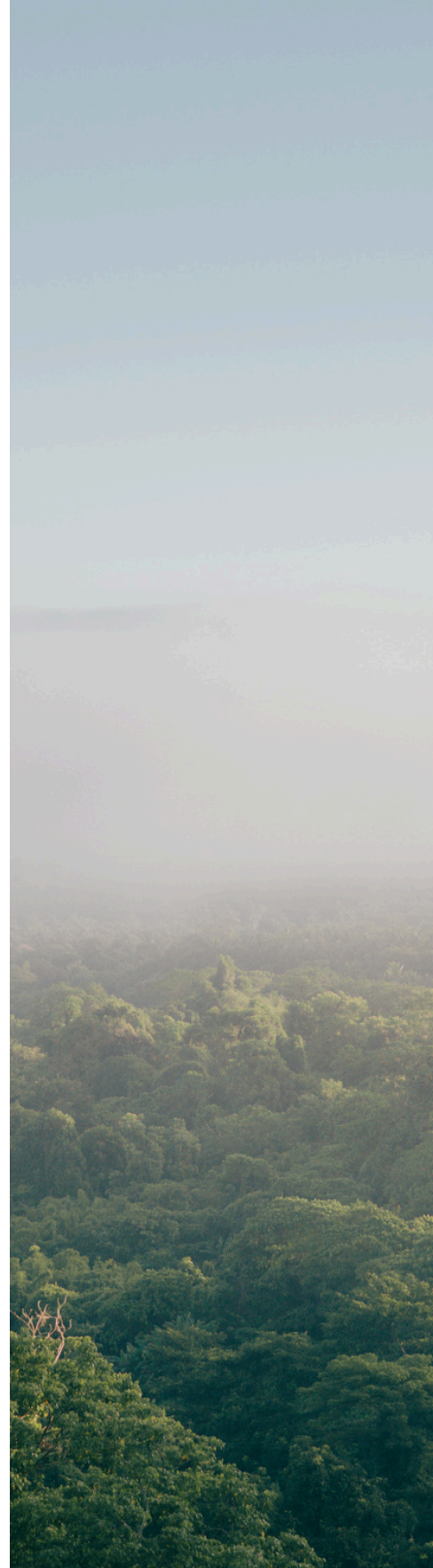


APRIL 22, 2024

# Reformation

## Reforming Sustainability in Fashion Executive Summary



# Table of Contents

<u>BACKGROUND AND SITUATION</u>	02
<u>RESEARCH METHOD</u>	04
<u>KEY FINDINGS</u>	05
<u>IMPLICATIONS AND RECCOMENDATIONS</u>	09

# Background & Situation

## REFORMATION

Since its launch in 2009, Reformation has been committed to sustainability in fashion. Their main tagline reads, "Being naked is the #1 most sustainable option. We're #2." Notably, the brand achieved 100% carbon neutrality in 2015 and is currently formalizing this commitment through a partnership with Climate Neutral. Reformation works to offset its environmental impact through various initiatives, including supporting clean energy projects and contributing to water filtration efforts. Additionally, the brand transparently communicates the environmental footprint of its products through RefScale, a tool that evaluates the lifecycle impact of each item.

Reformation New Clothing Dresses Tops Jeans Sweaters Weddings Shoes Bags Edits Sustainability Q Search

Bag

Being naked is the #1 most sustainable option. We're #2.



Romance Yourself



Essentials



Spring Things



Back in Stock

## THE SUSTAINABILITY REPORT

2023 Year in Review, sourced from [thereformation.com/sustainability](https://thereformation.com/sustainability)

A commitment like this sounds great, but we want to be accountable for actually doing it.

Here's how we did in 2023:

- 97% of materials used were recycled, regenerative, or renewable<sup>1</sup>
- 26% of materials used were deadstock, recycled, or next-gen (aka not virgin)
- 39% of stuff made was textile-to-textile recyclable through RefRecycling<sup>2</sup>
- 17% of business volume<sup>3</sup> represented by resale, vintage, rental<sup>4</sup>
- 0.1% of garments were unsold/donated

# Background & Situation

## FAST FASHION

However, with the dominance of fast fashion, characterized by mass production and exploitative labor practices, Reformation faces the challenge of effectively communicating its sustainable values to consumers. The fast fashion industry was worth \$1.7 trillion in 2023 and led to environmental degradation and labor exploitation (Source: McKinsey & Company). Over 300 million people worldwide work on clothes somewhere along the value chain. Most brands exploit workers with dangerous working conditions and underpay them while they also work extended hours. From 2000 to 2014, clothing production doubled, and the number of garments purchased per capita increased by about 60 percent (Source: McKinsey & Company). This is due, in part, to the rise of fast fashion.



