

## **Sustainable fashion entrepreneurship in Europe**

A qualitative analysis of startups' strategies  
for responsible business models in fashion

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SUSTAINABLE FASHION ENTREPRENEURSHIP IN EUROPE:  
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FOR RESPONSIBLE BUSINESS MODELS IN FASHION

**ABSTRACT**

*Sustainability in fashion is widely used for business models and marketing strategies, which often raise suspicions and brand mistrust due to greenwashing practices. Sustainable fashion is defined as the intersection between sustainable development and fashion as a creative industry. Sustainable fashion entrepreneurship aims to transform the fashion status quo towards environmentally and socially conscious production and consumption. Although there is recent research on sustainable fashion, especially from the end consumers' perspective, there is still a need for a deeper understanding of sustainable entrepreneurship and responsible business models in fashion. This study aims to extend sustainable fashion scholarship by connecting it with innovation and promotion strategies for the development and growth of responsible business models in sustainable fashion entrepreneurship. It does so by investigating the professional perspective of startups on the management of responsible businesses for the fashion industry. Seven in-depth, semi-structured expert interviews were conducted with entrepreneurs and marketing executives from European sustainable fashion B2B and B2C startups. The qualitative method made use of thematic analysis. The results of this study indicate innovation towards sustainability and sustainable value creation for society, the environment and the economy as the essence of responsible business development. The findings also reveal challenges in responsible brand promotion in fashion such as greenwashing, high prices, low accessibility and attitude-behavior gaps. In that regard, the participants highlighted the importance of digital marketing, social media, transparency and commercialization of sustainable fashion. Overall, the results disclose different development, innovation and promotion strategies for B2C and B2B startups in the management of responsible business models in fashion. This study provides useful insights for academics and professionals in various fields such as fashion marketing, sustainable fashion entrepreneurship and responsible business management with a focus on environmental and societal well-being.*

**KEYWORDS:** Sustainable fashion entrepreneurship, Responsible business model, Innovation towards sustainability, Sustainability Marketing, Brand promotion

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## Table of Acronyms

ASM	Auxiliary Sustainability Marketing
B2B	Business-to-Business
B2C	Business-to-Consumer
BM	Business Model
CBM	Circular Business Model
CBMI	Circular Business Model Innovation
CE	Circular Economy
CSR	Corporate Social Responsibility
FF	Fast Fashion
RSM	Reformative Sustainability Marketing
SBMI	Sustainable Business Model Innovation
SE	Sustainable Entrepreneurship
SF	Sustainable Fashion
SM	Sustainability Marketing
SME	Small to Medium-sized Enterprise
TSM	Transformative Sustainability Marketing
USP	Unique Selling Point

## 1. Introduction

In the modern consumerist society, driven by agility and technology, entrepreneurship creates space for radical change in industries, new Business Models (BMs) and innovations that can potentially influence and transform global markets and mainstream business practices towards sustainability and positive environmental impact (Henry et al., 2020; Niinimäki, 2015). According to previous research on entrepreneurship, the contemporary competitive market has become increasingly consumer- and society-led (Abimbola & Vallaster, 2007), influenced by processes such as globalization and digitalization. In creative fields such as the fashion industry, this requires developing and adopting a responsible BM around societal and environmental values. Due to the increased attention to sustainability across academia and industries (Ray & Nayak, 2023) and the disruption of the environmental and societal well-being caused by Fast Fashion (FF), discussions and business strategies around Sustainable Fashion (SF) and the slow fashion movement have been growing immensely in the past few decades (Henninger et al., 2016). Therefore, this study intends to examine the responsible businesses of SF entrepreneurs and their strategies to transform unsustainable fashion production and consumption into environmentally and socially conscious practices.

In addition to the polluting effects of FF (Brewer, 2019), the development of SF has been a direct response to issues such as greenwashing, which is perceived as a form of disinformation that deceptively presents an environmentally aware corporate behavior to the public (Kaner, 2021). The increased interest in SF is also a reaction to the Rana Plaza factory collapse in Bangladesh in 2013 (Khurana & Ricchetti, 2015), which raised ethical questions about the working conditions in textile manufacturing and FF production in low-wage countries. Moreover, those negative impacts of mainstream FF practices have been the reason for conscious collections of big FF brands such as *H&M* (Kaner, 2021) and the vast development of innovative startups in the world of SF (Niinimäki, 2015). In terms of environmentally conscious entrepreneurship, sustainable trends for creative startups have been previously defined as Circular Economy (CE), Corporate Social Responsibility (CSR), sharing economy, innovation towards sustainability and consumer awareness (Todeschini et al., 2017). Therefore, this research examines how some of these trends are applicable in the management of responsible BMs by entrepreneurs in fashion as a creative industry that

coincides and intertwines with art, culture, economics and communications (Nobile et al., 2021).

Considering that the current fashion system needs to be transformed into a more positive direction of sustainable development and value creation, there is a certain urgency to reevaluate and reconstruct BMs and marketing ethics (Niinimäki, 2015). Moreover, putting this need in an entrepreneurial context gives room for innovation-driven and future-oriented action (Crals & Vereeck, 2004; Parrish & Foxon, 2006). Therefore, this research aims to provide insights and direction for future entrepreneurs in the vastly growing SF industry with the following research question:

*How do European sustainable fashion entrepreneurs manage their responsible business models?*

To answer the research question, this study will focus on the perspective of entrepreneurs and marketing executives in European Business-to-Business (B2B) and Business-to-Customer (B2C) SF startups. This professional viewpoint will help answer the research question by providing an understanding of the entrepreneurial management of responsible businesses in the fashion industry in terms of motivations, aims, challenges and strategies.

To give an exact focus of this study, the research question is divided into three sub-questions that aim to discover the entirety of a responsible BM from its creation to its growth. The creation of a responsible business is the main concern of the first sub-question (RQa), "*How do European sustainable fashion entrepreneurs develop responsible business models?*". This question is based on the concept of Sustainable Entrepreneurship (SE), which aims at sustainable development and environmental, social and economic value creation (Belz & Binder, 2017). In relation to this vision focused on sustainability and social responsibility, the notion of entrepreneurial opportunity and its identification and assessment (Cohen & Winn, 2007) is selected to provide insights into the development of responsible BMs in SF entrepreneurship.

The growth of the responsible business in terms of innovation strategies is examined by the second sub-question (RQb), "*How do European sustainable fashion entrepreneurs make use of business model innovation towards sustainability?*". This is justified by the assumption that creating a responsible BM is closely related to adopting innovation towards sustainability that aims to integrate environmental and social values

into the BM (Thorisdottir & Johannsdottir, 2020). Since these values and innovation are at the core of SE (Urbaniec, 2018), it is useful to see how entrepreneurs in the context of SF create responsible BMs in terms of innovation and value creation towards sustainability in fashion.

The aim of the third sub-question (RQc), *“How do European sustainable fashion entrepreneurs promote their responsible business models?”*, is to reveal the growth of a responsible BM from a marketing communications perspective. As Ray and Nayak (2023) argue, SF marketing can be divided into B2C marketing which aims to encourage SF consumption and foster conscious consumer behavior and B2B marketing which directs sustainable values and products to other organizations within the fashion supply chain. Therefore, the emphasis on the promotion part of the traditional marketing mix (McCarthy, 1964) is chosen to understand how the responsible business grows and popularizes the sustainable product by communicating values to stakeholders from a B2B perspective and attracting consumers from a B2C perspective.

The research questions focus on the concepts of SE, SF, Sustainable Business Model Innovation (SBMI) and Sustainability Marketing (SM). Those notions contribute to the understanding of the responsible BM in SF entrepreneurship. Since SE focuses on combining social, environmental and economic values in a business, fostering innovation and transforming industries towards sustainability (Urbaniec, 2018), it is most useful to understand the underlying aim of responsible business development in SF, which provides social value by ensuring safe working conditions, environmental value by producing eco-friendly fashion and economic value by introducing innovative BMs to the market (Niinimäki, 2015). This connects to the concept of SBMI which implements those sustainable values into the business strategy (Kozlowski et al., 2016), which, in the fashion industry, happens by centering the responsible business around technical and/or social innovations (Coscieme et al., 2022). Since all those sustainable business objectives are not possible without a proper communication strategy (Coombes & Nicholson, 2013), it is suitable to introduce the concept of SM, as it focuses on sustainable production and consumption (Kemper & Ballantine, 2019) and can explain the crucial role of media channels and communication strategies for the promotion and normalization of SF. Therefore, the management of responsible BMs in SF startups will be examined through

the lens of SE, innovation types towards sustainable development and different promotion strategies in the realm of B2B and B2C marketing.

Furthermore, this research has substantial academic relevance in terms of apparent research gaps in the existing literature on sustainability in fashion. Although in business and marketing research, green branding and environmental sustainability have been thoroughly discussed in the context of the mass-market fashion industry (Kim & Hall, 2015) as well as across different industries (Hartmann et al., 2005; Hartmann & Apaolaza-Ibanez, 2012), it is relevant to examine responsible business strategies and environmental efforts in the context of SE and sustainable brand-building in fashion to provide a basis for future SF entrepreneurs and fashion marketing researchers. Indeed, there is some research on the sustainability efforts in the fashion industry in terms of defining SF and the slow fashion movement (Henninger et al., 2016; Štefko & Steffek, 2018), addressing the challenges of greenwashing (Adamkiewicz et al., 2022; Kaner, 2021) and implementing CSR into the marketing efforts of fashion apparel companies (Todeschini et al., 2017). However, little attention has been given to the entrepreneurial opportunities for sustainability-centered BMs and innovations towards SF in B2C and B2B startups and the challenges that arise with the development of SF brands. Including the B2B perspective of SF marketing as a topic of investigation in this research can be useful to address the research gap around sustainability in B2B marketing (Sharma, 2020). The B2C aspect of SF promotion, even though more frequently researched (Di Benedetto, 2017; Han et al., 2017; Moon et al., 2015), is important to be further investigated in an entrepreneurial context concerning innovative and customer-centric strategies for customer acquisition and implementation of digital media channels. Hence, connecting startups and Small-to-Medium-sized Enterprises (SMEs) and their potential for innovation and disruptive change with SF production and promotion can provide new valuable academic and practical insights into the management of responsible BMs in fashion.

In terms of the societal relevance of this research, there are two important implications for responsible BMs in SF entrepreneurship that contribute to environmental and social well-being. From an environmental perspective, the fashion and textile industry accounts for one of the biggest amounts of pollution among all industries, since it is responsible for multiple repercussions damaging the environment such as increasing

carbon footprint, industrial waste and water pollution (Brewer, 2019). Moreover, FF practices encourage rapid and trend-oriented production and consumption which further enhances the carbon footprint and promotes a wasteful mindset (Brewer, 2019). It is therefore important to understand how environmental values around eco-friendly fashion production and consumption can be implemented into a responsible BM through entrepreneurial innovation, communication and value creation. This can potentially show how SE in fashion can reduce or neutralize the negative environmental effect of mainstream fashion practices and therefore encourage new or established fashion and textile brands to make steps towards responsible BM development and innovation.

From a social perspective, normalizing slow and local fashion production and consumption is important to combat inhumane working conditions and shipping textiles into low-wage countries (Clark, 2008; Jung & Jin, 2014). This aspect of SF can contribute to a better life quality for these workers, “guaranteeing their fundamental human rights” (Jung & Jin, 2014, p. 512). Hence, the promotion of responsible BMs and the normalization of slow production and consumption practices in Europe can improve social well-being in underprivileged corners of the world. Moreover, SF entrepreneurship can localize production and influence FF consumerism to become more socially conscious and responsible. In hindsight, it is crucial to understand how responsible BMs can contribute to society and be implicated in SF startups and SMEs to create a positive social and environmental impact and build an authentic and socially engaged brand.

To provide answers to the RQ, this research is making use of thematic analysis (Braun & Clarke, 2006) of interviews with experts from the entrepreneurial world of SF in Europe. The inductive approach to this qualitative research contributes to the elaborate and professional understanding of European creative entrepreneurship, responsible BMs and communication strategies that aim to popularize sustainable alternatives to fashion production and consumption. This is achieved through in-depth expert interviews with founders and marketing executives in startups that either create and promote SF for B2C or develop and popularize sustainable technologies facilitating SF production for B2B. By covering those two dimensions of business and communication in SF, the sample aims to explore the responsible BM tailored for the end consumer as well as for fashion brands. Hence, this method gives an extensive overview of the innovative business and promotion

strategies in SF entrepreneurship that intend to commercialize the non-mainstream counterpart of FF and create a positive environmental and societal impact.

The following chapter aims to deliver a theoretical comprehension of the topic at hand and the underlying concepts that are being used in this research such as SF entrepreneurship, responsible BM and SF marketing. The first subsection contributes to answering the first sub-question and provides a fundamental understanding of the development of responsible BMs in SE by presenting sustainable development as a main focus of entrepreneurial actions. To bring the fashion industry into this entrepreneurial context, the subsection then conceptualizes SF by outlining what it can entail and why is it important. The second subsection aims to help answer the second sub-question by discussing the responsible BM through the lens of SBMI in terms of circularity, societal and technical innovations and connecting to the communication technologies useful for the responsible business innovation. The last subsection facilitates answering the third sub-question by presenting concepts such as SM and SF promotion to give an apprehension of the efforts, challenges and solutions in the quest of disrupting the status quo in the fashion industry from a communication and popularization standpoint.

