ESG TRENDS IN THE FASHION INDUSTRY

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The report examines the initiatives undertaken by fashion companies in Italy and other European countries to enhance their environmental impact, social responsibility, and governance.

It focuses on analyzing recent ESG trends, offering insights into the challenges that come along with them. Furthermore, the report includes case studies that highlight diverse approaches companies have employed to overcome these obstacles.

The key trends outlined and analyzed include Sustainable Sourcing, Carbon Footprint, Ethical labour Practices, Sustainable Packaging, and Diversity

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EXECUTIVE SUMMARY

The acronym ESG stands for Environment, Social, and Governance. It refers to a collection of standards that investors, customers, and companies apply to evaluate a firm's performance regarding its **social responsibility, environmental effect, and governance standards**. The luxury industry's adoption of ESG trends allows corporations to showcase their social and environmental commitment alongside economic growth.

Key ESG Trends in the luxury industry

Sustainability Sourcing

Luxury brands focus on **responsible procurement** and adopt **eco-friendly manufacturing practices**. This involves the adoption of materials that reduce environmental impact while promoting local economies

Carbon Footprint

Companies increasingly focus on more eco-friendly processes and **reducing reliance on fossil fuels**, to align with the industry's commitment to lower carbon emissions

Ethical labour Practices

The luxury industry shows a clear shift towards **transparency and traceability**, emphasizing **fair wages**, **reasonable working hours**, and the prevention of child labour

Circular Fashion

Circularity in fashion aims to minimize waste and **extend product lifespan** through **design for durability**, repair and maintenance, reuse, and recycling/upcycling initiatives

Sustainable Packaging

Luxury companies balance the complex intersection of opulence and eco-friendly packaging by **integrating recyclable materials** while **preserving their brand identity**

Diversity and Inclusion

As the fashion industry evolves in diversity representation, luxury firms strive to **enhance inclusivity** across **advertising, product offerings, workforce**, and **leadership roles**

INTRODUCTION [1 2 3]

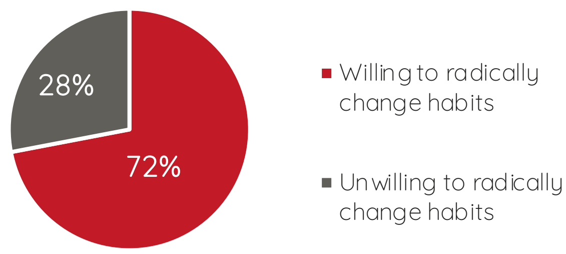
Environment, Social, and Governance, or **ESG**, is a set of criteria businesses, investors, and consumers use to assess a company's performance regarding its **environmental impact**, its **relationship with society**, and the quality of its **governance practices**. The aim is to incentivize stakeholders to consider a broader spectrum of criteria beyond mere financial benefit.

The principles behind **ESG can be traced back to the late 1970s** when the Socially Responsible Investing (SRI) movement grew popular in the United States, following people's wish to not support the Vietnam War. The term ESG, however, gained prominence with the 2004 UN Report "*Who Cares Wins*", making an early mainstream acknowledgement of ESG in contemporary discussions. This shift led investors and consumers across sectors, including the luxury market, to **increasingly prioritise decisions** that align with their **values**, prompting a **reevaluation of practices** to advance a more **sustainable and equitable future**.

What accelerated the growth of ESG standards? [4 5 6]

In 2021, the United Nations' Intergovernmental Panel on Climate Change (IPCC) stated it is an 'established fact' that human-caused **greenhouse gas emissions** are increasing the frequency and severity of **weather extremes**. The effects of global warming, such as floods, heat waves, and biodiversity loss, have become common occurrences. According to a study from SDA Bocconi, **88% of youth express concern** for the planet's future. Consequently, the youth is **ready to adjust their lifestyle** to ensure a green future, as shown in Exhibit 1 (right).

Exhibit 1: Percentage of young people willing to **radically change their habits** to protect the ecosystem



Source: "Monitor for Circular Fashion Report 2022", SDA Bocconi (2022)

The current generation of customers and investors has grown up in a world where the idea of **ESG** has been **ingrained in their conscience** from an early age. Therefore, using sustainable products is no longer something to get used to, but rather a core part of **people's decision process**. In the SDA Bocconi study, 34% of the Millennials and Gen Z people interviewed revealed that they already "choose sustainable products that help protect the environment."

Moreover, **accelerated technological advancements**, such as the wide access to the Internet, have allowed customers and investors to easily **access information** about how **companies govern themselves**. This has contributed to the rise of **company scandals** regarding exploitation practices, toxic workplaces or unprepared management, which has, in turn, harmed the reputation of those firms. Aaron Goldstein, a labour attorney at international law firm Dorsey & Whitney stated that: "Over the last five years, **employees and former employees** have increasingly turned to **social media** to publicise allegations of toxic, abusive, or discriminatory workplace environments, and to **organise public campaigns** to address them".

