

# The Influence of Consumer Expectations on Fashion Brands' Journey Towards Sustainability - An Analysis of Identity, Operations, and Knowledge Shifts

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## Abstract

*Sustainability in fashion has become a critical issue as consumer expectations evolve, pressuring fashion brands to adapt. While there is a growing awareness of sustainable practices, a gap remains between consumer attitudes and actual purchasing behavior. This thesis explores the relationship between consumer expectations and fashion brands' sustainability efforts, focusing on brand identity, operational strategies, and knowledge management. The study employs a qualitative approach, using the Identity-Practice-Knowledge (IPK) model as a deductive framework and analyzing data from semi-structured interviews with representatives from five fashion brands. Findings reveal that while brands are increasingly integrating sustainable practices, challenges remain in aligning these efforts with consumer expectations. This research provides valuable insights into how consumer demands shape brand strategies, contributing to a more sustainable future for the fashion industry.*

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## Keywords

Sustainable Fashion, Consumer Expectations, Fashion Industry Sustainability, Brand Identity Transformation, Operational Sustainability, Identity-Practice-Knowledge (IPK) Model, Environmental Responsibility in Fashion

## 1. INTRODUCTION

Sustainability has become a focus point in both academics and industry, particularly since the late 1980s, when the global community recognized the crucial need of preserving natural resources and fostering sustainable development (Ray & Nayak, 2023). The fashion industry, acknowledged as a major contributor to environmental harm, has faced increasing scrutiny and a growing call for sustainability practices. This shift has necessitated significant organizational changes within fashion firms, as they adapt to evolving consumer expectations and regulatory pressures. Companies are being forced to reevaluate their traditional business models, integrating sustainable practices across all levels of operation, from supply chain management to product design. These changes often require a fundamental restructuring of internal processes and corporate strategies to align with the growing demand for transparency, ethical production, and environmental stewardship. The concept of sustainable fashion first evolved in the 1960s, when customers became more aware of the fashion industry's environmental impact, prompting a desire to change clothes manufacturing techniques (S. Jung & Jin, 2014; Mandarić et al., 2022). Initially regarded with suspicion, the notion of sustainable fashion began to evolve during anti-fur movements in the 1980s and 1990s. Over time, the idea of sustainability has evolved to include not only environmental concerns, but also fair labor practices and sustainable economic models (Henninger, 2015; Mandarić et al., 2022). Furthermore, it now incorporates the use of organic and eco-friendly products, along with improvements in certifications and product traceability (Mandarić et al., 2022).

Research by Pereira et al., 2021 emphasizes the significant role of consumer behavior in shaping the sustainability agenda within the fashion industry, highlighting that despite a general awareness and concern for sustainability, actual consumer practices are varied, with barriers like lack of education, information, and transparency influencing their decisions. While many consumers express a desire for brands that prioritize ethical production and environmental responsibility, these intentions do not always translate into consistent purchasing behaviour. This shift is changing the conversation around sustainability in fashion, forcing brands to rethink their environmental impact and adapt to evolving numerous driving forces to sustainability, for example, consumer preferences, regulatory pressures, brand reputation, and many others (Pereira et al., 2021). However, transitioning to sustainability presents challenges for fashion brands. They must integrate eco-friendly practices while maintaining brand identity and competitiveness (Pereira et al., 2021; Shafie et al., 2021). In the fashion industry, responses to sustainability pressures are notably varied, reflecting the sector's diverse market dynamics and consumer base. High-end brands, for instance, are increasingly embedding sustainability into their core values, with some luxury houses committing to zero waste and carbon neutrality, showcasing a shift towards more sustainable materials and production methods (J. Jung et al., 2020; Pereira et al., 2021). Meanwhile, fast fashion retailers are focusing on initiatives like recycling programs and the use of organic

materials, though these efforts sometimes face scrutiny regarding their depth and impact (Pereira et al., 2021).

Furthermore, it is essential to comprehend the roles that individuals play, the habits they follow, and the many perspectives managers and staff have on putting sustainability into practice. Understanding these dynamics is crucial for developing effective strategies that align with both environmental and social sustainability goals. The process of solving problems that leads to the creation of organizational sustainability practices may be aided by teamwork. Collaborative efforts within teams foster innovative solutions and ensure that sustainability initiatives are well-integrated into the organization's daily operations. Conversely, businesses that try to use long-term, top-down transformations often face problem and resistance, as these changes may not resonate with the practical realities of day-to-day activities and poorly managed top-down sustainable change might result in organizational collapse (Patora-Wysocka & Sułkowski, 2019). Therefore, fostering a bottom-up approach through teamwork can lead to more coherent and sustainable practices. This highlights the critical need for careful management and alignment of sustainability initiatives within organizations.

This thesis explores the complex interplay between customer expectations and organizational change within fashion firms, with a particular focus on sustainability. Moreover, this research will use the Identity-Practice-Knowledge (I-P-K) model, developed by (Kump, 2019), to systematically assess the impact of consumer demands on sustainable transformations within fashion firms. The IPK model describes how an organization's practices, knowledge, and identity can become misaligned during times of radical change, as well as the tensions that may arise, hurting both the organization and its members (Kump, 2019).

