

Conceptualizing Economic Factors to Ecological Fashion Adoption Intention, Recycling Intention Behavior as Mediator

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Abstract

The fashion industry often being addressing to environmental issue by a significant number of publications during past decades, mainly due to its high polluting effect. However, fashion clothing is closely related to human daily life, while currently still growing rapidly in line with economic globalization. The concept of circular fashion economy is being introduced in fashion industry to close the loops of economy in fashion industry addressing its previous take-made-dispose linear economy. Align with the circular fashion economy, rising of sustainable consciousness of consumers had also led to introduction of ecological fashion, which opposed to the fast fashion trends. Hence, a conceptual framework is proposed to illustrate the potential of investigating the consumer ecological fashion adoption intention through the economic factors, and recycling intention behavior as a mediator.

Keywords: Fashion Industry, Circular Economy, Ecological Fashion, Economic Factors, Recycling.

Introduction

The global allure of the fashion industry, historically intertwined with notions of glamour, trends, and innovation, has endured over time. However, the pollution levels attributed to the fashion industry are estimated to rank second only to those of the oil industry (Lauren, 2019). Since the year 2000, global clothing production has roughly doubled (McFall-Johnsen, 2019). Numerous industry authorities have linked the surge in production to the rapid ascent of "fast fashion" brands, characterized by an escalating annual output of garments (Schlossberg, 2019). Fast fashion depends on repetitive consumption and impulsive purchasing, creating a sense of urgency during the buying process (Anguelov, 2015). Considering the extensive global expansion of fast fashion and the substantial volume of items produced and subsequently discarded, the fashion industry emerges as a notable environmental threat (Parliament & Environmental Audit Committee, 2019). According to The

State of Fashion 2024, the fashion industry contributes to approximately 3 percent to 8 percent of overall greenhouse gas emissions.

Presently, there exists a necessity to elucidate the contemporary economic dynamics necessitating the resolution of pressing issues related to the environmental production and consumption of fashion industry products. The fashion industry must assume a crucial role in advancing the trajectory towards sustainability and embracing the principles of the circular economy. Consumer pressure, notably from non-governmental organizations (NGOs) and the media, serves as a driving force for fostering sustainable practices in the fashion sector (Gordon et al., 2015). In December 2018, the United Nations Framework Convention on Climate Change (UNFCCC) introduced the Fashion Industry Charter for Climate Action. This initiative involves commitments aligned with the primary objective of the Paris Agreement, aiming to limit global temperature increases to below 2 degrees Celsius (Suraci, 2021). Apart from that, certain companies have built their brand identity around sustainability (Suraci, 2021), incorporating practices such as water-efficient denim production (Levi's), utilizing sustainable materials (Patagonia and others), minimizing waste through small-batch clothing production (Amour Vert), and contributing profits to tree-planting initiatives (Tentree). Given that consumers play a pivotal role in embracing sustainability in fashion, comprehending their adoption intention to ecological fashion is crucial.

Literature Review

Circular Economy

A model of the circular economy advocates for the extended utilization of resources sourced from nature to mitigate the future depletion of primary resources and minimize the generation of waste (Murray et al., 2017; Winans et al., 2017). As articulated by the UN Economic and Social Council President during the Sustainable Fashion Summit on February 1, 2019, the centrality of sustainable fashion is paramount in attaining the goals set forth in the 2030 Agenda (Jacometti, 2019). Textiles and clothing are one of the focusing sectors as it assumed to exploit most resources while possessing high circularity potential (European Commission, 2020). The circular economy is an industrial system that is restorative or regenerative by intention and design (Ellen MacArthur Foundation, 2017). The current fashion industry practices linear economy models, in which the systems implemented along the value chain are in a linear take-make-waste path (Koszewska et al., 2020). The current linear models of the fashion industry trigger adverse effects including environmental harm, economic loss, and pressures on human society (Ferasso et. al., 2020). The deficiencies of the linear economy model are evident, particularly in the garment sector, emphasizing the imperative transition to a circular economy model, as underscored by industry experts and practitioners.