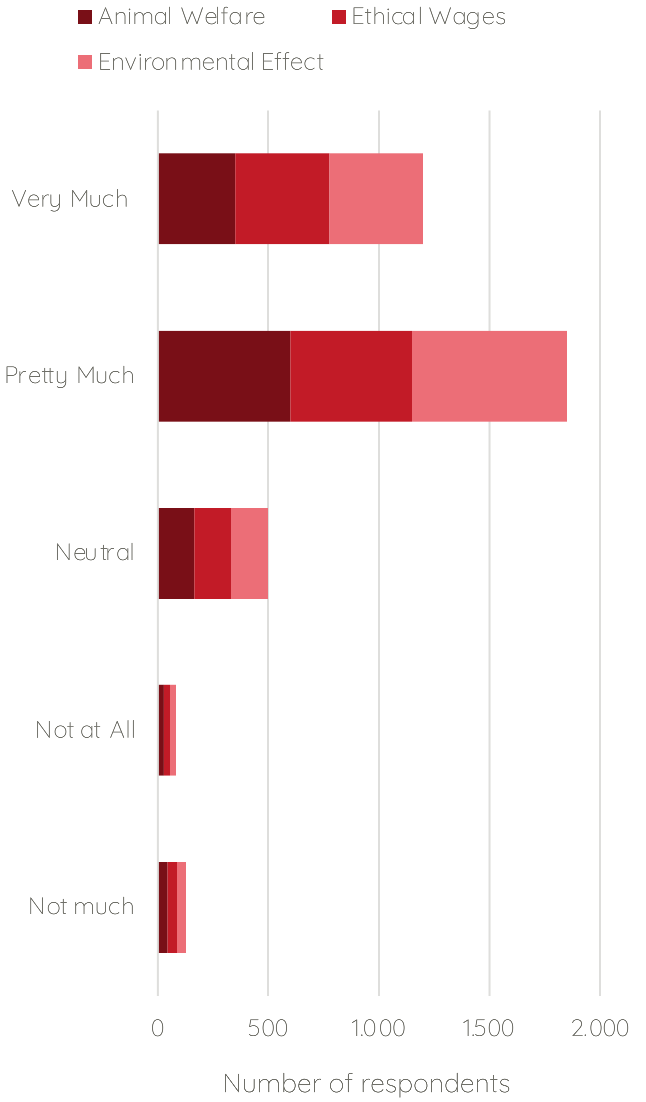
Regulatory changes have also contributed to the rise of ESG standards in the fashion industry. For instance, the Green New Deal, which was signed by all European leaders in 2019, declares that by 2030 companies will be subjected to **stricter transparency requirements** that force them to disclose information about their sustainability practices. Moreover, **producers will assume full responsibility** for their products across the value chain, including managing post-consumer textile waste. Firms will need to guarantee plans in which reuse and recycling schemes are implemented and promoted.

Today's **socially conscious consumers** want to know how the businesses they support contribute to the greater good. According to a 2021 survey by Accenture, out of **25,000** consumers, **50% reported** that they had **realigned their shopping priorities** in favour of more sustainable brands or products. These consumers are **willing to pay a premium** for brands that align with their values and tend to be more loyal to organizations that **treat people well**.

When asked to rate different sustainability metrics, customers felt that **animal welfare**, **ethical wages**, and **environmental impact** are almost equally important. Consequently, as consumers preferences have changed, corporations have had to adjust accordingly. For example, some of the changes that companies have been implementing are **limiting their carbon footprint**, enacting diversity and inclusion initiatives, and striving to be **transparent to the public**.

Before the COVID-19 pandemic, the luxury industry faced growing pressure from consumers to integrate ESG considerations into their business models. However, any **effort of ESG integration was undermined** during the pandemic.

Exhibit 2: Importance of ESG metrics in Ethical Consumption



Source: Gazzola, Grechi, Pavione, Pezzetti "Trends in the Fashion Industry", Sustainability 2020

Challenges of ESG implementation during the pandemic [7]

The COVID-19 pandemic caused major **disruptions in global supply chains**, leading to delays in the production and distribution of luxury goods. Consequently, the luxury industry experienced a setback with **consumers reducing their spending on non-essential items**, including luxury products, and focusing on essential goods instead. Travel restrictions, physical store closures, and growing economic uncertainty further contributed to the decline in demand for luxury goods. As a response to these changes in market dynamics, luxury brands **accelerated their transition to digital platforms**. They increased their online presence, invested in e-commerce, digital customer services, and virtual experiences to engage consumers during the closure of physical stores. In addition, luxury brands demonstrated **solidarity during the pandemic** by donating to COVID-19 relief efforts, repurposing production lines to produce medical devices, and providing support to affected communities.

