

Retail Practice

In search of fashion's sustainability seekers

As eco-conscious generations become more financially stable, brands will need to keep up with increasing demand for sustainable fashion practices.

by Elisa Albella, Anita Balchandani, Nic Cornbleet, and Libbi Lee



Young, urban fashion consumers actively seek out sustainable options, but most shoppers remain neutral to the idea. In fact, many find it challenging to figure out what actually constitutes “sustainability,” with a long, complex list of potential factors to consider.

This could change, however, as millennials and Gen Zers reach both the age and income levels to apply their eco-conscious values and beliefs to their wardrobes. In turn, this demand could spur clearer messaging and more sustainable practices from brands.

These findings are from a recent McKinsey survey in the United Kingdom that looked at consumer sentiment about sustainability in clothing, footwear, and accessories.¹ Despite increased awareness about the importance of sustainability, the fashion industry’s environmental footprint remains significant. Companies create far more products

than they can sell, and more than half of all global fiber produced is polyester, a material that requires a great deal of energy for extraction and processing and that lingers in the environment for a long time.² In total, the fashion industry emits about the same quantity of greenhouse gases (GHGs) per year as the economies of France, Germany, and the United Kingdom combined.³

As environmental, social, and governance (ESG) transparency continues to grow in importance, fashion companies will likely feel pressure to do more. For example, starting next year, the UK government will require listed companies to publish net-zero transition plans and set company targets to mitigate their climate risk. Certain public companies will also be required to disclose climate-related financial information that follows standards set by the Task Force on Climate-Related Financial Disclosures (TCFD).



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¹ Our survey was conducted in October 2021 with more than 850 UK consumers.

² Ruth Alden Wicker, “Why, exactly, is polyester so bad for the environment?,” *EcoCult*, January 19, 2021.

³ Achim Berg, Anna Granskog, Libbi Lee, and Karl-Hendrik Magnus, “Fashion on climate,” McKinsey, August 26, 2020.

Sustainability seekers

One-quarter of respondents to our survey indicated that they are concerned about sustainability-related issues (Exhibit 1). These consumers go out of their way to buy secondhand items and to look for clothing made with environmentally friendly material, such as recycled polyester. Our research shows that this group, which is willing to pay 15 percent more for sustainable options, is more likely to consist of urban millennial women with moderate to high incomes (Exhibit 2). The factors that these sustainability seekers care most about are the

lowering of GHG emissions, the preservation of natural habitats for animals, practices that don't harm animals, and the use of renewable energy (Exhibit 3).

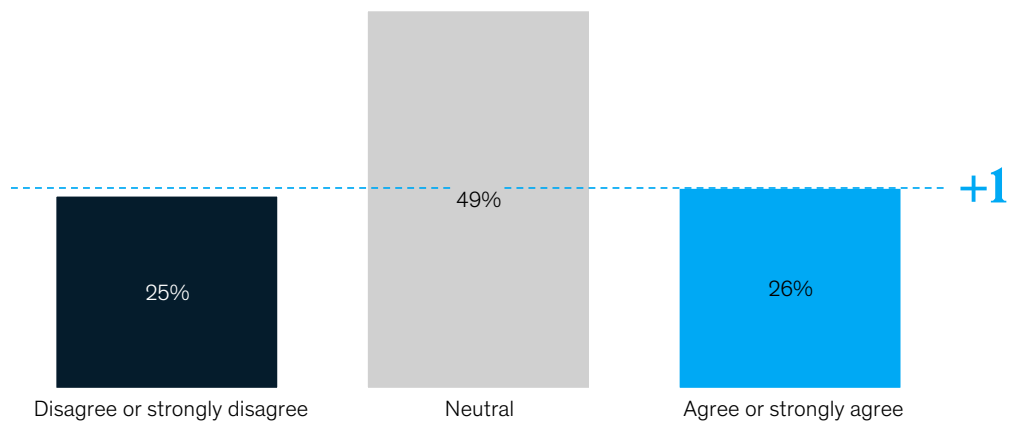
In contrast, about half of our survey respondents were ambivalent about sustainability, while another one-quarter emerged as a strong counterbalancing contingent. These consumers said that they were actively not interested in seeking out sustainable fashion choices.

Exhibit 1

Our recent UK consumer survey suggests that about one-quarter of consumers make purchase decisions that are actively driven by sustainability.

Consumers claiming their purchasing decisions are driven by sustainability considerations,¹ % of respondents

Net intent,²
top 2 – bottom 2



¹ Question: "Please indicate how strongly you agree or disagree with either of the following statements when it comes to selecting clothes/footwear/accessories brands." Average of responses to the following: I go out of my way to buy clothes, footwear, or accessories from sustainable brands and eco-brands; I seek out clothes, footwear, or accessories made with sustainable and environmentally friendly materials.

