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Fashion and cultural dimensions: the interplay between Italian culture and new sustainable business models.

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#### Introduction

This thesis will deep dive into the history and centrality of fashion in Italian culture, describing the roots of the heritage and savoir-faire, and how this shaped the complex relationships between creators, collaborators, cultural mediators, and customers at the core of today's fashion system in Italy.

The first chapter will describe the relationship between the latter and the widespread phenomenon of fast fashion, as well as try to paint a complete picture of what Italian fashion was, is and will be from an international point of view.

The second chapter is a fundamental link between the historical insight of the first chapter and the empirical research carried out in the following pages. The chapter centred around the role of sustainability in culture and how cultural dimensions influence the latter. Hofstede's framework of cultural dimensions represents the backbone of this work, and later research about how culture influences acceptance and indulgence in sustainable practices was fundamental in order to develop the research question and hypotheses. The chapter's main aim is to describe the innovation of sustainable business models in the fashion industry, describing how culture plays a big role in the development or hindering of the latter and the consequent opportunities and challenges of the sector.

The innovations described in the chapter are all part of the sharing and circular economy, two concepts that revolutionized the industry. The circular and sharing economy are yet relatively new topics of research and this thesis will contribute in terms of consumer acceptance and intercultural consumption.

Business model design in such a system calls for a new kind of consumer understanding and the relationship between companies and end-users have shifted and are multifaceted.

The fact that sustainable consumption has taken different forms all around the world (Iran et al., 2019) was the main inspiration for this thesis aim. Not much research has been carried out about the relationship between Italian cultural dimensions, sustainability in the fashion field and the moderating of awareness.

Considering the information contained in the first two chapters, the third chapter features empirical research carried out in order to assess the impact of the dimension of femininity versus masculinity on people's sustainable fashion consumption and the moderating effect of the element of awareness on the latter.

A total of 180 questionnaires distributed throughout Italy were used for data analysis, the findings of which were very interesting. The first two hypotheses were supported by the model, claiming respectively a positive relationship between feminine values and sustainable fashion consumption and a negative relationship between the latter and masculine values. The study found also how awareness negatively impact the first relationship, where "feminine" consumers were found to consume more second-hand clothes when their level of awareness about the environmental impact of their consumption was lower.

This study contributed to the literature on sustainable and cultural consumption in many ways, but mainly adding to the study of Italian customers, the culture which has always been considered the cradle of fashion.

#### Chapter 1 – Italian culture and fashion

Consumption has many aspects, and, other than the most analysed one, i.e., the economic, it is interesting to look at the social one as well, as consumption can be considered as a social act too (Crommentuijn-Marsh et al., 2010). It indeed helps people in expressing their identity, status, self-perspective, and inspirations: usually the way a person feels about themselves emerges through what they buy as consumers, and the fashion industry represents the epitome of this phenomenon (Crommentuijn-Marsh et al., 2010). Moreover, clothing can be seen as a form of culture expressed materially and can therefore be an element to consider when trying to analyse the relationship between personal values and the values a person attributes to the items because of the link between the latter and the perceptions of the self (Crane, Bovone, 2006).

Acting as a filter between the person and their surroundings, the relationship that one has with clothing items is deeply tied to the perceptions they have of themselves (Crane, Brovone, 2006).

Fashion can be theorised as a phenomenon which carries intrinsic and symbolic values that belong to a material culture: the latter represents the pathway through which the sociology of fashion links with the sociology of consumption as well as the sociology of cultural production, which creates new symbolic values that are then ascribed to material culture in a cycle (Crane, Bovone, 2006).

Symbolic values vary across the different cultures and societies, since they are bound to the cultural and political history of the different countries as well as the variety of groups that make them up (Crane, Bovone, 2006).

Clothing items that are given an emotional value by consumers become fashion: they are used as an extension of one's personality and core identity, or even a way to show age, gender, and social status (Kaiser, 1990; McCracken, 1990). Under the fashion dimension, items become symbolic products that are controlled by time, as fashion follows a cycle that demands constant change (Kaiser, 1990). Styles and or products become trendy when there is a heavy adoption by the public, and they fall off when a new product is deemed as more relevant, which represents the mechanism that feeds and perpetuates the fast fashion approach (Yurchisin, Johnson, 2010).

Each country has its own fashion system with peculiar characteristics that depend on the nature of the clientele and the role that arts and other forms of culture have on the heritage of the nation: in Italy, for example, the country's history and culture have a big influence on all fields, from the fashion industry and people's style and consumption in general to the structure of the economy and the relationship with other nations (Crane and Bovone, 2006). Italy's fashion system and heritage is very interesting to observe as it also has a strong reputation and influence all over the world, both in the esoteric dimension of high fashion, and in the more ordinary sector of industrial fashion (Crane, Bovone, 2006).

This section will explore the history and heritage of Italian fashion, in order to paint a picture of what it was at the beginning, where and how it started and how it transformed throughout the centuries, highlighting the elements that have been perpetuated and are still recognizable today. Italian style and aesthetic are very recognizable rough iconic elements, both tangible and intangible which are going to be explored in the next paragraph. The section will stress the importance of a different point of view on fashion and history, namely a more scholarly approach to fashion and a gendered approach to history. For what regards the latter, it is interesting to look at the subject from a masculinity and femininity point of view, stressing the role of both men's and women's fashion and how they travelled in parallel but at the same speed, gaining the same importance in history and culture.

The section will dive deep into the components and complexities of today's Italian fashion system, the players, the structure and its blueprint of the past. It will finally present the relationship between the latter and the phenomenon of fast fashion and globalization.

#### 1.1 The heritage of the Italian fashion system

There are complex relationships between creators, collaborators, cultural mediators, and customers at the core of the history and context of Italy's fashion system (Crane, Bovone, 2006). The latter is indeed "imprinted" by the country's history and culture and it's a legacy of its past: from the Middle Ages, up until the 19<sup>th</sup> century, people had the privilege of being exposed to aristocratic tastes for what regards fashionable clothes, interior decoration, and arts because of the fragmentation of the countries into small city-states, each one having their own court (Mora, 2004). This made it possible for the population to develop a specific taste and an ability to appreciate the aesthetic, while the artisans obtained popular recognition (Crane, Bovone, 2006). To Italians, elegance and unique style became detached from economic resources but rather dependant on cultivated taste: all social classes shared the ideals of sartorial elegance (Crane, Bovone, 2006).

As an idea and nation, Italy existed way before the nation state was achieved through the unification in the Risorgimento: scholars pinpoint its roots as far back as Dante's time (paulicelli, 2015). As the print revolution happened and vernacular speech became national language, the idea of national identity started to take shape in people's minds (Paulicelli, 2015). At the same time, communities and nations took shape in people's minds and became political realities before their actualization in history (Paulicelli, 2015). As national and cultural identities are multi-faceted, the rules about dress, style, behaviour and beauty took shape as a part of the latter, mainly through sumptuary laws, costume books, satires, conduct literature and many more (Paulicelli, 2015). The creation of taste, consumption and desire signals how fashion became a social institution of modernity but also how it was heavily interwoven with cultural identity and nation (Paulicelli, 2015). The latter can be seen by the fact that the customs, habits and social codes of different nations and cities distributed through a geographical map differ from each other in beautiful visual ways (Paulicelli, 2015). Speaking of visual representations of such differences, the spread of the tradition of costume books is another example, an Italian eminent example are Cesare Vecellio's: the relationship and strong link between fashion, space, cultural geography and anthropology shine through its works and wonderful illustration (Paulicelli, 2015). The many various and diverse cities in Italy, made the country the most interesting to analyse from such a point of view in the European context: the cities had very strong identities for what regards culture, in particular architecture, traditions, arts, craftsmanship and textiles (Paulicelli, 2015); this multiplicity of traditions and knowhow is the nucleus of what Italian style was at the time and still is today.

At the core of Italian post-war fashion, we can find the relationship between luxury clothing and the garment industry: the industrialization of clothing, together with the persistent symbolic meaning and value in the creation of clothing, represented the core of Italian pre't-a'-porter (Crane, Bovone, 2006). Italian designers started associating themselves to businessmen in the 1970s, when they started creating both artistic and industrial products, allowing middle classes to come closer to items that were still considered as elite (Crane, Bovone, 2006). For the first time, Italian designers sticked to a true and original way of creating, without emulating French couture as earlier generations did: the appeal of the garments, together with the close relationship the designers built with fashion media, allowed them to create new profitable sectors in the industry (Crane, Bovone, 2006). Consequently, they were able to gain a position of leadership even outside of Italy, as their brands started competing with French and American ones as well, and they have been able to maintain it ever since (Crane, Bovone, 2006)

The Italian culture therefore became the cradle of the idea of using clothing to express personality, which was perpetuated through the years and resisted until today and represents one of the main reasons why in the 21<sup>st</sup> Century, Italians' consumption of clothing items was the largest among all Europeans (Crane, Bovone, 2006).

#### 1.2 A scholarly approach to fashion

As one of Italy's most sophisticated modern journalists Gianna Manzini explains in her 1935 article "La moda è una cosa seria" ("Fashion is a serious business"):

"The same kind of critical method with which we approach a novel, a poem, or when we write a review of a film or a drama should also be adopted when we approach the so little approached field of fashion. We should pay, that is, attention to fashion as a language, as a witty manifestation of form, as one of the several ways in which the physiognomy of a people or an epoch shows itself." (Manzini, 1935)

Manzini's attitude towards fashion was very innovative and inspiring as she advocates for a rigorous approach to the subject, suggesting extracting it from the frivolous and vain dimension and rather placing it in a scholarly and challenging context for an analysis to be productive (Paulicelli, 2015). In the article, she explains how fashion is a way to embody one's cultural, social and historical heritage through clothing and accessories: to do this, Manzini started from the roots, explaining the importance of the relationship between the customer and the dressmaker or tailor, how it could also help in uncovering one's hidden psyche features (Manzini, 1935).

Among the reasons for which this article can be considered as a precursor of a more scholarly consideration of fashion, we find a gendered approach to the history of fashion stressing the importance of Italian women's contribution to the worldwide debate that involved women in many nations, and the fact that fashion is a subject that needs to be taken seriously (Paulicelli, 2015). Another reason is represented by the fact that the study of fashion is presented as multidimensional: the article explains how fashion has many facets that pertain to other disciplines and arts, but also the social and political domains which it is influenced by (Paulicelli, 2015). Finally, the article raises the question of the connection between fashion and nation: it tries to answer to the question about how to establish the origin of fashion in Italy, which is very interesting for the premises of this thesis.

#### 1.3 Historical framing

In trying to paint an historical picture of the Italian style and fashion, it is important to stress how porous temporal boundaries are, as well as how important it is to look at the historical narrative as a continuous interaction between points of rupture and continuity rather than a clean-cut series of events (Paulicelli, 2015). Moreover, when considering the geographical aspect of history, the same applies, where geographical boundaries are characterised by high porosity as well, especially for what regards cultural traditions and, with which fashion is heavily intertwined (Paulicelli, 2015). Italian style and the "Made In Italy" label, indeed, are more multinational than the name would suggest because of this (Paulicelli, 2015).

In the last years fashion has become ubiquitous, and it became one of the main elements at the centre of a quest for personal and collective identity, triggered by factors such as the CoVid-19 pandemic, immigration, the digital revolution and the overall economic and political crisis.

Even though it has a heritage that dates to Dante's times, Italian fashion's birth year(s) is considered to be during the 1950s, because of the fact that it got recognized as a national pride (Paulicelli, 2015). The process, however, did not happen overnight: it was surely accelerated and reinforced by the relations with the United States during the Cold War (Paulicelli, 2015). The fashion shows at the time represented more than just women wearing clothes and showing creations, it was a symbolic representation of the embodiment of a new modern nation: a diplomatic performance of post-war Italy ready to start fresh (Paulicelli, 2015). The Italian fashion industry was very quick to jump from sartorial handmade production, to an industrial one, with Milan as the internationally recognized neuralgic centre, which it still is today (Paulicelli, 2015). After the 1970s, Italy didn't only rely on sartorial expert, and it continued to develop and going through different phases and phenomena, such as Stilismo (Paulicelli, 2015): many major brands were created at the time, such as Versace, Dolce & Gabbana, Prada, Armani and so many more.

An element that persisted till this day is the complexity that characterises the Italian fashion system: the plurality of voices and diversity of aesthetics tell everything about the persisting diverse realities and experiences that can be found in the country, that strongly characterizes Italian style (Paulicelli, 2015).

As above-mentioned, a gendered approach is needed when telling the story of Italian fashion. Apart from the women, it is also worth mentioning the role of men and masculinity as well. Men's fashion has indeed taken a central role for Italy and its contribution to the system: the sartorial and dandyism became essential in the production and consumption of the country (Paulicelli, 2015). Italian menswear is big part of the heritage and tradition and its birth dates back to the Renaissance period (Paulicelli, 2015). The coolness, masculinity and style of the period are all grouped into a very famous and often referenced term: the idea of sprezzatura, coined by Renaissance author Baldassare Castiglione (Paulicelli, 2015). This style, translated in a way of being, is the base of today's picture of masculinity, harking back to the culture of the times, some elements of which of course were perpetuated throughout history (Paulicelli, 2015). This idea also inspired the figures of today's fashion designer, entrepreneurs or gurus under which lurks the Renaissance rhetoric of the prince or patron figure (Paulicelli, 2015). One of the most successful brands famous for their subscription to this rhetoric is Brunello Cucinelli, which, famous for its men's luxury knitwear and based in the town of Solomeo in Umbria, held up high the philosophy and image of "humanistic Capitalism" (Paulicelli, 2015). Creativity, class and elegance are enveloped and delivered trough values of Italian authenticity, craftsmanship, respect for the environment and workers and culture (Paulicelli, 2015).

Indeed, one of the most attractive elements that distinguished Italy at the eyes of people and customers, is this authenticity that characterises the cultural capital, which is heavily linked to the past (Paulicelli, 2015).

#### 1.4 The Italian fashion system and fast fashion

Fast fashion has been challenging fashion systems in the world and their coherent networks of creative individuals engaged in the creation of symbolically valuable and well manufactured products (Crane, Bovone, 2006). There are two types of fast fashion companies thriving in today's economy: on one side we can find the bigger firms, such as Zara, Mango and H&M, that engage in distribution of low-cost products, mainly produced in China, coming out with a high number of collections throughout the year in order to keep up with the taste of younger customers, disseminating clothes at an enormous speed to cater to these types of customers whose taste and identity mutate constantly (Crane, Bovone, 2006). The products are very fashionable, however, their level of quality is low since the companies

copy and simplify luxury companies' items: quality is secondary if they can push out as many collections made of "good enough" products as quickly as possible, to keep the customers coming back for more every two weeks (Crane, Bovone, 2006). On the other hand, there are small Chinese companies whose value proposition is based on the production of fake copies of designer brands or cosmetic products (Crane, Bovone, 2006). The reach of these products is impressive, since people all over the world are avid for new trends but are not concerned with outstanding quality or don't really exert brand loyalty (Crane, Bovone, 2006). The implications of the existence of firms involved in such activities are serious for the survival of fashion systems, because of their connection with national cultures (Crane, Bovone, 2006). Fast fashion made pre't-a'-porter accessible to almost everybody, while the latter was seen as a "gated community" up until it started being imitated, mass produced and subject to all kinds of transformations, compromising its glamour and most importantly, endangered (Segre-Reinach, 2005). China represents the leader in the production of copies, imitations, and fake brands in the fashion industry: its relationship with Italy is quite intimate and ambivalent as well (Segre-Reinach, 2005). Indeed, China produces large quantities of fake Italian designer brands, however, Italy follows it in the chart by being the second largest producer (Crane, Bovone, 2006). However, many prestigious Italian brands, while claiming a Made In Italy production, rely on China for parts of it, sometimes even for the majority of the processes (Crane, Bovone, 2006). After being the major low-cost producer for about twenty years, China slowly became a luxury fashion producer, following the Italian way of pre't-a'-porter (Crane, Bovone, 2006). Products of Italian brands that are now produced in China, get duplicated and sold internationally and, at the same time, the fashion market in the country grows and develops exponentially (Crane, Bovone, 2006). Even small Italian fast fashion companies are involved in the distribution of their products in the vast Chinese shopping malls (Crane Bovone, 2006). However, a great downside is associated with this shift, which sees the Italian pre^t-a`-porter fashion system marginalised by this development: the "Made in Italy" label is applied to fake Italian brands produced in China by Chinese companies, which damages the Italian system as a set of "organizations, institutions, and individuals interacting with one another to legitimate fashion designers and their creativity' (Crane, Bovone, 2006).

#### 1.5 The Italian fashion system today

Drawing on elements that are pivotal in the culture, the Italian Fashion system performs an important role in the country both from an economic and symbolic point of view: indeed, the national history and culture shines through elements such as small local artisan businesses, high quality and compliance to an elegant aesthetic and high standards of consumption of the individuals (Mora, 2004). The Italian fashion system is characterized by a complex equilibrium and dialectic between originality and standardization, democratization and exclusivity: this allows everyone to see their personal expectations legitimized, both the privileged and the middle class (Crane, Bovone, 2006). Because of this, Italian fashion benefits from a more rational response to the fast fashion model than other countries: the high awareness and importance posed to artistic and aesthetic heritage is a major resource that the population perpetuates throughout the years (Crane, Bovone, 2006). Another element that distinguished Italy from other countries in a fashion system point of view, is represented by its exceptionally fragmented and diverse composition, in which, however, all components share a strong appreciation for clothes' aesthetic, elegance and luxury (Crane, Bovone, 2006).

