



Lisbon School
of Economics
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Universidade de Lisboa

**MASTER
MANAGEMENT**

**MASTER'S FINAL WORK
DISSERTATION**

CONSUMER PERCEPTIONS ON HOW THE LUXURY FASHION
INDUSTRY IS ADAPTING TO SUSTAINABILITY AND ETHICAL
DILEMMAS

MARIANA GALVÃO FIGUEIREDO DE ALMEIDA MACHADO

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JUNE – 2025



LIST OF ABBREVIATIONS

CSR - Corporate Social Responsibility

EU - European Union

GDP - Gross Domestic Product

RSC - Responsabilidade Social Corporativa

SDG - Sustainable Development Goal

ABSTRACT

This study examines how both consumers and non-consumers perceive luxury fashion in the context of growing ethical, environmental, and social concerns. It focuses on the impact of Corporate Social Responsibility (CSR) on brand trust, loyalty, transparency, and purchasing behavior.

In recent years, the fashion luxury industry has faced growing criticism for labor abuses, animal cruelty, greenwashing, and its environmental impact, which accounts for over 20% of global wastewater and approximately 8% of carbon emissions (BBC News, 2021). In this climate, CSR is no longer just a marketing strategy but a necessary effort to rebuild trust and align with broader social and environmental goals (Torelli, Monga, and Kaikati, 2021).

While existing literature offers strong theoretical insights into the meaning and evolution of luxury and the tensions between aspirational appeal and ethical implications, fewer studies have examined how consumers interpret CSR efforts within this sector and how these perceptions shape their judgments in a digital world.

To address this gap, the study employs a qualitative methodology, conducting 14 semi-structured interviews with Portuguese individuals familiar and unfamiliar with luxury brands. This method enables a closer examination of personal values, motivations, and critical perspectives on authenticity, transparency, and responsibility. The goal is to contribute to the conversation around sustainable luxury and provide practical insights for brands seeking to evolve without compromising their cultural or symbolic significance.

KEYWORDS: Luxury Fashion, Corporate Social Responsibility, Consumer Perception, Sustainability, Ethical Consumption.

RESUMO

Este estudo analisa a forma como os consumidores e não consumidores percebem a moda de luxo no contexto das crescentes preocupações éticas, ambientais, e sociais, centrando-se no impacto da Responsabilidade Social Corporativa (RSC) na confiança na marca, na lealdade, na transparência e no comportamento de compra.

Nos últimos anos, a indústria de moda de luxo tem enfrentado críticas crescentes por questões como abusos laborais, crueldade animal, práticas de *greenwashing*, e o seu impacto ambiental, sendo responsável por mais de 20% das águas residuais globais, e aproximadamente 8% das emissões de carbono (BBC News, 2021). Neste clima, a RSC já não é apenas uma estratégia de marketing, mas um esforço necessário para reconstruir a confiança dos consumidores e alinhar-se com objetivos sociais e ambientais mais amplos (Torelli, Monga, and Kaikati, 2021).

Embora a literatura existente ofereça fortes percepções teóricas sólidas sobre a definição e evolução do luxo, bem como as tensões entre o apelo aspiracional e as implicações éticas, poucos estudos examinaram como os consumidores interpretam os esforços de RSC neste setor e como essas percepções moldam os seus julgamentos no mundo digital.

Para colmatar esta lacuna, o presente estudo adota uma metodologia qualitativa, com a realização de 14 entrevistas semiestruturadas com indivíduos de nacionalidade portuguesa, familiarizados e não familiarizados com marcas de luxo. Este método permite uma análise mais aprofundada dos valores pessoais, motivações e perspectivas críticas sobre autenticidade, transparência e responsabilidade. O objetivo é contribuir para o debate em torno do luxo sustentável e providenciar informações práticas às marcas que procuram evoluir sem comprometer o seu significado cultural ou simbólico.

PALAVRAS-CHAVE: Moda de Luxo, Responsabilidade Social Corporativa, Percepção do Consumidor, Sustentabilidade, Consumo Ético.

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1. INTRODUCTION

1.1. Academic And Business Relevance

Luxury has long been associated with elegance and exclusivity, but it is not a static concept. Historically linked to aristocratic privilege and social distinction, luxury has evolved into a more personal and subjective expression, shaped by individual identity, aspiration, and emotional value. In today's context, where concerns about environmental degradation, labor conditions, and corporate ethics have become increasingly prominent, the luxury fashion industry finds itself at a pivotal moment. It must balance its defining attributes, such as scarcity, craftsmanship, and symbolic value, with growing demands for ethical accountability and sustainable practices.

This tension between the traditional allure of luxury and the modern call for responsibility reflects deeper societal shifts. A rising number of consumers, particularly from younger generations, are no longer willing to separate aesthetic appeal from ethical conduct. Whether they actively participate in the luxury market or observe it critically, these consumers now expect greater transparency, inclusivity, and social responsibility from brands. In this landscape, Corporate Social Responsibility (CSR) has taken on a more significant role, not merely as a reputational tool, but as a test of authenticity and a potential driver of meaningful change within the industry.

1.2. Objectives Of The Investigation

The study examines how symbolic consumption intersects with rising ethical consciousness and evolving notions of trust in luxury branding. Instead of approaching Corporate Social Responsibility (CSR) from the perspective of corporate intent or strategy, it focuses on the perspectives of individuals, both consumers and non-consumers, to explore how luxury brands' ethical efforts are perceived and interpreted in today's shifting cultural landscape. Luxury, after all, is not solely defined by its production, it is shaped, judged, and negotiated through social, cultural, and emotional frames of reference. These subjective interpretations play a critical role in how brands are assessed, not only in terms of their material offerings, but also in the ethical values they are seen to represent.

In an era marked by rising consumer skepticism and widespread accusations of greenwashing, understanding how CSR initiatives are received is just as important as examining how they are designed. This study addresses that need by exploring how individuals make sense of brand behavior, offering insights into how ethical commitments influence perceptions of authenticity, credibility, and value in the context of luxury fashion.

1.3. Preview Of The Methodology Used In The Research

To explore these perceptions in greater depth, the study adopts a qualitative methodology. Fourteen semi-structured interviews were conducted with Portuguese participants from varied backgrounds and differing levels of engagement with luxury fashion. This approach aims to capture the lived experiences, personal values, and expectations that shape how individuals relate to luxury brands in the context of growing ethical scrutiny. Rather than aiming for generalizable findings, the focus is on uncovering the nuanced understandings of trust, transparency, and perceived responsibility, concepts that are inherently subjective and shaped by social and cultural contexts.

By privileging individual narratives, this method offers a richer and more layered understanding of the meanings people attach to luxury today, particularly as aspirational consumption is re-evaluated against a backdrop of environmental concerns and increasing demands for brand accountability.

1.4. Structure Of The Document

This document is structured into six chapters. Chapter One introduces the topic, sets out the background, main objectives, and the research question to be discussed, and provides a brief explanation of the chosen methodology. Chapter Two reviews the existing literature, providing a theoretical basis for understanding the concept of luxury, its historical roots, defining characteristics, how consumers perceive it, and the ethical and sustainability issues associated with CSR. Chapter Three outlines the research methods used, including details about sample selection and data. The fourth chapter presents the findings, focusing on how consumers interpret and respond to CSR efforts in the luxury industry. Chapter Five then explores these findings about the research aims, connecting them to relevant academic literature. The final chapter draws everything together by summarizing the key insights, reflecting on the study's limitations, and suggesting directions for future research.

2. LITERATURE REVIEW

2.1. Definition Of Luxury

The term "luxury" may appear straightforward at first glance, but it is, in fact, highly subjective and complex. Scholars have long debated its meaning, yet no single, universally accepted definition has emerged. Kapferer (1997) notes that luxury can be interpreted in multiple ways, whether as a concept, a subjective feeling, or even a political term often intertwined with moral critique. Along similar lines, Kapferer, Michaut, and Paris (2016) describe luxury as a "multifaceted notion", one that intersects with other concepts, such as art and culture, each of which brings a different lens through which the idea of luxury can be comprehended.

Much like academics, consumers perceive luxury in diverse and sometimes contradictory ways. For some people, luxury is simply part of their everyday routine; for others, it represents something distant and aspirational. The same holds for brands; a label considered luxurious in one culture or social setting might not carry the same meaning elsewhere. These differing viewpoints make it challenging to define luxury in a single, universally accepted manner. Still, in the context of this study, it is necessary to establish a working definition that acknowledges how the concept of luxury shifts depending on who defines it and in what setting.

Economically, according to McKinsey (1990, as cited in Kapferer, 1997) luxury brands are those "which have constantly been able to justify a high price, significantly higher than the price of products with comparable tangible functions." This view can be helpful, but it tends to reduce luxury to price alone, overlooking aspects such as craftsmanship, history, and the unique meaning behind a product. When focusing primarily on cost, it becomes harder to distinguish genuine luxury from merely expensive items, missing the cultural depth and personal experience that truly make something luxurious.

