Environmental Footprints and Eco-design of Products and Processes

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Miguel Angel Gardetti

Sustainability

Is it Redefining the Notion of Luxury?
Preface

Introduction to the Book

Featherstone (2014) argues that luxury has its own dynamism, since luxuries can offer the user enhanced status, through membership of the imagined cultural community that possession involves, but luxury also demands knowledge about how to consume or use its products and services, how to unlock their full potential. The power of luxuries is not just their social exclusiveness and visibility as status symbols, but the image they have of providing sensory fulfilment: the prospect of experiencing new sensations and pleasures.

Wittig et al. (2014) argue that clear definitions of luxury are rare, but most agree that you know when you see it. Luxury is as much about the story and mystique surrounding the product as it is about the product itself. However, according to Campuzano (2017), luxury is everything, whether consumable or not, that goes beyond our daily reality and has a strong symbolic content of personal enjoyment and social admiration.

Luxury is clearly complex. And such complexity can be found in Dr. Silvia Gold’s—shareholder of Argentine luxury brand SOLANTU—definition (in Gardetti 2018: 29): “Luxury is pleasure, enjoyment, an experience. It is a combination of wonderful things. Certain connections between people and situations are luxury bonds. I believe in that luxury.”

Luxury—besides the above mentioned definitions—is an industry. In conventional economy, luxury goods are defined as those that increase demand when income increases.

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1The author appreciates the contribution of Marisa Gabriel to develop this book.
Given the economic expansion of the different economic groups that are part of the luxury good offering, the globalisation of the capitalist system, and the democratisation of luxury, the luxury industry is no longer made up of small niche companies as it used to be. It represents a real macroeconomic sector, aiming at big numbers and under the direction of managers.

Many authors have studied the basic aspects of luxury. These are scarcity, uniqueness and exclusivity; excellent quality and savoir faire; innovation; very high price; and ancestral heritage, personal history and legacy.\(^2\)

Luxury brands have started to integrate sustainability—some of them, even strategically. This represents a challenge involving the value chain. Historically, luxury has always been closely associated with craftsmanship, excellence and durability. This means to pass down craftsmanship from generation to generation and to value quality over quantity. These values are aligned with sustainability. However, luxury and consumption have been associated with excess over the past few decades.

Luxury brands are positioned to help people protect our fragile planet. They should. When we buy luxury goods, we do not want to be part of any process involving mistreatment of other people. It does not matter what luxury consumers’ tastes are, how much money they have, or whether they like style or not.

Based on the “2016 Predictions for the luxury industry: sustainability and innovation”\(^3\) report, Winston (2016) proposes to build sustainability strategies on four pillars. First, the change of regulations restated to the United Kingdom 2015 Modern Slavery Act; second, the change of social norms driven by renowned figures, such as Leonardo DiCaprio and Emma Watson; third, the pressure exerted by the financial community; and, finally, the biophysical constrains which might jeopardise corporate sourcing.

Chapter 1 of this book provides a detailed description of the luxury—sustainability relationship.

And the industry is beginning to understand this relationship, since sustainable development has become more important to luxury brands (Gardetti and Torres 2014). Therefore, for the sake of guiding the reader into careful consideration of this issue, we should analyse if sustainability has an impact on the above basic aspects of luxury (Chap. 2). To this end, we conducted a survey—based on a non-statistical sample—among professionals and executives who either work in or belong to the industry organisations. To preserve their identities, they are referred to as follows, stating the country where they do business:

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\(^2\)The authors will be mentioned in Chap. 2 of this book, and the basic aspects of luxury will be developed in Chap. 2 as well.

\(^3\)The above report was jointly prepared by the Luxury Institute and Positive Luxury.
The questions—related to sustainability issue—were sorted in terms of the basic aspects of luxury. Questions are listed in Appendix.

To supplement each basic aspect of luxury and the analysis of respondents’ answers, a “mini” case will be provided for illustration purposes. Moreover, the Fonderie 47 case—which meets all of the above aspects—will be presented in Chap. 3, before the final conclusions.

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**Appendix: Questions**

**Exclusivity**

- Luxury is based on objective rarity, but we know that natural resource scarcity is a concern, so could a luxury brand be considered as such if it inefficiently uses natural resources? How should it balance this issue with its survival?
- For biodiversity-based products, should a luxury brand adhere to ethical principles? And why?
- Are uniqueness and speciality in luxury consumers and potential consumers related to personal sensitivities and values? For example?
- Environmental issues and the product journey to consumption is one of the millennials’ greatest concerns, which is, in turn, a great sales potential of the sector. Will luxury have to make its chain transparent and justify the use of environmental resources? Should it communicate so? How?
Quality and Savoir Fair

– Is it possible for a luxury brand to reflect its history and origins through transparency and respect? How?
– The luxury universe enables to manufacture without times and to use select raw materials. This is a great opportunity to think out of the box, recover and promote cultural, local and our own aspects. Do you think that the luxury universe will be increasing the value of these aspects? How?
– The focus on craftsmanship and nuances of details differentiates a luxury product. In this connection, how can the luxury universe preserve ancestral forms of product creation and manufacture?
– The industrial production model promotes massification; however, there is an increasing number of projects that arise out of the intention to preserve cultures and craftsmanship, and to propose different definitions of beauty. How can luxury, with its implied excellence, promote new ways of beauty and safeguard craftsmanship?

Innovation

– Luxury suggests the highest creativity without any type of restriction. With the current global scenario of economic turmoil, combined with social and environmental issues, will the luxury universe adjust to certain restrictions resulting from sustainable parameters? In your opinion, what would be the most urgent restrictions?
– Is disruptive innovation a key element to meet the current and future generations’ needs?

Price

– Price is a luxury attribute; faced with the economic crisis and social inequalities, what aspects should luxury firms start to make transparent and visible so as to not foster social inequality?
– Should they show sympathy and build empathy?
– Is price enough to perceive uniqueness and exclusivity today?
Sense of Belonging, Culture and Legacy

- Can the luxury industry afford to generate mystery where the society claims for transparency? What would that mystery be? Will they rather be myths and no longer mysteries?
- If it could generate mysteries while reflecting its history and origins promoting transparency and respect, how would mystery be generated?
- Historically speaking, luxury has been associated with the need of belonging. The product was the means to belong to a certain group. In the age of sustainability, the individual is believed to stop pretending and to start “being”, being increasingly authentic … Faced with this need for being, and with the current social crisis, should luxury brands guide individuals towards their being, through purposes beyond their products, enabling consumers to dream about the possibility of a better future? How could they do so?
- In view of massification and loss of cultures … Can cultural diversity be considered as a luxury? Can culture and authenticity be the root of a project subscribed in the luxury universe? Why?
- Luxury legitimacy in extreme poverty and inequality is somehow questioned. Should the luxury industry start to look for supporting purposes? In your opinion, what would they be?
- Luxury brands should recover the guarantee of value and integrity they had in the past. Should they guide consumers proposing different horizons that would enable to transcend in time and write history?
- How could a legacy that contributes to the brand’s intangible value be created?
- Luxury brands present themselves selling dreams and they should guide consumers, showing them the way. How can they keep that dream and the ability to dream in times of crisis? So should they have to propose new horizons presenting alternatives to inequality and resource scarcity?

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1.1 Introduction

No doubt the luxury industry—understood as a whole—is significant to the economy. However, as discussed in the first chapter, the existing complexities, their current evolution, and the importance of our social connection to them, turn luxury into something complex. Moreover, Wheeler (2004, p. 12) argues that “the size of the sustainability challenges—and therefore the potential opportunities for progress—exceed anything that has been faced in the history of mankind.”

Against this background, the relationship between the luxury industry and the sustainability movement is quite complex. Authors like Beckham and Voyer (2014), and Strong (1997) argue that the values associated with luxury and those promoted as sustainable might be regarded as contradictory. In line with the first chapter, we will see that luxury is associated with excess, hedonism, superficiality and ostentation, while sustainability evokes altruism, sobriety, restraint and morality (Carrier and Luetchford 2012). However, other authors—such as Girón (2009) and Kapferer (2015a, b)—understand that luxury is likewise “sustainable” by definition because for luxury brands, durability is a core business value: luxury is the business of creating lasting worth.
1.2 Luxury

1.2.1 Luxury and Its Industry: An Introduction

1.2.1.1 Luxury as a Concept

There is no unanimously accepted definition of luxury (Amatulli et al. 2017). The concept of luxury is quite subjective in nature, as different individuals in different social and cultural contexts tend to associate luxury with different desires and, therefore, with different products and services.

Therefore, despite the apparently stable nature of basic human needs, perceptions of what is luxurious and what is more ordinary vary from society to society.

While Kapferer and Bastien (2010) depict luxury to signify prosperity, power and social status from ancient times, the same authors explain that there is much confusion around the definition of the concept of luxury. According to Theodoridou and Vassou (2014), luxury for one person is a way of life for another, or what used to be luxury for one generation may be a necessity for another. Consumers buy luxuries for several reasons; some buy a luxury item to fit into a certain reference group, while others do so to acquire a superior quality product. Thus, the term “luxury” is hard to explain due to its nature.

According to Ricca and Robins (2012), luxury is a source of inspiration, controversy, admiration and considerable economic success.

Christopher L. Berry, in his book “The idea of Luxury” (1994)—one of the most interesting and thorough works on the concept of luxury, particularly regarding its intellectual history—asserts that luxury has changed over time and reflects social norms and aspirations.

The power of luxury goods is not just their social exclusiveness and visibility as status symbols, but the image they have of providing sensory fulfilment: the prospect of experiencing new sensations and pleasures.

Wittig et al. (2014: 14) argue that “…Clear definitions of luxury are rare, but most agree that you know it when you see it, or when you feel it. Luxury is as much about the story and mystique surrounding the product as it is about the product itself…”

The true elements of luxury rely on the search for beauty, refinement, innovation, purity, the well-made, what remains, the essence of things, the ultimate best (Girón 2012).

However, luxury has evolved into the “new luxury” through democratisation (massification?) which took place when luxury brands that used to be family craft businesses were taken over by large conglomerates with a strong focus on the economic aspect. Why massification? The fact that everybody has access to the world of luxury carries with it major risk: that of vulgarisation (Kapferer and Bastien 2010). Luxury players have taken the curve of marketing, globalisation, industrialisation and financing, taking into account quick return investments.

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1 The “basic aspects of luxury” will be defined and analysed in the introduction to the second part.
1.2 Luxury

The more the luxury sector grows, the more this threatens the lever of the luxury dream and the essence of what luxury evokes: the notion of rarity and of access to a privileged life, to products of exception—and to life of exception (Kapferer 2015a, b).

Despite criticism from Thomas (2007), Weber (2007), and Bendell and Kleanthous (2007), a few large groups such as LVMH, Kering, Richemont, L'Oréal and Hermès are regularly working with the United Nations Global Compact and with its Sustainable Development Goals. Luxury as a visible economic sector must address its collective image and its perceived legitimacy—just as all economic sectors must manage their reputations, which determine their right to operate freely.

1.2.1.2 The Meaning of Luxury for Some People

As discussed at the beginning of this Part I, the concept of luxury is quite subjective in nature, as different individuals in different social and cultural contexts tend to associate luxury with different desires. Shivdasani (2016: 139) Founder, CEO and Chairman of Soneva Resorts, argues that “…luxury today is all about space, time, and privacy…” To Silvia Gold—founder and shareholder of SOLANTU—“luxury is intangible. Sometimes, when I define luxury, it is easier to think that it is not a thing. I know what is usually understood by luxury. But I don’t like that kind of luxury. I don’t like showing off. I don’t like to regard luxury as a concept for other people to know what you have; I think that it is unnecessary” (In Gardetti 2018: 29).

According to Alexandra de Royere—CEO of Solantu—luxury “promotes a culture...”

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2Beyond any individual strategy, the United Nations Global Compact is an example of this. This is a joint initiative of the United Nations Development Programme (UNDP), the Economic Commission for Latin America and the Caribbean (ECLAC), and the World Labour Organization (WLO), addressed at enabling corporate social responsibility development, fostering human rights, labour standards, environmental protection and anti-corruption. The main goal of the Global Compact is to help align corporate policies and practices to universally concurred and internationally applicable ethical goals. It is the contribution of the private sector to the United Nations Sustainable Development Goals. Visit: https://www.unglobalcompact.org/.

3The 193 Member States of the United Nations, along with a large number of actors from the civil society, the academia, and the private sector, entered into an open, democratic and participatory negotiation process, resulting in the announcement of the 2030 Agenda for Sustainable Development, with its 17 Sustainable Development Goals (SDG), in September 2015. The 2030 Agenda for Sustainable Development, made up of 17 Goals and 169 Targets, provides an ambitious vision of sustainable development and encompasses its economic, social and environmental dimensions. Visit: http://www.undp.org/content/undp/es/home/sustainable-development-goals.html.

4Kapferer and Bastien (2010, p. 23) agree with Silvia Gold. They assert that “…it is absolutely vital to remain ethical, both with respect to others by avoiding provocation, and with respect to oneself by avoiding addiction. The purpose of luxury as we see it and advocate is to contribute to social peace and universal happiness, rather than the opposite…” And they add that “…luxury is not excess and excess is not luxury. In conclusion, this is why one should not confuse ‘having a taste for luxury’ with ‘having luxurious tastes’. The first suggests someone cultivated and discerning, the second, acquisitiveness and excess…” According to these authors, “…the key word when it comes to luxury is dream, not envy, and it is about being, not about having…”.
opposite to using and throwing away; it is about timeless, long lasting products, passed down from generation to generation” (In Gardetti 2018: 37).

Moreover, Johan Arnø Kryger—Business Development Director, Global Fashion Agenda—explains: “To me, luxury is closely related to the concepts of availability and quantity. While it could be either a product or an experience, I don’t have access to at all times and it is scarce. Besides, it is something that I aspire to and wish to have. In Pierre Bourdieu’s words,5 this means that luxury is related to the economic and social capital; therefore, it varies from person to person” (In Gardetti 2018: 73).

Vitale (2016) makes an excellent analysis of the meaning of luxury for different people. Below we summarise some of the answers given by Loredana and, as it appears, there is no single concept of luxury:

Every human being should be capable of identifying luxury in his/her environment, in his/her world, (Tomás Villén, Porsche Ibérica General Director, in Vitale 2016: 26).

Luxury is a way of living, (Victor Cucart, in Vitale 2016: 27).

Luxury is something related to a person’s emotions and has nothing to do with purchasing power, (Albert Adrià, elBarri, in Vitale 2016: 27).

Luxury is the ultimate essence of good taste, (Mercedes Giménez, DKV Seguros, in Vitale 2016: 28).

Luxury is what you can’t pay with money, (Rosalía Cogollo, Grupo Rosa Clará, in Vitale 2016: 30).

Luxury means to forget about the time, urgency, obligation, and noise for a while, (Ángeles Caballero, Trescom Comunicación, in Vitale 2016: 31).

Luxury is not necessarily related to money, but to feelings as significant as hope, quality of life and unique experiences, (D. Carlos Falcó, Circulo Fortuny y Pagos de Familia Marqués de Griñón, in Vitale 2016: 31).

Loredana Vitale explained that “to understand luxury, you need to become an observer and “decoder” of cultures, histories, social changes, economies, politics…” and, to her, luxury “is every moment that I live to the fullest” (2016: 35). Finally, she concludes with a quote by Christian Lacroix (in Vitale 2016: 37): “Luxury is the right to be oneself, and the privilege to look at things freely. When people talk about luxury, I find it difficult to think of very expensive cashmere, cars, or hotels with ridiculous prices: all that is the hyper-bourgeoisie showing off. The true luxury is to be oneself”.

