

## A CONCEPTUAL FRAMEWORK FOR SUSTAINABLE LUXURY

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### ABSTRACT:

This paper explores the ways through which luxury brands may become more sustainable. It reviews the literature, and based thereupon, develops a conceptual framework conducive towards this end. The framework comprises eight areas: 1) Product Design, 2) Input Sourcing, 3) Production, 4) Retail, 5) Usage, and 6) Disposal, complemented by 7) Packaging, and 8) Transportation. Understanding these areas is not only important for practitioners, which might use them for segmentation, targeting, and marketing mix purposes. The areas identified are also relevant to researchers, who might use them to study the antecedents and consequences of sustainable luxury, and to relate sustainable luxury to other consumer behavior variables.

**KEYWORDS:** Sustainable, luxury, framework, product, brand, consumer.

### INTRODUCTION

The past three decades have witnessed tremendous growth within the luxury sector. There are more millionaires - and billionaires - in the world today than ever before, making for more potential consumers of luxury goods and services (Dolan 2021). At the same time, luxury is no longer limited to the affluent few. Premium and masstige-level products targeting middle-class consumers have made luxury widely available, the masses now driving the sectors' worldwide expansion (Chandon, Laurent & Valette-Florence 2016).

The recent pandemic upended the luxury sector. The supply chain disruptions, shuttering of retail outlets, and consumer lockdowns, among others, caused an unprecedented decline in luxury sales. During 2020 alone, the overall luxury market shrank on average by 20%, down to 2015 sales levels. However, recovery seems to be underway. It is estimated that pre-pandemic luxury sales will be regained by 2022, with healthy growth thereafter. Yet driving the luxury sector's rebound are younger consumers. Gen Z, aged 18-24, and Gen Y, 25-39, are rapidly becoming the prime luxury buyers. And by 2025 they will account for over two-thirds of global luxury purchases (D'Arpizio, Levato, Prete, Gault & DeMontgolfier 2021).

A defining characteristic of these younger demographics is a heightened concern for sustainability<sup>1</sup>. These newer generations are placing an unprecedented emphasis on the various social and environmental issues that the world currently faces (Atkinson & Kang 2021). And unlike ever before, younger consumers are considering these sustainability issues whilst making their luxury purchase decisions, seeking brands that better align with their personal values. Luxury brands that fail to acknowledge this new reality may find their customers migrating toward alternative, more relevant brands, ones that place greater emphasis on sustainability. In this new context, winning luxury brands will be those that not only build on their current excellence, but also redefine their purpose and update their operations to meet young customers' sustainability demands (Amatulli, DeAngelis, Costabile & Guido 2017).

1- Exactly how much more sustainable these younger demographics are compared to Gen Xers and Boomers depends on a variety of factors such as country/region of origin, socio-economic class, or product category, among others. This is certainly an area worth studying in detail given its implications,

This paper explores the ways through which luxury brands may become more sustainable. It reviews the literature, and based thereupon, identifies, and discusses eight areas that may be tapped to make luxury brands more environmentally friendly. Understanding these areas is not only important for practitioners, which might use them for segmentation, targeting and marketing mix purposes. The areas identified are also important researchers, who might use them to study the antecedents and consequences of sustainable luxury, and to relate sustainable luxury to other consumers behavior variables.

This paper begins by briefly reviewing the differences between traditional and more recent luxury notions. These contextualize the emergence of sustainability within luxury consumption. The paper then addresses what sustainability generally refers to. The eight aspects that luxury brands might contemplate to become more sustainable are then discussed, done from a production/consumption cycle perspective. A discussion follows, as well as some limitations and future research opportunities. Some closing thoughts are finally provided.

Sustainable luxury research is a promising, emerging field. However, it remains underdeveloped and to a certain extent vague (Athwal, Wells, Carrigan & Henninger 2019). Developing fields need to become increasingly specific in their research in order to properly progress (Most, Conejo & Cunningham 2018). Via this review, the authors hope to add specificity to this nascent stream of research. The aspects here discussed are intended as a primer/refresher for practitioners seeking alignment with the growing consumer interest in sustainability. While professionals within the luxury industry are the article's main audience, the insights extend beyond this sector. Findings will also serve academics in their research endeavors. Potential areas of study include understanding the relationship between sustainability's various aspects and different consumer behavior variables, as well as the development of much-needed sustainable luxury scales.

