

SUSTAINABLE DEVELOPMENT AND GREENWASHING: AN ANALYSIS OF SUFFICIENT CONSUMPTION IN THE FASHION INDUSTRY

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Abstract. The article examines how the fashion industry has been exploiting marketing tactics that encourage overconsumption and generate a mass consciousness among consumers, where a person's social status is determined by the clothes and accessories they use. However, these tactics have contributed significantly to global environmental pollution and socio-economic issues. The fashion industry has been driven by profit-first interests that rely on cheap materials, accelerated aging of products, aggressive advertising, and an offshoring strategy that provides cheap labor and low tax rates. It is high time that companies reassess their marketing strategies and focus on sustainable development. The current climate crisis demands that companies make informed decisions and take proactive measures toward sustainability. This article revealed the impact of fast fashion marketing on consumer behavior and the environment, highlighting the need for sustainable fashion practices. The article analyzes the initiatives fashion companies take to incorporate sustainability into their core business strategies, for instance, innovative raw materials, recycling, and repair services. The article examines the practice of greenwashing, where companies make false or exaggerated claims about their environmental efforts to appear more sustainable. The article emphasizes the need for companies to encourage consumers to sufficient consumption to stay sustainable and achieve zero emissions to solve climate problems. Achieving and maintaining consumer well-being and social equity are critical goals in today's global business environment. One strategy for achieving these goals is through sufficient consumption, which involves optimizing resource use and reducing waste. Sufficient consumption can be realized by revaluing personal needs and desires, limiting excessive consumption, and minimizing waste. By adopting a mindful and responsible approach to consumption, consumers and companies can promote social equity and cultivate a sustainable business environment.

Keywords: sustainable development, greenwashing, sufficient consumption, fashion, overconsumption, marketing

JEL Classification: M21, M30, O13, Q20

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Introduction. For a considerable time, the fashion industry has prioritized profit over sustainability. This has resulted in using low-cost materials, cheap labor, innovative manufacturing processes, and aggressive advertising campaigns to drive consumer demand. However, it is increasingly evident that this approach is neither sustainable nor ethical in the long run. The pressing climate crisis necessitates that companies shift their focus toward sustainable development and make informed decisions that consider the influence of their actions on the environment.

Research in consumer behavior has uncovered a positive correlation between the demand for environmentally friendly goods and consumers' trust in eco-friendly brand names [1, 2]. This trend is due to the belief among consumers that eco-friendly products can enhance their quality of life while minimizing environmental damage. However, companies that engage in greenwashing marketing tactics risk damaging their reputation and experiencing a decline in long-term demand for their products. Consumers increasingly prioritize sustainable consumption practices and expect companies to uphold the principles of environmental responsibility.

Literature review. McNeill L.S. et al. [3] found that fashion over-consumers are still mindful of the sustainable impacts of their consumption and are motivated towards reducing that impact despite not reducing their consumption volume.

Wren B. [4] stated that fast fashion brands consistently produce more inventory than they can realistically sell. Wren B. [4] gave facts: H&M and its competitors only sell approximately 60% of their garments without a markdown, and 40% of unsold inventory is usually sent to a landfill; meanwhile, in the world, a garbage truck's worth of clothes is added to landfills every second.

Berg A. et al. [5] explored innovative sustainability initiatives and marketing strategies for fashion industry companies, such as applying organic raw materials and repair services.

Alizadeh et al. [6] proposed a framework to identify greenwashing in the fashion industry. The framework includes three key elements: life cycle assessment, eco-label tools, and social media. These elements can help to expose companies that engage in unfair marketing practices and keep consumers informed.

Garcia-Ortega B. et al. [7] emphasized fast fashion business models have traditionally depended on and actively fostered consumerism, accelerating resource flows with negative impacts that are difficult to balance despite efforts to improve production, logistics, operations, or end-of-life.

Aims. The study aims to analyze the features of the marketing concept of sustainable development, greenwashing, and sufficient consumption in the fashion industry. Critical questions have been formulated for the article to provide a comprehensive analysis:

- 1) What practical ways can fashion companies integrate sustainability into their core business strategies?
- 2) How can these companies promote sustainable consumption practices among their customers?
- 3) How do fast fashion brands use misleading greenwashing tactics in marketing, and how is the European Union fighting greenwashing?

Methodology. The research methods encompass analysis and synthesis, comparative analysis, and systematization, collectively contributing to realizing the intended aims of the article.

Results. The marketing activities of international fast fashion companies, with the support of the entertainment industry, gave rise to the concept of selling not so much a product but an emotion enclosed in a brand identity - an idea, an image of the buyer's dream, embodying freedom of action and success, when the consumer happiness depends on purchases goods and services.

Because of the experience economy, fashion industry companies have formed a mass consciousness among consumers, in which a person's social status is determined by the clothes, shoes, accessories, and other material attributes that consumers use daily.