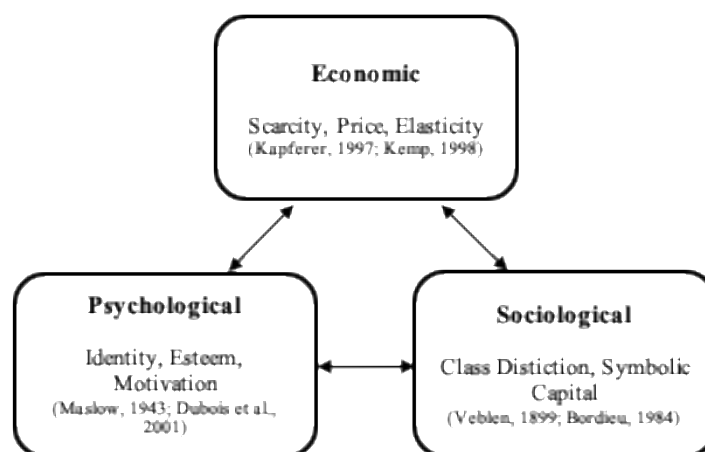
From a sociological and historical perspective, luxury has long been associated with social hierarchy and power. Luxury goods were historically linked to nobility, serving as beautiful objects and symbols of higher social status. In this way, luxury works as a signal of distinction, closely tied to the idea of symbolic capital (Kapferer, 1997). It highlights social divisions by revealing who can afford these goods and who cannot. Even the word "luxury" hints at its deeper meaning. Kapferer (1997) notes that it originates from the Latin word *lux*, which means light, which evokes ideas of brightness, rarity, and elegance. This etymology supports the idea that luxury must be seen to be understood, it requires visibility, both to the owner and the wider

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public, to fulfill its role as a symbol of identity and value. Luxury, therefore, is not only about possession but about the expression of taste, social standing, and brand values.

The psychological aspect of luxury also plays a central role. Maslow's hierarchy of needs (Maslow, 1943, 1969), which will be explored in more detail later in the chapter, offers a valuable lens. Luxury goods often appeal to higher-level needs, such as esteem and self-actualization, serving emotional and symbolic purposes that extend far beyond their functionality. Luxury is not just about having expensive or well-made things; it is often tied to how people perceive themselves, their aspirations, and what matters to them personally. Although numerous ideas exist to explain it, buyers and brands struggle with what luxury truly means. For many people, the word “luxury” is used much more casually now, which can make its meaning feel less clear or memorable. Brun and Castelli (2013) warn that this wider use risks confusing customers about what truly justifies a luxury product’s price, sometimes causing disappointment. Some brands, meanwhile, lean on the luxury image to justify high prices, even when their products are not much different from others, sometimes skimping on quality or craftsmanship in the process. While a precise definition remains difficult to pin down, many consumers tend to agree on what constitutes luxury when it comes to well-known global brands that lead the market (Kapferer et al., 2016). Still, the concept of luxury continues to evolve, reflecting shifts in identity, consumer priorities, and societal expectations.

Figure 1- Dimensions of Luxury



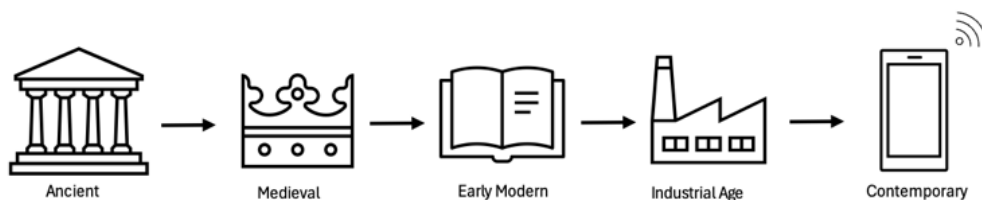
Source: Own elaboration

2.2. Historical Interpretations Of Luxury

As noted by Luxuri (2023), the concept of luxury has evolved, reflecting changes in society, economy, and culture.

In Ancient civilizations, luxury was defined as a sacred favor or a marker of power and divinity reserved for the elite. During the Medieval and Renaissance periods, it was primarily associated with the Church and nobility, symbolizing cultural and intellectual prestige and moral decadence. The 18th Century, or Early Modern, brought philosophical critiques of luxury, as thinkers like Rousseau linked to inequality, although it also emphasized royal privilege and refinement. The Industrial Revolution democratized luxury to some extent, as mass production made luxury items more accessible while maintaining a symbol of affluence marked by conspicuous consumption and class distinction. The 20th Century saw luxury become a symbol of personal identity, with iconic brands like Chanel and Louis Vuitton. Lastly, in the Contemporary era, luxury extends beyond material goods to include experiences, sustainability, ethical considerations, and a means to express our identities within the digital world.

Figure 2 - Timeline: Historical Interpretation of Luxury



Source: Own elaboration

2.3. Consumer Perceptions On The Definition Of Luxury

As previously discussed, the concept of luxury varies among scholars and consumers and non-consumers alike (Dubois, Laurent, and Czellar, 2001). Their study explored this diversity through two research approaches, revealing that consumer attitudes toward luxury are often inconsistent, even within the same individual. These contradictions suggest that "attitude toward luxury is not unidimensional", instead it depends on both the product and personal context.

The study identified two key dimensions influencing these attitudes:

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- i) Cognitive – based on perceived attributes such as quality, price, uniqueness, scarcity, heritage, and superfluity.
- ii) Emotional Reservations – These reservations reflect a personal relationship with luxury, including discomfort with ostentation or feelings of detachment.

The cognitive dimension is typically associated with positive evaluations, while emotional reservations can be negative, making these attitudes independent and potentially conflicting. Bilge (2015) supports this view, emphasizing that perceptions of luxury ultimately stem from individual feelings, attitudes, and interpretations.

2.4. Luxury Brands

Because luxury is so difficult to define clearly, many scholars choose instead to describe it by focusing on the qualities of the products, their production methods, and how the brands present themselves in the market. This perspective enables a more practical analysis of the luxury industry, recognizing that each product characteristic is inextricably linked to factors such as price, availability, and production scale.

Kapferer (1997) proposed a three-tier model to conceptualize the structure of the luxury industry, often visualized as a pyramid (see Annex A). This framework delineates the sector into three distinct levels based on the exclusivity, craftsmanship, and accessibility of the products:

- Griffe: Occupying the apex of the pyramid, handcrafted creations, artistic works defined by their originality and non-replicability. Though not initially luxury brands, they can evolve into one; the reverse rarely happens.
- Small production series: Positioned in the middle tier, these are limited-edition luxury items recognized by many but owned by only a few, keeping their exclusive appeal and status intact.
- Mass production: At the broadest level, this includes widely available branded products. While accessible to many, they preserve their luxury image through branding, marketing, and the meaning they carry.

In parallel, Nueno and Quelch (1998) proposed a different categorization of luxury brands, focused primarily on brand awareness and accessibility:

1. **Limited awareness brands:** Typically, family-run businesses, these brands operate in niche markets, offering handcrafted products with highly restricted distribution, often through a single store or limited retail presence. They cater to a small, elite clientele.
2. **Well-known brands:** These are widely recognized yet remain unattainable for most consumers due to their high price points and exclusivity. They target a premium market segment and maintain their luxury image through controlled and limited production.
3. **Accessible Brands:** Some luxury brands create more affordable offerings, often in areas like fragrances, cosmetics, or small accessories, to reach a wider audience. These products enable more people to engage with the brand while maintaining a core identity rooted in exclusivity and prestige.

Though distinct in focus, Kapferer's and Nueno and Quelch's frameworks align on core luxury attributes: high price, scarcity, uniqueness, quality, and craftsmanship. Together, they highlight luxury as a multidimensional concept shared by exclusivity, heritage, production scale, and consumer skepticism.

2.5. Psychological Models Of Consumption And Their Application To Luxury

Luxury consumption is best understood through economic indicators and psychological motivations that drive individual behavior. Both classic and contemporary models reveal how luxury goods function as symbolic tools for identity, status, and fulfillment. By drawing on frameworks such as Maslow's hierarchy of needs, Kapferer's luxury pyramid, and brand stratification by Nueno and Quelch, we can better understand how internal drives and external social dynamics shape the desire for luxury.

2.5.1. Maslow's Hierarchy Of Needs And Consumer Behavior

Maslow's (1943) hierarchy of needs outlines five levels of human motivation, starting with basic physical needs and progressing through safety, social connection, esteem, and reaching self-actualization, where individuals seek meaning, personal growth, and fulfillment. Although typically portrayed as linear, Maslow's model is dynamic, as individuals may move fluidly between levels depending on life circumstances and psychological states. Later, in a refinement of his theory, Maslow (1969) proposed an expanded six-tier model by adding self-transcendence as a level beyond self-actualization. This sixth tier reflects a drive to connect with something greater than the self, whether through altruism, spirituality, or service to others,

highlighting the potential for individuals to seek meaning not only within themselves but also beyond.

In the context of consumer behavior, particularly in luxury markets, the upper tiers of the pyramid, esteem and self-actualization, are particularly relevant. Consumers often seek luxury goods not for their functional utility but for what they represent: success, identity, exclusivity, and self-expression (Kapferer et al., 2016). Thus, Luxury goods function as symbols of achievement and differentiation, satisfying emotional and psychological needs beyond basic utility.

Still, Maslow's model has faced criticism for being too rigid and lacking strong empirical backing. Some researchers note that people do not always progress through the hierarchy in a linear sequence. It is not uncommon for individuals to seek out things like recognition, identity, or even luxury items with symbolic meaning, even when their basic needs are not fully met. The model has also been critiqued for its Western, individualistic bias (Hofstede & Bond, 1984). Wahba and Bridwell (1976) noted that "there is little evidence for Maslow's ranking of these needs." In response to some of these limitations, Maslow (1969) later expanded his model to include a sixth tier - self-transcendence, which emphasizes purpose beyond the self, such as altruism or spiritual growth. Despite its limitations, the model remains a valuable perspective when applied flexibly to aspirational consumer behavior.