### **TRADITIONAL VS. NEW LUXURY**

Luxury products transcend the necessary and ordinary. They are in different ways special, which is what gives them their great appeal (Kapferer & Bastien 2012). Though *how* luxury products are special takes on different forms.

Traditionally, luxury products are distinguished from their mundane counterparts by a series of features. These include *top-quality*, via superior design, materials, and construction; *better performance*, both superior and more consistent; *robust heritage*, tied to a country or region of origin; a *tradition of craftsmanship*, linked to a founder; a *recognizable style*, distinguishing the product line; *uniqueness*, derived from products being crafted instead of mass-produced; *rarity*, stemming from limited availability; *sensual and emotional appeal*, providing much pleasure to users; *high prices*, derived from all the above features; *exclusivity*, due to the limited accessibility; and perhaps most importantly, *prestige*, products' conspicuous use granting status to users (Nueno & Quelch 1998). For a detailed review of these and other luxury aspects, see Conejo & Cunningham (2017, 2018).

However, what people expect from luxury products is evolving as new consumers, primarily younger ones, enter the market. There is now talk of a "new luxury", wherein goods and services provide consumers with additional benefits. These include *attention capital*, relevance and novelty driven by the rise of personal image building on social media; *experiential value*, which engages users in an all-encompassing way beyond direct product benefits; *life enrichment*, which helps individuals grow in terms of knowledge, culture, or personal meaning; *inconspicuousness*, which ironically rejects crass status displays in favor of more subtle and nuanced ones; and, the focus of this paper, sustainability (Atkinson & Kang 2021).

### **SUSTAINABILITY**

Luxury products are rarely thought of as needing to be sustainable. One might even think that being sustainable goes counter to luxury's very nature, undermining its appeal. However, dwindling natural

resources, environmental pollution, and climate change are shifting consumer sentiment as to firms' environmental responsibility. Luxury brands are not exempt from these changing attitudes (Kapferer & Michaut-Denizeau 2017). The same might be said in regard to social issues. Firms are now expected to acknowledge, even actively support, the various causes (Menon & Kiesler 2020). Aware of this shifting consumer landscape, companies across categories have for some time now been reexamining their practices and implementing measures to become more sustainable (Bocken, Short, Rana & Evans 2014). But, what does sustainability actually refer to?

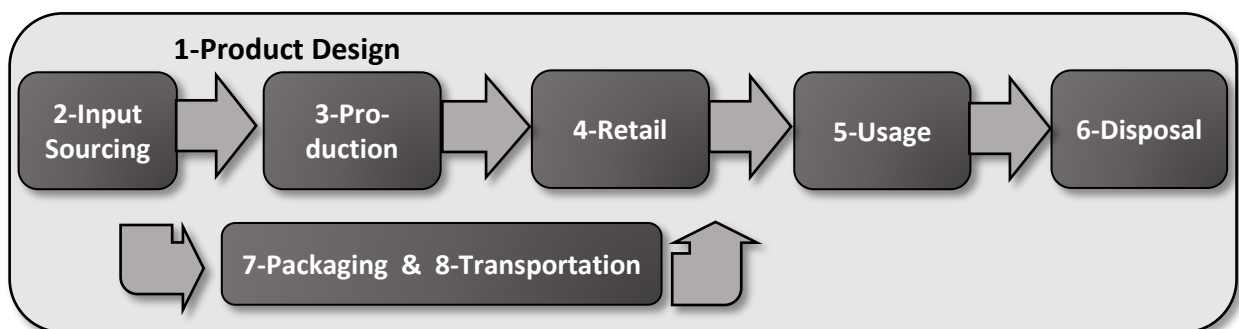
Being sustainable is generally understood as “meeting the needs of the present without compromising the ability of future generations to meet their own needs” (UN 1987). From a more specific perspective, Elkington (1997) approaches sustainability via the triple bottom line notion. According to the latter, and in contrast to traditional business models, firms must give equal importance to economic prosperity, environmental quality, and social justice within their goals and operations. Together, these three areas lead organizations towards becoming more sustainable.

Economic, social, and environmental objectives might admittedly be at odds with one another. Reconciling them, especially in the short term, may result challenging. However, a business case for sustainability can be made. A number of studies show that the long-term pursuit of sustainability does allow businesses to outperform their more traditionally minded competitors. Superior value tends to be delivered to consumers via the resultant innovation, while costs are reduced through improved efficiency. Importantly, stakeholder engagement and social capital are strengthened, resulting in more resilient and profitable organizations, see e.g. Schaltegger & Wagner (2017).