The third chapter gives detailed information about the methodology of this research. It explains the reasoning behind the chosen qualitative method and the sampling strategy. Moreover, it gives a step-by-step description of the data collection process, provides examples from the conducted interviews and an overview of the participants. Then, the operationalization of the data is presented by explaining the interview guide, its conception and how it aims to answer the RQ. In terms of data analysis, the chapter also brings a thorough explanation of the applied thematic analysis and the coding process that reveals how the (sub-)themes of this research were constructed by providing examples from the dataset. To illustrate the research and method quality, the section also elaborates on the reliability and validity of this research as well as possible limitations to the applied method.

The fourth chapter dives into the results and their discussion based on the three themes that emerged throughout the coding process: Entrepreneurial Actions Against Fast Fashion, Building the Responsible Business of the Future and Making Sustainable Fashion the New Normal. Hereby, the sub-themes of each theme are presented and discussed by

providing selected parts of the interviews and connecting them to the literature. The final chapter summarizes the discoveries from this study and provides an elaborate answer to the RQ and the three sub-questions. It also emphasizes the societal and academic implications of the conducted research and the limitations of this study, followed by recommendations for future research.

## 2. Theoretical Framework

As with any creative industry, “fashion interacts with many different sectors, including culture, entertainment, finance, and Information Communication Technologies” (Nobile et al., 2021, p. 293). As a result of its relevance in all these fields, the societal influence of fashion is immensely growing and the responsibility of fashion brands is increasing. Therefore, this chapter discusses the opportunity for fashion entrepreneurs to build responsible BMs, promote SF, and utilize innovations and digital media to create a positive societal and environmental impact. First, a closer look at the conceptual evolution of SE and SF contributes to the understanding of the main goals, concerns and opportunities for responsible BM development in SF entrepreneurship. Then, the aim of a responsible BM, as well as the possibilities for innovation towards CE and sustainability in the context of the fashion industry, are explained. By exploring applicable innovations and communication technologies in SF, the chapter bridges the gap between responsible BMs in fashion and new media and digital technology. Finally, marketing promotion as an irreplaceable part of business is discussed in the context of sustainability and connected to SF, digital media and B2C/B2B communication to outline possible problems and solutions in SF brand promotion.

### 2.1 Sustainable Fashion Entrepreneurship

SE can utilize the opportunity to create positive social and environmental impact in multiple industries, including the fashion industry. Therefore, both concepts of SE and SF need to be examined to provide a theoretical understanding of SF entrepreneurship. In the subsections of this chapter, the definitions, properties and processes of SE and SF will be introduced. This aims to provide clarity to the relationship between the two concepts and the application and opportunities for SE in the development of responsible fashion businesses.

#### 2.1.1 Sustainable Entrepreneurship

In the literature on business and entrepreneurship, there is a prevalent consensus on the aim of SE. While conventional entrepreneurship focuses solely on economic values and profits generated by the novelty of products and services in the market, environmental

and social entrepreneurship aim at a double bottom line of ecological-economic and social-economic goals, respectively (Binder & Belz, 2015). SE is commonly viewed as the intersection of conventional, environmental and social entrepreneurship, as it pursues a triple bottom line of social, economic and environmental value creation (Belz & Binder, 2017; Binder & Belz, 2015; Muñoz & Cohen, 2018). Moreover, the definition of SE as a business practice is multi-faceted. From the literature review by Muñoz and Cohen (2018), it becomes apparent that there are several properties at the core of SE. First, its vision and goals are rooted in the idea of sustainable development, which combines the principles of intragenerational equity, satisfying the needs of present generations, and intergenerational equity, considering the potential needs of future generations (Belz & Binder, 2017). Second, SE aims at ethical and innovative behavior, which results in improved environmental and social well-being and the production of new sustainable products, services and future goods (Crals & Vereeck, 2004; Lans et al., 2014; Parrish & Foxon, 2006; Shepherd & Patzelt, 2011). Third, SE is strongly connected to the notion of entrepreneurial opportunity and its discovery, evaluation and exploitation (Cohen & Winn, 2007; Dean & McMullen, 2007; Pacheco et al., 2010). For instance, the definition of SE by Cohen and Winn (2007) examines "how opportunities to bring into existence 'future' goods and services are discovered, created, and exploited by whom, and with what economic, psychological, social, and environmental consequences" (p. 35). Hence, the concept of SE in terms of the triple bottom line solution, sustainable development and entrepreneurial opportunity is suitable to connect with the fashion industry and examine how and with what vision SF startups create their responsible businesses.

According to Belz and Binder (2017), the process of SE consists of recognizing a social/ecological problem and the corresponding opportunity in the market, developing a double and subsequently a triple bottom line solution, funding and forming a sustainable enterprise and finally creating or entering a sustainable market. For instance, Cohen and Winn (2007) indicate four market imperfections, which work against sustainability goals and can, therefore, be facilitators of finding opportunities for SE. They mention the inefficient utilization of resources as well as firms' negative externalities such as "runoffs from textile dying processes" (p. 40), which arguably create room for innovation to reduce waste and create social and ecological value. Another market failure they allude to is the

flawed pricing mechanism that undervalues natural resources, which could be an opportunity for sustainable entrepreneurs to provide ecological and economic value by displacing “underpriced, unsustainable technologies” (p. 43). The last market imperfection and a main driver of entrepreneurial opportunity would be the information asymmetry between suppliers and buyers about the prices, the products and the market (Cohen & Winn, 2007). Hence, these market failures open possibilities for achieving SE’s triple bottom line value creation by, for example, ensuring transparency of sustainable enterprises and education of all involved stakeholders about sustainable production and consumption behavior.

Keeping in mind these definitions, the concept of SE can be illustrated with three main attributes, introduced by Urbaniec (2018): “1) balancing environmental and social concerns with economic gains (action orientation), 2) creating new value and innovation (process orientation) and 3) transforming companies, sectors, or economies toward sustainability (effect orientation)” (p. 1775). Arguably, these attributes describe both the challenges and opportunities in SE. On the one hand, there is the entrepreneurial opportunity for innovation and positive societal and environmental impact. On the other hand, there are challenges in finding the balance between economic gain and providing social and environmental value as well as disrupting unsustainable norms in markets and industries with ingrained and established production, distribution and consumption behaviors. Therefore, it is useful to view SE in fashion to understand the opportunities and value creation within the responsible BM. For example, the case study of *Globe Hope*, a Finnish sustainable clothing company, showcases SE in terms of the triple bottom line and entrepreneurial opportunity in the context of the fashion industry (Belz & Binder, 2017). Following this example, the recognition of the ecologically problematic circumstances around FF products such as the big amount of material waste and overconsumption, leads to the solution, which in this case was to “recycle and upcycle discarded clothes” to attract “socially responsible young adults” (p. 7). Afterwards, the double bottom line solution was achieved by introducing a unique design in correspondence to the mainstream consumer demand, which secured economic and ecological value creation. Moreover, by ensuring fair working conditions in clothing production, the social goal was achieved, leading to the triple bottom line solution that defines SE. Looking at this example, it is useful to put SF in

the context, aim and vision of SE to understand how and why responsible BMs are developed by entrepreneurs in the fashion industry.

### *2.1.2 Sustainable Fashion*

In general, there is a lack of theoretical clarity and agreement on one definition of SF that unifies all of its different attributes and aspects. In the literature, three terms are most associated with SF: ethical fashion (Joergens, 2006), eco-fashion (Carey & Cervellon, 2014) and slow fashion (Clark, 2008). Ethical fashion describes a broader approach to fashion production with either positive, harmless or minimized negative impacts on the workers, the customers, society and the environment (Joergens, 2006; Reimers et al., 2016; Thomas, 2008). The concept of eco-fashion focuses on environmentally friendly clothing production using recycled, reused or natural materials (Carey & Cervellon, 2014). Slow fashion is seen as a movement or philosophy, which was initially introduced by Fletcher (2007) and inspired by the Slow Food Movement (Ertekin & Atik, 2015). The slow fashion movement mainly focuses on slow production and consumption (Jung & Jin, 2014), emphasizing local and sustainable production, a more transparent relationship between the producer and consumer and ethical working conditions (Clark, 2008). Moreover, Henninger et al. (2016) define SF as ethical, transparent and environmentally conscious fashion production that prioritizes quality over quantity, fair working conditions and minimization of waste. Since this definition combines the mentioned aspects of eco-fashion, ethical fashion and slow fashion and works on the levels of social, environmental and economic value creation, which are at the core of SE, SF will be used as an overarching concept within this research paper as the most relevant for the entrepreneurial context.

It could be argued that SF revolves around the notion of change. As a response to the devastating consequences of FF, SF is viewed through the lens of two approaches: a pragmatic and a radical change in production and consumption (Mukendi et al., 2020). FF practices of companies such as *H&M*, *Forever 21* and *Zara* not only entail “rapid production and quick, efficient supply chains [but] dramatically expanded the industry’s carbon footprint and promoted a culture of waste” (Brewer, 2019, p. 3). As a result of such practices, consumer demand intensified, the production of unremarkable low-quality quickly disposable pieces turned into a profitable mass market practice, and the levels of

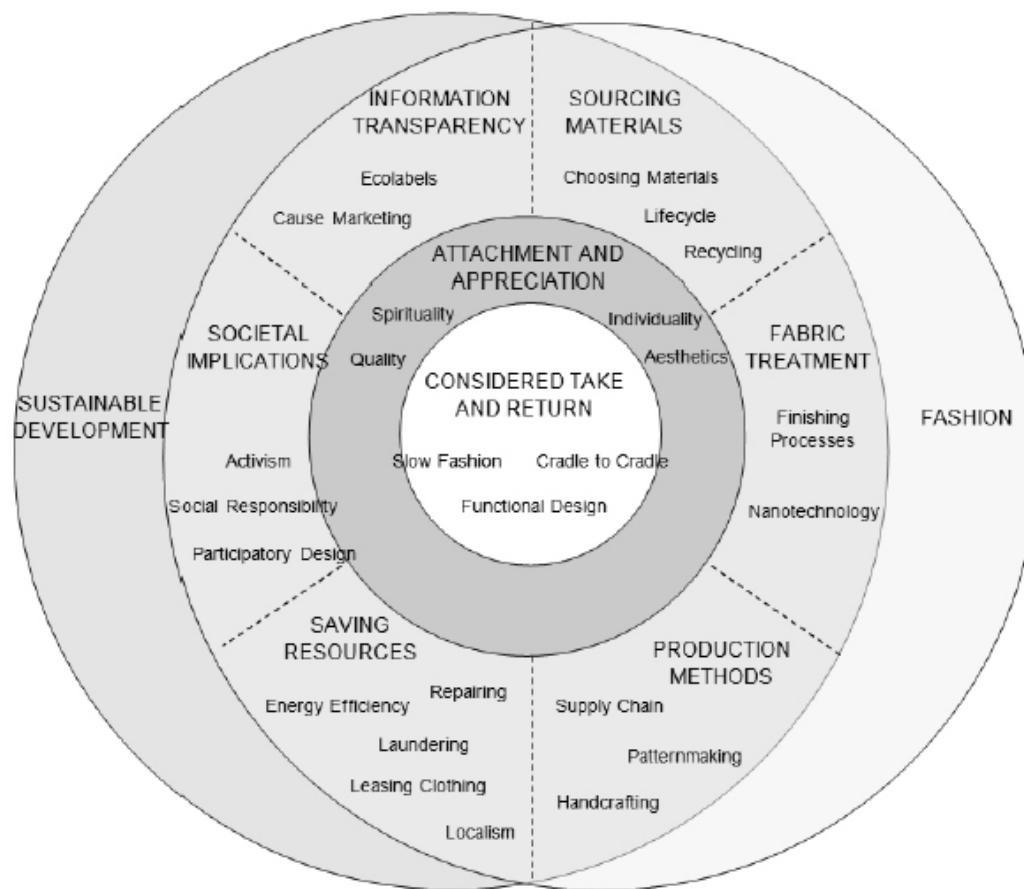
pollution and waste became alarming (Brewer, 2019). Adding to that, inhumane and exploitative working conditions in sweatshops have been examples of the economic unsustainability of mass-market fashion production and its major threat to social welfare (Ertekin & Atik, 2015). Looking at SF as the antithesis of FF through the notion of change, Mukendi et al. (2020) discuss that while the pragmatic change approach makes use of familiar tools such as supply chain and mainstream retail marketing methods to promote SF consumption, the radical change approach challenges mainstream consumerism and FF production by implementing novel methods such as SF BMs, social marketing and consumer communities. These approaches are useful to understand how the responsible BM in SF can develop to combat existing fashion production and consumption practices, harmful to the environment and society.

Moreover, the SF concept can be defined as an overlap between the conceptual frameworks of fashion and sustainable development. This notion is elaborated in the theoretical model of SF design (See Figure 2.1). The dimension of considered take and return entails the idea that the amount of energy taken needs to be equal to the amount of energy given so that pollution and waste are avoided (Chouinard, 2008). According to Aakko and Koskenurm-Sivonen (2013), this can be achieved through functional designs that fill the gap between human needs, culture and the environment, a cradle-to-cradle philosophy focusing on the lifecycle of materials and the slow fashion movement. In the dimension of attachment and appreciation, Aakko and Koskenurm-Sivonen (2013) argue that the individuality, quality, creativity and aesthetics of the design need to be independent of social and environmental sustainability and are necessary to build a connection with the customer. On the production level, further essential dimensions to the SF design they mention are sourcing materials, fabric treatment, production methods and saving resources. For example, recycled or recyclable materials, innovative technologies for fabric manipulation, different design approaches that minimize fabric waste as well as the full lifecycle of the clothing should be considered in the production of a sustainable design. On the societal level, the SF design is meant to ensure healthy, respectful and fair conditions for fabric workers and involve the consumer through activism and co-creation practices. On the consumption level, an important aspect of the SF design is information transparency. This should guarantee that the consumer receives reliable information about

the supply chain and the sustainability of the product, for example through ecolabels and cause marketing.

