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#### **BEING FASHION WITH A PURPOSE: EXPLORING CONSUMERS'** WILLINGNESS TO PAY FOR SUSTAINABLE FASHION

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#### ABSTRACT

Our daily lives are significantly influenced by the fashion industry, which shapes our identities and reflects our social and cultural values. However, the conventional fashion sector has been linked to numerous social and environmental problems, raising concerns about its sustainability. The detrimental environmental effects of fast fashion have increased the demand for other strategies that promote sustainability without sacrificing style and customer preferences. As a result, sustainable fashion has become a promising response to these problems. This research analyses consumers' willingness to pay for sustainable fashion, acknowledging the important role of brand coolness and sustainability perception in influencing consumers' decisions. Study findings demonstrate a shift toward more responsible consumption patterns within the fashion sector, which can lead to a more responsible future where fashion and sustainability coexist.

#### Introduction

In recent years, sustainable fashion has grown in popularity and usage within the fashion industry. In reality, the concept of sustainable fashion has been in use since the 1990s. Still, its progress and recognition have accelerated significantly since 2009 with the launch of the first sustainability program, which had the goal of inspiring fashion firms to produce long-lasting items that facilitate fiber deconstruction and recyclability (Gazzola, et al., 2020). This initiative resulted in a report guide that stated the Seven Priority Actions for achieving greater sustainability within the industry, placing particular emphasis on the significance of supply chain traceability, resource conservation, worker safety and wellbeing, sustainable material use, circular fashion systems, fair wage systems, and digital innovation (Gazzola, et al., 2020). Fashion companies were then encouraged to collaborate with governments to develop more efficient circular systems and cutting-edge technology that can convert textile waste into high-quality fibers, while retailers were driven to increase the availability of secondhand clothes collections (Gazzola, et al., 2020).

Currently, many celebrities have already committed to ethical fashion and public statements about the value of sustainable clothing and how it aligns with their own beliefs, which helps increase the awareness of this matter (Khan et al., 2022b) and brings an already noticeable shift in consumer attitudes toward sustainability. This increasing awareness about environmental issues, along with the influence of social movements, brand coolness,

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and conscious consumerism, has led to a growing demand for sustainable products. Consumers increasingly seek brands that align with their values and offer eco-friendly alternatives. Companies are pressured by stakeholders to adopt sustainability as a core value.

This study examines the relationship between sustainability, green marketing, brand coolness, and consumers' willingness to pay in the fashion industry context. It highlights the importance of integrating social, economic, and environmental factors into business models to achieve sustainability. Furthermore, it also emphasizes the challenges faced by the fashion industry in terms of environmental and social sustainability and the emergence of slow fashion as an alternative. By understanding these dynamics, businesses can work toward a more sustainable fashion sector that meets the needs of both consumers and the environment. Additionally, it aims to understand people's points of view and what they are currently doing regarding sustainability. It is known that the majority of consumers are aware of the effect the fashion industry has on the environment, but it is essential also to understand whether they will actually purchase the ethical products already available in the market at specific price premiums. The study will be conducted by the following research questions:

RQ1: Consumers' perception of sustainability positively influences their willingness to pay for sustainable fashion.

RQ2: The relationship between consumers' perception of sustainability and their willingness to pay for sustainable fashion is mediated by brand coolness.

RQ3: There is a relationship between vegan versus non-vegan scenarios and brand coolness.

# **Theoretical background**

The increasing demand for natural resources, mainly due to the industrialization of populous countries like China and India, has led to a critical need for sustainability with supplies declining, and rising prices for resources such as oil, gas, coal, and water have become more apparent (Ottman et al., 2006). While some firms have been hesitant to adopt cleaner and more efficient business practices, others are embracing this innovation as a means of gaining a competitive edge through the development of new green products and technologies in the twenty-first century (Ottman et al., 2006)

According to Jung and Jin (2016b), the current fashion industry model involves more fashion seasons and reduced lead time to stay current with trends and satisfy customer demand expeditiously, as a result, the production pace has accelerated significantly, with a timeframe of just a few weeks from the initial design to the distribution of final products to retail stores. Designed for widespread distribution, consumption, and sales growth, fast fashion products are priced at affordable levels and rapidly brought to market (Fletcher, 2010). These products capitalize on the consumer's desire for new and trendy styles, frequently emulating designs from luxury labels or catwalk shows and introducing new styles into stores every few weeks so the fast fashion industry can maximize profits by leveraging economies of scale, minimizing costs, and continuously expanding its sales volume (Fletcher, 2010). This core concept of fast fashion is employed by several well-known global retailers such as ZARA, H&M, and Forever 21, enabling them to stay current with trends and offer a diverse range of products to their consumer masses promptly (Jung & Jin, 2016b).