1.2.1.3 Luxury as an Industry

In conventional economy, luxury goods are defined as those that “…have an income elasticity of demand greater than one…” (Kemp 1998: 592) or, in other words, goods that increase demand when income increase.

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5Bourdieu (1988) La Distinción. Criterio y bases sociales del gusto. Grupo Santillana de Ediciones, Madrid.
Given the economic expansion of the different economic groups that are part of the luxury good offering, the globalisation of the capitalist system, and the democratisation of luxury, the luxury industry is no longer made up of small niche companies as it used to be. It represents a real macroeconomic sector, aiming at big numbers and under the direction of managers.

Today, luxury is more than a macroeconomic sector; it is at the centre of society, held as its most elaborate form of cultural production. The omnipresence of luxury in modern societies cannot be separated from the hyper-industrialisation of the world, which leads to the saturation of consumption (Kapferer 2015a, b).

However, growth creates problems for the luxury market, since the luxury dream is based on the notion of rarity and of access to a privileged life, to products of exception and to a life of exception. The more the luxury sector grows—as is the case over the past years—the more this threatens the essence of what luxury evokes (Thomas 2007). Today, luxury is a “universe”. We can mention, among others, cars, motorbikes, yachts, jewellery, watches, fashion and fashion accessories, tourism, cuisine, hospitality industry, financial services, sports, cosmetics, tailoring, interior design, home appliances, audio, real estate, planes and different types of experiences, with actors such as LVMH, Kering, Richemont, Swatch, L’Oréal, Hermès, Channel, Burberry and Tiffany.

1.3 Sustainable Development

1.3.1 Sustainable Development, Sustainability and Corporate Sustainability

1.3.1.1 What Is Sustainable Development?

One of the most widely accepted—though vague and ineffective—definitions of sustainable development is the one proposed by 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 model that allows us to meet present needs without compromising the ability of future generations to meet their own needs. According to this report, the three pillars of sustainability would be the society (people), the economy (profit) and the planet (i.e. the environment). The Brundtland Report can be considered as the starting point of discussions on sustainable development, thus constituting an important political

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6The background to this concept was given by the UN Conference on the Conservation and Utilisation of Resources, in 1949; the UN Conference on the Human Environment held in 1972, in Stockholm; the Conference on Science and Technology for Human Development organised by the World Council of Churches in 1974; and the 1980 World Conservation Strategy, made up of three international NGOs (IUCN, UNEP, WWF). The latter delved into ecological sustainability and living resource conservation, with a small focus on political, economic and social aspects.
change (Mebratu 1998). Yet at the World Summit on Sustainable Development in Johannesburg in 2002, the three pillars of sustainability evolved into “people, planet and prosperity”, where the term prosperity is broader than profit.

According to Schleicher-Tappeser (2001), sustainable development is a new paradigm, and it requires viewing many things from a new perspective. It is a notion of the world deeply different from the one that dominates our current thinking and it includes satisfying basic human needs such as justice, freedom and dignity (Ehrenfeld 1999). It is the vision through which we can build a way of being (Ehrenfeld 2002).

According to Allen et al. (2001), sustainable development is a complex expression, whose meaning few people agree on. It is a conservative notion, transversal through social, environmental and economic considerations. These authors state that anyone can take the term and reinvent it according to his or her own needs.

Schaltegger et al. (2003) argued that the conceptualisation of the WCED is not only related to intergenerational equity (equity between generations), but also to intragenerational equity (equity among the members of a particular generation). It is also defined as “…a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with future as well as present needs…” (WCED 1987: 25).

Not everybody accepts that the Brundtland conceptualisation of sustainable development is the best one. For example, Daly (1996) questions the emphasis on growth, pointing out that growth (a quantitative increase in output) is simply not the same as development (a qualitative improvement in people’s lives). Moreover, it is argued that in many cases growth has not led to development, but rather to a significant decrease in the quality of human life. However, the Brundtland Report can be considered as the starting point of discussions on sustainable development, thus constituting an important political change (Mebratu 1998).

Frankel (1998), in his book “In Earth’s Company,” explores the evolution of the concept and finds that sustainability is characterised in terms of harmonising three elements: economics, environment and social equity. However, Paul Gilding, in his work “Sustainability-Doing It” (2000), argues that much of the “complexity” of sustainability is lost when considering only the social and environmental aspects. This author asserts that the decision process should also consider global trends, for instance, the evolution of the environmental movement, the triumph of capitalism over communism, the role changes in governments, the evolution of the civil society’s role in the development of policies and regulations, the technological development and the revolution of communications.

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7Ehrenfeld JR, Sustainability by Choice. Unpublished paper.
1.3.2 Corporate Sustainability

While there had been hard work on the three pillars of sustainable development—economic growth, social equity and environmental protection—only at the Earth Summit—known as Rio ‘92—held 1992 in Rio de Janeiro, Brazil, did politicians, NGOs and business leaders recognise that none of the three issues could be solved without simultaneously solving the other two. Therefore, this evidences the systemic nature of sustainability.

While the success of sustainable development has varied from Rio ‘92 to date, the adoption of the concept by the business world shows significant progress. Today, most executives and entrepreneurs can easily recognise that corporate sustainability has become a business requirement. The future success of the private sector depends on its response to responsibilities and change expectations. Kennedy (2000), in his book “The End of Shareholder Value—Corporations at the Crossroads”, states that the old idea about the responsibilities of corporations to society at large and their stakeholders in particular has received greater notice.8

Global challenges associated with sustainability—viewed through the appropriate business lenses—can help identify strategies and practices that contribute to a more sustainable world while simultaneously creating business value (Hart 2005, 2007; Hart and Milstein 2003).

Corporate sustainability has been defined by many authors (or institutional groups). Some of them—with their relevant definitions—are listed below:

- Corporate sustainability, “…refers to business strategies that are intended to add social and/or environmental value to external stakeholders while increasing value to shareholders…” (Reed 2001).
- “…It is a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, social and environmental developments…” (Knoepfel 2001).
- Elkington (1998) defines corporate sustainability “…as the integration of the social, environmental and economic lines. This definition was summarised as the triple bottom line…” (pp. 70–71). The author supplements this definition in his article “The Triple Bottom Line for twenty-first Century Business” (2002, p. 24), adding that “…we will need to address radically new views of what is meant by social equity, environmental justice and business ethics…”.
- The “Sherpa” Division of the Toronto branch of Environics International (2002, p. 4) offers the following definition of corporate sustainability: “…means internalising environmental and social responsibilities into a reinvented core business strategy in a phased manner that enables the corporation to deliver lasting

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8The term “stakeholder” has been defined as any group or individual who can affect or is affected by the achievement of the organisation’s objectives. As an example, we can mention shareholders, employees, customers, suppliers, competitors, trade unions, the community where the organisation operates, the civil society, the government, the media, trade associations, environmental lobbies, animal welfare organisations and the (natural) environment.
benefits to current and future generations of shareholders, employees and other stakeholders…”

In order to approximate a sustainable society, we need to describe a system of commerce and production in which each and every act is inherently restorative. Businesses must integrate economic, biologic, and human systems in order to create a sustainable method of commerce (Hawken 1993; Hawken et al. 1999).

Corporate sustainability implies, on the one hand, encompassing economic, environmental and social aspects—which are dynamic and interact with one another, one receiving the influence of the remaining two—and, on the other hand, integrating the short term into the long term with a multidisciplinary and multilevel approach. It is a learning process since it depends on the current knowledge level and also on cultural, political, social and economic factors.

This is evidenced in the answer given by Alexandra de Royere—CEO of brand Solantu—during an interview: “In connection with sustainability, and in order to become relevant and chosen by customers, as well as to continue driving long-term value, luxury brands have no choice but to develop continuous innovation and transformation—though, sometimes, disruptive—processes” (Gardetti 2018: 62).

1.4 Luxury and Sustainability: History; Drivers

In order to discuss the origins, drivers and evolution of the luxury–sustainability relationship, it is advisable to describe how it was conceived and how it evolved from different perspectives; for example, the “warnings” to the luxury sector, other supporting events that paved their way, the evolution at the academia, understanding why luxury moved to the “centre” of the picture, the reaction of the industry, and the role of entrepreneurs.

Some warnings
The story behind the luxury–sustainability relationship is still unfolding. However, in the author’s opinion, what was the actual trigger that deepened that relationship? Let us analyse the main events.

In 2003, Macfarlane, Tallontire and Martin (Natural Resources Institute, University of Greenwich) presented the “Towards an Ethical Jewellery Business” report. It is research paper on the sector which is intended to identify the main social and environmental aspects, and, based on them, to assist industry bodies in identifying how to integrate ethical considerations into their activities.

In 2007, Roberto Saviano published “Gomorrah,” which reports, among others, that a white suit worn by one of the world’s most famous women, Angelina Jolie, on the red carpet at the 2011 Oscars, was made by someone employed by organised criminals accused of multiple murders. While editors did not disclose the designer’s name, some bloggers such as BabelMed knew that it was Dolce and Gabbana (Cornet 2007).
Dana Thomas, in her book “Deluxe—How Luxury Lost its Luster” (2007, p. 13), is very clear about the consequences of the democratisation process: “… the luxury industry (…) has sacrificed its integrity, undermined its products, tarnished its history and hoodwinked its customers…” According to Gardetti and Torres (2013: 5) “… image—not reputation or legitimacy—was the form and marketing, the function…” Thomas’s idea was well summarised by Caroline Weber, from the New York Times newspaper, in her article The Devil Sells Prada, published on 26 August, 2007: “… luxury brands were once ‘guarantors of value and integrity,’ they are now ‘markers that point toward nothing, guiding the consumer on a road towards nothing’…”

The Deeper Luxury report—published in November 2007 by the World Wildlife Fund (WWF) and written by Jem Bendell and Anthony Kleanthous—points out that “luxury brands are experiencing rapid expansion in societies that contain both very rich and very poor people” and that was “a threat to social cohesion” (p. 17). It is vital to underscore that luxury legitimacy gets more and more complex in extreme situation of inequality and poverty. If sustainability implies a principle of social justice and equality, and some people think of luxury as an excess, then it cannot be moral while there is poverty. Towards the end of 2007, a documentary by RAI 3 entitled “Slaves of Luxury” showed in depth the supply chain of Italian luxury fashion brands. The documentary showed cases of Chinese illegal immigrants in Italy making accessories for Dolce and Gabbana and Prada. The audience was estimated at 4 million people and the RAI’s Internet forums collapsed (Ilari and Zargani 2007).

**Other events that paved the way**

Then, there were a few more significant events that both strengthened and deepened the luxury–sustainability relationship. Among them, we can mention the seminar “Redefining Sustainability in the International Agenda Inspiring Greater Engagement in Biodiversity Issues,” organised and held by the United Nations Conference on Trade and Development—UNCTAD—along with Green2Greener in 2009, with the participation of many luxury brands.

In 2010, the creation of the Center for Study on Sustainable Luxury, which mission is to provide assistance to this sector’s companies in their transformation to sustainability, encouraging sustainable business practices across the organisation and its supply chain, joined these initiatives. To this end, learning and academic research will become relevant and current for future “sustainable” leaders. This means to have a broader outlook in order to ensure that social and environmental issues are fully integrated into the decision-making process.

Also of utmost importance was the impact of these reports: Uplifting the Earth—The Ethical Performance of Luxury Jewellery Brands, by Doyle and Bendell (2011); Raconteur on Sustainable Luxury, jointly developed by Raconteur Media and WWF (2011); Style Over Substance—Why ethics are not in fashion for designer labels, developed by Bryony Moore for the Ethical Consumer Research Association (2011), which assessed 20 luxury brands based on different criteria, such as environment, animal testing, fur, gold and diamonds, workers’ rights and political activity.
And the academia?\(^9\)

While there are previous individual efforts, it could be said that publications by Gardetti and Torres (2013\(^{10}\) and 2014\(^{11}\)), and Gardetti and Girón (2014) have given momentum to the academic movement engaged in luxury–sustainability relationship research. This momentum was consolidated by Gardetti and Muthu (2015\(^{12}\)) and Gardetti and Girón (2016) work. However, “Sustainable Management of Luxury”, published in 2017, was an important book. This was the first book in the world to associate comprehensive management of luxury with sustainability: highlighting important aspects of (sustainable) management of luxury based on different presentations and approaches.\(^{13,14}\) While there is some overlap, mostly thanks to this work the academia has embarked on this journey adding further specialisation: this is the case of the books written by Amatulli et al. (2017); Lo and Ha-Brookshire (2018); and Ryding et al. (2018). Moreover, books about luxury also include chapters addressing the luxury–sustainability relationship. Some of them are Pinkhasov and Nair (2014), Windsor (2014), Montesa and Rohrbeck (2014), Waller and Hingorani (2014), Kapferer (2015\(^a,b\)), Atwal and Bryson (2017), just to name a few.

\(^9\)This section includes exclusive work in the luxury and sustainability field, mainly books dealing entirely with luxury and sustainability, including references to certain chapters related to this topic but published in books about luxury. For instance, the books by Thomas (2007) and Girón (2009, 2012) are not included in this section because the authors do not belong to the academic field.

\(^{10}\)With the contribution of well-known authors such as Jem Bendell (University of Cumbria, UK), Nadine Hennigs (Leibniz University of Hannover, Germany), Luana Carcano (SBA Bocconi School of Management, Italy), and Simone Guercini and Silvia Ranfagni (University of Florence, Italy).

\(^{11}\)With the contribution of well-known authors such as Frédéric Godart (INSEAD Business School, France), Jean-Noël Kapferer (HEC Business School, France) Angela Finn (Auckland University of Technology, New Zealand) and Connie Ulasewicz (San Francisco State University, USA).

\(^{12}\)With the contribution of well-known authors such as Joan Farrer (University of Portsmouth, UK), Clauss Lütke (RWTH Aachen University, Germany), Shams Rahman (RMIT University, Australia), Susanne Guldager (Copenhagen School of Design and Technology, Denmark) and Steffen Schmidt (Leibniz University of Hannover, Germany).

\(^{13}\)A report prepared by SPRINGER publishing house and presented on 6 June, 2019, considered its e-Book format as a “PERFORMANCE LEADER” because different chapters had 14,690 downloads from its publication on 4 March 2017 to 31 December 2018. Edited by Miguel Angel Gardetti, it should be noted that this book included the contributions of Gulen Hashmi (Business School Lausanne, Switzerland), Patricia Hitzler and Günter Müller-Stewens (University of St. Gallen, Switzerland), France Riguellle and Didier Van Caill (University of Liege, Belgium), Patrizia Calefato (Università degli studi di Bari Aldo Moro, Italy), Oliver P. Heil and Daniel André Langer University of Mainz, Germany), Graham Bullock (Davidson College, USA), John Armitage, Joanne Roberts and Yasmin K. Sekhon University of Southampton, UK), Elisa Arrigo (University of Milano-Biocca, Italy), Toma Serdari (Leonard N. Stern School of Business, USA), Elisa Giacosa (University of Turin, Italy), Jana M. Hawley (University of Arizona, USA), Marco D’Anolfo and Matteo De Angelis (LUISS Guido Carli University, Italy), Matteo De Angelis and Cesar Amatulli (University of Bari, Italy) and Duane Windsor (Rice University, USA).