**Figure 2.1**

*A theoretical model for SF design (Aakko & Koskenpuro-Sivonen, 2013)*



To add to that, the model for the SF system, proposed by Niinimäki (2015), creating value for people, the planet and profit, merges the notion of SF with SE and sustainable development. The model argues that the SF system brings value to people by ensuring safe working conditions and producing high-quality, long-lasting and chemical-free clothing (social value). Moreover, the value for the planet of SF is ensured by eco-friendly, clean production with less industrial waste (environmental value). Finally, the value for profit is provided by “radical green business models [that] can afford new business opportunities [and] encourage less materialistic industrial manufacturing” (economic value) (Niinimäki, 2015, p. 35). Considering this potential for social, economic and environmental value

creation of SF, it is indeed useful to examine responsible BMs in fashion through the lens of SE and its vision for sustainable development.

## **2.2 Responsible Business Models in Fashion**

To define a responsible BM in the fashion industry, it is important to gain an understanding of possible innovation types and communication tools that contribute to the BM. According to Di Benedetto (2017), the development of an innovative BM is a prerequisite for the success and recognition of any business, whereby the product is not as essential as a BM that is responsive to changes in society. Hence, a responsible BM which incorporates different innovations can deliver relevant social, environmental and economic value. Especially in the fashion industry, Circular Business Model Innovation (CBMI) and technological innovation are common approaches towards a responsible BM incorporating consumer awareness and environmental and societal benefits (Todeschini et al., 2017). Moreover, adopting CBMIs is often seen in “startups, due to their higher flexibility and their capacity to stimulate disruptive sustainability innovation” (Henry et al., 2020, p. 3). For instance, fashion startups have implemented production techniques that use sustainable materials and zero-waste manufacturing to create a responsible fashion brand (Todeschini et al., 2017). Such innovations, responsive to the contemporary digital society, need to be incorporated and communicated through new media, which means utilizing digital media in fashion practices (Rocamora, 2017) and seeing how it can benefit a responsible SF business. Therefore, this section will contribute to the understanding of SBMI in SF startups and further focus on the role of media and communication technologies in facilitating the management of responsible BMs in fashion.

### *2.2.1 Sustainable Business Model Innovation*

Geissdoerfer et al. (2018) define a BM as the interactive relationship between value proposition, value creation and value delivery within an organization. Moreover, Osterwalder et al. (2005) illustrate the BM as a triangle around the business strategy, the organization and information and communication technologies, which is “constantly subject to external pressure like competitive forces, social change, technological change, customer opinion and legal environment” (p. 8). Hence, for a BM to become sustainable

and function properly in an agile and competitive business environment, it needs to incorporate environmental and social values into the internal and external stakeholders' actions and goals. In terms of innovation towards sustainability, Geissdoerfer et al. (2018) argue that

the process qualifies as a sustainable business model innovation [...] when it aims at 1) sustainable development or positive, respectively reduced, negative impacts for the environment, society, and the long-term prosperity of the organization and its stakeholders or 2) adopting solutions or characteristics that foster sustainability in its value proposition, creation, and capture elements or its value-network (p. 406).

Moreover, within the fashion industry, fostering SBMI is essential to the implementation of social and environmental values as well as a competitive advantage in the business strategy (Kozlowski et al., 2016). This becomes challenging for fashion brands in the stages of the product lifecycle where they have the least control and influence. This is suggested by Kozlowski et al. (2016) in their proposed design-driven SBMI, which implies that designers have the most control over sustainability in the design process and product development, a moderate influence over the suppliers within the supply chain and no control over the consumer use of the product after they buy it.

In that regard, a plausible way for the brand to exercise more control over sustainable practices and foster SBMI is to adopt approaches of circularity. CE is defined as an economic system focusing on extending the materials' lifecycle in the production, distribution and consumption phases by reducing, reusing and recycling and operating on all levels, from the consumer and the brand to the national economy, to achieve sustainable development (Kirchherr et al., 2017). In the sector of fashion and textiles, this means developing a Circular Business Model (CBM), based on technical and social innovations (Coscieme et al., 2022). According to the authors, technical innovations aim at developing materials and products with less environmental impact, whereas social innovation focus on the promotion of new ways of consumption behaviors and collaboration. For example, Coscieme et al. (2022) highlight four strategies of CBMs, specific to fashion and textiles. First, longevity and durability, aiming to extend the life of

garments by repairing and customizing them to enhance emotional attachment and therefore reduce the need to purchase new products. The second approach is an access-based model, which focuses on “renting, leasing, and sharing of garments” (p. 454) between consumers and designers. The third and the fourth strategy - collection and resale, and recycling and reuse of materials – work together. The former extends “the useful life of textiles beyond the first user” by collecting secondhand clothing and reselling it to the latter, which turns “textile waste into raw materials to produce new textiles” (p. 454). In all these approaches and CBMs in general, not only the role of the company but the responsible consumer is highlighted. This emphasizes the importance of the promotion of SF and the different marketing strategies to engage and educate the consumer for more awareness and active participation in CE.

Moreover, to connect SBMI to SF entrepreneurship, CBMs need to be considered in the context of circular startups in the fashion industry. In general, circular companies develop three categories of CBM innovations, based on the downstream actors (consumers), the source organization and the upstream actors (suppliers and partners) (Henry et al., 2020). Hence, on those levels, the innovation types are either about active consumer engagement (downstream), implementation of technology (source organization) or manufacturing standards (upstream). It could be argued that startups, “as new market entrants” (Henry et al., 2020, p. 2) have a great potential to adopt these innovations since they enter the market without the need to transform old BMs or acquire new ones on top of the old ones. In a recent study by Elf et al. (2022), they found that SF startups in the UK successfully adopted CBM approaches through their dynamic capabilities and extended customer engagement. Therefore, entrepreneurial dynamic capabilities such as sensing and seizing opportunities, adaptability and maintaining competitiveness (Teece, 2007), as well as strong, interactive and educational B2C and B2B communications contribute to the implementation of sustainability innovation into the responsible BMs of fashion entrepreneurs.

### *2.2.2 Communication Technologies in Fashion*

In the literature, the merger of digital technology with fashion is addressed as digital fashion, fashion tech or Fashion 4.0 (Bertola & Teunissen, 2018; Casciani & Colombi, 2022;

Sayem, 2022). These notions stem from the emergence of the fourth industrial revolution, the so-called Industry 4.0, which enables the fashion industry to use digital technologies to bring “disruptive changes in the back and front ends of the value chain”, which results in innovative “processes, products, services and BMs” (Casciani et al., 2022, p. 773). Moreover, Sayem (2022) mentions digital business and promotion in terms of e-commerce, social media, data analytics and AI for business as one of the major themes in digital fashion. Based on this, it is useful to see how SF brands make use of digital media and communication technologies to manage and innovate their responsible BMs.

Furthermore, Casciani and Colombi (2022) argue that the technological advancements in fashion tech such as the Internet of Things (IoT), Big Data and AI, VR and AR allow fashion brands to “completely shift fashion paradigms” by creating innovation strategies and “raising ethical questions, focusing on sustainable challenges” (p. 8). Possibly, this disruptive paradigm shift can revise the entire fashion system and facilitate circular fashion, enabling dynamic and tech-savvy startups to create new benchmarks for SF. As Bertola and Teunissen (2018) state, social media and smart products are increasingly influencing product development and closing the fashion cycle loop. As a result, many new competitors in the fashion market are reshaping the traditional BM through social media, which enables “democratization, customization, sharing, co-creation and sustainability” (p. 364). This also connotes the idea of the mediatization of fashion, examined by Rocamora (2017), which highlights the role of digital media in moving fashion production, distribution, consumption and retail beyond physical spaces and introducing new ways to traditional fashion practices such as fashion shows, fashion marketing and retail as well as personalization and customization. Hence, new actors and brands in SF can influence a fashion paradigm shift by adopting and developing BMs around digital media, technology and the customer.

To draw the connection between SF and communication technologies, current trends need to be implemented into an innovative socially relevant design, as Kozlowski et al. (2016) suggest. This includes following technological innovations in current design practices such as 3D printing and online cultural trends such as co-creation and DIY. According to Scaturro (2008), the Internet can facilitate the consumption of recycled clothing and a “strong ‘do-it-yourself’ (DIY) ethic [which] directly counters the conventional

fashion system" (p. 484). Moreover, common digital communication tools, social forums and networks such as Facebook and Instagram can also contribute to sustainable design practice, as they can popularize current trends and personalize fashion for the consumer (Kozlowski et al., 2016). Similarly, other researchers found social media to be a great tool for SF brands to increase sustainability awareness, spread knowledge, connect users with brands and communities and influence consumer attitudes (McKeown & Shearer, 2019; Strähle & Gräff, 2017). Another digital trend that Kozlowski et al. (2016) mention is open data and interactive platforms, where brands can create and foster online communities and customers can purchase virtual designs and interact with the brand. As the authors argue, these trends provide benefits for the demanding consumer, the fashion brand and its SBMI, and overall contribute to sustainable supply-chain management. Additionally, digital technologies and social media are the main marketing communication channels in the age of modern consumerism. Many mass-market fashion brands have implemented their CSR and sustainability policies into their websites and online communication (Quiles-Soler et al., 2023), which improves consumer education and brand reputation and could also be a suitable approach for SF startups.

Overall, as Casciani et al. (2022) highlight, digital technologies in the fashion industry can dematerialize the supply chain and therefore reduce waste and shorten business activities, introduce new B2B and B2C models with emphasis on customer engagement and experience, create digital platform-based BMs around the idea of networks and communities, reveal more potential for creativity and sustainability in the design process and change consumption behaviors "to reach a more ethical/responsible paradigm" (p. 790). Hence, it can be argued that on the production level, digital fashion can minimize pollution, maximize business efficiency and foster SBMI. On the distribution and consumption level, it can improve the customer journey and enhance consumer awareness about sustainable and responsible behaviors with clothing. Considering the mentioned innovations in SF, it is useful to see which digital communication trends are implemented by fashion entrepreneurs into their responsible BMs and how they contribute to SBMI in fashion.

## 2.3 Sustainable Fashion Marketing Promotion

This chapter focuses on the marketing strategies, used in SF entrepreneurship to promote SF products to all stakeholders and reach a desired level of what Elf et al. (2022) define as extended customer eco-engagement, which has to do with brand-customer relationship, education, awareness and customer behavior within a circular BM. Since well-established frameworks for a marketing strategy such as McCarthy's (1964) four P's of product, price, place and promotion, also known as the traditional marketing mix, do not consider other stakeholders except for the end-user (Peattie & Belz, 2010), and are therefore not suitable for implementation into circular businesses, an upgraded approach beyond that definition is required. The following subsections are discussing SF marketing at the intersection between entrepreneurship, sustainability and sustainable development. First, a definition of SM and its various purposes and challenges is proposed. Then, the promotion part of the marketing mix is analyzed through the lens of B2C and B2B communications and SE to see what the brand can do to achieve a wider reach of responsible consumers and to popularize SF in the mainstream market.

### 2.3.1 Sustainability Marketing

Some scholars consider the concepts of marketing and sustainability to be antonyms since marketing is broadly used to promote overconsumption and serve capitalism (Jones et al., 2008; Lim, 2016) and, therefore, does not consider other values from the triple bottom solution except economic ones. To take into account social and environmental values, the concept of marketing has been expanded and modified in the literature to include notions such as ecological marketing and social marketing (Kumar et al., 2013). These definitions, based on environmental problems and solutions such as CSR and cause marketing, merged into the idea of SM, which is understood as "the building and maintaining sustainable relationships with customers, the social environment and the natural environment" (Peattie & Belz, 2010, p. 9) and, therefore, corresponds to the triple bottom line solution of sustainable development and SE.

SM has been examined and categorized on micro (customers), meso (products and organizations) and macro (institutions) levels in marketing research (Gordon et al., 2011; Kemper & Ballantine, 2019). Gordon et al. (2011) introduce green marketing, social

marketing and critical marketing as the three pillars of SM. According to the authors, social marketing aims at interventions and motivation towards more sustainable consumer behavior and shifting socially accepted consumption norms. For example, in SF, social marketing efforts would move the norm from materialistic and disposable to considerate and durable consumption (Gordon et al., 2011). In the authors' definition, green marketing focuses on sustainable business and product development. Therefore, when combined with social marketing, it can potentially achieve the desired sustainability outcome for people, planet and profit. On a macro level, critical marketing deals with critical reflection on existing methods and regulations, addressing governments and policymakers to stimulate systemic change with emphasis on social and environmental welfare (Gordon et al., 2011).