SUSTAINABLE SOURCING [8 9]

What is Sustainable Sourcing? [10 11 12]

Sustainable sourcing in the luxury industry involves the **responsible procurement** of raw materials, **eco-friendly** manufacturing processes, and **ethical supply chain** operations. Luxury brands are becoming increasingly aware of the growing demand for environmentally friendly and ethical products and are thus making their chains of production more sustainable. The **key points** of sustainable sourcing include:

High-end brands now prioritise sourcing raw materials like metals, gemstones, leather, and exotic woods through **ethical suppliers**. They ensure fair work conditions, the ethical treatment of workers, and respect for indigenous rights. Additionally, **supporting local artisans** and **sourcing locally** benefits both the environment and local economies

Luxury brands are leading the way for sustainable and **eco-conscious fashion** by adopting materials that **reduce environmental impact**. From organic cotton to recycled fabrics, and even lab-grown diamonds, these innovative materials are setting a new standard for ethical production and consumption. In addition, brands are **fostering research** for new materials that guarantee quality, aesthetics and environmental attention

Luxury brands are taking steps to **reduce their environmental footprint** through more **energy-efficient production processes**, waste reduction, and reduced water and energy consumption. They also invest in **renewable energy sources**, carbon offset programs, sustainable packaging, and eco-friendly materials to lower their overall impact on the environment

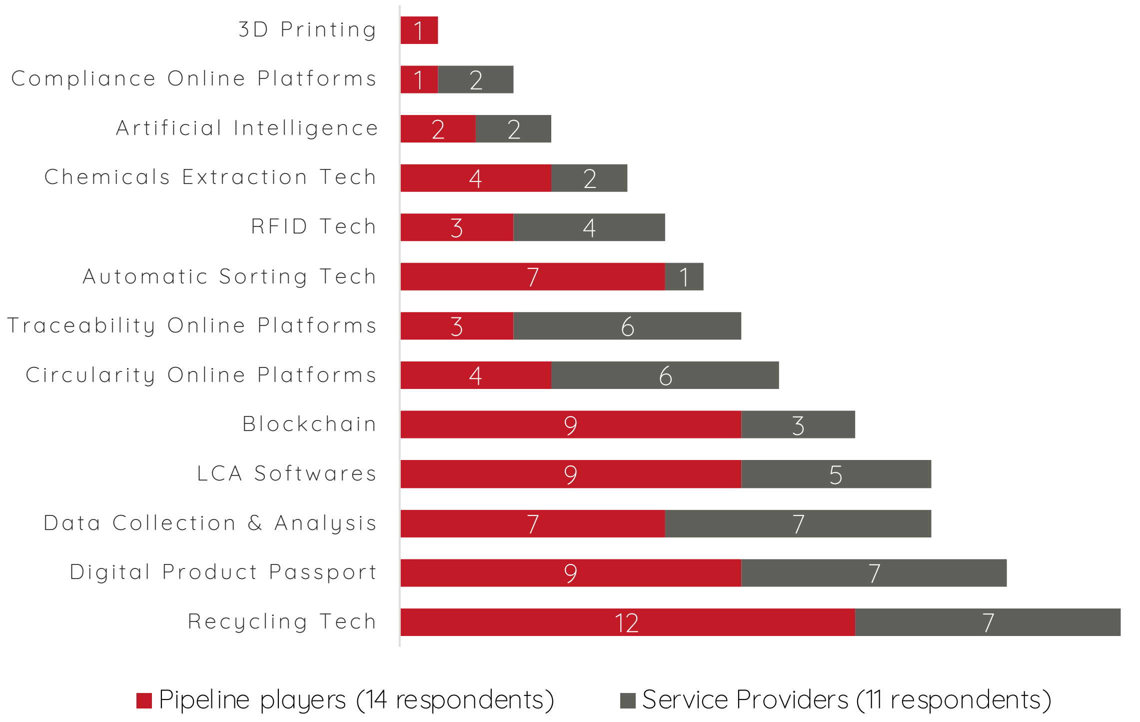
Luxury brands are adopting a **circular economy** model that reduces waste, lowers their carbon footprint, and generates economic benefits by **extending product lifespan** and promoting sustainability. They focus on durable design, recyclable materials, and **take-back programs** that support recycling, repair, and repurposing, aligning with circular fashion principles

Brands are investing in supply chain **transparency and traceability** systems to monitor the origins and sustainability of raw materials. These systems strengthen **internal controls**, verify authenticity, and provide consumers with reliable information for **responsible choices**. By enhancing transparency, brands improve accountability across supply chains and build trust with eco-conscious customers

The following chart highlights the major **technologies** used by companies to maintain sustainable sourcing and circular economy