As to the luxury sector, for the last two decades there has been growing recognition among academics and practitioners that sustainability provides an opportunity for brands to differentiate themselves and excel within these highly competitive markets. Environmental groups have also recognized this opportunity, engaging luxury brands for close collaborations, see e.g. Bendell & Kleanthous (2007). The incorporation of sustainable practices by luxury brands thus makes sense from a business perspective. How this might be accomplished is addressed in the following section.

### A SUSTAINABILITY FRAMEWORK

Synthesizing the literature, eight broad areas were identified through which luxury brands might become more sustainable. Areas were grouped according to the somewhat sequential production and consumption cycles, see e.g. Dahlstrom & Crosno (2022). In doing so, both supply and demand-side sustainability aspects were captured. The resultant framework encompasses 1) Product Design, 2) Input Sourcing, 3) Production, 4) Retail, 5) Usage, and 6) Disposal. These six areas are complemented by 7) Packaging, and 8) Transportation. The latter permeate to different degrees the sourcing, production, and retail areas. The complete framework is shown in Figure 1, below.



**Figure 1: Luxury Brand Sustainability Framework**

Brands that emphasize sustainability throughout their production/consumption cycles are better poised to deliver and capture value in the changing luxury landscape (Amatulli et al. 2017). Following a brief explanation of each of the framework's aspects, and how luxury brands may leverage them to become more sustainable.

### **1) Product Design**

Sustainable products begin with a purposely-sustainable design. The latter contemplates the various other framework aspects, i.e., product inputs, manufacture, packaging, transportation, retail, usage, and disposal. Design's importance lies in that it is impractical and expensive to convert extant non-sustainable luxury products into more sustainable ones. Trying to retrofit a sustainable image upon conventional luxury products via marketing communications is also suboptimal. Consumers and watchdog organizations are bound to look into the luxury brand's operations. If these do not live up to the brand's sustainability claims, the brand might not only face ridicule but backlash, perhaps even boycotts, depending on the severity of the greenwashing. The negative publicity will likely undermine the brand's image, erode its appeal, ultimately affecting sales.

### **2) Input Sourcing**

Products require various types of input. These range from tangible materials and components to more intangible inputs such as energy and labor. Regardless of nature, for a brand to be truly sustainable, all its product inputs must be socio-environmentally friendly. This not only involves shifting towards more sustainable alternatives, but actively involving suppliers within sustainability efforts. Such conscientious sourcing seems to undermine profit. However, it can actually benefit operations. E.g., and despite their higher cost, using organic textiles may generate long-term savings as they require less processing. Organic textiles also generate a superior quality product, which may then be priced higher, supporting the notion that it pays to be green (Karaosman, Perry, Brun & Morales-Alonso 2020). A more sustainable image can also be reinforced by sourcing inputs from regions/countries with a reputation for sustainability. Said reputation then reflects positively upon products/brands, making them more appealing to consumers (Florek & Conejo 2007).

A key aspect of sustainable sourcing is the ability to trace how inputs move through the supply chain. Particularly within complex multi-tier/multi-site production systems. To this end, Agrawal, Kumar, Pal, Wang & Chen (2021) propose a blockchain-based tracing framework. Its smart network architecture monitors all system participant interactions, resulting in a more transparent and quality-oriented supply chain. In e.g. a textile context, such a system would span from fiber producers, through yarn and fabric manufacturers, to apparel manufacturers, and also include transport firms. Within the luxury realm, LVMH, parent company to 75 brands, has already implemented such a system to trace its gold, leather, and cotton, and plans to extend it to other inputs within coming years (LVMH 2021).

### **3) Production**

The manufacturing stage combines inputs into finished luxury products. Those engaged in this activity must also be socio-environmentally sustainable. This, regardless of whether production facilities are small local workshops, or large factories operating across multiple countries/continents. Like with sourcing, sustainable production might seem to undermine profitability. However, it can also decrease costs as pursuing sustainability tends to reduce the number and complexity of production processes required. Sustainable production further allows goods/brands to command price premiums, not to mention reputational boosts from consumers who value the added conscientiousness (Dahlstrom & Crosno 2022).