\(^{14}\)Among other books written by Miguel Angel Gardetti, we can mention: Gardetti and Muthu (2018, 2019).
Why this focus on luxury?
Because this is a very visible sector, its public attraction is linked to its high-profile consumers, VIPs and celebrities (Kapferer 2015a, b). Sustainable development encompasses social equity. No sector reveals the world social inequality as much as luxury. Because economic growth in most emerging countries is based on the desire of the middle class to emulate the richest, luxury is said to be a factor of social tension. Due to its conspicuousness, luxury encourages aspirational consumer buying beyond rationality. Moreover, on many occasions we should also consider the opaque traceability in some of its products, mainly jewellery (gold, diamonds, rubies and other gemstones coming from under-developed countries) and poor labour conditions in developing countries, among others (Hashmi 2017). Therefore, sustainability is an imperative for the luxury sector (Rahman and Yadlapalli 2015).

In Alexandra de Royere’s words 15: “…sometimes, we don’t realise that we’re talking about an industry in which major groups’ income and operating results are over trillion Euros. This can be a transformative industry. It is leading investment, both in digital and sustainability. In this connection, I believe these groups will lead sustainability innovation. We should bear this in mind”. Along this line, London (2019) published an article in CEOWorld Magazine titled “The 10 Most Valuable Luxury Brands In The World For 2019”, in which she ranks luxury brands as follows:

1. LVMH (Louis Vuitton Moet Hennessy): US$47.21 billion
2. Chanel: US$37 billion
3. Hermès: US$30.97 billion
4. Gucci: US$25.27 billion
5. Rolex: US$8.39 billion
6. Cartier: US$5.99 billion
7. Burberry: US$4.70 billion
8. Christian Dior: US$4.66 billion
9. Yves Saint Laurent: US$3.57 billion
10. Prada: US$3.51 billion.

The reaction of the industry
Given the warnings and some events that took place almost simultaneously, the two most important conferences of this sector in 2009 delved into these topics and focused their debate on the assessment of the necessary changes to attain sustainability. One of these lectures, organised by the International Herald Tribune in New Delhi (India), was called the “Sustainable Luxury Conference”. The other, promoted by the Financial Times—FT—in Monaco, was titled “Business and Luxury Summit—Beyond Green: Economics, Ethics and Enticement” and had Prince Alberto in attendance. In that year, the worlds of luxury and poverty collided when the child actors of “Slumdog Millionaire,” who came from the poorest shanty towns of Bombay, led a fashion show in New Delhi almost at the same time as the IHT Conference. The film and the fashion show success spurred a heated debate on poverty in luxury brands.

15Dialogue with Alexandra de Royere.
However, in 2011, the “Style Over Substance—Why ethics are not in fashion for designer labels” report, prepared by Bryony Moore for the Ethical Consumer Research Association, showed slow progress of big brands towards sustainability. There was almost no communication of progress. Since luxury is supposed to mean excellence, the prospect of being criticised explains their initial reluctance. This does not mean that they were not concerned, but have not publicised it (Kapferer 2015a, b).

Entrepreneurs’ pressure
There are people with a profound perspective towards environmental and social issues and who are well motivated to “break” the rules and promote disruptive solutions to these issues, and most of them are entrepreneurs (Gardetti and Girón 2014). Moreover, to achieve a profound social change, the role of personal values is very important. Several authors have documented the relationship between personal values, sustainability, entrepreneurship and innovation. Among them, we can mention Tilley and Young (2009), Choi and Grey (2008), Hall and Vredenburg (2003) and Dixon and Clifford (2007). Thus, idealistic values regarding environmental and social goals can be translated into valuable economic assets (Dixon and Clifford 2007). These entrepreneurs have a leadership behaviour, inspiring and guiding the transformation that sustainability requires (Egri and Herman 2000).

And, in practice, this was the perception in the process of the seven editions of the Best Performance in Sustainable Luxury in Latin America Award,16 which enabled organisers to build17 sound relationships with entrepreneurs from the luxury sector, such as, Diana Verde Nieto (Positive Luxury, UK); Oliver Wayman and Cameron Saul (BottleTop, UK), Erwan Le Louër (JEM, France), Carry Sommers (Pachacuti, UK), Alan Frampton (CRED, UK), Paulina Robson (Paulina Robson Handbags, Chile), among others. These, as well as the other participating entrepreneurs, inspire. Ultimately, we have seen “emerging Davids” (entrepreneurs) paving their way in a world ruled by “established Goliaths” (market-established international brands) forcing them towards sustainability.18,19

16Created in 2011, it is a distinction of exclusively social and cultural nature aimed at annually acknowledging the sustainability-related best business practices, strategies and innovations, and activities in the premium luxury industry. Visit: http://premiolujosostenible.org.
17Center for Studies on Sustainable Luxury. Visit: www.lujosustentable.org.
18The expression "Emerging Davids versus Established Goliaths" was adapted from "Emerging Davids versus Greening Goliaths" work developed by Kai Hockerts and Rolf Wüstenhagen in 2009.
19To learn more about their stories, read: Gardetti and Girón (2014) Sustainable Luxury and Social Entrepreneurs—Stories from the Pioneers. Greenleaf Publishing Limited, Sheffield; Gardetti and Girón (2016) Sustainable Luxury and Social Entrepreneurs II—More Stories from the Pioneers. Greenleaf Publishing Limited, Sheffield.
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Chapter 2
The Basic Aspects of Luxury and Its Relations with Sustainability

2.1 Introduction

The basic aspects of luxury, also called “code of luxury” (Kapferer and Bastien 2010) according to Heine et al. (2014), would be the functional attributes of brand identity. Along this line, we could make a distinction between luxury objects or brands based on their degree of luxury, depending on the level obtained from each aspect. The characteristics or aspects of luxury (or luxury products) are not independent from each other. For instance, according to Mortelmans (2005), their relatively small production volumes (high rarity), their superior level of quality and a good story behind the product inevitably lead to a high price.

The aspects or characteristics of luxury offer a basis for differentiation from the rest of the products. These attributes offer the basis for consumers’ perception of luxury.

Many authors have defined the basic aspects of luxury; among them, we can mention Amatulli et al. (2017), Bevolo et al. (2011), Campuzano (2003, 2017), Dubois et al. (2001), Heine (2011), Kapferer (2015), Kapferer and Bastien (2010), Maisonrouge (2013), Ricca and Robins (2012), Shamina (2011), Som and Blanckaert (2015), Theodoridois and Vassou (2014), Wilson (2014), and Wittig et al (2014).

See below the more important aspects, according to the author:

**Scarcity, uniqueness and exclusivity**

**Excellent quality and savoir faire**

**Innovation**

**Very high price**

**Ancestral heritage, personal history and legacy**

Each of the above-analysed characteristics—that will be explained below—plays an important role in consumers’ perception of luxury products.

In her definition of luxury, Alexandra de Royere—CEO of the Argentine sustainable luxury brand SOLANTU—makes some of the aspects of luxury clear (in

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1This will be analysed in the explanations of each aspect.
Gardetti 2018, p. 37): “Coco Chanel said that ‘luxury begins where necessity ends.’ Luxury is a synonym of excellence, innovation, and exclusivity. Luxury promotes a culture opposite to using and throwing away; it is about timeless, long lasting products, passed down from generation to generation. Above all, to me, a luxury object or experience brings desire and excitement. The creator (designer) and the artisan are key to luxury. They work together to turn raw materials into luxury objects, i.e., objects of desire. To use the best materials to design and make a product along with the best artisans is time-consuming and that translates into price. In France, we talk about ‘artisans d’art’: a concept that I find vital and which should be emphasised in Latin America, where we still have very good luxury artisans”.

2.2 Scarcity, Uniqueness and Exclusivity

Luxury products are typically rare and exclusive, and the idea of possessing a unique product is what most attracts luxury consumers in different countries and regions.

Rarity results from the use of scarce resources and the finest raw materials. Some products achieve rarity thanks to the materials used and the skills employed. One peculiar characteristic of luxury companies is that they “manufacture” rarity by limiting production runs in order to control their product distribution through selective channel strategies. Both these elements contribute to making luxury products exclusive and thus worthy of a premium price. Luxury is based on rareness, objective rareness—rare skins, rare pearls, rare materials and rare craftmanship.

Moreover, luxury product scarcity comes down to and is perceived by consumers, since, to many people, owning a luxury product conveys uniqueness and intended differentiation. In the luxury industry, exclusivity and inaccessibility is the way to go. The luxury good has to be earned; it is a journey towards excellence, an experience and an initiation into a cult. To get a luxury object cannot be easy. The greater the inaccessibility, the greater the desire.

In the luxury universe, products should be original or unique. They should be created by delicate, specialised artisans whose “mark” should be evident in the objects, as it adds to their uniqueness. Moreover, defects in handcrafted luxury products are part of their hallmark—adding to their uniqueness and product differentiators.

2.2.1 Scarcity, Uniqueness, Exclusivity and Sustainability

In this connection, there were varied answers. In the first place, every business is accountable for the environment and for nurturing a stronger circularity between industries.

One of the respondents suggests that customers in the future will need to know if their luxury products were produced sustainably and responsibly (jeweller). Another respondent highlights that, in order to succeed on perceived rarity, brands frequently
use resources that are scarce, not always ensuring conservation and efficient use. However, it is becoming more common that the most sustainable products are the most luxurious ones. Balancing and efficiently using natural resources are necessary in any luxury brand (a sustainability officer in the hotel sector).

Luxury brands are leaders in their sectors; therefore, they should be responsible for and support the creative processes that ensure efficient use of natural resources and sustainability awareness. A clean and transparent design and production process may or may not generate luxury products, but it is the brand’s responsibility to ensure transparency in the product life cycle.

A sustainability officer in an NGO suggests that if a brand makes an inefficient use of natural resources, it cannot be considered a luxury brand. On the contrary, treating these resources as precious through conservation and regeneration should be at the heart of the luxury promise.

In most of the answers, scarcity of resources appears as a matter of rarity, but brands are asked to preserve those resources while they make a responsible extraction and use of them. Luxury brands present the opportunity to reconnect customers with nature, allowing them to be more conscious and involving them in the responsible conservation of natural resources, making them liable for their choices in every corporate level, being transparent in their communication and fostering sustainability.

Some of the respondents do not see a strong relationship between efficient use of natural resources, scarcity and luxury brands—which is exclusively a brand decision. Academic 2 suggests that luxury should disentangle from the use of resources and focus on value added from high qualitative skills, for example, turning pieces and objects into full experiences. In the same line, another respondent—designer 2—mentions that luxury is not about rarity and scarcity, but craftsmanship.

Many luxury products come from biodiversity. Luxury brands may apply a code of conduct and adhere to ethical principles or not. In this case, some still consider that today this still has to do with customers, but in the future ethical principles will be the norm. However, most of the respondents considered that non-luxury brands are already driving innovation, and luxury brands should be at the forefront of innovation, ethics and responsibility. For example, a sustainability officer in the hotel sector highlights that any brand should adhere to ethical principles and ensure sustainability. Moreover, from another respondent’s point of view, luxury brands have the economic resources to ensure fair wages and offer better working conditions and environmental care (designer 1).

Unethical choices affect nature, communities and economies and have a negative impact not only on the ecosystem, for example affecting endangered species, but also on climate change leading us to more social unrest, instability and threatening our existence on the Earth. Even though it may be difficult to standardise ethics because it is a matter of individuals and it is relative to their culture, some basic matters should be common and basic for luxury brands. Products derived from biodiversity should be harvested and handled in a sustainable way, ensuring their existence in the next decades and centuries.
From the academic viewpoint—academic 2—ethics is considered part of a luxury company narrative. Stories based on ethical principles add value to both product and brand.

In general, they mention that luxury must ensure ethics, and in the future, luxury brands will be judged based on their ethical and eco-friendly practices. There is no luxury without ethics.

Uniqueness in luxury presents a strong relationship with sensibilities and personal values. Respondents highlight that this depends on social and cultural aspects of people. Something unique and really special for one person can be ordinary for another one.

Against this backdrop, interviewed designer 1 mentions that brands should ensure fair wages and include artisans in the design process, considering and making them part of the design team. A luxury brand should pursue the idea of preserving local resources, and empowering local artisans. Moreover, a strong relationship among uniqueness, craft value and time in the making needs to be ensured in luxury products and experiences.

From the academic side, academic 1 suggests that individualism and differentiation play an important role in some societies. It is important for luxury brands to appeal to people sensibilities and values, giving them a sense of belonging. Luxury encloses experiences and innovation offers more choices where imagination is the limit. Academic 2 exemplifies this in the restaurant sector.2

Environmental issues and the product journey to consumption are one of millennials’ greatest concerns, which have, in turn, a great sales potential for the sector. Luxury will have to make its chain transparent and justify the use of environmental resources. The message conveyed is very important when it comes to communicating transparency. The entire luxury brand communication—website, advertising and marketing—should be focused on transparency and trustworthiness.

Although the legislation does not yet require it, brands must make their processes transparent. They should show their factories, people behind the products, materials used, technologies applied, among others. Misinformation increases the level of ignorance, and above all, it leads to misunderstandings. Transparency is now trendy, and so brands try to manipulate information or be partial, for example, by showing only the people behind the making process. But luxury has the potential to move forward and make deep transformations on this issue.

Respondents agree that people are more and more interested in learning about product sourcing, how they are made, which natural resources are needed for production, and how they are treated; while the luxury sector has great stories to tell and it should leverage this. Supply chain transparency and careful use or even beneficial use of raw materials is the key to gaining confidence, and it should be part of the brand’s DNA.

2For example, in Sweden, fine dining is moving towards closer connections to the chef himself who should ideally be seen and serving consumers. In this way, the distinction between kitchen and dining room is partly being dissolved where client could either have a chef’s table or the chef open up the kitchen letting clients sit in it. (Academic 2).
Finally, see all the respondents’ answers listed in Appendix 1.

### 2.2.2 OSKLEN: A Special Raw Material

While Jimmy Choo, Dior and Ferragamo are currently using fish skin in some of their products, OSKLEN first showed sustainable products made of Pirarucu skin back in 2011.

This company was created in Brazil in 1989 by Oskar Metsavaht who was the winner of a special honour award for Sustainable Luxury in Latin America in 2013. Since 1998, this company has been positioned as a sustainable luxury brand offering top-quality products and developing social and environmental strategies.

Oskar said:

I always knew I would be an entrepreneur. Even while studying medicine, I’d already felt the need to break the barriers and to be sensitive — and to sensitize — the reality around us. There’s no way to be a successful businessperson if achievement and accomplishment are not guided by a desire to make a difference in our society. Each day it becomes clearer that we don’t have any option other than to seek innovative solutions so that human life may still have a place on our planet.

Creativity and boldness were two crucial elements in my path. It’s worth taking risks and being a pioneer.

In the last years I’ve been an advocate for the idea that aesthetic and ethics should be aligned. This is what I call the “New Luxury.”

Among others, OSKLEN uses a very special raw material: the skin from Pirarucu fish. It has been a staple diet among people in the north of Brazil for centuries, but they typically discard the skin before eating it. This is a very big fish with really thick skin and very large scales. Figure 2.1a, b shows the size of Pirarucu scales and the skin thickness.

Oskar decided to put the wasted skin to good use and create a “new luxury”, with a series of ready-to-wear garments like jackets, outfits and accessories, such as handbags that “bring together aesthetics and ethics”. Figure 2.2 shows a Pirarucu handbag, and Fig. 2.3 shows a Pirarucu outfit.