Building on this framework, it is important to understand how these misalignments and tensions can be managed through incremental changes within the organization. According to (Patora-Wysocka & Sułkowski, 2019), sustainability in the fashion industry is often implemented through incremental organizational changes that embed sustainable practices in everyday operational routines. These changes are crucial for adapting brand identity and operational processes to integrate sustainability authentically and effectively. The study highlights that while many firms emphasize operational shifts towards sustainability, the real challenge lies in aligning these changes with the brand's established identity and expanding the firm's knowledge base to include sustainability deeply and genuinely. This alignment is pivotal as inconsistencies between a brand's identity and its sustainability initiatives can complicate the transition, requiring not only the adoption of new practices but a fundamental rethinking of core principles and identity to fill existing knowledge gaps (Patora-Wysocka & Sułkowski, 2019). This viewpoint emphasizes that in order to achieve true sustainability in the fashion industry, a comprehensive strategy that takes into account both obvious and subtle changes within organizational structures and cultures is required.

In this context, the IPK model provides a valuable framework for understanding how organizations can navigate these complexities. Bertola & Colombi (2024) offer a more comprehensive viewpoint by examining the parallel development of organizational structures, product innovation, and societal changes aimed at promoting

sustainability in the fashion industry. Their analysis emphasizes how crucial it is to comprehend these interrelated elements in order to completely comprehend the dynamics of sustainability in the fashion industry.

Research in the fashion sector, including (Busalim et al., 2022) and (Mandarić et al., 2022), shows significant changes in operational processes due to market demands and regulatory pressures. For instance, (Mandarić et al., 2022) examine sustainable industry trends, however there is a lack of specific analysis on how these practices are incorporated across brand operations.

Similarly, another study emphasizes that while consumer pressure for sustainability is well-documented, there is little research on how this pressure reshapes brand identity and operational strategy, which is critical for understanding the true impact of sustainability activities. (Y. J. Jung & Kim, 2023).

Existing literature largely focuses on immediate marketing responses to consumer demands rather than on deeper, systemic changes in organizational behavior and strategy within the fashion industry (Bick et al., 2018). There is a significant understanding gap in how consumer forces transform the essential components of fashion brands towards sustainability (Mandarić et al., 2022).

**This study is based on one primary research question:  
RQ: How do consumer expectations influence the identity, operational, and knowledge shifts within fashion brands as they transition towards sustainability?**

The primary objective of this thesis is to investigate how customer expectations influence fashion firms' sustainability efforts, with a specific focus on transformations in brand identities, operational strategies, and knowledge management. Although the widely recognized relevance of sustainability in the fashion business, as well as the crucial role of customer expectation, there is still a gap between public awareness and actual execution. Identified barriers, such as a lack of education, limited information flow, and transparency deficits, stop consumer decisions to adopt sustainable behaviors (Pereira et al., 2021).

This study will apply the (IPK) model developed by Kump (2019), to explore the potential inconsistencies at the interfaces of practice, knowledge, and identity that arise as fashion companies respond to increased requirements for sustainable operations. Specifically, it will look into how these inconsistencies show in the redefinition of brand identities, the adaptation of operational processes, and the evolution of organizational knowledge in the context of sustainability. Theoretically, this research aims to contribute the understanding of how consumer expectations lead systemic changes within different organizations, extending the implementation of the IPK model to the fashion industry. Practically, the findings are expected to provide insights for fashion brands on aligning their practices with consumer demands, thereby enhancing their sustainability efforts and competitive positioning.

## 2. THEORETICAL BACKGROUND

### 2.1 Sustainable Fashion

Fast fashion's rise has significantly worsened social and environmental conditions. The current worldwide production methods involve high impact chemicals, create hazardous waste, and violate animal welfare in addition to significantly increasing air pollution and water contamination (Boström & Micheletti, 2016; Hoffman, 2021). As a result, fast fashion is crucial to the global public conversation on water scarcity and climate change. In addition, a number of social injustices have been documented, including inadequate pay, child labor, verbal and physical abuse, and unfavorable working conditions. The industry is generally linked to unsustainable developments, excessive consumption, careless throwaway culture, and a lack of transparency (Hofmann et al., 2022). In addition, Clothing's life cycle stages hurt the environment since they consume energy, chemicals, and water. With the example of a cotton T-shirt, because to its vulnerability to insect infestations, cotton production is projected to require 10% of the yearly global usage of all synthetic pesticides (S. Jung & Jin, 2014).

The main feature of sustainable fashion is to have a balanced approach to both fashion consumption and manufacturing. Sustainable fashion refers to efforts to minimize the fashion industry's adverse environmental and social impacts (Peleg Mizrahi & Tal, 2022). Sustainable fashion seeks to minimize the negative environmental impact of clothing production and consumption by promoting practices that are environmentally sound, socially equitable, and economically viable. This includes the use of eco-friendly materials, reducing waste through recycling and upcycling, and ensuring fair labour practices throughout the supply chain. Sustainable fashion also emphasizes the longevity of products, encouraging consumers to buy less but higher-quality clothing that lasts longer, reducing the overall demand for fast fashion items. According to studies, sustainable fashion production increases the quality of life of fashion workers by lowering time pressure during the production process (Busalim et al., 2022).