But what does the system and organization look like today? It is important to understand where centuries of heritage brought the industry in a country where culture and clothing are so closely intertwined. As already mentioned, the system is very profitable and benefits from a great brand identity and equity that is recognized worldwide under the umbrella of "Made in Italy". This success

has been associated with "a pervasive cultural commitment to the aesthetics of style which is a long-standing feature of Italian society" in the consumers' behaviour (Taplin, 1989). Another element that

brought success has been identified to be the large number of small and local artisans or companies characterized by highly skilled workers, who pour decades of experiences and love for the art in the products they make, making them unique (Courault, 2004). The country includes many very small companies as such as well as a substantial number of large and established firms, placed in both big cities and small towns, with significant variation by region in the products specialization (Courault, 2004; Bigarelli, 2000). The system, being immensely fragmented, providing a variety of products, from haute couture to more niche ones, and being filled with a massive number of highly skilled artisans and workers, has an infinite diversity from an output point of view, with a strong focus on creativity (Courault, 2004). The strength of this type of organisation of the sector comes from the presence of independent work and small entrepreneurs all over the territory (Bigarelli, 2000). The source of creativity and strength of the system is also aided by a network mode of organisation: the skills of the people working in the organisations are flexible and broadly applicable to different kinds of activities (Powell, 1990). For example, small regional firms in Emilia-Romagna, production takes place through a very low degree of vertical integration, through extensive and collaborative subcontracting interaction (Powell, 1990). Organisations are characterised by "high porosity", where boundaries are blurred, responsibilities overlap and the roles are ill-defined: through this organisation, a remarkable speed is obtained in the production of new products (Powell, 1990). The organisations are very flexible, which is a feature that is granted by the decentralized production that characterises them (Taplin, 1989). The latter is a consequence of subcontracting, and this makes it possible for firms to quickly act on the swift changes of trend in the industry (Taplin, 1989).

Finally, in contrast with other countries, the creativity of the Italian network is fed and kept alive by the fact that high fashion organisations subcontract productions to the small firms and artisans; in Frnace for example high fashion firms are not interested in having any type of contact with industrial fashion (Crane, Bovone, 2006). The "Italian way" makes space for growth and innovation, developing the potential and founding deserving high skilled workers (Crane, Bovone, 2006).

The system is therefore highly fragmented but strongly integrated in its effective decentralised production and distribution.

#### 1.6 Fashion as a Cultural Industry

As UNESCO defines them, cultural Industries are those that combine the creation, production, and distribution of goods and services that are cultural in nature and usually protected by intellectual property rights. The term was coined in 1948 by Theodore Adorno and Max Horkheimer: many years have passed since this idea was developed and its declination has gone through many changes (UNESCO). The concept evolved from the 90s on, becoming "creative economy", the definition of which emphasizes creativity: the latter is the engine of innovation, a focused subject that will be further explored in the next chapter, particularly for what regards fashion.

These types of industries, to survive, have incorporated technological advances, modern production processes and large-scale distribution: all of this combined, granted them a place in media and society and the reach of global markets (UNESCO).

Creativity became the main focus because, other than aiding innovation, it fostered technological change, from a point of view of comparative advantage in business development (UNESCO). Because of this, the term "creative economy" slowly shifted to the term that is extensively used today: "creative

industries". This concept is in continuous evolution, and since then it has been applied to many disciplines, taking on many definitions, which all share the central concept of human creativity (UNESCO). The industries have many other elements in common, for example, culture, trade and intellectual property rights, particularly copyright (UNESCO).

Fashion can be considered as a cultural or creative industry, for the sake of this thesis' aim and major topics, the term "cultural industry" will be used in place of the latter.

Cultural industries entail systems that control innovation through processes of gatekeeping, and fashion does so by producing new collections through a sequence of activities that fall into that realm (Hirsch, 1972).

Innovation is an important element in all industries, not only in cultural ones, and actors need to be cautious in creating or selecting those that consumers are most likely to accept, or else survival is not possible (Mora, 2006).

It is very interesting to see Cultural and manufacturing industries differ in their relationship with innovation: cultural industries aim at making a product that incorporates the innovation, satisfying the customer's desire for novelty and change, which is the core value of these industries; the latter, on the other hand, uses innovation as a tool to increase sales and success (Mora, 2006). Cultural industries, indeed, treat innovation as their main goal, however, the prediction of which proposals will be more appealing to the consumer's curiosity is crucial and difficult most of the time (Mora, 2006). this element, indeed, introduces a structural uncertainty that every organization in the industry tries their best to reduce (Mora, 2006). Desire and novelty are by nature difficult to predict, and satisfy and very volatile, therefore standard tools used by other industries, namely marketing and advertising, are not enough (Mora, 2006).

The cultural industry of Italian fashion can be defined as the result of negotiations between the interests of actors such as manufacturers, media and all the collective, and the individuals (Mora, 2006). The industry is said to produce "social meaning", working around the desire for innovation and transformation, for which, however, shared understandings have been created, which paradoxically institutionalize and rigidify the first in trying to achieve predictable forms (Hesmondhalgh, 2002)

Through extensive research carried out in the last twenty years, many scholars confirmed how fashion represents a way of expressing personal and social identity for people (Davis, 1992; Wilson, 1985; McRobbie, 1998). Renewing one's image is one of the principal engines that leads the fashion consumption of individuals that are brought to follow the trends (Mora, 2006) In fact, the desire corresponds to one of the main cultural imperatives that characterizes "innovation" implemented to express a sense of self: fashion, indeed, makes the regulatory power of culture particularly visible (Mora, 2006).

#### Chapter 2 - Sustainability in fashion

#### Introduction

For companies to thrive in the competitive environment, change needs to happen in how they design their business models: innovation is crucial for them to adapt to the continuously changing landscape and create competitive advantages, contributing to the creation of a system that is not harmful to the society or the environment.

The fashion industry, while presenting high environmental and social impacts, is also a resource-intensive industry in which opportunities to reduce the latter and to innovate business models abound (Todeschini et al., 2017); concepts such as the Circular Economy (CE) and Sharing Economy (SE) have emerged as potential strategies for developing practices based on sustainability concerns (Todeschini et al., 2017). While "circularity" and "sharing" work in parallel, they still need to be seen in conjunction to gain momentum in a concept where a company weaves a much lower environmental impact in its business model (Holtström et al., 2019). In this scenario, Collaborative Fashion Consumption (CFC) and Product Service Systems (PSSs) provide proof of synergy between the two: consumers, instead of buying new fashion items, have access to already existing garments either through opportunities to acquire individual ownership (gifting, second-hand or swapping) or through usage options for products owned by others (sharing, lending, renting, or leasing) (Iran, Schrader, 2017). This type of consumption creates schemes that, if widely accepted and implemented by society, decrease dependence on natural resources while concurrently increasing product quality and longevity as well as customer satisfaction (Heiskanen and Jalas, 2003; Tukker, 2004).

This chapter will illustrate the many facets of the fashion system with regard to sustainability and business model innovation: it will explain the main trends, such as consumer awareness, the environmental background, and complexity of the value chain, as well as the many solutions adopted to combat excess in production and consumption. the chapter will further describe the new sustainable business models that have been developed as a response to these trends, along with their drivers, opportunities, and challenges.

#### 2.1 The Value Chain and its Environmental Impact

With the consolidation of the fast-fashion approach, the fashion industry underwent a remarkable expansion in the last 2 decades: entrepreneurs individuated and focused on a winning strategy consisting of rapid acquisition and disposal of mass-produced, homogeneous, and standardized fashion items (Fletcher, 2010). However, the significant downside of fast fashion sees major environmental and social damages perpetuated by the stimulation of widespread consumption of easily replaceable garments (Todeschini et al., 2017).

The industry is characterized by a huge environmental and social impact that has its roots in the extremely long and complicated supply chain: one of the most polluting with the greatest consumption of water, and often associated with workplace abuses (Fletcher 2014).

The growth of fast fashion, together with the macrotrend of shifting the production towards emerging or developing countries with low labor costs, made "disposable" clothing at low prices readily available, becoming the norm for consumption: the demand for such product increased exponentially through the last two decades, together with the production (Jacometti, 2019). Fortunately, in recent times, consumers' awareness of such issues has increased, as evidenced by the growing interest in green products (Todeschini et al., 2017).

The fashion industry is characterized by one of the most complex models of production, where the different processes, such as the design, manufacture of materials and fashion products (i.e. textiles, clothing, footwear, leather, and fur products) as well as their distribution and retail sale to final consumers are strongly connected through significant upstream and downstream linkages in a global context, where the various stages of production take place in different countries (Jacometti, 2019).

Through the years, indeed, there has been an increase in fragmentation of the global production processes, that contributed to making supply chains more complex, with a multiplicity of actors, high use of subcontracting, and forms of illegal work (Jacometti, 2019). A good starting point for the evolution towards more sustainable production and the transition to a circular economy in the sector is transparency: traceability throughout the chain appears essential to deter the perpetuation of practices that contribute to the negative global impact fashion has on the economy and the environment (Jacometti, 2019).

Furthermore, in the last few decades, a large part of the production has been transferred from Europe and North America to countries such as Bangladesh, China, Cambodia, India, Vietnam, and Turkey, emerging and developing countries that have been approached because of the possibility of exploiting cheap labor and sourcing raw materials supply: while garment value chains are major contributors to their economy, the phenomenon has exacerbated the global environmental impact of the fashion industry, which some believe is the second most polluting sector immediately after the oil industry (Jacometti, 2019).

However, it is not easy to estimate the environmental impacts of the industry, given its great variety and globalization: each product is also different, but it is possible to identify some critical issues thanks to a life cycle analysis (Jacometti, 2019). For Example, raw materials such as natural fibers have been associated with great energy, water, soil consumption – and waste- and the use of biocides, which are not sustainable; while synthetic fibers are linked to the consumption of non-renewable resources, emissions into the atmosphere discharges into the waters and generally to CO2 emissions (Jacometti, 2019). Again, problems of energy and water consumption, use of chemicals, discharge of pollutants into the environment, and significant production of waste and hazardous waste are associated with transformation processes (Jacometti, 2019); finally, the transport and distribution phase is no less: they bear significant impacts because of the high fuel consumption happening during the transportation of most textile raw materials and final products from production countries to end markets, producing significant emissions of greenhouse gases (Jacometti, 2019). However, in the life cycle of garments, the largest share of environmental impact is still associated with the consumer use phase, due to the use of water, energy, and chemicals for the maintenance (i.e., washing, tumble drying, and ironing) and the consequent release of microplastics into water (Jacometti, 2019). Finally, at the end of their life, at the global level, only 20% of garments is collected for re-use and recycling once discarded (Koszewska 2018), those that are not given a "second chance", that make up more than 50% of the total, end up in undifferentiated waste, to then end up in landfills or burned in incinerators (Jacometti, 2019). However, re-use and recycling are not as simple: Europe, for example, exports a large part of second-hand clothes to other countries such as East Asian or African countries, which represents a threat to local textile industries and increases clothing waste countries that are unable to deal with it (Nikolina, S. A. J. N., 2019).

Unfortunately, the portion of clothing materials recycled back into clothing amounts to less than 1% because of the lack of adequate technologies for this kind of recycling (Ellen Macarthur Foundation 2017). Finally, one also has to consider that one of the main problems remains the overproduction: a generous part of the clothing produced remains unsold and the waste multiplies because of packaging, tags, hangers, and bags (Jacometti, 2019).

#### 2.2 Innovative and sustainable business models in the fashion industry

Macro-trends such as the circular economy and the sharing economy are challenging traditional mass production paradigms, fostering the growth of innovative business models, in which sustainability has a central role in the design and it's not considered an afterthought (Todeschini et al., 2017).

Moreover, technological innovation fostered a new way of envisioning business models that rely on garment materials and manufacturing processes which goes beyond scale economies and scope advantages generated by fast fashion (Todeschini et al., 2017). Fashion entrepreneurs have great opportunities to build innovative business models that explore these trends while pursuing not only economic but also social and environmental value creation (Todeschini et al., 2017). This section will describe the main socioeconomic and cultural macro-trends behind the push for sustainable and innovative business model alternatives to the fast-fashion paradigm, as identified by the interesting study that Todeschini et al. have carried out in 2017.

#### 2.2.1 Consumer awareness

Despite the quick growth and consolidation of a culture of over-consumption, a contrasting trend of growing awareness of environmental issues has caught on amongst many consumer groups, who make of ethical spending and ethics of production the main driver of their consumption (Crommentuijn-Marsh et al., 2010).

In fact, one of the main influences of the surge in alternatives to fast-fashion is an increase in consumer awareness about the impacts that the fashion industry has on the environment: this led to a change in habits and preferences where consumers, especially those that are part of younger generations, started preferring experience over ownership and indulging in green products and bottom-up initiatives (Todeschini et al., 2017).

Fashion firms' business models have been thoroughly impacted by lowsumerism and slow fashion, that manifested through movements such as "do-it-yourself", capsule wardrobes, or the indulgence in sharing platforms (Todeschini et al., 2017).

Indeed, lowsumerism and capsule wardrobes are fundamentally subject to the attitude of the consumers since they respectively entail the ownership of a limited amount of clothes by one person for a season or a year, and an approach to consumption that only considers a conscious and moderate acquisition of goods (Todeschini et al., 2017). By fostering a minimalist and slow approach to personal fashion, these trends generate sustainability by opposing compulsive consumption and hoarding (Todeschini et al., 2017).

As evident from the information reported above, the main areas of impact that this has on BMI are customer relationship and value proposition; revenue models could be impacted too in some cases (Todeschini et a., 2017). Slow fashion, in particular, drives innovation in these areas because firms address the environmental concerns of the customers by reusing and recycling materials; by adopting this model, they orient their offering toward increased perceived quality and authenticity and prioritize products that are locally made and partners that adopt fair trade principles, addressing customer's concerns for the social impacts of the production as well (Todeschini et al., 2017).

#### 2.2.2 The sharing economy and collaborative consumption

The interest in the Sharing Economy has been growing in the past few years: this emerging way of doing business still needs to be fully understood along with how to take advantage of it in a successful manner, capturing all the benefits it has to offer (Holtström et al., 2019). The concept however is not as novel as it may seem: practices such as collaboratively owning and utilizing real estate (Cohen and Kietzmann, 2014), borrowing books from public libraries (Bardhi and Eckhardt, 2012), and carsharing (Habibi et al., 2017) have been introduced a long time ago and have been perfectly integrated into our

society and day-to-day life (Holtström et al., 2019). However, there are many reasons why these concepts have been attracting increased interest: the climate change debate, ever-increasing urbanization, global economic crises, information and communications technology (ICT), and increased consumer understanding of sustainable consumption patterns (Lundblad and Davies, 2016; Kathan et al., 2016). Reasons for an awareness of the consumption patterns and how they need to be changed include several intertwined factors, such as climate change effects (Rockström et al., 2017) and how we live (Rockström et al., 2009), urbanization and the concentration of economic activities to megaregions (Florida et al., 2008) and how a sharing economy as a consequence of urbanization might solve issues of scarce and costly storage (Kathan et al., 2016; Bardhi and Eckhardt, 2012).

Among the multiple framings for the sharing economy and collaborative consumption, this part will analyse those that consider it a pathway to sustainable consumption and an equitable and decentralized economy: the sharing economy is a paradigm that encompasses a global, cultural, and economic shift from ownership to access, where consumption is collaborative and access-based (Todeschini et al., 2017). This helps in mitigating environmental impacts associated with large-scale production and fosters economic growth based on innovation and entrepreneurship (Todeschini et al., 2017). A very interesting point of view is seeing Collaborative consumption not simply as a cultural reaction against consumption, but rather as an alternative for adapting collective and individual needs to available resources in a conscious and efficient way (Todeschini et al., 2017). Botsman and Rogers (2010) define collaborative consumption as the extension and renovation of exchanging, loaning, sharing, bartering, swapping, and donating practices, typically between strangers.

A very in-depth synthesizing framework was created by Todeschini et al. in 2017, highlighting trends and drivers of innovative and sustainable business models in the fashion industry, identifying three elements as drivers of the sharing economy and collaborative consumption: collaboration, second-hand and fashion libraries.

Collaboration, as a driver, entails the adoption of a cooperative mindset by all stakeholders that are embedded in the value network (Todeschini et al., 2017). Indeed, co-opetition among fashion start-ups is a very common practice: competitors, as well as suppliers, distributors, and customers (who often are involved in co-creating initiatives) are all part of a supporting ecosystem that drives resource and knowledge sharing, fosters the implementation of sustainable practices, and, as a consequence, allows entrepreneurs to experiment with new business models (Todeschini et al., 2017). For this reason, collaboration can be considered a critical driver for start-ups and small businesses, impacting parameters included in sections such as value creation (key activities, key resources, and key partners) and distribution (delivery channels and customer relationship) (Todeschini et al., 2017). Moreover, it could definitely have potential impacts on cost structure and revenue streams, as revenue sharing is included in many collaboration initiatives (Todeschini et al., 20127).

Another driver is second-hand, which refers to the act of donating or selling clothing items that are no longer useful to one person but have not yet reached the end of their life (Todeschini et al., 2017). This practice promotes reuse and helps in reducing the demand for newly manufactured garments and the consequent over consumption of natural resources (Todeschini et al., 2017). Second-hand is very prevalent for items that are characterised by limited usage by nature, for example baby clothes or party dresses (Todeschini et al., 2017). From the Business Model Innovation perspective, the impact of second-hand implies an all-embracing change in value proposition, as well as in customer relationships, distribution channels, key activities and, last but not least, revenue streams (Todeschini et al., 2017).