The Pirarucu skin that OSKLEN uses comes from the state of Rondonia (Brazil) in the Amazon. Since it is a protected species, OSKLEN exclusively uses skin from sustainable farms compliant with IBAMA standards—the Brazilian government environmental inspection agency. The farm sizes range from 2.5 to 5 acres. Compared to cattle raising, this generates lower CO₂ emissions and reduces the Amazon deforestation. Farmers achieve 40% higher productivity than raising cattle in the same plot of land.

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3 Visit: [https://www.osklen.com.br](https://www.osklen.com.br).
4 Based on the prologues of books: Gardetti (2017), Metsavaht (2014, 2016) Textiles y Moda: ¿qué es ser sostenible? Buenos Aires: LID Editorial and Gardetti and Girón (2014) Sustainable Luxury and Social Entrepreneurs—Stories from the Pioneers. Sheffield: Greenleaf Publishing Limited.
Fig. 2.1  a  Pirarucu skin. Image: courtesy of OSKLEN. Published with OSKLEN’s authorisation.  
b  Pirarucu skin. Image: courtesy of OSKLEN. Published with OSKLEN’s authorisation

Fig. 2.2  Pirarucu handbag. Image: courtesy of OSKLEN. Published with OSKLEN’s authorisation

Oskar is also the founder and president of Instituto-e.\textsuperscript{5} This organisation researches new textiles, analysing their impact, and promoting an ethical and respectful industry from the technology innovation side.

Figure 2.4a shows a bag made of Pirarucu skin, and Fig. 2.4b shows the bag label.

\textsuperscript{5}Visit: http://institutoe.org.br/.
Traces programme was conceived based on an Italian-Brazilian collaboration for sustainable development that implemented carbon footprint quantification and life cycle analysis, including social and environmental impacts. Figure 2.4b shows the carbon footprint of the Pirarucu bag.
2.3 Excellent Quality and Savoir Fair

This refers to both materials and craftsmanship. Craftsmanship is about handmade products, rooted in the savoir faire of an artisan “elite” who have preserved unique manufacturing traditions, allowing luxury companies to consistently deliver excellence. The importance of craftsmanship in the luxury world should not be ignored. It was the main reason why the Comité Colbert appointed Minister of Finance in 1661, then Superintendent of Royal Buildings, Arts and Manufactures, Jean-Baptiste Colbert played a prominent role in making French craftsmanship famous throughout the world. The Comité Colbert has seen its membership increase from 15 members in 1954 to 81 today. From the start, the association worked to unite French luxury houses active in export markets and in luxury crafts and creation. From the most venerable houses dating to the ninth century to the most recent, established in the third millennium, these luxury companies are active in thirteen business sectors representing the French art de vivre. Since 1954, the Comité Colbert has served as an international advocate and standard-bearer for France’s image in the world. Source: Comité Colbert www.comitecolbert.com. Access: 29 January 2018. led the “Artisans Festival in New York and Los Angeles in 1990”. Inherent in quality is the need for time. Luxury association with quality is also what mostly makes many consumers relate luxury products to expensiveness, low accessibility and, sometimes, snobbish appeal. But quality is also related to unique raw materials or manufacturing processes associated with specific geographic areas. There is no such a thing as luxury without quality—which is its essence. Quality and craftsmanship of these iconic items help them remain desirable throughout generations, providing a sense of timelessness. Luxury is different from fashion trends: a top-quality design object invites consumers to keep it for years, and even generations. This explains why true luxury has an intrinsic value, sometimes higher than the original price tag of an object.

Luxury is about first-hand knowledge that a beautiful object was exclusively made with the most precious resources and the best-handcrafted quality. Therefore, the product inside is as important as outside; they should both require the same work and dedication in terms of materials, beauty and functionality.

6This is related to aesthetics and beauty: the combination of aesthetics, beauty, craftsmanship and quality is difficult to find outside luxury markets. Therefore, the concept of “wearable art” is strongly linked to the concept of luxury fashion and to forms of aesthetics, that is form and appearance. Thus, there is a close relationship between aesthetics and consumers’ self-identity enhancement. In luxury, aesthetic considerations are at the centre of the collaboration between designers who conceptually develop the product and artisans who make it. The designer is a central figure in the luxury model, a person whose stylistic identity is both shaped by and reflected in the artisans' products. Plato has defined aesthetics as a bundle of symmetry, harmony and proportion which, when combined, provide an appealing result. Luxury goods offer the pleasure of satisfying the need for beauty, exquisiteness and magnificence. This aesthetic aspect is not only expected from the products per se, but also from the context in which they are presented, as well as from the people who buy them.

7Founded in 1954 by Jean-Jacques Guerlain, the Comité Colbert chose the name of a man who left his mark on French history.
As mentioned above, craftsmanship is the essence of luxury. Craftsmanship, the artisan’s mark and nuances of details make a luxury product distinctive. Rather than perfection, luxury pursues handcrafted precision. Artisans desire to do a job well for its own sake. Such a desire is seen as a basic human impulse and is tightly connected to the skills required to deliver the highest quality. They are driven by beauty, precision and a perfect finish. Luxury artisans are part of a long-term investment, since they are the most valuable element in the luxury item production process. As a consequence, luxury brands are defined by their designers, not by their consumers.

The concept of craftsmanship relates implicitly to the knowledge of an individual, a form of knowledge that is therefore structured in a way that is not replicable, as it is influenced by the unique combination of qualities and by the life course of that specific individual: time, place, encounters and events that characterise them. There is a strong sense of purpose embedded in the notion of craftsmanship. Craftsmanship for luxury brands is much more than merely the choice of a manufacturing process. It reflects a deeply rooted conviction. Craftsmanship is the one principle through which these brands encapsulate their unique skills within their offering.

By linking the product to an individual designer, luxury brands attempt to reinforce the importance of the individual’s creative talent inspiring a product. Luxury goods offer the pleasure of satisfying the need for beauty, exquisiteness and magnificence.

2.3.1 Excellent Quality, Savoir Fair and Sustainability

Excellence is frequently based on origin, historicity and respect for craftsmanship. Hence, the art of storytelling becomes a fundamental piece of a luxury brand, as it should both communicate and show quality and *savoir faire* through transparency and respect.

Against this background, branding and telling the story behind the products pose a great challenge. In a world full of images, quality visuals are essential in the luxury industry—jeweller. A sustainability officer in the hotel sector says that transparency is always positive, even though brands may make mistakes in their ways. However, it is human to make mistakes; then, we learn and improve from those mistakes, but the most important thing is the message conveyed. People could even empathise and feel much more represented by a brand that shows the truth. Therefore, a sensitive, honest message helps the brand gain credibility and trust based on accurate and respectful communication. No doubt while the stories behind luxury brands and products should be both known and told, how to tell them will depend on the brand’s vision and executives. As academic 2 suggests, major luxury brands should go back to the ancient understanding of the sense of luxury by focusing on local production, excellence in handcrafted quality and closeness to creators. From another perspective, designer 2 believes that consumers will start asking uncomfortable questions that brands should be prepared for answering. Moreover, luxury brands should anticipate by being different than the *status quo*. Luxury brands should ensure branding through a deep and strong vision based on their values.
The luxury universe enables to manufacture without times and to use select raw materials. These two conditions are based on design conception and processes totally different from those used by other brands. Therefore, luxury should recover and promote cultural, local and our own aspects. Most of the respondents agree on the fact that luxury brands should collaborate with local designers and craftsmanship in order to promote cultural diversity and establish a strong sense of belonging. In this connection, a jeweller stated that, in the future, this would be the standard for every company, and that quality, creativity and design will be key for companies to create value and go beyond the luxury universe. However, some other respondents suggest that cultural and local craftsmanship could be a strong differentiator.

Moreover, there is more to it than craftsmanship. Along its modernisation journey, the industry should include innovation into processes, for example, by incorporating narratives on technology into the traditional narrative of craftsmanship. Ensuring cultural diversity should be at the heart of any company especially in the luxury sector. Artisanship and details set a luxury product apart, and luxury must preserve and promote these creations. For instance, luxury can preserve cultural legacy by working with local artisans and local techniques, as well as by ensuring excellence, top-quality craftsmanship, and at the same time, taking accountability for the whole process. Last but not least, luxury should convey its message with storytelling, raising awareness of local conditions, people and culture threatened by other industries, and ways of consumption—hotel shareholder.

At the same time, luxury brands should promote different consumption patterns. Academic 2 considers that consumption should be far less and far better. Luxury brands can replace quantity for quality, and it is important to face this challenge imparting different and stronger values. And Internet is—and will be—bringing artisans from remote places closer to global consumers. Internet offers new possibilities for artisans and consumers to get in touch and presents different payments methods to be used by various local crafts.

The industrial production model promotes massification. Luxury is just the opposite—exclusive and limited. As mentioned above, luxury should embrace local craftsmanship. Furthermore, a shareholder in the hotel sector suggests that companies should act as intermediates between customers and cultures promoting craftsmanship and preserving cultures, providing sales assistance and educating people about cultural wisdom and world view. This way, companies will help people improve their quality of life without changing, but preserving, their culture. Branding will help luxury companies promote cultural diversity and make great contributions to our society. Note that an accountable relationship with artisans would ensure the brand’s future. Designer 2 highlights that craftsmanship is not promoting anything when local community designs are stolen and massively made in factories.

Respondents’ answers are listed in Appendix 2.
2.3.2  SOLANTU and Craftsmanship

SOLANTU is a sustainable leather goods luxury brand that is part of Grupo INSUD. It highlights the Argentine identity which, in fact, represents the roots of both the founder and the brand itself. SOLANTU creates handbags using a broad caiman—Argentine crocodile—skin colour palette, combined with Art Deco onyx clasps, as shown in Fig. 2.5. Figure 2.6 shows a detail of the handbag clasp shown in Fig. 2.5.

The clasp handcrafted process evolved into a natural “connection” to artisans and other people. Such learning requires continuous dialogue. These artisans belong to the third generation of a craftsmen family: “they are not merely providers”. Along with them, the brand developed the idea of “one by one”, which leads to luxury exclusivity. For example, when it comes to onyx, each stone that is part of a handbag has a different onyx colour and type (see Fig. 2.7). Each of them is separately found in nature, which means searching for stones in various sites. Each stone has its place

Fig. 2.5  Handbag—Josefina collection Source Gardetti (2018). Published with LID Argentina’s authorisation

Fig. 2.6  Bag Clasp, Josefina collection. Image: courtesy of SOLANTU
of origin. Therefore, each onyx stone “has its own story”. Figure 2.8 shows part of the onyx stone used in Fig. 2.5 handbag.

Nickel silver clasps—entirely handmade with no die whatsoever—are a stunning feature. Each “little box” is hand polished and welded to each other. That is why every clasp is unique and different, taking its specific time and telling its own story (see Fig. 2.9).

Handcrafted practices seem to distinguish authentic luxury from mass luxury, since customers perceive and value the quality of a handmade object, because craftsmanship creates value. Therefore, sustainable luxury emerges in a connective environment, where needs, values and cultures are collectively shared. Traditional sustainable improvement techniques are transferred, contributing to the preservation of local ecosystems and underlying traditions to get, in exchange, prestigious primary resources.
2.4 Innovation

Innovation is one of the keys to success in the lifestyle-driven luxury business. Businesses simply must anticipate customer values, needs and tastes and, with a bit of acumen, try to be slightly ahead of them. It is seduction, knowing and delivering; timing is everything. The challenge is clear—preserve the tradition and yet embrace change. This is related to “creativity”, “design” and “style”. Luxury is closely related to the highest creativity without any type of restriction.

There is no luxury without creativity and talent, which are the basis for a successful brand. However, knowing how to wisely manage a brand based on strong leadership and an innovative work team is just as important.

In fact, innovation is closely related to all forms of craftsmanship. Craftsmanship is the result of continuous progress and effort; it is much more about looking
forward than looking back. Originally, tradition begins with and eventually consolidates through innovation. While innovation and creativity are not attributes inherent to culture, they are essential to develop luxury.

2.4.1 Innovation and Sustainability

Luxury suggests the highest creativity without any type of restriction. With the current global scenario of economic turmoil, combined with social and environmental issues, luxury should include sustainability parameters to ensure survival. To some respondents, this will depend on consumers’ awareness. If customers truly demand change, brands should ensure it or, otherwise, they will lose market share. Moreover, they also mention state accountability and setting sustainability promotion policies. Note that these parameters should not be understood as restrictions, but as opportunities for companies to innovate in their business models and processes—a sustainability officer in an NGO.

The perception of a sustainability officer in the hotel sector is that there will be more and more restrictions and legislation around sustainable parameters. The most
urgent issues are energy use, efficient use of resources, freshwater use, and waste production; if companies want to continue in business, they should consider them in the whole production and distribution process. Luxury companies should not only be prepared for but rather take the lead in this transition. 

Materials and natural resources are an important matter that brands should approach carefully. Materials should be noble, especially in the luxury sector. There should be efficient use of resources, avoiding potentially polluting raw materials and energy. Moreover, as mentioned above, craftsmen should be included in the creative process, not only as people responsible for product development, but also as part of the designer team—designer 1.

Every member of society is responsible for implementing and moving towards more sustainable practices. All the people who are part of the industry and the market—not just consumers—should be accountable for the impact of their actions. The luxury sector can potentially reduce such impacts and become a pioneer. As mentioned by a shareholder of a luxury chocolate company, carbon emissions, climate change, plastic use, resource scarcity, water pollution and social inequalities are some of the most pressing issues faced by mankind. Through innovation, luxury brands can find and develop disruptive solutions to these issues. Creativity and innovation are two key tools to bring luxury closer to local production, as well as to create a distinctive competitive strategy. Moreover, innovation helps push artisans and creators’ boundaries and take technique to a higher level of excellence. Designer 2 points out that innovation should be applied to stop using oil and its by-products, as well as chemicals.

Disruptive innovation is a key element to meet the current and future generation’s needs. A sustainability officer in an NGO states that, from a sustainability perspective, we should change how we conceive business: the application of sustainability to products, processes and business models will help meet the current and future needs of both consumers and society at large. Academic 1 suggests that, today, consumers are waiting for this type of companies that set new boundaries to value creation based on innovation. It is important to align disruptive innovation to sustainability aspects. 

All respondents’ answers are listed in Appendix 3.

2.4.2 Bottletop: Product and Business Model Innovation

Oliver Wayman and Cameron Saul founded Bottletop. This brand set out to redefine the concept of “Luxury” with collections that celebrate true craftsmanship, rediscover hidden production techniques, and “created by hand” aesthetic, all of them in Latin America.

Before Bottletop, Cameron visited Uganda to teach young people about protection against HIV, gender inequality, drug abuse and teenage pregnancy. Oliver went to Ghana, and he was profoundly moved by the poverty prevailing throughout this
country. Quoting Oliver’s own words to explain the very beginning of the brand,⁹ he said:

A discovery made me start exploring a new production technique. My mother showed me an amazing Brazilian-made handbag she had found in a store: a stunning silver chain handbag. It looked sensitive and chic. But the fact that it was fully made of upcycled pull tabs made it even more interesting. At a glance, it was impossible to recognise the waste material it was made of, which was, indeed, its strength.

In 2012, Botleto won the Sustainable Luxury in Latin America Award given in Buenos Aires.