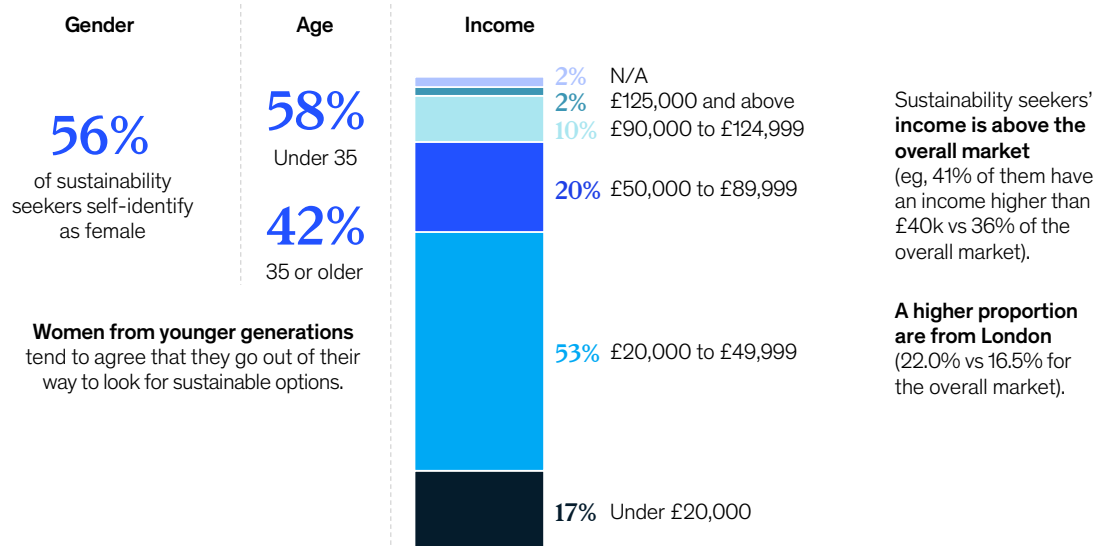
² Agree or strongly agree minus disagree or strongly disagree.

Source: McKinsey UK Sustainability Survey, October 2021 (n = 889; men = 389, women = 500; 18–24 years old = 139, 25–34 years old = 281, 35–44 years old = 217, 45+ years old = 252)

Exhibit 2

Sustainability seekers are evenly spread among gender and age but often have above-average income.

Profile of respondents who agree or strongly agree that they go out of their way to buy clothes, footwear, or accessories from sustainable and eco-friendly brands



Note: Figures may not sum to 100%, because of rounding.

Source: McKinsey UK Sustainability Survey, October 2021 (n = 889; men = 389, women = 500; 18–24 years old = 139, 25–34 years old = 281, 35–44 years old = 217, 45+ years old = 252; sustainability seekers = 214)

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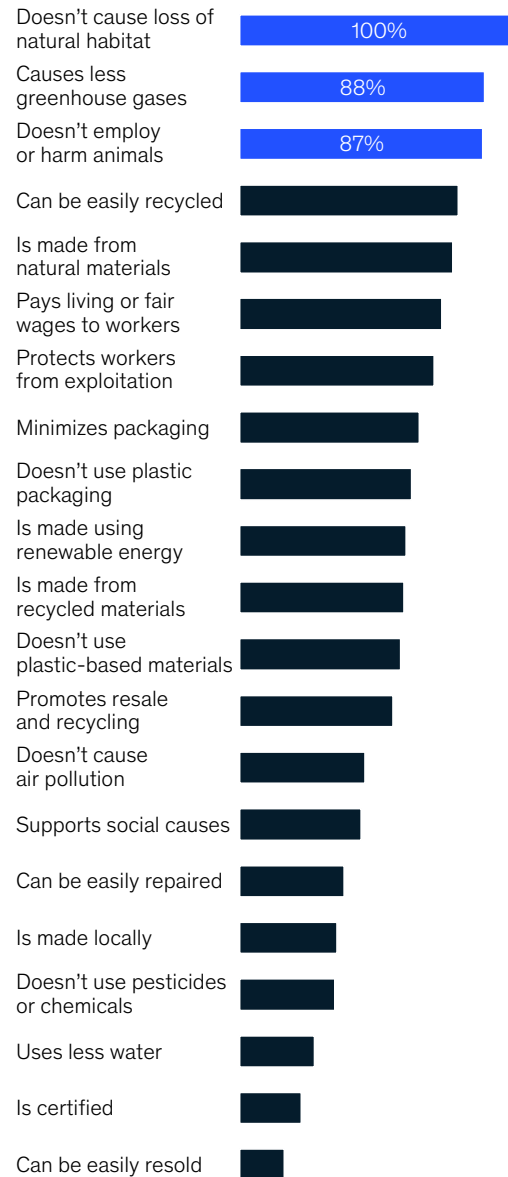
Exhibit 3

Greenhouse-gas emissions, habitat protection, and animal conservation emerge as the most important purchase factors among sustainability features.