**THREE OF EVERY FIVE GARMENTS PRODUCED  
END UP IN LANDFILLS**

### **60 PERCENT INCREASE IN GARMENTS PURCHASED PER CAPITA**

Three of every five garments produced end up in landfills, highlighting the urgent need for sustainable alternatives (Source: McKinsey & Company). Reformation must navigate this landscape by crafting messages that highlight its eco-friendly practices and resonate with consumers' increasing concern about their fashion choices' ethical and environmental implications. Reformation faces the challenge of communicating its sustainable values to consumers while differentiating itself from less ethical competitors. Despite increasing consumer awareness of sustainability issues, the appeal of low prices and trendy designs still drive most purchasing decisions. Reformation must navigate this landscape to engage with consumers who prioritize sustainability without alienating those less concerned with ethical fashion.

With this study, we are aiming to assess students' perspective on sustainability in their fashion consumption, compare it with other shopping influences, and identify effective communication strategies for Reformation. By using this information, Reformation can create messaging and marketing strategies that resonate with both segments of the market, especially the college-aged market, and captivate and convert consumers to shop more sustainably.

# Research Methods

This qualitative research project utilized a 40-minute focus group to assess students' perspectives on sustainability in their fashion consumption, compare it with other shopping influences, and identify effective communication strategies for Reformation. Each research team member was responsible for recruiting 1-2 students for the focus group. To reach 6-12 participants, each research team member sent messages to friends, teammates, and organizations they are associated with at Elon. These included Residence Life staff, Leadership Fellows, Honors Fellows, and individuals in the Oaks Neighborhood. The focus group yielded 8 participants from three out of the five academic schools, including first-year, junior, and senior students. We had 4 male students and 4 female students, with 7 white students and 1 African American participant. We over-recruited to protect against no-shows or unexpected cancellations.

During the focus group, we had two moderators and two notetakers. We recorded the focus group on a Canon PowerShot G7 X Mark II and used Otter.ai to generate a transcript of our focus group session. The research team individually coded the transcript data to identify themes and key insights. The coding process resulted in patterns that informed research findings and conclusions.



# Key Findings



Students have different shopping preferences based on style, brand, and price. They care about quality and understand sustainability, but affordability often wins. Some participants acknowledged the influence of peers on their shopping choices, while others asserted their independence in decision-making. They believe both consumers and brands should take responsibility for sustainability. Creative marketing works best for them.

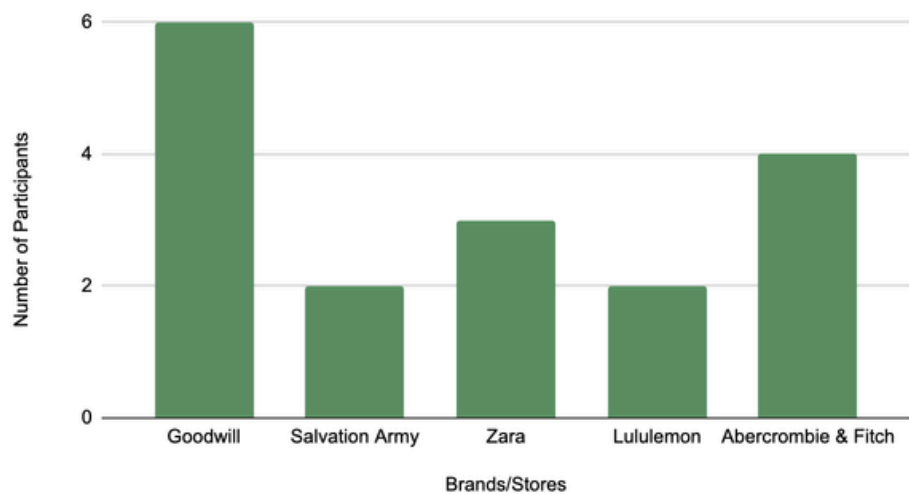
Ultimately, participants noted that while this conversation would impact how they think about sustainability in fashion, they might not change their habits as other influences, like affordability, inhibit them from purchasing sustainably.