In examining high-end Italian footwear producers, Karaosman et al. (2020) discuss how some are taking steps to reduce their environmental impact. Measures include repurposing rainwater and eliminating noxious chemicals from the tanning process. Firms thereby realize operational efficiencies and cost savings, while producing a more sustainable and appealing product. Similarly, Li & Leonas (2019) examine how some other luxury brands are implementing closed-loop, circular manufacturing processes to eliminate waste. By using renewable and recycled fabrics, and then processing them with eco-friendly dyes and substances, these luxury brands have gained market share among younger consumers who value sustainability.

#### **4) Retail**

Retail is the culmination of the prior design, sourcing, and production steps. Consumers, particularly younger ones, are admittedly gravitating towards online luxury purchasing. This stems from the greater selection and somewhat lower prices. Also, from the overall convenience and the near-instant gratification that this avenue offers. However, physical retail remains essential to the luxury sector. A significant portion of the value that consumers seek from luxury purchases derives from the delightful in-store experience. Specifically, from the ability to inspect and try products pre-purchase, the extraordinary high service levels, and the personal/social validation derived from visiting a physical luxury retailer (Liu, Burns & Hou 2013).

Tsarenko, Ferraro, Sands & McLeod (2013) note that consumers increasingly seek socio-environmentally proactive retailers. It thus becomes important for luxury brands to select more sustainable retailers. Also, to make their own stores more sustainable. This in the first instance refers to outlets needing to offer more sustainable product assortments. Also, to offering more sustainable amenities, which help steer customers towards more sustainable behaviors. E.g., Galbraith (2009) comments how some Whole Foods set aside priority/premium parking spots for hybrid/electric vehicles, in some cases even providing charging stations. Doing so not only adds to the retailer's sustainable image but contributes to its LEED sustainability certification. Such efforts also reflect back upon the brands sold by the retailer, adding to brands being perceived as sustainable.

Luxury brands should also seek out retailers with more sustainable operations. From an environmental perspective, this involves a lower, more efficient use of resources for cooling, heating, and lighting; and obtaining these resources from more sustainable sources, like solar. It also refers to more sustainable store designs, reflected in e.g. the displays and decorations. It finally involves retailers producing less waste, from say packaging, and treating the waste produced more appropriately, by repurposing or recycling it. From a social perspective, retail sustainability involves aspects like good working conditions for employees, fair treatment of suppliers, and adding to the local community's development (Dahlstrom & Crosno 2022). Critical towards enhanced operations is the use of innovative information/communication technologies. These not only help retailers use resources more efficiently. Consumers also perceive retailers that display these innovative technologies as more sustainable, this image again reflected back upon the brands carried (Marín-García, Gil-Saura, Ruiz-Molina & Berenguer-Contrí 2021).

#### **5) Usage**

Luxury brands cannot control how consumers use their products. However, they can design products to make their usage more sustainable. E.g., Rolls-Royce recently announced that it is discontinuing all of its gas-guzzling V-12 vehicles. By 2030 it will produce only electric cars, joining other premium brands in the switch to less polluting platforms (Reuters 2021). Another option, building on the service-dominant logic, see Vargo & Lusch (2004), is for luxury brands to extend their business models from sales to long-term leases or even short-term rentals. Doing so focuses product usage on specific moments, reducing the

consumption levels of otherwise unsustainable products. E.g., a Rolls-Royce Ghost currently starts at around \$315,000 (Dorian 2021). However, leasing one starts at about \$1,300 a day (MPH 2021). These alternative leasing models are in line with the tremendous increase among young consumers for non-ownership-based consumption (Mishra, Jain & Jham 2021).

A third avenue to positively impact usage is for brands to change their design approach. Specifically, to make products less susceptible to fashion cycles and trends, and thus less prone to rapid obsolescence and disposal. A timeless design, supported by superb quality, significantly extends products' useful life. E.g., and despite multiple incarnations since its launch in the 1980s, the Hermès Birkin bag has stayed true to its iconic look (Pennington 2021). Such a strategy allows this product to be kept for longer, successfully enter secondary resale markets, and even become vintage collector's items. Unlike mainstream bags that rapidly depreciate, pre-owned Birkins are poised to increase over 300% in value during the next ten years (Reilly 2019). Like with both prior options, this third one requires intense/prolonged marketing communications to change and reinforce consumer values.

