

The Role of Consumers Choices in the Green Transition: Problems in Sustainable Fashion

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Overview

- Consumers and the Green Transition
- Strategic Policy Responses
- How Good On You Supports Consumers



Consumers and the Green Transition



Consumer choices are key drivers of unsustainable consumption¹



Consumer agency is essential to the Green Transition

“Consumers are key to driving sustainable production”

- [OECD 2008](#)

“Driving sustainable purchasing choices is dependent on consumer buy-in, protection and empowerment”

- [Consumers International 2022](#)



Consumers have a right to responsible choices

- Consumers have a right to make choices aligned with their values
- .. therefore producers must be transparent about how goods and services are produced



Consumer choices drive environmental impacts ... but can also drive solutions

- IPCC: Demand side measures can reduce end-use GHG emission by 40-70%
- Demand side measures include socio cultural and behaviour change, and changes to infrastructure and end-use technology



Consumer choices are increasingly made online

- eCommerce = ~19% of total retail sales [Statista 2022]
- Growing faster than GDP: Global ~5% pa; Japan ~6.9% pa [Global Data]
- Four largest markets: China, US, UK and Japan [Global Data]
- A lot of variation by industry: travel high, clothing average, food low
- 50% Japanese households ordered goods & services online July 2022

[Charged Retail]

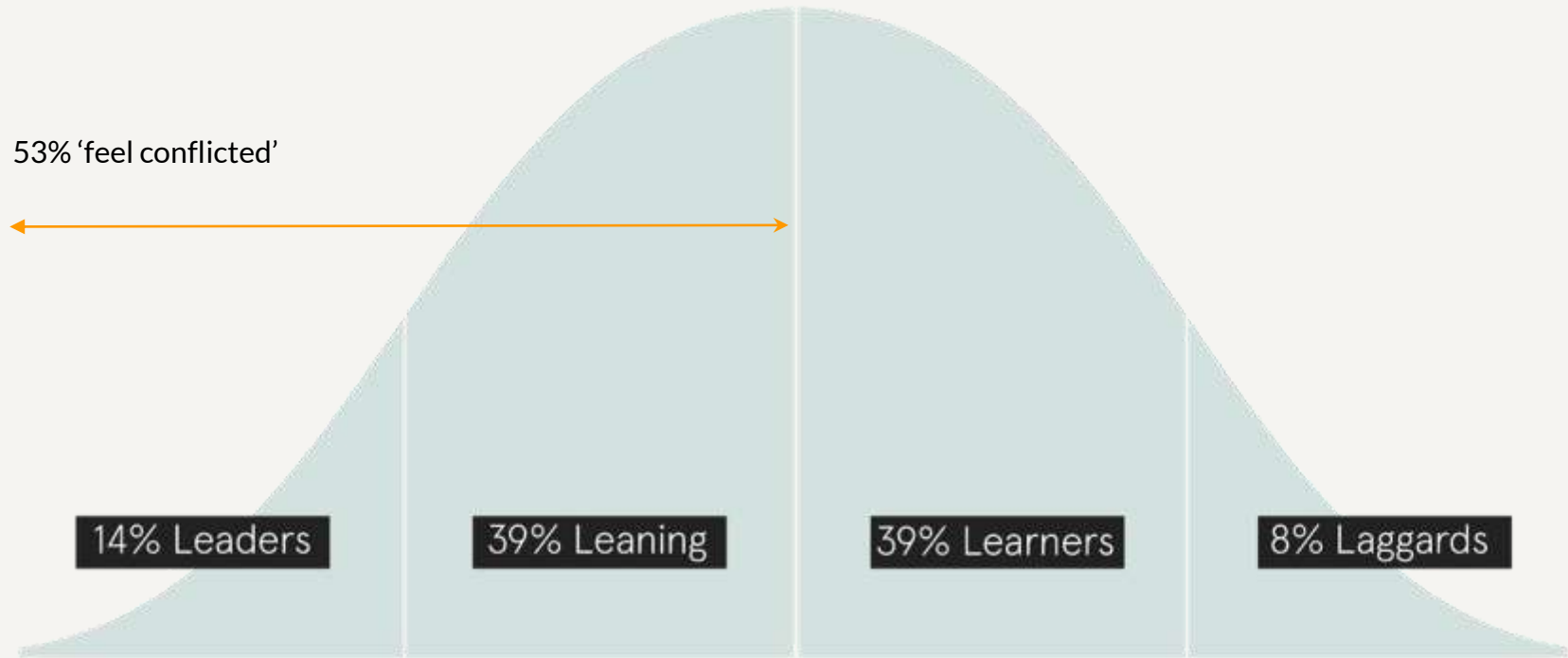
[Statista 2022](#) E-commerce as percentage of total retail sales worldwide from 2015 to 2021, with forecasts from 2022 to 2026

