018). Beyond this, H&M is collaborating with stakeholder, regulatory bodies, government agency, and NGO’s to tackle issue rise with the business partner in the developing countries see Appendix 2 for H&M standards.

Furthermore, H&M Foundation is working on children projects with collaboration UNICEF to strength community. It is solving social and environmental problem arisen in the fashion industry by balancing the requirements of the value chain benefits on the economy, social and environment. H&M reporting the sustainable action as sustainability reports to the public yearly.

In summary, H&M has used internal and external activities mechanism together to facilities sustainability integration. Especially, the actions strengthen the core influence and centrality of the company.

4.2 Discussion

The purpose of this research was to find a persistent answer to the research question ‘how sustainability is integrated in the fashion industry’. In this section, the finding mentioned above will be interpreted and related to the theories mentioned in section 2. As per the literature review, sustainability integration is adopted using CS and CSR. From the interviews and the case study, it is seen that sustainability integration is achieved using internal and external activities mechanism together.
External activities mechanism is used for creating governance around supply chain of the fashion by adopting CSR of sustainability. From the above analysis, it is seen that it needs a full ordered process involved from the production of a product to lifespan of it. From choosing a right design with good quality, sustainability and price followed right raw materials raised environmental friendly with right working conditions, security, right wages and health safety etc. And transport of the products involves green gas emission which can be reduced by choosing right transport method. Finally, use, caring for the clothes, reuse, recycle and reduce so that the clothes don’t go the landfill.

Internal activities mechanism is used for internalising the sustainability as the core of focal company using CS of sustainability. From the above analysis it is seen that, internalising of sustainability is achieved by having a principle business which aligns with human rights, environment with business ethics, strengthening the society by collaborating with NGO, UNICEF for working towards global challenges, leadership commitment to making the change in the leadership and making sustainability as core, reporting the sustainability activities to the public and being transparent with the business practices and finally viewing sustainability with the local leans along with stakeholders.

This research confirmed what literature says, showing that adopting CSR and CS as external and internal activities respectively will be solved sustainable challenges of the fashion industry, they are sustainability integration can be achieved in the fashion industry.
5. CONCLUSION

This paper set out to investigate sustainability integration in the fashion industry.

5.1 Conclusion

Sustainability integration plays an important role to obtain a competitive advantage in the fashion industry. With an increase in uncertainties and change internal and external environmental decision making is always challenging. This study provides the framework for sustainable integration which is being applied to other fashion companies and also other industries. This paper provides insight for integrating sustainability across the entire value chain of the industry from both internal and external activities, it will help to increase sustainable performance and also increase the collaboration with the stakeholders globally. This paper shows that there is a positive relationship between sustainability and fashion industry has formed. From the perspective of the products, author sees that environment, social and economic attributes of sustainability play competitive advantage role.

5.2 Implication and Contribution to Relevant field of study

The study of Sustainability integration is a quite vast subject, finding relevant articles and journals on this was difficult. This study helps to provide insight into sustainability integration, there are no other published studies that examine CS and CSR of sustainability within the fashion industry. The research model developed provides a clear and basic understanding of the core elements in the fashion industry. This study highlights sustainability driving forces and provides the benefits of integrating sustainability. This research is also first research to show the CSR and CS as external and internal activities of sustainability in the fashion industry. This study also provides more information sustainable integration in the fashion industry through the whole value chain.

5.3 Limitations

This research relying on publicly available sustainable report data of the fashion brand. The generalisability of case study generally taken into low consideration (Collis and Hussey, 2013). Unfortunately, the company sustainable managers were not available for the interview, thus the sessions are used as input for my research analysis. As earlier mentioned, sustainability is a complicated and still evolving concept (Bolis et al., 2014). The general recommendation of one company has limited direct applicability to other companies. Hence each corporation must find its very own way of developing sustainability efforts. Another limitation is quantitative analysis information about sustainability in fashion is quite vast, a more balanced research could have been conducted to be more integrity of the information.

5.4 Future Research

This research is limited to one company, it would be interesting to analyse top five or ten fashion companies in the world and see how are integrating sustainability into their business. Sustainability is vast subject, there is no clear standards and policies available. Each company have their own understanding and implementation of sustainable initiatives, it would be interesting for the researcher to compare different companies on sustainable actions. The researcher may continue to research on cross-case review and comparison.
Further research could focus on sustainability integration in the fashion industry to measure and quantify the process in mathematical approach will be interesting to analyse. This includes identifying the characteristics of sustainability and creating metrics and indicator for it. And trying to measure and quantify the sustainable integration. This study shows that there are many opportunities in the fashion industry for research. Another suggestion for future research in the context of sustainability in the fashion industry would be how the current business model to reduce the end-user consumption, where we can interview consumers behaviour would be examined through online experiment. This study shows how sustainability integrated in the fashion retail industry.
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Appendix 1

Questioner

1. What do you think about the Fashion industry?
2. How does the fashion industry work at the back end?
3. How would you characterize the fashion industry in terms of sustainability?
4. What is sustainable fashion for you?
5. Do you know any eco brands in fashion?
6. Have you had any experiences with eco-friendly materials?
7. Do you care if the garment is environmentally friendly?
8. Please rank your priorities when purchasing fashion being the most important 5 the least important.
   • price • design • quality • colour • sustainability
9. What would, honestly, make you buy a more sustainable garment rather than an unsustainable products?
10. Whose responsibility is it to be sustainable? Is it the consumers demanding? Or the companies offering it? Or anyone else?
11. If there were a scale rating a product in terms of how environmentally friendly it is, would that be interesting to you?
12. How would you like to receive the information about a garment’s background?
13. How sustainable fashion future would be?

Appendix 2

Standards and Key Achievements

➢ H&M has completed nearly 10,000 safety and security store audits worldwide reaching a compliance level of 88% (SUSTAINABILITY, 2018).
➢ 100% of H&M commercial partners have signed H&M code of ethics (SUSTAINABILITY, 2018).
➢ Today, H&M use 59% of cotton from sustainable sources, and H&M goals to use 100% sustainable sources by 2020 (SUSTAINABILITY, 2018).
➢ During 2017, H&M has collected 17,771 tonnes of textiles through garment collection initiative for reuse and recycling (SUSTAINABILITY, 2018).
➢ Today, around 458 suppliers of H&M have been trained in workplace dialogue programme, and more than 620,000 workers are now represented by elected worker representatives (SUSTAINABILITY, 2018).
➢ H&M have new chemical free vision to lead a change towards a toxic-free fashion future (SUSTAINABILITY, 2018).
➢ H&M has reduced emission from value chain operation by 21%, which takes it further step closer to achieving a climate positive value chain by 2020 (SUSTAINABILITY, 2018).
➢ By 2030, H&M aim to become 100% recycled or other sustainably sourced materials to use (SUSTAINABILITY, 2018).