

# Preface

Christopher L. Berry in his work “The idea of Luxury” from 1994—one of the most interesting and comprehensive pieces on the concept of luxury, particularly its intellectual history—establishes that luxury has changed throughout time and that it reflects social norms and aspirations. Therefore, luxury depends on cultural, economic, or regional contexts which transform luxury into an ambiguous concept. Also, according to Ricca and Robins (2012), luxury is a source of inspiration, controversy, admiration, and considerable economic success. And, along this controversial line, already in 1999 Robert H. Frank stated in his book “Luxury Fever—Weighing the Cost of Excess” the need to minimize the culture of “excess” to restore the true values of life. And this is in line with the World Commission on Environment and Development (WCED 1987) report, *Our Common Future*, also known as the Brundtland Report, which defines sustainable development as the development model that allows us to meet present needs, without compromising the ability of future generations to meet their own needs. Luxury—according to Kleanthous (2011)—is becoming less exclusive and less wasteful and more about helping people to express their deepest values. So, sustainable luxury would not only be the vehicle for more respect for the environment and social development, but it will also be synonym of culture, art, and innovation of different nationalities, maintaining the legacy of local craftsmanship (Gardetti 2011).

For a better understanding, this book has been divided into six parts, as shown below:

**Part 1:** Sustainability and Business Management in Luxury Goods Companies

**Part 2:** Sustainable Practices Within the Luxury Universe

**Part 3:** Sustainable Luxury Business Practices: Different Aspects

**Part 4:** Sustainable Management in the Luxury Value Chain

**Part 5:** Sustainable Luxury, Entrepreneurship (Including Family Business) and Craftsmanship

**Part 6:** Sustainable Luxury and Consumption

**Part I—Sustainability and Business Management in Luxury Goods Companies**—begins with a paper by Gulen Hashmi called “[Redefining the Essence](#)

of Sustainable Luxury Management: The SLOW Value Creation Model,” where the author provides the luxury industry and academia with a value creation model, the SLOW (Sustainable Luxury for Overall Well-being) that represents different types of sustainability engagement relevant to the luxury industry dynamics. In the next chapter, “The Strategic Role of Authenticity in the Luxury Business,” by Patricia Anna Hitzler and Günter Müller-Stewens, the authors argue that authenticity is considered to be the major challenge for the luxury segment of our time. Moreover, authenticity is a dynamic construct with an etymology that can be traced back to the 16th century, which, in the course of its usage, has repeatedly reformatted itself. If seen from an economic point of view, authenticity first and foremost requires a match between the internal identity of an organization, as it is lived by its members, and the external image, as it is perceived by outsiders. In an empirical study, the authors analyzed the main features of the construct authenticity with experts from six companies in the luxury sector. Besides, they linked the research on authenticity with the different activities of the strategic value chain of a luxury goods company. Therefore, this chapter gives an overview of drivers and features of authenticity integrated into a luxury-specific value chain that can be used as guidance for the management.

In line with this first part, Misha Pinskarov and Joshi Nair developed “Creating a Culture of Shared Value Through Luxury Branding,” a chapter where they describe the three key ideas below:

The pursuit of shared value relies on the individual as the common element between business and society to reconcile these two institutions’ competing goals.

Brands consist of people, so they must align their values with those of society, define their purpose as citizens, and shape the behavior of their people to suit.

Luxury brands are not just citizens but leaders, which gives them the ability to raise their stature by influencing the wider community.

Completing the first part, France Riguelle and Didier Van Caille present the chapter “Sustainable Performance Management in High-End Luxury Goods Firms: The Use of the “Reputation-Clock” Model.” This work builds on the specific case of a small Belgian firm in the luxury industry. This paper describes the motivations and content of a reputational performance management tool, the so-called “Reputation-Clock” Model, which incorporates different key success factors that a firm from the high-luxury goods industry has to leverage in order to master its strategic performance from a reputation point of view.

Part II—**Sustainable Practices Within the Luxury Universe**—begins with the work titled “Sustainable Luxury and Fashion: From Global Standardisation to Critical Customisation” written by Patrizia Calefato. In her work, the author explains that fashion and luxury can create a new critical and ethical paradigm, so the chapter focuses on this new paradigm of luxury concerning fashion. The word “critical” refers, above all, to the concept of “choice.” One can choose his/her clothes and can stand out by taking care of the senses, of the materials, of the time. The next chapter called “Identifying the Luxury Sustainability Paradox: Three Steps Toward a Solution” was developed by Oliver P. Heil and Daniel André Langer.

They state that many luxury products seem less sustainable than they could, and probably should, these days bringing what they call the “Luxury Sustainability Paradox” to surface. In essence, luxury product superiority appears to not span across all attributes and, paradoxically, to do so may be very challenging if not impossible. In short, being at the very top, along with certain performance attributes, may paradoxically preclude top scores on sustainability.