Two facets of fashion - its role as a sophisticated manifestation of modern culture and as one of the oldest and most impactful manufacturing sectors- are increasingly clashing due to digitalization and greater access to information. Fashion, deeply embedded in cultural and creative industries (CCI), combines various languages and artistic disciplines, influencing social behaviors and dynamics. It has historically played a crucial role in societal progress and identity formation. Simultaneously, the fashion industry has been at the core of technological revolutions and globalization processes, contributing significantly to environmental degradation as the second most polluting industry in the world. This tension has sparked a heightened public awareness, altering consumer attitudes towards more transparency and sustainable consumption (Bertola & Colombi, 2024). In response to these rising concerns and the demand for ethical practices, there is a growing push from industry leaders, consumers, and policymakers toward understanding sustainability not just from individual perspectives of social, political, economic, and ecological dimensions, but as a comprehensive and integrated whole.

This holistic approach to sustainability emphasizes the interconnectedness of various factors and the importance of considering all aspects of sustainability in unison. Such an approach advocates for a systemic shift in the fashion industry, promoting practices that respect environmental boundaries and foster social equity, ultimately aligning with global sustainability goals like the United Nations SDGs. This necessitates a redesign of the fashion system to incorporate principles of circularity, transparency, and ethical practices, ensuring that the industry can sustainably coexist with the planet and its inhabitants (Bertola & Colombi, 2024).

## 2.2 Consumer behavior

As public awareness and consumer attitudes shift towards sustainability, understanding consumer behavior becomes crucial. Consumer behavior is the study of the elements that influence individuals' purchasing decisions, including environmental, psychological, and societal factors. This field recognizes consumer diversity and the wide range of consumables, including tangible items, services, and intellectual concepts (Mandarić et al., 2022). Consumers seek to satisfy demands as simple as hunger and thirst as complicated as the desire for love, status, or spiritual development. A consumer is often defined as someone who perceives a need or want, acquires the associated product, and eventually disposes of it, completing the consuming cycle (Mandarić et al., 2022).

Consumer attitudes is important in explaining the difference between consumer views and intentions and their actual purchase behavior (Busalim et al., 2022).

According to studies (Busalim et al., 2022), consumers' comprehension of sustainable fashion is frequently inadequate, both in terms of (i) available sustainable fashion goods and (ii) the environmental and societal implications of sustainability. For example, they may believe that sustainable fashion products are created from high-end organic fibers. However, sustainable fashion can also include products made from recycled materials, upcycled fabrics, or fibers that are produced with low environmental impact, such as hemp or bamboo. These materials, though not always labeled as luxurious, contribute significantly to reducing the environmental footprint of the fashion industry.

As customers get more awareness about sustainable fashion, the gap between their mindset, intentions, and actual purchase behavior may narrow (Busalim et al., 2022). One significant issue in consumer behavior is sustainable consumption, which seeks to fulfill present needs without compromising the ability of future generations or harming the environment (Sesini et al., 2020). Fashion brands are particularly challenged to effectively communicate the benefits of sustainable fashion, encouraging consumers to make knowledgeable choices (Henninger, 2015).

On the other hand, (Urbinati et al., 2017) concentrated on the production side, viewing consumers as passive actors who are simply presented with circular offerings and may be informed about their benefits. Similarly, (Whalen, 2017) did not expressly consider the consumption side while reviewing Circular Economy business models (Tunn et al., 2019).

Consumer behavior significantly impacts organizational change within the fashion industry, particularly as companies respond to increasing demands for sustainable

practices. Understanding how consumer expectations drive brand identity transformations and operational adjustments is essential for aligning business strategies with sustainability goals (Pereira et al., 2021; Shafie et al., 2021). The shift in consumer behavior towards sustainability necessitates that fashion brands adapt their practices to meet these evolving expectations, which, in turn, influences their organizational structures and processes (Mandarić et al., 2022). Although there is extensive research on customer expectations regarding organizational strategy, there is significantly less focus on sustainability issues. This study focuses on how consumer expectations influence fashion firms' sustainability practices, with an emphasis on brand identity and operational shifts.

## 2.3 Organizational change toward sustainability

Organizational change is a critical aspect of the fashion industry's journey toward sustainability. Due to the fast fashion which rises significantly worsened social and environmental conditions (Boström & Micheletti, 2016; Hofmann et al., 2022) fashion firms face increasing pressure from consumers, regulators, and stakeholders to adopt sustainable practices, they must undergo significant transformations at both the organizational and individual levels. These changes often involve redefining brand identity, modifying operational processes, and expanding knowledge bases to integrate sustainability into the core of their business strategies (Pereira et al., 2021). Organizational change in this context is not just about adopting new practices but also about aligning the company's identity and knowledge with evolving sustainability goals. This alignment is essential for ensuring that sustainable practices are not only implemented but also deeply embedded in the organization's culture and operations

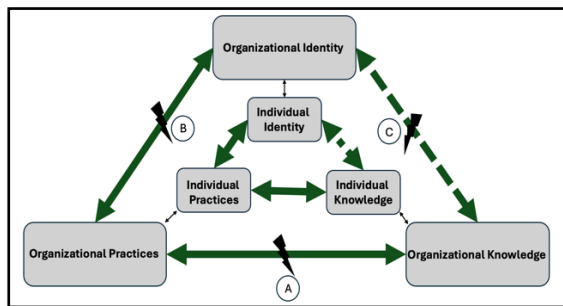
### 2.3.1 Identity-Practice-Knowledge (IPK) Model

Understanding and managing the interplay between identity, practice, and knowledge is crucial for successful organizational change, especially in the context of sustainability. The IPK model, developed by Kump (2019), provides a valuable framework for analyzing these dynamics. This model is particularly relevant because it helps to explain how changes at the organizational level can influence individual behaviors and vice versa, ensuring that sustainability initiatives are consistently reinforced across all levels of the company.