2.5.2. Psychological Models Applied To The Fashion Industry

Maslow's framework has been adapted within the fashion and luxury sectors to conceptualize how consumers engage with products of varying exclusivity and value. Scholars such as Abernathy et al. (1999, 2003) and Doeringer and Crean (2005) have developed hierarchical 'Fashion Pyramids' that categorize products from mass-market basics to haute couture, using criteria such as price sensitivity, production scale, and market accessibility.

These models have evolved into brand stratification systems, like those proposed by Bain & Company (2016) and Retailboss (2024), aligning consumer needs with fashion product tiers. For example, the Fashion Pyramid of Brands places:

1. Haute Couture is at the top of the pyramid, addressing self-actualization needs through exclusivity, artistry, and bespoke craftsmanship.

2. Ready-to-wear fashion appeals to consumers seeking esteem and social status via recognizable designer goods.
3. Diffusion Lines and Bridge Brands, which provide aspirational value to younger or price-sensitive audiences, often fulfill belonging and esteem needs.
4. Moreover, Mass-Market fashion is at the base, serving psychological and physiological needs through affordability and trend responsiveness.

2.5.3. Price Elasticity And The Symbolic Value Of Luxury

Beyond psychological theory, economic behavior further reinforces the symbolic role of luxury. Kemp (1998) examined the distinction between luxury and necessity through the optic of price elasticity of demand. He observed that while people tend to continue buying essential goods even when prices climb, demand for luxury items is much more sensitive, dropping off quickly when costs rise. This reflects the symbolic nature of luxury: When exclusivity fades or the price becomes too high, their role as status symbols weakens.

This ties into the performative aspect of luxury consumption. Gummerus et al. (2023) make an interesting point: Luxury is not just about having something; it is about being seen with it. These items play a role in social signaling, showing off wealth, status, and refined taste. In that sense, buying luxury is not so much about usefulness as it is about identity and how people want to be seen.

Luxury is where psychology, money, and culture intersect (see Annex B). Maslow's hierarchy of needs can be a valuable tool for understanding why people want certain things, but it is not perfect, it can feel too structured, and it does not always fit across different cultures. Still, it will help us understand why people are drawn to luxury. It is often less about the item itself and more about what it represents, such as aspiration, personal meaning, and the story people want to tell about themselves. That said, when interpreted more flexibly and applied with cultural nuance, it can still provide valuable insight into the aspirational nature of luxury consumption. Paired with insights from consumer psychology and economic theory, it becomes clear that luxury operates as both a product and a social and emotional currency, shaping identity, signaling aspiration, and reinforcing social boundaries in today's marketplace.

2.6. Characteristics And Attributes Of Luxury

Even after extensive debate, the core question, what truly defines luxury, remains open. Dubois et al. (2001) suggest that luxury can be understood through six defining characteristics:

- i) **Excellent quality:** Luxury is closely associated with fine craftsmanship and high-grade materials, which contribute to products that are perceived as durable, timeless, and trustworthy.
- ii) **High prices:** A high cost is not only about covering quality but also signals exclusivity. For many consumers, paying more adds emotional significance to the purchase. It becomes not just a transaction but an expression of status, pride, or personal achievement.
- iii) **Scarcity and uniqueness:** Luxury stands out because it is often hard to find. Whether made in small batches, uses rare materials, or shows expert craftsmanship, this rarity makes it special and gives the item extra meaning.
- iv) **Aesthetics and polysensuality:** Luxury items typically appeal to multiple senses simultaneously, such as the way they look, feel, smell, and sometimes even sound or taste. They are not just things to own; they play a significant role in how people perceive themselves and feel emotionally connected.
- v) **Ancestral heritage and personal history:** Many luxury brands build their identity around rich histories and traditions. These stories, tied to expert craftsmanship and legacy, give the products lasting emotional meaning and a sense of timelessness.
- vi) **Superfluosness:** Luxury is not about meeting basic needs. Instead, it represents things like freedom, dreams, and emotional fulfillment. It is about satisfying psychological wants rather than practical demands.

Ultimately, luxury encompasses much more than mere appearance or price. It is a complex idea that mixes top-notch quality with deep emotional and cultural significance, offering an experience or identity, not just a product.

2.7. The Global Luxury Market And Its Impact On The Economy And Other Factors

As mentioned above, luxury can encompass a range of forms, including goods and experiences. According to Bain & Company (2024), the luxury market comprises nine segments, with personal luxury goods accounting for around 80%. In 2023, the market was expected to reach €1.51 trillion, reflecting a growth of between 11% and 13% from 2022.

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Focusing on the personal luxury goods market, it was projected to hit a new record of €362 billion, making it the second-largest global market in terms of spending. In terms of regional distribution, outlined in Figures 9, 10, and 11 of the Bain & Company report (2024), the Americas and Europe each hold 28% of the market share, followed by China (16%), the rest of Asia (15%), Japan (8%), and the rest of the world (5%). While the Americas and Europe maintain equal percentages, the Americas have seen slowing growth as tourist consumer behavior shifts toward Europe, which is perceived as more advantageous. Tourist capital spending accounts for 30% of purchases, while local customers make up the remaining 70%.

However, this is only one side of the story. Alongside increasing revenues, the fashion industry must also confront the negative externalities associated with its scale and environmental impact. Externalities occur when individual actions affect the well-being of others without those effects being reflected in the pricing system. As Stiglitz and Rosengard (2015) noted, air and water pollution are typical examples of such market failures.

The fashion industry is alleged to be the second-most polluting industry, responsible for over 20% of global wastewater and approximately 8% of carbon emissions (BBC News, 2021). Between 2000 and 2014, global clothing production doubled, primarily driven by population growth. Moreover, the rise in luxury consumption has also been significant, increasing at a compound annual rate of 5% (Balchandani et al., 2025), making the industry accountable for more carbon emissions than all international flights and maritime shipping combined (United Nations, 2019).

In recent years, the fashion industry has faced growing scrutiny over social and ethical concerns, including labor exploitation, animal cruelty, cultural appropriation, and misleading ethical branding. While one of the hallmarks of luxury goods is high quality, both in terms of the product and its materials, this does not inherently guarantee ethical sourcing. Many brands, such as Hermès, continue to use animal-derived materials like leather, fur, and exotic skins (e.g., crocodile, snake, and alligator). Some argue that these materials are integral to luxury, while others contend that their production involves animal cruelty and significant environmental degradation. For instance, to produce a single shawl, three to four animals may be killed (Bendell & Kleanthous, 2007).

Labor exploitation remains a pressing issue. Investigations have shown that many workers, including undocumented migrants, face poor working conditions, long hours, low to minimal

wages, and unsafe working environments (Parodi et al., 2024). According to the fourth edition of the Business & Human Rights Resource Centre (2024), the average score for ethical supply chain transparency for fashion companies was just 21 out of 100, with LVMH scoring a mere 6. These low scores reflect a lack of meaningful disclosure and oversight concerning forced labor.

A Wall Street Journal investigation (Kostov, 2024) confirmed that workers in Italy were being paid as little as €2 to €3 per hour, with some even living inside workshops. For context, Dior paid only €53 to manufacture a handbag that retails for €2,600. At the same time, Armani's bags were sold to suppliers for €93 but retailed at €1,800, highlighting the stark disparity between production costs and retail prices.

Although legal action has been initiated against supplier companies, systemic audit failures remain. Davies, Lee, and Ahonkhai (2012) previously examined these deficiencies in ethical auditing. Despite the scrutiny, many luxury brands continue their *modus operandi* under similar conditions, risking reputational damage and consumer trust erosion (Anzolin, Parodi, and Ognibene, 2024).

This report highlights the troubling issues within the luxury fashion world and asks an important question: How can brands change course and move toward a more ethical and sustainable future?

2.8. The Role Of Corporate Social Responsibility And Ethics

According to Bendell and Kleanthous (2007), promoting sustainable production and consumption should be both an opportunity and a responsibility for luxury brands. As previously discussed, sustainability and ethical practices are now more important than ever for companies and consumers, whose choices increasingly reflect social and environmental concerns. These actions directly contribute to achieving the United Nations Sustainable Development Goals (SDGs), particularly Goal 12 - Responsible Consumption and Production, which aims to ensure sustainable practices throughout supply and demand chains. In addition, several other SDGs, numbers 8, 13, 14, and 15 are closely aligned with the fashion industry's challenges. Goal 8 promotes fair labor and responsible consumption, as well as production; Goal 13 supports the reduction of emissions and the adoption of sustainable materials; Goal 14 addresses ocean pollution and the responsible sourcing of marines' resources; and Goal 15 calls

for biodiversity protection through ethical sourcing and sustainable land use (United Nations, n.d.).

CSR is increasingly shaping the ethical and strategic frameworks of the luxury fashion industry. Rather than viewing CSR as a superficial marketing tactic, luxury brands are encouraged to adopt responsibility into their core business models. However, this integration has its challenges.