## 6) Disposal

Products, even luxury ones, eventually become variously undesirable. They are then disposed of, mostly by being tossed in the trash. Yet doing so is unsustainable. Environmentally, it wastes resources and also generates pollution. Socially, it neglects people and organizations who might need the products. One option is to encourage consumers to donate or resell their unwanted products, the secondhand luxury market having grown by a hefty 9% in 2020 (D'Arpizio et al. 2021). Another, more fundamental option is that luxury brands a-priori design products with the circular economy in mind. According to the latter, production and consumption are not seen as linear; extracting, using, and disposing of resources as conventionally done. It instead conceives them as a circular system, in which disposed-of resources are repurposed as inputs for further products. Doing so reduces waste and pollution, and the need for new resources (De Pascale, Arbolino, Szopik-Depczyńska, Limosani & Ioppolo 2021). Naturally, consumers must be incentivized to reintroduce unwanted products into this circular system. A much-publicized example is COACH's Re(Loved) program. In it, pre-owned bags can be traded-in for store credit. Used bags are then refurbished for re-sale, or deconstructed so salvaged parts can be used as inputs to new, limited-edition bags (Faurote 2021).

However, improper disposal is not limited to consumers. It also applies to firms, which might be left with merchandise that for various reasons cannot be sold at a discount or donated. Discarding these leftovers is again unsustainable. And luxury brands doing so face growing consumer backlash. To build on the prior example, COACH was recently called out for destroying and tossing unsold bags. A video on TikTok, a platform heavily used by Gen Z consumers, accrued nearly 2.5 million views with scathing comments about the brand (Noyen 2021). But what makes this incident especially egregious is that it appears to have happened *after* launching the Re(Loved) program, which could have easily repurposed the discarded bags. This illustrates the importance of really standing behind one's sustainability efforts, integrating them into coherent company-wide programs, and not merely using initiatives as greenwashing gimmicks.

## 7) Packaging

Inputs and finished products are in one way or another all packaged. Doing so is necessary to contain, protect, and help handle them. However, packaging is a major source of unsustainability. Not only does it demand resources, but its mostly single-use nature creates enormous amounts of waste. To be more sustainable, luxury brands need to first reduce the amount of packaging they use. The remaining packaging then needs to use recycled/recyclable materials so that they can be recirculated. An example would be Kering, parent company to over a dozen luxury brands such as Gucci, Saint Laurent, and Balenciaga. The

firm is minimizing its packaging along its entire supply chain, using certified and recyclable materials, and eliminating single-use plastics over the next five years (Kering 2021).

Critical is the packaging used when products are sold to consumers, which aside from functional purposes, also serves promotional, hedonic, and experiential ones. Firms thus need to understand consumer packaging perceptions to balance these purposes. E.g., Otto, Strenger, Maier-Nöth & Schmid (2021) studied the materials that consumers prefer from sustainable and aesthetic perspectives. Plastic packaging was considered low quality, but biodegradable one was viewed more favorably. Paper and cardboard were positively seen, and glass preferred to all other materials. Similarly, Shah (2020) found that more natural materials enhanced packaging perceptions. Also, giving them less polished matte finishes and using seemingly hand-created images better communicated authenticity and luxury to consumers.

### **8) Transportation**

Inputs and finished products must also be transported. Doing so is necessary to move them through the production cycle and into the consumption one. However, transport is another major source of unsustainability. Given its reliance on carbon-based fuels, transportation not only uses scarce resources. These also generate significant emissions and pollute, contributing to poor air quality and climate change (Dahlstrom & Crosno 2022).

As to inputs and bulk products, Sharmina, Edelenbosch, Wilson, Freeman, Gernaat, Gilbert, Larkin, Littleton, Traut, Van Vuuren, Vaughan, Wood & Le Quéré (2021) examined the impact of popular transportation methods. The authors found that shifting away from air transport, in favor of higher load, slower speed ship or truck transportation reduced emissions by nearly 80%. Especially if fossil fuels were substituted with biofuels and other alternative energy sources. A more fundamental option is a return to more locally produced inputs and goods to reduce transport needs. In studying a luxury Italian fashion brand, Cimatti, Campana & Carluccio (2017) found transport to have the highest environmental impact of production cycle elements. Using electric vehicles, at least for the final few miles of distribution, is a viable way to improve transportation's environmental impact. The latter becomes critical as younger luxury consumers increasingly shop online, requiring delivery (Erdogmus, Eskiyeentürk & Arslan 2021).