In 2014, Botleto created an alliance with American designer Narciso Rodriguez for the development of fashion accessories manufactured by vulnerable women in the slums of Salvador, Bahia. Figure 2.10 shows a piece of Narciso Rodriguez-Botleto’s collection.

The design elements include braiding techniques (developed by Botleto in its workshops), washed and hand-painted can tabs (Figs. 2.11, 2.12, 2.13, 2.14, 2.15 and 2.16) and vegetable leather from the Amazonia.

The Narciso Rodriguez-Botleto collaboration allowed them to be certified with “The Green Carpet Challenge” which was set up by Livia Firth to promote a design-based sustainable world. In Livia Firth’s own words: “I’m very proud to give this collection the ‘Green Carpet Challenge’ brand, which clearly shows how ethics and aesthetics are absolutely compatible. By relating sustainable materials and design to ‘real’ people in the value chain, the Botleto business model has provided extremely poor women from Salvador (Brazil) with new skills and a significant increase in their income. It’s amazing to witness this transformation”.

⁹Based on the Botleto chapter written by Wayman and Saul in the book “Sustainable Luxury and Social Entrepreneurs—Stories from the Pioneers”, edited by Gardetti and Girón.
2.5 Very High Price

Price displays positively affect luxury consumer perceptions about luxury brand uniqueness and excellence. The perception of the luxury segment may greatly vary from country to country, as consumers have very diverse ideas about a product minimum price to be considered luxurious. In recent years, the function of price has become more important than ever. Before the last financial crisis, mass-market competitors began employing the same tactics used by luxury brands. Celebrity endorsement, trendy logos and licence relationships with well-known designers are just some of the techniques that mass-market brands have taken from luxury brands. Therefore, the luxury boundaries have become even more blurred. Luxury goods companies have contributed to this confusion by broadening their product range in order to reach more consumers. To be able to buy such items, they are willing to save money in other product categories that cannot convey the same emotional value. This mechanism may be referred to as “trading down” in consumption. Amid this confusion, luxury brands can strengthen their market positioning by further underscoring the distinctive qualities of their products—that is, high quality, exclusivity, aesthetics, heritage and other characteristics—through distinctive pricing but far from pure excess and opulence.

A very high price is the measure of desire based on values that have nothing to do with practical issues. This includes two elements: an absolute value and a
comparative value. A high-price sacrifice is needed to have a sacred product and to endow the buyer with its luxurious effects.

### 2.5.1 Very High Price and Sustainability

High price is a luxury attribute. However, faced with economic crisis and social inequalities, luxury brands should start working for a purpose—a purpose that is part of the company value proposition related to the environment, natural resources, people behind products and the possibility of delivering social benefits in the communities where they operate. An example is to use part of those profits to give back to the community or people who make the goods.

In this sense, a sustainability officer in an NGO highlights that there is a need to have the right and to justify value in high pricing. For instance, brands can ask for a premium price because they have worked to make supply chains equitable, transparent and sustainable. A shareholder in the hotel sector adds that luxury brands should communicate environmental, social and economic impacts and the benefits they are driving for society. Most of the respondents agree on luxury companies
demonstrating social responsibility, not only by ensuring basic fair wages but also by evolving in deep social and environmental issues.

Academic 2 also suggests luxury brands are accountable for promoting less consumption, increasing product quality while ensuring social and environmental conditions. Luxury should try to ensure very high quality, promoting less consumption and ensuring social and environmental conditions.

In some cases, respondents assert that luxury brands should not embrace those purposes. By offering high-priced products, luxury brands target high-income people and should not be accountable for, nor be associated with, the community; they just consider that this choice depends on each brand.

Moreover, all respondents agree on the fact that luxury brands should show sympathy and build empathy. However, some of them mentioned that this depends on whether luxury brands are interested in customer opinion or not, or if they subscribe to the idea that luxury brands are far and beyond everything, with no environmental involvement. Nowadays, thinking of a brand isolated from society, the environment and global inequality may entail a major risk.

Luxury is much more than a high price to be perceived as unique and exclusive. Design, quality, creativity and innovation are key.

Respondents’ answers are listed in Appendix 4.
2.5.2 To’ak: The World’s Most Expensive Chocolate

Gerald Francis Toth III—or simply Jerry Toth, in Fig. 2.17—was fascinated by Ecuador, its nature and the forest. Seeing this endangered forest and to preserve its remnants, he co-founded the Third Millennium Alliance, a non-profit organisation. This way, he managed to create an ecological reserve called Reserva Ecológica Jama-Coaque, that protects 450 hectares of moist and cloud forest.

Jerry himself built his bamboo wood house in the forest—Fig. 2.18, without electricity, Internet or phone; he started to learn how to plant cocoa trees. At the beginning, this was part of a reforestation project. The art and complexity of growing cocoa turned into his passion, and with the harvested cocoa, he started to make fully craft chocolate. As he became aware of this universe, he decided to found To’Ak in 2013 along with Carl Schweizer, an Austrian designer who lives in Ecuador, and Servio Pachard—the fourth generation of a cocoa farmer family. His mission was to change the way in which the world perceives, values and tastes chocolate.

To start, the three of them went in search of the oldest cocoa variety in the world, native to Ecuador, called national cocoa. With over 5300 years of history, it was the most valuable cocoa in the world during the eighteenth and nineteenth centuries.
2.5 Very High Price

**Fig. 2.15** Collecting coloured tabs *Source* Gardetti (2017). Published with LID Argentina’s authorisation

**Fig. 2.16** Hand weaving coloured tabs *Source* Gardetti (2017). Picture taken by Robert Astley Sparke. Published with LID Argentina’s authorisation
Fig. 2.17  Jerry Toth. Image: courtesy of To’ak. Published with To’ak’s authorization

Fig. 2.18  Jerry Toth’s bamboo house. Image: courtesy of To’ak. Published with To’ak’s authorization
until the arrival of a plague suffered between 1916 and 1921, when this variety was thought to have been lost.

Jerry, Carl and Servio found a hidden valley called Piedra de Plata, with more than 100-year-old cocoa trees that survived the 1916 plagues and closely resembled the pure national cocoa. Hence, they decided to analyse the DNA and verified that it was, indeed, pure 100% national cocoa. That is how their project started. To’ak has been making chocolate for 6 years with cocoa from Piedra de Plata.

To’ak does not only preserve this national cocoa species, but it also seeks to benefit producers, working with local communities and adding value to their productions, thus improving their quality of life. It pays the highest price ever paid in the history of cocoa in that country, turning To’ak chocolate into the most expensive one worldwide.

All chocolate lines come in square 50-g bars. The price of the basic line, called Rain Harvest and accompanied by the vintage year, is US$270. Then, the Vintage line, aged for 4 years and macerated in cognac, costs US$385. Finally, the Art Series—a line prepared along with famous artist Oswaldo Guayasamin—offers three-year-aged chocolate packed in a carved box, which is a work of art itself, for US$685. The above prices apply to the square 50-g bar. Figures 2.19 and 2.20 show the “Rain Harvest” line.

At To’ak, chocolate is matured in Ecuadorian wooden barrels, and packaging is a work of art. It comes in a wooden box handcrafted by Ecuadorian craftsmen, including a manual with the chocolate history and a guide on how to taste and combine chocolate. Moreover, each bar comes with an Ecuadorian bamboo wood tong. All

Fig. 2.19 Harvest line (2017). Image: courtesy of To’ak. Published with To’ak’s authorisation
Fig. 2.20 Vintage Harvest line (2015). Image: courtesy of To’ak. Published with To’ak’s authorisation

despite these materials have fair trade certifications, and part of the profits is donated to the Third Millennium Alliance to collaborate with the preservation of forest remnants.

Thanks to his entrepreneurial, conservationist and fully innovative spirit, Jerry Toth does not only preserve nature, but also local culture, offering luxury chocolate, with 100% Ecuadorian raw material. Moreover, he restores chocolate purest and most sacred character as it was considered in the Amazon culture in the past.
Most prestigious luxury brands have a heritage. The power of heritage is closely linked to the brand’s country of origin. In luxury, the “country of origin” effect is manifested in products and brands that are associated with specific characteristics for which their country is positively known. This is related to the “internal culture” that goes beyond the scope of the brand to offer a multisensory experience that inspires consumers. It is tradition and heritage. It is the brand’s history. For the connoisseurs, luxury products need to have well-established roots in the past. To name a few: Chanel was established in 1909; Ferrari, in 1929; Herend, in 1926; and Rolex, in 1905. Brands should have a legacy to offer their customers. It would be their “mission statement”. It is their ancestral heritage and personal history. This heritage is a key part of a brand intangible value.

Consumers should be able to recall what the brand represents and associate it with a particular product. Consumers want something special, something exclusive and something that not everybody wears, and this should be conveyed by both brand and object. History offers this special magic that turns an ordinary space into a memorable one. Luxury brands should continuously educate new customers, reinforcing and communicating their history and traditions so that they can get to know them just as regular customers do.

For that purpose, luxury brands present their own universe. The legend generally begins with an influential founder, a creative genius. The origin should not necessarily be one particular person: it may also be an iconic emblem, a family history or anything built around by the brand mystique. The combination of the above becomes a brand story that will eventually become an integral part of both its history and character. In turn, storytelling also refers to the cultural heritage of a nation, a community or a group of people.

Related to the Art of Storytelling: brands that communicate stories with emotional messages—generally—develop higher loyalty. Making us dream big is an intrinsic part of any successful luxury brand. It is exactly what the luxury industry needs: to tell stories that restore our fantasies and remind us of our aspirations. That is what luxury does: it puts a smile on the face of its audience, filling minds with dreams and hearts with happiness. Successful luxury brands need to play with and manage every step of this process, in a seemingly natural and effortless way. The foundational tale lies at the heart of creative storytelling. As a newcomer, do not expect to reach the levels of historical richness of stories enjoyed by established luxury leaders, the brands that were when the kings, revolutions, emperors and nations were made, and just as often unmade. Brands only known for just a couple of generations are managed to join the club of fabulous storytellers. Ultimately, it will all be about storytelling, and the ability to express one’s inner truth at its best through these stories.

This is also related to the fulfilment of dreams: luxury brands are strongly symbolic for consumers. In particular, luxury goods typically convey hedonic and emotional benefits to consumers, allowing them to dream and communicate their status and individual identity. Luxury sells dreams. Luxury exceeds the expectations of social and economic goals, as it is more than a status or consumption game to show off.
Luxury companies must strike a balance between dream and transparency—a sustainability officer in an NGO. As stated before, companies should use storytelling and create mystery around a product and a brand, while being transparent about their production, products used and people who make them. A shareholder in the hotel sector suggests that transparency is needed to improve ethics and knowledge but that they will never replace mystery. A brand should build mystery to elicit different emotions and feelings on people. Though different, mystery and transparency converge in a brand storytelling; still human mind and heart cannot grasp the infinite depth of reality. People can always learn more and likewise brands can always nourish their messages.

In the opinion of one of the respondents, designer 2, mystery is related to both creativity and design process, but not directly to production method, materials and resources, nor people involved in such production. While the latter should be made transparent, the brand magic is determined by design process creativity, innovation and branding.

Luxury should reflect brand history and origins promoting transparency and respect. Therefore, the art of storytelling should engage the sensitive side of customers, using different stories, feelings, artists, books, music, movies, practices, religions and building bonds to allow customers to delve into this luxury universe—shareholder in hotel sector. In other words, focused on transparency, luxury brands should gradually introduce their customers to their brand, making them feel part of it and telling the stories behind designers while using creativity to encourage dreams and create mystery.

Historically speaking, luxury has been associated with the need of belonging. The product was the means to belong to a certain group. However, as mentioned by a sustainability officer in a hotel, today luxury aims at the simplest, the purest quality. Natural environmentally friendly products are usually regarded as luxurious because they aim at the highest quality with the lowest impact. Therefore, committed to major environmental and social issues, luxury brands may lead their consumers into more sustainable models and healthier lifestyles, while promoting more responsible consumption.

There is a growing awareness on environmental and social issues affecting our future—shareholder in hotel sector. Luxury brands should follow that path and raise awareness through their processes and products. Luxury is aspirational, and brands should nourish their customers with a positive, strong and clear message. As mentioned before, respect and empowerment are basic to promote cultural heritage.

Luxury legitimacy in extreme poverty and inequality environments is somehow questioned. As said before, the luxury industry must find supporting purposes. Luxury products should be built in a kind and responsible way. A respondent who is a shareholder in the hotel sector suggests that equal rights, education, health and equal opportunities should be mankind goal, addressed by all social actors, including luxury. She underscores that the luxury sector needs to raise awareness among
those who have the most, and try to improve wealth distribution among those who have less. Academic 2 says that luxury brands should empower and train people and artisans, maximising their *savoir faire* instead of installing mass production.

In view of massification and loss of cultures promoted and encouraged by the current hegemonic model, luxury should ensure the preservation and promotion of both cultural diversity and ancient knowledge. In this case, respondents agree on the fact that—even though it should not be like this—to preserve cultural diversity has become a luxury, as brands make sure to meet the rest of the attributes inherent to a luxury product. Luxury companies could salvage cultural traditions fostering closer connection with customers, nature and awareness. To achieve quality and innovation, luxury should move away from mass production, which promotes the loss of local knowledge and techniques. In contrast, brands should be accountable for training the best craftsmen to expand local wisdom. At the same time, there is a need to change the understanding of consumption and luxury. From the academic viewpoint, academic 2 says that every purchase should be seen as a luxury item, changing the use of natural resources and materials. The use of resources should be accounted for in terms of future crises.

Luxury brands should recover the integrity they had in the past and guide consumers proposing different horizons that would enable them to eventually transcend and write history. Therefore, luxury brands should make it easy to choose between sustainable and unsustainable goods—a sustainability officer in the hotel sector. Moreover, from an academic perspective, not only should luxury guide consumers at the purchase time, but it should also create a new ethos to help them understand the real value of products and consumption, and their impacts—academic 2. To that end, in addition to transparency, stories, social and environmental responsibility, a luxury brand should ensure a full customer experience. The experience and how customers will communicate it to other people is the way to trespass frontiers and satisfy new customers. Furthermore, people will recall the experience lived in the hotel (shareholder in the hotel sector). Hence, luxury brands could recover their integrity based on purpose, respect, transparency, creativity and customer-sensitive experiences.

A brand can use complimentary business and philanthropic strategies to address its environmental and social impacts—sustainability officer in an NGO. In other words, social projects that would help change the situation of various communities that are part of a brand or product creation process could be developed to contribute to value creation. In turn, transparency, quality, coherence and communication are different ways to create value.

While it might be very hard to keep dreams and the ability to dream at times of crisis, growth is always possible thanks to creativity. Academic 1 suggests that people are expecting luxury brands to find solutions but personal dreams are inner-driver. Academic 2 adds that luxury should be more about reality, craftsmanship and quality at times of economic and social crisis. Luxury should be sincere about creating and promoting positive changes in the world—designer 2. A hotel shareholder mentions
that the luxury sector must be at forefront of these initiatives, even at times of eco-
nomic and social crisis. The luxury sector needs to be creative, dream of choices and
reinvest capital. Respondents’ answers are listed in Appendix 5.

2.6.2 Sonu Shivdasani and Soneva’s Legacy: To Change the Hotel Industry

Soneva Fushi opened in 1995—see Figs. 2.21, 2.22, 2.23 and 2.24—with a focus on
dlow-volume, high-quality and high-end customers. To preserve the natural beauty
of the Maldives, it was necessary to limit the number of guests that would stay in
the hotel. Soneva Fushi pioneered the trend of luxury holidays during which guests
could connect to nature.