ESG Technology

Exhibit 3: Use of ESG Technologies



Source: Rinaldi F:R: "Monitor for Circular Fashion Report 2023

Technology can help the industry shift towards a more **sustainable form**. A type of such an advancement recently adopted by companies are **recycling technologies** (evaluation algorithms, automating life cycle assessment) that, with the help of **data analysis**, are paving the way towards a circular fashion economy. Another example are **meta-stores** on the Metaverse, where clients can closely examine and buy real products remotely

BVLGARI

Bulgari - Ideals turn into reality [12]

The Italian luxury brand Bulgari is renowned for its steadfast **dedication to sustainability**. The company has implemented a range of initiatives and sustainable practices that encompass a variety of areas, such as **material sourcing**, **production**, **environmental impact**, and **corporate social responsibility**. Bulgari acquires precious materials ethically and sustainably, having Kimberley Process certified suppliers for diamonds, and promoting socially and environmentally responsible mines through the Bulgari Ethical Gold Project. The company **utilizes recycled metals** and promotes the use of materials like recycled silver. They have initiated efforts in **energy efficiency**, **waste management**, and reduction of greenhouse gas **emissions** in their operations. Bulgari promotes education and community development, supporting supports charitable organizations as well as cultural initiatives.

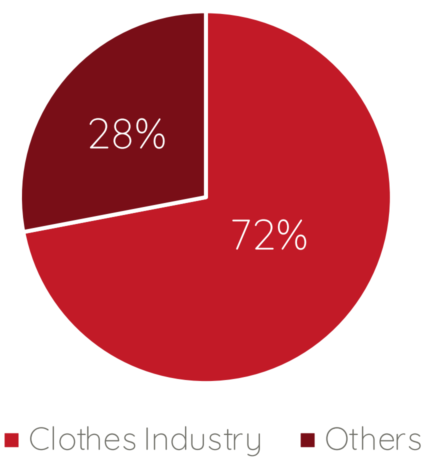
Bulgari **benefits from sustainability** practices in many ways, including enhancing their **reputation** and brand image, broadening their customer base, reducing the risk of controversies, increasing efficiency and resource savings, and meeting consumer expectations. Furthermore, sustainability initiatives demonstrated to improve employee engagement and maintain **customer loyalty**.

CARBON FOOTPRINT

Carbon footprint and the fashion industry: a zero emissions goal [9 13]

The fashion industry is a significant contributor to **environmental degradation**, with a substantial negative impact on the planet and it has been identified as one of the **major contributors to climate change**. However, with a considerable market worth of **$2.5 trillion**, the industry is gradually shifting towards **eco-friendly** and **ethical products**, acknowledging the role it can play in mitigating the harm it has caused to the environment. However, the fashion industry still **ranks second in the list of largest contributors to air pollution and environmental damage worldwide**. The production of synthetic fibres like polyester and nylon is particularly **problematic**. Synthetic fibre production is expected to account for **72%** of all fashion industry pollution by 2023, releasing **nitrous oxide**, a dangerous greenhouse gas, into the environment.[9]

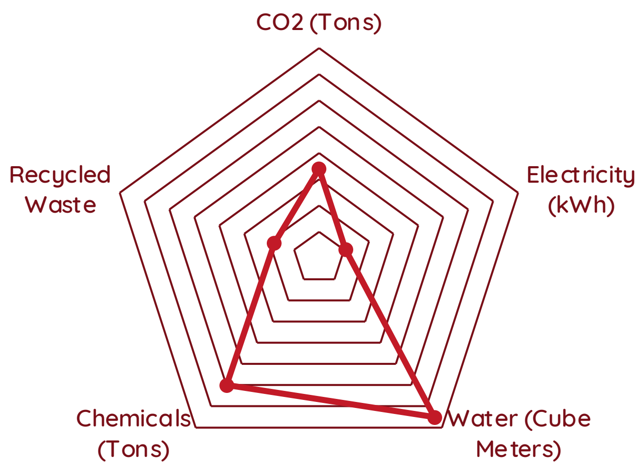
Exhibit 4: Percentage of total nitrous oxide pollution



Source: Rinaldi F.R. "Monitor for Circular Fashion Report 2023"

Assessing the wasted resources through key figures

Exhibit 5: Waste of the Luxury Fashion Industry



Source: "Carbon Footprint and Fashion Industry: obiettivo zero emission" Product carbon footprint"

As mentioned, the fashion industry has a considerable environmental footprint, contributing approximately **10% of global carbon dioxide emissions**, as reported by the Global Fashion Agenda. This percentage equates to an alarming 3.4 million tons of CO2, along with 1,074 million kWh (Kilowatt-hours) of electricity consumption, **6 to 9 million cubic meters** of **water usage**, and around 6 million tons of chemicals that adversely affect the environment. Furthermore, a mere 13% of the waste generated by the clothing sector is recycled, according to findings from the Ellen Macarthur Foundation's "A New Textile Economy" report. This stark reality serves as a critical **wake-up call** for the fashion industry, underscoring the urgent need for substantial action to mitigate its ecological impact. **Exhibit 5** (left) illustrates these figures, emphasizing the pressing need for change within this sector. [13]

Aiming for Zero Emissions: How to get there?