## STUDENTS HAVE DIVERSE SHOPPING PREFERENCES

Participants' preferred shopping locations include thrift stores like Salvation Army, popular retail brands like Zara or Abercrombie, and athleisure brands like Athleta. This suggests diverse preferences based on affordability, style, and convenience. Some participants cared intensely about quality, while others preferred being cost-efficient.

*“For Abercrombie, that quality is really good. Yes, it's on the more expensive side. So I'd say it's already a little bit cheaper but probably not as good,” Participant 5 said.*

Participant Shopping Habits



# Key Findings

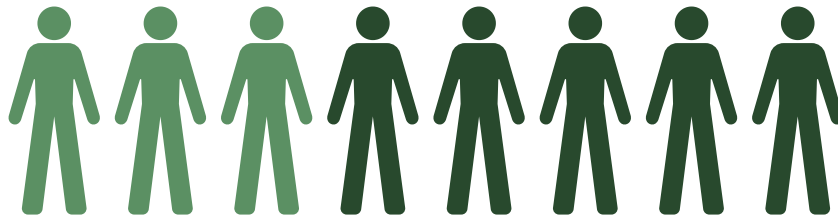
## QUALITY INFLUENCES SHOPPING DECISIONS

Quality emerges as a key factor influencing where participants shop. While some prioritize durability and quality, others consider factors like affordability and brand reputation. The participants agreed that quality is important in choosing what clothing items to buy, but that it is not always possible as a college student.

*“I shop online, and I find I have a brand that I always show from bottoms because they have my measurements just perfect for the length of my pants, so I always buy my pants from the same place,” Participant 8 said.*

## STUDENTS HAVE A GENERAL UNDERSTANDING OF FASHION AND SUSTAINABILITY

Participants' definitions highlight aspects such as longevity, material choice, and ethical production practices, indicating a multifaceted understanding of sustainability. While few participants were aware of Reformation, most were unfamiliar with the brand.



**THREE OUT OF EIGHT PARTICIPANTS WERE FAMILIAR WITH REFORMATION**

Perspectives range from curiosity about the brand's sustainability initiatives to skepticism about its pricing and target audience, highlighting differing attitudes towards luxury sustainable fashion. They appreciated Reformation's efforts towards carbon neutrality and transparency but expressed concerns about accessibility and inclusivity, particularly regarding sizing options. Participants mentioned other sustainable brands like Patagonia and expressed interest in learning more about their sustainability initiatives, indicating a desire for greater transparency and accountability across the fashion industry.

*“If we buy from fast fashion companies, that means we support them, and they will just be presented on the market. And if we don't die out, eventually, because they don't have already,” Participant said.*

# Key Findings

## BOTH IN-PERSON AND ONLINE SHOPPING HAVE THEIR DOWNFALLS

Participants discussed the impact of online shopping experiences on their purchasing decisions, such as website usability and sizing inconsistencies. Students expressed their unwillingness to shop in person as they felt pressured into consuming.

They also expressed how “draining” in-person shopping was as they had to sort through every item physically. Online shopping offers a variety of benefits, such as being able to filter items quickly; however, many brand websites, like Zara, have inconsistencies regarding sizing and website usability.

*“I feel like I have to buy something at every clothing store I go into,” Participant 4 said.*



Reformation In-Store Display



Zara In-Store Display

## AFFORDABILITY OVERRIDES SUSTAINABILITY CONCERNS

College students are heavily influenced by their financial constraints. Some participants mentioned opting for thrift stores or secondhand shopping due to budget limitations. Three participants mentioned that they are almost “forced” to buy secondhand or from fast-fashion companies because they can’t afford to shop elsewhere.

*“Once we have money we would shop very differently,” Participant 1 said.*

# Key Findings

## SHOPPING HABITS WERE MOST INFLUENCED BY FRIENDS

Participants cite various sources of influence, including friends, family, social media, and influencers, highlighting the diverse nature of peer influence in shopping decisions. Most participants reflected on how their parents and families are more likely to shop sustainably through thrift stores, which influences them when they are with their families.