The last driver associated with this category is the so-called "fashion library" that consists of a subscription service for apparel, where the consumer does not exercise any ownership on the garments but can access and use them for a restricted time span (Todeschini et al., 2017). Very famous examples of successful business models of the sort are Rent the Runway and LENA; their mechanism is based on offering people the possibility to rent out items intended for a limited number of uses, at a lower price than if they had to own it: the items reach a much wider audience, drastically reducing the demand for new clothes (Todeschini et al., 2017). This mechanism requires businesses to engage differently with consumers in trying to cross-upsell them, therefore the customer relationship section of BMI is definitely impacted, as well as the value proposition (Todeschini et al., 2017). The latter is completely revolutionized by the passage from a product-centered model to a service logic of consumption (Todeschini et al., 2017); revenues are impacted as well since single transactions are not used anymore, leaving place for usage-based or subscription fees (Todeschini et al., 2017).

The study carried out in 2017 by Perlacia ert al. offers a very interesting framework for fashion consumption models, discerning between three models based on the dimensions of the transfer of ownership (temporary and permanent) and the role of the firm, either being a distributor or a broker. The three models are platform-sharing models, e-commerce sharing models and fashion rental models (Perlacia et al., 2017).

Platform sharing models entail the temporary use or exchange of the garments without any monetary transaction: the models are based on a re-distribution of the ownership of the garments, and the retailer acts as a broker that helps in making sharing and swapping happen (Park and Armstrong, 2017; Perlacia et al., 2017). However, a phenomenon as such is unlikely to become mainstream because real life examples of clothing swaps in fashion libraries for example, show how these models work well only on a small scale (Pedersen, Netten, 2015): users play a dual role of customer and supplier and a constant flow of garments is not guaranteed this way (Henninger et al., 2019).

E-commerce sharing models, however, are based on the transfer of ownership through second-hand sales (Cervellon et al., 2012; Machado et al., 2019): the retailer acts as a broker that never acquires ownership while facilitating the transaction between buyer and seller, which represents their prerogative (Perlacia et al., 2017). The assortment is offered online and the revenues mainly come from the commission rates applied on each product (Perlacia et al., 2017). In this business model, as for the generality of all second-hand businesses, high customer retention is vital for survival since customers represent both primary partners and suppliers (Gopalakrishnan, Matthews, 2018). Adopting such a business model is definitely more profitable nowadays than in the past and therefore less difficult to run: the stigma applied on this category of items, associated with being dirty, worn out, and malodorous has finally been lifted from the mind of the consumers which become less and less biased as new generations made it a trend (Perlacia et al., 2017). In fact, consumers now look for such clothes, especially for what regards vintage luxury items, the demand for which has exponentially increased in the past years (Zaman et al., 2019). More and more customers from higher social classes nowadays prefer buying and owning vintage luxury products as this satisfies their desire for exclusivity and prestigiousness, while customers from lower social classes are mainly driven by economic reasons (Turunen, Leipämaa-Leskinen, 2015).

The growth in demand for used and vintage products drove the creation of worldwide platforms based on resale such as the British Depop, the Spanish Micolet, the German Rebelle and the Italian Vintag, specialised in Made in Italy (Perlacia et al., 2017). Fashion rental will be explored more in detail in the sub section following the present.

In such a perspective, sharing and circularity are definitely not mutually exclusive, they work in parallel with the first relating to the use of specific products, considered as access on-demand without ownership (Hobson and Lynch, 2016), the second relates to a restorative manufacturing system built mainly on use, maintenance, reuse, remanufacturing, and recycling, with an environmental impact as low as possible, that is minimized leakage to landfills (EMF, 2013; Geissdoerfer et al., 2017; Lieder and Rashid, 2016).

Companies, therefore, should integrate sharing economy and circular economy concepts while trying to develop a business model centered on long-term sustainability (Pieroni et al., 2019). The driving forces mentioned above should be reasons for companies to rethink their current business models, to better adapt to a changing business landscape, and create competitive advantages (Holtström et al., 2019).

#### 2.2.3 The Fashion rental business

Mainly driven by young consumers craving newness and novelty while embracing consumption sustainability, fashion and luxury rental on-demand have become a hot trend as the sharing economy grew rapidly in recent years (Imran and Anita, 2019).

Considered as an emerging, innovative Sustainable Business Model (SBM), sharing platforms give people temporary access to underutilized goods without retaining ownership (Frenken & Schor, 2017). Following Bocken et al. (2014) SBMs categorization, this type of service can be considered an SBM if it incorporates social innovation in its strategy: the scholars refer to this SBM type as the "Deliver functionality, rather than ownership" archetype. Moreover, by offering a service that satisfies users without requiring ownership of physical goods, this SBM has all the potential of changing people's consumption patterns by reducing the need for product ownership (Cocquyt et al., 2020).

As the offer in the luxury fashion rental market increases, consumers prefer to rent rather than purchase products like designer fashion clothes (e.g., Rent the Runway, Chic by Choice, LeTote), luxury fashion (e.g., Armarium), fine jewelry (e.g., Switch), and designer handbags (e.g., Bag Borrow or Steal) (Feng et al., 2020). There are already some examples of successful launch of rental services by traditional retailers, such as Ann Taylor and Bloomingdale's, while other brands like J. Crew, Levi's, and Club Monaco actively cooperate with rental platforms (Elizabeth, 2018a). Traditionally, rental platforms are in competition with designer brand firms and retailers (Feng, 2020). Surprisingly, in the last few years, the fashion rental business has been very well accepted by designer brand firms and retailers: indeed, as stated by Jennifer Hyman, co-founder and chief executive of Rent the Runway, the relationship between the two changed theatrically in the past few years, with platforms aiding designers or retailers in reaching consumers directly or expanding the business launching their own rental services (Imran and Anita, 2019).

A valuation of the fashion rental market in 2018 by GlobalData Retail, estimates a value \$1 billion, with a predicted growth up to \$2.5 billion in 2023 (Feng, 2020).

When looking at the fashion rental business size compared to the global clothing market it could look like an insignificant portion of the industry, given that the latter is estimated to grow from 1.5 trillion dollars in 2020 to about 2.25 trillion Dollars by 2025 and that, according to GlobalData, the fashion rental makes up only 1% of the industry (Arrigo, 2021). Despite its size, fashion rental grew by 24% in 2018 compared to the 5% growth of the clothing market (Reuters, 2019), and promoted an even bigger increase in consumer awareness and adoption from a sustainability point of view, promoting waste reduction and the lengthening of the useful life span of clothing items and accessories, contrasting the overconsumption trends that caught on with the exponential growth of fast fashion (Zhang et al., 2020). Moreover, this one was one of the many sustainability trends in fashion that made it clear how, to thrive in a sustainable future, players in the fashion industry should consciously and

swiftly move on from the take-make-waste model and fashion rental could definitely be the gateway to the implementation of circular economy principles (Braithwaite, 2018).

Peer-to-peer (PtoP) and business-to-consumer (BtoC) are the two categories in which fashion rental platforms can be divided (Iran, Schrader, 2017). By Rotation and Tulerie are two examples of PtoP platforms, where consumer exchange items with one another or exchanges can be organized by a company, while in BtoP, such as Rent the Runway or Le Tote, the company owns the platform itself and provides the products (Iran, Schrader, 2017). In these types of platforms, fees and subscriptions represent the main revenue, and costs are mainly associated to the dry-cleaning services, shipping and at least for physical stores, property rental and retail staff (Perlacia et al., 2017). Developing and maintaining long-term relationships with external partners in the network, acquiring knowledge and sharing information from them is vital for the survival of the business, which is why, to strengthen the business strategy, a fashion rental enterprise should leverage digital platforms (Yoo et al., 2012; Li et al., 2016) and develop a digital platform capability (Mikalef and Pateli, 2017; Cenamor et al., 2017, 2019).

From the customer's point of view, a fashion rental platform provides many benefits since it makes it possible for larger groups to access luxury fashion at an affordable price: research shows that people see fashion as one of the ways in which social status can be shown, therefore fashion rental enterprises definitely fulfil a need that is evergreen among consumers (Yuan, Shen, 2019); moreover, fashion rental offers the opportunity of experimenting and trying new styles and clothes that consumer might not want to fully commit to through purchase: the service's main benefit regards the possibility of allocating money and using space in a more efficient and functional way, avoiding over-spending and under-consuming at the same time and hoarding (Arrigo, 2021).

Even though the benefits are several, a portion of customers might hold back from participating in renting because of mistrust of other partakers, doubts about how and whether the sanitation process took place, they could fear that they might not be able to keep the items as good as new after usage or even have issues in wanting to give them back after having found the perfect fit or having an n overall good experience (Mukendi, Henninger, 2020). The effect of the concerns was definitely offset by the benefits since fashion rental platforms' size and market share grew exponentially in the US in past years and many big firms, such as Urban Outfitters, Diane von Furstenberg, and Banana Republic, expanded their business to rental subscription (Reuters, 2019). Worldwide indeed, North America owns the largest market share of 40'%, followed by Europe's 27%, mainly driven by France, Italy and UK consumers who have high purchasing power and consciousness about fashion and sustainability (MarketWatch, 2020). The Italian rental market seemed to be thriving right before CoVid-19 started to spread: in a survey carried out during that time, with questions regarding the tendency of Italian consumers to rent out clothes instead of buying them, 80% of the respondents showed a high propensity to resort to renting clothes and 42% were willing to rent out shoes as well (Statista, 2019).

#### 2.2.4 Circular economy

At the base of the Circular Economy lies the effort of keeping products, resources, and components at their highest value and utility during each phase of the process: it is a restorative mechanism by definition, and it strives to dissociate economic growth and development from the consumption of finite resources (Todeschini et al., 2017). The foundation of its purposeful restoration efforts lay in the concept of distinguishing between

technical and biological materials: it tries to either maintain or increase technical and natural resource stock through the optimization of the processes, by using materials in a more effective way (Todeschini et al., 2017).

CE is a socioeconomic trend that offers multiple innovation opportunities regarding product design and business models, and it creates a framework of building blocks from a longevity and resilience perspective (Webster, 2015). By encouraging a model based on functional service, with manufacturers and retailers acting as service providers, progressively increasing their product ownership retention, CE absolutely challenges the fast fashion paradigm, sharply dividing between consumption and use of resources and materials (Todeschini et al., 2017). Consequently, take-back systems and new design practices flourish and prosper, fostering innovation in the creation of more durable products and facilitating their disassembly and refurbishment (Todeschini et al., 2017).

According to Todeschini et al. framework, the main elements that drive CE are upcycling, recycling, and vegan manufacturing. Upcycling entails the generation of new goods from the use of wasting materials; the quality, perceived value, and utility of the final product being higher than the latter (Dissanayake & Sinha, 2015). This mechanism makes sure that the useful life span of the products is extended, the need for natural resources decreases, and sustainability is generated because resources that would otherwise be discarded are now used as raw materials (Todeschini et al., 2017). In BMI key resources and activities are impacted the most because access to good materials for upcycling can be a source of advantage (Todeschini et al., 2017).

Recycling, on the other hand, is the process through which the materials of existing products are used to create different items: though among the three R's (reduce, reuse, and recycle) this mechanism is the less viable one, because of its demand for high energy processes, it is seen as a valid pathway in CE because of its reduction of new materials and natural resources consumption (Todeschini et al., 2017). For what concerns BMI, recycling has the greatest impact on parameters such as cost structure, key activities, and key partners as the recycled materials are acquired rather than produced by the firm (Todeschini et al., 2017). Adidas and Parley for the Oceans are two very good examples of the latter: they created a sneaker using plastic waste recovered from oceans.

Finally, the vegan approach is a driver that entails the abstention from the usage of raw materials of animal origin inside of the production: extracting and processing animal material is not sustainable because of the high amounts of energy it requires, vegan manufacturing makes sure overall energy consumption is saved throughout the whole system (Todeschini et al., 2017). Approaching processes under vegan principles impacts key partner selection; key resources, as the resources or suppliers required are very different than all other companies; communication content and channels; and value proposition, as the firm needs to be seen as appealing and trust-worthy to an audience which is concerned with animal rights and/or dedicated to the vegan movement (Todeschini et al., 2017).

#### 2.2.5 Product service systems

Reducing dependence on natural resources, while increasing product quality and longevity and achieving overall higher customer satisfaction, are two of the aims of one of the many alternatives to fast fashion that this section is going to explore, i.e., Product-Service systems (PSS) (Armstrong et al., 2015). PSS entail renting, upgrading and redesigning and their potential for drastically reducing the redundant consumption, aiding the circular economy, is very high once the mechanism is accepted, implemented and well-functioning (Heiskanen, Jalas, 2003).

Maintenance, take back schemes or consultancy, are examples of product-related services integrated in PSS which have the aim of adding value to the sale of the item (Armstrong et al., 2015). Product renting, sharing or pooling (concurrent use), which are characterized by lack of ownership on the product, are part of user-oriented services (Armstrong et al., 2015). These models could serve as a conceptual guide for the industry to thoroughly understand how to combine clothing products with the service concepts to achieve a revenue-generating offer that contributes to the circular economy by

extending the life of the items, avoiding their premature disposal and increasing the marketability of pre-owned products (Armstrong et al., 2015). Even though the clothing industry focuses on the product, services have long supported their use and maintenance: the problem is that the mainstays don't target dematerialization, longevity and sustainability as PSS does, they only entail dry cleaning, repair alterations and custom tailoring (Armstrong et al., 2015). PSS indeed, are deemed to have the most potential in the context of alternative revenue streams: used clothing sales, in particular, bring the most abundance, as well as services that allow consumers to gain greater use of items, they already own, through alterations and repair or collection of items for recycling (Armstrong et al., 2015).

Services and products have a history of being bundled in the value proposition of businesses that try to provide a higher value to the consumers, however not always in a way to achieve sustainable objectives (Van Halen et al., 2005).

An Example of PSS can be recognized in models such as Globe Hope, a Finnish company that used recycled materials to create redesigned items targeted to young consumers, to be less material-intensive and extend the useful life of the product; Patagonia's Common Threads program, a take-back initiative where the fiber in the garments are recycled to make new products; Del Forte Denim's "Rejeaneration" program that entails the redesigning and rejuvenating of jeans models (Armstrong et al., 2015). Nopsa Fashion Library instead, it's a rental model in which garments are accessed on a membership basis (Armstrong et al., 2015). The products can be used for one or two weeks at a time and the collection features vintage items as well as collections designed by young creatives in Finland (Armstrong et al., 2015).

Other models instead focus their attention on increasing consumer satisfaction by involving the customer in the design process: personalization and a perfect fit are the keys to product longevity and extension of ownership (Armstrong et al., 2015). Finnish company Nomo Jeans offers this service through a rather innovative strategy of 3D body scanning strategy to create a one-of-a-kind pair of jeans for a person (Armstrong et al., 2015).

Another interesting and innovative model is represented by "halfway products" where the consumer is involved precisely halfway through the production initiated by the designer: the user decides what to make of the product, applying their creativity and preferences while also acquiring a deeper knowledge and attachment to it (Papanek, 1995).

PSS' innovation lies in the disconnection of the product value from the material consumption: alternative utilization options substitute personal ownership, excess consumption, or hoarding (Briceno, Stagl, 2006), through a combination of products and intangible services that put consumer satisfaction at the center (Manzini et al., 2001; Mont, 2002a; Tukker and Tischner, 2006).

Nowadays, services are starting to become more important to consumers due to the triggering of a "conceptual age" by globalization: knowledge and experience are emphasized over ownership, which makes service prevail over products (Heiskanen and Jalas, 2003; Pawar et al., 2009; Van Halen et al., 2005). Research has definitely shown that consumers are interested in participating and indulging in PSS, such as in rentals, participatory design, or repair services (Niinimäki, Hassi, 2011), unfortunately, PSS have not been proven to be a feasible alternative as their implementation is inhibited by many contextual conditions, that need to be fully understood by companies who want to develop strategies of the sort (Armstrong et al., 2015). PSS calls for a long-term relationship with customers and the creation and support of a collaborative network made by several stakeholders in the supply chain (Mont, 2002a; Tukker and Tischner, 2006); However, they are advantageous because of their low capital intensity for Product design implications, which feature elements such as durability, flexibility, modularity, and ease of use (Van Halen et al., 2005).

#### 2.3 Consumer acceptance

Many studies conducted throughout the last few years on fashion consumer of various nationalities highlighted how general knowledge on fashion pollution or sustainability alternatives is still quite low, and sustainable disposability, recycling, and upcycling of clothes are seen as a lengthy process, expensive or problematic (Armstrong et al., 2015). For example, participants of a study conducted in the UK identified clothing repair as an uncommon practice dependent on personal skills, the opportunity for cheaper and quicker alternatives, such as replacement, and the cost of the service (Armstrong et al., 2015). Some participants deemed repair as a viable alternative almost only in the case in which they felt emotionally attached to an item, while others felt incentivized to redesign items to change their function, from "work" to "play" (Armstrong et al., 2015). For the majority, donating clothes instead of throwing them away, though it's a popular practice, doesn't feel as fulfilling since nobody is able to gauge where the items end up after donation; Reuse and recycling are two methods that are well understood but mainly used to lessen the guilt about excess consumption while sharing and swapping was deemed as acceptable in some consumer segments, especially for kinds and children (Armstrong et al., 2015). The findings of the study are pretty interesting considering that research of the previous years highlighted how the removal of ownership represented a challenge for PSS and other sustainable models to be adopted by consumers (Catulli, 2012; Tukker, Tischner, 2006). The latter is a salient issue for what regards clothing; because of social conditioning, the dematerialization carried by rental, sharing, etc. becomes objectionable: clothing are a way of signalling status, they give a sense of control, allow for self-expression and memory making, which cause people to attach emotionally to items (Hirschl et al., 2003; Mont, 2002b).