Moving on to the second part, Hakan Karaosman, Gustavo Morales-Alonso, and Alessandro Brunr developed “[Strike a Pose: Luxury for Sustainability](#),” a chapter where they introduce sustainability and fashion paradox. They also research into how luxury could positively change the vicious cycle of Desire—Speed—Consume—Dispose, and how this study brings a novel perspective by explaining the degree to which luxury fashion could indeed have a positive impact on sustainability through craftsmanship, heritage, and artisan skills.

The chapter called “[Sustainable Luxury in Hotels and Resorts: Is It Possible?](#)” written by Gianna Moscardo shows how the increasing affluence of countries such as India, China, and Brazil supports a growing global middle-class interested in travel, consumption, and luxury purchases. This trend presents some serious challenges for addressing a range of sustainability issues in tourism. Rising awareness of these sustainability issues has resulted in a number of luxury brands and businesses adopting sustainability practices. This chapter begins by describing this response in tourism using an approach adapted from the general sustainability analysis—Drivers, Pressures, State, Impacts, and Responses (DPSIR) framework—to understand the context for the development of the sustainable luxury tourism concept. It then examines three cases of sustainable luxury tourism experiences exploring the extent and nature of the sustainability strategies adopted. In turn, Thomai Serdari, in his paper “[Diamonds, Development, and Dollars: A Case Study on a Newly Founded Gemological Lab in Botswana Aiming at Sustainable Community Empowerment](#)” presents the development of a model gemological lab in Botswana. This work poses questions on the nature of diamonds mining and its challenging relationship with natural resources and showcases the best practices in reinforcing sustainable value chain management by focusing on the following: production processes, employee relationships, employee training, and other related organizational issues.

And, closing this Part II, the paper titled “[More than Skin Deep: A Service Design Approach to Making the Luxury Personal Care Industry More Sustainable](#)” developed by Rachael Wakefield-Rann presents a case study of luxury personal care company LUSH, and examines how its innovative approach to service design could provide a genuinely sustainable model for luxury personal care companies, and potentially the broader industry. The core elements of this model include local production, “naked” products, short expiry dates, and innovative retail design.

Part III of this volume dealing with **Sustainable Luxury Business Practices: Different Aspects** presents only one paper titled “[Promoting Sustainable Management: World Wildlife Fund’s Hybrid Strategy to Change the Luxury Industry](#),” where the author, Graham Bullock, explores the *Deeper Luxury* report (WWF) used to engage the luxury industry in 2007. This chapter analyzes the report descriptive and injunctive normative statements that positively engage the industry

and its controversial rating system that directly confronts the top ten luxury firms. The chapter also examines the sustainability-related documents of the ten rated companies and finds that their responses to WWF's normative demands varied significantly, with L'Oreal, LVMH, and PPR demonstrating the greatest responsiveness. It concludes that this hybrid approach had mixed results in promoting sustainable management within the luxury industry and may require collaboration among organizations with different skills and reputations.

Part IV of the book—**Sustainable Management in the Luxury Value Chain**—begins with a paper by John Armitage, Joanne Roberts, and Yasmin Sekhon called “[Luxury Products and Services and the Sustainable Value Chain: Six Management Lessons from Gucci](#),” where the authors show how *Gucci*'s sustainable luxury products encourage the “reduction,” “reuse,” and, crucially, “recycling” of luxury products, transforming luxury “waste materials” into reusable luxury materials to avert misuse, reducing the consumption of new luxury materials, energy use, air and water pollution by reducing the need for established waste disposal and lower greenhouse gas production. They also explore *Gucci*'s approach to sustainability, an approach that is determined by its holding group's (Kering) use of the “Environmental Profit and Loss” (EP&L) tool. The next chapter, “[Luxury Fashion Brand Sustainability and Flagship Store Design. The Case of ‘Smart Sustainable Stores’](#)” by Elisa Arrigo, shows—for the first time—how sustainable design and management of the flagship store help to minimize the environmental impact of the store's operations with an enhanced and efficient use of energy and to make stakeholders more aware of the luxury fashion brand's commitment toward environmental sustainability by safeguarding and improving its reputation.

In line with this part, Hakan Karaosman, Alessandro Brun, and Gustavo Morales-Alonso developed “[Vogue or Vague: Sustainability Performance Appraisal in Luxury Fashion Supply Chains](#).” It deals with a study called 360 Degrees Performance Appraisal model, and the main contribution is to be able to evaluate the impact of supply chain (SC) operations on sustainability. Hence, this chapter provides an understanding of (i) how SC of a luxury goods company must be configured toward sustainability, (ii) how sustainability performance must be assessed with the incorporation of a wide range of stakeholders, and (iii) how sustainability could be further advanced in luxury fashion supply chains (FSCs).

Completing the fourth part, Kyung Eun Lee presents the chapter “[Application of Digital Enterprise Technology \(DET\) for Green Made-to-Measure in Korean Luxury Fashion Industry](#).” This study attempted to examine Samsung Fashion Division's DET usage status and its effectiveness toward the company's green luxury business practice. More specifically, this research is about the following: (a) Samsung's DET system implementation and business process design, (b) green luxury apparel product development, (c) company's CSR store operation, and (d) DET system's impact to maintain businesses in environmentally sustainable approaches.