However, radical organizational change often disrupts the equilibrium between what the organization does (practice), what it knows (knowledge), and how it defines itself (identity). Such disruptions can lead to significant incongruences that need to be addressed for the change to be successful. The organization must re-establish a balance between these three elements to accommodate the new practices, knowledge, and identity brought about by the change. Failure to do so may result in routine breakdowns, knowledge gaps, and even disidentification among staff members, which can hinder the change process and possibly lead to its failure (Kump, 2019).

In this section, the goal is to further explore and expand upon the IPK model to comprehend its implications in

guiding fashion firms through their sustainable transformation.



**Figure 1 illustrates the interactions among practice, knowledge, and identity at both the organizational level (represented by dark gray boxes) and the individual level (represented by light gray boxes). Dashed lines indicate indirect relationships, while points A, B, and C highlight potential areas of conflict at these interfaces (Kump, 2019).**

**Error! Reference source not found.** shows how individual and organizational activity, knowledge, and identity are interrelated. Practice and knowledge are mutually reinforcing; knowledge is realized through practice, and new practices generate additional knowledge. Similarly, practice shape's identity, as people's identities evolve in response to their behaviors. While there is an indirect link between knowledge and identity, practice facilitates it by connecting information to action and shaping identity through behavioral frames. These characteristics are dynamic, with practices, knowledge, and identities constantly evolving and adapting within organizations (Kump, 2019). Given the gap in previous studies regarding the influence of customer expectations and demands on sustainability, this research specifically aims to explore how customer expectations and demands influence the alignment of fashion brands' identities with their actual sustainability practices. By focusing on these dynamics, the study seeks to uncover the challenges fashion firms face in maintaining consistency between their sustainable commitments and the evolving expectations of their consumers. By examining these relationships, the thesis hopes to provide a thorough understanding of the complications that fashion firms face as they integrate their public personas and actual sustainability policies with increasing customer expectations. This method will not only highlight the internal and external pressures that businesses experience but also provide insights into the broader implications of these developments from both an organizational and interpersonal perspective.

### 3. METHODS

The study aims to investigate how customer expectations impact changes in fashion firms' identities and practices. Hence, this study employs a qualitative research approach, concentrating on semi-structured interviews to gain in-depth perspectives from major participants in the fashion industry. The collected data were analyzed using a thematic analysis approach to identify key patterns and insights related to the research questions.

### 3.1 Sample

The study has used purposive sampling to choose participants for in-depth interviews. This method was chosen to discover individuals who not only met specified pre-established criteria but also had extensive knowledge relevant to the research topic (Creswell, 2012; Merriam & Merriam, 2009). Using this strategy improves the transferability of study findings. Participants were recruited based on their knowledge and willingness to give critical information necessary for answering the research objectives. For this study, experts were chosen based on their positions in the fashion business, which included both huge multinational organizations and smaller boutique firms. These professionals were chosen for their vast experience in sustainability and brand management, as well as their ability to provide various and current perspectives on how consumer expectations affect fashion sustainability. Each participant's commitment to contribute meaningfully to the research's validity guarantees a thorough investigation of the changes in identity, operations, and expertise that fashion firms experience as they transition to sustainability (Creswell, 2012).

Building on the purposive sampling strategy, five in-depth interviews were conducted online with representatives from various fashion organizations. These individuals held positions such as director, manager, and designer (see Table 1), and each had significant years of experience in the industry. This sample size was designed to strike a balance between depth and diversity, allowing for a more nuanced analysis of various sorts of market participants (Merriam & Tisdell, 2015). The sampling is from large multinational corporations to smaller boutique companies, this diversity allows for a thorough examination of how sustainability practices and consumer interactions change across business sizes and market sectors. By integrating both high-end luxury and more accessible market sectors, the study provides a better knowledge of the differences in sustainable brand identification across economic levels, assuring full insights into the industry's different sustainability initiatives. Participants were chosen for their expertise and their readiness to offer the necessary information to address the research questions (Creswell, 2012).

Table 1 Overview of Interviewees

Nr.	Company Type	Gender & Age	Role in the company	experience
1	Large international	M,42	Procurement & sustainability director	6 yrs.
2	Smaller niche luxury	M,38	Founder & design director	11 yrs.
3	Medium size (high end / luxury)	M,55	President & sustainability director	9 yrs.
4	Medium-large German accessible brand	F,45	Head of design	5 yrs.
5	Large luxury international	F,32	Purchasing, sustainability & compliance senior manager	4 yrs.