Similarly, Kemper and Ballantine (2019) have further developed three types of SM with a focus on sustainable production and consumption. Their first type, auxiliary SM (ASM), emphasizes the environmental and social impact of production. Hereby, fair conditions of production, environmentally friendly product performance and distribution, ecological product lifecycle and its impact on humans are underlined. As the authors discovered, ASM implementations of enterprises can be reactionary, precautionary, proactive and visionary. Since responsiveness, proactive behavior and vision are embedded in entrepreneurial marketing as well (Stokes, 2000), it can be argued that ASM is a suitable approach for responsible businesses in SE. It also relates to the concept of B2B marketing in SF that aims at "green supply chain management" (Ray & Nayak, 2023, p. 3) and involves fashion and textile factories or brands promoting sustainable technology. The second SM type that Kemper and Ballantine (2019) define is reformative SM (RSM), which seeks to reform unsustainable consumption by promoting sustainable lifestyles, educating the customer and engaging them in sustainable behaviors such as sharing, renting and collaborative consumption. Arguably, this approach can contribute to the popularization of SF consumption and the engagement and education of responsible fashion consumers, which connotes B2C marketing in SF (Ray & Nayak, 2023). Thirdly, Kemper and Ballantine (2019) identify transformative SM (TSM) which, similarly to critical marketing, challenges the current economy and encourages "positive collective citizen action" (p. 289) and collaboration with local businesses. Considering that these changes involve innovation and new BMs, SF brands can potentially adopt ASM, RSM and TSM approaches to achieve the

triple bottom solution.

As mentioned in the previous section, the involvement of the customer is crucial to the success of a responsible BM. Therefore, the four C's modification of the traditional marketing mix by Peattie and Belz (2010), namely, customer solutions, customer cost, convenience and communication, is meant to complement the SM approach. According to the authors, this means satisfying customer needs while simultaneously considering the full product lifecycle and fostering sustainability improvement to expand demand and value proposition. Moreover, from a B2C communications perspective, it is important to analyze not merely the conventional fourth P as the promotion part of the marketing mix but the communication with the customers and its challenges, which are especially relevant within the fashion industry among others.

Looking through the lens of fashion marketing, it can be argued that despite the growing interest in the environmentally-friendly approach to fashion production and distribution, it is challenging for brands to promote SF in the contemporary market flooded with FF and high consumer demand. A plausible reason for turning the promotion of a SF brand into a difficult task is greenwashing, which is defined as a corporate practice that falsely and misleadingly communicates to the customer about alleged positive environmental attitudes within the company and environmental benefits from its product (Delmas & Burbano, 2011). Possibly, such practices have the potential to create mistrust among consumers when they encounter a SF brand. Moreover, Ertekin and Atik (2015) identify some other barriers that can hinder the mobilization of a SF system such as globalization and lack of transparency on a macro level, as well as lack of knowledge and awareness, concern with aesthetics and an attitude-behavior gap on a micro level. The latter has to do with the fact that many consumers who are concerned about the environment "and are aware of the negative consequences of their actions may still continue to indulge in consumption patterns that are against ecological best practices" (Joy et al., 2012, as cited in Ertekin & Atik, 2015, p. 62). Keeping in mind these challenges, it could be argued that SM has the potential to provide solutions to facilitate the normalization and promotion of SF. Therefore, it is worth examining how SF entrepreneurs use SM on a micro and meso level to create an authentic, trustworthy and positive brand image and engage their consumers and partners to adopt responsible fashion consumption

and production behavior, respectively.

### *2.3.2 Sustainable Fashion Promotion*

According to the literature, adequate communication and promotion of a green brand's value proposition to the customers are essential to establish a distinctive presence and a competitive advantage in the market (Aaker & Joachimsthaler, 2000; Hartmann et al., 2005). As stated above, in SF, this communication aims not only to popularize slow fashion in the mainstream fashion market but also to promote circular supply chain management and sustainable consumption. Concerning the above-mentioned challenges to the mobilization of SF such as greenwashing and macro-micro barriers, a more in-depth view of these obstacles is required to understand the importance of a successful SF promotion.

Researchers in fashion marketing show that the adoption and popularization of ethical clothing have four major barriers, connected to information, supply, price and aesthetics (Di Benedetto, 2017; Moon et al., 2015; Ritch et al., 2012). First, there is insufficient information on ethical clothing products and as a result, consumers have limited knowledge about the negative influence of FF production and consumption on the environment (Moon et al., 2015). This could be combatted through better product labelling and more customer information about the environmental impacts of fashion (Di Benedetto, 2017), as well as educational programs for industry practitioners, designers, consumers and managers (Moon et al., 2015). The second barrier is the limited accessibility to SF in the marketplace stores which could be avoided by better retail promotion and wider availability (Di Benedetto, 2017). Another problem is related to economic issues since "the prices of SF are higher than general apparel because of the environmentally friendly materials and processes" (Moon et al., 2015, p. 947). Since Di Benedetto (2017) proposes customer education as a solution, it could be suggested that the communication of SF brands should include information about the quality, durability and longevity of ethical clothing compared to FF to promote a better price-performance ratio and justify the higher price. The last barrier the literature mentions is the fashionability perception of ethical clothing, which stems from an existing stigma "that SF products are [...] unfashionable, unattractive, or not suitable to consumers' wardrobe, needs, personality, or self-image" (Sisco & Morris, 2012, as cited in Moon et al., 2015, p. 947). The main solution here would

be to use visual marketing tools to accentuate the aesthetical, fashionable and practical design of SF to reduce this negative perception among consumers (Di Benedetto, 2017). Additionally, Han et al. (2017) found in their interviews with European SF brands that there is a social stigma around second-hand clothing, as the common perception is that it is dirty, and that one of the main concerns of SF entrepreneurs is to close the value-action gap, which, similarly to the above-mentioned attitude-behavior gap, means that consumers who have interest in sustainable consumption need to be converted into actual sales.

Based on the literature, it could be argued that to overcome all these barriers, the promotion of SF brands focuses on content, digital marketing, socially engaged initiatives and product design. In terms of content, promotion messages need to be tailored according to the specific needs of target groups and consumer segments. Hence, the diverse groups of fashion consumers should be considered in conveying marketing messages “in order to link consumers’ unique attitudes and preferences with SF” (Moon et al., 2015, p. 949). The authors suggest that altruistic fashion consumers who have a stronger sense of care towards their communities and the planet may respond to promotion messages addressing the environmental benefits of SF. Whereas egoistic fashion consumers with more concern about their personal welfare could potentially be attracted by content that focuses more on the aesthetics and the price of the clothing. Moreover, in their research on the lexicon of green terminology that SF brands in Hong Kong use in their marketing communications, Evans and Peirson-Smith (2018) found that SF brands should include engaging, tangible and shorter sustainability messages in their communication with the consumer and focus on one main area of change towards sustainability for their promotional narrative. Han et al. (2017) also highlight that many SF brands found their customers to be more attracted by emotional human stories about workers than notions about the environment. Therefore, considering specific customer preferences in the promotion strategy ensures more clarity on the beneficial impact of SF on all stakeholders and a wider reach of consumers.

The second main tool for SF promotion that is found in the literature is digital marketing (Han et al., 2017; Khandual & Pradhan, 2019). On the one hand, according to Khandual and Pradhan (2019), visibility is a major challenge for startups, especially when entering a market dominated by resourceful competitors, in this case, luxury and apparel

brands. On the other hand, these brands are “free from burdens of preconceived notions of marketing and branding” such as greenwashing, and can freely engage in “socially conscious and eco-friendly online campaigns” (p. 45). Moreover, Han et al. (2017) found that social media is a preferred online communication tool for SF brands, as it allows them to connect with like-minded designers and consumers and gain customer feedback and market insights. The most popular channel amongst fashion brands seems to be Instagram, as it provides a platform for aesthetic visual presentation of fashion products, self-expression, building online communities and exchanging feedback (Lee & Weder, 2021; Marcella-Hood, 2023). For example, in the Australian context of SF, Lee and Weder (2021) found that Instagram is used to promote responsible fashion businesses in contrast to the problematic mainstream businesses, to present SF as an expression of the authentic self and to foster a community with circular values. Hence, digital marketing and social media present multiple opportunities for small SF businesses to promote sustainable lifestyles while engaging and educating customers and growing their brands.

Furthermore, charitable donations and initiatives such as programs for reducing carbon footprint, local manufacturing, sustainable packaging and collaborations with other SF designers are other successful approaches that ethical clothing brands use for promotion (Khandual & Pradhan, 2019). It could be argued that these strategies have the potential to attract more altruistic consumers but also to enter the brand into the mainstream marketplace by “showing transparency and keeping the consumers informed” (p. 46). Finally, innovating, improving and diversifying the products, combined with thoughtful designs such as “a change in size so that they can last for a longer time and can be worn on many occasions” (Khandual & Pradhan, 2019, p. 48) can contribute to a successful promotion of SF production and consumption. Moreover, Han et al. (2017) discovered that European SF brands find the emphasis on design and style rather than ethics to be the most successful approach to communicating upcycled fashion to customers. This highlights the aesthetics of the product and the innovative design as key selling points that can potentially popularize and commercialize SF.

## 2.4 Chapter Summary

The concepts outlined in this chapter work concurrently to connect the fields of

fashion, sustainability, media and business and depict the entrepreneurial opportunities, challenges and complexities in the process of turning SF into a successful business with a positive impact on the economic, societal and environmental welfare. Therefore, to provide a relevant theoretical framework to answer the research questions of this study, this chapter focused on the multilayered definition of SF entrepreneurship, the exploration of possibilities for responsible BM innovation and marketing communication to promote SF brands and products. This works as a guideline to understand the entrepreneurial point of view in the fashion industry and connect it to the various opportunities and challenges in the building of a responsible business and the marketing of SF products.

Overall, the discussed notions will serve as a solid theoretical foundation for the expert interviews with SF entrepreneurs and marketing executives in this research. The concepts of SE and SF work as a theoretical basis to understand the intersection of sustainability, entrepreneurship and the fashion industry in the development of responsible BMs. Then, the most discussed innovation strategies towards sustainability in the literature are illustrated to provide depth to the idea of a responsible BM and SBMI in the entrepreneurial fashion context. The following exploration of digital fashion presents a contemporary view on possible integrations of digital media and communication technologies into the responsible BM in SF. Finally, to complete the full theoretical depiction of a responsible BM in terms of SF marketing promotion, the last section explores the concept of SM, connects it to the fashion industry and provides useful insights on the barriers and approaches in SF marketing communication. Bringing all these notions together aims to illustrate how SF entrepreneurship works and what challenges and opportunities arise from the perspective of an entrepreneur managing and growing a responsible fashion business.

### **3. Methodology**

This chapter provides a thorough explanation of the methodology and analytical framework of the study. It justifies the use of qualitative in-depth interviews as the most suitable method for the research question. Moreover, it explains the purposive and snowball sampling process and the sampling criteria to gather participants for expert interviews. It also clarifies the operationalization in terms of the interview guide of this study and the exact concepts used to structure it. Further, this chapter demonstrates how the data analysis was conducted by providing a step-by-step description of the process and ends with a reflection on the research quality, methodological limitations and ethical considerations.

#### **3.1 Research Design**

Since this study is not focused on factual data but on gaining an understanding of business practices, the most suitable for this research is a qualitative research design. The qualitative method provides knowledge about the personal experiences, perspectives and meaning-making processes of the participants (Hammarberg et al., 2016), which is useful to gain an understanding of the professional paths and business perspectives of the experts working in SF startups. Moreover, to answer the research question, it is most appropriate to use an in-depth interview research method which, in its essence, is a semi-structured interview with enough room for the interviewee to share their perspective and for the researcher to gain a deeper understanding of their experiences and their actions' meanings (Johnson, 2001). Therefore, conducting in-depth interviews with creatives in entrepreneurial SF produces the most meaning and knowledge about their professional experiences, struggles, aspirations, and business and promotion strategies in the field. Moreover, the method makes use of expert interviews, which serve to obtain expert knowledge that is not easily accessible elsewhere (Meuser & Nagel, 2009). This provides the needed information to answer the research question and to understand the entirety of the process of creating and growing a SF brand and its relationship with business partners and the modern customer.

Additionally, in contrast to structured interviews or quantitative surveys, which provide limitations to the participants' answers in terms of flexibility and emotional

expression (Queirós et al., 2017), the semi-structured method allows an open, creative and collaborative conversation. Since this leads to follow-up questions and unplanned discussion topics, the in-depth interview could potentially reveal new aspects of SF promotion, entrepreneurship and innovation towards responsible BMs in fashion as a creative industry. By uncovering important details that were initially not considered by the researcher, this method provides the research with more depth to make it more reliable and ensure its quality in terms of the exhaustiveness and thoroughness of the results (Hammarberg et al., 2016). Therefore, to answer the research question "*How do European sustainable fashion entrepreneurs manage their responsible business models?*", the chosen qualitative research design consists of expert in-depth interviews followed by a thematic analysis.

### **3.2 Data Collection**

For the data collection, this research made use of a combination between purposive sampling and snowball sampling. Purposive sampling provides a representative sample of participants, as they are deliberately chosen to be suitable for the research based on a preselected criterion (Etikan et al., 2015). Whereas snowball sampling is commonly used to interview the participants' social circle in cases where potential interviewees are difficult to reach, for example, due to their professional status (Goodman, 2011). The main criteria for the purposive sampling was the participants' occupation as a (co-)founder and/or marketing manager in a European startup founded in the last ten years, with a focus on sustainability in the fashion and textile industry. The participants' occupation was selected to ensure their experience in the management of a responsible BM in fashion and their insights into topics such as SE, SF brand communication and popularization, CE and SBMI. The purpose of targeting people who work in a smaller enterprise was justified by the assumption that startups are inherently innovation-driven and increasingly sustainability-oriented (Schaltegger & Wagner, 2011), which is shown to be essential for facilitating responsible and circular BMs in the fashion industry (Henry et al., 2020). The European context was chosen not only because of accessibility but also because there are many emerging green brands in the European Union (Sarkar, 2012) and it is useful to see how they combat unsustainable business, marketing practices and consumption behaviors,

especially in the controversial industry of fashion.