Conventional Economic Theory

Based on the conventional economic theory, this paper conceptualizing the relationships between economic factors and ecological fashion adoption intention. The conventional economic theory proposed the price are the monetary measure of what is sacrificed by consumers in buying of ecological fashion (Monroe, 1973; Dodds et al., 1991; Chan & Wong, 2012). The study established by Roberts (1996) stated that the consumer refuse to purchase a piece of ecological fashion if they found it is too expensive. Miller (1992) indicates that a 10 percent of price premium are found to be not affecting the consumer willingness in purchasing the ecological fashion, however a 25-30 percent of price premium

is fall into unacceptable range of consumer. Thus, an acceptable price range to pay for a fashion product is established by fashion consumers (Crane and Clarke, 1994; Bratt, 1999). The fashion consumers will not be opting in an ecological fashion if the price is out of the acceptable range.

However, there are different findings revealed by different researcher, the Patagonia brands' customer is found to be willing to pay more for ecological fashion which made from organic resources (Casadesus-Masanell et al., 2009). Similar to this finding, consumers willing to pay premium price \$1.86 for socks made from organic cotton (Hustvedt & Bernard, 2008). Hence, when the value of the goods exceeds the perceived value of its, the consumer usually willingness to pay more for the goods (Dean et al., 2012; Keh and Xie 2009; Saricam & Okur, 2019). According to the conventional economic theory, Monroe (1973) states that price is assumed to affect the choice of consumers as it is serves as an indicator of purchase costs. Grounded on cost-benefits analysis, the consumers make the decision whether to adopt to ecological fashion (Camacho-Otero, Boks and Pettersen, 2019). Therefore, economic factors are conceptualizing in this research to determine the potential relationships with ecological fashion adoption intention.

Ecological Fashion Adoption Intention

Ecological fashion also called sustainable fashion or green fashion or ethical fashion or slow fashion is gaining attention and credibility. Jalil and Shaharuddin (2019) state that ecological fashion gained attention in developing countries, such as China, Indonesia, India, and Malaysia. Consumers have a growing interest to make socially responsible choices and adopt sustainable fashion as they become more educated about the apparel production process and materials (Khandual & Pradhan, 2019). Besides, the burgeoning focus on sustainability and the circular economy is exerting a substantial influence on the future demand for fashion (Gazzola et al., 2020). Rahman et al (2014) explain that fashion adoption is the extent to of consumers accept a prevailing fashion style in a specific time frame. The understanding on adoption intention of consumers toward the ecological fashion is vital. Therefore, ecological fashion adoption intention is introduce as the dependent variables in this conceptual paper.

Economic Factors

Economic factors assume that peoples' adoption decisions are grounded on cost-benefit analyses, as related to price, risk, and product knowledge dimensions (Camacho-Otero et al., 2019). The authors further explain that the economic aspects proved to have most studies in determining the influences on acceptance and adoption of the ecological fashion. Hao et. al (2020) relate economic benefits to green purchase intentions and stated that many research studies the human behavior have related to cost structure. Current studies show similar results as the research of Dodds et al (1991), which showed that the cost is positively influenced individuals to adopt a technology. Price plays a significant role in determining the intention of individuals to consume sustainably (Hao et. al., 2020). Yadav and Pathak (2017) had demonstrated the reason many consumers do not choose the ecological product is that they think the price is expensive compared to the normal product. However, the features of ecological goods may possess other benefits that recompense for the high buying price (Moser, 2016). Hence, economic advantages can be expected.

Machado et. al (2019) reveal that the economic factors involve financial reasons and restricted resources to spend during shopping for circular fashions. The authors further state that economic factors are one of the motivations of the consumer to opt-in a circular fashion. For example, Bardhi and Arnould (2005) indicated that the economy pushes the consumer to purchase second-hand fashion, which is circular fashion. The researchers show that economic motives allow the consumer to justify their desires rationally and ethically. Thus, economic factors influence behavior. The empirical data of the research shows that in the online-generated reviews of fashion subscription services, one of the businesses of circular fashion is mention economic factors most frequently (Camacho-Otero et al., 2019). Based on the literature, economic factors are related to the adoption intention of the ecological fashion of consumers.