### 3.2 Data Collection Process

Data collecting presented obstacles, as is normal in the research process when contacting companies. A letter was composed and sent over LinkedIn to approximately 30 targeted people, receiving only seven responses. Furthermore, after discussing the thesis and interview subjects, five of the seven chose to decline the interview. This situation demonstrated that sustainability is a sensitive subject, as potential interviewees frequently found reasons not to participate once they learned that the interview was going to look thoroughly into sustainability methods. This implies that sustainability is still a delicate topic, providing both an opportunity and a challenge for businesses, with some choosing to ignore it owing to potential disruption and economic implications.

Fortunately, individuals who agreed to be interviewed assisted in building new links, despite early reservations among interviewees. The original idea was to interview 7 to 8 people, however, only 5 were conducted. Despite this, valuable information was acquired, especially as three of the interviewed organizations were huge, well-known global corporations that had previously studied data, which proved incredibly useful.

In order to explore how consumer expectations influence the identity, operational, and knowledge shifts within fashion brands as they transition towards sustainability, several targeted questions were posed during the interviews. Participants were asked to describe how their organizations integrate sustainability into their daily operations and how this integration impacts their business practices. Specific questions included: "How would you describe integrating sustainability in your organization?" and "Can you provide an example of significant changes in your brand identity driven by consumer expectations regarding sustainability?" These questions aimed to uncover how sustainability is embedded into the companies' operational strategies and how it shapes their brand identities.

Furthermore, to understand the operational and knowledge shifts driven by consumer expectations, interviewees were asked about the specific changes in product design, sourcing, and manufacturing processes implemented to meet these expectations. Questions such as "Can you discuss specific changes in product design, sourcing, and manufacturing processes implemented to meet consumer expectations?" and "What challenges have you faced in aligning operational practices with sustainability goals, and how have consumer expectations influenced these challenges?" were critical in gathering insights into the practical adjustments and strategic realignments undertaken by fashion brands. Additionally, questions about consumer attitudes and feedback, like "What role does consumer feedback play in shaping your sustainability strategies?" and "How do you listen to customer feedback and adjust based on it?" provided valuable data on how consumer knowledge and perceptions influence organizational change and knowledge management within the industry.

### 3.3 Data Analysis

To analyze and appraise the data, the research first recorded a transcript of each interview. This method of analyzing and coding process taken from (Creswell, 2012). To have privacy for interviewees, any company or person names were removed and replaced with "name" in the transcript. Once anonymized, the transcript was separated into subjects and analyzed line by line.

The coding process, which is central to achieving the research goals, was carefully conducted following the principles of Qualitative Content Analysis (QCA). QCA is typically used to interpret and systematically analyze textual data by identifying patterns, themes, and meanings. It involves categorizing and coding qualitative information to uncover underlying messages and insights within the content. QCA encompasses various approaches, including conventional, directed, summative, and others. In this study, the conventional content analysis approach was utilized, where coding categories are directly derived from the textual data (Hsieh & Shannon, 2005).

The coding process began with the preparation of the interview data, which involved transcribing the text of the interviews. Following transcription, the data organization stage continued by thoroughly studying the text and segmenting it. This was followed by creating the initial codes and categorizing them (Creswell, 2012; Elo & Kyngäs, 2008). It was essential that these codes were determined carefully and in alignment with the research objectives.

The first phase in the investigation required creating a general table in Excel with columns called "category, sub-category, definition, anchoring examples, coding rules." (Creswell, 2012) A more specific table was then developed for each interview, with columns labeled "line in transcript, original text in transcript, paraphrase, category, sub-category." This way of deconstructing the material provided a clearer view of the data, allowing for a complete and methodical study.

In addition, (Jackson, 2019) state several ways to determine the proper names for codes such as:

- Looking for repetitions and regulations;
- Using questions of the text to generate codes;

- Applying the compare and contrast approach for the context of data.

Moreover, there are some suggestions proposed by (Jackson, 2019) as to when to stop coding. First is taking breaks while coding, and then coming back more focused. Thus, there would be time to review and monitor codes. Coding should continue until the researcher has thoroughly examined the data and gathered sufficient text to answer the research question comprehensively. It is appropriate to stop coding when the analysis reaches a point of saturation, meaning no new themes or insights are emerging, and repetition is evident in the findings. This ensures that the coding process is complete, and that all relevant data has been accounted for.

In this study, in order to harmonize the codes and classify them according to the IPK model align with research objective, four main codes were identified, which are Identity, Practices, Knowledge, and future trends. Each of these codes were further divided into more detailed categories according to the main text of the interviews and the questions raised.

### **3.3.1 Identity:**

The identity subchapter focuses on how sustainable practices are influencing the company's identity, divided into external and internal perspectives based on the interview coding process.

#### **3.3.1.1 Brand Identity Changes and Challenges**

Changes in how the brand perceives and presents itself due to sustainability. (Include changes or stability in brand identity related to sustainability efforts.)

This study revealed that brand identity is undergoing significant transformation as companies integrate sustainability into their core values and operations. Interview-Partner 4 (IP4) highlighted, "Our brand has always aimed at sustainable practices, but the real challenge is communicating this effectively to consumers." This transformation is driven by both internal motivations and external pressures, such as regulatory demands and shifting consumer expectations.