Most important factors,¹ % of respondents, indexed results

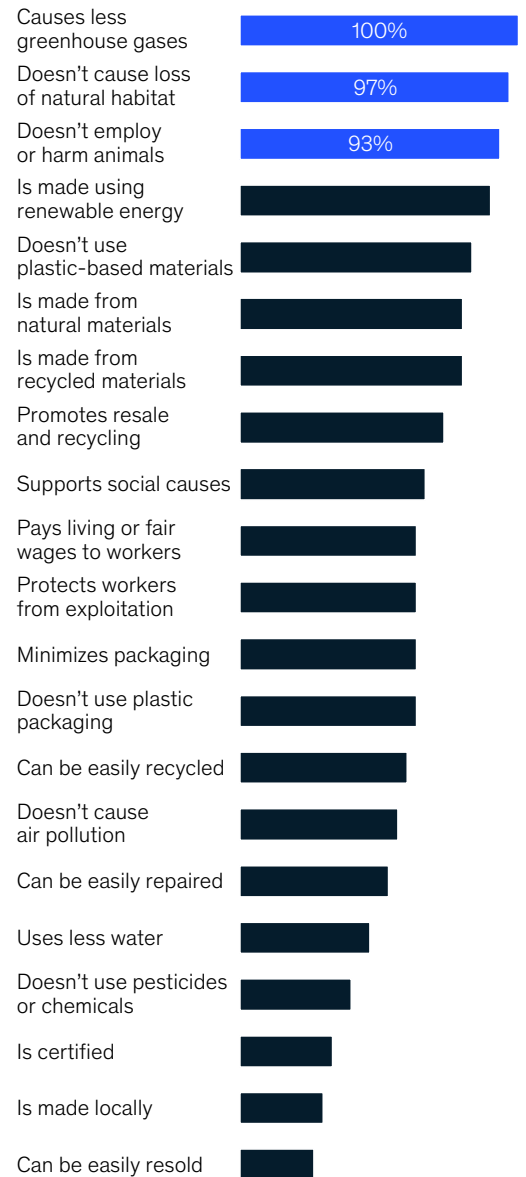
Overall market,

% of respondents selecting the option



Sustainability seekers,

% of sustainability seekers² selecting the option



¹ Question: "Which of these features are most important to you? Please select up to 3."

² Sustainability seekers strongly agree or agree to go out of their way to find sustainable brands.

Source: McKinsey UK Sustainability Survey, October 2021 (n = 889; men = 389, women = 500; 18–24 years old = 139, 25–34 years old = 281, 35–44 years old = 217, 45+ years old = 252; sustainability seekers = 214)