The adoption of sustainable models is also complicated by elements such as the stigma associated with second-hand and/or scepticism on whether companies that offer PSS can actually deliver such services as they claim: most people are concerned with hygiene issues, especially for clothes (Rexfelt and Ornäs, 2009; Schrader, 1999), some are even worried that enterprises, especially larger ones, don't actually follow through with the sustainability claims they make (Armstrong et al., 2015). Being more transparent as an organisation could help, however, though consumers appreciate and desire more information, scholars highlighted how many PSS providers fail to illustrate the value proposition in the correct way, not making it possible for consumers to understand in the face of other options (Rexfelt and Ornäs, 2009; Schrader, 1999). Relying on pro-environmental attitudes of consumers is not enough for companies, as argued by Rexfelt and Ornäs (2009) because identity and value for money remain at the top of the priorities of many of them when considering new purchases (Armstrong et al., 2015).

#### 2.4 Challenges

Many challenges and opportunities have been identified in the study of new sustainable business models: this section will dive deep into the critical barriers that interfere with the success and the smooth functioning of the processes and some of the elements that hinder the pragmatic shift towards sustainability in the industry.

The strategy in the design phase is crucial and must be rethought and tailored according to sustainable product development: in this phase, decisions about the appearance, quality, materials and manufacturing, and the cost take shape (Todeschini et al., 2017). It therefore it has a central role in the value proposition and its subscription to more sustainable principles, for example embracing more environmentally friendly materials, such as recycled ones or natural fibers, or relying on more sustainable processes, such as zero-waste mechanisms, natural dyeing procedures and slow fashion approaches (Todeschini et al., 2017). The adoption of the above mentioned could generate great benefits but the challenges are many, starting from the fact that firms in the fashion industry, do not consider it as a strategic priority yet, especially because the design phase itself is riddled with obstacles

and challenges (Todeschini et al., 2017). The latter indeed, is very different from the processes that are normally implemented: a sustainable design process, since it relies on products that make use of post-consumer waste, has limitations that lie in the lengthy process of manual disassembly of the latter and the assortment of dimensions, shapes, types, and colour of the available stock which is not predictable (Dissanayake, Sinha 2015). The repeatability that is a base concept for a design phase here is not granted because the production depends on the availability of recycled materials, which is another element that the decision-making progress must consider: high levels of creativity are needed to power such a mechanism (Dissanayake, Sinha 2015).

On the other hand, another critical element for the success of new sustainable business models is represented by consumer education: many firms have failed to properly communicate their mission, vision and benefit in a way to convince consumers to be part of the change by purchasing the products (Todeschini et al., 2017). In fact, research has shown how benefits offered by sustainable businesses are downplayed by consumers most of the time, and the defining dimensions of slow fashion are not considered as valuable at all (Todeschini et al., 2017).

Consumer education, being the catalyst of the behaviour, constitutes the key to a change towards more sustainable individual practices: there are many creative ways in which the life span of products can be extended, consumers need to be educated and convinced that their individual effort is worthwhile and fundamental (Wang, Song, 2010).

Specifically, the traditional way of doing laundry weighs the heaviest on the environment, being the most energy intensive process and the one that affects a garment's useful life the most: air drying and hand washing for example constitute more sustainable and gentle alternatives (Todeschini et al., 2017). Finally, more education is crucial to reduce consumption and eliminate the stigma around second-hand, renting or sharing, recycling and upcycling (Todeschini et al., 2017).

Along with education, consumer expectations represent an issue that needs to be tackled as well: while consumer education is still desperately needed, its extensive diffusion could collide with the high expectations that consumers who are already oriented towards more sustainable lifestyles have (Todeschini et al., 2017). A well-established fast fashion business' sustainable effort results difficult to accept by those who have been conscious about the environmental damage the industry has done for years: brand image might be very difficult to shift in this case (Ansett, 2007). Fast fashion firms, to avoid cannibalization and lower performance, adopt a defensive strategy in communicating their efforts and closeness to sustainability concepts and views; born sustainable start-ups, adopt a proactive strategy instead, basing their supply chain on collaboration and innovating the business model at its core (Todeschini et al., 2017).

Creating collaborative value chains, building stakeholders commitment in engaging and sharing knowledge constitutes a big effort that can be summarized under the umbrella of alignment of values (Todeschini et al., 2017). Which is no easy task and constitutes the last challenge this section is going to explore.

Aligning values is fundamental because the mechanism of a sustainable supply chain relies not only on the actors' technical competencies on logistics and commercialization, but also on the amount and quality of information they share about consumers, channel operation and marketing strategies to improve the performance (Todeschini et al., 2017). These knowledge rich collaboration arrangements are fundamental since the implementation of sustainability in a supply chain involve recommercialization (Todeschini et al., 2017). For instance, in trying to sell the items of a past collection, the supply chain works in reverse: the garments follow a path that goes from consumer to manufacturer, to be distributed through a different sales channel such as an outlet (Todeschini et al.,

2017). Second hand businesses' supply chains instead, involve a different value network since the consumer segmented targeted is not the same (Todeschini et al., 2017).

In every case, the benefits of collaboration can include, along with significant performance improvement, a great cost reduction (Beh et al., 2016). The challenge lies in the fact that the business not only has to set up logistics integration, information sharing models and rules, collaborative marketing strategies tailored to the different markets, but also align values through the value chain not to derail all the effort made (Todeschini et al., 2017).

## 2.5 Opportunities

On the other side of the coin, the sustainable business model innovation in fashion has many opportunities, which this section is going to explore. These are elements that might have already been incorporated into some businesses, from a technical or economical point of view, and determined the latter's success, however scholars found a margin of improvement, expansion, exploitation, or diffusion in them (Todeschini et al., 2017).

As above mentioned, consumer education is important, and it matters also from a CSR point of view: thankfully the latter has started to weigh more in the decision-making of consumers, who are influenced by many other factors other than product features and price (Todeschini et. Al., 2017). Therefore, an opportunity is to direct the attention on all the CSR initiatives or principles the company is founded on, for start-ups (Todeschini et al., 2017). Under the CSR initiatives and concepts umbrella we can find the sweatshop free, a business model that involves complete transparency about the conditions of workers, granting the latter a fair wage, breaking the cycle of outsourcing labour in emerging countries and exploiting its low cost because of a lack of regulation (Todeschini et al., 2017); fair trade businesses are similar, entailing a healthy workplace and fair wages to individuals as well as investments in the communities they enter in contact with (Todeschini et al., 2017). It is worth also mentioning the fact that focusing on CSR initiatives could help in the challenge of consumer education on sustainable fashion benefits, which, on the one hand see a customisation of green products for corporate customers who can then show their environmental responsible mindset through them; on the other, born-sustainable start-ups could provide consulting services, promoting knowledge sharing and networking with larger firms (Todeschini et al., 2017).

The latter also represents an opportunity of reducing stock by developing service-based business models (Todeschini et al., 2017). Apart from consultations, garment subscription schemes and fashion libraries can be offered too (Todeschini et al., 2017). Services have always been offered in the fashion world, but the fast fashion approach has diminished interest in them because of its scale and scope (Todeschini et al., 2017). However, service-based businesses would help in shifting from a constant consumption of new goods to a restyling and upcycling of already existing ones (Todeschini et al., 2017).

# CHAPTER 3 – Sustainable Fashion Consumption and Italian Cultural Dimensions: a study on Italian consumers' attitude towards new sustainable business models.

#### Introduction

The textile and clothing industry is responsible for a very high level of pollution and waste: it requires huge volumes of water and energy to produce the apparel (Jia et al., 2020). Scholars agree that such processes could become less threatening to the environment through the elimination of both fossil fuel power supplies and the business model of fast fashion, the exponential growth of which has determined a worsening of the carbon footprint of the fashion industry (Peters et al., 2021). Initiatives such as the use of recycled materials, reductions in CO2 emissions, and water or energy conservation would reduce the perceived gap between the latter and sustainability (Grazzini et al., 2021).

Moreover, the connection between sustainability and consumer perspectives plays a key role in the achievement of sustainable development goals (SDGs) of fashion companies (Turunen, Halme, 2021). The concept of circular fashion, which is still an emerging one, promotes the re-use and recycling of clothing and consumer attitudes towards these practices differ depending on many aspects (Colasante, D'Adamo, 2021): apart from the information the latter have access to or are reached by, through tv or social media advertising or influencers, previous research has highlighted that there is also a generational factor that heavily impacts the sensitivity and awareness of sustainability issues of the public (Gazzola et al., 2020). For instance, the differences between Baby Boomers and Generation Z are indeed very evident; many studies have consolidated this idea, demonstrating how the most attention and the most action towards the problem are taken by the younger generations (Gazzola et al., 2020). However, studies have also shown that improved cognitive and affective awareness of sustainability does not automatically translate into purchasing behaviour: country-specific surveys of consumer habits highlighted how it is also a matter of adequate political and institutional support (Zhang et al., 2021). This study would add a cultural dimension to the picture, claiming that, other than institutional structure and degree of customer awareness, one of the main influences on acceptance (or lack thereof) of Circular Economy practices and business models of the sort, is the culture's characteristics: Professor Geert Hofstede's work on cultural dimensions constitutes the backbone of this work.

Even though projections show that circular fashion will be the dominant future trend, with the second-hand market assuming a significant role, current consumer perceptions of second-hand fashion products and services are not aligned with this prediction (Kim et al.,2021); this thesis will investigate the reasons behind this trend from a cultural perspective, with a focus on Italian consumers. Even though the latter belong to a culture which is considered the cradle of fashion, they haven't been subject to any study aimed at assessing the impact of their cultural dimensions on their behaviour towards sustainable fashion practices.

#### 3.1 Cultural Dimensions and Sustainability

Dutch social psychologist and professor Geert Hofstede defines culture as "the collective programming of the mind": thinking of the latter as a computer, culture would be the software that controls the communication with the environment.

Anthropologist and social theorist Clyde Kluckhohn, in an article published in 1962, argued that there should be universal categories of culture:

"All cultures constitute so many somewhat distinct answers to essentially the same questions posed by human biology and by the generalities of the human situation.

(...) Every society's patterns for living must provide approved and sanctioned ways for dealing with such universal circumstances as the existence of two sexes; the helplessness of infants; the need for satisfaction of the elementary biological requirements such as food, warmth, and sex; the presence of individuals of different ages and of differing physical and other capacities." (Kluckhohn, 1962)

In harmony with Kluckhohn's theory, Hofstede was able to develop a framework which contains precise dimensions that categorize organisations' cultures, while showing the strong link with the culture of the country in which they are based.

The framework features seven different dimensions, namely individualism-collectivism, power distance, masculinity-femininity, uncertainty avoidance, long term orientation vs. short term orientation and indulgence-restraint, but only the first three have been proven to be drivers of the levels of environmental sustainability of a country.

As per the framework, the fundamental issue addressed by Individualism-Collectivism is the degree of interdependence a society maintains among its members (Milosevic, 2019). In Individualist societies people are expected to care for themselves and their direct family only, on the other hand, in Collectivist one's people belong to 'in groups' that take care of each other in exchange for loyalty (Milosevic, 2019). Previous studies have highlighted a positive relationship between individualistic cultures and both economic wealth and environmental sustainability (Milosevic, 2019). Such cultures value individual initiative and freedom of expression and, thus, may be more favourable to the promulgation of environmental interest groups and the adoption of environmentally sound policies than collectivist cultures (Milosevic, 2019).

In high power distance cultures, people are expected to display respect for those of higher status (Milosevic, 2019). Hofstede believes that power distance is learnt early in families: in cultures scoring high in this dimension, children are expected to be obedient toward parents versus being treated as equals (Milosevic 2019). Under a sustainability perspective, this dynamic might influence the level of environmental accountability of the individuals: the latter may be ignored for the interests of the power holders and environmentally sound policies might be shunned to concentrate more on internal politics (Milosevic, 2019).

The masculinity-femininity dimension discerns two types of values: masculine ones, such as material success, preference for accomplishment, heroism, severity and material success; and feminine values centred on a concern for the quality of life, preference for relationships, modesty and attention to the weak (Gouveia, Ros 2000). The women in feminine countries have the same modest, caring values as the men, while in the masculine countries they are assertive and competitive (Milosevic, 2019). Past studies highlighted how masculinity has greater impact at lower levels of economic development, and, as countries become wealthier, concerns labelled as "feminine", like quality of life or environmental sustainability, become paramount (Milosevic, 2019); on the other hand, materialistic, masculine values like the pursuit of economic growth may lead to slower adoption of costly technology necessary for environmental sustainability (Milosevic, 2019).

While past studies have found economic development to be the main driver of environmental sustainability, power distance, masculinity-femininity, and individualism-collectivism are also very much related (Husted, 2005). Higher social and institutional capacity was found in countries with low levels of power distance, high levels of individualism, and low levels of masculinity (Husted, 2005).

It is very interesting to see where Italy stands in all of this. According to Hofstede's framework, it is a very individualistic country, it scores high also in masculinity and it is characterised by a medium power distance. The country has been considered the home of fashion since the 1970s, when great appreciation for the "Made in Italy" label started to flow from all over the world (Lazzeretti and Oliva, 2020). Given such important heritage, it is trivial that Italian people's perception of the fashion industry may be biased, especially when it comes to used or vintage clothes. In fact, within the EU Member States, Italy, while excelling in the production and consumption of bio-based textiles, struggles to accept and integrate second-hand clothes into the sustainable practices (Colasante, D'Adamo, 2021). According to the Ipsos¹ Report, in 2020 only 28% of Italians have purchased a fashion item from a second-hand market: a percentage significantly lower than the global average of 41% (Colasante, D'Adamo, 2021).

#### 3.2 Literature review

This research was inspired by many interesting studies regarding both Consumers' behaviours towards sustainability and fashion and the cultural characteristics' influence on how founders or managers of companies shape their lead; indeed, the study carried out by Dicuonzo et al. in 2020 is one of the main inspirations of this research: it focuses on how internal and external factors stimulate born-sustainable businesses operating in the fashion sector in Italy: their analysis shows that culture, the entrepreneurial orientation of the founders, and the proximity of the suppliers among the internal factors, combined with the increase of green consumers as an external factor, foster the creation of such businesses (Dicuonzo et al, 2020).

On the other hand, Colasante and D'adamo's work, titled "The circular economy and bioeconomy in the fashion sector: Emergence of a sustainability bias" analyses the differences in attitudes towards circular economy and the bioeconomy of Italian consumers, highlighting how biased the latter are when it comes to their preference and perception of sustainable clothing. The study revealed how even those who were highly environmentally conscious – and who therefore support sustainable fashion – unconsciously shunned second-hand, directing their preferences on natural or bio-based clothes because they perceived the latter as being of higher quality and – erroneously - more sustainable than second-hand. In accordance with this observation, Italy has a background of dominant manufacturer of bio-based textiles, but it is characterised by a very low percentage of second-hand buyers with respect to the global average: the "sustainability bias" individuated by the scholars served as a solid base for this work to stand on and expand the research, examining the subject under a cultural lens. Iran, Geiger ad Schrader's cross-cultural study "Collaborative fashion consumption. hyoiA crosscultural study between Tehran and Berlin" was also one of the main inspirations of this work: the scholars applied the Theory of Planned Behaviour (TPB) (Ajzen, 1985) to explore whether attitude, social norms, and Perceived Behavioural Control<sup>2</sup> (PBC) are predictors of the reception of Collaborative fashion consumption and whether having positive intention toward CFC together with a positive PBC might influence the real consumption of alternative fashion; they then focused on the intercultural differences regarding CFC acceptance by the cities/countries. Tehran and Berlin are very different under this point of view: after corroborating the hypothesis that attitude, social norms, and PBC are the predictors of the intention towards CFC, they conducted a quantitative comparative survey in the two cities to grasp the roots of the differences; Iran and Germany belong to different country

<sup>&</sup>lt;sup>1</sup> Report available at https://www.ipsos.com/en/ipsos-upda te-april-2020.

<sup>&</sup>lt;sup>2</sup> PBC refers to a person's perception of the relative ease or difficulty of engaging in a certain behaviour in a given context (Ajzen, 1991). PBC explains how a person perceives his/her own ability to engage in a specific behaviour. For example, if people were cognizant of their personal impact on the environment, there would be a greater likelihood that they would behave in a more environmentally friendly manner (van Birgelen et al., 2008).

clusters which have opposite social, economic, and demographic factors (Bathaee, 2014) and they culturally differ considering Hofstede's dimensions (Hofstede, 2018); Berlin has a more feminine, individualistic culture in comparison to Tehran, and it's characterised by lower uncertainty avoidance and power distance (Iran et al., 2019). Attitude was found to have a stronger influence on the intention toward CFC In Tehran, which is justified by the culture's higher power distance: in the culture, using second-hand clothing is most of the time connected with being poor or coming from non-wealthy families (Iran et al., 2019). In Berlin, where the culture doesn't pay much attention to outer appearance, perceived behaviour control has a stronger influence, hence, it is more of a question if German consumers have the possibility of engaging in the CFC or not (Iran et al., 2019).