A total of 60 European startups and SMEs in fashion and textiles that focus on sustainability and two Dutch fashion schools were contacted. To maximize the chances of gathering at least seven participants for expert interviews, the sampling strategy was not geographically restricted to the Netherlands. First, SF startups in various European countries such as the Netherlands, Germany, Sweden, Belgium, Italy and Greece were contacted after thorough research online. Their founders as well as their marketing managers were reached with the researcher's recruitment message via LinkedIn and/or E-mail. Second, Dutch fashion and fashion management students were contacted via E-mail to their academic institution with the purpose to find small SF business owners or people who work for SF startups. Third, for snowball sampling through word of mouth, in the recruitment message, the participants were asked to inform people from their network who they think would be interested to participate.

The recruitment process resulted in gathering seven participants who were interviewed via the online tool Microsoft Teams. Even though interviews in person can provide more depth to the observations, online meetings were preferred because of geographical distance, flexibility and convenience. The interviews were conducted between April 26<sup>th</sup> and May 15<sup>th</sup> and lasted between 50 and 60 minutes. They were transcribed with the support of the integrated AI transcription tool in Teams. The interviewees received a consent form a day prior to the interview and gave their verbal consent to be recorded at the beginning of the conversation. Table 3.1 below shows the participants' education and occupation and provides information on their startups' location, mission and business type. The data is entered in the chronological order of the interviews.

**Table 3.1**

*Overview of the participants' demographics and their startups*

Interviewees	Country	Education	Occupation	Mission	Business
<b>Respondent 1</b>	The Netherlands	MA Fashion Design	Co-Founder & Marketing	Sustainable knitwear	B2B
<b>Respondent 2</b>	The Netherlands	BA Fashion and Management	Founder & Marketing	Garments in natural fibers	B2C
<b>Respondent 3</b>	The Netherlands	MSc Chemical Engineering	Co-Founder & CTO	Waterless textile dyeing	B2B
<b>Respondent 4</b>	The Netherlands	MA Sustainable Entrepreneurship	Founder & Marketing	Fashion rental platform	B2C
<b>Respondent 5</b>	The Netherlands	BA Fashion Design	Founder & Marketing	Sustainable knitwear	B2C
<b>Respondent 6</b>	Belgium	MA PR and Strategic Communications	Head of Communications and Branding	Circular textiles	B2B
<b>Respondent 7</b>	Greece	BA Textile Design	Founder & Marketing	Sustainable textiles	B2B+B2C

Before starting the interviews, a pilot test was conducted with an interviewee experienced in marketing and interested in fashion and sustainability. Even though the person did not fulfil any of the criteria mentioned above except their occupation in marketing, this helped to test the logic and flow of the prepared questions for the interview guide and to improve the validity and reliability of the study (Saunders et al., 2009). The pilot interview lasted around 30 minutes, which was due to the fact the person

does not have any entrepreneurial or business experience and was only able to answer questions related to marketing and communication. However, the pilot helped the researcher notice some similar questions and to reframe or remove them. Moreover, some follow-up questions were added based on the ones that emerged during the pilot interview. Overall, this contributed to an improved quality of the research and a better alignment of the topics in the interview guide with the concepts of the theoretical framework.

### **3.3 Operationalization**

After developing the theoretical framework of the study, an interview guide was created to provide the research with an analytical frame and a structure for data analysis (See Appendix A). Based on the explanation by Johnson (2001) for the structure of an in-depth interview, the interview guide contained some key elements. First, an introductory part with some ice-breaker questions (e.g. demographics, interests etc.) was necessary to establish a friendly relationship with the interviewee and to create a safe space for an open conversation. This was followed by transition questions (e.g. occupation, experience in the industry) that led to the topic of the research. Hereby, the main theoretical concepts, derived from the reviewed academic literature, served as a guideline for the topics of the interview. At the end of the interview guide, a closing question on upcoming plans for innovation of the brand was asked to show interest in the startup's future and possibly discover more trends in managing responsible BMs in fashion.

To answer the research question with its three sub-questions, four main concepts were operationalized in the interview guide (See Figure 3.1). To answer RQa, "*How do European sustainable fashion entrepreneurs develop responsible business models?*", questions on SF entrepreneurship and entrepreneurial opportunity and vision were incorporated into the interview. The underlying concepts are the triple bottom line solution of SE and the entrepreneurial opportunities in the world of fashion which can explain how and why the responsible business was started. These questions aimed to provide insights into the motivations and vision behind the responsible business development and the discovery and utilization of entrepreneurial opportunities in SF.

For RQb, "*How do European sustainable fashion entrepreneurs make use of business*

*model innovation towards sustainability?",* questions on SBMI were included in the guide to discover themes related to the concepts of SE and CE. Based on this, the concept of SBMI can reveal the Unique Selling Points (USPs) and the sustainable value creation of the responsible BM. It can also show the aspects of CE used in the BM and to what extent circularity can be a part of the startups' innovation strategies. The main purpose of these questions was to discover the sustainable goals of the responsible BM of the particular startup as well as its innovation strategies.

To answer RQc, "*How do European sustainable fashion entrepreneurs promote their responsible business models?*", based on the ideas of SM and digital communication, questions on communication technologies, tools and strategies in SF promotion were integrated into the interview guide. The different types of SM in terms of marketing sustainable production, sustainable consumption and transforming industries work as a basis for understanding B2B and B2C sustainability communication and the sustainable brand promotion strategies in fashion. These questions made a direct connection with digital media and marketing to provide an understanding of digital communication methods for the promotion of responsible BMs and the popularization of SF in the European marketplace.

**Figure 3.1**

*Topics in the interview guide*



### 3.4 Data Analysis

In thematic analysis, qualitative data analysis consists of identifying themes and sub-themes in the data through coding (Braun & Clarke, 2006). This method is defined by the process of emergence, which generates codes and themes found in the data and labeled with words from the data themselves (Glaser, 1992, as cited in Kendall, 1999). This is also known as the inductive or data-driven approach in thematic analysis because it is not based on coding frames and conceptions, prepared by the researcher (Braun & Clarke, 2006). According to the authors, as a result of this inductive analysis, the “themes identified may bear little relation to the specific questions that were asked of the participants” (p. 83). Moreover, according to Kendall (1999), Strauss and Corbin (1990) define coding as “an essential aspect of transforming raw data into theoretical construction of social processes” (p. 746). Hence, this method can potentially reveal new perspectives and phenomena that are not foreseen by the literature and are connected to the participants’ unique views and experiences influenced, for example, by different social and

economic circumstances.

The data analysis of this study makes use of thematic analysis, which consists of familiarization with the data, initial open coding, followed by identifying themes and sub-themes (Braun & Clarke, 2006). This is done to provide a multifaceted understanding of responsible BMs in SF in its main aspects, examined by the sub-questions of this study. The familiarization with the data begins with the process of transcription which is understood as an initial process of interpretation of the verbal data from the interviews (Braun & Clarke, 2006). Open coding is defined as the initial phase of coding, whereby the raw data is thoroughly examined and conceptualized (Glaser, 1978) and organized “into meaningful groups” related to the researched phenomenon (Tuckett, 2005, as cited in Braun & Clarke, 2006, p. 88). In the next phase, the initial codes are grouped into themes while also looking at the relationships between the codes and forming sub-themes within the themes (Braun & Clarke, 2006). Finally, the potential themes are reviewed, refined and logically named, so that in the end, the researcher and the reader can get “a sense of what the theme is about” (p. 93). Hence, to understand business practices and strategies, those steps from the thematic analysis are applied to make contextual and intersectional connections between data patterns and gain the conceptual depth required to answer the research question of this study. Based on this approach, the step-by-step process for data analysis of this study is explained below.

After the interviews were transcribed by the researcher with the support of an automated transcription tool, the raw data were coded according to the process of thematic analysis, whereby potential themes in the data were identified, reviewed, defined and named by the researcher (Terry et al., 2017). After thoroughly inspecting the data, a coding tree was created by detecting interesting aspects of the data across the entire dataset and gathering them in initial open codes and then in potential themes and sub-themes (See Appendix C). The initial process of data analysis conforms with the first two phases of thematic analysis described by Braun and Clarke (2006): data familiarization and initial code generation. For example, the sentence from the data: “We saw a gap or, like, some problems facing up in the textile world or knitwear”, was turned into the open code “noticing a need for change in the fashion industry”. As a result of this initial process, a total of 293 open codes were generated.

After the initial open coding, the data was divided into sub-themes and then themes related to existing or new concepts which aim to answer the research question. This corresponds to the fourth and fifth phases of thematic analysis by Braun and Clarke (2006), where common and dominant patterns in the codes were reviewed, defined and assigned to named themes and sub-themes. For instance, the above-mentioned code was combined with four other codes - “networking with potential stakeholders”, “collaboration with other entrepreneurs”, “multidisciplinary knowledge” and “interest in fashion design and sustainability” - into the sub-theme *Entrepreneurial Opportunity in Sustainable Fashion* which was assigned to the main theme *Entrepreneurial Actions Against Fast Fashion*. This method proved to be suitable for this research, as it provided patterns to the meaning-making processes of the participants and professional insights into entrepreneurial fashion and sustainability that relate to new or existing theoretical concepts in this study. The discovered themes and sub-themes are used for the interpretation and discussion of the perspectives of fashion entrepreneurs, their experience with SBMI and entrepreneurship in the SF industry and how they perceive their communication with their customers and partners in terms of brand promotion and their responsibilities to society.

### **3.5 Research Quality**

In qualitative research, the criteria of reliability and validity are mainly connoted to the “integrity and robustness” (Hammarberg et al., 2016, p. 499) of the research. Reliability is ensured by providing transparency and trustworthiness in terms of research design, data analysis and the theoretical framework from which the interpretation of the results derive (Silverman, 2011). Moreover, the reliability of the interviews, as proposed by Silverman (2011), was guaranteed by pre-testing the interview guide in the pilot interview, training of the interviewer, audio recordings of all interactions and automated assistance for the transcriptions of the recordings. The transparency and trustworthiness of the data analysis were further improved by applying the method of constant comparison, which entails a continuous juxtaposition of the findings with existing literature (Silverman, 2011).

Furthermore, the criterion of credibility and applicability were followed to evaluate the research’s internal and external validity, respectively (Hammarberg et al., 2016). In terms of credibility, the researcher reflects on their positionality and potential influence on

the research to show that she is aware of potential biases and subjectivity in the interpretation and analysis of the data (Holmes, 2020). In that regard, limitations might appear because of the positionality of the researcher, as she only has marketing experience and theoretical knowledge on the subject but no entrepreneurial experience, practical familiarity with SF or previous experience with in-depth interviewing. Hence, it is plausible that during the interview the researcher missed some opportunities for a follow-up question due to a lack of practical and business experience in the fashion industry.

Moreover, all interviews were conducted remotely, which limited the researcher's understanding of the participants' body language. They were also conducted in English, which is not the native language of either the participants or the researcher and at times hindered the flow of the conversation. Hence, the verbal and physical expression of personal thoughts and experiences of the interviewees and therefore the deeper understanding of their perspective by the researcher was partially restricted. This might have limited the exhaustiveness of the results and potentially deprived the research of new insights that were not related to the theoretical background. To minimize these limitations, the researcher asked multiple follow-up questions that arose during the conversation and were not part of the pre-conceptualized interview guide. The researcher also did not interrupt the participants and listened carefully to detect any opportunities for a relevant follow-up question. To facilitate this, the usage of Teams' automated transcription tool during the interviews helped the researcher to follow the train of thought and main points in the respondents' speech.

The applicability criterion to evaluate the research's external validity was achieved through the process of analytical induction, whereby the researched phenomena and the research question were redefined and reformulated until universal research applicability was shown (Fielding, 1988, as cited in Silverman, 2011). Hence, during the process of data analysis, the theoretical concepts were expanded or removed and the research questions were reformulated to better fit the data so that the research is seen as fitting for societal and academic contexts outside of this study (Hammarberg et al., 2016).

Since this research did not concern any sensitive topics, ethical approval was not necessary. All interviewees agreed to be recorded and gave their consent to anonymously participate in the research after reading the consent form provided by the researcher. To

ensure data privacy and confidentiality, the transcripts and recordings from the interviews were not submitted to third parties and were saved only on the researcher's personal computer. Moreover, personal information such as names and exact locations of the interviewees are kept anonymous in the present report and the transcripts to further protect the participants' privacy.

## 4. Results and Discussion

This chapter discusses the findings from the seven conducted interviews that serve to answer the research question of this study. The results are structured into three main themes that give insight into the development, innovation and promotion of responsible BMs in entrepreneurial fashion (See Table 4.1). First, the theme Entrepreneurial Actions Against Fast Fashion is identified to understand the potential of developing responsible BMs to counteract the mainstream fast fashion industry. The second theme Building the Responsible Fashion Business of the Future explores innovative responsible BMs through the lens of circularity, SBMI and business communication. Lastly, the third theme Making Sustainable Fashion the New Normal reveals the main challenges in the normalization and promotion of responsible BMs and how the SF startups attempt to overcome them from a B2C and B2B perspective. The table below demonstrates the themes and sub-themes that will be further elaborated in this chapter.