As Sun, Mai, and Xu (2024) explain, luxury brands face a paradox: while consumers increasingly demand ethical behavior, they simultaneously associate luxury with exclusivity, indulgence, and self-reward values that may conflict with CSR ideals, such as frugality and collective welfare. Despite this tension, brands can solve it through authenticity and careful positioning, signaling that CSR commitments enhance rather than dilute luxury identity. Their findings underscore the importance of tailoring CSR initiatives to specific market contexts, as consumer interpretations can differ significantly across diverse cultural, social, and economic environments. If luxury brands adopt a general approach, it may be insincere and misaligning with consumer and brand values. Amatulli et al. (2018) and Newholm and Shaw (2007) have explored recent consumer trends that show an increased sensitivity to brand accountability and transparency.

2.8.1. Strategy Proposal To Engage In CSR

A strong way for luxury brands to implement CSR is by focusing on what happens inside the company, like improving labor conditions, sourcing materials ethically, and taking good care of their employees. Torelli, Monga, and Kaikati (2021) assert that initial CSR initiatives often exert a more significant influence on consumer brand loyalty than external efforts, such as philanthropic contributions or sporadic sustainability campaigns.

Transparency plays a crucial role in building consumer trust around CSR efforts. Brands that are transparent about their production processes, sourcing of materials, and treatment of workers tend to be perceived as more honest and reliable. Take Everlane, for example, they practice radical transparency by sharing clear information about pricing and the environmental impact of their products (Carbon Trail, 2023). Besides shaping how consumers view them, CSR helps companies comply with regulations and manage risks more effectively. In the face of intensifying regulatory frameworks and heightened public scrutiny, firms that proactively

integrate responsible business practices are better positioned to anticipate and mitigate potential reputational or legal risks (Vandenberghe, 2024; Transformacy, n.d.).

We have discussed how CSR is becoming increasingly important, but to truly understand its role, it is essential to see how these ideas are applied day-to-day in the luxury fashion industry, both from a strategic and ethical standpoint.

According to Statista (n.d.), major industry players, such as Prada, Burberry, Ralph Lauren, Hugo Boss, and Michael Kors, demonstrate varying levels of transparency in their sustainability practices.

Stella McCartney stands out as a benchmark for integrating CSR into brand identity. As Time (2023) reported, the brand is distinguished by its long-term commitment to sustainability, including the use of animal-free materials in its products, and the promotion of circular fashion models. This approach demonstrates that luxury and ethical responsibility can coexist. Her brand not only combines high aesthetic quality but also a strong commitment to environmental and social values, proving that CSR can be a standout feature in the luxury market.

On the other hand, Burberry offers a more complicated example. Under its 'Burberry Beyond' strategy, the company outlines a comprehensive responsibility framework that addresses four priority areas: Product, Planet, People, and Communities (Burberry Group plc., n.d.). These goals are broken down into twelve clear targets, covering areas such as responsible craftsmanship, the achievement of Net Zero emissions by 2040, promoting diversity and inclusion, and fostering community involvement. Burberry reports its progress through a detailed Responsibility Data Report, aligned with the Sustainability Accounting Standards Board (SASB) and the SDGs, illustrating a structured approach to CSR (Burberry Group plc., 2024). Still, the brand has come under scrutiny for not fully disclosing its labor practices across the supply chain, which raises doubts about the consistency and thoroughness of its ethical efforts (Business & Human Rights Resource Centre, n.d.).

These cases show the range of CSR involvement in the industry, from brands truly committed to ethics to those mainly focused on meeting basic rules. Ultimately, the success of these efforts hinges significantly on how consumers perceive them, emphasizing the importance of understanding how CSR impacts a brand's reputation and market position.

2.9. How Do Consumers Perceive These Adaptations

Consumer perceptions play a central role in the success of CSR initiatives in the luxury fashion industry. Today's consumers, particularly Millennials and Generation Z, are increasingly prioritizing ethical considerations, sustainability, and social responsibility when making purchasing decisions, as they are expected to account for almost half of the industry's sales (Deloitte Global, 2020).

Because of this, luxury brands must invest effort in these practices and communicate their progress in ways that resonate with their target audiences. The honesty and openness surrounding CSR efforts often matter more to consumers than the actions alone, as people expect brands to live up to their ethical promises genuinely.

2.9.1. Authenticity Vs Greenwashing

As sustainability concerns gain traction, some luxury brands have responded by engaging in greenwashing, utilizing social media to present eco-friendly images that do not always align with their actual practices (Adamkiewicz et al., 2022). This approach often serves short-term image goals rather than real environmental progress. As Becker-Olsen and Potucek (2013) explain, greenwashing involves exaggerating or misrepresenting environmental efforts, often spending more on promoting a green image than on actual sustainable practices.

This strategy is hazardous for luxury brands. When consumers perceive sustainability claims as exaggerated or false, trust erodes quickly, leading to reputational backlash and damage and declining brand loyalty. As Cheah, Shimul, and Teah (2022) note, "perceived hypocrisy significantly lowers brand evaluations," especially when brand messaging is undermined by environmental misconduct or lack of transparency. Since authenticity and exclusivity are core to luxury branding, greenwashing can be especially harmful in this sector.

Consumer perception of CSR hinges heavily on authenticity. Consumers today are increasingly aware and critically able to identify superficial sustainability efforts quickly. A study by Am et al. (2023) found that 78% of U.S. consumers value a sustainable lifestyle. A 2020 McKinsey survey revealed that over 60% of consumers prioritize environmentally and ethically sourced products if they believe the claims are genuine (Feber et al., 2020). Yildirim (2023) describes greenwashing as a way for brands to quickly sidestep genuine sustainability efforts, giving the impression of responsibility without making meaningful changes. This tactic

can erode consumer trust and slow down the more profound transformations the fashion industry needs. Similarly, Perry et al. (2025) emphasize that consumers are more likely to support ethical fashion when they believe in a brand's honesty and openness. When CSR efforts appear superficial or ambiguous, consumers respond with skepticism or disengagement. In today's connected and ethically aware market, greenwashing is ineffective and actively harms brand image and long-term consumer relationships.

2.9.2. Transparency And Trust

As mentioned, consumers' trust can quickly break when brands are not transparent. Being open about sourcing, production, and sustainability practices is key to earning and maintaining consumers' confidence. When companies communicate how they operate, they are more likely to build lasting relationships with their audience. Today's consumers care not only about what a brand claims to stand for but also how those values are implemented. Brands like Stella McCartney and Patagonia have earned widespread respect for their ethical and sustainable approaches, mainly because they have been transparent about their efforts.

According to Edelman (2023), 63% of consumers report being more likely to trust companies that provide honest and detailed information about their environmental and social impact. On the other hand, when brands are vague or avoid discussing their CSR practices, it often creates doubt. Essiz and Senyuz (2023) argue that this lack of transparency can damage credibility, leading to negative perceptions and weakening customer loyalty.

2.9.3. Brand Loyalty And Purchasing Behavior

Trust and transparency within the CSR initiatives drive consumers' decision-making. At the same time, their influence on brand loyalty has become increasingly evident, as consumers are more likely to remain loyal to the brands that align with their values (Janssen, Vanhamme, and Leblanc, 2017). Thus, CSR can enhance a brand's emotional connection with consumers, particularly when the brand's values are perceived as aligning with broader social and environmental movements. Brands that engage with consumers through shared values, such as gender equality, environmental conservation, or fair trade, foster deeper emotional connections, which, in return, reinforce customer loyalty, leading to repeating purchases, positive word-of-mouth, and even advocacy for the brand (Vanhamme, Lindgreen, and Sarial-Abi, 2021).

2.9.4. The Influence Of Social Media And Consumer Activism

In today's digital world, marked by rapid transformations, social media significantly shapes consumers' perceptions of CSR. Consumers, especially Generation Z and Millennials, as they are pragmatic and highly influential (Edelman, 2023), increasingly turn to platforms like Instagram and TikTok to share their perspectives on brand practices and to hold companies accountable for their impacts, both social, environmental, and economic. This form of consumer activism has led to greater brand transparency and more direct company responses (Vitorio, 2023).

Additionally, social media has enabled consumers to amplify their voices by demanding greater accountability from brands (Mulyono & Rolando, 2025). Take, for example, online campaigns like #BoycottH&M or #SaveOurSeas; these reflect how consumers today are using their influence to demand more from brands, particularly in terms of ethics and sustainability. The speed at which such movements spread online can seriously damage a brand's reputation if people feel it has not lived up to its values. How a brand approaches CSR in luxury fashion can make or break its reputation. People are paying closer attention to whether a brand's values match its actions, and they tend to support those that are open and genuine about their efforts. With growing awareness around environmental and social issues, CSR has become more than a nice-to-have; it is now a keyway for brands to stand out and build lasting relationships with customers. That being said, greenwashing remains a significant issue. To earn genuine trust, luxury brands must move beyond surface-level promises and demonstrate consistent, meaningful progress through honest communication and tangible change.