## **DISCUSSION**

This paper explored the ways through which luxury brands may become more sustainable. It reviewed the literature, and based thereupon, identified and discussed eight main areas that luxury brands may tap to become more sustainable. Doing so is essential given the changing luxury landscape. However, and with the realities of business, it may admittedly not be viable for luxury brands to overhaul each of the aspects covered; especially not all at once. Though being aware of and understanding these areas should nevertheless unveil opportunities for improvement. Even if brands adopt an incremental approach, reconciling what is desirable with what is possible, they are ultimately taking steps in the right direction.

Yet regardless of the areas that luxury brands decide to focus on, they also need to be aware that consumers are not necessarily interested in sustainability for moral or ethical reasons. Consumer interest may also derive from selfish motivations. These ulterior motives may then be capitalized on by luxury brands. E.g., Steinhart, Ayalon & Puterman (2013) found that being sustainable provided some individuals with an excuse to consume more luxury products. Luxury brands might thus downplay the guilt associated with the indulgence in their marketing communications to stimulate sales. Moreover, and with sustainability having become a megatrend (Mittelstaedt, Shultz, Kilbourne & Peterson 2014), consuming sustainable products allows individuals to fit in by doing what is socially desirable (Batat 2019). Luxury brands may also emphasize this altruistic aspect within their communications to further enhance sales. Especially if targeting younger demographics, given today's politically correct/woke environment (Amed, Balchandani, Beltrami, Berg, Hedrich & Rölkens 2019).

Furthermore, Naderi & Strutton (2015) found that over the past four decades, narcissism has been increasing amongst Western consumers. These are now spending more time, energy, and money on goods and services that enhance their social image. Sustainable products are ideal vehicles for narcissists to present themselves as more conscientious, altruistic, and ultimately better than others (see also (Brooks 2004)). The high cost of going green also allows these consumers to show their financial ability and success. Luxury brands may thus leverage both of these aspects within their marketing communications. By emphasizing the personal/social benefits tied to becoming more sustainable, brands can increase the appeal of their more sustainable luxury products.

A popular sustainability approach has been for firms to purchase carbon credits. These finance third-party forestry projects, which then absorb and offset firms' emissions, thereby granting firms the coveted net-zero status. Two issues are worth noting in this regard. First, is the lack of land available to accommodate such projects. It is estimated that a second planet would be required to offset current emissions rates (Peacher 2021). Second, is that carbon credits do not solve the more fundamental issue, that of unsustainable production. Credits merely disguise it, giving firms an easy way to buy themselves out of seeming unsustainable. This again relates to firms being misleading as to their actual sustainability, merely wanting to greenwash their image. Though more than any other sector, luxury brands must watch out for greenwashing as it rapidly erodes their reputational capital and appeal (Batat 2019).

Another popular avenue has been for firms to adopt the Corporate Social Responsibility (CSR) approach. In it, businesses report the impact that their operations are having on the environment, society, and various stakeholders, and how they are addressing these impacts (Olanipekun, Omotayo & Saka 2021). CSR efforts are particularly important within the luxury sector as they help preserve brands' reputational capital. From a defensive perspective, they mitigate the deleterious effects that potential scandals might have. From an offensive perspective, they position brands as conscientious, improving their image vis-à-vis competitors (Batat 2019). Regardless, CSR initiatives must be widely and clearly communicated, both within and outside the organization. Particularly important are external efforts, in which brands' socio-environmental achievements are publicized through various marketing communications vehicles. These improve consumer perceptions, preferences, and ultimately sales (Amatulli, DeAngelis, Korschun & Romani 2018).

That said, the successful publicizing of CSR initiatives depends on efforts being genuine and substantive. Firms otherwise stand to face significant ridicule and backlash. A vehicle in this regard is for luxury brands to get their sustainability efforts certified by some government agency, advocacy group, or some other independent, albeit reputable third party. Common certifications include those from the Rainforest Alliance, Marine Stewardship Council, or Fairtrade, see e.g. Carrero, Redondo & Fabra (2016). Upon being audited and (hopefully) attaining approval, firms can use the certification to publicly validate/legitimize their sustainability efforts.