#### **3.3.1.2 Consumer Perception**

Refers to how consumers perceive the brand's sustainability efforts. (Include consumer perception of the brand's identity and sustainability initiatives.)

While some consumers recognize and appreciate these efforts, there remains a gap between the brand's intended identity and how it is perceived by the public. As IP1 noted, "You don't get a standing ovation, but it is recognized very positively and there are still points to improve" This suggests that while brands are making strides in sustainability, consumer acknowledgment is often subdued.

#### **3.3.1.3 Communication of Identity**

Strategies used by the brand to communicate its sustainable identity. (Include communication strategies focused on brand identity and sustainability.)

Communication strategies are central to how brands convey their sustainable identity. Effective messaging can reinforce a brand's commitment to sustainability, yet

many brands struggle to maintain consistent and impactful communication. For instance, IP1 mentioned, "Brands educate customers about sustainability through communication," underscoring the importance of clear and continuous messaging in building a sustainable brand identity.

#### **3.3.1.4 Internal Commitment**

The brand's internal commitment to sustainability irrespective of external pressure. (Include the brand's proactive sustainability efforts driven by internal values.) The internal commitment to sustainability, driven by proactive values rather than external pressures, is a defining characteristic of some brands. IP1 stated, "We undertook this path without regulatory pressure or customer demand," highlighting how internal values can propel a brand toward sustainability even in the absence of immediate market incentives. It should be mentioned this commitment also mentioned by other interviewees such as IP3, and IP4.

#### **3.3.1.5 Brand Differentiation**

How sustainability is used to differentiate the brand from competitors. (Include sustainability as a unique selling proposition or differentiator.)

sustainability is increasingly being used as a unique selling proposition (USP) to differentiate brands in a competitive market. However, as IP1 and IP4 pointed out, "Sustainability is costly and not widely adopted due to economic viability." This indicates that while sustainability can set a brand apart, it also poses financial challenges that not all companies are ready to tackle.

### **3.3.2 Practices:**

The practice subchapter focuses on sustainability actions and experiences. During the interview coding process, five different categorizations for those actions were formed.

#### **3.3.2.1 Sustainability Integration in Operations**

Sustainability is becoming deeply embedded in the operational practices of fashion brands, with significant efforts being made to integrate sustainable methods across various aspects of the business. (Include integrating sustainability into daily operations.)

This involves everything from sourcing materials to managing production processes. As IP1 noted, "In all our activities, including the procurement of garments and fabrics, respect for human rights and environmental issues must be integral." This statement reflects the growing trend of embedding sustainability into every facet of operations, making it a non-negotiable part of the business model.

#### **3.3.2.2 Supply Chain Adjustments**

Changes in supply chain management to support sustainability. (Include changes or challenges in the supply chain due to sustainability goals.)

Brands are increasingly focusing on optimizing their supply chains to reduce waste and ensure ethical sourcing. IP1 shared, "We have reduced suppliers to meet sustainability standards," indicating a deliberate move

toward more responsible and sustainable supply chain practices. This adjustment and changing strategies also mentioned by IP4, "Big companies have to check their supply chain... small ones must comply if they want to work with big companies. "

### **3.3.2.3 Operational Challenges and Adaptations**

Operational challenges and adaptations are inevitable as brands strive to meet sustainability targets.

These challenges often require brands to be resilient and adaptable. For instance, IP2 mentioned, "Operational challenges like weather affecting production require us to adapt to seasonal changes," highlighting the need for flexibility in managing sustainability-related challenges, particularly in production processes that are sensitive to environmental factors.

### **3.3.2.4 Product and Design Changes**

Changes in product design and materials to enhance sustainability. (Include product design changes aimed at sustainability.)

Brands are increasingly focusing on innovation, particularly in the use of sustainable materials. IP5 stated, "Half of our collection is now made of sustainable materials," reflecting the significant strides being made in product development to meet sustainability goals.

### **3.3.2.5 Waste Management**

Practices aimed at reducing waste and enhancing resource efficiency. (Include waste reduction practices and efficient resource use.)

Brands are adopting measures to minimize waste and improve resource efficiency. As IP3 explained, "We focus on reducing waste at every stage of production," demonstrating a commitment to sustainability through efficient resource use.

## **3.3.3 Knowledge:**

In the knowledge subchapter the focus shifts to exploring the underlying knowledge basis to successfully drive this sustainability transition within fashion industry. During the interview coding process and through the creation of the interview guide five major categories were explored.

### **3.3.3.1 Consumer Knowledge and Awareness**

Level of consumer knowledge and awareness about sustainability. (Include consumer awareness and knowledge of sustainability practices.)

Knowledge plays a crucial role in driving sustainability within fashion brands. This study found that both consumer knowledge and internal knowledge are pivotal in advancing sustainability efforts. Consumer knowledge and awareness about sustainability are growing, but there is still a considerable gap between awareness and action. IP1 remarked, "Consumers seem interested in sustainability, especially young people, but more interested in price." This suggests that while consumers are increasingly aware of sustainability, cost considerations often override their willingness to purchase sustainable products.

### **3.3.3.2 Internal Knowledge and Training**

Knowledge and training within the organization about sustainability. (Include internal training and knowledge development related to sustainability.)