To reduce or even eliminate emissions, companies need to have a comprehensive understanding of every aspect of their **supply chain**. To achieve this goal, they must calculate emissions and take **specific measures** to improve problematic areas of their production process. If there are any remaining emissions, **participating in offset projects** can help balance them out.

All production processes have some **environmental impact**, and therefore, some companies might choose to reduce CO2 emissions, while others may opt for compensation by **purchasing CO2 credits**.

To achieve an eco-friendly production process, companies must take measures to **minimize the environmental impact** of their activities and **regulate their consumption**. They need to develop sustainable products and packaging and obtain useful environmental **certifications**. By doing so, they will likely make their products more **attractive to buyers**.

- Creating **reporting systems** of sustainability aligned to a national or **international standard**
- Employing a well-structured **governance system** for the effective management of sustainable operations
- Aligning the industry with **Agenda 2030** goals while making periodical measurements of the progress
- Monitoring the **circularity** of materials to ensure they are reused or repurposed in an environmentally sustainable way
- Increasing the level of **cooperation** with relevant consortia, alliances and start-ups that work with such a relevant topic

Stella McCartney - The pioneer of the luxury sustainability [15]

Stella McCartney's **ethos** emphasizes sustainability, reflected in the use of organic cotton, recycled fabrics, and **eco-friendly materials** like vegetarian leather to reduce environmental harm.

The brand promotes a circular economy by offering **repair services** to extend product lifespans and powering operations with renewable energy. It also **minimizes transportation emissions** using eco-friendly electric and hybrid vehicles for deliveries.

Stella McCartney **demonstrates its commitment** to sustainability through **transparency, certifications**, and partnerships. These efforts validate its environmental initiatives, setting an example in reducing its carbon footprint within the luxury fashion sector.

ETHICAL LABOUR [16]

Outlining ethical labour practices

Ethical labour practices prioritise **fair treatment** and the well-being of **workers**. Recent trends in the luxury fashion industry showcase a pronounced shift towards **fair wages**, **reasonable working hours**, and **child labour prevention**. Collaborative efforts with **NGOs**, social compliance programs, and public commitments reflect an industry-wide commitment to creating workplaces that align with sustainability goals and meet the expectations of socially conscious consumers. The following points give an overview regarding ethical labour practices in the fashion industry:

Fast fashion sector: Competes on low prices, often relying on unethical labour practices, including cheap and exploitative labour, to minimize costs

Regulatory efforts: 97% of fashion and retail brands have codes of conduct or CSR (corporate social responsibility) policies promoting ethical labour standards

Forced labour statistics: In 2021, over 54% of 37 major luxury brands were reported to use forced labour

Enforcement challenges: Luxury brands face difficulties in abiding by regulation particularly in developing countries, due to intricate supply chains

How GUCCI dealt with its problematic labour practices [17]

In 2011, five former workers in Gucci's Shenzhen factory alleged **sweatshop conditions**, including 12-hour workdays with minimal breaks. The Financial Times reported significant **damage to Gucci's global reputation**, particularly in China, its fastest-growing market.

In response, Gucci implemented a strict **supply chain auditing program** certified by Social Accountability International – SA8000. It also launched Gucci Equilibrium, a campaign to **enhance transparency** and improve labour practices. In 2021, Gucci conducted a Gender Gap report across 45 countries, earning a **51-60%** rating in the **2022 Fashion Transparency Index**, a **considerable score** for luxury brands

Impacts of the implementation of ESG standards

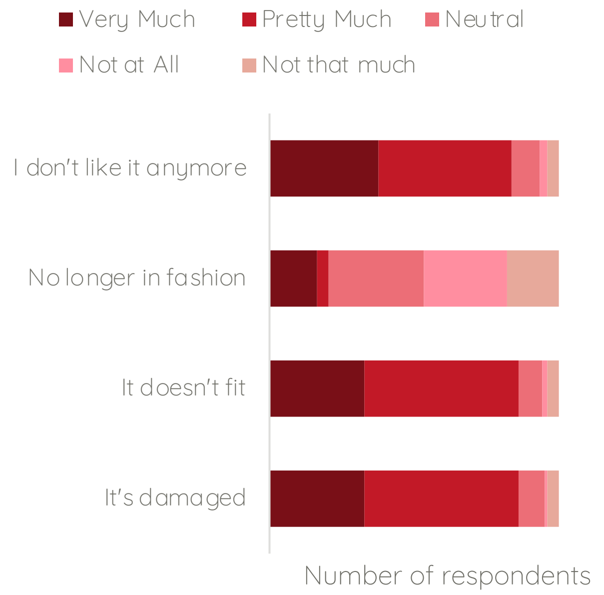
A study published in the Journal of Sustainable Finance & Investment found that companies with **high sustainability ratings** tend to **outperform** companies with **low sustainability ratings** on a variety of financial metrics, including **stock price performance**, profitability, and risk. Moreover, the market for **ESG investments is set to grow**, as a 2022 Dow Jones survey of 200 investment experts predicted that in the following three years, ESG investments will more than quadruple. Therefore, **luxury brands** will continue **improving their labour practices** in the future, so that the businesses keep their clientele, reach new investors, and minimize the risk of bad reputation.