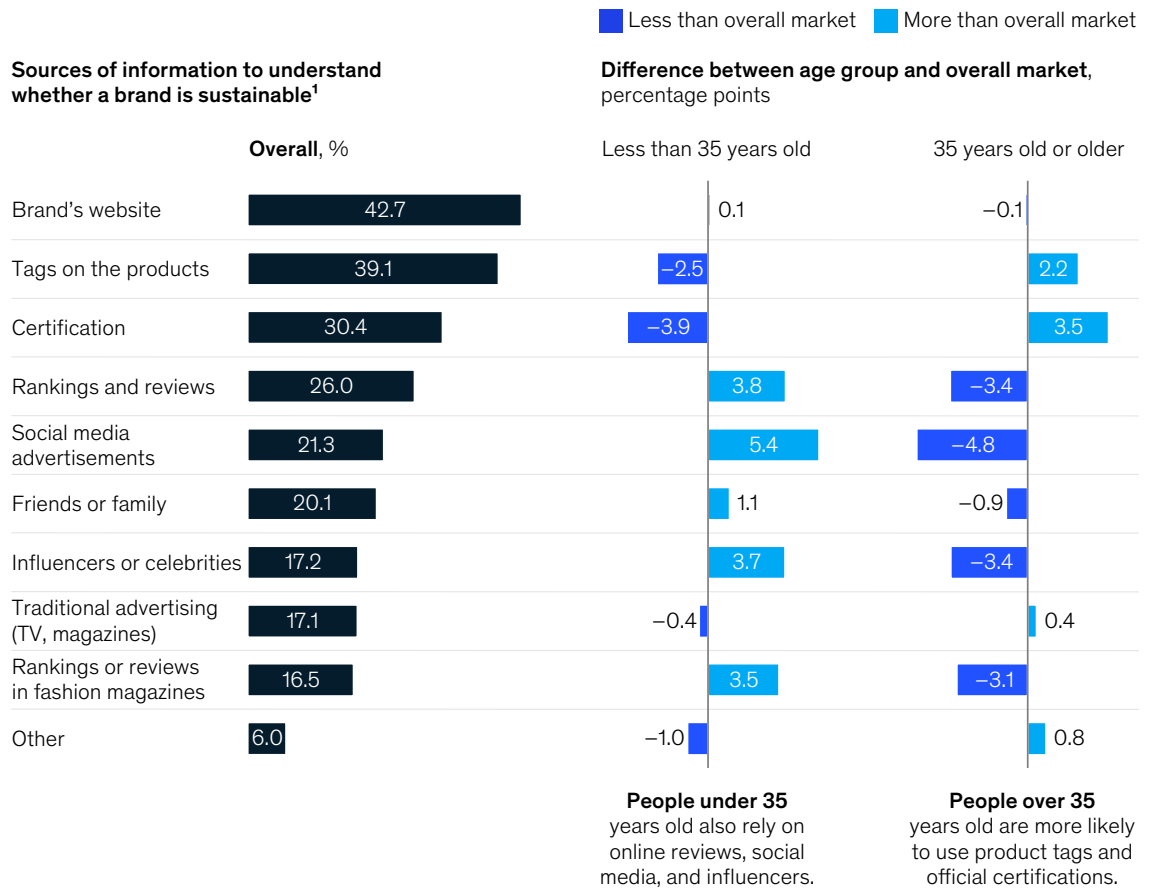
One factor that is likely holding these consumers back is a general confusion about the term “sustainability.” Customers rely most on brand websites and product tags when evaluating fashion brands and products (Exhibit 4). But these sources often contain a bewildering array of sustainability features, credentials, and claims, impairing a consumer’s ability to make easy, educated choices. No shared understanding exists among consumers (or brands) about what exactly “sustainability” means, which features matter most, or where to find

information about a particular brand’s sustainability commitment. It can be even harder to find independent sources that help distinguish between authentic sustainability claims and greenwashing.

Fashion brands have a significant opportunity to deliver clear, straightforward information on their practices (both at and before the point of sale), as well as frictionless postpurchase options that consumers can use to mitigate the impact of their fashion choices.

Exhibit 4

Today, consumers rely mostly on brand websites and product tags to understand whether a brand is sustainable.



¹ Question: “What sources of information do you use to understand whether the brand is sustainable or not?”

Source: McKinsey UK Sustainability Survey, October 2021 (n = 889; men = 389, women = 500; 18–24 years old = 139, 25–34 years old = 281, 35–44 years old = 217, 45+ years old = 252; sustainability seekers = 214)