Recycling Intention Behavior

Environmental degradation occurs recently as the rising of fashion and textile waste and leads to critical global issues of landfills. Recycling is one of the advantageous solutions to the landfills problem, generating environmental and economic values through reducing pollution and energy saving. Khan et al (2019) stated that global recycling activities have been promoted as it is an effective way of dealing with waste overloaded landfills. Laitala (2014) suggested that the economic factors affect the shaping of clothing recycling intention behavior. Further, the behavior of the past could alter the future formation of intention (Ouellette & Wood, 1998). As ecological awareness intensifies, consumers are inclined to exhibit pro-environmental behavioral intentions, with a corresponding likelihood of engaging in environmentally friendly practices (Do Paco and Raposo, 2009). Hence, recycling intention behavior are introduce as a mediators in investigating the influences of economic factors towards consumers' ecological fashion adoption intention.

Proposed Conceptual Framework

This research proposes a conceptual framework (refer to Figure 1) for determining the ecological fashion adoption intention with economics factors, recycling intention behavior as mediators.

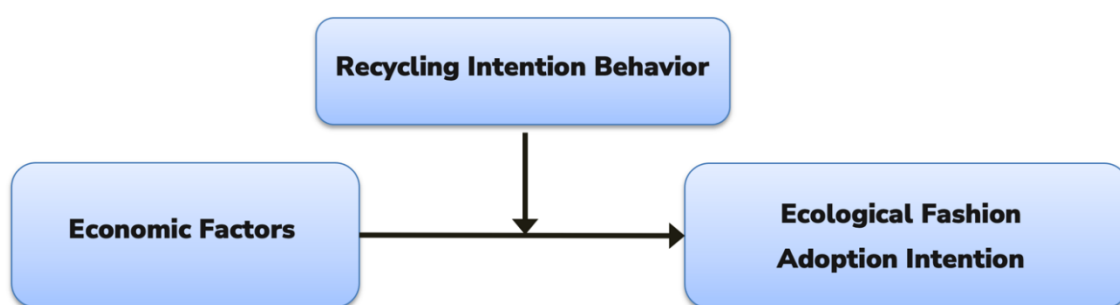


Figure 1. Conceptual Framework

Conclusion

In conclusion, the fashion industry is an essential part of a person's lifestyle in communicating an individual personality. Fashion is currently growing swiftly align with economic globalization. However, the rising of consumers consciousness on ecological fashion also led to change in adopting ecological fashion. Thus, a conceptual framework is illustrated allows fashion practitioners developed a better understanding of economic factors

influences on consumers intended to adopt ecological fashion while knowing how recycling intention behavior mediate the relationships. In fact, previous studies had shown the influences of the economic factors on recycling intention behavior while drawing the consumers' interest to adopt the ecological programs (Laitala, 2014; Li et al., 2016). Li et. al (2021) also suggested that economic factors affect consumers' recycling behavior. Phulwani, Kumar & Goyal (2020) suggested that the consumers' lack of knowledge of the influence of ecological behavior on the environment affects their engagement with conservation behavior. Hwang et al (2020) state that knowledge is an essential prerequisite in shaping the consumers' disposal behavior. Knowledge helps consumers to select the right behavior.

Besides, Berglund (2006) researched cost-benefits analysis on recycling behavior. The authors compared the cost and effort consumed for participating in recycling with the returns received by returning the things to cycling. Economic benefits favor the formation of recycling intention behavior (Miliute-Plepiene et al., 2016). Besides, Kautish et al (2019) state that the recycling intention behavior influences the consumers' willingness to be environmentally responsible, including choosing to opt-in ecological products. Likewise, the research of Hopper and Nielsen (1991) stated that recycling is found to be closely related to pro-social behavior. Environmental activities such as recycling are shown to be effective factors that influence the consumers' intention to opt for organic products including ecological fashion (Maichum et al., 2016).

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