Training programs and knowledge-building efforts are crucial for ensuring that employees understand and can contribute to sustainability goals. IP3 mentioned, "We have organized training sessions to improve understanding of sustainability practices," emphasizing the importance of internal capacity building.

### **3.3.3.3 Regulatory Knowledge**

Understanding and adapting to sustainability regulations. is essential for compliance and for aligning business practices with broader sustainability goals. (Include regulatory knowledge and adaptations to comply with regulations.)

IP4 shared, "Understanding regulations is crucial for aligning our practices with sustainability goals," as well as IP1, IP2 and IP3, highlighting the importance of staying informed about regulatory developments.

### **3.3.3.4 Stakeholder Awareness**

Engaging stakeholders and raising their awareness about sustainability is a continuous process. IP1 noted, "By considering sustainability approaches, stakeholders are also becoming more aware of the importance of sustainability," and IP4 specified "Only a few stakeholders are aware about sustainability, but this number is increasing due to the new regulations" indicating that awareness is growing, but ongoing efforts are needed to fully engage all stakeholders.

### **3.3.3.5 Knowledge Sharing**

Practices for sharing sustainability knowledge within and outside the organization. (Include knowledge-sharing practices related to sustainability.)

As IP3 stated, "We have created a company-wide group of experts to share best practices on sustainability," illustrating how collaboration and knowledge exchange can drive sustainability efforts forward.

## **3.3.4 Future trends:**

The Future Trends section delves into the emerging trends that will be crucial for guiding the sustainability transition within the fashion industry. Through the interview coding process five key categories were identified.

### **3.3.4.1 Material and Process Changes**

Several future trends are expected to shape the sustainability landscape in the fashion industry. Material and process changes are anticipated to play a significant role in advancing sustainability. IP1 and IP4 remarked, "We expect that new materials will play a significant role in future sustainability efforts," and "industry will force to use recycled and new Eco-friendly materials" indicating a strong focus on innovation in materials and processes.

### **3.3.4.2 Consumer Behavior**

Consumer behavior is also expected to consider, with growing awareness of the environmental impact of fashion consumption. IP2 noted, "Consumers will start addressing their impact on climate change, which will drive more sustainable consumption." This suggests that future



consumer behavior will increasingly favor sustainability, influencing brand strategies and product offerings.

### 3.3.4.3 Regional Differences

Regional differences will continue to influence sustainability practices and expectations across different markets. As IP1 stated, “Sustainability will become a core theme even in Mediterranean populations within 2 to 5 years,” highlighting the importance of tailoring sustainability strategies to regional contexts.

### 3.3.4.4 Personal Values

Personal values within organizations are likely to continue driving sustainability efforts, particularly as these values align with broader societal trends. IP2 mentioned, “Our sustainability efforts are driven more by personal values than by consumer feedback,” indicating that internal motivations will remain a powerful force in shaping sustainability initiatives.

Analyzing the coded information, especially in the fields of brand identity changes, consumer perception, brand differentiation, sustainability integration in operations, consumer knowledge and awareness, future expectation and others were very helpful in understanding the research objective and getting message for finding the Influence of Consumer Expectations on Fashion Brands’ Journey Towards Sustainability.

## 4. Discussion

### 4.1 Findings

The findings of this study specify the complex interplay between identity, practices, knowledge, and future trends as fashion brands navigate their journey towards sustainability. These findings, structured around the four main categories identified in the data analysis—Identity, Practices, Knowledge, and Future Trends—demonstrate how fashion brands are facing with the challenges and opportunities presented by the sustainability transition.

#### 4.1.1 Identity

Within the companies interviewed, sustainable practices have become more important in changing a organizations identity (Frostenson et al., 2022) and is seen as a key factor of a successful business (Bowdin, 2023).

Brands are trying to authentically integrate sustainable practices into their core identity while effectively communicating these changes to consumers. This internal drive to embrace sustainability often encounters the challenge of muted public recognition of these efforts.

on the other hand, aligning a brand's internal sustainability values with external consumer perceptions remains a significant challenge, as there can be a noticeable gap between a brand's sustainable identity and how it is perceived by the public.

Furthermore, effective communication is crucial for reinforcing a sustainable brand identity, yet many brands struggle with maintaining consistent and impactful messaging. There is still significant room for improvement in how brands convey their commitment to sustainability, ensuring that their efforts resonate with consumers.

Moreover, a key aspect of brand identity is the internal commitment to sustainability, often driven by core values rather than external pressures. However, using sustainability as a unique selling proposition (USP) remains complex, particularly due to the financial challenges involved. Sustainability can differentiate a brand in a competitive market, but it also comes with costs that not all companies are prepared to bear.

#### 4.1.2 Practice

Throughout the five interviews, different approaches to employ more sustainable practices got identified and categorized as mentioned in section 3.3.2 Some actions were only implemented by single participant, where other actions have been executed by all companies.

The operationalization of sustainability within fashion brands encompasses a wide range of practices, each presenting its own set of challenges and opportunities. These practices are now deeply integrated into daily operations, affecting everything from material sourcing to production processes and supply chain management.