2.10. Future Expectations And The Role Of Luxury In Driving Change

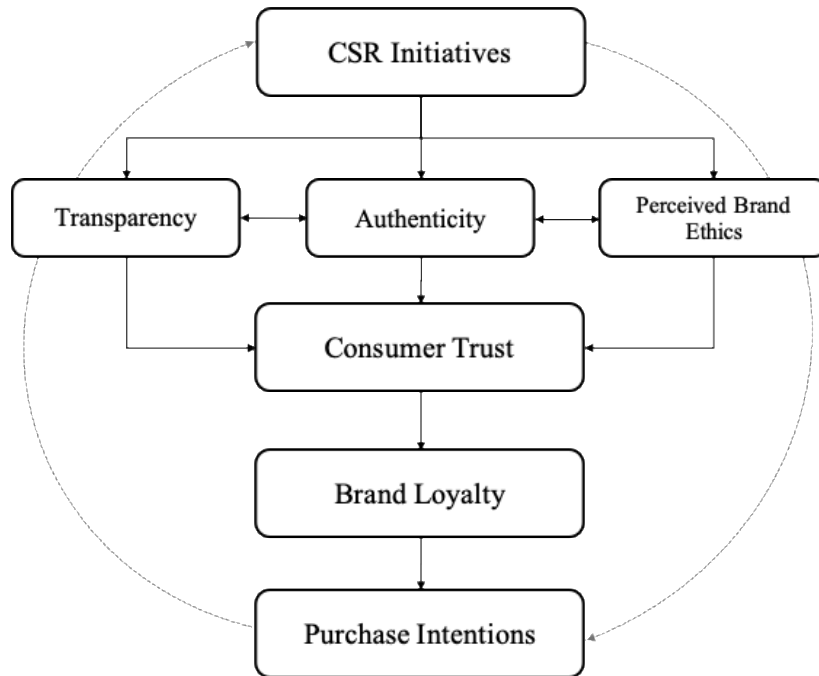
As noted earlier, consumer expectations of luxury brands have evolved to encompass not only product excellence but also ethical responsibility and environmental awareness. Younger generations, in particular, increasingly seek brands that reflect transparency, sustainability, and social impact (Cheah, Shimul, and Teah, 2022; Li, Cavender, and Lee, 2025). This shift shows how branding moves toward a purpose beyond just craftsmanship or design. Luxury is also about a brand's positive impact on society and the environment. Given their influence and cultural reach, luxury brands have a unique chance to set an example and inspire real, lasting change. As such, scholars argue that the industry holds the potential to act as a driver of systemic change in sustainability practices (Osburg et al., 2020). Unlike fast fashion, luxury

production cycles and price positioning allow for more sustainable experimentation, including investments in circular economy models, slow production, and advanced traceability systems (Dekhili, Achabou, and Alharbi, 2019; Caniato et al., 2011).

However, realizing this potential is contingent on authenticity. Recent studies show that consumers are increasingly skeptical and better at recognizing superficial greenwashing and empty sustainability promises (Li, Cavender, and Lee, 2025). To maintain their trust, brands must be transparent, earning credible third-party certifications, and consistently delivering on their commitments. The inherent paradox between exclusivity and accessibility, or scarcity and scale, challenges integrating sustainability and ethics into traditional luxury frameworks (Achabou & Dekhili, 2013). As such, luxury transformation toward greater sustainability is not linear but contested, balancing heritage and innovation, tradition and progress. Still, many experts stay optimistic. When luxury brands genuinely commit to fundamental changes in how they operate, they can shape both culture and the market. As Caniato et al. (2011) note, luxury's impact on what consumers value and how the industry works makes it a key player in pushing for a more ethical and sustainable future.

Based on the reviewed literature on CSR, transparency, and consumer behavior in the luxury fashion sector, the following analytical framework (Figure 3) illustrates the key theoretical relationships between corporate responsibility initiatives and their perceived effects on brand trust, loyalty, and purchase intentions. This framework serves as a heuristic tool to aid in interpreting consumer perspectives examined in the empirical section, as it outlines the conceptual landscape relevant to the study's qualitative inquiry on brand trust, loyalty, and purchase intentions.

**Figure 3 - Analytical Framework: Exploring the Influence of CSR on Consumer Trust
and Behavior in the Luxury Fashion Industry**



Source: Own elaboration

3. METHODOLOGY

This chapter is divided into three sections, each focusing on key methodological choices and their rationale. The first outlines the core aspects of the data collection process. The second explains how the participant sample was selected, and the final section details the methods used to analyze and interpret the data. A qualitative approach was selected to gain a deeper understanding of the ethical and sustainability-related challenges facing the luxury industry and how both consumers and stakeholders outside the market perceive these challenges. Instead of focusing on broad statistics, the research centered on personal interviews that offered more profound insights into individual attitudes and experiences. This method enabled a more nuanced understanding of how people perceive issues such as trust, corporate accountability, and openness in branding. Because of the complex nature of the topic, the flexibility provided by qualitative research proved to be especially valuable. It allowed space for open, honest dialogue shaped by each participant's background and values. For this study, this approach offered the most meaningful way to explore the often-conflicting dynamics between luxury, ethics, and sustainability.

3.1. Research Method

This study uses a qualitative research approach, selected for its ability to explore how people construct meaning through their experiences, perceptions, and social interactions. Qualitative methods are particularly well-suited for examining complex, context-specific issues, such as consumer attitudes toward sustainability and ethical practices in the luxury fashion sector (Creswell & Poth, 2018). Rather than aiming for broad generalizations, the goal here is to achieve depth and nuanced understanding (Denzin & Lincoln, 2018).

This study follows an interpretivist framework, which assumes that reality is shaped by individual experiences and the social environments in which they occur. Such a perspective is particularly suited to this topic, where broader societal conversations around sustainability and ethical responsibility influence personal values, moral decisions, and behaviors (Bryman, 2016).

Data was gathered through semi-structured interviews, which balances consistency with openness. While the interviews followed an interview guide, participants were encouraged to expand on their thoughts in their own way (Bryman, 2016). This approach enabled capturing rich, detailed insights that reflect the complexity of the study's central themes. The interview

followed a guide (see Annex C and D), and conversations often flowed beyond it, reflecting the open-ended nature of the method.

In total, 14 interviews were conducted with individuals aged between 22 and 59, providing a cross-generational view of consumer and non-consumer attitudes. Most of these interviews took place face-to-face in local cafés, chosen for their relaxed atmosphere, encouraging open and candid discussion. Due to scheduling and geographic limitations, three interviews were held online using Microsoft Teams. All sessions were recorded with full consent from participants and transcribed verbatim to preserve the integrity of their responses. Each interview, on average, took approximately 35 to 50 minutes, allowing sufficient time to explore key issues in depth without placing a timer on participants. For the analysis, a constructivist grounded theory approach was employed, emphasizing that knowledge is developed through the interaction between the researcher and the participant (Charmaz, 2014). This method allowed key themes and patterns to emerge naturally from the conversations, supporting an analysis grounded in participants' ideas and perspectives.

Ethical considerations played a central role throughout the research process. All participants provided informed consent, and appropriate measures were taken to protect their anonymity and ensure the confidentiality of their contributions. They were also reminded of their right to withdraw at any point in accordance with accepted ethical guidelines (Tracy, 2010). Additionally, all participants signed a formal consent form following the ethical standards approved by the ISEG Ethics Committee.

3.2. Research Sample

Participants were selected through purposive sampling, a well-known and used method in qualitative research that identifies individuals who can provide rich and diverse insights relevant to the study's focus (Patton, 2015). Fourteen individuals aged 22 to 59 participated, enabling the research to reflect a diverse range of generational perspectives on ethics and sustainability in the luxury sector. Including both consumers and non-consumers helped provide a broader view of contrasting opinions and behaviors related to the topic (Guest, MacQueen, and Namey, 2012).

Data collection was conducted primarily through semi-structured interviews, chosen for their ability to encourage in-depth and flexible responses from participants (Bryman, 2016). Eleven interviews were held in person at local coffee shops to foster a relaxed, conversational

environment that encouraged open dialogue. Due to geographic and time constraints, three interviews were conducted via Microsoft Teams. This mix of in-person and online conversations helped ensure broader participation without compromising the depth of the dialogue.

Before each interview, participants were informed about the study's purpose, what to expect, and how their information would be handled. Consent was obtained in advance, and their confidentiality was fully respected in accordance with standard ethical guidelines (Creswell & Poth, 2018).

The combination of this interview setup and sampling approach was designed to gather open, honest reflections, which are key to understanding how people make sense of sustainability and ethics in the world of luxury fashion. Table I provides key demographic information about the interview participants, ensuring complete anonymity while offering essential context for interpreting the research findings.

Table I - Interviewees Information

Interviewees	Current Labor Situation and Consumer or not of Luxury Goods
Interviewee 1	Age: 56 Current labor situation: Banker Gross Yearly Income Interval: €14,400 - €15,600 Consumer of Luxury Goods.
Interviewee 2	Age: 25 Current labor situation: Tax Advisor Gross Yearly Income Interval: €15,600 - €19,600 Non-Consumer of Luxury Goods.
Interviewee 3	Age: 22 Current labor situation: Student Gross Yearly Income Interval: N/A. Consumer of Luxury Goods.
Interviewee 4	Age: 23 Current labor situation: Student Gross Yearly Income Interval: N/A. Non-Consumer of Luxury Goods.
Interviewee 5	Age: 23 Current labor situation: Auditor Gross Yearly Income Interval: €15,600 - €19,200 Non-Consumer of Luxury Goods.
Interviewee 6	Age: 22 Current labor situation: Banker Gross Yearly Income Interval: €18,000 - €21,600 Non-Consumer of Luxury Goods.