Social media plays a small role as influencers will promote certain brands, but participants reported a decreased chance of them buying influencer-recommended products. When asked to share examples where they were influenced to buy from either social media or in-person interactions, they exclusively shared examples within their social circles at Elon.

*“I won’t shop somewhere if my friends say it’s bad,” Participant 6 said.*

## STUDENTS PREFERRED CREATIVE MARKETING STRATEGIES

Participants respond positively to creative marketing strategies like upcycling and humorous advertisements, suggesting the potential effectiveness of engaging and relatable brand messaging. They stated that the advertisements that appeal to them the most are those that utilize humor, saying that it keeps the brands fresh in their minds. Suggestions for Reformation included promoting swap shops, increasing access to thrifting, and raising awareness through campus events, reflecting a desire for more sustainable fashion options and educational opportunities. Additionally, they suggested promoting transparency, utilizing student ambassadors, and showcasing sustainability efforts through storytelling.

*“The humor keeps it fresh on my mind,” Participant 7 said.*

# Implications and Recommendations

After reviewing the data from our focus group, we have made several recommendations for Reformation to be able to effectively communicate about their sustainable practices, allowing them to expand their client base and be able to appeal better to college students. Below, we have outlined the implications and recommendations that would aid Reformation in growing this position within the fashion industry.

## EDUCATIONAL INITIATIVES ON SUSTAINABILITY

We found that students have a general understanding of fashion sustainability, and want more of an awareness focused on clothing production aspects. Therefore, the client should implement educational initiatives to deepen students' knowledge on advanced sustainability topics such as supply chain transparency, circularity, and ethical labor practices, positioning the brand as a thought leader in sustainable fashion.

## ACCESSIBILITY AND INCLUSIVITY

We found concerns about accessibility and inclusivity, particularly regarding sizing options, among students. Therefore, the client should: Expand the size range and implement inclusive sizing and pricing strategies to ensure that sustainable fashion is accessible to students of all body types and backgrounds, fostering a sense of inclusivity and belonging within the brand community.

## CONTINUOUS ENGAGEMENT

We found a desire for continuous engagement and co-creation among students. Therefore, the client should: Foster a culture of co-creation and continuous engagement with students by involving them in the brand's sustainability journey, seeking feedback, ideas, and input through co-design projects, focus groups, or collaborative campaigns to evolve based on their needs and preferences.

## SHARED RESPONSIBILITY

We found that students feel shared responsibility is necessary for sustainability in fashion, emphasizing both consumer and brand accountability. Therefore, the client should: Demonstrate the brand's commitment to sustainability through transparent communication about eco-friendly practices, such as implementing buy-back programs or showcasing supply chain transparency. Engage with students through educational initiatives and campus events to foster a sense of shared responsibility and empower them to make informed, sustainable choices.

# Implications and Recommendations

## SOCIOECONOMIC CONSIDERATIONS

We found that affordability overrides sustainability concerns, with financial constraints heavily influencing shopping habits among college students. Therefore, the client should: Recognize the significance of price sensitivity among students and consider implementing pricing strategies that make sustainable options more accessible, such as offering student discounts or introducing budget-friendly collections. Additionally, prioritize transparent communication about pricing and value to align with students' financial realities.

## INFLUENCES

We found that shopping habits are most influenced by friends and social networks, including family and social media influencers. Therefore, the client should: Capitalize on the power of peer influence by leveraging social media platforms and influencer partnerships to promote sustainable fashion choices. Encourage peer-to-peer advocacy by implementing referral programs or collaborative campaigns that empower students to influence each other positively toward sustainable shopping behaviors.

## CREATIVE MARKETING STRATEGIES

We found that students preferred creative marketing strategies, particularly those that utilize humor and relatability. Therefore, the client should: Develop engaging and relatable brand messaging that resonates with students' preferences, such as incorporating humor and storytelling into marketing campaigns. Explore innovative marketing approaches like upcycling and participatory events to capture students' attention and inspire them to engage with sustainable fashion in a meaningful way.

## TRANSPARENCY AND AWARENESS

We found that students want fashion companies to increase awareness through transparency, student ambassador programs, and storytelling. Therefore, the client should: Implement initiatives to promote transparency and showcase sustainability efforts through storytelling, utilizing student ambassadors as advocates for the brand's commitment to sustainability. Engage with students through authentic communication channels to build trust and credibility, ultimately driving awareness and participation in the sustainable fashion movement.