In addition, sustainability has become an essential part of the business model for many fashion brands, with respect for human rights and environmental issues being integrated into every facet of operations. However, this integration is not without challenges, particularly when adapting to external factors like environmental conditions, which requires flexibility and resilience.

Furthermore, optimizing supply chains to support sustainability is another critical focus area (Bhinge et al., 2015). Brands are deliberately moving toward more responsible and sustainable practices, often reducing the number of suppliers to meet higher sustainability standards. This emphasis on ethical sourcing and waste reduction is increasingly becoming the norm across the industry.

Innovation in product design and materials is also crucial as brands incorporate more sustainable materials into their offerings, responding to both consumer demand and regulatory pressures. This shift enhances their sustainability credentials and meets the growing demand for eco-friendly products.

Lastly, waste management is another key focus, with brands aiming to minimize waste at every stage (Fazil Ahmad et al., 2018) of production. By doing so, they not only reduce their environmental impact but also achieve cost savings, improving overall operational efficiency.

#### 4.1.3 Knowledge

Knowledge, both internal and external, plays a crucial role in driving sustainability within fashion brands (Arnott & Lemos, 2021). Several things are necessary for these efforts to be pushed forward as per the findings: Consumer awareness, knowledge management and information sharing with stakeholders, regulatory knowledge and internal training. There is a growing sustainability awareness amongst consumers; however, there exists an enormous disparity between awareness and action with purchase decisions still primarily driven by cost considerations. This is a gap that presents a difficulty to brands that seek to successfully market their sustainable products. Within organizations, it is necessary that a culture of sustainability is created through internal continuous training and education. If enough training is

not provided, the employee may not gain sufficient knowledge to successfully implement sustainability initiatives which could make them ineffective. After this, being conversant with and adopting sustainability regulations are important for other business practices to align with broader sustainability objectives. To keep the competitive edge, being updated about regulatory changes and being compliant becomes inevitable.

To reach sustainability, stakeholders must engage and be aware of it, since sustainability is a process that is continuous and gains momentum, partly driven by new regulations. Nevertheless, there still needs progress to fully involve all stakeholders. The importance of knowledge sharing within and outside the organization cannot be overemphasized as such collaboration helps in adoption of best practices on sustainability throughout the organization. According to IP3, one effective tactic for ensuring that these initiatives are effectively implemented and disseminated is through forming an organizational group of experts who share the best practices in this field.

#### 4.1.4 Future Trends

Several emerging trends are expected to shape the future of sustainability within the fashion industry, focusing on innovations in materials, shifts in consumer behavior, regional differences, and the influence of personal values. Material and process innovations are set to play a crucial role in advancing sustainability, with the development and adoption of eco-friendly materials becoming increasingly important. Brands investing in these innovations will likely gain a competitive edge as sustainability grows in importance for consumers.

Consumer behavior is expected to evolve, with greater awareness of the environmental impact of fashion driving more sustainable choices. As consumers become more conscious of their environmental footprint, they will increasingly favor brands that prioritize sustainability, which will, in turn, shape brand strategies and product offerings.

Regional differences will continue to influence sustainability practices, necessitating tailored strategies that resonate with local consumers. Brands will need to adopt a nuanced approach to sustainability, considering the diverse regional landscapes in which they operate to ensure their efforts are effective.

Finally, personal values within organizations will remain a powerful driver of sustainability efforts. As these values align more closely with societal expectations, they are likely to lead to deeper and more lasting changes in how brands approach sustainability.

The findings of this research reveal a complex relationship between consumer expectations and fashion brands' efforts to integrate sustainability into their identities, operations, and knowledge management. While brands are increasingly incorporating sustainable practices in response to consumer demand, there is a notable gap between the internal commitment to sustainability and how these efforts are perceived by consumers. This misalignment suggests that despite growing consumer awareness, there is still a disconnect between consumer expectations and actual purchasing behaviors, influenced by factors such as cost and communication effectiveness. However, it is important to recognize that brands are making significant strides in embedding sustainability into their core operations and fostering a proactive approach to meeting consumer demands.

Positive developments include innovations in product design and the adoption of eco-friendly materials, as well as a growing internal culture of sustainability that aligns with long-term business strategies. Despite these advancements, gaps remain, particularly in engaging all stakeholders and fully integrating sustainability into brand identity.

These findings indicate that while consumer expectations are a powerful driver of change, the journey towards fully aligning these expectations with brand practices and perceptions is still ongoing, with challenges that require further exploration and improvement.

## 4.2 Conclusion

This study explores how consumer expectations shape the identity, operational strategies, and knowledge management of fashion brands transitioning towards sustainability. The findings highlight a disconnect between consumer attitudes and actual purchasing behaviors, emphasizing that internal organizational practices and knowledge are crucial drivers of sustainable initiatives, rather than consumer demand alone. Through the application of the Identity-Practice-Knowledge (IPK) model, the research shows the importance of aligning these elements with consumer expectations to achieve long-term success in the fashion industry. Effective communication and innovative operations are essential to bridge the gap between consumer awareness and behavior, advancing sustainability in the sector. Although the study's small sample size and regional focus limit its generalizability, it provides valuable insights for fashion brands seeking to strengthen their sustainability efforts and align with consumer demands.

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