CIRCULAR FASHION

Defining circular fashion and its principles

The circular fashion approach aims to minimise waste, reduce the environmental impact of clothing production, and promote the long-term use and recycling of fashion items. It responds to the **traditional linear fashion model**, which follows a "take-make-dispose" pattern, where garments are produced, used, and discarded as waste. In contrast, circular fashion is designed to create a **closed-loop system** that keeps clothing and textiles in circulation for as long as possible. **Exhibit 6** (left) showcases the most common reasons **why customers discard** a clothing item.

Exhibit 6: Main Reasons for Discarding Clothing



Source: "Trends in the Fashion Industry", Sustainability 2020

As a response, companies have been trying to address these exact problems with the following **key principles of circular fashion**:

Design for Durability: Circular fashion emphasises the creation of high-quality, long-lasting garments that can **withstand wear and tear**. Durable materials and construction techniques are used to extend the lifespan of clothing, limiting the need for overconsumption

Repair and Maintenance: The concept encourages repairing clothing rather than **discarding it when minor issues arise**. This reduces the need for constant replacements. Many fashion companies - from brands like Patagonia to luxury leather producers like Hermès - have been implementing **repair programmes** for their brands

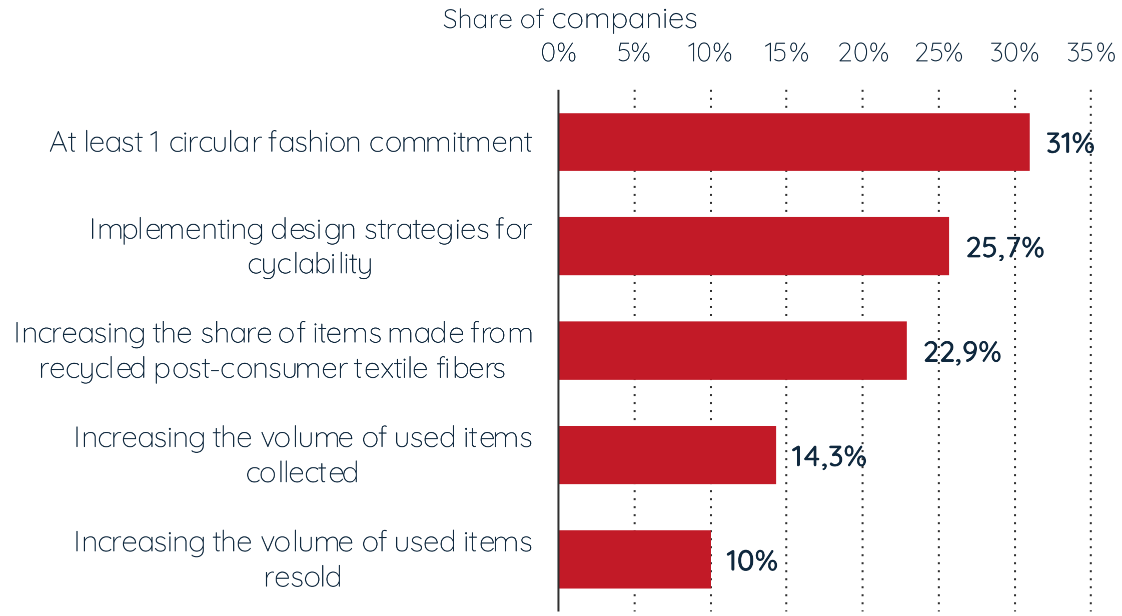
Reuse: Circular fashion promotes clothing reuse through **thrift shopping**, **rental services, and clothing swaps**. This extends the life of garments beyond the original owner. Luxury brands such as Dior and Celine have recently been trying to limit their waste by **selling their "deadstock"**, allowing customers to reuse them

Recycling and Upcycling: When clothing reaches the end of its life, circularity aims to upcycle the materials to **create new products**. Recently, this has been **observed in fashion shows** by brands such as Louis Vuitton and Chloé, who have **used their old designs** and products and turned them into completely different clothing pieces

Circularity efforts in the fashion industry to date

Exhibit 7 (below) illustrates how **widespread efforts for circularity**, such as the ones previously listed, currently are for fashion brands worldwide

Exhibit 7: "Circular program commitments at fashion companies worldwide in 2022"



Source: S&P Global. (March 16, 2023). Share of textile, apparel, and luxury goods companies with commitments to circular fashion programs worldwide in 2022 [Graph]. In *Statista*.