Fast fashion companies encourage consumer self-expression through the overconsumption of fashion products. For example, companies use such a tool of marketing product policy to provoke overconsumption, as labels with the brand logo on clothes and shoes are an essential element that consumers use to identify with a particular subculture, demonstrating values, beliefs, and convictions.

The global giants of fast fashion, mainly through advertising to teach the overconsumption behavior and propaganda through the media, instill in consumers a lifestyle in which the desire to buy fashion industry products often, a lot, and everywhere plays a central role. These companies realize the buyer's dream - they sell looks from high fashion shows at low prices in the mass markets. Overconsumption is anchored through shopping, for example, as an alternative to going to the theater or museum, a quick cure for depression, a hobby, or a fun adventure with friends.

The fashion industry accounts for around 4% of emissions globally, equivalent to the combined annual GHG emissions of France, Germany, and the United Kingdom [5].

The current climate crisis compels modern companies to reassess their marketing strategies. This requires rejecting the concept of excessive consumption, which causes irreparable harm to both human health and the environment, ultimately leading to the depletion of natural resources.

Fast fashion companies strive to find practical business strategies that can be harnessed to increase production volumes and reduce the negative impact on the environment. Such a business strategy must meet the criteria of marketing ethics and allow consumers to make informed decisions regarding the environmental friendliness of products.

The race for profit growth, the unsustainable activities of companies, and the excessive buyers' desire for a high standard of living through overconsumption have negatively affected the rapid climate change, which has entailed negative consequences for the ecological conditions of life on the planet.

Fashion production is on track to rise 81 percent by 2030, and material innovations and technologies that make manufacturing more efficient aren't progressing fast enough to offset the negative environmental impact, according to Copenhagen-based sustainable fashion forum and advocacy group the Global Fashion Agenda [8].

Environmental and social sustainability issues are important factors that have significantly changed how companies understand how to ensure business profitability.

Sustainable development is a kind of development that satisfies the needs of the

present without compromising the ability of future generations to meet their needs [9, 10].

The response of businesses to the climate change agenda and society's increasing demand for sustainable practices can be classified into two categories: environmentally responsible sustainable business and greenwashing, which represents the opposite. The former demonstrates a genuine commitment to environmentally friendly business practices that align with sustainability principles. At the same time, the latter is a superficial approach lacking substance care for human health and the natural environment.

For example, since 1992, sustainable development in the fashion industry has become an essential concern under the United Nations Conference on Environment and Development (UNCED), also known as the Rio Conference or the Earth Summit.

Mukendi A. [11] defines sustainable fashion as the variety of means by which a fashion item or behavior could be perceived to be more sustainable, including (but not limited to) environmental, social, slow fashion, reuse, recycling, cruelty-free and anti-consumption, and production practices.

For instance, Mango Fashion Company 2023 launched its first denim collection designed with circularity criteria to make the garments more effortless to use and recycle after their useful life, promoting a second life for products [12].

Gucci has incorporated regeneratively grown cotton into its denim collections, showcasing its commitment to sustainable development. Gucci will offer items with a digital product passport by 2024, which will easily trace the product journey from raw materials to production. This passport will provide valuable information about product care and repair services. [13].

ACS Clothing company helps brands and retailers embrace circular business models. It was shortlisted for the Ellen MacArthur Foundation Award for Circular Economy for its efforts to keep clothing in use. ACS Clothing company offers a range of services to its partners, including rental, repair, resale, and fulfillment, to make garments last longer [13].

Hochusobitake [14], a Ukrainian fashion brand, is committed to sustainable development and has adopted slow fashion principles. The company produces high-quality, practical clothing that transcends fashion trends, encouraging customers to reduce their daily consumption. Hochusobitake's eco-tags contain seeds that can be used to grow flowers, showcasing their dedication to the environment. These eco-tags are produced by the Ukrainian Brinjal brand [15] and are in great demand among Ukrainian clothing manufacturers.

Modern consumers are choosing fashion industry companies that prioritize sustainable development. Concerns about climate change, greenhouse gas emissions, animal welfare, and responsible use of natural resources drive this. Additionally, fashion goods are preferred to be produced using renewable energy sources, high-quality materials, and high wear resistance. We have identified a group of fashion buyers who hold a negative or neutral attitude toward the sustainable development of fashion companies.

It is vital to consider the several reasons behind this behavior to gain a comprehensive understanding. Firstly, it is possible that buyers may not fully

comprehend the meaning of sustainable development for a company and its benefits for people and the planet. For a fashion company, it is crucial to communicate clearly and confidently about sustainable development to ensure that buyers understand its importance and the benefits it can bring to all stakeholders. Secondly, companies often provide unclear or contradictory information on social media regarding their sustainable development and the environmental safety of their products. Third, it is evident that public organizations have not been proactive in providing consumers with the necessary information to make informed decisions about the authenticity of sustainability claims made by fashion companies and their greenwashing rivals.