**Table 4.1**

*Overview of the themes and sub-themes*

Theme	Sub-theme 1	Sub-theme 2	Sub-theme 3
<b>Entrepreneurial actions against fast fashion</b>	Sustainable fashion as the antithesis of fast fashion	Sustainable entrepreneurship in fashion	Entrepreneurial opportunity in sustainable fashion
<b>Building the responsible fashion business of the future</b>	Actions towards circular economy	Innovation towards sustainability	Business communication tools
<b>Making sustainable fashion the new normal</b>	Challenges in sustainable fashion promotion	B2B communication to promote sustainable production	B2C communication to promote sustainable consumption

## 4.1 Theme 1: Entrepreneurial Actions Against Fast Fashion

The first theme discusses SF entrepreneurship as the counterpart of FF in both the production of sustainable solutions for fashion brands and the production of SF for the end consumer. It aims to provide an answer to RQa, *“How do European sustainable fashion entrepreneurs develop responsible business models?”*, by looking at the foundations of SE in the fashion industry to understand the motivations behind the development of responsible BMs. Specifically, the theme shows how the participants see the essence of SF and which problems and industry gaps they aim to address with the development of sustainable products. It also elaborates on how the participants view SE and what are their main reasonings and drivers to develop responsible BMs. Moreover, the investigation of entrepreneurial opportunities is useful to see how the sustainable ideal starts to become a responsible entrepreneurial reality within the initial stages of business growth.

### 4.1.1 Sustainable Fashion as the Antithesis of Fast Fashion

Six out of seven participants highlighted different aspects that they want to focus on with their SF business. For example, participant 4 emphasized the importance of slow fashion:

[...] overconsumption is at least the thing that is the most critical for nature and society because through overconsumption and just through a lot of quick fashion, fast fashion in a short time frame, a lot of companies and also the consumer got used to wearing, using it really quickly, very low quality, and then disposing it again. Because everything is just kind of focused on efficiency, efficiency, the faster, the better, the more the better. So, slowing it down, that is really important.

This statement is closely associated with the purpose of the slow fashion movement to aim at a lower quantity and higher quality of ethical and local production (Clark, 2008). It also aligns with the literature that describes SF as a combination of ethical, eco and slow fashion (Henninger et al., 2016). This means that SF focuses on ethical production in terms of reducing waste and replacing previous fashion production practices that harm the people and the environment (Joergens, 2006), using eco-friendly materials (Carey & Cervellon,

2014), and slowing down fashion production and consumption (Jung & Jin, 2014). Hence, entrepreneurs seek to achieve an ideal of responsible production and consumption of fashion that will hopefully replace and slow down the mainstream fashion practices of overproduction and overconsumption.

Moreover, three out of seven participants said that using “natural materials” is the most important to them and participant 2 advocates that we have to “choose for better- or high-quality fabrics to wear them longer”. Hence, they view the quality and the sustainable nature of the materials as very important to the overall sustainability of the product, which corresponds to the essence of eco-fashion (Carey & Cervellon, 2014). Different ethical aspects of sustainable fashion that were mentioned in the literature (Joergens, 2006; Reimers et al., 2016) were emphasized by all participants in terms of product development that is harmless to the workers, the environment and the animals. For instance, participant 1 expressed that “we need to be the generation to make a change, [...] to work in a way that we don't harm the environment or the humans and animals, everything”. Therefore, the view of the participants aligns with the fact that SF is not simply the counterpart of FF but can be considered as a shift of the fashion paradigm (Casciani & Colombi, 2022), which provides alternative ways of fashion production and consumption, focusing on societal and environmental well-being.

#### *4.1.2 Sustainable Entrepreneurship in Fashion*

Four out of seven participants highlighted the importance of people, the planet and profit for sustainable businesses such as their own. As participant 1 described their business, “We make sure the whole process is [...] on good terms on the material side, on the humanities side, on the economical and the environmental side, like, all combined to deliver our honest project.” Moreover, participant 3 talked about capitalism by saying that “how our system is working, we just have one equation and we're missing out social and environmental cost and impact. And we have to include that in the total balance.” As seen in Niinimäki (2015), SE in fashion focuses on a triple bottom line solution of people, planet and profit, securing economic growth, social responsibility and environmentally friendly behavior. Hence, SE in fashion considers societal and environmental issues while simultaneously focusing on business growth and profit.

For example, startup 3 developed a solution for waterless textile dyeing which turns an “extremely polluting technology” into “a clean technology”. Participant 6 spoke up about another issue in the industry that they are trying to counteract:

what many brands did in the past and are still doing today, it's shipping those products to another country in Asia, in Africa, potentially South America to get this done manually, especially in Asia. But then it's cheaper. But the environmental footprint of those products is huge. And then if you think that you're trying to recycle something, to become more circular and more sustainable, it's crazy that you're shipping it by plane or by ships to another country.

Accordingly, Urbaniec (2018) highlights new value creation and sustainable transformation of industries to illustrate the main properties of SE. Thus, to achieve the triple bottom line, SF startups focus on developing sustainable and innovative solutions for different unsustainable fashion practices such as overconsumption, overproduction, water pollution, carbon footprint and shipping textiles to lower-wage countries.

Moreover, all participants keep in mind sustainable development in their business practices. For instance, participant 3 said that “there are so many examples of regions in the world where your service water system in countries is so much polluted by mainly the textile industry that you cannot use that for drinking water anymore”. Moreover, participant 1 said that “we need to be the generation to make a change”. This corresponds to the principles of intra- and intergenerational equity in terms of improved environmental and societal well-being, which are at the core of sustainable development and the vision of SE (Belz & Binder, 2017; Crals & Vereeck, 2004). It could be suggested that SE in fashion brings sustainable ideals on a global scale and directs entrepreneurial actions towards sustainable development. Therefore, maintaining the triple paradigm while keeping sustainable development, innovation, new value creation and industry transformation as the main vision and business driver can prove the important role of sustainable entrepreneurs in contributing to the desired shift towards conscious, transparent and responsible fashion.

#### 4.1.3 Entrepreneurial Opportunity in Sustainable Fashion

In all of the founders' stories, there was the common theme of noticing a need for change in the fashion industry due to their previous experiences as producers and/or consumers. For instance, participant 7 reflected on their first job in FF:

And at some point, I asked, like, what happens to the ones that haven't been sold?

And they were just like, we keep them for a year or two years and then we just throw them away. [...] it was very different, like, working in university, like, fully sustainably and then being in a fast fashion world and hating it.

Moreover, participant 5 referred to the industry as a "fashion circus" and participant 4 decided to start their company for renting clothes after realizing that "the fashion industry is the second most polluting industry in the world". The results align with the notion that SE is closely related to the discovery and utilization of entrepreneurial opportunity (Cohen & Winn, 2007; Dean & McMullen, 2007). According to Cohen and Winn (2007), market imperfections facilitate the discovery of business opportunities for new market entries and Belz and Binder (2017) highlight that opportunities appear from recognizing a social and environmental problem in the industry. Therefore, among all the participants, there was a determination for change and frustration with the current status quo that motivated them to create a responsible business and fill industry gaps.

Additionally, all seven participants have specific knowledge and skills due to their either technical or fashion education and interest in sustainability. Six out of seven interviewees said that they organize, participate or attend sustainability workshops or SF events. Moreover, as participant 1 highlighted, "that expertise, that specific knowledge that is leaking in between the design and the factory, that was at that time, and still is, a bit of a problem. [...] We learned from all collaborations that we did." This confirms that entrepreneurial opportunity is created through gathering information and knowledge, discussion and sensemaking (Vaghely & Julien, 2010). Arguably, knowledge exchange, collaboration and networking help entrepreneurs to gain new perspectives, share experiences and develop responsible businesses.

Overall, theme 1 provides an understanding of the RQa: "*How do European*

*sustainable fashion entrepreneurs develop responsible business models?*”. The findings reveal the importance of SE, sustainable development and entrepreneurial opportunity in SF for the creation and development of responsible BMs. Moreover, the results give insights into the philosophy behind SF production as a counteract against FF, the recognition of global problems and the need for change in the fashion industry as the reasoning behind the responsible BM. Hence, the first theme gives an initial sense of SF entrepreneurship and its fundamental goals, mission and vision.

#### **4.2 Theme 2: Building the Responsible Business of the Future**

The second theme aims to answer RQb, “*How do European fashion entrepreneurs make use of business model innovation towards sustainability?*”. This refers to the way that SF entrepreneurs utilize innovation and sustainable strategies to build responsible BMs. The following analysis dives deeper into the notion of circular fashion, what it entails and to what extent is it applicable to different responsible businesses. Then, it provides insights into different innovation strategies that facilitate sustainability and SF production and consumption. Since there is a recognized need to “communicate business models to key stakeholders” (Coombes & Nicholson, 2013, p. 662), the theme also examines the most effective communication tools to spread awareness about those innovative solutions.

##### *4.2.1 Actions towards Circular Economy*

Six out of seven interviewees claimed that their company is taking small steps into being circular in their BM and their products and three of them emphasized the challenge of being entirely circular as a SF startup. For example, participant 1 said that

being fully, everything within the company circular, it's really not possible or the environment is not there yet to be totally circular and that is also a transition that we face in this time, in this period where we are in now. [...] for every part of our chain to become fully circular, is connected with all parties. The whole chain has their responsibility to think in a circular way in that sense.

This highlights the shared responsibility between the industry, the policymakers, the

suppliers, the consumer and the company itself to adopt circularity into their BMs, production and consumption behaviors. This shared responsibility aligns with the view of circularity as an economic system involving all levels of the chain with the common goal of sustainable development (Kirchherr et al., 2017). Moreover, even though it is considered easier for startups to center their business around the circular concept due to their dynamic capabilities (Henry et al., 2020), all interviewees expressed a degree of dependence on other actors and brands. As participant 3 stated, “It takes size to make those changes, to convince the producing companies to actually change the way of working” or as participant 2 said, “It’s also hard to find those suppliers or partners to develop [circular] with”.

However, multiple aspects of each company’s BM are seen by all the participants as circular. Their answers ranged from being circular in small decisions such as using recycled paper for flyers, reusing products or a zero-waste philosophy to adopting the concept of platform, renting, using biodegradable materials and making recycling easy. This corresponds to the CBM strategies described by Coscieme et al. (2022) that center around concepts such as repairability, recycling, renting and reuse of materials. Hence, although only participant 6 claims full circularity, all companies in the dataset are thinking circularly in specific ways to manage and innovate responsible BMs, which proves the significance of CE for SF entrepreneurs.

#### *4.2.2 Innovation towards Sustainability*

When asked about the most innovative aspect of their BM in terms of a USP, four out of the seven respondents were unsure of their answers. Participant 2 mentioned the lack of a physical store, participant 4 talked about implementing renting for day-to-day clothes instead of only for special occasions and participant 5 and 7 highlighted their unique designs as the most innovative. It could be argued that those types of USPs are more customer-centric and oriented towards customer engagement with SF, which can be explained by the fact that those four businesses implement a direct-to-consumer selling method and B2C communication. This aligns with the social innovation type proposed by Coscieme et al. (2022) that focuses on the popularization of alternative ways of consumption behaviors, which is arguably achievable by promoting unique designs and

normalizing fashion renting.

The other three respondents highlighted their technical solutions towards sustainability as USPs in collaborating with fashion brands and in their B2B communication. Company 1 implements virtual reality to digitally showcase knitwear models to their customers to reduce waste and utilize “new technology that can help you make a more efficient way of working”. Participant 3 focuses on waterless textile dyeing and uses that as their USP in their business with fashion brands and company 6 uses smart disassembly as the main driver towards circular fashion:

And why focusing so much on disassembly? Because nothing can be completely recycled. [...] All of those things that would hinder recycling, really impede recycling, all of this needs to be separated and processed. [...] And then [...], making sure that those elements can be automatically separated, sorted, eliminated from the recycling process so we can recover as much fabric as possible to allow one clothing to eventually become another piece of clothing in the future.

Therefore, B2B fashion startups focus on technical innovations that, according to Coscieme et al. (2022), aim to develop products with less environmental impact and reduce waste. As the results indicate, it could be argued that B2C fashion startups innovate their business in terms of natural, good-quality materials, unique design and customer convenience to stimulate SF consumption. Whereas B2B fashion startups implement technical solutions for sustainable product development that would appeal to fashion brands that want to focus on sustainability.

#### *4.2.3 Business Communication Tools*

Communication is an essential part of any BM (Coombes & Nicholson, 2013), which arguably entails communicating innovative solutions with potential stakeholders to grow and improve business. The results indicate several offline and online communication tools that contribute to business growth. Five out of seven respondents pointed out social media channels such as Instagram and LinkedIn as most valuable for their business communication. This corresponds to Han et al. (2017) who state that social media is a

prioritized communication tool among SF brands. Moreover, six out of seven participants mentioned having Facebook but not feeding it actively with content. In general, Instagram was identified by the participants as the most useful tool for both customer and partner acquisition. For example, concerning B2B communication participant 6 pointed out:

Fashion brands still care a lot about Instagram, including the fashion professionals.  
[...] The more or the better is our Instagram presence, the more we could show the brands that our solution on top of the environmental, financial, everything else, also has a marketing aspect.

In terms of B2C communication, Instagram's features such as stories and reels were emphasized as useful tools for customer engagement by making "fun and creative content [...] that just gives a positive vibe of the brand", as participant 4 highlighted. Moreover, websites were mentioned by all seven participants as a way to explain their mission and their sustainable solution and provide all information to the stakeholders. As Marcella-Hood (2023) discusses, visual communication tools such as Instagram have a high relevance in communicating innovation in SF. Based on the results, it could be argued that Facebook's relevance for sustainable businesses is decreasing whereas the website, Instagram as a visual tool for both B2B and B2C communication and platforms for B2B communication such as LinkedIn are important for responsible business communication.