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(continuation of Table I – Interviewees Information)

Interviewee 7	Age: 23 Current labor situation: Sales District Manager Gross Yearly Income Interval: €15,600 - €19,200 Consumer of Luxury Goods.
Interviewee 8	Age: 23 Current labor situation: Consultant in HR Gross Yearly Income Interval: €6,000 - €7,000 Non-Consumer of Luxury Goods.
Interviewee 9	Age: 25 Current labor situation: Self-employed as a Services Provider Gross Yearly Income Interval: €38,160 - €51,960 Consumer of Luxury Goods.
Interviewee 10	Age: 22 Current labor situation: Student Gross Yearly Income Interval: N/A. Consumer of Luxury Goods.
Interviewee 11	Age: 59 Current labor situation: Teacher Gross Yearly Income Interval: €55,000 - €70,000 Consumer of Luxury Goods.
Interviewee 12	Age: 24 Current labor situation: Auditor Gross Yearly Income Interval: €15,000 - €19,200 Non-Consumer of Luxury Goods.
Interviewee 13	Age: 23 Current labor situation: Banker Gross Yearly Income Interval: €19,200 - €39,600 Consumer of Luxury Goods.
Interviewee 14	Age: 22 Current labor situation: Public Relations Adviser Gross Yearly Income Interval: €8,400 - €10,800 Non-Consumer of Luxury Goods.

Source: Interviews, Own elaboration

3.3. Data Analysis

This study employed thematic analysis as the primary method for interpreting the qualitative data collected through semi-structured interviews. Thematic analysis, as defined by Braun and Clarke (2006), is a flexible and widely used method for identifying, analyzing, and reporting patterns within qualitative data. This approach works well because it captures people's personal views and the context in which they operate, which is crucial when exploring how consumers think about ethical and sustainable issues in the luxury sector.

With the permission of each participant, all interviews were recorded and then carefully transcribed word for word, after which they were reviewed in detail. The coding process followed Braun and Clarke's six-phase approach: familiarization, coding, theme development, refinement, definition, and final reporting. The initial themes, including consumer perceptions of sustainability, views on ethical responsibility, the influence of these factors on trust and purchasing decisions, and how they perceive the luxury of the industry, were based on the research questions and interview guide. Using inductive coding, additional subthemes, such as greenwashing, generational differences in values, and transparency, emerged, adding depth to the results (Fereday and Muir-Cochrane, 2006). To summarize the thematic framework, Table II outlines the key dimensions of analysis, showing the main categories alongside the subthemes that emerged during the data examination.

Themes were not chosen solely based on their frequency of appearance but rather on their importance in achieving the research goals, in line with Patton's (2015) emphasis on meaningful analysis. Throughout the process, thematic saturation was checked, and no new insights surfaced after several rounds of coding, which supports the trustworthiness of the results (Guest et al., 2012).

The analysis also took into account the contextual and emotional undertones conveyed during the interviews, enabling a deeper understanding of consumer skepticism and expectations. For instance, several participants highlighted a tension between their aspirations and their sense of accountability, emphasizing the importance of transparency and authenticity for consumers who value ethics (Nowell et al., 2017).

Finally, the analysis showed that while many consumers appreciate ethical and sustainable efforts, they are still skeptical about how genuine brands truly are. Opinions differed based on factors like age, expectations in relation to transparency, and the ongoing struggle to reconcile luxury's exclusivity with sustainability. These insights lay the groundwork for the subsequent chapter, where they are examined in the context of existing literature and industry practices.

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Table II - Dimensions of Analysis in Categories

Dimension of Analysis	Main Category	Emerging Subthemes
Consumer Perceptions of Sustainability	Attitudes toward sustainable practices	<ul style="list-style-type: none"> - Greenwashing - Certification awareness - Skepticism vs optimism
Ethical Responsibility	Brand ethics and values	<ul style="list-style-type: none"> - Transparency - Authenticity - Fair labour - Environmental impact
Trust and Purchasing Behavior	Influence on consumer decision-making	<ul style="list-style-type: none"> - Generational differences - Willingness to pay more - Brand loyalty
Future Expectations and Brand Influence	Perceived role of luxury in shaping change	<ul style="list-style-type: none"> - Expectations for brand leadership - Credibility signals - Industry influence - Scale of impact

Source: Interviews, Own elaboration

4. RESULTS

4.1. Consumer Perceptions of Sustainability and Ethics

This section presents the findings related to consumer awareness and perceptions of sustainability and ethical business practices within the luxury industry. Insights are based on four initial interview questions that explored participants' familiarity with sustainable luxury brands, their definitions of sustainability and ethics, and the importance of these concepts in a luxury context.

Most participants were aware of sustainability's growing role in the luxury sector. Nine could name brands they associate with sustainable efforts, such as Stella McCartney, Gucci, and Burberry. Stella McCartney was especially recognized, as Interviewee 1 remarked, "Stella McCartney emphasizes the use of recycled and organic materials, avoiding animal-based materials, such as fur and leather." Gucci and Burberry were mentioned for efforts to improve transparency. Participant 12 said, "A couple of years ago, they became more transparent and showed their interest and plans to become neutral." Still, a few voiced doubts, for example, Participant 9 commented that "big luxury brands are used to deprioritize past collections."

When defining sustainability in a luxury context, participants highlighted using ethically sourced materials, responsible production practices throughout the supply chain, and efforts to minimize environmental impact. Sustainability was often linked to quality and durability, traits already associated with luxury, which Interviewee 5 said, "It is a commitment to quality that respects the environment." However, three participants felt that luxury and sustainability do not fully align. As Participant 10 put it, "When you connect sustainability and luxury in the same sentence, it almost feels wrong."

There was more agreement on ethical practices. Common themes included fair labor practices, transparent supply chains, animal welfare, and broader corporate social responsibility. Several emphasized that ethics means accountability across all stages of production. Many also emphasized the importance of brands reflecting values such as integrity, fairness, and responsibility, not just to people but also to the planet. Interviewee 4 summed it up: "It is about ensuring that the entire value chain, from design to production to marketing and beyond, is guided by principles that respect both people and the planet". Participants also challenged the idea that exclusivity is the primary driver of luxury purchases. Participant 8

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explained, “I believe consumers today are looking for brands that do not just deliver exclusivity but also stand for something meaningful.” Interviewee 5 added, “It is about proving that exclusivity does not come at the cost of integrity.”

Most agree that sustainability and ethics are gaining importance in the sector. Some attributed this to changing values, especially among younger consumers, while others saw luxury brands as uniquely positioned to set industry standards. As Respondent 14 said, “By showing the people that it is possible to make an environmentally friendly choice when buying something we like, they also are influencing others.” Interviewee 5 said, “Luxury has the power to set trends and lead by example.”

Table III outlines the primary dimensions of analysis and thematic categories derived from these interview responses.

Table III - Dimensions of Analysis on Perceptions of Sustainability and Ethics in Luxury

Dimension of Analysis	Thematic Categories	Examples from Participants Responses
Awareness of Sustainable/Ethical Brands	Brand recognition Brand credibility	"Stella McCartney emphasizes the use of recycled and organic materials, avoiding animal-based materials, such as fur and leather." "Burberry is the only brand that I know of, that is investing in sustainability."
Definition of Sustainability	Material Sourcing Environmental Impact Longevity	"It is a commitment to quality that respects the environment." "Sustainability in the luxury industry can be defined by keywords such as quality and durability, environmental responsibility, transparency, social ethics, and conscious exclusivity."
Definition of Ethical Practices	Fair Labour Transparency Animal Welfare	"Using fair-trade and high-quality materials, no child or forced labour, and avoiding greenwashing marketing campaigns." "It's about proving that exclusivity doesn't come at the cost of integrity."
Perceived importance of Sustainability and Ethics	Changing values Industry Responsibility Leadership role Balance between brand culture and innovation	"Luxury has the power to set trends and lead by example." "Modern consumers, especially younger ones (Gen Z), value brands that reflect their values, including environmental and ethical responsibility."

Source: Own elaboration, interviews

4.2. Ethical Challenges and Perceived Trade-Offs in Luxury

The luxury industry today faces a complex ethical landscape, where traditional values like exclusivity and craftsmanship often clash with rising demands for sustainability and transparency. This section captures participants' reflections on these dilemmas and the ongoing tension between luxury and ethical responsibility.

A common concern was the challenge luxury brands face in balancing their use of rare, often non-renewable resources with growing ethical expectations. Many pointed out the continued reliance on exotic leathers, precious stones, and fine animal-based textiles, which raises ethical questions, particularly concerning biodiversity and labor practices. Participant 4 noted, "Most of luxury brands base their identity and products with exotic leather, precious metals and animal materials which is something that consumers nowadays do not advocate for." Labor conditions were also a significant theme. Participant 3 added, "Many luxury brands resource their production to low and middle-income countries, which brought concerns about the poor working conditions, low wages, and exploitation of workers."

Central to the luxury industry, exclusivity was also seen as conflicting with the growing push for transparency and ethical standards. Participants felt that openness about sourcing and practices might challenge the aura of mystery that defines luxury. As Participant 5 put it, "There is the pressure to meet growing consumer expectations for transparency, which can conflict with maintaining the mystique and exclusivity that define luxury." Many agree that brands must find ways to uphold traditional craftsmanship while adopting sustainable innovations.

All participants agreed that luxury brands should prioritize quality over quantity, integrate recycled materials, and seek sustainability certifications. As consumers become more values-driven, luxury brands must reflect this shift, and their management should also align with these values. Participant 6 remarked, "I think it is very much down to brand management and the mentality of company executives (...) moving away from purely capitalist thinking towards something more balanced." Several also felt that luxury should invest in craftsmanship and limit production, both in line with luxury's essence of uniqueness and aligned with circular economy values. Participant 13 echoed this: "In my opinion, luxury brands can balance the demand for exclusivity and craftsmanship with ethical and sustainable practices by adopting principles from the 'slow fashion' movement."