Even though in general, in the context of sustainability and business models, the impact of the culture has received increasing attention over the last years, there are not many studies focusing on the customers and how their cultural dimensions influence their acceptance and indulgence in sustainable business models. An extensive literature review encompassing studies about how culture, sustainability and business models intertwine, highlights how the focus is mostly posed on either the impact that stakeholders' cultural dimensions have on corporate environmental sustainability reporting (CESR) (Gallego-Álvarez, Ortas 2017; Tata, Prasad, 2015;Thanetsunthorn,2014; Peng, Dashdeleg, Chih, 2012), the nature, motivation and drivers of "ecopreneurs", green entrepreneurs, or sustainable entrepreneurs (O'Neill, Hershauer, Golden, 2009; Gunawan, van Riel, Essers,2021) and how these relate to the social and ethical dimension (Schlange, 2006; Santini, 2017). There isn't much attention posed to the consumers and how their cultural dimensions influence the choices they make from a sustainability point of view, especially for what regards an element that could be considered somewhat essential to their culture. Italian consumers indeed, are part of a culture that, among other things, can be considered as "the cradle of fashion": the heritage of the latter is so strong under this point of view, that it manifested under an out-and-out brand for the past thirty years, the "Made in Italy".

# 3.3 Hypotheses

The present study aims at investigating the attitudes and habits of Italian consumers concerning new sustainable business models in fashion that feature value propositions focused on second-hand and vintage clothes; the attention of the current study is placed on the impact of Italian cultural dimensions on the acceptance of second-hand based business models and Collaborative Fashion Consumption as a whole.

The decision of focusing on Italian customers was motivated mainly by the fact that Italy is considered the home of fashion and, since the latter is deeply embedded in the culture, the analysis of the reasons for the struggling market penetration of second-hand clothes and Collaborative Fashion Consumption might give rise to very interesting results.

The focus of the research was on the cultural dimensions of masculinity and femininity, to see how these impact the indulgence in second-hand or vintage clothes shopping of the consumers. As environmental awareness has been proven to play a big role in the consumption, the moderation of this element on the relationship between cultural dimensions and sustainable consumption will also be analysed.

As research shows, cultures that score high in the femininity dimension focus on elements such as affiliation, nurturance, helpfulness, and quality of life: for this reason, they are more likely to indulge in environmentally sound practices and promote initiatives aimed at benefitting the society and the environment (Tata, Prasad, 2015). People who present more feminine values are therefore more prone to caring about sustainability issues and about the impact that their consumption can have on the

environment: they will be more willing to adopt sustainable practices like avoiding waste, reusing, reducing and recycling, and indulging in sustainable clothes shopping, like second-hand or vintage. On the other hand, in masculine cultures, more importance is given to assertiveness, materialism and individual achievement (Tata, Prasad, 2015). People who display such values, are less likely to care for the needs of the community, social support, cooperation and, last but not least, sustainability (Tata, Prasad, 2015). Indeed, masculinity negatively influence the social and environmental capacity of nations and it was found to be negatively related to the Environmental Sustainability Index of a country (Husted, 2005; Park et al., 2007). Such cultures breed a deeply rooted behaviour of disregard for environmental risks and inconvenient regulation (such as environmental rules) because it represents an obstacle to economic and material success (Tata, Prasad, 2015).

**Hypothesis 1:** The strongest the influence of feminine values on consumers, the higher the consumption of used or vintage clothes.

**Hypothesis 2:** The strongest the influence of masculine values on consumers, the lower the consumption of used or vintage clothes.

Nowadays, the apparel industry offers consumers many purchase possibilities: the latter range from items from the fast fashion industry, other produced using biological raw materials, second-hand alternatives or renting without exercising complete ownership over any item (Colasante, D'Adamo, 2021). The first two instances fall into a paradigm of standard linearity in which the garments are thrown at the end of their (useful) life and end up in landfills (Colasante, D'Adamo, 2021). The latter two, respectively being part of the second-hand market and the collaborative fashion consumption, are a clear representation of the circular economy and are chosen by consumers who are more environmentally conscious (Colasante, D'Adamo, 2021). Pro-environmental clothing consumption in general is characterised by behaviours that entail sustainable apparel acquisition, use, maintenance and disposal: the goal is to create less waste and most importantly consume less in order to lessen the reliance on natural resources (Hiller Connell, 2010).

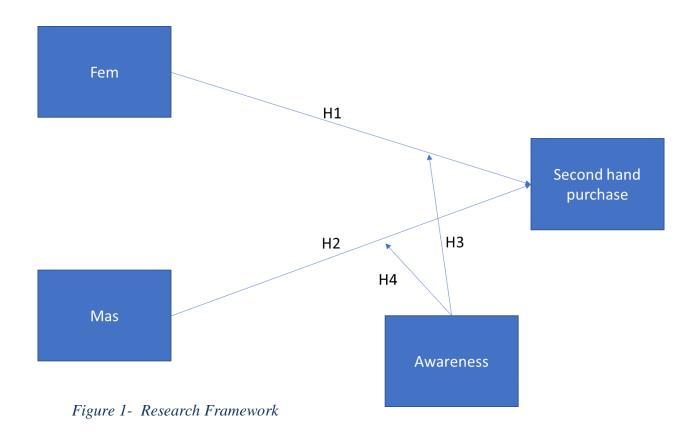
Indeed "perfect green consumerism" is a "pro-environmental and rational individualism" that protects the planet by small purchases of eco-labelled products and recycling daily (Taljaard et al., 2018; Rustam et al., 2020). As research detected through the years, the more aware the consumers are of the environmental impact their consumption has, the less they consume in general: those who are more attentive and sensitive to environmental issues know that by reducing the purchase of clothes (both new and second-hand) they can reduce their impact on the environment. On the other hand, those who have a lower awareness and sensitivity towards these issues buy more in general (even second-hand clothes) because they are not fully aware of what their behaviour implies. The third hypothesis will therefore be:

**Hypothesis 3:** Among those who display more feminine traits, the lower the awareness about the environmental impact of the fashion consumption, the higher the consumption of second-hand clothes.

On the other hand, countries who exert higher masculine levels are characterized by lower social and institutional capacity for environmental sustainability (Milosevic, 2019). Masculine values, being more materialistic and success-focused, lead to slower adoption of costly technology necessary for environmental sustainability, since the latter is not considered crucial (Milosevic, 2019). Indeed, people who show more masculine traits are less sensitive to environmental issues therefore the awareness

about the environmental impact of their choices is already low. Values are Since majority doesn't really care to look into the impact of their consumption, . The fourth hypothesis will therefore be:

**Hypothesis 4:** Among those who display more masculine traits, the lower the awareness about the environmental impact of the fashion consumption, the lower the consumption of second-hand clothes.



# 3.4 Research instrument

**Table 1- KMO and Bartlett's Test** 

Kaiser-Meyer-Olkin Measure of Sa	<mark>,945</mark>	
Bartlett's Test of Sphericity	Approx. Chi-Square	2464,060
	_df	105
	Sig.	,000

**Table 2 - Total Variance Explained** 

Extraction Method: Principal Component Analysis.

				Extr	action Sums	of Squared	Rot	ation Sums o	of Squared
		Initial Eigen	values	Loadings			Loadings		
		% of	Cumulative		% of	Cumulative		% of	Cumulative
Component	Total	Variance	%	Total	Variance	%	Total	Variance	%
1	<mark>8,812</mark>	<mark>58,748</mark>	<mark>58,748</mark>	<mark>8,812</mark>	<mark>58,748</mark>	<mark>58,748</mark>	<mark>5,404</mark>	<mark>36,024</mark>	<mark>36,024</mark>
2	<mark>1,744</mark>	11,629	<mark>70,377</mark>	1,744	11,629	<mark>70,377</mark>	<mark>4,779</mark>	<mark>31,857</mark>	<mark>67,881</mark>
<mark>3</mark>	<mark>1,078</mark>	<mark>7,189</mark>	<mark>77,565</mark>	<mark>1,078</mark>	<mark>7,189</mark>	<mark>77,565</mark>	<mark>1,453</mark>	<mark>9,685</mark>	<mark>77,565</mark>
4	,685	4,564	82,130						
5	,459	3,061	85,191						
6	,386	2,571	87,762						
7	,297	1,979	89,741						
8	,275	1,833	91,573						
9	,265	1,763	93,337						
10	,228	1,521	94,857						
11	,195	1,297	96,154						
12	,183	1,218	97,373						
13	,168	1,120	98,493						
14	,163	1,086	99,578						
15	,063	,422	100,000						

Table 3 - Rotated Component Matrix<sup>a</sup>

Component 2 Awareness 1 ,311 -,111 ,687 ,058 <mark>,879</mark> Awareness 2 -,017 ,853 -,021 Material success (masc) -,316 .851 Material success(masc) -,257 -,061 Material success(masc) -.295 .852 -,059 -,362 Material success(masc) -,031 Preference for accomplishment -,238 .821 -,135 Heroism (masc) .702 -,097 -,507 Concern for the quality of life ,839 -,286 ,162 (fem) Concern for the quality of life <u>,878</u> -,324 ,131 (fem) Concern for the quality of life ,869 -,349 ,107 (fem) Concern for the quality of life ,822 ,193 -,214 ,769 Preference for relationships -,346 ,125 (fem) Modesty (fem) <del>,742</del> -,471 -,033 <mark>.748</mark> -,318 ,253 Attention to the weak (fem)

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Measurements for dimensions of awareness of environmental impact of consumption, masculinity and femininity were taken from previous studies (Colasante, D'Adamo, 2021; Dicuonzo et al., 2020; Hofstede, 2019; Milosevic, 2019). However, these studies didn't analyze the consumer's environmental awareness with respect to fashion consumption and, those that did, ignored the relationship between the latter and cultural dimensions, leaving rather interesting dynamics to be explored.

Therefore, to develop a comprehensive set of measurement items, after an extensive literature review, a survey was structured encompassing items related to awareness of the environmental impact of one's consumption (2 items), the cultural dimension of masculinity (6 items) and femininity (7 items). All items were reworded to fit the context of the study. In addition, the Kaiser/Meyer/Olkin (KMO) test and Bartlett's test of sphericity were used to evaluate the appropriateness of the factor analysis for these 19 items. The KMO test ensured overall measure of sampling adequacy, which was 0.945 (>0.50), and Bartlett's test provided support for the appropriateness of the factor analysis, which was 2464.060, df 1/4 105, significance at p < 0.01. Results from the principal component analysis revealed that the 19 items could be placed into three categories with eigenvalues greater than 1: 8,812, 1,744, and 1,078. Throughout the process of exploratory factor analysis, items that do not load properly on a particular factor (<0.40) or have cross loadings should be deleted. However, all items had loadings greater than

0.40, so none were deleted. The three-factor solution (Awareness of consumption impact, Masculinity and femininity) accounted for 77,56% of the variance.

#### 3.5 Sample design and data collection

The quantitative research drew on a structured questionnaire administered to a sample of 180 Italians of all age brackets, types of education and profession; this method was chosen since surveys represent a smart and effective way to collect information about customers' self-reported behaviour, attitude, and intention. Table 4 contains the complete survey questions with the associated cultural dimension they represented.

The average age of the sample was of 32 years of age, with the highest percentage of respondents (20 %) being of 42 years; the range however was very broad, going from 16 to 72 years. 68% of the respondents were women. The sample was mostly well educated, with more than 65% having either a diploma, a bachelor's, a master, or a PhD. The respondents came from all over Italy, the sample covered from the north to the south, with most respondents coming from the centre.

The survey is designed to capture respondents' attitudes toward the Circular Economy through the lens of cultural values. It included 19 items, arranged in two parts: after gaining information about age, location, and education, the first part focused on the respondents' attitudes and intentions toward sustainable fashion. The items were designed to capture the awareness about the effect of personal consumption on the environment and frequency of purchase of used clothes and/or fast fashion clothing items.

The second part included questions aimed at grasping whether the sample exerted more masculine or feminine traits

This was crucial to study the tendencies of the respondents from a cultural dimensions point of view, analysing the underlying reasoning behind their decision making and eventual bias.

The questions were formulated to capture whether their reasoning was based on whether they considered the clothes as trendy, whether they see the possibility to look elegant and put together in them, whether they would see it as a way to help the community, a fun activity to do with family and friends, or as a way to help the environment and future generations. The items of this section were formulated to grasp how much the sample resonated with feminine values such as concern for the quality of life, preference for relationships, modesty, and attention to the wear, or whether they resonated more with the masculine values of material success, preference for accomplishment, and heroism.

The survey was administered online through Google Forms, a tool accessible to everybody for survey building and results analysis. The respondents were able to access the module through a link that took them to the page where they were guided through the sections. The data provided, thanks to the easy and effective structure of the platform, was reliable and of high quality, and, since the study regards Italian cultural dimensions, only Italian people were recruited and encouraged to fill in the questionnaire and give their most honest opinion. The completed surveys received from the 5th to the 26th of May 2022 were 180.

# **Table 4 – Questionnaire**

Dimensions/	Question	Choices/Range
demographic		
variables	How old one you?	
Age Gender	How old are you? Please specify your gender	- Male
Gender	riease specify your gender	- Male - Female
		- Prefer not to
		specify
Education	What is the highest level of education you have	- Middle School
	achieved?	diploma
		- High school
		diploma
		- Bachelor
		- Master
		- PhD
Origin	From which region you come from?	-
Pro	- Would you buy second hand clothes?	- Yes
environmental	- Would you rent out clothes for special	- no
attitude	occasions?	
	- Would you participate to organized swaps of	
	used clothes?  How often did you buy used/vintage clothes in the	- Never
	last month?	- Never - Less than once a
	last month:	week
		- At least once a
		week
		- At least twice a
		week
		- More than twice
		a week
		- everyday
	How often do you purchase from fast fashion	- Never
	brands (H&M, Zara, Bershka)?	- Sometimes
		- Often
		- always
Awareness:	To what extent do you feel responsible for the	Scale ranging from 1 → "not really"
	environmental pollution when you purchase from fast fashion brands?	to
	Tast fasinon brands:	5→ "a lot"
	you believe you are making conscious choices	Scale ranging from
	regarding the brands you buy from, those you rely	1 → Completely
	on communicate their environmental and social	disagree
	impact transparently	То
		5→ Completely agree
Feminine values:	you buy/would buy second-hand because:	
concern for the	- it is a sustainable choice that would improve	Scale ranging from
quality of life	the quality of your life in the future	$1 \rightarrow \text{Completely}$
	- it is a choice that would improve your	disagree
	family's life in the future	To  5 \( \) Completely egree
	- You buy second-hand for the community's	5→ Completely agree
	good	

	- You buy sustainable because you often think
	about leaving a better world for future
	generations.
preference for	- it is a bonding experience with friends and
relationships	family
modesty	You want to watch more what you spend on
	material things; you'd much rather spend for other
	more important non material things
attention to the	You want to avoid funding brands that do not
weak	respect the human rights of workers
Masculine	you don't buy second hand because:
Values:	
Material success	- you want to show you are more put together
	and you feel like second-hand clothes don't
	help you in this
	<ul> <li>you want to flaunt super new clothes</li> </ul>
	<ul> <li>you feel like it's not hygienic</li> </ul>
	- the clothes are not trendy enough
preference for	- affording new and expensive clothes makes
accomplishment	you feel accomplished
heroism	because there's other greater actions they would
	rather do, that would have a better and bigger
	impact on the problem of environmental pollution

# 3.6 Data analysis

## **Table 5 – Test of Normality**

	Kolm	ogorov-Smir	nov <sup>a</sup>		Shapiro-Wilk	-
	Statistic	df	Sig.	Statistic	df	Sig.
Frequency used clothes	,357	179	,000	,616	179	,000
purchases score						

a. Lilliefors Significance Correction

As shown in Table 5 the inter-correlations showed no value of 0.9 or more with the highest inter-correlation at only 0.756. Thus both tests indicate that method bias is not a serious problem in this present study. Because structural equation modelling (SEM) requires data not to violate the assumption of normality, normality of the data was tested. In this case, the significant values of the Kolmogorov-Smirnov test and the Shapiro-Wilk test, show that there is no normality for the item considered for second hand purchase, therefore the item we used is the question "do you buy second hand clothes, or did you buy it in the past"?

## 3.7 Findings

#### 3.7.1 Measurement model

<b>Table 6- Convergent Validit</b>
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	<b>CRONBACH'S</b>	COMPOSITE	AVERAGE VARIANCE
	ALPHA	RELIABILITY	EXTRACTED (AVE)
FEM	0.954	0.962	0.785
MASC	0.941	0.953	0.773
SECOND HAND CONSUM	1	1	1

**Table 7 - Factor Loadings** 

Tuble 7	i actor Loadings		
	FEM	MASC	SECOND HAND CONSUM
CONCERN QUALITY LIFE 2 (FEM)	0.948		
CONCERN QUALITY LIFE 3 (FEM)	0.942		
CONCERN QUALITY LIFE 1 (FEM)	0.905		
CONCERN QUALITY LIFE 4 (FEM)	0.862		
MODESTY (FEM)	0.848		
PREF. RELATIONSHIPS (FEM)	0.848		
ATTENTION TO WEAK (FEM)	0.842		
FREQUENCYUSEDPURCHASESSCORE			1
MATERIAL SUCCESS 1 (MASC)		0.906	
MATERIAL SUCCESS 2 (MASC)		0.876	
MATERIAL SUCCESS 3 (MASC)		0.898	
MATERIAL SUCCESS 4 (MASC)		0.873	
PREFERENCE FOR ACCOMPL. (MASC)		0.853	

First, the measurement model was tested for convergent validity. This was assessed through factor loadings, Composite Reliability (CR), and Average Variance Extracted (AVE). Table 7 shows that all item loadings exceeded the recommended value of 0.6 (Chin et al., 2008). Composite reliability values, which depict the degree to which the construct indicators indicate the latent construct, exceeded the recommended value of 0.7 while average variance extracted, which reflects the overall amount of variance in the indicators accounted for by the latent construct, exceeded the recommended value of 0.5 (Hair et al., 2013). The next step was to assess the discriminant validity, which refers to the extent to which the measures are not a reflection of some other variables; this is indicated by low correlations between the measure of interest and the measures of other constructs.