Part V—**Sustainable Luxury, Entrepreneurship (Including Family Business) and Craftsmanship**—begins with the chapter written by Miguel Angel Gardetti and Rachida Justo called “[Sustainable Luxury Fashion: The Entrepreneurs' Vision](#).” This paper shows the results and analysis of a study conducted for the authors to

fifteen entrepreneurs of different nationalities with sustainable projects in the luxury fashion and fashion accessory sector. All these entrepreneurs participated in the IE Award for Sustainability in the Premium and Luxury Sectors. Some of them won in the category “fashion and accessories” and others reached the final stages of the award. The purpose of this study is not only to get to know what entrepreneurs understand by sustainable luxury and, particularly sustainable luxury fashion, but also to learn their vision about the future of this sector.

Following, Elisa Giacosa’s work “[The Family Business Phenomenon as a Means for a Sustainable Business in the Clothing Luxury Business](#)” focuses on the family business model in the clothing luxury industry. The main goal of this chapter was to analyze how the innovation strategy implemented by family businesses operating in the clothing context could represent a means for sustainable development in the society, in terms of economic, social, and cultural aspects. Indeed, thanks to its history and reputation, the family could increase the integrity of its business, generating a positive impact on both its turnover and employment, as well as on society, at large.

Closing this part, the next chapter called “[Craft’s Path to the Luxury Market: Sustaining Cultures and Communities Along the Way](#)” was developed by Jana M. Hawley and Judy Frater. The authors explain that as the luxury market became more and more democratized, it began to lose its exclusivity—an essential aspect of luxury. Crafts, those items made by human hands, are (1) unique (2) authentic to the maker, (3) sustainable to the maker and community, and (4) tactile thus providing intimacy of touch. Exceptional craftsmanship for the luxury consumer is a compilation of time, skill, passion, and ideas. Luxury consumers want to show themselves as people of good taste and style and they can accomplish this with craft products that are instilled with the human traits of personality, knowledge, traditions, and memory. Traditional crafts can capitalize the bespoke element and bring exclusivity in a new form.

The last part dealing with **Sustainable Luxury and Consumption** consists of five papers, beginning with the one by authors Vertica Bhardwaj and Sergio C. Bedford, titled “[\(Not\) Made in Italy: Can Sustainability and Luxury Co-exist?](#),” where the authors outline a conceptual framework that explores factors that influence how consumption of sustainable luxury is perceived. They built upon the idea that luxury brands acts as a psychological meaning of self-expression and symbolic association that individuals aspire to create or maintain. The ultimate goal of this chapter was to explore whether consumers are increasingly becoming conscious of the adverse effects of social, moral, and environmental imbalances created by luxury brands.

The next chapter, “[Luxury, Sustainability, and Corporate Social Responsibility: Insights from Fashion Luxury Case Studies and Consumers’ Perceptions](#),” by Marco D’Anolfo, Cesare Amatulli, and Matteo De Angelis, delves into a currently neglected area of research—namely consumers’ perceptions of the relationship between luxury, sustainability, and CSR strategies that major luxury companies adopt to counter said perceptions. To analyze luxury brands’ initiatives, the authors conducted a qualitative study on three well-known brands—Gucci, Tod’s, and Bulgari—and examined their eco-sustainable collections and approaches. They also supplemented this research with a survey of consumer perceptions regarding luxury, sustainability, and CSR specifically by interviewing 200 consumers via an online questionnaire.

Moving on to this last part, Nadine Hennigs, Evmorfia Karampournioti, and Klaus-Peter Wiedmann developed “[Anything Worth Doing: The Ambiguity of Values in Sustainable Luxury](#),” a chapter in which they research into the relationship between the set of core values and norms guiding consumer behavior defined as “*desirable goals, varying in importance, that serve as guiding principles in peoples’ lives*” (Schwartz 1994, p. 21) with special focus on environmental orientation, on the one hand, and dimensions of customer perceived value understood as the “*consumer’s overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given*” (Zeithaml 1988, p. 14), on the other. In turn, Eirini Koronaki and George Panigyrakis prepared a paper titled “[Lust for Our Better Versions—The Meta Modern Reality’s Roots and Implications](#).” The connection between ideal selves and ethical luxury is examined, and they ask themselves: Can luxury brands provide their customers with socially-oriented benefits? Which activities are more efficient in that direction?

Completing the last part, Duane Windsor presents the chapter “[Moral Responsibility for Sustainable Luxury Consumption and Production](#).” This chapter develops the proposition that luxury consumption and production generate special moral responsibility for sustainability—responsibility that holds for both buyers and sellers. The focus is on the responsibility imposed by wealth to make luxury consumption and production as environmentally friendly as possible.

It is important to highlight that all of these diverse contributions represent a great step forward in expanding the insights in the field of sustainable management of luxury. It is certainly the most comprehensive collection of writings on this subject to date. Note that this initiative has received a large international response, and it is expected to continue to stimulate further debate.

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