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When asked about a possible trade-off between luxury and sustainability, especially regarding price, experience, or quality, responses varied. Seven participants believed there was a trade-off but were hesitant, five said no, and two felt it was more about perception. Participant 9 expressed concern: “I think so, because to achieve certain levels of quality and comply with all the sustainability standards that companies have to present, the price ends up suffering consequences for the consumer.” However, others, like Participant 12, argued that higher prices could enhance brand and product value. Overall, many rejected the idea of an inherent trade-off, viewing sustainability as a way to evolve luxury. Participant 7 explained, “Not necessarily a limitation for luxury. On the contrary, it can be an evolution.”

In summary, while sustainability and ethics are becoming essential to the future of luxury, brands still face controversy between legacy values and growing expectations for transparency and responsibility. Participant 11 concluded, “Sustainability can even enrich the luxury experience, making it more conscious and authentic.” Table IV presents a synthesis of the key themes that emerged during the interviews.

**Table IV - Dimensions of Analysis on Ethical Challenges and Perceived Trade-Offs in
Luxury**

Dimension of Analysis	Thematic Categories	Examples from Participants Responses
Ethical Sourcing Dilemmas	Challenges in searching rare and exotic materials ethically Labor conditions	"Many brands used to use animal leather or fur to produce their luxury products, and the sourcing of these materials raised ethical dilemmas about animal welfare and environmental degradation." "Ethical dilemmas can also arise in the field of employment practices. Companies may face decisions regarding fair wages, working conditions and worker's rights."
Conflict between Exclusivity and Ethics	Struggles to reconcile scarcity and craftsmanship with transparency Focus on quality over quantity	"A significant challenge is finding the balance between honoring traditional craftsmanship and adopting sustainable innovations." "Preferring quality over quantity-exclusivity isn't about how few pieces exist, but about how thoughtfully they are made."
Perceived Trade-Off between Luxury and Sustainability	Increase in Price Value added	"Sustainable materials and practices can match or exceed traditional ones in quality, and consumers are often willing to pay a premium for ethically made products." "Even if prices increase, sustainability adds value to the product and brand."
Reframing Luxury through Sustainability	Opportunity to redefine luxury as purpose-driven and future-oriented	"In fact, sustainability can enhance the luxury experience rather than diminish it." "I don't think sustainability and luxury are fundamentally at odds. If anything, they can be mutually reinforcing."

Source: Own elaboration, interviews

4.3. Perceptions of Communication and Authenticity in Luxury Sustainable Efforts

A central point emerging from the interviews was how people make sense of the way luxury brands discuss ethics and sustainability. Participants reflected on how these messages are communicated, what kinds of challenges the brands might be facing, and whether the messaging feels genuine or performative.

Although most participants acknowledged that it is important for brands to address these issues, many expressed that the way it is done often feels unclear or superficial. Some companies received credit for being open to sharing detailed sustainability reports, while others were seen as relying too much on broad, unconvincing marketing language. Participant 2 observed, "The communication of sustainability efforts by luxury brands is often mixed. Some brands lead the way with clear, transparent messaging highlighting their initiatives and progress. (...) However, others may engage in greenwashing, make superficial claims without backing them up with real action." Many participants expressed skepticism, with Participant 12 noting, "There is a lack of transparency, and too much focus is placed on superficial claims rather than genuine, measurable efforts."

When it came to whether brands explain the ethical dilemmas they face, most participants believed they did not. There was a strong call for greater honesty, with Participant 8 stating, "I think there is a real opportunity for brands to be more open about the trade-offs they are navigating. Consumers do not expect perfection, they want transparency, and they respect brands that acknowledge the challenges while showing a clear roadmap toward improvement." This suggests that consumers are open to imperfection, as they expect brands to communicate honestly and transparently.

Participants had mixed feelings about the authenticity of these campaigns. While a few mentioned that brands like Louis Vuitton and Prada seem to be taking sincere steps toward change, there was still a strong skepticism. Many felt the messaging often stayed on the surface and lacked real depth. Greenwashing came up repeatedly as a concern. As Participant 11 explained, "It depends on the brand. Some have concrete commitments and consistent initiatives. Others, however, adopt sustainability more as a marketing tool than a core value."

Overall, participants showed a strong awareness of the gap between real action and clever marketing. They were not just looking for well-crafted campaigns; they wanted honesty. Many

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felt that when brands openly discuss their successes and setbacks, it reflects a more profound, more genuine commitment to doing better.

These findings are summarized in Table V below, which highlights the main themes.

**Table V - Dimensions of Analysis on Perceived Communication and Authenticity in
Luxury Sustainable Efforts**

Dimension of Analysis	Thematic Categories	Examples from Participants Responses
Superficial Communication	Communication often lacks verifiable and clear data Vague communication	"Some are transparent, while others may seem more focused on marketing than genuine commitment." "Some brands communicate clearly with transparency, but many still use vague terms or generic campaigns without presenting concrete or verifiable data."
Desire for Transparency	Lack of disclosure Consumers desire acknowledgment of complex ethical trade-offs	"I believe luxury brands do not address ethical dilemmas." "Not always. Many brands could do a better job of addressing the complexities of their supply chains and the ethical challenges they encounter." "I think there's a real opportunity for brands to be more open about the trade-offs they're navigating. "
Mixed Perceptions of Authenticity	Some efforts are seen as genuine, while other are mainly strategic or marketing-driven Greenwashing	"I don't believe at all that the vast majority of those campaigns are genuine." "Probably not genuine at all. I think they use that as a marketing tactic to be perceived as such, so their customers grow more fond of the luxury brand." "I believe the genuineness of the luxury brands' sustainability campaigns may vary widely."

Source: Own elaboration, interviews

4.4. Expectations for the Future and the Role of Brand Influence

This section examines how participants perceive the future of luxury about sustainability, their expectations for the industry to drive ethical change, and how these issues influence their purchasing decisions.

Participants generally saw a promising future for luxury, provided the industry makes sustainability and ethics central to its values. As Interviewee 3 put it, "The future of the luxury industry is promising but challenging. Sustainability awareness is here to stay, so luxury brands must redefine themselves (...). Sustainability will become a core value of the industry." Many noted the importance of fair labor, sustainable materials, and a shift toward circularity, which could resonate with younger consumers seeking "less is more", as Participant 12 described. Some also envisioned luxury moving into premium resale. Participant 4 stated, "Brands will

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create items designed for longevity and find innovative ways to expand their lifecycle, whether through repairs, repurposing, or resale platforms. Think Vintage becoming premium.”

Thirteen participants emphasized that luxury holds the power to influence broader industry standards thanks to its trend-setting reputation, wide visibility, large customer base, and financial means. As Participant 8 noted, “So, in many ways, luxury has both the responsibility and the unique position to lead by example.” For most, leadership also meant redefining luxury to align with values such as responsibility and transparency. Only one participant rejected this idea, arguing that these values were not part of the industry’s foundation, so redefining luxury values through ethics and sustainability would not be possible.

Asked what would build their trust in ethical commitments, participants highlighted transparency, consistency, third-party certifications, clear and measurable goals, and long-term consistency. Reports verified by independent bodies and ongoing innovation were also named as essential. Participant 7 shared, “It is crucial that its actions are more than superficial, that they happen. Transparency, commitment to innovation, involvement in social causes, monitoring of working conditions, and open communication about challenges and progress are key to ensuring that a brand is making a positive difference.” Many echoed that actions must be built into the brand’s identity, not just surface-level initiatives. As interviewee 5 stressed, “Real commitment is not just about launching a green collection. It is about embedding these principles into the brand’s DNA and showing results over time.”

When asked to rate how much sustainability and ethics influence their luxury buying decisions (on a 1-5 scale), answers varied. The most common scores were 2 and 4, indicating that these factors may be important, but other factors, such as price, quality, and personal taste, will come first. Participant 3 explained, “I would rate my decision as 4 (...). However, other factors, such as price, quality, functionality, and personal taste, influence my decision. If a luxury brand is transparent about its practices and shows sustainability efforts, it would make me more likely to purchase a product from that brand.” Only one person rated ethics at 1 (not a factor), another rated 3 (neutral), and one gave it a 5 (a top priority).

Among those who do not purchase luxury items, most cited financial constraints as the main reason for not purchasing, while some mentioned ethical concerns. Participant 6 said, “It is 100% based on taste and financial reasons.” At the same time, Participant 11 stated, “Yes, I have stopped buying items from brands that use exotic skins or that show no kind of

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environmental or social commitment.” Still, others expressed that alignment with their values would increase appeal, as Participant 2 expressed, “If a brand aligns with my values, it adds to the overall appeal, making the luxury experience more meaningful.”

In short, participants not only recognize the ethical dimensions of luxury but expect brands to lead by example. Trust remains fragile, but brands that act and communicate with authenticity are more likely to earn consumer respect.

Table VI summarizes the key topics, along with some interview citations.

