Marketing Research Project

MKTG8005 – Applied Marketing Research

Assessment 2 – Part 2

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Clothing is one of the most important aspects of humanity along with food and energy. However, there is a lot of negligence from the general audience towards the awareness of the fashion industry as a major environmental problem. The reason for this lack of awareness can be the fact that the fashion industry is a 2.4 trillion-dollar industry and has 300 million employees all over the globe (Adamkiewicz et al., 2022).

On the other hand, the clothing industry contributes to 2 to 8 percent of the world's greenhouse gas emission, 20 percent of the total wastewater and 9 percent of the microplastic losses to the ocean annually. Due to the concept of "fast fashion", up to 37 kilogram of cloth per consumer is used in North America, 27 kilogram per consumer in Australia and 22 kilogram per consumer in Western Europe (Adamkiewicz et al., 2022). 100 billion dollars lost due to underutilization and lack of recycling. Through the tremendous impact caused to the environment, the fashion industry was pushed to adapt the ways of working towards sustainable fashion.

Sustainable fashion is defined as a brand which not only manufactures garments by reducing the impact on the environment but also ethical by considering the employees who work to manufacture these garments (Marshall, 2022). But being sustainable creates more overheads which can lead to lesser profit margins. Hence, in the current market, either the consumers must have a will to pay more as compared to fast fashion or they should stop buying from the brands which promote fast fashion to make a change.

The working model of sustainable fashion can be broken down into four categories. These are as follows:

Ethical fashion:

It covers the fair-trade practices in the production of clothing. Ethical fashion focuses on a moralistic approach where no human beings or animals are hurt during production.

Circular Fashion:

This model advocates that every product should be circulated within society as long as possible which means it encourages people to wear second-hand clothes. However, the challenge that arises here is that the people are less enthusiastic about the circular fashion due to poor quality or sanitation.

Slow Fashion:

Slow fashion is the opposite approach of fast fashion. This includes considering the long-term view of the products by sharing or renting which can help the product last longer.

Conscious Fashion:

Conscious fashion is a method to spread awareness to the consumer about the environmental hazard caused through textile waste and encourage them to buy eco-friendly clothes.

Current market of sustainable fashion in Australia:

The overall market value for women's apparel is twice that of the market for men's apparel. As per 2021 study, About AU$9.2 billion was spent on women's apparel where as AU$4.2 billion was spent on men's apparel (New Zealand Trade and Enterprise, 2022). The market projection suggests progressing at a CAGR of 3.27% for women's apparel and 3.18% for men's apparel from the year 2021 to 2026 (New Zealand Trade and Enterprise, 2022).

On the other hand, due to the concerns raised because of climate change and the impact caused by the fast fashion industries, there is an increasing demand for the sustainable fashion too. For women's apparel, the sustainable fashion had a 5.7 percent share of revenue in the year 2021 and it is expected to grow to 8.23 percent by the year 2026 (New Zealand Trade and Enterprise, 2022). For men's apparel, the sustainable fashion had a 4.7 percent share of revenue in the year 2021 and it is expected to grow to 6.8 percent by the year 2026 (New Zealand Trade and Enterprise, 2022).

Conscious fashion is substantially growing in Australia due to the negative social and environmental impact caused by the fast fashion industries (Statista Research Department, 2023). Many Australians are choosing more eco-friendly alternatives to make a purchase of clothing like thrifting. Over 50 percent of consumers in Australia have made their choices which are against fast fashion industries which is helping to save thousands of tons of textile waste every year (Statista Research Department, 2023). Furthermore, in the case of circular fashion, the online platform for second hand and homemade clothing called **Depop**, is getting more and more popular in Australia. Reports suggest that more than 90 percent of the Australian Depop users mentioned that shopping from Depop had put a stopper for them to purchase brand new products (Statista Research Department, 2023).

Leading brands which are also fast fashion giants are catering the conscious customers. H&M has come up with a 'conscious' collection which uses green machine technology to perform the separation and recycle their products at a larger scale. According to the company's reports, the share of the recycled materials in their clothes was tripled from 5.8 percent to 17.9% in 2021 (Sustainability Victoria, 2022). This made H&M one of the highest ranked fashion organizations in the 2021 Fashion Transparency Index.