[Global Data](#) Market Size of Online Retail Market in Japan 2018-2021

[Charged Retail](#) Japan ecommerce market to grow by 6.9% in 2022 citing Japan Ministry of Internal Affairs and Communications



Consumer Engagement with Sustainability



Industry example: Clothing and footwear

- Clothing and footwear are around 3-5% of household spending [ABS]
- 15-25% of clothing purchases are made online
- Fashion is responsible for between 2% and 8% of GHG emissions [WRI]
- Fibre production (mostly for textiles) 109 million tonnes [Textile Exchange]
- Up from 58 million tonnes 20 years ago [Textile Exchange]
- > 50% of fibres are virgin fossil-fuel based, mostly polyester [Textile Exchange]

[Textile Exchange](#): Textile Exchange Preferred Fibres Report 2021 p 4

[WRI](#) World Resources Institute Roadmap to Net Zero Delivering Science Based Targets in the Apparel Sector

[ABS](#) Finder.com Australian Household Spending Statistics



Environmental impact of fashion

- Waste
- GHG emissions
- Water stress
- Deforestation
- Chemical pollution



Strategic Policy Responses



Policy challenges

- Most brands are not fully transparent
- Greenwashing
 - ICPEN research 2020 ~50% claims lack evidence
- Unacceptable practices



Policy response

- Empower consumers
 - Require transparency
 - Support robust information initiatives (beyond eco labelling)
 - Combat greenwashing
- Prohibit the worst practices
- Incentivise better practice



Example legislation / proposed legislation

Purpose	Scope	Examples
Require disclosure	Supplier details	Fabric Act NY Good Clothes Fair Pay
Require disclosure	Policies and actions	Modern Slavery Act (UK & AU) Transparency in Supply Chains Act [California]
Regulate disclosure	Require verification of claims	Empowering Consumers for the Green Transition [EU]
Regulate disclosure	Eco-labelling regulation	Empowering Consumers for the Green Transition [EU]
Incentivise specific disclosure	Standardise LCA use	Product Environmental Footprint [EU]
Prohibit practices or materials		
Incentivise practices	Tax garments to fund recycling	Fixing Fashion: Clothing Consumption And Sustainability [UK]



How Good On You Supports Consumers



Problem

Over 50% of consumers want to shop more sustainably

But it's too hard to know which brands are better

Our vision is a world where
anyone can know the true
impact of a product as
easily as its price



Our Solution



For consumers: The
go-to sustainable
brand directory



For retailers: The trusted
industry standard and
data platform



Powered by the world's
most comprehensive
brand rating system



Universal Brand ratings

- Robust ratings methodology
- Assess brands for impact on people, planet and animals
- Aggregates brand data, third party sources, certifications into an easy to use score
- A lot of variation by industry: travel high, clothing average, food low
- Tech enabled processing of more than 800 data points



Impact

Consumers Choose
Better

Brands do Better

Positive Social and
Environmental Impact

Each month more than 100 brands reach out to
Good On You

- ☺ Telling us how they've improved their sustainability
- ☺ Seeking advice on how to improve
- ☺ Applying to list on the platform



“Good On You is my benchmark for sustainable fashion”

- Emma Watson



“Good On You is the place to find brands making genuine efforts to curb their carbon footprint”

The New York Times

“Good On You helps retailers to educate increasingly conscious consumers about their ethical credentials.”

Drapers

“Good On You champion the need for greater brand transparency”

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