Additionally, the relevance of offline communication tools was emphasized by all seven respondents. All participants engage in events and workshops that focus on sustainability and circularity in the fashion industry and use different fashion and textile fares to sell and promote their innovative solutions. Three out of seven interviewees that focus on direct-to-consumer business mentioned the pop-up store as a great tool to showcase and sell their sustainable designs. This offline/online mix emphasizes the importance of a strong market presence and the communication of the sustainable brand's value proposition to create competitive advantage and business growth, which aligns with the literature (Hartmann et al., 2005). Hence, establishing professional relationships with customers, partners and suppliers offline and online could lead to word-of-mouth marketing that would potentially result in customer and partner acquisition and contribute

to business growth.

In general, theme 2 answers RQb, *“How do European sustainable fashion entrepreneurs make use of business model innovation towards sustainability?”*. The results allude to the importance of innovation towards CE as well as technical and social innovation types towards sustainable production and consumption of fashion. Although full circularity in fashion is hardly achievable due to the big number of actors across the supply chain, small choices and decisions towards CE are present in the BM of every SF startup in the sample. Moreover, B2B startups adopt technical innovative solutions in their BMs to support SF production in terms of sustainable textile dyeing techniques, recycling technologies and implementing VR into their production process. The B2C startups focus on social innovations in terms of sustainable and fashionable designs, transparency towards the consumer and facilitating SF consumption. Finally, the SBMI is communicated via online communication tools such as social media and websites and offline business and educational events about SF.

#### **4.3. Theme 3: Making Sustainable Fashion the New Normal**

The third theme aims to answer RQc, *“How do European sustainable fashion entrepreneurs promote their responsible business models?”*. The theme illustrates the challenges that the participants face in promoting and growing their responsible business when dealing with other fashion brands and/or the end consumer. Furthermore, the theme showcases their solutions to overcome these barriers by implementing different strategies into their external communication. Depending on the business, some strategies are directed to their partners in terms of B2B communication and others to the fashion consumer in terms of B2C communication.

##### *4.3.1 Challenges in Sustainable Fashion Promotion*

When asked about the biggest challenges in SF promotion, six out of seven participants mentioned greenwashing as one of the greatest barriers. For instance, from a B2C perspective, for participant 2 the question, “Should I communicate about this or will people think this is greenwashing?”, is often problematic. From a B2B perspective, participant 6, who is a communications expert, said:

[I am] also working together with the brands that are adopting our technology to guide them on how to talk about circularity, how to talk about the innovations that they're implementing without falling in the traps of greenwashing or unsustained claims.

Hence, the interviewees expressed that greenwashing hinders brand trust and makes it difficult for SF brands to communicate their sustainable values and work with bigger fashion brands known for their greenwashing. Since greenwashing stems from a lack of evidence to confirm environmental claims (Delmas & Burbano, 2011), these results align with Ertekin and Atik's (2015) discovery that the lack of transparency obstructs the adoption of a SF system.

The second biggest challenge that six out of seven participants mentioned is the high price of SF products. For example, participant 2 emphasized, "It's always a struggle not putting your price too high, because otherwise people would still go for, like, the fast fashion companies" and participant 5 said it's "really difficult to establish a company, a solid financial company out of these ideals because yeah, many people think, oh, it's so expensive". Moreover, three out of seven interviewees concluded that FF companies have more budget for marketing which makes it difficult for the startups to compete on a price level. To add to that, all participants emphasized the need for information and education for the people to understand the process, the technology and the materials responsible for the high price of SF clothing. Therefore, the high prices of sustainable materials and technologies lower the accessibility to sustainable clothing options on the consumer end and slow down the development of responsible BMs on the startup's end. This corresponds to fashion marketing research, as Moon et al. (2015) suggest that the higher prices of SF against apparel fashion are a major barrier to the popularization of SF.

Another barrier that was emphasized by two out of seven participants was the SF aesthetics. Participant 6 even emphasized the stigmatized nature of the designs: "[...] there's a stigma, a stereotype that sustainable things look like a potato sack, you know, like, that it's a bit beige. You know, like, there's this aesthetic that it looks organic and natural." Even though not everyone agreed on that issue and participant 4 even said that

their customers do not care about the aesthetics of the second-hand clothing they rent as long it is washed, this barrier still exists especially in terms of direct-to-consumer businesses. The consumers' concern with aesthetics is also apparent in the literature (Ertekin & Atik, 2015; Moon et al., 2015) but due to the conflicting results on that matter, it could be stated that this has become less of an issue nowadays.

Finally, three out of seven participants mentioned that the customers are not yet ready to take the step towards SF consumption. As participant 2 said, “[...] there's always a time that you get aware of the facts, but then acting on it, it's different, it's difficult, and that also takes time.” This aligns with the theoretical assumption that the attitude-behavior gap is impeding SF consumption (Ertekin & Atik, 2015). This could be due to multiple factors such as market accessibility and visibility, high price or stigma around SF.

#### *4.3.2 B2B Communication to Promote Sustainable Production*

To see how startups combat the above-discussed challenges in working with other brands, this subsection focuses on the sustainable textile companies in the sample, as they mainly work with B2B communication. A common point among all three B2B startups is that they focus on communicating shared responsibility and sharing knowledge with other actors on the supply chain such as fashion brands, manufacturers, designers, textile recyclers etc. This mostly happens through workshops, events, their websites and carefully curated social media content, for example on LinkedIn or Instagram. As participant 1 said:

We need to have a lot of awareness and create a lot of education, inspire people to do this and also tell and inform the people what is going on, why things are important, why we need to act and behave in certain ways, why we need to take responsibility for things. The more we create this mindset in our communities, in our people, the more we can take care of all. You know, it's not only one company or one person, it's everyone.

Accordingly, Moon et al. (2015) suggest that educational practices and knowledge transfer can improve transparency and awareness of the sustainability issues among designers, fashion companies and the consumer. It could be argued that this knowledge sharing is

done to foster a long-term commitment to sustainability, promote responsible businesses and communicate shared responsibility to create a positive environmental impact and overcome greenwashing.

Moreover, all of the interviewed B2B startups collaborate with well-known names in fashion apparel such as *Nike*, *Adidas* and *Decathlon* to create environmentally conscious pieces or a collection. Participant 6 explained the importance of collaboration with popular and FF brands such as *H&M* and *Primark*, as it is essential for commercializing SF and overcoming the high prices: “And this is why we try and work with fast fashion brands, also to make sure that sustainability shouldn't be a luxury point. I really believe that sustainability should be mainstream.” This aligns with the proposal of Di Benedetto (2017) of wider availability and promotion in terms of the commercialization of SF. Hence, the collaboration of sustainable startups with the biggest mainstream polluters in the industry could potentially normalize SF alternatives and make them more accessible to everyone which would arguably create the biggest impact for the triple bottom line of people, planet and profit.

#### *4.3.3 B2C Communication to Promote Sustainable Consumption*

The participants emphasized the importance of sufficient information and transparency about sustainable processes, issues in the industry and consumption behaviors in the communication with the customer, especially on sustainability events and social media. All four B2C startups are engaging in initiatives and workshops for education, transparency about the supply chain and awareness about sustainable materials. Participant 7, for example, said: “I tried to do a lot of teaching here as well, so I do workshops [...] with the kids and I also talk about fast fashion and sustainable fashion”. Moreover, participant 5 explains their work in an educational initiative:

[...] now we're working on a book for education for young children, like from 10 years old and older and their families to make them more aware. We have educational projects, so we can teach the kids about, be aware, don't run through *Primark*, but maybe run to the second-hand store. Or if you want something new, realize what you're buying and read your ticket with where is it made, what is the

composition. And so, in that way I try to educate people and I also want to educate people with my collections.

Besides customer education, there is also a generational aspect in teaching younger people and children, since they are the next generation that can make a change in their fashion consumption patterns. This also relates to the fact that three out of seven participants are exploring TikTok as the platform for communication with younger generations.

Moreover, transparency about the production processes and the responsible business to explain the high prices and the better quality is emphasized by three out of seven participants. For example, participant 7 said: "I've noticed, like, on Instagram, when I post process stuff like us dyeing or sewing, [...] there are much more likes, for example. Like, people enjoy that content for my business much more than the actual finished objects." Hence, transparency and education can be proven as the most effective way to combat high prices, and greenwashing and to overcome the attitude-behavior gap, as also suggested by Di Benedetto (2017).

Six out of seven startups actively use visual communication through their website and Instagram as tools to emphasize the fashionability and aesthetics of their designs and collaboration products. Three of the B2C startups prioritize the visual presentation of the designs over the sustainability messages in their external communication. For instance, participant 4 said that "getting the attention from the people is usually with like, good, fun, creative fashion videos". And participant 5 stated: "I think for me as a brand, it's more important to communicate my aesthetics plus the sustainability and not only the sustainability." Additionally, participant 5 also said that due to greenwashing, they changed their branding:

What my problem is, mainly, from the beginning, I always communicate I use natural materials, sustainable materials, luxury, whatever. But that's such a hollow phrase because everybody nowadays is green. If they are green, you don't know, but everybody is green. You know, it's like really a marketing tool. [...] And so, it doesn't add any value anymore to your brand. So, first I called it sustainable knitwear. Now I think I call it responsible knitwear.

Therefore, due to the overabundance of sustainability messages, the modern customer can be hardly attracted by sustainable claims in the communication of the brand. In alignment with the findings of Han et al. (2017), it could be stated that the emphasis on design and aesthetics rather than sustainable values is a more successful B2C communication strategy and therefore can break stereotypes around SF aesthetics and create brand trust against greenwashing. This would also contribute to the normalization of SF and the promotion of responsible fashion businesses.

Overall, theme 3 provides answers to RQc, "*How do European sustainable fashion entrepreneurs promote their responsible business models?*". The findings indicate the most common promotion challenges in B2B and B2C SF startups such as greenwashing, expensive products and materials, attitude-behavior gaps and lack of awareness about SF. It is apparent that social media, especially Instagram, LinkedIn and to some extent TikTok, and digital communication tools such as the website and the newsletter play an important role in transparency, education and popularization of SF and SF aesthetics. Therefore, to successfully promote a responsible BM in SF, information gaps need to be filled and sustainability messages should be communicated in a creative, engaging and non-commanding manner to combat greenwashing and attitude-behavior gaps due to high prices and consumer scepticism. Moreover, the collaboration between designers and brands, even FF brands, has to be transparent and committed to achieving common sustainable goals to increase brand trust and normalize SF production and consumption in the mainstream fashion market.

## 5. Conclusion

This research examined the management of responsible BMs in SF from the standpoint of entrepreneurs and marketing executives in European SF startups. This was done by investigating their view on entrepreneurial opportunities and innovation in SF as a contributing factor to sustainable development and an antithesis of FF. Moreover, by looking at their professional insights from a B2C, B2B or combined marketing perspective, this study explored the challenges and solutions in terms of responsible business growth and SF promotion and communication strategies. After analyzing the seven conducted expert interviews, a deeper understanding of responsible BMs in European SF entrepreneurship is provided.

What all participants have in common is their entrepreneurial mindset and their passion for sustainability and fashion. As a result, all of them recognized environmental and social problems and the need for change in the fashion industry. This alludes to the recognition of market imperfections as an opportunity for SE (Cohen & Winn, 2007) and the process of SE, suggested by Belz and Binder (2017), that begins with the recognition of societal or environmental problems and ends with adopting the triple bottom line solution to enter a sustainable market. Hence, the participants can be identified as sustainable entrepreneurs who work towards sustainable development and a disruptive change in the FF status quo.

Moreover, all of them are devoted to the commercialization of sustainable alternatives in the production and consumption process by creating new innovative solutions and consumer demand. This corresponds with the SF model by Niinimäki (2015), suggesting that the SF system brings value to society, the environment and the economy in the triple bottom line manner of SE. Another crucial aspect of the entrepreneurial mindset among the majority of the participants, also evident in the literature on entrepreneurial opportunity (Vaghely & Julien, 2010), was the collaboration and knowledge transfer between them and other designers, fashion brands, suppliers and customers through various entrepreneurial incubators, workshops and networking events. This can be viewed as a space for community-building of like-minded people committed to one common cause – SF and breaking the mainstream FF paradigm. It is arguably also the initial driving force for the creation and development of responsible BMs in the controversial fashion industry.

In terms of innovation towards sustainability in the responsible BM, all participants shared an understanding that achieving full circularity is a difficult task in the fashion industry, due to the multiple actors involved in the supply chain. This goes back to a much-needed collaboration between everyone involved from the textile manufacturer through the designer to the end consumer. Hence, due to their small size and limited resources, it is challenging for fashion startups to fully adopt CBMs. This contradicts previous literature on circularity in other sectors that states that the dynamic environment in startups facilitates circularity (Henry et al., 2020). As the results indicate, in the case of SF, it is a complex and multidimensional process that does not depend solely on the startup. Some of the participants' solution is to educate other brands, suppliers and consumers through their social media and workshops, which emphasizes the role of offline/online communication to achieve innovation towards sustainability.

Although CBMI is hard to achieve, other types of SBMIs were apparent in the participants' responsible businesses. On one hand, the B2C startups focus on consumer-centric innovation that proposes value in terms of facilitating SF consumption by educating, normalizing and creating aesthetic and comfortable designs. On the other hand, the B2B startups highlight the collaboration with FF brands by offering a technological solution to transform the mainstream system from within towards sustainable production and consumption. It could be argued that the former aligns with Coscieme and peers' (2022) notion of social innovations and the latter with their idea of technical innovations in the fashion and textiles industry. To achieve profitable and impactful implementation of these SBMIs, all participants emphasized the importance of social media channels, in particular Instagram mainly for B2C startups and LinkedIn for B2B startups. In addition to the website and/or the e-shop and the e-mail newsletter, those digital communication tools are used to educate, commercialize and spread awareness about SF design and the processes behind it.