Nobody Denim brand from Victoria state offers to repair its customers jeans which are purchased within 12 months.

Qualitative analysis Research:

Problem statement: EcoSustain Clothing has initiated an investigation into understanding the factors that create an impact on the consumers' preferences and identify the optimal ways of marketing their products and operations.

Research Questions:

The following are an example of some of the questions asked to the interviewees to understand their perspectives towards sustainable fashion related to cost, design trends, environmental impact, social impact, and the importance of transparency of the clothing companies with their ethics and operations.

1. What factors influence you to buy sustainable clothing?
2. What impact do you think sustainable fashion can have on the environment and society?
3. How do you educate yourself about sustainable fashion?
4. Are you willing to pay more to choose sustainable garments?
5. How transparent should the clothing companies be with their operations with their customers?

Research Objectives:

1. To understand the perceptions of the bachelor, master student and graduates towards sustainable fashion.
2. To understand the impact of cost in the case of buying clothing products.
3. To understand the social influence of celebrities/influencers for awareness of sustainable fashion.
4. To understand the conscious fashion among young consumers.

Qualitative study:

The sample size for the response of the qualitative research questions is 6 and the technique of qualitative research is **semi-structured interview**. The audience were from various occupation backgrounds including students to working graduates.

As per the response generated from the interviewees by the questionnaire provided, the students were willing to buy sustainable garments by considering the negative impact on the environment by the fast fashion industries. They are willing to promote the practice of following the trend of buying sustainable garments with their social groups. However, the common problem arises with the additional cost attached to the sustainable garments when compared to the fast fashion clothing cost. The reason behind this can be that many students may not have the financial means to purchase sustainable clothing on a regular basis and the fast fashion garments are easily available at a competitive price. In conclusion, this helps the students to follow the fashion trends in a much simpler way.

In the case of interviewees who are working professionals, the responses recorded were varied. This is due to the different professions of the interviewees. For instance, the interviewee working with a business organization had a similar perspective as the students mentioned above with the factor that they do consider choosing the sustainable product over fast fashion products as they are financially better, and they do take the global textile waste generated into consideration.

Another example is where the interviewee is an artist who is self-employed. In this case, the artist needs to have a good impression hence considers the design of the product. This can cause a negative impact on the sustainable garment as the fast fashion products usually follow the design trends. The artist also considers the cost of the product for their benefit. But when the artist was given a scenario where the sustainable product was equally fashionable at a competitive price, the views change as the artist chose sustainable.

Lastly, in the case where the interviewee was an artist manager who works in an organization which heavily uses social media as a medium of their operation, the interviewee was not only ready to choose sustainable garments over fast fashion but also actively promote this practice by spreading awareness through social media. There were multiple ideas by the interviewee for the organization itself to use social media as a medium (E.g., signing a contract with influencers) to understand the benefits of using sustainable garments and spreading awareness for the impact caused on the environment.

Research model:

After finding the common areas through the qualitative research interviews, the research model can be given as follows:
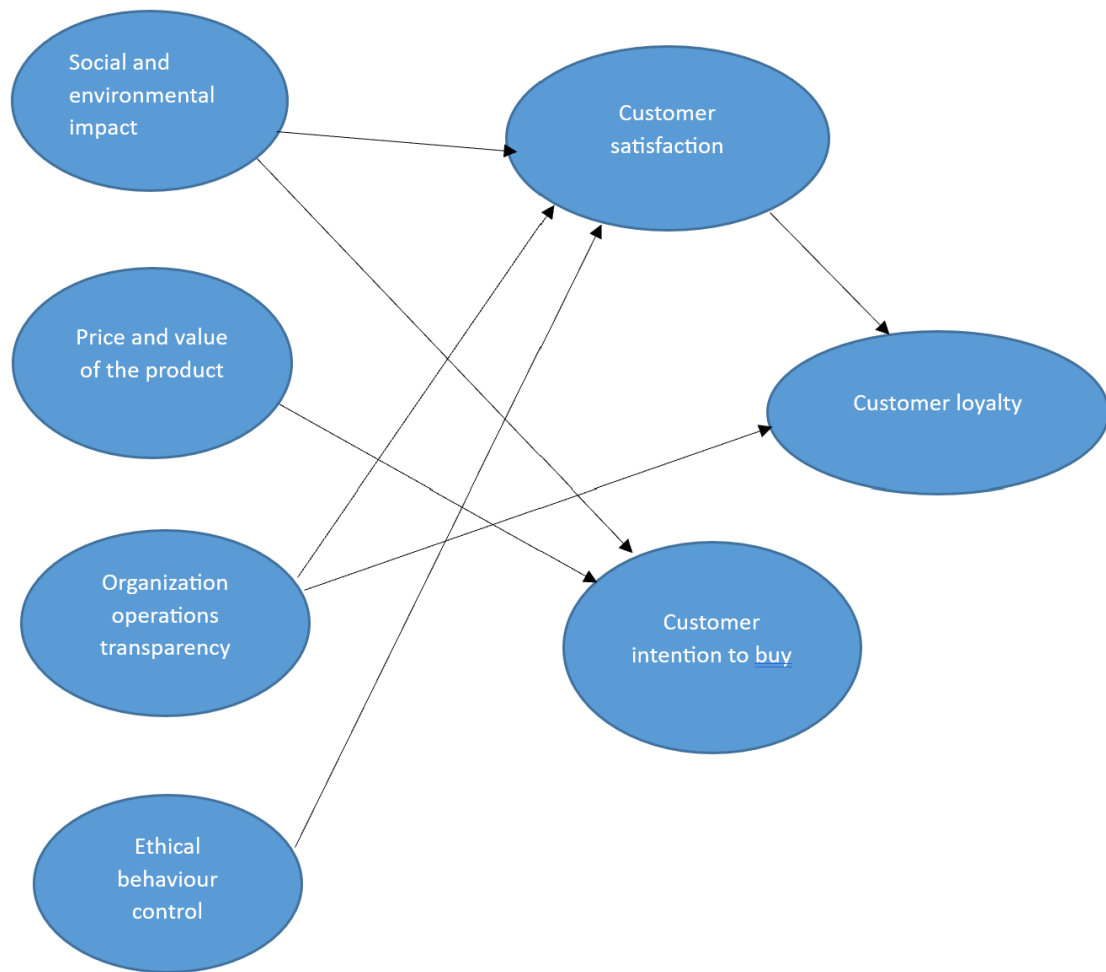
Recommendations:

The major barriers that the audience faces while shopping for sustainable garments when compared to fast fashion are the design of the sustainable garments. Hence, the organization can focus on a continual improvement of the design of the garments to compete with the fast fashion to change the perspective of the consumers.

The organizations can also work on spreading the awareness of social, environmental and ethical impact through various platforms to make a revolution for obtaining the process of customers preferring sustainable fashion.

Quantitative Analysis Research:

Research model: As per the qualitative research model, the customers' intention to buy relies on the cost of the product and the environmental impact caused during the process of manufacturing the product. The customers' satisfaction with the brand depends on how transparent the organization is and how ethical behavior is at the operations of the clothing company.

Hence, for this research model, the dependent variables are customers' satisfaction and the customers' intention to buy the sustainable product. The independent variables can include the other aspects which can impact these dependent variables as mentioned above. The measure applied here is operational.

Designing the survey:

As the target participants were students and working graduates, the purpose of the survey is targeted towards the age of 18-30. There is a condition where the survey would skip to end if the age of the participant does not belong to the age group mentioned above.

Conclusion:

After the in-depth review of the participants through the qualitative research, the findings state that one of the major factors that impact the customers buying sustainable products is the higher cost which is attached to the products. Another major concern that is especially put out by the youth is the challenge for them to cope with the continual change in the design trends.

Hence, due to the emerging technology, the cost of the sustainable products can be lowered to compete with the fast fashion which can help in generating better sales.

References:

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