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Case Study of UNIQLO; Sustainability in Fast Fashion and Consumers' Awareness

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Executive Summary

Sustainable Development Goals (SDGs) has been introduced by the UN to ensure the survival of human civilization through three aspects which are social, economy and environment. SDGs is implemented after the expiration of Millennium Development Goals (MDGs) in 2015 (THE 17 GOALS | Sustainable Development, 2021). The 17 goals of SDGs give significant roles to all three aspects by involving all country regardless of the economic status. Focusing on the environmental aspect, the environment has been severely impacted by the rapid growth of industries and technologies due to human use of resources and needs since the 1900s. One of the industries that is still growing is fashion and textile industry. Human population keeps on growing and it makes the demand of resources and needs higher including fashion and clothing especially when better technology keeps on developing. Fashion industry takes the opportunity to keep their customer engaged on buying attractive clothing hence the constantly changing trend and fashion styles which led to fast fashion, the production of lower quality but trendy mass products with lower price starting in 1990s (Peters, Li and Lenzen, 2021). Although it fulfils the customers' desire to keep updated on trend, the mass production harms the environment due to the increasing greenhouse gases emission and water consumption. Today, several number of fast fashion brands exist and keep on growing and competing with each other such as Zara, H&M, Benetton, UNIQLO and many other companies (Mrad, Majdalani, Cui and El Khansa, 2020; Peters et al., 2021). Due to the significant awareness of manufacturing industries to the phrase green production, fast fashion companies also had started their own efforts to reduce their impact on the environment. In this paper, UNIQLO, the subsidiary company of Fast Retailing is going to be focused on about their effort to reduce their impact on the environment. Fast Retailing's Annual Book Report 2020 and Sustainability Report 2021 were analyzed for their sustainability efforts and it was found that Fast Retailing has been constantly approaching towards sustainability through circular economic approach. They also have been actively finding new ways to be sustainable such as donating and recycling their used clothes. However, consumers' attitude about the environmental awareness in fashion also plays a role in sustaining the environment. Fashion companies should encourage their customers to play their part on choosing and donating their clothes since consumers need more than awareness to take action on sustaining the environment.

Background

Fashion industry is one of the growing industries which not only satisfies human needs but also has been growing to satisfy human creativity over time through fashion trends and styles especially when it also plays important role in boosting the image and confidence of famous figures and influential people (Mrad et al., 2020). Clothing does not just become a need to cover our body from but it also becomes a desire to enhance the beauty of the wearer. The consequence of the beauty enhancement of the wearer is the growing trend-changing culture which leads to fast fashion. The preference of the patterns and styles of a clothing is bound to be changed and once it becomes too common, it becomes outdated, then new collections of clothing are introduced. Fast fashion is the mass-production of replaceable clothing with lower cost. (Mrad et al., 2020; Peters et al., 2021) People will keep on buying to fit in the culture of changing styles and it makes fashion a tool for self-expression (Mrad et al., 2020). Fast fashion has been growing over the years as a purpose to serve consumers with lower priced clothing and footwear while still make them feel updated in the fashion trend. This rapid production of cheaper and insubstantial clothing with new designs makes repairing the damaged ones redundant. The hardly used ones are either being thrown or accumulated especially in developed countries (Mrad et al., 2020). Many fast fashion companies have been growing rapidly due to the constant production of new clothing and the customers seem to be engaged with the updated styles.

UNIQLO is a fashion company founded in 1984 in Hiroshima, Japan and it is the subsidiary company of Fast Retailing Group (Durisin, 2013). Fast Retailing has started its sustainability efforts after adopting United Nations Millennium Declaration in 2000. Since then, several actions had been taken to fulfil the sustainability declaration by establishing social department, hiring people with disabilities, donating their clothes to the people in impoverished area and it is still consistently showing support to the environment up until 2020, with the sustainability plans for the future (Fast Retailing, 2021).

Case Evaluation

Apart from taking part in sustainability programs and activities, UNIQLO also shows their sustainability efforts through their products by using materials with good quality such as cashmere, supima cotton and merino Wool. UNIQLO also aimed to practice circular economy since they have control over the material development, the production and the retailing processes, starting by recycling polyester from bottle waste for their 2020 Spring Summer product release, DRY-EX polo shirts developed by Toray Industries which is also their partner. They also made new down jackets from recycled down used feathers using new technology which is an automated machine that separates the feathers for their 2020 Fall Winter product release. Although it reduces the accumulation of unrecycled wastes, the efforts to fulfil the circular economy system still face challenges along the process of manufacturing and mass production while still maintaining the quality of the product. However, they are still actively trying to develop cost saving but high-quality recycled product. Regarding their waste management, UNIQLO collects their customers' used garments and donates the ones in good condition to the underprivileged communities while the unusable ones are recycled for other uses such as alternative fuel to fossil fuels for the reduction of carbon dioxide gas emission and as part of soundproofing materials in automotive industry (Fast Retailing, 2021).

Socially, Fast Retailing also put the efforts of sustainability by hiring at least one person with disability in their organizations and providing supportive environment for employees with different life stages which affected more female employees. This led to the company having 4.7% disabled employees in 2020 which is more than 2.2 % that is legally set for the companies in Japan and 38.4% of Fast Retailing Group managers are women as of August 2020. These efforts have helped improved the career and life of people that are mostly affected by vulnerability (Fast Retailing, 2020).

Since Fast Retailing had been continuously improving and updating their sustainability effort, the next thing that should be considered is the awareness of the consumers of fashion about the sustainability efforts done by fashion industries as implemented by Fast Retailing. However, just awareness does not seem to be changing the condition of the environment if the actions are contradicted with the decision made. According to Muthu (2019), most consumers are actually aware of the impact of fashion industry on the environment, however the environmental aspect were not prioritized but the quality and the relevance in trend were more

considered in their mind. The lifestyle and peers of the consumers also affected their motivation of buying clothes such as their reluctance to use secondhand clothes (Muthu, 2019).

Proposed Changes

Since fashion companies such as Fast Retailing have done their ongoing efforts to keep developing sustainable products and implementing sustainable values in their organizations, the next responsible members about the environment are also the consumers of fashion itself. The things that can be done by fast fashion companies about this is to be louder and more proactive about their sustainability approaches especially in convincing the customers to contribute since the awareness alone does not motivate the consumers to play their role in buying certain products. The companies should give as much as their effort on promoting their products when it comes to promoting the sustainability efforts. The example of the action that can be done is by offering attractive rewards when the consumers take part in donating their old cloth to the store back. When more companies do this and when it becomes normalized, the customers will take in into their habits or lifestyle to take more weight on the environment when it comes to buying or disposing clothes. Therefore, the actions of the customers are as important as the actions of the industries when it comes to the environment.

Conclusion

After being introduced to SDGs and being more aware of the environmental impacts of their productions, some fashion industries like Fast Retailing have been consistently trying to reduce their impact on the environment by choosing more sustainable materials for their products. Circular economic approach has also been implemented to ensure more control over their products and waste. However, consumers also should give their cooperation in fulfilling the economic approach of the company. Since knowledge about the environmental impact does not affect much of the consumers' decisions on being responsible about their purchasing and disposal of old clothes, these fashion companies may also try to engage their customers on contributing by giving attractive offers to their consumers.

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