Challenges of implementing circularity in the luxury fashion industry

Implementing circular fashion in the luxury industry faces challenges such as the **complexity of supply chains**, where sourcing sustainable materials can be intricate. Moreover, the fashion industry's **rapid product cycles**, **resource-intensive production**, and infrastructure gaps hinder circularity. Short-lived clothing, unsustainable materials, and limited recycling facilities compound these challenges.

PRADA

Prada's revolutionary approach to circularity [18, 19]

A prominent example of a successful implementation of a circular economy approach in luxury fashion is the Italian conglomerate Prada. In 2019, it began its Re-Nylon campaign, which has been recognised by environmental organisations as a standard fashion companies should follow. Prada started to use **materials such as old carpets or fishing nets** turning them into ECONYL thread for their iconic pieces. The slogan of the project embodies the key principles of circularity: **"re-use, re-create, re-search, re-model, and Re-Nylon"** .

Not only has this strategy improved Prada's reputation among **millennials and Gen-Z, who are currently driving 85% of global luxury sales growth**, but it has also decreased the company's costs, as the remade nylon costs less than the virgin nylon. Not to mention that the production of ECONYLON has a lower impact on the environment, **with 90% less CO2 emissions compared to standard nylon production.**

SUSTAINABLE PACKAGING

The Luxury Dilemma: Navigating the intersection of opulence and eco-friendly packaging

Luxury brands face a pivotal challenge as they navigate **increasing consumer demands** for eco-friendly packaging, driven by **growing awareness** of the environmental **impact of purchases**. However, this movement toward sustainability **conflicts** with their need to uphold **distinctive brand identities**, creating a tension between responding to environmental expectations and maintaining their traditional image.

For these luxury brands, the **initial impression carries paramount weight**. Often, a product's packaging serves as the first encounter for potential customers, setting the tone for their **perception of the brand**. However, the notion of sustainable packaging appears incongruous with the opulent, extravagant aura that luxury goods traditionally exude. These products historically employ plastics, metals, and lavish materials to convey a **sense of grandeur**, further **complicating** the integration of **environmentally friendly packaging**.

While some luxury brands have enthusiastically embraced the challenge of transitioning to sustainable packaging, others have been sluggish in acknowledging this global paradigm shift. **Now is the opportune moment** for these companies to **reassess their stance**, viewing the adoption of eco-friendly packaging not only as a necessary facet of their production and business practices but also as an **opportunity to lead the way** in sustainable innovation.

Gucci and Estée Lauder: Pioneering sustainable practices in the luxury sector [20]

Gucci and Estée Lauder are leading sustainability efforts in the luxury sector. **Gucci** has incorporated **recycled cardboard** in packaging since 2010 and introduced its *Culture of Purpose* principles, emphasizing environmental protection and **reducing fashion shows** to two per year. **Estée Lauder** is striving for zero waste in products and packaging, collaborating with groups like the Circular Economy 100 and SPICE. The company promotes sustainability by using **green chemistry**, conducting lifecycle analyses, and adopting **plant-based materials**, reflecting its commitment to responsible practices

Champagne and Couture: Dom Pérignon and PVH's sustainable packaging 21

Numerous other luxury brands have followed suit in adopting eco-friendly packaging. Dom Pérignon, the iconic Champagne producer, has transitioned to **recyclable, biodegradable cardboard packaging**. Likewise, PVH, the apparel company behind renowned brands like Calvin Klein and Tommy Hilfiger, is actively pursuing its target of achieving ethically sourced and **100% sustainable packaging by 2025**. Marissa Pagnani-McGowan, PVH's group VP of corporate responsibility, stresses the company's commitment to waste reduction, emphasizing the importance of **minimizing packaging and making it recyclable,** as a key step towards achieving this goal.

DIVERSITY AND INCLUSION [22]

Defining the concept

Diversity and inclusion (D&I) in the fashion industry involve representing a **wide range of identities**—such as **race, gender, body size, and ability**—both in marketing and within the workforce. This means showcasing **diverse models** and creating inclusive product lines for consumers, while also prioritizing **diverse hiring practices** and fostering an **inclusive workplace** culture where all employees feel valued and heard.

Consumer Perspectives: Mintel's data highlights global concerns on diversity in luxury advertising

It is crucial to emphasize that **diversity encompasses more than just body size**; luxury brands have notably lagged in championing individuals of **different ethnicities** and backgrounds. According to data from Mintel's forthcoming international report on Luxury Goods Retail, a significant portion of consumers across various countries express a shared sentiment that there is a **lack of diversity** in luxury advertising.