Table 8 - Discriminant validity
FEM MASC SECOND HAND CONSUM

FEM	0.886		
MASC	-0.699	0.756	
SECOND HAND CONSUM	0.375	-0.308	1

Table 9 - Heterotrait-Monotrait Ratio of Correlation

	FEM	MASC	SECOND HAND CONSUM
FEM			
MASC	0.734		
SECOND HAND CONSUM	0.376	0.315	

Table 8 shows that the square root of the AVE (diagonal values) of each construct is larger than its corresponding correlation coefficients pointing towards adequate discriminant validity (Fornell & Larcker, 1981). Some recent criticism of the Fornell and Larcker (1981) criteria suggests they do notreliably detect lack of discriminant validity in common research situations (Henseler, et al., 2015). Henseler et al. have suggested an alternative approach, based on the multitrait-multimethod matrix, to assess discriminant validity: the heterotrait-monotrait (HTMT) ratio of correlations (Henseler et al., 2015). Discriminant validity was tested using this new method, and results are shown in Table 9. For the first criterion, if the HTMT value is greater than HTMT.85 value of 0.85 (Kline, 2011), then discriminant validity is a problem of. As shown in Table 5, however, all values surpassed HTMT.85

#### 3.7.2 Structural model

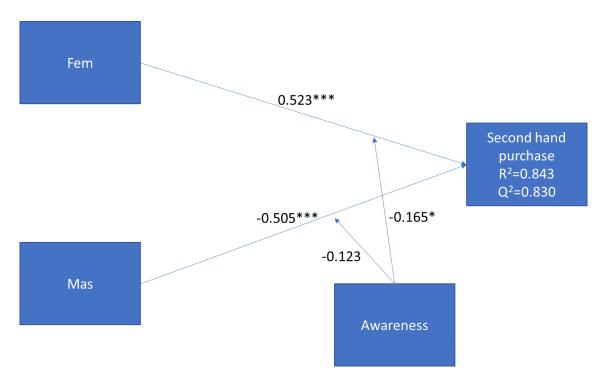


Figure 2 – Structural Model

To assess the structural model, Hair et al. (2013) suggested looking at the R2, beta, and corresponding t-values via bootstrapping procedure with a resample of 5000. They also suggested that, in addition to these basic measures, researchers should also report the predictive relevance (Q2) and the effect sizes (f2). First, the relationships between the variables were analysed. The cultural dimension of femininity positively and significantly affected purchase of used or vintage clothes (b \( \frac{1}{4} \) 0.523; p<0.001) while the cultural dimension of masculinity negatively affected the purchase of used and vintage clothes (b  $\frac{1}{4}$  -0.505; p < 0.001). However, awareness negatively affected the purchase of used or vintage clothes for the femininity traits (b \( \frac{1}{4} \) -0.165; p < 0.001), while it didn't have any significant effect on the consumption of used or vintage clothes for masculinity traits. Thus H1, H2, supported while H3 and H4 were not supported (See Table 11). Moreover, masculinity and femininity dimensions explain 84.3% of variance in used or vintage clothes consumption (R2 ¼ 0.843). The R2 value of 0.843 is higher than the 0.26 value that Cohen (1988) suggests would indicate a substantial model. Next, we assessed effect sizes (f2). In results, p value shows significance of the relationships, but it does not show the size of an effect. Hence, readers have trouble interpreting data and results. Therefore, both substantive significance (f2) and statistical significance (p) must be reported. Hair et al. (2013) suggested that changes in the R2 value should also be examined. To measure the effect size, Cohen's (1988) guidelines were used, which are 0.02 for small effects, 0.15 for medium effects, and 0.35 for large effects. Table 11 shows that all relationships had a medium effect. In addition to the size of R2 and f2, the predictive sample reuse technique (Q2) can also effectively show predictive relevance (Chin et al., 2008). Based on the blindfolding procedure, Q2 shows how well data can be reconstructed empirically using the model and the PLS parameters. For this study, Q2 was obtained using crossvalidated redundancy procedures. A Q2 greater than 0 means that the model has predictive relevance, whereas a Q2 less than 0 means the model lacks predictive relevance. As shown in Fig. 2, Q2 for the endogenous variable indicates acceptable predictive relevance.

## 3.7.3 Moderation analysis

**Table 10 - Structural Estimates (Hypotheses testing)** 

HYPOTHESIS	DESCRIPTION	BETA	T- VALUE	P VALUES	DECISIO N	F SQUARE
H1	fem -> second hand consum	0.523	7.973***	0.000	Supported	0.748
H2	masc -> second hand consum	-0.505	6.655***	0.000	Supported	0.626
Н3	aw x fem> second hand consum	-0.165	2.289*	0.022	Supported	0.078
H4	Aw x masc> second hand consum	-0.123	1.537	0.125	Not Supported	0.037

<sup>+</sup> p<0.10; \* p<0.05; \*\*p<0.01; \*\*\*p<0.001

This study hypothesized that awareness about the environmental impact of individuals' fashion consumption would have a moderation effect on the relationships between cultural dimensions and second-hand consumption. Moderation analysis is assessed by applying PLS product-indicator approach. As stated by Chin, Marcolin, and Newsted (2003), PLS can give more accurate estimates of moderator effects by accounting for the error that attenuates the estimated relationships and improves the validation of theories (Henseler, Fassott, 2010). As Table 10 shows, the estimated standardized path coefficients for the effect of the moderator on femininity (b ¼ -0.165; p < 0.05) was significant. It didn't however have any effect on masculinity (b ¼ -0.123; p>0.1). This indicates that awareness about the environmental impact of the consumption moderates the relationships between femininity and used or vintage clothes consumption, while moderation doesn't happen on the relationship between masculinity and used or vintage clothes consumption: H3 is supported while and H4 is not.

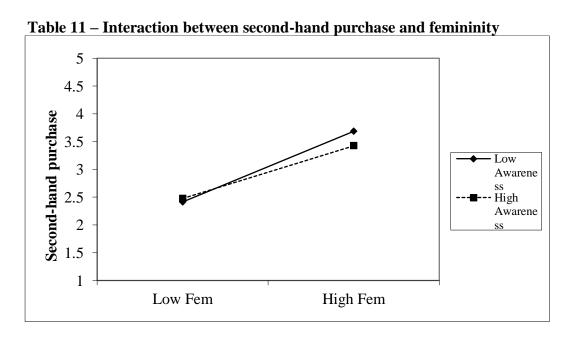
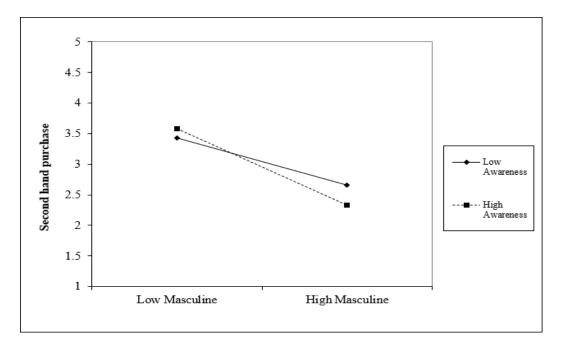


Table 12 – Interaction between second-hand purchase and masculinity



The result revealed a significant moderating role of awareness on the relationship between the femininity dimension and used clothes consumption. The plot in Table 11 shows a steeper and positive gradient for low awareness as compared to high awareness; this shows that the impact of the feminine dimension on increasing the usage of second-hand clothes consumption is stronger when the awareness about the consumption of the people is lower. However, the model does not show a significantly statistical result for awareness as a moderation variable between the masculine traits and the second-hand purchase dependent variable, as it can be seen in Table 12.

## 3.7.4 Theoretical implications

This study contributes to the existing research by providing support, through empirical data, for the importance and the scope of the impact of cultural dimensions on sustainable fashion consumption. Although many studies have analysed sustainability in general and its relationship with cultures, there is little research on the specific relationship between sustainable fashion consumption and Italian cultural dimensions. Moreover, little research has been carried out about the moderating effect that awareness about environmental issues exercises in the relationship between the two. This work only took into consideration the dimensions of femininity and masculinity, and their implications on customers' sustainability efforts in their fashion consumption.

The first contribution this work made to the existing cultural consumption literature regards the analysis of the relationship between cultural dimensions and used-clothes consumption for Italian consumers. This research only focused on one dimension, masculinity versus femininity. Very few studies focused on the consumers' side, let alone in the clothing realm. Majority of the research concentrated on the relationship between sustainability and culture either inside corporate environments, analysing attitudes of managers, CEOs or the workforce in general (Dicuonzo et al., 2020; Berson et al., 2008; Schlange, 2006), or CSR and how the above-mentioned relationship impacts it (Becker-Leifhold, Iran, 2018; Peng et al., 2014; Peng et al., 2014; Parboteeah et al., 2012). Moreover, Italy has been classified as a prevalently masculine country in Hofstede's framework and the following literature, therefore not many studies focused on the sustainable consumption of the country because of its masculine features were thought to hinder the widespread adoption of sustainable practices and technology. The latter is

something that, as mentioned many times inside this work, is not really contemplated in a masculine society as it represents an obstacle for economic growth and success. Even fewer studies investigated sustainable fashion consumption in depth. Since fashion in general is deeply embedded in the culture, the difficulty in the integration and implementation of new sustainable business models that regard clothes represented a very interesting opportunity for this work. This study contributes by investigating and confirming the positive relationship between feminine cultural dimensions and sustainable fashion consumption and the negative relationship the latter has with masculine values. These findings are in line with the previous studies that have empirically shown the effect of this cultural dimension on customer's general sustainable consumption (Milosevic, 2019; Parboteeah et al., 2012; Tata et al., 2015).

In addition, this study contributes to the literature by analysing the moderating effect that customers' awareness about the environmental impact of their consumption has on the relationship between cultural dimensions and sustainable fashion consumption. Scholars have touched upon the subject of awareness in past studies (Colasante, D'Adamo, 2021; Taljaard et al., 2017), however no studies so far have examined the influence of awareness on it. This work's findings provide empirical support for the moderating effect of awareness on the relationship between the femininity dimension and second-hand clothes consumption: the results highlighted how the latter is stronger when people's awareness about the environmental impact of consumption is lower. This means that, among the people that exert more feminine values, there is a strong tendency of consuming less in general when they are more aware of the impact of their consumption on the environment, as the perfect green consumerism is a "pro-environmental and rational individualism" that aims to protect the planet by reducing general consumption and waste as much as possible (Taljaard et al., 2018).

Awareness, however, hasn't been found to moderate the relationship between masculine values and second-hand clothes consumption: those who present masculine traits do not buy used clothes in general. The hypothesis that they buy fewer second-hand clothes when their awareness is low is not supported because they don't buy such items at all.

## 3.7.5 Managerial implications

Significant changes have occurred in the competitive scenario of the fashion industry; the deep transformation of customers' lifestyle fuelled the need to redefine and/or come up with new sustainable business models (Gazzola et al. 2020).

In such a system, sustainable business model design starts from a new kind of consumer understanding: companies create a new kind of relationship with the end-user, and customer engagement with different types of CFC may vary across countries (Khitous et al. 2022). Sustainable consumption has taken different forms all around the world (Iran et al., 2019) and it is fascinating observing all the challenges and opportunities that arise from the influence of the various cultural dimensions. Companies must take into consideration such differences and develop and adapt the right strategy for their business model to be accepted by a country. As Husted (2005) defines it, sustainability is a cross level phenomenon and should be treated as such. The Academy of Management Journal, in a recent issue on multi-level research, observed that focusing on a single level of analysis doesn't help in achieving a complete overview and insight of behaviours occurring at either level. Therefore it is important to understand how the country level context impacts individual sustainability (Parboteeah et al., 2012).

Studies show that awareness is growing, and sustainable behaviours and life choices are becoming more and more popular worldwide as younger generations develop and advocate for environmental issues affecting the world (Gazzola et al., 2020). As this study has demonstrated, awareness is a

moderator in the consumption of the consumers who try to be more sustainable in their fashion consumption choices and therefore, exert more feminine values; This information is very important for entrepreneurs or firms wanting to start a business in or open up to new markets by offering a value proposition centred around circular economy practices, sustainable goods and services: cultural dimensions and awareness are two very important elements to assess before deciding which sustainable initiative to partake in, which market to open up to and which business model to implement.

Businesses in general are important contributors to the environmental problems affecting the environment, as awareness is growing, many started to be held accountable for their harmful practices (Senge, 2007). Multinationals, in particular, have been criticized heavily for their negligence and the impact of their activities consequently (Parboteeah et al., 2012). In these times of public pressure, financial losses, and damaged company reputation it is very important to get with the times and build a strong brand based on environmental and social sustainability, backing claims up by putting effort into being as green as possible without resorting to green washing, which is not a winning strategy in the long run.

#### 3.8 Limitations and further research

This study, as with any research, presents some limitations as well as opportunities to further explore many points.

It would be interesting to see results on the relationship between consumption and cultural dimensions other than masculinity versus femininity for what regards the Italian culture, and the research could definitely be expanded to other countries as well. Husted (2005) observed how, other than masculinity and femininity, other measures of a country's social and institutional capacity for sustainability is affected by power distance and individualism versus collectivism. Hence, future research could extend this study with a more holistic approach to consumption.

Moreover, study only considered awareness as a moderator in the relationship between culture and consumption. It could be very interesting to see how many other elements interact with the latter. For example, the CoVid-19 pandemic or the political situation.

The sample used could definitely be expanded, but the main enhancement in the research could be the recruitment of more people coming from other regions of Italy since the sample mainly concentrated in the centre of Italy.

## 3.9 Conclusion

This study's aim was to explore the extent to which cultural dimensions influence sustainability beliefs and perceptions since the latter are taken into consideration by firms when taking on sustainable initiatives. The deep dive into the history and roots of Italian fashion heritage of the first chapter was fundamental to understand where many practices, behaviours and attitudes come from. The complex relationships between creators, collaborators, cultural mediators, and customers that characterise the Italian fashion system today come from the core of the history and context of Italy's fashion system and its very interesting how it permeated in many other aspects that were perpetuated until today. Being so central to the culture, fashion is a very delicate sector to innovate without disturbing or altering the culture too much. The second chapter indeed provide insight on the innovation of fashion business models to achieve greater sustainability in the country: the opportunities are many but so are the challenges. Regarding the latter, this thesis focused on the consumers' perspective. Indeed, cultural dimensions act as mediators in the relationship between customers and organizations, providing guidelines that determine what is acceptable and what not, especially for what regards business model

innovation (Tata, Prasad, 2015). Firms should be aware of the limitations represented by customers' beliefs, preferences, and bias. As this study shows, Italian heritage has a strong influence on the country's customers in their consumption choices, especially for what regards fashion since it constitutes big part of the culture. In fact, as behaviours are manifestations of values and attitudes (Alwitt, Pitts, 1996), this study aimed at grasping the first through a survey where respondents could express their preferences and their real consumption habits, with the possibility to indicate the extent to which they resonated with statements formulated to measure their closeness with either masculinity or femininity. A very interesting result was found in the moderation of awareness too, where results highlighted a decreasing consumption of second-hand the more aware the "feminine "respondents were about environmental issues.

Finally, sustainability is context-specific, where people's willingness to integrate such practices in their life varies from culture to culture and societies expect organizations to implement appropriate environmentally-sound behaviours, which need to be tailored to the local surroundings (Cohen, Nelson, 1992).

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## **SUMMARY**

#### Introduction

This thesis will deep dive into the history and centrality of fashion in Italian culture and its relationship with sustainability. The first chapter will describe the roots of the heritage and savoir-faire, and how this shaped the complex relationships between creators, collaborators, cultural mediators, and customers at the core of today's fashion system in Italy; the focus then shifts on sustainability in the Italian fashion sector in the second chapter, which will describe the innovation in sustainable fashion business models, their drivers, challenges and opportunities as well as the relationship between sustainability and Cultural dimensions; finally, the third chapter will provide empirical results on the analysis of the relationship between Italian Cultural dimensions and sustainability in the fashion sector and the moderation effect that consumers' environmental awareness exercise on the connection.

Business model design in such a system calls for a new kind of consumer understanding and the relationship between companies and end-users have shifted and are multifaceted. The fact that sustainable consumption has taken different forms all around the world (Iran et al., 2019) was the main inspiration for this thesis aim.

A total of 180 questionnaires distributed throughout Italy were used for data analysis, the findings of which were very interesting. The first two hypotheses were supported by the model, claiming respectively a positive relationship between feminine values and sustainable fashion consumption and a negative relationship between the latter and masculine values. The study found also how awareness negatively impact the first relationship, where "feminine" consumers were found to consume more second-hand clothes when their level of awareness about the environmental impact of their consumption was lower. This study contributed to the literature on sustainable and cultural consumption in many ways, but mainly adding to the study of Italian customers, the culture which has always been considered the cradle of fashion.

## The symbolic value of fashion

Consumption has many aspects, and, other than the most analysed one, i.e., the economic, it is interesting to look at the social one as well, as consumption can be considered a social activity too (Crommentuijn-Marsh et al., 2010). It indeed helps people in expressing their identity, status, self-perspective, and inspirations: usually, the way a person feels about themselves emerges through what they buy as consumers, and the fashion industry represents the epitome of this phenomenon (Crommentuijn-Marsh et al., 2010). Moreover, clothing can be seen as a form of culture expressed materially and can therefore be an element to consider when trying to analyse the relationship between personal values and those a person attributes to the items because of the link between the latter and the perceptions of the self (Crane, Bovone, 2006).