The term "greenwashing" denotes the practice of disseminating false or misleading information regarding their environmental activities by companies through alluring advertising tools. Generally, such information is disseminated to augment sales in the eco-consumer market segment. Specifically, companies claim to be environmentally responsible with the expectation of receiving rewards that create brand loyalty among eco-consumers. However, these companies frequently lack the requisite evidence of their eco-activities to validate their claims.

Nearly 60 percent of sustainability claims made by European fashion giants are essentially greenwashing, according to a 2021 report by environmental campaign group Changing Markets Foundation [8]. According to the US Department of Labor, cotton in the fashion industry is one of Central Asia's most produced goods using forced labor [16, p. 6]. For example, in Turkmenistan, to fulfill government quotas, students and private and public sector workers are forced to harvest cotton without payment and under threat of government penalties [16, p. 6].

Thanks to global free trade agreements, fashion industry companies are actively using the offshoring strategy. They locate production in countries with cheap labor and low tax rates. As soon as labor and environmental legislation begin to improve in such a developing country, the company changes the manufacturing country, production in which will provide for the owner with a low cost of goods, for example, no more than 10% of the company's revenue. The remaining 90% of revenue includes marketing expenses and company profits. For instance, due to rising labor costs, Nike often changed the country of origin in the Asian region, from Japan to South Korea and Taiwan, then China and India.

To combat the issue of greenwashing, the new EU Green Claims Directive mandates that a company's sustainability-related declarations and statements must be specific, supported by evidence, verified by independent bodies, and communicated clearly [17, p.91]. France has already taken the lead by requiring large companies to include carbon labels on all clothing sold in the country, and an amendment to the Waste Framework Directive is calling for Extended Producer Responsibility, which already exists in France and requires companies to finance the collection, sorting, and recycling of textile waste [17, p. 91].

Eco-consumers prefer sufficient consumption and condemn greenwashing companies for false environmental claims and encouraging mindless buying behavior in fast fashion.

Sufficient consumption means ensuring a stable level of consumer well-being and fighting social inequalities by revaluing the potential of personal needs, avoiding

excessive consumption for the optimal use of resources, and reducing waste.

Consumers use fashion as a new way of socio-cultural self-expression and individualization of their appearance through apparel, shoes, jewelry, hairstyles, makeup, etc. This approach towards fashion often results in excessive consumption.

Fashion industry companies use a wide range of marketing tools to increase demand for their products in the mass market, jutting out into conflict with the declared statements about their sustainable development strategies. In addition to creating rapidly changing fashion trends, companies are working diligently to shorten the life cycle of fashion goods, reducing them to less wear-resistant, and launching intrusive advertising in the mass media, which is inherently propaganda and aims to set the tone for social demands for the consumer's appearance.

One must admit that in conditions of digitalization, customers have a wide possibility for quick online choices and the purchase of goods. Such behavior leads to overconsumption in the fashion industry market. For instance, Instagram has become a dominant platform in the fashion industry for influencing consumers' purchasing decisions through advertising, recommendations, and social influence. In 2019, a survey commissioned by Facebook [18] revealed that many Instagram users rely on the platform to discover new products and services. Specifically, 83% of users found new products on Instagram, while 81% used it to search for different products and services [18]. Notably, 80% of users made purchasing decisions based on the content they encountered on Instagram [18]. Advertisers on this platform rely on the ability to grab the attention of potential buyers and inspire them to make quick purchases. Instagram's algorithms play a crucial role in identifying and recommending content to potential buyers based on their past preferences or products that have captured the interest of their friends. Sharing images and opinions about products on Instagram can lead to overconsumption, as consumers may be inclined to follow the majority and engage in demonstrative behavior. The platform's promotion of beautiful images and ideas about a socially popular way of life can further strengthen consumers' desire to purchase goods frequently. To speed up the purchase decision, Instagram offers convenient and friendly shopping services through posts, messages, or special sales, which shape unconscious excessive consumption behavior. However, such a socioeconomic basis of customer behavior in the fashion industry cannot be favorable for the development of sustainable consumption.

Customers often perceive fast fashion clothing as disposable and not intended for long-term use. Such behavior leads to negative overconsumption of apparel. Fast fashion clothing is usually discarded in landfills because it is unnecessary, unfashionable, and takes up a lot of space in the house. Customers must recognize the negative impact of fast fashion on the environment and make more sustainable choices.