Certification also offers direct benefits within the market. It typically grants firms the ability to use certification seals. These can be placed on product packaging or shown/mentioned in marketing communications to quickly indicate to consumers that products have been tested and that they indeed comply with claimed socio-environmental standards. E.g., Steinhart et al. (2013) found that such seals improved luxury product evaluations. Moreover, Brach, Walsh & Shaw (2018) found that seals reduced perceived consumer risk and uncertainty while purchasing sustainable products. However, Brown, Bakke & Hopfer (2020) found that while seals resonated with some consumers, they confused others. For optimal impact, the certification and label sought by firms must coincide with products' target market interests (Carrero et al. 2016)



A final observation on how luxury brands may become more sustainable refers to implementation. Said pursuit can only be effective if there is a truly committed, vocal, and active high-level leader championing the effort. His/her zeal must also be adopted by other managers and employees (Székely & Knirsch 2005). The sustainability imperative thus needs to permeate the entire organization. It must be part of the corporate culture, everyone understanding how sustainability aligns with firm objectives and everyday activities. To this end, employees need to be trained on how to integrate sustainable practices into their work; managers must keep employees engaged as to the sustainability imperative; and sustainability needs to become part of the incentive, evaluation, and compensation models (Granskog, Hannon, Hieronimus, Klaeyle & Winkle 2021).

## LIMITATIONS AND FUTURE RESEARCH

This study developed a conceptual framework for sustainable luxury. It reviewed the literature, and based thereupon, identified and discussed eight areas through which luxury brands may become more sustainable. However, and like any other study, this one has limitations.

The first one refers to the object. This study focused on how physical luxury goods could become more sustainable. However, a trend within the luxury sector is the growing importance of services (Conejo & Cunningham 2016), and more recently, experiences (Atkinson & Kang 2021). With both these areas being key to Gen Z and Millennial consumers, future research should look into how these might be made more sustainable. Similarities with physical goods are bound to emerge, but also important differences given the latter's fundamentally different nature.

A second limitation pertains to the context. Findings from this study derived from a variety of luxury settings. While a general framework was developed, by no means is it claimed that the areas identified are the only nor most important ones. Moreover, the relative importance of each area identified is bound to change depending on the luxury category addressed, say vehicles, fashion, or food. Future research should thus look into the sustainability aspects of specific luxury categories. Future research should also look into each of the sustainability aspects identified much more in-depth. By cross-referencing findings from both these areas, a more comprehensive picture of what makes luxury products sustainable may be developed.

A third limitation, related to the above, refers to the research approach. This study relied entirely upon the extant literature. While trustworthy, these secondary sources still provide a somewhat general picture of what makes luxury products sustainable. Future research should therefore resolve this issue via primary research. One avenue would be to do so qualitatively. Via consumer interviews or focus groups, a more comprehensive understanding of the aspects that make luxury sustainable may be attained. Importantly, qualitative studies would allow one to understand the deeper and more complex *hows* and *whys* of sustainable consumer behavior.

Another avenue to directly address what makes luxury products sustainable would be quantitative. Via large-scale consumer surveys, a broader, more representative understanding of these aspects may be attained. Such research would also provide a more precise understanding of aspects' effects and boundary conditions. Two types of quantitative approaches may be applied. On the one hand, Psychometric models. Factorial ones would reveal the underlying structure of sustainable luxury, while correlational or regression ones how sustainability aspects relate to one another and further consumer behavior variables. On the other hand, Item Response models might be applied. Both Guttman and Rash analyses, see e.g. Conejo et al. (2019) would help quantify the relative intensity of the sustainability aspects. This in turn would allow marketers to focus on those deemed most important, increasing the impact of their efforts.

A final quantitative area, spanning both of the above approaches, refers to the development of scales to measure the various sustainability aspects. Extant luxury scales, even leading ones, still do not capture the construct's full domain (Conejo, Cunningham & Young 2020). The development of sustainable luxury scales thus constitutes a promising avenue for future research.

### CLOSING THOUGHTS

The pursuit of sustainability might seem unnecessary for the luxury industry. However, the sector's consumer landscape is rapidly evolving. Especially noteworthy is the rise in prominence of young luxury consumers, whose purchase decisions are heavily influenced by socio-environmental concerns (Atkinson & Kang 2021). This shift demands that luxury brands become more sustainable, else be left behind by more forward-thinking competitors.

And the business case for sustainability can indeed be made. Its principles steer firms to develop new, better, and more competitive products, ones that better align with consumers' socio-environmental desires, and importantly, ones for which consumers are willing to pay more. The above, while improving efficiency and reducing operational costs. We thus invite luxury practitioners to do well by doing good, and academics to continue researching this thriving field. The sustainability aspects here examined should help in both regards.

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