Acting as a filter between the person and their surroundings, the relationship that one has with clothing items is deeply tied to the perceptions they have of themselves (Crane, Brovone, 2006).

Fashion can be theorised as a phenomenon which carries intrinsic and symbolic values that belong to material culture: the latter represents the pathway through which the sociology of fashion links with the sociology of consumption as well as the sociology of cultural production, which creates new symbolic values that are then ascribed to material culture in a cycle (Crane, Bovone, 2006).

Symbolic values vary across the different cultures and societies since they are bound to the cultural and political history of the different countries as well as the variety of groups that make them up (Crane, Bovone, 2006).

Clothing items that are given an emotional value by consumers become a fashion: they are used as an extension of one's personality and core identity, or even as a way to show age, gender, and social status

(Kaiser, 1990; McCracken, 1990). Under the fashion dimension, items become symbolic products that are controlled by time, as fashion follows a cycle that demands constant change (Kaiser, 1990). Styles and or products become trendy when there is a heavy adoption by the public, and they fall off when a new product is deemed more relevant, which represents the mechanism that feeds and perpetuates the fast-fashion approach (Yurchisin, Johnson, 2010).

Each country has its own fashion system with peculiar characteristics that depend on the nature of the clientele and the role that arts and other forms of culture have on the heritage of the nation: in Italy, for example, the country's history and culture have a big influence on all fields, from the fashion industry and people's style and consumption in general to the structure of the economy and the relationship with other nations (Crane and Bovone, 2006). Italy's fashion system and heritage are very interesting to observe as they also have a strong reputation and influence all over the world, both in the esoteric dimension of high fashion and in the more ordinary sector of industrial fashion (Crane, Bovone, 2006).

## The heritage of Italian fashion

In Italy there are complex relationships between creators, collaborators, cultural mediators, and customers at the core of the history and context of its fashion system (Crane, Bovone, 2006). The latter is indeed "imprinted" by the country's history and culture and it's a legacy of its past: from the Middle Ages, up until the 19th century, people had the privilege of being exposed to aristocratic tastes for what regards fashionable clothes, interior decoration, and arts because of the fragmentation of the countries into small city-states, each one having their own court (Mora, 2004). This made it possible for the population to develop a specific taste and an ability to appreciate the aesthetic, while the artisans obtained popular recognition (Crane, Bovone, 2006). To Italians, elegance and unique style became detached from economic resources but rather dependant on cultivated taste: all social classes shared the ideals of sartorial elegance (Crane, Bovone, 2006).

As an idea and nation, Italy existed way before the nation-state was achieved through the unification in the Risorgimento: scholars pinpoint its roots as far back as Dante's time (Paulicelli, 2015). As the print revolution happened and vernacular speech became the national language, the idea of national identity started to take shape in people's minds (Paulicelli, 2015). At the same time, communities and nations took shape in people's minds and became political realities before their actualization in history (Paulicelli, 2015). As national and cultural identities are multi-faceted, the rules about dress, style, behaviour and beauty took shape as a part of the latter, mainly through sumptuary laws, costume books, satires, conduct literature and many more (Paulicelli, 2015). The creation of taste, consumption and desire signals how fashion became a social institution of modernity but also how it was heavily interwoven with cultural identity and nation (Paulicelli, 2015). The latter can be seen by the fact that the customs, habits and social codes of different nations and cities distributed through a geographical map differ from each other in beautiful visual ways (Paulicelli, 2015).

The various and diverse cities in Italy made the country the most interesting to analyse in the European context: the cities had very strong identities for what regards culture, in particular architecture, traditions, arts, craftsmanship and textiles (Paulicelli, 2015); this multiplicity of traditions and knowhow is the nucleus of what Italian style was at the time and still is today.

At the core of Italian post-war fashion, we can find the relationship between luxury clothing and the garment industry: the industrialization of clothing, together with the persistent symbolic meaning and value in the creation of clothing, represented the core of Italian pre^t-a^-porter (Crane, Bovone, 2006). Italian designers started associating themselves with businessmen in the 1970s, when they started creating both artistic and industrial products, allowing the middle classes to come closer to items that were still considered elite (Crane, Bovone, 2006). For the first time, Italian designers stuck to a true

and original way of creating, without emulating French couture as earlier generations did: the appeal of the garments, together with the close relationship the designers built with fashion media, allowed them to create new profitable sectors in the industry (Crane, Bovone, 2006). Consequently, they were able to gain a position of leadership even outside of Italy, as their brands started competing with French and American ones as well, and they have been able to maintain it ever since (Crane, Bovone, 2006). The Italian culture, therefore, became the cradle of the idea of using clothing to express personality, which was perpetuated through the years and resisted until today and represents one of the main reasons why in the 21st Century, Italians' consumption of clothing items was the largest among all Europeans (Crane, Bovone, 2006).

In trying to paint a historical picture of the Italian style and fashion, it is important to stress how porous temporal boundaries are, as well as how important it is to look at the historical narrative as a continuous interaction between points of rupture and continuity rather than a clean-cut series of events (Paulicelli, 2015). Moreover, when considering the geographical aspect of history, the same applies, where geographical boundaries are characterised by high porosity as well, especially for what regards cultural traditions and, with which fashion is heavily intertwined (Paulicelli, 2015). Italian style and the "Made In Italy" label, indeed, are more multinational than the name would suggest because of this (Paulicelli, 2015).

In the last years, fashion has become ubiquitous, and it became one of the main elements at the centre of a quest for personal and collective identity, triggered by factors such as the CoVid-19 pandemic, immigration, the digital revolution and the overall economic and political crisis.

Even though it has a heritage that dates to Dante's times, Italian fashion's birth year(s) is considered to be during the 1950s, because that is when it got recognized as a national pride (Paulicelli, 2015). The process, however, did not happen overnight: it was surely accelerated and reinforced by the relations with the United States during the Cold War (Paulicelli, 2015). The fashion shows at the time represented more than just women wearing clothes and showing creations, it was a symbolic representation of the embodiment of a new modern nation: a diplomatic performance of post-war Italy ready to start fresh (Paulicelli, 2015). The Italian fashion industry was very quick to jump from sartorial handmade production to an industrial one, with Milan as the internationally recognized neuralgic centre, which it still is today (Paulicelli, 2015). After the 1970s, Italy didn't only rely on sartorial experts, and it continued to develop and go through different phases and phenomena, such as Stilismo (Paulicelli, 2015): many major brands were created at the time, such as Versace, Dolce & Gabbana, Prada, Armani and so many more.

An element that persisted till this day is the complexity and plurality of voices and diversity of aesthetics, telling everything about the persisting diverse realities and experiences that can be found in the country, which strongly characterizes Italian style (Paulicelli, 2015).

## Fashion as a creative industry

As UNESCO defines them, cultural Industries are those that combine the creation, production, and distribution of goods and services that are cultural in nature and usually protected by intellectual property rights. The term was coined in 1948 by Theodore Adorno and Max Horkheimer: many years have passed since this idea was developed and its declination has gone through many changes (UNESCO). The concept evolved from the 90s on, becoming a "creative economy", the definition of which emphasizes creativity: the latter is the engine of innovation, a focused subject that will be further explored in the next chapter, particularly for what regards fashion. This concept is in continuous evolution, and it has been applied to many disciplines, taking on many definitions, which all share the central concept of human creativity (UNESCO). Fashion can be considered as a cultural or creative

industry: cultural industries entail systems that control innovation through processes of gatekeeping, and fashion does so by producing new collections through a sequence of activities that fall into that realm (Hirsch, 1972).

Innovation is an important element in all industries, not only in cultural ones, and actors need to be cautious in creating or selecting those that consumers are most likely to accept, or else survival is not possible (Mora, 2006).

It is very interesting to see Cultural and manufacturing industries differ in their relationship with innovation: cultural industries aim at making a product that incorporates the innovation, satisfying the customer's desire for novelty and change, which is the core value of these industries; the latter, on the other hand, uses innovation as a tool to increase sales and success (Mora, 2006). Cultural industries, indeed, treat innovation as their main goal, however, the prediction of which proposals will be more appealing to the consumer's curiosity is crucial and difficult most of the time (Mora, 2006). this element, indeed, introduces a structural uncertainty that every organization in the industry tries their best to reduce (Mora, 2006). Desire and novelty are by nature difficult to predict and satisfy and very volatile, therefore standard tools used by other industries, namely marketing and advertising, are not enough (Mora, 2006).

The cultural industry of Italian fashion can be defined as the result of negotiations between the interests of actors such as manufacturers, media and all the collective, and the individuals (Mora, 2006). The industry is said to produce "social meaning", working around the desire for innovation and transformation, for which, however, shared understandings have been created, which paradoxically institutionalize and rigidify the first in trying to achieve predictable forms (Hesmondhalgh, 2002)

Through extensive research carried out in the last twenty years, many scholars confirmed how fashion represents a way of expressing personal and social identity for people (Davis, 1992; Wilson, 1985; McRobbie, 1998). Renewing one's image is one of the principal engines that leads the fashion consumption of individuals that are brought to follow the trends (Mora, 2006) In fact, the desire corresponds to one of the main cultural imperatives that characterizes "innovation" implemented to express a sense of self: fashion, indeed, makes the regulatory power of culture particularly visible (Mora, 2006).

# Sustainability in the fashion industry

For companies to thrive in the competitive environment, change needs to happen in how they design their business models: innovation is crucial for them to adapt to the continuously changing landscape and create competitive advantages, contributing to the creation of a system that is not harmful to the society or the environment.

The fashion industry, while presenting high environmental and social impacts, is also a resource-intensive industry in which opportunities to reduce the latter and to innovate business models abound (Todeschini et al., 2017); concepts such as the Circular Economy (CE) and Sharing Economy (SE) have emerged as potential strategies for developing practices based on sustainability concerns (Todeschini et al., 2017). While "circularity" and "sharing" work in parallel, they still need to be seen in conjunction to gain momentum in a concept where a company weaves a much lower environmental impact in its business model (Holtström et al., 2019). In this scenario, Collaborative Fashion Consumption (CFC) and Product Service Systems (PSSs) provide proof of synergy between the two: consumers, instead of buying new fashion items, have access to already existing garments either through opportunities to acquire individual ownership (gifting, second-hand or swapping) or through usage options for products owned by others (sharing, lending, renting, or leasing) (Iran, Schrader, 2017). This type of consumption creates schemes that, if widely accepted and implemented by society,

decrease dependence on natural resources while concurrently increasing product quality and longevity as well as customer satisfaction (Heiskanen and Jalas, 2003; Tukker, 2004).

At the base of the Circular Economy lies the effort of keeping products, resources, and components at their highest value and utility during each phase of the process: it is a restorative mechanism by definition, and it strives to dissociate economic growth and development from the consumption of finite resources (Todeschini et al., 2017). The foundation of its purposeful restoration efforts lay in the concept of distinguishing between

technical and biological materials: it tries to either maintain or increase technical and natural resource stock through the optimization of the processes, by using materials in a more effective way (Todeschini et al., 2017).

CE is a socioeconomic trend that offers multiple innovation opportunities regarding product design and business models, and it creates a framework of building blocks from a longevity and resilience perspective (Webster, 2015). By encouraging a model based on functional service, with manufacturers and retailers acting as service providers, progressively increasing their product ownership retention, CE challenges the fast fashion paradigm, sharply dividing between consumption and use of resources and materials (Todeschini et al., 2017). Consequently, take-back systems and new design practices flourish and prosper, fostering innovation in the creation of more durable products and facilitating their disassembly and refurbishment (Todeschini et al., 2017).

Initiatives such as the use of recycled materials, reductions in CO2 emissions, and water or energy conservation would reduce the perceived gap between the latter and sustainability (Grazzini et al., 2021). Moreover, the connection between sustainability and consumer perspectives plays a key role in the achievement of the sustainable development goals (SDGs) of fashion companies (Turunen, Halme, 2021). The concept of circular fashion, which is still an emerging one, promotes the re-use and recycling of clothing and consumer attitudes towards these practices differ depending on many aspects (Colasante, D'Adamo, 2021): apart from the information the latter have access to or are reached by, through tv or social media advertising or influencers, previous research has highlighted that there is also a generational factor that heavily impacts the sensitivity and awareness of sustainability issues of the public (Gazzola et al., 2020). For instance, the differences between Baby Boomers and Generation Z are indeed very evident; many studies have consolidated this idea, demonstrating how the most attention and the most action towards the problem are taken by the younger generations (Gazzola et al., 2020).

However, studies have also shown that improved cognitive and affective awareness of sustainability does not automatically translate into purchasing behaviour: country-specific surveys of consumer habits highlighted how it is also a matter of adequate political and institutional support (Zhang et al., 2021). This study would add a cultural dimension to the picture, claiming that, other than institutional structure and degree of customer awareness, one of the main influences on acceptance (or lack thereof) of Circular Economy practices and business models of the sort, is the culture's characteristics: Professor Geert Hofstede's work on cultural dimensions constitutes the backbone of this work.

Even though projections show that circular fashion will be the dominant future trend, with the second-hand market assuming a significant role, current consumer perceptions of second-hand fashion products and services are not aligned with this prediction (Kim et al.,2021); this thesis will investigate the reasons behind this trend from a cultural perspective, with a focus on Italian consumers. Even though the latter belong to a culture which is considered the cradle of fashion, they haven't been subject to any study aimed at assessing the impact of their cultural dimensions on their behaviour towards sustainable fashion practices.

#### Literature review

This research was inspired by many interesting studies regarding both Consumers' behaviours towards sustainability and fashion and the cultural characteristics' influence on how founders or managers of companies shape their lead; indeed, the study carried out by Dicuonzo et al. in 2020 is one of the main inspirations of this research: it focuses on how internal and external factors stimulate born-sustainable businesses operating in the fashion sector in Italy: their analysis shows that culture, the entrepreneurial orientation of the founders, and the proximity of the suppliers among the internal factors, combined with the increase of green consumers as an external factor, foster the creation of such businesses (Dicuonzo et al, 2020).

On the other hand, Colasante and D'adamo's work, titled "The circular economy and bioeconomy in the fashion sector: Emergence of a sustainability bias" analyses the differences in attitudes towards the circular economy and the bioeconomy of Italian consumers, highlighting how biased the latter are when it comes to their preference and perception of sustainable clothing. The study revealed how even those who were highly environmentally conscious – and who therefore support sustainable fashion – unconsciously shunned second-hand, directing their preferences on natural or bio-based clothes because they perceived the latter as being of higher quality and – erroneously - more sustainable than second-hand. Per this observation, Italy has a background as a dominant manufacturer of bio-based textiles, but it is characterised by a very low percentage of second-hand buyers concerning the global average: the "sustainability bias" individuated by the scholars served as a solid base for this work to stand on and expand the research, examining the subject under a cultural lens.

Iran, Geiger ad Schrader's cross-cultural study "Collaborative fashion consumption. A cross-cultural study between Tehran and Berlin" was also one of the main inspirations of this work: the scholars applied the Theory of Planned Behaviour (TPB) (Ajzen, 1985) to explore whether attitude, social norms, and Perceived Behavioural Control<sup>3</sup> (PBC) are predictors of the reception of Collaborative fashion consumption and whether having positive intention toward CFC together with a positive PBC might influence the real consumption of alternative fashion; they then focused on the intercultural differences regarding CFC acceptance by the cities/countries. Tehran and Berlin are very different under this point of view: after corroborating the hypothesis that attitude, social norms, and PBC are the predictors of the intention toward CFC, they conducted a quantitative comparative survey in the two cities to grasp the roots of the differences; Iran and Germany belong to different country clusters which have opposite social, economic, and demographic factors (Bathaee, 2014) and they culturally differ considering Hofstede's dimensions (Hofstede, 2018); Berlin has a more feminine, individualistic culture in comparison to Tehran, and it's characterised by lower uncertainty avoidance and power distance (Iran et al., 2019). The attitude was found to have a stronger influence on the intention toward CFC In Tehran, which is justified by the culture's higher power distance: in the culture, using secondhand clothing is most of the time connected with being poor or coming from non-wealthy families (Iran et al., 2019). In Berlin, where the culture doesn't pay much attention to outer appearance, perceived behaviour control has a stronger influence, hence, it is more of a question if German consumers have the possibility of engaging in the CFC or not (Iran et al., 2019).

Even though in general, in the context of sustainability and business models, the impact of the culture has received increasing attention over the last years, there are not many studies focusing on the customers and how their cultural dimensions influence their acceptance and indulgence in sustainable

<sup>&</sup>lt;sup>3</sup> PBC refers to a person's perception of the relative ease or difficulty of engaging in a certain behaviour in a given context (Ajzen, 1991). PBC explains how a person perceives his/her ability to engage in a specific behaviour. For example, if people were cognizant of their impact on the environment, there would be a greater likelihood that they would behave in a more environmentally friendly manner (van Birgelen et al., 2008).

business models. An extensive literature review encompassing studies about how culture, sustainability and business models intertwine, highlights how the focus is mostly posed on either the impact that stakeholders' cultural dimensions have on corporate environmental sustainability reporting (CESR) (Gallego-Álvarez, Ortas 2017; Tata, Prasad, 2015; Thanetsunthorn,2014; Peng, Dashdeleg, Chih, 2012), the nature, motivation and drivers of "ecopreneurs", green entrepreneurs, or sustainable entrepreneurs (O'Neill, Hershauer, Golden, 2009; Gunawan, van Riel, Essers,2021) and how these relate to the social and ethical dimension (Schlange, 2006; Santini, 2017). There isn't much attention posed to the consumers and how their cultural dimensions influence the choices they make from a sustainability point of view, especially for what regards an element that could be considered somewhat essential to their culture. Italian consumers indeed, are part of a culture that, among other things, can be considered as "the cradle of fashion": the heritage of the latter is so strong under this point of view, that it manifested under an out-and-out brand for the past thirty years, the "Made in Italy".