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Green marketing aims to promote the importance of protecting the environment to consumers during consumption and create environmental benefits through consumer awareness. Previous research conducted by notable marketing scholars has recognized the advantages of green marketing, such as providing eco-benefits, competitive advantages, increasing awareness of environmental issues, promoting corporate social responsibility, ensuring sustainable long-term growth with profitability, and encouraging energy efficiency or recyclability (Nekmahmud, 2020). It is common in business to refer to products as "green" or "environmentally friendly" if they aim to preserve or improve the natural environment by minimizing energy and resource consumption and reducing or eliminating the use of hazardous substances, pollution, and waste, but the truth is that no product has a completely zero impact on the environment (Ottman et al., 2006d)

Sustainable fashion refers to the practice of producing and consuming clothing in an environmentally and socially responsible manner. It aims to minimize the fashion industry's negative impact on the environment, promote ethical labor practices, and address social issues related to the production and disposal of clothing. In recent years, there has been a growing global awareness of sustainability issues, leading to an increased interest in sustainable fashion among consumers. The context of this study is to understand consumers' willingness to pay for sustainable fashion and whether they have environmental concerns and are willing to pay for such products, leading to the following hypotheses:

Hypothesis 1: The effects of vegan versus non-vegan items are mediated by brand coolness so that consumers reveal a higher willingness to pay for sustainable items.

Hypothesis 2: The effects of vegan versus non-vegan items are moderated by sustainable fashion so that consumers reveal a higher willingness to pay for sustainable items.

# Methodology

A survey was conducted, where respondents were presented with a stimulus that consisted of one image of a pair of Gucci vegan leather sneakers. For these stimuli, the same image was used for all the respondents to avoid bias. Although it showed the same sneakers, to differentiate the two images and to emphasize the product's sustainability, a "vegan leather" stamp was created and used in only one of the images. One of these images was shown to consumers randomly when they started the questionnaire to understand whether the "vegan leather" stamp would influence their answers to the following questions regarding sustainable fashion. In total, there were 47 questions. All items were retrieved from existing literature together with the scales and modified for suitability. Also, because the respondents were already familiar with this type of scale, the scale chosen to measure all the constructs was a five-point Likert scale that ranges between 1 = "strongly disagree" and 5 = "strongly agree."

This study proved the veracity of the first research question, RQ1: Consumers' perception of sustainability positively influences their willingness to pay for sustainable fashion, since consumers' perceptions of sustainability as a fundamental quality of fashion products have a significant and favorable impact on their willingness to pay more for sustainable clothing. This conclusion highlights the growing significance of sustainability as a deciding element in customers' purchase choices and demonstrates a movement toward morally and environmentally responsible consumption.

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Regarding the second research question, RQ2: The relationship between consumers' perception of sustainability and their willingness to pay for sustainable fashion is mediated by brand coolness, this mediation role of brand coolness has emerged as a pivotal link in the relationship outlined in RQ2. Brands that successfully marry sustainability with a captivating and trendsetting image serve as bridges between consumers' conscious choices and their actual purchasing decisions. This research highlights the strategic significance of brand perception in driving the consumer's willingness to pay for sustainable fashion, thus offering a pathway for fashion brands to position themselves effectively in this evolving landscape.

Lastly, concerning the third research question, RQ3: There is a relationship between vegan versus non-vegan scenarios and brand coolness, this research showed a clear link between the vegan versus non-vegan situation and brand coolness. Customers more frequently rated sustainable, vegan clothing selections as being cool. This association highlights how consumer preferences are changing, with sustainability emerging as a key characteristic of a brand's appeal.

# **Conclusion and future outlook**

Our research makes several notable contributions to the body of knowledge already existing in the field of sustainable fashion by providing empirical insights into consumer's willingness to pay for sustainable fashion products. The study enhances our understanding of how different dimensions of sustainability, such as recycled fashion, organic fashion, and ethical labor practices, impact consumer perceptions and preferences. By bridging the domains of sustainability, marketing, and fashion, this research fosters a comprehensive understanding of the forces that shape the fashion business. Academics can draw on this interdisciplinary approach to develop comprehensive models that examine the interplay between consumer behavior, branding, and sustainability while also considering the role of brand coolness. Regarding the integration of Green Marketing and Brand Coolness, this study emphasizes the value and importance of successful Green Marketing techniques and Brand Coolness in promoting Sustainable Fashion. It advances our comprehension of how these factors can improve consumer perceptions of sustainable products and influence their willingness to pay higher prices.

Additionally, this study advances knowledge of consumer behavior and decision-making processes by examining customers' willingness to pay for sustainable fashion. It offers insights into how sustainability considerations intersect with other factors, such as brand perception and personal values, and provides insight into how consumer perceptions of fashion sustainability are changing. It serves as a starting point for more investigation into how consumer tastes and behaviors change in response to environmental concerns.

While this study employed statistical analysis to conclude questionnaire data, it is essential to note that alternative research methods can offer additional insights. Future research might use qualitative techniques such as focus groups and interviews to provide a more indepth understanding and gather qualitative insights from participants.

Moreover, future research studies could also consider introducing additional variables, such as purchase intention and brand love, to enrich the analysis. Additionally, while this study primarily focused on sustainable fashion, it would be worthwhile to extend its scope to various other product categories, such as green furniture or eco-friendly makeup products, to assess the generalizability of the findings.

Keywords: Sustainability; Fashion, Green marketing, Brand coolness, Willingness to pay

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