In terms of the promotion of responsible BMs, the four major barriers – information, supply, price and aesthetics - apparent in the literature (Di Benedetto, 2017; Moon et al., 2015), are confirmed in this study. Looking at the promotion of SF, there are similarities as well as differences between the B2B and B2C startups in the sample. Independent of the business type, there was a dominant emphasis on greenwashing and high prices of SF as the main challenges in normalizing SF. The common solution to those

problems is transparency about the materials, processes, technologies and supply chains to facilitate brand trust and justify the high price. The role of digital marketing was emphasized here as well, especially the website and e-mail marketing (e.g. newsletter) for information on SF and Instagram for transparency in behind-the-scenes content showing the production process. Moreover, all participants agree on the importance of making SF more accessible and mainstream, which is again approached with customer and partner education.

Whereas all participants highlighted mainly information, transparency and high prices as the biggest hurdles, the B2C startups added two more challenges – SF aesthetics and the attitude-behavior gap of the consumer. The participants confirmed that to combat the stigma around SF aesthetics, visual communication is key, as argued by Di Benedetto (2017). The empirical findings suggest that Instagram plays a crucial role and some of the participants are looking to explore TikTok as the platform for younger generations to promote SF in a creative manner. Moreover, the attitude-behavior gap is handled with a focus on aesthetics and a careful selection of the promotion messages, as some participants noticed that more forward or frequent use of some words and phrases around sustainability and SF consumption can distance the customer further from their responsible business. In terms of the SM types proposed by Kemper and Ballantine (2019), the results indicate that B2B startups focus on ASM with an emphasis on the positive impacts from their responsible BM for the triple bottom line solution and the communication around their vision and sustainable technology. Whereas B2C startups develop RSM strategies by promoting sustainable consumption and educating the consumer on sustainable alternatives to FF.

Overall, the findings provided answers to the main RQ, *How do European sustainable fashion entrepreneurs manage their responsible business models?*, on three levels, explored by the three sub-questions: business development, SBMI strategy and marketing promotion. First, the development of the responsible BM in SF was explained through the recognition of environmental and social problems in the industry, leading to a need for change and seeking solutions to achieve the triple bottom line of SE (Belz & Binder, 2017). Hence, the participants discovered an entrepreneurial opportunity in SF by noticing market imperfections (Cohen & Winn, 2007) and utilized it in their responsible BM

by creating societal and environmental value, while maintaining profit (Niinimäki, 2015). The second sub-question provided answers on the practical realization of the mentioned values through innovation strategies towards sustainability. The findings emphasized the importance of CE and SBMI in the responsible BM in fashion in terms of different innovation strategies for extending the life of garments, developing production methods with minimized environmental impact and promoting sustainable and responsible consumption (Coscieme et al., 2022). Finally, the third sub-question revealed several effective SF promotion and business communication strategies within the responsible BM from a B2B and B2C perspective. Hereby, the main SF promotion barriers were revealed in correspondence with the literature (Di Benedetto, 2017). In that relation, the results affirmed the crucial role of social media and digital communication with an emphasis on Instagram as the most useful tool for visual communication and SF promotion (Lee & Weder, 2021). In conclusion, the findings of this study analyzed three crucial phases of responsible BM management in entrepreneurial SF: the initial goal, vision and development of the responsible business, its USP and sustainable value creation as well as its growth from B2B and B2C marketing promotion perspectives.

### **5.1 Academic and Societal Implications**

This study has several academic and societal implications. Overall, the findings are mostly aligned with the literature and complement it by discovering SF through the lens of entrepreneurship, business and marketing promotion. Since SF is mostly researched in the context of fashion theory and sustainability (Aakko & Koskenurm-Sivonen, 2013; Niinimäki, 2015), this research provides empirical contributions to SM, SE and business management. Furthermore, it complements the literature on CE and SBMI (Coscieme et al., 2022; Kirchherr et al., 2017) with a focus on entrepreneurial fashion, which is arguably distinctively innovative and sustainability-driven compared to apparel and FF. Additionally, this study shows the importance of the active involvement of big fashion brands in the process of sustainable development and their collaboration with startups and SMEs that can offer them solutions to combat greenwashing and unsustainable practices. This B2B perspective is valuable to understand how SF entrepreneurship can fuel other businesses and improve their sustainable performance by providing honest and transparent products

and solutions.

Regarding SF promotion and the B2C perspective, most of the existing literature in fashion marketing is focused on the consumer's perspective on purchase decisions, barriers to sustainable consumption behavior and effective marketing solutions (Di Benedetto, 2017; Moon et al., 2015). Similar to Han et al. (2017), this study looks at the professional perspective of SF brands on communication strategies and goes further by exploring the entrepreneurial opportunities and relevant innovation strategies in the SF field. Moreover, the barriers to the adoption of SF from a consumer's perspective (Moon et al., 2015) were also discovered in the professional experiences of the interviewees. To overcome those barriers, the participants are focused on transparency, education, innovation and digital marketing, which complements solutions proposed previously in the literature (Di Benedetto, 2017). Hence, the empirical findings confirm what has already been studied and further provide another angle by exploring the business perspective of entrepreneurs on the most effective and innovative approaches towards customer engagement with SF. Moreover, by doing that, it also connects SF to the significant role of digital media in customer acquisition, education and awareness, especially for new responsible businesses and SMEs.

In terms of societal implications, this study can be used as a framework for creative entrepreneurs and marketing specialists who want to focus on producing and promoting SF and developing responsible BMs. Moreover, it reveals different approaches and strategies to overcome barriers in the popularization of SF consumption from a B2C perspective and the adoption of sustainable technologies by fashion brands from a B2B perspective. Hence, this research can serve as an example of the potential of SF startups to transform the industry and the positive societal impact of entrepreneurial collaboration and collective efforts towards sustainable development. In that regard, this study is focused on the environmental and societal well-being from the perspective of successful responsible businesses. It also emphasizes the importance of the normalization and commercialization of SF products and technologies to achieve wider accessibility and transform the FF industry towards sustainable consumption, distribution and production practices.

## 5.2 Limitations and Future Research

Albeit the chosen method for this research was quite suitable to answer the research question with its sub-questions, there are some limitations to this study and future research recommendations that should be mentioned. The main limitations of this research are in the sample. During the recruitment process, startups from multiple European countries were contacted. However, the experts who showed interest to participate in an interview were mainly from startups based in the Netherlands. As a result, even though the recruiting message was individually sent to startups from Scandinavian, Southern-European, Eastern-European and other Western-European countries, the sample ended up being homogeneous with five startups from the Netherlands and only two from other countries – one from Belgium and one from Greece. This might have limited the entirety of the European perspective in terms of different business approaches and communication strategies depending on the consumers' and other brands' interest in SF and innovation in other European regions. Another limitation of the sample is the combination of B2B and B2C businesses with three B2C, three B2B startups and one doing both. Although there was a balance in the sample and a wider focus on responsible fashion businesses in different stages of the supply chain, this restricts the points of view for both business types and, therefore, limits the understanding of SE in fashion due to the smaller number of each type's representatives in the sample. Nevertheless, this study does not attempt to generalize findings but to complement and extend existing literature.

As far as the researcher's knowledge extends, this is the first study focused on European SF startups' perspective on the management of responsible BMs from both B2C and B2B perspectives. For future research, focusing solely on B2B startups might be useful to improve the understanding of SM in B2B communication in the context of the fashion industry. To achieve that, it can also include interviews with more marketing experts, as this study emphasized the entrepreneurial point of view, combined with marketing, almost always done by the founder. Due to the hard-to-reach status of the participants, there is an opportunity for a deeper understanding of responsible BMs and communication strategies in SF entrepreneurship if the method for future research includes a content analysis of secondary data such as social media posts, articles, sustainability reports and blog content. There is also a potential in exploring other sides of marketing besides promotion to fully

grasp how a responsible fashion business grows. Moreover, it would be interesting to gain perspectives from SF startups in other continents such as North America as one of the most economically influential and especially Asia, whose workers are notoriously exploited by FF brands. Considering that SF entrepreneurship is a relatively new and still underdeveloped niche of the fashion industry with a great potential for positive environmental and societal impact, future research would be beneficial for other academics as well as all actors involved in the fashion supply chain.

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## Appendix A

### Interview Guide

#### 1. General Introduction

- What is your educational background?
- What is your professional background?

#### 2. Sustainable Fashion Entrepreneurship

- What inspired you to start your business? How did you discover the opportunity?
  - Did you think of a better planet for future generations? In what way?
- What is your main goal as a sustainable fashion entrepreneur?
  - What is the vision of your company?
- What would you like to change in the fashion industry with your business?
  - Which consequence of fast fashion does your company aim to counteract?
- How is your brand contributing to sustainable development?

#### 3. Sustainable Business Model Innovation

- How does your business create value for stakeholders?
- How does your business model contribute to sustainability in the fashion industry?
- What is the most innovative aspect of your business model? Why?
  - For example, are there any new and innovative production, distribution or consumption trends in sustainable fashion that your business model follows? How?
- Would you define your company as a circular start-up? Why?
  - Which aspects of circular economy do you apply in your business innovation strategy? In what way?
- Would you define your business model as customer-centric?

#### **4. Communication Technologies**

- Do you use digital marketing? How and why?
  - Which digital communication channels do you use for your B2C/B2B communication?
  - How do these tools contribute to your business?
- How do you communicate your sustainable values to your customers?
- Who are your customers and how do you target them?
- How do you engage the fashion consumer with your brand and with sustainable fashion?
  - What are the biggest benefits of digital platforms and communication tools for your customer engagement? And for the customer journey?

#### **5. Sustainable Fashion Promotion**

- Where is the emphasis in your marketing efforts? Do you focus more on your cause or the commercialization of your product? On ethics or design and aesthetics?
- In terms of the promotion of sustainable fashion, what are the biggest challenges in the fashion market today?
  - Which current trends in fast fashion hinder the popularization of sustainable fashion in your opinion?
- What are the biggest barriers you have to overcome to promote your brand? What are your solutions?
  - Have you noticed a gap between the customers' interest in environmental and social issues and their consumption behavior? How do you deal with that?
  - Do you find it challenging to create brand trust and loyalty? Why?
- In your brand promotion, do you aim to educate your consumers about sustainable fashion? How and why?
  - Do you communicate to your customers their responsibility for sustainable fashion consumption? How and why?

## 6. Closing Questions

- Do you plan to further develop, innovate and improve your business model to make your fashion even more sustainable in the future? How?
- What advice would you give to an aspiring sustainable fashion entrepreneur who wants to start their brand?

## Appendix B

### Overview of participants

Interviewees	Country	Education	Occupation	Mission	Business
<b>Respondent 1</b>	The Netherlands	MA Fashion Design	Co-Founder & Marketing	Sustainable knitwear	B2B
<b>Respondent 2</b>	The Netherlands	BA Fashion and Management	Founder & Marketing	Garments in natural fibers	B2C
<b>Respondent 3</b>	The Netherlands	MSc Chemical Engineering	Co-Founder and CTO	Waterless textile dyeing	B2B
<b>Respondent 4</b>	The Netherlands	MA Sustainable Entrepreneurship	Founder & Marketing	Fashion rental platform	B2C
<b>Respondent 5</b>	The Netherlands	BA Fashion Design	Founder & Marketing	Sustainable knitwear	B2C
<b>Respondent 6</b>	Belgium	MA PR and Strategic Communications	Head of Communications and Branding	Circular textiles	B2B
<b>Respondent 7</b>	Greece	BA Textile Design	Founder & Marketing	Sustainable textiles	B2B+B2C

## Appendix C

### Coding Tree

THEMES	SUB-THEMES	OPEN CODES
<b>ENTREPRENEURIAL ACTIONS AGAINST FAST FASHION</b>	Sustainable fashion as antithesis of fast fashion	Natural materials Good quality products Timeless design Harmless production Slow production
	Sustainable entrepreneurship	Positive environmental impact Humanity side Ensuring economical profit Developing a sustainable solution to fast fashion Sustainability should be the new mainstream
	Entrepreneurial opportunity	Noticing a need for change in the fashion industry Networking with potential stakeholders Collaboration with other entrepreneurs Multidisciplinary knowledge

		Interest in fashion design and sustainability
<b>BUILDING THE RESPONSIBLE BUSINESS OF THE FUTURE</b>	Actions towards circular economy	Circularity in small decisions Platform concept Reduce carbon footprint and textile waste Prolonged use of clothing and materials Shared responsibility
	Innovation towards sustainability	Digital sustainable solutions Pan-European logistics Waterless/natural textile dyeing Smart disassembly Sharing economy
	Business communication tools	Events and workshops Social Media Website Newsletter Pop-up stores
<b>MAKING SUSTAINABLE FASHION THE NEW NORMAL</b>	Challenges in sustainable fashion promotion	Greenwashing hinders brand trust

	<p>High price of SF</p> <p>Stigma around SF aesthetics</p> <p>No readiness to take responsibility</p> <p>Fast fashion companies have more budget for marketing</p>
<p>B2B communication to promote sustainable production</p>	<p>Knowledge sharing</p> <p>Collaboration with big fashion brands</p> <p>Awareness and education about sustainable technology</p> <p>Ensuring long-term commitment</p> <p>Communicate shared responsibility</p>
<p>B2C communication to promote sustainable consumption</p>	<p>Awareness about materials</p> <p>Customer education</p> <p>Transparency</p> <p>Emphasis on design and aesthetics</p> <p>Less sustainability messages</p>