The depth of the problem of sustainable fashion lies in the essence of fashion. After all, fashion is always a problem for the fulfillment of sustainable consumption because of the short period of use and storage of things and the rapid appearance of new seasonal trends in the market. For instance, sustainable fashion goods mean durability, long-term use of apparel, and its ability to be mended. It is worth highlighting the essential features of sustainable fashion, such as the slowness of changing fashion trends, the peculiarities of classic styles, and the use of eco-friendly raw materials for fashion goods

manufacture. The primary purpose of ecological clothing is to minimize the negative impact on human health and the environment throughout the entire life cycle of fashion goods, from their creation to material recycling.

LASKA [19] is a charitable project to transform Kyiv's cultural landscape and solve environmental problems by encouraging conscious sufficient consumption. The project is focused on building a community of people who believe in giving apparel a second life and supporting the idea of sufficient consumption in the fashion industry. LASKA has been sorting donated clothing that people no longer use for 12 years, and around 70% of this apparel has been donated to social institutions, such as orphanages, centers for people with disabilities, homes for older people, and internally displaced persons [19]. The remaining clothes are sold in two LASKA stores, while any textile waste is disposed of responsibly. The project's founders and managers are convinced that every individual possesses the potential to make a positive impact toward a better world. They believe that overconsumption and environmental issues within the fashion industry can be addressed by donating clothing. The customer behavior of donating contributes to a sustainable planet and promotes a culture of responsible, sufficient consumption.

Companies in the fashion industry in the mass market apply the marketing strategy of fast production of wide assortments of fashion goods at a low price. This marketing strategy allows companies to develop the functioning of their production capacity, creating an abundance of inexpensive fashion apparel. On the other hand, affordable fashion apparel is non-durable, up to 7-10 using times and washing cycles, and therefore cast away faster, bringing about overconsumption and safe waste disposal issues.

To create the perception and attitude that clothing is disposable, fast fashion marketing strategies encourage consumers to create various looks through ready-made images posted on social media platforms such as Pinterest and Instagram. As a result, the lifecycle of clothing, footwear, and accessories is typically reduced to one year. This, in combination with the driving force of a growing global population, is significantly increasing the amount of waste from fast fashion goods consumption.

Manufacturers overemphasize shortening the life cycle of fashion products in their marketing strategies. For this reason, manufacturers of mass-market shoes claim to use high-quality eco-leather or even natural leather. However, to shorten the life of the shoes, manufacturers specifically make the sole out of low-quality synthetic material.

Natural fibers of plant origin, such as cotton, hemp, or protein-type fibers, e.g., wool or silk, have started to regain territory in the sustainable fashion industry [20]. However, it is crucial to understand that these kinds of fabrics are not exempt from the negative impacts on the environment, especially in the context of extensive land use and landfills, use of fertilizer, associated greenhouse gas emissions, soil degradation, and others [21].

Garcia-Ortega B. et al. [7] revealed three marketing strategies for companies promoting sufficient consumption of fashion goods: design for durability, alternative product/service systems, and fair promotion and information.

In contradistinction to greenwashing, ethical marketing strategies in the fashion industry encourage consumers to think about the pros of sustainable and sufficient consumption. For example, shoe stores can collaborate with shoe repair companies and

recommend their services to buyers to increase the durability of purchased shoes.

By adopting a conscientious and responsible consumption approach, consumers and companies can promote social equity and cultivate a sustainable business environment. Recognizing that such an approach can yield significant benefits for the immediate stakeholders, the wider community, and the environment is crucial.

Discussion. The fast fashion industry companies must acknowledge the pressing need to address climate challenges, the scarcity of natural non-renewable resources, particularly energy resources, and the associated implications. Instead of relying on consumer preference shifts, fashion industry entities must actively take ownership of ensuring responsible and sufficient consumption while simultaneously considering the environmental impact of their actions.

To achieve this, comprehensive resource management approaches that prioritize sustainability, innovation, and efficiency must be implemented, while marketing communication strategies should be enhanced to manage sufficient consumption effectively.

Failure to enforce such an approach and the misuse of greenwashing will have significant negative consequences for the environment and the long-term viability of fashion industry companies.

Conclusions. Our research identifies key areas that fashion industry companies should prioritize to achieve sustainable development, decrease overconsumption, and encourage sufficient consumption. These findings provide valuable insights for stakeholders interested in addressing the challenges faced by the industry. Our research promotes environmental and social responsibility in the fashion industry.

New challenges for fashion companies related to sustainable development and governments forcing companies to make net zero emissions to solve climate problems are on the agenda. For fashion companies, a focus on the consumer with sufficient consumption and avoiding greenwashing is ultimately inevitable. Companies will be forced to reconsider their marketing strategies and focus on forming consumer behavior as thrifty and sufficient consumption to replace overconsumption related to the consumption of symbols through brand management.

One way for companies to maximize their potential is by embracing sustainable and ethical practices. By prioritizing the durability of materials, exploring alternative product and service recycling and repair systems, and promoting their offerings fairly and transparently through marketing tools, companies can build a positive reputation and ensure long-term success.

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