This issue is indicative of a larger problem: the **scarcity of diversity** within the **luxury workforce**, from entry-level positions to the **upper echelons of management**. For instance, at LVMH, only two out of the twelve members on the Executive Committee are women, all members are of **white European origin**, and the **youngest member was born in 1975.**

Furthermore, The British Fashion Council's inaugural DEI (diversity, equity, and inclusion) report indicates that **86% of white men** in the industry **perceive it as diverse**, contrasting with only **46% of women of color** who share this view.

Challenges of implementing diversity and inclusion in the luxury fashion industry

Fashion brands struggle with inclusivity due to **systemic barriers** and a **focus on profit**. Many companies implement **superficial diversity** initiatives without addressing leadership representation or hiring practices, leading to accusations of **tokenism**. Financial concerns often prevent brands from expanding size ranges or creating diverse product offerings, as they hesitate to challenge traditional beauty standards. Additionally, a history of **cultural appropriation** and discrimination complicates efforts to foster an equitable environment for designers and employees of colour, making true inclusivity difficult to achieve.

Savage X Fenty: Redefining inclusivity in fashion

Savage X Fenty, founded by Rihanna, has made **significant strides** in diversity and inclusion by featuring a **diverse range of models** of various body types, ethnicities, and gender identities in its campaigns and runway shows. The brand **expanded its size range** to include XS to 3X, making lingerie accessible to a broader audience. These efforts have set a **new standard for inclusivity** in the fashion industry, **inspiring other brands** to adopt similar practices and promoting a more representative marketplace.

MAIN CONCLUSIONS

In conclusion, the growing prominence of Environmental, Social, and Governance (ESG) considerations within the business world, notably in the luxury industry, signifies a fundamental **shift** in the criteria used to **evaluate companies** and their responses to evolving **global challenges**. The significance of ESG can be mainly attributed to the following **four factors**:

- Environmental Crises
- Evolving generational Values
- Technological Advancements
- Regulatory Changes

Together, these elements have **reshaped the landscape**, emphasizing the increasing importance of:

1. Sustainable practices
2. Responsible corporate behaviour

Drivers of ESG implementation

Heightened awareness of **climate change impacts** has driven consumer and investor demand for **environmental sustainability**, with younger generations leading the shift. **Technological advancements** have enabled greater transparency, exposing governance and ethical lapses that harm corporate reputations. Meanwhile, **regulatory initiatives** like the Green New Deal emphasize stricter **transparency requirements** and accountability for product lifecycles, including waste management and recycling. These trends make **ESG considerations essential** for compliance and competitiveness in the evolving business landscape.

Market trends after COVID-19 pandemic

- **Acceleration of Digital Transformation**: The pandemic pushed businesses to adopt digital solutions, reshaping operations and consumer engagement
- **Shift in Consumer Behaviour**: Consumers increasingly prioritise health, sustainability, and ethical practices, influencing their purchasing decisions
- **Resilience and Transparency**: Companies face growing scrutiny on governance and ethical practices, with transparency becoming essential to maintaining consumer trust

In essence, the integration of ESG principles into business practices reflects a broader societal **demand for responsible and ethical conduct**. As consumers and investors increasingly prioritise values-aligned choices, companies across industries, including the luxury sector, are compelled to reassess their practices and contribute to a **more sustainable and equitable future**.

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WHAT IS JEME?

Founded in 1988, JEME Bocconi is the first Italian Junior Enterprise. Operated by a team of Bocconi students, it offers strategic and management consulting services to startups, SMEs and multinationals in various industries.

Our team is composed of 43 Associates, with JEME's Alumni network counting over 500 professionals from all over the world, mostly working in MBBs. Our Advisory Board, a team of 12 professionals coming from academic and economic excellence, advise the Associates on long-term strategies and operations.

Furthermore, JEME relies on an extensive network of Junior Enterprise partners on five continents, which allows us to offer our clients a more comprehensive and effective support for their internationalization strategies

OUR RESEARCH

Our Marketing and Business Development team is committed in reinforcing JEME's position in the social environment and the business world, through a close relationship with its wide range of stakeholders.

Through an extensive analysis of secondary sources, our marketing team works towards providing insights into different industry trends. Our research helps us gain valuable knowledge about the most recent changes within a sector, which better prepares us in helping our clients in the future.

Best Junior Enterprise in Italy (2022)

ASACERT ASSESSMENT & CERTIFICATION

ISO9001 Certified Company

HOW JEME CAN HELP

JEME offers a variety of consultancy services for your business:

- **Strategic Development** - we carry out projects regarding the launch of new products, sector studies and definition of strategic positioning to help companies to position themselves on the market
- **Marketing and Promotion** - we help our customers to make themselves known and promote themselves with communication, marketing and social media marketing plans, digitalization and customer satisfaction analysis
- **Financial Expertise** - we support companies in preparing business plans and in detecting and analyzing cost structures, proposing innovative solutions for a better rationalization of processes