2.6.2.1 Blending Luxury and Sustainability

Soneva has striven (and still strives) to provide a blueprint for the hospitality industry.
Sustainability is their moral compass as well as their operating imperative. Sustain-
ability runs through their core business, and they are always striving to limit the
negative environmental impact of their activities.

Intelligent luxury is their vehicle for delivering this inspiration to their guests.
The definition of luxury is something that is a rarity, and—according to Sonu (see
Fig. 2.21)—in today’s society that is peace, time and space. Luxury is about sand
between the toes and dinner under the canopy of a billion stars. Luxury is about
reconnecting with oneself and the natural environment.

Sometimes, the more sustainable option is actually the more luxurious one. For
instance, when it comes to the food offered by the hotel, ironically, the more sustain-
able ingredient (not necessarily the most expensive) is the more luxurious, based on
the definition that luxury is something that is “rare”.

In essence, they offer a slower, more appreciative lifestyle.

11 She gives an example they faced at the hotel while they were in the process of building a small
hydroelectric plant to become self-sustainable with clean and renewable energy without any negative
impact on the environment and preserving water sources. The way they faced it—howling pipes
up a mountain by hand without cutting trees—did not only increase costs but also made it an
unreasonable long process. Without enough economic resources, they are still there because of our
commitment to a cause. In many ways, making adjustments meant open-mindedness, changes, new
creative ideas and much team support.

12 Based on Shivdasani (2016) SONEVA, Thailand. In Gardetti M. A., Girón M. E. (Eds) Sustainable
Luxury and Social Entrepreneurs II—More Stories from the Pioneers. Greenleaf Publishing Limited,
Sheffield.
2.6.2.2 Purpose Beyond Profitability

In the hotel business, we can find opportunities to make small positive changes that do not impact negatively on either (Soneva’s) profitability or our guests’ perception of our products, yet which can generate considerable good for both the environment and society.

2.6.2.3 Fighting Climate Change

In Sonu’s own words: ‘I am committed to leading the fight against climate change within the hospitality sector. In addition to dealing with operational matters such as energy, water and waste, we also go beyond our remit and address the CO$_2$ emissions derived from our guests’ international air travel.'
I set up the Soneva Foundation with my wife Eva to support the environmental initiatives of Soneva and to have influence on a global scale. We focus on the development of environmental projects that reduce carbon emissions at the same time as addressing deeper social and environmental challenges. The Soneva Foundation uses impact investing principles, seeking to recover outlays through carbon finance and
social enterprise, which are in turn fed back into projects to help extend reach and benefits to more families.

In 2008, we introduced an environmental levy of 2% of room revenue, a pioneering initiative in the hospitality industry. Our environmental levy compensates for unavoidable CO₂ emissions at the same time as improving the lives of families trapped in energy poverty. So far we have improved the lives of 270,000 people”.

2.6.2.4 Influencing Others

At Soneva, we strive to provide a blueprint for the hospitality industry. We founded the SLOW LIFE Symposium as a means to have influence beyond our own networks and beyond our own industry. We have convened some of the world’s greatest minds across science, business, philanthropy and policy to brainstorm new solutions to environmental and social problems. Described by one of our participants as a “laboratory of intent”, the event provides these leaders with the time and space to address the worst challenges threatening our incredible natural environment, and create tangible, collaborative solutions.

The Symposium has delivered real results.

For example, at the 2013 Symposium, it was discussed that only a dozen companies control the majority of the major sea-stock, hence if one could get them to focus on sustainability, one would change a whole industry. Two years later, ten of the biggest seafood companies met at Soneva Fushi and committed to lead a global transformation towards sustainable seafood production and a healthy ocean. As a result, the Seafood Business for Ocean Stewardship (SeaBOS) was formed.
These examples of SLOW LIFE Symposium initiatives give an insight into what we can achieve. In Sonu’s own words: “The private sector has a huge role to play in the solutions agenda and we assume this responsibility as totally central to our core purpose. Corporations should look back to the history books and remember that having a purpose should be central to their mandate—and that this contribution should be measured and valued as robustly as any financial returns”.

Appendix 1—Scarcity, Uniqueness and Exclusivity

1. **Luxury is based on objective rarity, but we know that natural resource scarcity is a concern so, could a luxury brand be considered as such if it inefficiently uses natural resources? How should it balance this issue with its survival?**

**JEWELLER:**
That is how some operate now. In the future customers will want to know that their luxury products were produced sustainably and responsibly.

**SUSTAINABILITY OFFICER IN HOTEL SECTOR:**
Unfortunately yes as it is based on perceived rarity. Having said that a luxury brand should consider sustainability as often the most sustainable option is the most luxurious. It is for sure important to balance the use of natural resources efficiently.

**DESIGNER 1:**
I believe that, as industry leaders, luxury brands need to be sustainable and support creative processes that preserve our natural resources at all times. I think that retail price alone is not enough to regard a “luxury” brand as such. In my opinion, luxury should also include the development and processes employed to produce clothes and accessories. Of course, a serious, responsible, top-quality process may—but not necessarily—result in a luxury product.

**SUSTAINABILITY OFFICER IN AN NGO:**
No, a luxury brand cannot be considered as such if it inefficiently uses natural resources. Treating these resources as precious and rare through conservation and regeneration are at the heart of the luxury promise. Anything else would be inauthentic and short-termed.

**SHAREHOLDER IN THE HOTEL SECTOR:**
In our case, being in the service business (responsible and sustainable tourism) and providing unique experiences in Nature, we think we add value by allowing guests to reconnect with their very essence through high quality of service, healthy organic food, activities in close connection with nature and animals, allowing them to be more conscious and part of what they are experiencing. Making responsible choices in every level of what we build, use and offer, we create through the experience a better awareness in every level, thus fostering sustainability. So not only can it survive as a product, but it can foster further sustainability and healthy habits.

**ACADEMIC 1:**
I don’t see this as an issue. Wood, energy etc. are all natural resources but the key is how to ensure sustainability/responsibility.

SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
I think so. Of course a brand might be considered a luxury brand without using natural resources efficiently. In this case it would be a non-sustainable luxury brand which is most likely the case in most of today luxury brands.

ACADEMIC 2:
I wonder if luxury could disentangle from resource use and focus more on added value from high qualitative skills. That luxury is about turning things of more abundance into a more complete experience. So for example sustainable fine dining is about using local abundant resources that would never be used; or for example using cheaper cuts of meats where the crafts added to it is the luxury aspect.

CONSULTANT:
Every business has a responsibility to our environment and to nurturing a stronger circularity of the industries they operate in.

DESIGNER 2:
To me luxury is not something about rarity as it is about craftsmanship. The idea of luxury has mutated away from its original meaning…now it just means expensive. There is nothing luxurious about something that is mass produced and can be found in every upscale neighbourhood around the world. Luxury should be about individualism and hand-crafted talents and skills being highlighted.

2. For biodiversity-based products, should a luxury brand adhere to ethical principles? And why?

JEWELLER:
The issue for the luxury brands is whether their customer base cares about ethics. We are at the beginning of the ethical change in Luxury products and its moving fast. In 10–15 years ethical principles will be the norm.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Yes, any brand should adhere to ethical principles and operate sustainably.

DESIGNER 1:
Well, yes and of course. As luxury brands can charge for all their work processes, they can offer fair wages and good working conditions, while protecting the environment. I believe there is not such a thing as luxury without ethics.

SUSTAINABILITY OFFICER IN AN NGO:
Of course. See above.

SHAREHOLDER IN THE HOTEL SECTOR:
Definitely yes. We have ample examples on how unethical choices affect nature, communities, economies and impact negatively not only on the species with which we share our planet and its biodiversity but also on climate change leading us to more social unrest, instability, migrations, terrorism, violence, and so on, jeopardising our very existence as a species.

ACADEMIC 1:
YES. Non-luxury brands are driving innovation. Luxury brands need to be at the forefront of innovation and responsibility.
SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
To me, the answer is obviously “Yes.” But I believe that there are quite a lot of luxury market executives that do not agree with me. It is not easy to standardise ethical principles as they relate to personal opinions. What one person considers to be ethical may be unethical for another person. In my case, I believe that a biodiversity-based product should be sustainably harvested and handled, so that natural resources will still exist in the next decades and centuries.

ACADEMIC 2:
Part of every luxury experience is the overall narrative! This product was produced in a particular way. An ethical story adds to the value. On the other side consumption in indigenous society has always connected all consumption to ethical values. Praying to the spirits and asking for permission to hunt just as much as needed.

CONSULTANT:
Yes, absolutely. It should not even be a question of why.

DESIGNER 2:
Absolutely. Luxury brands in the future will be judged by how ethical and eco-friendly their practices are.

3. **Are uniqueness and speciality in luxury consumers and potential consumers related to personal sensitivities and values? For example?**

JEWELLER:
Yes, but only in Europe and the USA at the moment. The countries where consumerism is just starting are behind on the ethical curve.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Yes, it very much depends on what consumers are used to. For people living in cities, having space, fresh air and fresh ingredients may be a luxury, whereas for someone living in the countryside this maybe what they experience daily.

DESIGNER 1:
In our case, our brand works with groups of artisans and part of our principles include fair payment for their work and craftswomen’s participation in the design processes, teaming up with us. They are not regarded as “maquilas.” We use as many natural fibres as possible, and we intend to preserve Mexican trades and traditions.

SUSTAINABILITY OFFICER IN AN NGO:
Sorry, I don’t understand the question…

SHAREHOLDER IN THE HOTEL SECTOR:
I think they are, although sometimes it is also a matter of following a fashion or trend. But even then, it helps and co-creates awareness and consciousness by being exposed to deeper knowledge.

ACADEMIC 1:
Individualism does play a role in some societies (uniqueness) but the need to differentiate versus other reference groups is also of relevance.

SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
(I’m sorry, but I don’t understand the question).
ACADEMIC 2:
When it comes to dining and particular fine dining these are very important aspects that are not just preferences but also the overall value and ethics of the dining experience. We can see that in Sweden, for example, fine dining is moving towards closer connections to the chef himself who should ideally be seen and serving the consumer. In this way the distinction between kitchen and dining room is partly being dissolved where consumers could either have a chef’s table or you open up the kitchen and let consumers sit in it.
CONSULTANT:
Uniqueness may be related to the value of craft, to the value of time in the making.
DESIGNER 2:
True luxury is highly individualised hand-crafted quality.

4. Environmental issues and the product journey to consumption is one of millennials’ greatest concerns, which has, in turn, a great sales potential of the sector. Luxury will have to make its chain transparent and justify the use of environmental resources. Should it communicate so? How?

JEWELLER:
Marks and Spencer are already totally transparent…so is Nike. It should be communicated on website and social media, it’s about the consumer trusting the brand, it happened in Food 10 years ago.
SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Legislation may not require it, but it should be communicated. It should be communicated in how the product is as well as via social media and other media channels.
SUSTAINABILITY OFFICER IN AN NGO:
People are more and more interested in where products and materials come from. Luxury has great stories to tell and should leverage this.
SHAREHOLDER IN THE HOTEL SECTOR:
Transparency is the trend and although we are still far from a complete disclosure, society asks more and more for this kind of information. Of course it all depends on which part of the world we are and the personal knowledge, but I think we are in a positive trend.
ACADEMIC 1:
YES via green/ethical luxury product development e.g., Baume.
ACADEMIC 2:
This has been put into fine dining practice all over the world—it is important to state where the product comes from and locally sourced products are seen as something sustainable and valuable. When people can see that this is communicated in different ways but mostly also through the actual menu which states the source of the ingredients.
DESIGNER 2:
I believe many luxury brands need to rebuild their brands from the ground up—relying on pretty pictures and emotional manipulation will no longer work. Supply
chain transparency and careful use or even beneficial use of the raw materials is the key. It should be part of the brand’s DNA.

Appendix 2—Excellent Quality and *Savoir Fair*

1. **Is it possible for a luxury brand to reflect its history and origins through transparency and respect? How?**

JEWELLER:
Telling the story and getting the message across in a non-threatening way is the greatest challenge. Customers want to know what you are doing without being preached at. Quality visuals are essential.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Yes, being open and transparent is positive. It is human to make mistakes and as long as you learn from it and improve, it is fine. Often you can get great ideas from external parties if you are transparent. Luxury brands should share their sustainable journey via visits, social media and web-site.

DESIGNER 1:
By reflecting its history, a brand gains credibility. At least for us, it is important to share our history. But this is a very personal opinion; every brand has its own way to advertise, showcase and protect itself.

SUSTAINABILITY OFFICER IN AN NGO:
These principles seem to be related and to fit together nicely.

SHAREHOLDER IN THE HOTEL SECTOR:
By sharing its history, resources and activities.

ACADEMIC 1:
YES via storytelling.

SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
Sure, simply trying to tell the story of its origins so that you are culturally sensitive and honest.

ACADEMIC 2:
Luxury food brands have increasingly become divided between high prices based around brand value or high prices based around more sustainable production codes and craftsmanship. It is interesting to see if larger luxury brands can adapt to a more back to basic luxury understanding of locally produced, sourced and consumed chain.

CONSULTANT:
Yes, absolutely. Link it to new product launches. Link it to experience ms.

DESIGNER 2:
I think consumers are increasingly aware of the destructive practices of the fashion industry and will start asking uncomfortable questions. In every aspect of their work—they need to communicate through social media and advertising how they are different than the status quo.
2. The luxury universe enables to manufacture without times and to use select raw materials. This is a great opportunity to think out of the box, recover and promote cultural, local and our own aspects. Do you think that the luxury universe will be increasing the value of these aspects? How?

JEWELLER: Possibly but remember this will become the norm...increasing the value will be all about design and creativity...the fact that you are ethical does not translate into making more money. The drivers for price are quality, choice and design.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR: Yes, if you can. Your product should add benefits beyond simply financial terms, create good PR, and may also add customer loyalty.

SUSTAINABILITY OFFICER IN AN NGO: Yes, it can be a strong differentiator. At the same time, the industry is modernising and can consider how to incorporate narratives on technology into the traditional narratives on craftsmanship.

SHAREHOLDER IN THE HOTEL SECTOR: Yes, in many cases where there is manufacturing. It is not our case, although we do help marketing manufactures from native people that do work in a sustainable way. This allows them to have a better income, improving their quality of life.

ACADEMIC 1: YES, via collaborations with local/niche designers (e.g., Indian designers).

ACADEMIC 2: I think that an overall luxury frame should be used to all consumption that humans do. I refer to Daly’s thoughts around that we need to consume far less but far better. So we need to replace quantity with quality. I think that sustainable luxury is an important way to achieve this as this will signal a new change of values even among elites. Moreover, the internet, new payment methods will open local luxury producers to a world of consumers. You can now order luxury chocolates from small producers in Scotland or Japan.

CONSULTANT: Yes.

DESIGNER 2: Yes.

3. The focus on craftsmanship and nuances of details differentiates a luxury product. In this connection, how can the luxury universe preserve ancestral forms of product creation and manufacture?

JEWELLER: Handmade is rare ... it is all about quality.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR: Use of local techniques and labour forces.

DESIGNER: Being responsible in doing it.
The Basic Aspects of Luxury and Its Relations …

SUSTAINABILITY OFFICER IN AN NGO:
Through apprenticeship and research.