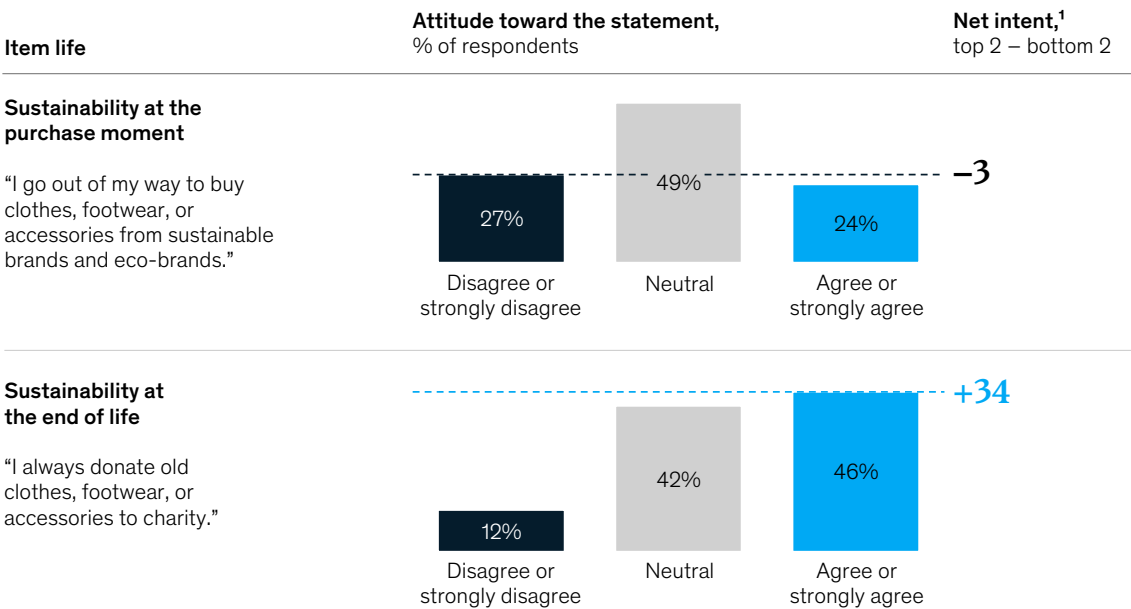
The opportunity for circular fashion

Although most consumers in our survey said that sustainability does not actively influence their purchasing decisions, responses were different when we asked about an item's end of life. Only 24

percent of respondents said they go out of their way to buy products from sustainable brands, while some 46 percent of consumers said they would want to purchase items that could be easily donated to charity (Exhibit 5).

Exhibit 5

Consumers are more interested in sustainability at an item's end of life than at the purchase moment.



¹ Agree or strongly agree minus disagree or strongly disagree.
Source: McKinsey UK Sustainability Survey, October 2021 (n = 889; men = 389, women = 500; 18–24 years old = 139, 25–34 years old = 281, 35–44 years old = 217, 45+ years old = 252)

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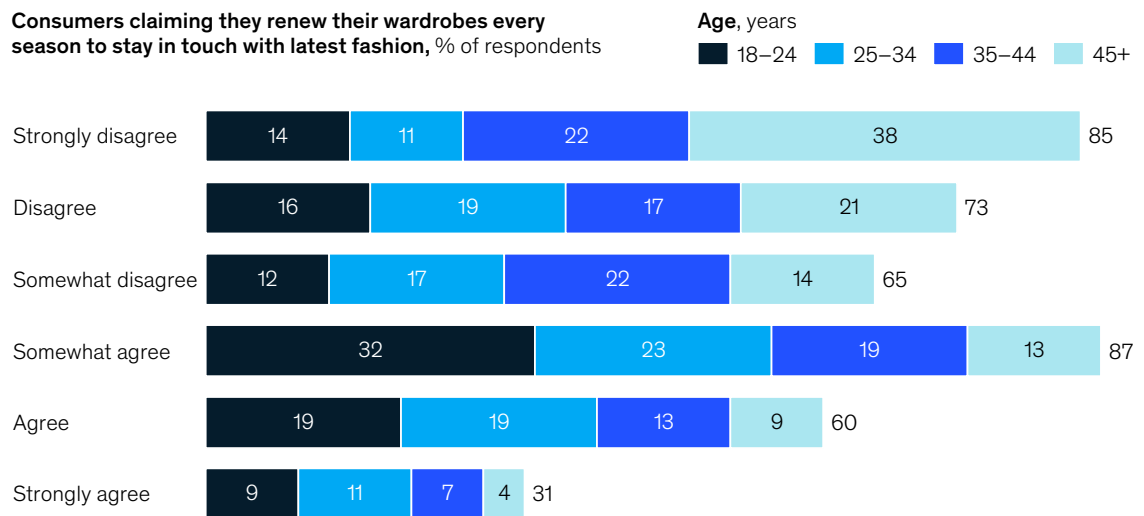
This finding highlights a fertile landscape for the development of circular business models. Because fashion will always be driven by a desire to seek novelty, a sustainability paradox is inevitable: in our survey, the consumers most engaged with sustainability are also those most likely to generate waste by renewing their wardrobes every season (Exhibit 6). To create more value for these shoppers, brands can design their products to be repurposed once a consumer is finished with them. This sustainable loop, if managed well, would lessen consumers' dependence on entirely new products,

allow companies to do more with less, and reduce the fashion industry's planetary impact.

As the fashion and textile industries strive to reduce their environmental footprint and consumers grow increasingly aware of our changing climate, we expect consumers' desires for sustainable fashion to grow. Brands that help people to understand and mitigate the impact of their fashion choices place themselves in a leadership role on this important issue and in a stronger position to drive sustainable growth.

Exhibit 6

There is a correlation between consumers who are engaged with sustainability and those who are likely to generate waste by renewing their wardrobes every season, creating a sustainability paradox.



Note: Figures may not sum to 100%, because of rounding.
 Source: McKinsey analysis

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