## Research methodology

The quantitative research drew on a structured questionnaire administered to a sample of 180 Italians of all age brackets, types of education and profession; this method was chosen since surveys represent a smart and effective way to collect information about customers' self-reported behaviour, attitude, and intention.

The average age of the sample was of 32 years of age, with the highest percentage of respondents (20 %) being of 42 years; the range however was very broad, going from 16 to 72 years. 68% of the respondents were women. The sample was mostly well educated, with more than 65% having either a diploma, a bachelor's, a master's, or a PhD.

The respondents came from all over Italy, the sample covered from the north to the south, with most respondents coming from the centre.

The survey is designed to capture respondents' attitudes toward the Circular Economy through the lens of cultural values. It included 19 items, arranged in two parts: after gaining information about age, location, and education, the first part focused on the respondents' attitudes and intentions toward sustainable fashion. The items were designed to capture the awareness about the effect of personal consumption on the environment and the frequency of purchase of used clothes and/or fast fashion clothing items.

The second part included questions aimed at grasping whether the sample exerted more masculine or feminine traits.

This was crucial to study the tendencies of the respondents from a cultural dimensions point of view, analysing the underlying reasoning behind their decision-making and eventual bias.

The questions were formulated to capture whether their reasoning was based on whether they considered the clothes trendy, whether they see the possibility to look elegant and put together in them, whether they would see it as a way to help the community, a fun activity to do with family and friends, or as a way to help the environment and future generations. The items of this section were formulated to grasp how much the sample resonated with feminine values such as concern for the quality of life, preference for relationships, modesty, and attention to the wear, or whether they resonated more with the masculine values of material success, preference for accomplishment, and heroism.

The survey was administered online through Google Forms, a tool accessible to everybody for survey building and results analysis. The respondents were able to access the module through a link that took them to the page where they were guided through the sections. The data provided, thanks to the easy and effective structure of the platform, was reliable and of high quality, and, since the study regards Italian cultural dimensions, only Italian people were recruited and encouraged to fill in the questionnaire and give their most honest opinion.

#### **Hypotheses**

The present study aims at investigating the attitudes and habits of Italian consumers concerning new sustainable business models in fashion that feature value propositions focused on second-hand and vintage clothes; the attention of the current study is placed on the impact of Italian cultural dimensions on the acceptance of second-hand based business models and Collaborative Fashion Consumption as a whole.

The decision of focusing on Italian customers was motivated mainly by the fact that Italy is considered the home of fashion and, since the latter is deeply embedded in the culture, the analysis of the reasons for the struggling market penetration of second-hand clothes and Collaborative Fashion Consumption might give rise to very interesting results.

The focus of the research was on the cultural dimensions of masculinity and femininity, to see how these impact the indulgence in second-hand or vintage clothes shopping of the consumers. As environmental awareness has been proven to play a big role in the consumption, the moderation of this element on the relationship between cultural dimensions and sustainable consumption will also be analysed.

As research shows, cultures that score high in the femininity dimension focus on elements such as affiliation, nurturance, helpfulness, and quality of life: for this reason, they are more likely to indulge in environmentally sound practices and promote initiatives aimed at benefitting the society and the environment (Tata, Prasad, 2015). People who present more feminine values are therefore more prone to caring about sustainability issues and about the impact that their consumption can have on the environment: they will be more willing to adopt sustainable practices like avoiding waste, reusing, reducing and recycling, and indulging in sustainable clothes shopping, like second-hand or vintage. On the other hand, in masculine cultures, more importance is given to assertiveness, materialism and individual achievement (Tata, Prasad, 2015). People who display such values, are less likely to care for the needs of the community, social support, cooperation and, last but not least, sustainability (Tata, Prasad, 2015). Indeed, masculinity negatively influence the social and environmental capacity of nations and it was found to be negatively related to the Environmental Sustainability Index of a country (Husted, 2005; Park et al., 2007). Such cultures breed a deeply rooted behaviour of disregard for environmental risks and inconvenient regulation (such as environmental rules) because it represents an obstacle to economic and material success (Tata, Prasad, 2015).

**Hypothesis 1:** The strongest the influence of feminine values on consumers, the higher the consumption of used or vintage clothes.

**Hypothesis 2:** The strongest the influence of masculine values on consumers, the lower the consumption of used or vintage clothes.

Nowadays, the apparel industry offers consumers many purchase possibilities: the latter range from items from the fast fashion industry, other produced using biological raw materials, second-hand alternatives or renting without exercising complete ownership over any item (Colasante, D'Adamo, 2021). The first two instances fall into a paradigm of standard linearity in which the garments are thrown at the end of their (useful) life and end up in landfills (Colasante, D'Adamo, 2021). The latter two, respectively being part of the second-hand market and the collaborative fashion consumption, are a clear representation of the circular economy and are chosen by consumers who are more environmentally conscious (Colasante, D'Adamo, 2021). Pro-environmental clothing consumption in general is characterised by behaviours that entail sustainable apparel acquisition, use, maintenance and

disposal: the goal is to create less waste and most importantly consume less in order to lessen the reliance on natural resources (Hiller Connell, 2010).

Indeed "perfect green consumerism" is a "pro-environmental and rational individualism" that protects the planet by small purchases of eco-labelled products and recycling daily (Taljaard et al., 2018; Rustam et al., 2020). As research detected through the years, the more aware the consumers are of the environmental impact their consumption has, the less they consume in general: those who are more attentive and sensitive to environmental issues know that by reducing the purchase of clothes (both new and second-hand) they can reduce their impact on the environment. On the other hand, those who have a lower awareness and sensitivity towards these issues buy more in general (even second-hand clothes) because they are not fully aware of what their behaviour implies. The third hypothesis will therefore be:

**Hypothesis 3:** Among those who display more feminine traits, the lower the awareness about the environmental impact of the fashion consumption, the higher the consumption of second-hand clothes.

On the other hand, countries who exert higher masculine levels are characterized by lower social and institutional capacity for environmental sustainability (Milosevic, 2019). Masculine values, being more materialistic and success-focused, lead to slower adoption of costly technology necessary for environmental sustainability, since the latter is not considered crucial (Milosevic, 2019). Indeed, people who show more masculine traits are less sensitive to environmental issues therefore the awareness about the environmental impact of their choices is already low. Values are Since majority doesn't really care to look into the impact of their consumption, . The fourth hypothesis will therefore be:

**Hypothesis 4:** Among those who display more masculine traits, the lower the awareness about the environmental impact of the fashion consumption, the lower the consumption of second-hand clothes

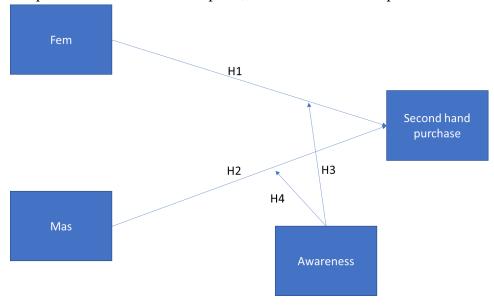


Figure 1 – Research Framework

# Results and Discussion Table 10 - Structural Estimates (Hypotheses testing)

HYPOTHESIS	DESCRIPTION	BETA	T- VALUE	P VALUES	DECISIO N	F SQUARE
H1	fem -> second hand consum	0.523	7.973***	0.000	Supported	0.748
H2	masc -> second hand consum	-0.505	6.655***	0.000	Supported	0.626
Н3	aw x fem> second hand consum	-0.165	2.289*	0.022	Supported	0.078
H4	Aw x masc> second hand consum	-0.123	1.537	0.125	Not Supported	0.037

<sup>+</sup> p<0.10; \* p<0.05; \*\*p<0.01; \*\*\*p<0.001

The results revealed that the cultural dimension of femininity positively and significantly affected purchase of used or vintage clothes (b  $\frac{1}{4}$  0.523; p<0.001) while the cultural dimension of masculinity negatively affected the purchase of used and vintage clothes (b  $\frac{1}{4}$  -0.505; p < 0.001). However, awareness negatively affected the purchase of used or vintage clothes for the femininity traits, meaning that the impact of the feminine dimension on increasing the usage of second-hand clothes consumption is stronger when the awareness about the consumption of the people is lower (b  $\frac{1}{4}$  -0.165; p < 0.001), while it didn't have any significant effect on the consumption of used or vintage clothes for masculinity traits. Thus H1, H2, supported while H3 and H4 were not supported.

Table 11 – Interaction Second-hand purchase and femininity

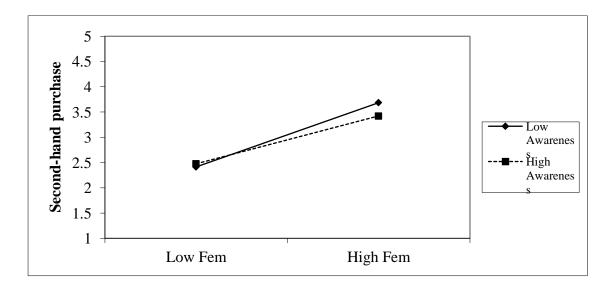
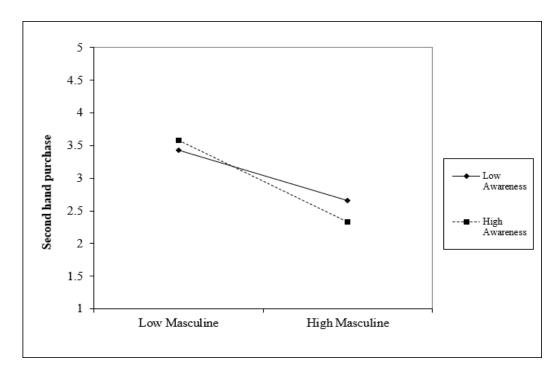


Table 12 – Interaction Second-hand purchase and masculinity



The results revealed a significant moderating role of awareness on the relationship between the femininity dimension and used clothes consumption. The plot in Table 11 shows a steeper and positive gradient for low awareness as compared to high awareness; this shows that the impact of the feminine dimension on increasing the usage of second-hand clothes consumption is stronger when the awareness about the consumption of the people is lower. However, the model does not show a significantly statistical result for awareness as a moderation variable between the masculine traits and the second-hand purchase dependent variable, as it can be seen in Table 12.

## Theoretical implications

This study contributes to the existing research by providing support, through empirical data, for the importance and the scope of the impact of cultural dimensions on sustainable fashion consumption. Although many studies have analysed sustainability in general and its relationship with cultures, there is little research on the specific relationship between sustainable fashion consumption and Italian cultural dimensions. Moreover, little research has been carried out about the moderating effect that awareness about environmental issues exercises on the relationship between the two. This work only took into consideration the dimensions of femininity and masculinity and their implications on customers' sustainability efforts in their fashion consumption.

The first contribution this work made to the existing cultural consumption literature regards the analysis of the relationship between cultural dimensions and used-clothes consumption for Italian consumers. This research only focused on one dimension, masculinity versus femininity. Very few studies focused on the consumers' side, let alone in the clothing realm. The majority of the research concentrated on the relationship between sustainability and culture either inside corporate environments, analysing attitudes of managers, CEOs or the workforce in general (Dicuonzo et al., 2020; Berson et al., 2008; Schlange, 2006), or CSR and how the above-mentioned relationship impacts it (Becker-Leifhold, Iran, 2018; Peng et al., 2014; Peng et al., 2014; Parboteeah et al., 2012). Moreover, Italy has been classified as a prevalently masculine country in Hofstede's framework and the following literature, therefore not many studies focused on the sustainable consumption of the country because its masculine features were thought to hinder the widespread adoption of sustainable practices and technology. The latter is

something that, as mentioned many times inside this work, is not really contemplated in a masculine society as it represents an obstacle to economic growth and success. Even fewer studies investigated sustainable fashion consumption in depth. Since fashion, in general, is deeply embedded in the culture, the difficulty in the integration and implementation of new sustainable business models that regard clothes represented a very interesting opportunity for this work. This study contributes by investigating and confirming the positive relationship between feminine cultural dimensions and sustainable fashion consumption and the negative relationship the latter has with masculine values. These findings are in line with the previous studies that have empirically shown the effect of this cultural dimension on customers' general sustainable consumption (Milosevic, 2019; Parboteeah et al., 2012; Tata et al., 2015).

In addition, this study contributes to the literature by analysing the moderating effect that customers' awareness of the environmental impact of their consumption has on the relationship between cultural dimensions and sustainable fashion consumption. Scholars have touched upon the subject of awareness in past studies (Colasante, D'Adamo, 2021; Taljaard et al., 2017), however, no studies so far have examined the influence of awareness on it. This work's findings provide empirical support for the moderating effect of awareness on the relationship between the femininity dimension and second-hand clothes consumption: the results highlighted how the latter is stronger when people's awareness about the environmental impact of consumption is lower. This means that, among the people that exert more feminine values, there is a strong tendency of consuming less in general when they are more aware of the impact of their consumption on the environment, as the perfect green consumerism is a "proenvironmental and rational individualism" that aims to protect the planet by reducing general consumption and waste as much as possible (Taljaard et al., 2018).

Awareness, however, hasn't been found to moderate the relationship between masculine values and second-hand clothes consumption: those who present masculine traits do not buy used clothes in general. The hypothesis that they buy fewer second-hand clothes when their awareness is low is not supported because they don't buy such items at all.

## **Managerial Implications**

Significant changes have occurred in the competitive scenario of the fashion industry; the deep transformation of customers' lifestyles fuelled the need to redefine and/or come up with new sustainable business models (Gazzola et al. 2020).

In such a system, sustainable business model design starts from a new kind of consumer understanding: companies create a new kind of relationship with the end-user, and customer engagement with different types of CFC may vary across countries (Khitous et al. 2022). Sustainable consumption has taken different forms all around the world (Iran et al., 2019) and it is fascinating observing all the challenges and opportunities that arise from the influence of the various cultural dimensions. Companies must take into consideration such differences and develop and adopt the right strategy for their business model to be accepted by a country. As Husted (2005) defines it, sustainability is a cross-level phenomenon and should be treated as such. The Academy of Management Journal, in a recent issue on multi-level research, observed that focusing on a single level of analysis doesn't help in achieving a complete overview and insight of behaviours occurring at either level. Therefore it is important to understand how the country-level context impacts individual sustainability (Parboteeah et al., 2012).

Studies show that awareness is growing, and sustainable behaviours and life choices are becoming more and more popular worldwide as younger generations develop and advocate for environmental issues affecting the world (Gazzola et al., 2020). As this study has demonstrated, awareness is a moderator in the consumption of the consumers who try to be more sustainable in their fashion consumption choices and therefore, exert more feminine values; This information is very important for

entrepreneurs or firms wanting to start a business in or open up to new markets by offering a value proposition centred around circular economy practices, sustainable goods and services: cultural dimensions and awareness are two very important elements to assess before deciding which sustainable initiative to partake in, which market to open up to and which business model to implement.

Businesses, in general, are important contributors to the environmental problems affecting the environment, as awareness is growing, many started to be held accountable for their harmful practices (Senge, 2007). Multinationals, in particular, have been criticized heavily for their negligence and the impact of their activities consequently (Parboteeah et al., 2012). In these times of public pressure, financial losses, and damaged company reputation it is very important to get with the times and build a strong brand based on environmental and social sustainability, backing claims up by putting effort into being as green as possible without resorting to greenwashing, which is not a winning strategy in the long run.

#### Conclusion

This study's aim was to explore the extent to which cultural dimensions influence sustainability beliefs and perceptions since the latter are taken into consideration by firms when taking on sustainable initiatives. The deep dive into the history and roots of the Italian fashion heritage in the first chapter was fundamental to understanding where many practices, behaviours and attitudes come from. The complex relationships between creators, collaborators, cultural mediators, and customers that characterise the Italian fashion system today come from the core of the history and context of Italy's fashion system and it's very interesting how it permeated many other aspects that were perpetuated until today. Being so central to the culture, fashion is a very delicate sector to innovate without disturbing or altering the culture too much. The second chapter indeed provides insight on the innovation of fashion business models to achieve greater sustainability in the country:

the opportunities are many but so are the challenges. Regarding the latter, this thesis focused on the consumers' perspective. Indeed, cultural dimensions act as mediators in the relationship between customers and organizations, providing guidelines that determine what is acceptable and what is not, especially what regards business model innovation (Tata, Prasad, 2015). Firms should be aware of the limitations represented by customers' beliefs, preferences, and biases. As this study shows, Italian heritage has a strong influence on the country's customers in their consumption choices, especially for what regards fashion since it constitutes a big part of the culture. In fact, as behaviours are manifestations of values and attitudes (Alwitt, Pitts, 1996), this study aimed at grasping the first through a survey where respondents could express their preferences and their real consumption habits, with the possibility to indicate the extent to which they resonated with statements formulated to measure their closeness with either masculinity or femininity. A very interesting result was found in the moderation of awareness too, where results highlighted a decreasing consumption of second-hand the more aware the "feminine "respondents were about environmental issues.

Finally, sustainability is context-specific, where people's willingness to integrate such practices in their life varies from culture to culture and societies expect organizations to implement appropriate environmentally-sound behaviours, which need to be tailored to the local surroundings (Cohen, Nelson, 1992).