SHAREHOLDER IN THE HOTEL SECTOR:
Like you say, promoting all the craftsmanship of native communities. We at Peuma Hue have crafts from all over the world as decoration, and we periodically bring in a native community to sell their crafts to our guests, together with opening awareness of what is happening in our region and how guests can help.

ACADEMIC 1:
Storytelling and Brand Origin.

ACADEMIC 2:
Yes.

DESIGNER 2:
Work with artisans.

4. The industrial production model promotes massification; however, there is an increasing number of projects that arise out of the intention to preserve cultures and craftsmanship, and to propose different definitions of beauty. How can luxury, with its implied excellence, promote new ways of beauty and safeguard craftsmanship?

JEWELLER:
That’s what Michael Kors did and it was a race to the bottom of the mass market…exclusive is limited.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Embrace local craftsmanship.

SUSTAINABILITY OFFICER IN AN NGO:
See above.

SHAREHOLDER IN THE HOTEL SECTOR:
I think you just answered your question. By promoting craftsmanship and preserving cultures acting as intermediates between clients and those cultures, assisting them in sales and educating people about their wisdom and world view, thus helping them to improve their quality of life without changing, but preserving their culture.

ACADEMIC 1:
Brand architecture (brand stretching) provides an opportunity to ensure greater differentiation.

ACADEMIC 2:
To some degree massification have undermined the concept of luxury as personal relationships where people could interact with tailors and designers. We have also seen technology become more attainable for smaller producers. Craftsmanship is also about turning something rather modest into something extraordinary.

DESIGNER 2:
Don’t be exploitive of the craftsman and artisans and work with them instead of stealing designs from them and getting them made in a factory.
Appendix 3—Innovation

1. **Luxury suggests the highest creativity without any type of restriction.** With the current global scenario of economic turmoil, combined with social and environmental issues, will the luxury universe adjust to certain restrictions resulting from sustainable parameters? In your opinion, what would be the most urgent restrictions?

JEWELLER:
If their customers start caring about it then they will vote with their wallet, and the luxury companies will change very quickly.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
There will be more and more restrictions and legislation around sustainable parameters. The most urgent ones are energy usage (moving towards renewable energy and reduce carbon emissions), lower resource use (less impact on biodiversity, land use, chemical use), fresh water use and waste production (choice of materials and packaging).

DESIGNER 1:
While it is not entirely regarded as “art,” fashion is an art that can be replicated and, in this sense, it should never be limited. Restrictions? I would say the materials. Most importantly, they should not pollute our planet. As to labour, I think that, in our case, collaborators should be included in the creative processes. They are not “talacha,” but creative people who, in addition to producing, should play an important role in the process. Labour should be skilled and well-paid.

SUSTAINABILITY OFFICER IN AN NGO:
It’s important to position this as an opportunity, not a restriction. Restrictions are around availability of sustainably sourced materials…

SHAREHOLDER IN THE HOTEL SECTOR:
Yes. Energy consumption and type of energy source (clean and renewable) is one of the main issues to be taken into consideration vis a vis climate change. Use of natural resources, use of agrochemicals, garbage management, water management too.

ACADEMIC 1:
I believe there will be a shift away from environmental to moral concerns e.g., MeToo, Trump etc.

SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
I think so. All the people who are part of any industry or market are responsible for trying to turn their business sustainable, even the luxury market. This is the responsibility of every person living in the twenty-first century. I don’t really know for sure what the most urgent restrictions would be. Everything seems to be urgent, but what are the most urgent restrictions, according to scientists? Some say carbon emissions and climate change; others say water shortage and pollution; others, food safety, while others, mention the use of plastic. Please let me know when there is consensus on this. While I also work in the field of ecology and environment, I am not a scientist. To a certain extent, we depend on scientists to get information on this type of questions.
ACADEMIC 2:
I see luxury being more local so that you will focus once again on what makes the difference—I can see for example that we have gone from having national bakery being more and more replaced with small sustainable luxury bakeries. This becomes attractive not just for consumers but also for the whole baker profession who relearns old skills and innovates new ones.

DESIGNER 2:
Reduction of man-made materials—particularly petroleum and chemical based fabrics.

2. Is disruptive innovation a key element to meet the current and future generations’ needs?

JEWELLER:
Yes... Lab Grown Diamonds are a great example.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Absolutely, we need to substantially change the way business is done. Business as usual will lead to disaster.

SUSTAINABILITY OFFICER IN AN NGO:
Yes, in business models, materials, etc.

SHAREHOLDER IN THE HOTEL SECTOR:
Not necessarily. It depends on the resources it uses and how. Being a disruptive innovator can help as long as it benefits the environment, community and local economy.

ACADEMIC 1:
YES. This is what consumers expect. Think of high expectations associated with new Apple launches!

ACADEMIC 2:
I think disruptive innovation has happened as we moved away from buying products in one way. A disruptive innovation has been to send people boxes of high quality ingredients for predetermined recipes. People do not have to shop or think about what to cook—you remove the need to go the supermarket. Imagine then that these boxes are supplied to the consumers in a sustainable way.

DESIGNER 2:
Yes.

Appendix 4—Very High Price

1. Price is a luxury attribute. Faced with the economic crisis and social inequalities, what aspects should luxury firms start to make transparent and visible so as to not foster social inequality?
JEWELLER:
They can’t have the best of all worlds… by definition high priced luxury goods are only available to the top % of the population… otherwise they become standard products.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Environmental performance, human resource practices and social contributions.

DESIGNER 1:
I don’t think that luxury brands are responsible for this.

SUSTAINABILITY OFFICER IN AN NGO:
There needs to be the right value in high pricing. Brands can, for example, ask for a price premium because they have worked to make supply chains equitable, transparent and sustainable.

SHAREHOLDER IN THE HOTEL SECTOR:
Who and what you are benefitting and why. What is your environmental, social and economic impact around you.

ACADEMIC 1:
Luxury is about scarcity and exclusivity. However transparency regarding the supply chain could help to demonstrate responsibility.

SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
To be transparent without totally killing the mystery behind the product.

ACADEMIC 2:
I think we need overall go from buying a lot to buying far less. One way here is to increase the quality of products but also how they are produced, such as employment standards. At some point the social and environmental concerns will have to lead to lesser profits, higher prices and also a transfer from quantity to quality.

DESIGNER 2:
Use those extra profits to give back to the people who make the goods.

2. Should luxury brands show sympathy and build empathy?

JEWELLER:
If they care how their customers view them…doing it for no reason at all seems to be a bit pointless

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Yes.

DESIGNER 1:
Don’t see why not.

SUSTAINABILITY OFFICER IN AN NGO:
Yes, part of today’s zeitgeist.

SHAREHOLDER IN THE HOTEL SECTOR:
Definitely so!!

ACADEMIC 1:
YES. Do not become a victim of Brand Hate! (see Bryson et al.)

SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
Yes.
ACADEMIC 2:
Yes—see above.
DESIGNER:
Yes.

3. **Is price enough to perceive uniqueness and exclusivity today?**

JEWELLER:
No…quality and design are the key.
SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
No, the product needs to be special.
SUSTAINABILITY OFFICER IN AN NGO:
For some, but there are new values intermixing with the old.
SHAREHOLDER IN THE HOTEL SECTOR:
No. Although some people still think like that and do look for that exclusivity that has no further positive social, environmental and economic benefit, and impact on others
ACADEMIC 1:
No. Justification for high price is needed.
SHAREHOLDER IN A LUXURY CHOCOLATE COMPANY:
It depends.
ACADEMIC 2:
Price is not as important as luxury fine dining could be in all price scales. At some point, it is about linking products to personal relations, which used to be the standards. You knew your tailor, butcher, and so on. Building the personal relationship and unique experience will be paramount in a time that has been based around distant mass-production and ad campaigns.
DESIGNER 2:
No.

**Appendix 5—Belongings, Culture and Legacy**

1. **Can the luxury industry afford to generate mystery where the society claims for transparency? What would that mystery be? Will they rather be myths and no longer mysteries?**

JEWELLER:
Why hide anything if everything is being done well…Mystery and opaqueness are usually a sign of corruption.
SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
You can create mystery about the product, yet being transparent about the way it is produced and what materials are used.
DESIGNER:
Well, you cannot ask artists how they do their work. Everybody has their own secrets.
SUSTAINABILITY OFFICER IN AN NGO:
There needs to be the right balance between dream and transparency…
SHAREHOLDER IN THE HOTEL SECTOR:
There is no way that mystery will disappear. Human mind and heart cannot grasp the infinite depth of reality. We can learn more and more, but the complexity of Life and Universe are fathomless. Transparency is needed to improve ethics and knowledge but they will never replace mystery. Myths are a different approach to mystery and open a different kind of door than reason and feeling, but again, they do not replace mystery.
ACADEMIC 1:
The answer is storytelling!
ACADEMIC 2:
The question here is industry: do we mean here industrial companies such as Chanel or do we imply a local chocolate producer in Scotland? When it comes to production means and craftsmanship the former will not imply that mystery anymore.
DESIGNER:
Mystery is only about creatively using the materials…it’s just about the design process…everything else should be open.

2. If luxury could generate mysteries while reflecting its history and origins promoting transparency and respect, how would mystery be generated?

JEWELLER:
With difficulty.
DESIGNER:
Well, that is the point. How mystery arises is like the secrets of a chef: they will never be revealed. And this should not be questioned.
SUSTAINABILITY OFFICER IN AN NGO:
Not sure…
SHAREHOLDER IN THE HOTEL SECTOR:
I don’t think we generate mystery. We might open curiosity to mystery by alluding to it with myths, stories, feelings, connections, practices, religions, readings and so on.
ACADEMIC 1:
Again, storytelling!
ACADEMIC 2:
I think mystery will be down to smaller producers and providers that are not owned by large international corporations.
DESIGNER:
Why does it need to be there? If you are not trying to fool the public (as they have done for decades) then what’s the need?
3. **Historically speaking, luxury has been associated to the need of belonging. The product was the means to belong to a certain group. In the age of sustainability, the individual is believed to stop pretending and to start “being”, being increasingly authentic. Faced with this need for being, and with the current social crisis, should luxury brands guide individuals towards their being, through purposes beyond their products, enabling consumers to dream about the possibility of a better future? How could they do so?**

**JEWELLER:**
We have always been tribal…in the age of social media and a smaller world we are just in a position to choose which tribe and for how long…it would be like herding Cats.

**SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:**
Natural, healthy products are often rare, hence, they are luxurious. Focus on the quality of nature is a way to do so.

**SUSTAINABILITY OFFICER IN AN NGO:**
Yes, this will fit many consumers (but not all!)… They can do this through communication and engagement on relevant environmental, product and social issues. Always in an on-brand way.

**SHAREHOLDER IN THE HOTEL SECTOR:**
Yes, I completely agree. There is a growing awareness of what you mention in all areas of society, including sustainable luxury. And it is a personal choice to follow that path and foster its awareness through whatever we do.

**ACADEMIC 1:**
This depends on the desired positioning of the brand….

**ACADEMIC 2:**
Yes.

**DESIGNER:**
Be aspirational and believe your works allow for a better future to begin with. Inauthenticity and/or lies will not work.

4. **In view of massification and loss of cultures… can cultural diversity be considered a luxury? Can culture and authenticity be the root of a project subscribed in the luxury universe? Why?**

**JEWELLER:**
No… What you are suggesting is mass market thinking.

**SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:**
It can be a luxury.

**DESIGNER:**
Yes.

**SUSTAINABILITY OFFICER IN AN NGO:**
Yes, if other conditions are met (i.e. precious materials, design, etc.)

**SHAREHOLDER IN THE HOTEL SECTOR:**
I don’t think cultural diversity is a luxury but a fact that needs to be preserved. And sustainable luxury is one means to do so, fostering closer connection with clients, nature, cultures and awareness.

ACADEMIC 1:
Culture is driving traditional luxury but the likes of Jeff Koons shows that diversity of culture has a modern and contemporary meaning.

ACADEMIC 2:
I think luxury could and needs to be developed to a much richer and social understanding of consumption. We need to change our consumption from quantity towards quality. Every consumption needs to be understood as a luxury. As we use the resources of the earth it needs to be justified.

DESIGNER:
Yes…as long as brands do just steal ideas from other cultures.

5. **Luxury legitimacy in extreme poverty and inequality environments is somehow questioned. Should the luxury industry start to look for supporting purposes? In your opinion, what would these purposes be?**

JEWELLER:
No-one minds luxury brands if they do not exploit anything or anyone…build beautiful products in a kind and responsible way.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Not necessarily, but it is always good to generate positive impact, such as employment.

SUSTAINABILITY OFFICER IN AN NGO:
Yes, please see Disrupting Luxury report.

SHAREHOLDER IN THE HOTEL SECTOR:
Inequality is basically wrong and unjust. Equal rights, education, health and equal opportunities should be the goal for humanity and addressed by all social actors, including luxury. History has been evolving and people in extreme poverty are now fewer in terms of percentage that what used to be, which doesn’t mean that we can drop the effort. Distribution of wealth needs to be improved and one way is fostering awareness among those that have the most. Supporting this through sustainable luxury adds to the effort.

ACADEMIC 1:
Via the supply chain!

ACADEMIC 2:
Local luxury production could skill people instead of deskilling them as in mass production. Also there is potential for higher prices that could lead to better wages.

DESIGNER:
Work with the people who make the brands…instead of giving their kids shoes, pay them well enough so they can buy their kids whatever shoes they want.
6. **Luxury brands should recover the guarantee of value and integrity they had in the past. Should they guide consumers proposing different horizons that would enable to transcend in time and write history?**

JEWELLER:
No… In my experience do not patronise clever people.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Yes, luxury brands should make it easy for people to choose sustainable.

DESIGNER:
Yes.

SUSTAINABILITY OFFICER IN AN NGO:
Not sure to understand the question.

SHAREHOLDER IN THE HOTEL SECTOR:
Definitely, YES!

ACADEMIC 1:
It depends if the brand is a heritage brand….

ACADEMIC 2:
I think sustainable luxury could be something that counteracts deskilling and negative aspects of unsustainable global mass production as it guides as a new ethos for understanding the true value of consumption.

CONSULTANT:
Yes.

DESIGNER:
Not sure I understand the question.

7. **How could a legacy that contributes to the brand’s intangible value be created?**

JEWELLER:
Social action projects that change communities speak volumes about an organisation.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
Focus on quality, consistency and sustainability.

DESIGNER:
With information about brands and their processes.

SUSTAINABILITY OFFICER IN AN NGO:
If a brand can use complimentary business and philanthropic strategies to address its environmental and social impacts.

SHAREHOLDER IN THE HOTEL SECTOR:
Through personal experience. In our case, what is intangible about Peuma Hue cannot be well described. It is experiences and through word of mouth and its cyber equivalents, promoted. Of course marketing and images help, but nothing is as important as the experience itself to my understanding. Maybe I’m wrong.
ACADEMIC 1:
Via elements which are difficult or impossible to imitate.

ACADEMIC 2:
Maybe we will rethink the value of brands as often they have been there to compensate for lack of craftsmanship and true understanding of quality.

DESIGNER:
Not sure.

8. **Luxury brands present themselves selling dreams and they should guide consumers, showing them the way. How can they keep that dream and the ability to dream at times of crisis? So should they have to propose new horizons presenting alternatives to inequality and resource scarcity?**

JEWELLER:
It’s about integrity no matter what the economic climate is… People follow companies whose DNA is the same as theirs.

SUSTAINABILITY OFFICER IN THE HOTEL SECTOR:
They should focus on sustainable use of resources.

SUSTAINABILITY OFFICER IN AN NGO:
Yes, that is one strong way!

SHAREHOLDER IN THE HOTEL SECTOR:
This is a very difficult question. In our case, our country’s difficult economic, political and ethical crisis does not help to support a business like ours. So the economic aspect of our operation at Peuma Hue is really challenging. Even so we continue and we keep adding value by our commitment to sustainability. Now we are in the process of building a small hydroelectric plant to be able to be self-sustainable with clean and renewable energy without impacting negatively on the environment and preserving the water sources. The way we faced this, howling pipes up a mountain by hand without cutting any trees, not only increased costs but made it an unreasonable long process. Without enough economic resources it is only through our commitment to a cause that we are still here; having to adjust that implied, in many ways, an open mind, changes, new creative ideas and a lot of team support.

ACADEMIC 1:
Consumers are expecting luxury brands to find solutions but personal dreams are inner-driven.

ACADEMIC 2:
I think that sustainable luxury should be more about reality—about actual quality and craftsmanship rather than an consciousness consumption of something that is as badly produced as something cheaper. Should a luxury brand only be luxury in relation to price and social stratification without any links to the skills, craftsmanship and history of top-quality products?

DESIGNER:
They should be sincere about creating positive change in the world.
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Chapter 3  
Fonderie 47 Case

3.1 The Company

3.1.1 New Life for Old Guns

The name Fonderie 47 is made up of two components: Fonderie, the place where the transformation takes place, and 47, the year when the weapon was launched to the market. The vision of the company is Africa free from the fear of assault rifles. Today, millions of assault rifles plague Africa. Responsible for countless deaths, they enable and exacerbate violence against women and children, cause misallocation of resources and prevent economic growth. Global and local leadership must be fostered and inspired to address the presence and use of these weapons.

The AK-47 (Avtomat Kalashnikova) type assault rifle is the origin of Fonderie 47 pieces. A brand formed in 2009 to turn assault rifles into jewellery and accessories, under the stated aim of reducing the number and impact of assault rifles and other small arms. Figures 3.1, 3.2a, b and 3.3 show part of the AK-47 transformation process.2

3.1.2 The Founder

When bothered by vexing social issues, most of us write a cheque to a charity or put in a few volunteer hours. Social entrepreneur Peter Thum (Fig. 3.4), on the other hand, launches a business. So, Peter is a recognised pioneer in social enterprise. He came up with the concept of connecting consumption with a related cause. He founded

1AK-47, is a gas-operated, 7.62 × 39 mm assault rifle, developed in the Soviet Union by Mikhail Kalashnikov. It is the originating firearm of the Kalashnikov rifle (or “AK”) family.

2This case has a limiting factor: there is no explanation about the transformation processes.
and was president of Ethos Water,\textsuperscript{3} which was acquired by Starbucks in 2005 for

\textsuperscript{3}Ethos Water, actually a Starbucks subsidiary, is a brand of bottled water with a social mission of "helping children get clean water". Ethos began in 2001 when Peter Thum had the idea after working in communities in South Africa that lacked access to clean water. Thum, who was working as consultant for McKinsey & Company at the time, realised the potential to create a bottled water brand to raise awareness and funding for safe water programmes. The idea became an obsession for Thum, and he wrote the business plan for Ethos, left McKinsey, and moved to New York in early 2002 to start the venture.
Fig. 3.3  AK-47 transformation. Courtesy of Fonderie 47. Published with Fonderie 47’s authorisation.

Fig. 3.4  Peter Thum
Courtesy of Fonderie 47.
Published with Fonderie 47’s authorisation.
USD8 million. Ethos has granted over USD14 million to provide water, sanitation and hygiene education to more than half a million people worldwide.

When Thum was in Africa visiting some of the projects Ethos funded, he encountered young men and boys armed with assault rifles. He recalled it as a frightening experience, which also started him thinking about how the widespread conflict and the region’s fixation with illegal weapons could affect Ethos’s efforts. The logical solution seemed to be finding a way to reduce the supply of guns available, especially the popular AK-47s. So, Peter founded and is CEO of Fonderie 47. The company transform illegal guns into jewellery, accessories and art. Figure 3.5 shows Peter with

![Peter Thum with an AK-47 rifle. Courtesy of Fonderie 47. Published with Fonderie 47s authorisation](image)

Thum recruited his business school classmate Jonathan Greenblatt to join Ethos in late 2002. They launched operations as a bottled water company in August 2003 and also formed an organisation called Ethos International to invest funds from the business in safe water programmes.

*Liberty United*—founded in 2013 by Peter—works in the USA. Its programmes have helped protect and educate more than 3200 at-risk children in dangerous neighbourhoods from gun violence because while even a cheap gun represented a significant investment for someone in Africa, a new gun in the USA might cost less than an iPhone. Visit: [https://libertyunited.com/](https://libertyunited.com/).
an AK-47 assault rifle. Fonderie 47 has destroyed over 71,000 assault rifles in African war zones. Thum also founded and is president of not-for-profit Giving Water, which has provided water and sanitation to over 6000 schoolchildren in Kenya.

Thum has served as a director and advisor on multiple boards, including: The Starbucks Foundation; USA for The UN High Commissioner for Human Rights; The Center for the Study of Human Rights at Claremont McKenna College; FEED Projects; and The Fund for Global Human Rights. The Tribeca Film Festival and the Disruptor Foundation awarded Thum “The Disruptive Innovation Award”. He received the “For the Love of Children” award from Children’s Home and Aid of Illinois. He has been featured in advertising campaigns for UBS, AT Cross and Levi Strauss. Early in his career, he was a consultant at McKinsey & Company and a manager at Gallo Winery. He earned his MBA from Northwestern University and BA from Claremont McKenna College.

### 3.1.3 “The Phoenix” Collection

According to its creator—James Claude Taffin from Givenchy—“The Phoenix Collection, with the egg form as its foundation, is whimsical and optimistic. It embodies rebirth and thus is revolutionary in the proper sense of the word. The underlying meaning gives the objects a specific identity. I want the wearer to feel all the different fates given to our human destiny and know how they are agents of the noblest of these”.

#### 3.1.3.1 The Designer

James Claude Taffin de Givenchy was born and raised in France. Givenchy grew up in Beauvais, a small town in the suburbs of Paris where the Parums de Givenchy had its factory and where his father Jean-Claude Taffin de Givenchy and Uncle Hubert James Taffin de Givenchy, the renowned fashion designer, were born. James is one of seven children.

Givenchy moved to New York in the early 1980s. With a degree in fine arts, he went on to study graphic design at Manhattan’s Fashion Institute of Technology and subsequently led jewellery efforts at Christie’s and Verdura. He founded his own jewellery concern in Manhattan in 1996.

Givenchy’s designs are sculptural with a special emphasis on fine craftsmanship, and his inventive style lends each piece a sense of whimsy and adventure. His pieces almost always are one of a kind.
3.1.3.2 The Three Pieces

We will take three pieces from “The Phoenix” collection: the Cuff, the Sheath Earrings and the Ring, which will be described below.

Cuff
Bracelet made in Fonderie 47 steel, diamond and 18k rose gold (see Figs. 3.6, 3.7 and 3.8). The piece—only made to order and customised—bears the serial number of the AK-47 from which the steel was wrought. The price tag of each piece is USD70000, which helps destroy three hundred assault rifles in Africa.

Sheath Earrings
Earrings made of Fonderie 47 steel, diamond and 18k rose gold (see Figs. 3.9, 3.10)

Fig. 3.6 Cuff (design sketch). Courtesy of Fonderie 47. Published with Fonderie 47’s authorisation

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5Delivery typically takes 8–12 weeks from order.
3.1 The Company

Fig. 3.7 Cuff (finished product). Courtesy of Fonderie 47. Published with Fonderie 47's authorisation

Fig. 3.8 Cuff (detail). Courtesy of Fonderie 47. Published with Fonderie 47's authorisation
and 3.11a, b). The pair bears the serial number of the AK-47 from which the steel was wrought. The brand has these pieces in stock for a tag price of USD35000, which help destroy one hundred seventy assault rifles in Africa.

**Ring**

Ring made of Fonderie 47 steel, diamond and 18 k rose gold made at customer’s request and personalised—are bears the serial number of the AK-47 from which the steel was wrought (see Figs. 3.12, 3.13 and 3.14). A USD 15,000 tag prices allow the destruction of seventy-five assault rifles in Africa.

### 3.1.4 About the Aspects of Luxury

Fonderie 47 is a luxury brand that breaks the traditional parameters of luxury jewellery, with a proposal that differs from that of other brands in this industry. From the beginning, it is aligned with and committed to a strong social cause that tries to transform. Moreover, the brand top quality and beauty—which are closely related to its mission—are worthy of mention, and this particular case is not just about product beauty, but about the project, the ideal, the mission pursued by this brand. While product creation takes time, the brand offers timeless jewels that can be passed down from generation to generation. While consumers’ perception of luxury is subjective, all the above attributes translate into high price, which keeps the social mission “alive” and turns Fonderie 47 into a luxury brand.

In connection with product exclusivity, we could say that this distinctive social proposal makes Fonderie 47 a one-in-a-kind brand. Moreover, no other luxury brand is aligned with a mission just like Fonderie 47 intended to free young people in African communities from AK-47 assault rifles. This brand uniqueness also appears in all its handcrafted products, which are all different from each other. This truly conveys the brand singularity. Moreover, since the brand works with designers and craftsmen who have ventured into the luxury universe, excellence is unquestionably guaranteed.

Luxury brands can bring customers closer to nature and social issues. In this case, Fonderie opens up opportunities to connect with other human realities and cultures, in an attempt to collaboratively transform a problem that would, otherwise, remain unaddressed. Peter Thum adds a sense to this, giving a voice to those who are usually in the shadows and bringing them to light. He shows quite opposing realities, engaging himself to lead change and raising customer awareness while giving them a chance to become change agents. While ethics is related to culture, this brand is in favour of life, thus going beyond cultures and adding value to a product that would, otherwise, not have the same purpose. Luxury reflects personal sensitivities and values which, undoubtedly, Fonderie 47 embodies, as it creates value based on the potential deep transformation of the issues identified.

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6Delivery takes 8–10 weeks from placement of order and sizing.
Fig. 3.9 Sheath earrings (design sketch). Courtesy of Fonderie 47. Published with Fonderie 47's authorisation.
Fig. 3.10  Sheath earrings (finished product). Courtesy of Fonderie 47. Published with Fonderie 47s authorisation.

Fig. 3.11  a Sheath Earrings (detail). Courtesy of Fonderie 47. Published with Fonderie 47s authorisation.  

In terms of quality excellence and savoir faire, both the designer and the craftsmen have unique wisdom. Design should begin with weapon “deconstruction”, which poses a huge challenge but evolves into a unique process. The “construction” process for a new product becomes the key to turn a weapon into a jewel.

While innovation is a key luxury attribute, in this case, the brand offers innovation not only in terms of business model—as it starts with raw materials recovered from war territories—but also in terms of products, which help combine craftsmanship
Fig. 3.12  Ring (design sketch). Courtesy of Fonderie 47. Published with Fonderie 47s authorisation

Fig. 3.13  Ring (finished product). Courtesy of Fonderie 47. Published with Fonderie 47s authorisation

Fig. 3.14  Ring (detail). Courtesy of Fonderie 47. Published with Fonderie 47s authorisation
and the corporate social mission to transform weapons into precious luxury objects. We could say that innovation and creativity are evident in the approach devised by the founder to solve the conflict he witnessed.

Fonderie is fully consistent with its founder’s values and, in this sense, Peter is—without question—an innovative social entrepreneur who aligns his way of doing business with the causes he is committed to, thus achieving a disruptive social transformation. Peter Thum takes a real problem and proposes a real solution: to take rifles off the streets and the hands of young people. No doubt this is an absolutely dramatic transformation. When the brand presents both story and product, it touches customers and helps them dream, not only of freeing young African boys from assault rifles, but also of a solution to other social issues. This is about Fonderie’s sense of belonging and legacy to set Africa free from AK-47s. This is a mission that teaches us about the ability to dream, and about our responsibility to work for peace which is, ultimately, a human right. This implies involvement and transformation. Focused on this purpose, it shows how much value a company can create, as well as brand social value and vision going forward. In line with this purpose, Fonderie recreates its universe, and we could even say that it is writing its own legend. This ability to truly build a legend while, in turn, creating the ability to dream of a better world, adds to the excellence of this company. On the one hand, Fonderie serves as a bridge between those who can make choices and purchases, and transform, and those who are the victims of a very different society; and, on the other, it is a source of “inspiration” for other entrepreneurs.

While the details about production processes are unknown, Peter Thum’s mission and legacy are so strong that they can transform the way of doing business in favour of more sustainable, responsible and socially involved models. This is how the brand shows Thum’s characteristic passion and connection to the need for transformation that he conveys, touching customers, while inspiring other entrepreneurs—and all of this should also be considered part of this brand’s legacy.
Chapter 4
Conclusions

4.1 Integrating Sustainability into the Basic Aspects of Luxury

In terms of exclusivity, the most luxurious products are currently the most sustainable ones. On the one hand, the use of limited materials and techniques typical of luxury is associated with rarity, uniqueness and specificity. On the other hand, this sector is accountable for ensuring responsible sourcing and use of resources, above all, with a focus on preservation, not only in terms of natural resources, but also in terms of social and cultural value, craftsmanship and production techniques. Along this line, luxury brands are built on craftsmanship, its creators and its savoir faire. Therefore, they can promote cultural diversity from the heart of their companies, in line with the ancient understanding of the sense of luxury which was close to local handicraft creators and production. All the above implies the ability to build a bridge between artisans and customers.

Luxury consumers find it very appealing when a luxury brand masters the art of storytelling starred by excellence and quality, savoir faire and the legacy of both the founders and the company itself. A sensitive, honest message helps the brand gain credibility and trust based on accurate and respectful communication.

Moreover, luxury companies try to make an efficient use of resources with a focus on innovation, avoiding both potentially polluting raw materials and energy. Innovation also gives them an opportunity to find solutions to the most pressing issues that we face today, such as climate change.

Creativity and innovation are two key tools to bring luxury closer to local production, as well as to create a distinctive competitive strategy. Thus, innovation helps push artisans and creators’ boundaries and takes technique to a higher level of excellence. Sustainable luxury artisans should participate in the creative process in order to enrich both the design and the creation process with their vision. Consumers are already looking for this type of companies that suggest new boundaries to value creation based on innovation.
Luxury brands should find a purpose, a cause to commit to and create value. While luxury is characterised by high price, it goes far beyond that: the keys are design, quality, creativity and innovation. In turn, by including a social or environmental purpose, they make contributions to the community and justify their high price.

Finally, luxury brands create desire. This translates into luxury consumers dreaming of a product long before they can have it. In this connection, brands should keep a balance between “dreams” and transparency—keeping the mystery precisely in this balance. Transparency is necessary to improve ethics, and mystery is related to both creativity and the design process, but not directly to the production method, materials and resources, nor the people involved in such production. The brand magic is determined by a creative design process, innovation and branding.

Luxury brands should recover the integrity they used to have and guide consumers by setting different horizons that would enable them to transcend in time and write history—a history of awareness, care, protection and human quality. For example, today, to preserve cultural diversity is as much a luxury as to implement creative and sustainable production processes.