Table VI - Dimensions of Analysis on Expectations for the Future and the Role of Brand Influence

Dimension of Analysis	Thematic Categories	Examples from Participants Responses
Future of Luxury	Promising Future if Sustainability and Ethics become core values "Less is more" mindset	"I see it as a promising future." "The future of the luxury industry is promising but challenging. Sustainability awareness is here to stay, so luxury brands will have to redefine themselves to keep their customers happy and attract more environmentally conscious ones. Sustainability will become a core value of the industry."
Industry Influence	Luxury brands as trendsetters Leading by example Redefinition of luxury	"Yes! Because luxury brands are trendsetters, they are watched closely by consumers and the entire industry. If they take a stand on sustainability or ethics, it creates a ripple effect." "So, in many ways, luxury has both the responsibility and the unique position to lead by example."
Confidence in Ethical Commitment	Need for transparency and consistency. Clear and measurable long-term goals Continuous improvement and innovation	"Transparency and consistency are key. I would like to see more concrete goals, third-party certifications, and open reporting on progress, even if it includes areas that need improvement. I also look for long-term initiatives rather than one-off campaigns." "Real commitment is not just about launching a "green" collection. It's about embedding these principles into the brand's DNA and showing results over time."
Ethical and Sustainability Influence on Purchasing Behaviors	Ethics as a growing but non-exclusive factor Openness to brands that report more clearly, then it would change the consumer's decision	"While I respect brands that prioritize sustainability and ethics, these factors don't do not play a major role in my decisions at this stage. Elements like design, quality, and price still weigh more heavily. However, I appreciate when brands make genuine efforts in this area, as it positively shapes my perception of them for future consideration."
Barriers to Luxury Consumption	Financial constraints Personal taste and values	"The reason I do not consume any luxury brand products is financial reasons." "I have not refrained from purchasing entirely because of these concerns, but I am more inclined to support brands with transparent and ethical practices."

Source: Own elaboration, interviews

5. DISCUSSION

This chapter reflects on the findings outlined in the previous section, connecting them with theoretical perspectives and current academic discussions on sustainability and ethics in the luxury industry. These relationships are visually represented in the analytical framework (see Figure 3), which synthesizes insights from the literature review and illustrates how CSR-related factors shape consumer trust, brand loyalty, and purchase intentions in the luxury fashion sector. Based on insights from semi-structured interviews with a 100% Portuguese sample, this study explores how consumer attitudes are evolving, what expectations are emerging, and how luxury brands might respond through future strategies. One of the key aims of this chapter is to explore a noticeable gap in current research, how consumers interpret CSR efforts within the luxury industry, particularly as brands face growing public scrutiny and operate in an increasingly digital and transparent marketplace.

The research reveals increasing consumer awareness regarding the importance of ethical behavior and sustainability in the luxury sector. Participants clearly understood sustainable practices, linking them to responsible sourcing, product longevity, environmental care, and high-quality craftsmanship. These qualities align closely with what luxury has traditionally stood for, craftsmanship, heritage, and exclusivity. From this perspective, sustainability is not seen as a contradiction to luxury but as something that can complement and strengthen its foundational values. This aligns with scholarly arguments by Joy et al. (2012) and Kapferer and Michaut-Denizeau (2013), who posit a complementary relationship between the two.

A noticeable tension arose regarding how participants perceived the connection between sustainability and traditional luxury values. While several viewed sustainability as a natural progression for luxury, others questioned whether the two can go together. Some expressed concerns over the ongoing use of rare and animal-based materials, which seem at odds with today's ethical standards. This reflects a broader conversation about whether luxury can stay exclusive without relying on practices that harm the environment or society (Kunz, May, and Schmidt, 2020). Still, a key tension emerged around how sustainability fits with the traditional values of luxury. While some participants saw sustainability as a natural next step for the luxury industry, others were more doubtful, questioning whether luxury's use of rare or animal-based materials can truly align with today's ethical standards. These concerns highlight ongoing discussions about whether exclusivity can be maintained without resorting to practices that

may harm the environment or raise social issues (Kunz et al., 2020). It highlights a persistent challenge that the luxury sector must face as it transitions toward a more sustainable future.

Another theme that was brought up was the delicate balancing act luxury brands face. On the one hand, they strive to uphold qualities such as rarity, mystique, and exceptional craftsmanship. On the other, they are under increasing pressure to be open and socially accountable, two expectations that do not always sit comfortably with traditional notions of luxury. Participants mentioned that although being transparent helps build trust and loyalty among consumers, it can also lessen the mysterious appeal that luxury brands usually have. This creates a tricky balance, keeping the exclusive feel of luxury while being open enough to satisfy socially conscious customers.

Authenticity in how brands communicate was repeatedly raised as a key concern. While a few brands were recognized for having articulated and consistent sustainability narratives, others were criticized for making ambiguous and vague claims or being suspected of greenwashing. Participants emphasized the importance of trustworthy and transparent disclosures, indicating that people do not expect perfect ethical records but want brands to be honest and consistently committed to sustainability. This reinforces the argument that trust in luxury brands increasingly depends on transparency and integrity (Arantes & Costa, 2024; Janssen et al., 2013; Ulusoy & Barretta, 2016).

The topic of trade-offs between luxury and sustainability also yielded mixed responses. Although some participants acknowledged that adopting sustainable practices might entail higher costs or limit traditional material, many rejected the idea of an inherent contradiction. Instead, sustainability was framed as a route to innovation and increased relevance, especially in younger, values-driven consumers (Joy et al., 2012). Many participants supported adopting circular economy ideas and slow fashion practices, such as producing in limited quantities, focusing on timeless design, and prioritizing quality. According to Holmqvist et al. (2025) and Janssen et al. (2013), these strategies are not compromises but rather strengthen the core values of luxury.

Moving forward, many participants expressed a sense of cautious optimism about the luxury industry's ability to drive meaningful change in sustainability. They pointed out that luxury brands are in the proper position and time to lead by example due to their extensive cultural reach, visibility, and access to resources. Nevertheless, they were clear that true

credibility comes from meaningful action, not just well-crafted marketing. People want to see real actions and measures being taken, such as independent audits, open reporting, and a genuine effort to integrate ethical values into the brand's identity, not just superficial gestures.

Interestingly, views on the importance of sustainability did not differ much between those who buy luxury goods and those who do not. While many acknowledged that personal preferences, practicality, and budget often take priority when making purchases, there was a shared recognition that ethical and sustainable values are becoming harder to ignore. One participant even stated that they had stopped buying luxury items altogether due to concerns over animal welfare. Others said that, given a choice between two similar brands, they would choose the one that demonstrated a greater commitment to improvement, suggesting a growing shift in what matters to consumers.

Ultimately, the findings reveal a notable shift in what people expect from luxury. Craftsmanship, heritage, and exclusivity still matter, but they are being viewed through a new lens, one that incorporates ethics and responsibility, while also taking into consideration financial restrictions. Today's consumers are more informed, vocal, and focused on values than ever before. Consistent with Amatulli et al. (2018) and Sun, Mai, and Xu (2024), these results emphasize that effective CSR strategies in luxury must be tailored to specific market contexts. In markets like Portugal, where economic considerations and consumer values may differ from higher-income countries, such as Germany, brands' communication must be adapted to resonate with consumer priorities. For brands, this is both a challenge and an opportunity. It is a challenge to rethink what luxury means and an opportunity to build something timeless and truly meaningful. This evolution poses both a challenge and a strategic opportunity to uphold the unique identity of luxury while actively contributing to a more responsible and sustainable future.

6. CONCLUSION

6.1. Main Conclusions

This study set out to investigate a relevant yet relatively overlooked question in the field of luxury brand research: how do consumers perceive and respond to sustainability and ethical practices within the luxury fashion sector? While much of the existing literature has centered around corporate reporting or strategic frameworks from a business perspective, this research brought the consumer voice to the forefront, exploring attitudes, expectations, and perceived tensions within ethical luxury consumption.

Findings from the interviews suggest that consumers are increasingly aware of and engage with the ethical dimensions of luxury. Sustainability and ethics were not generally seen as opposing forces to luxury but as principles that complement and elevate the luxury experience. Many participants linked sustainability to traits already embedded in luxury, like durability, thoughtful sourcing, and a deep respect for craftsmanship. This suggests that ethical considerations are becoming a key part of how people define and experience luxury today. Still, this shift comes with its challenges. A recurring theme in the interviews was the tension between longstanding values, such as exclusivity, mystique, and indulgence, and the growing need for openness, inclusivity, and accountability. Some worried that if brands are too transparent, it might take away some of that magic and feeling of escape that luxury is known for. Others argued that being open and honest could build a brand's credibility and make it feel more genuine. What became clear is that today's consumers are changing; they are not just looking for elegance and prestige, but also for products that reflect their personal beliefs and values.

Communication around sustainability also proved to be a critical issue. While few brands were acknowledged for their efforts to report progress clearly and consistently, concerns about greenwashing were widespread. Participants expressed skepticism toward vague marketing claims and felt many luxury brands still fail to communicate the realities behind their ethical commitments. Instead of demanding perfection, participants stressed the value of honesty. They appreciate brands that are transparent about their ambitions, limitations, and the progress they are making. Interestingly, views on brand responsibility and ethical transparency were similar across luxury consumers and those who do not typically buy luxury goods. For most non-consumers, price was the main barrier. However, some also mentioned that the absence of

clear ethical or environmental commitments made them less inclined to engage with luxury brands in the first place. This convergence is especially relevant in the Portuguese context, where the Gross Domestic Product (GDP) per capita index (purchasing power standards) stands at approximately 82% of the European Union (EU) average of 100% (Eurostat, 2025). This relative economic gap may help explain why ethical considerations in luxury consumption are often secondary to affordability in Portugal, as opposed to higher-income countries like Germany (~115) or Sweden (~114), where ethical and sustainability concerns are more prominent among luxury consumers (European Commission, 2023). Despite these divergences, most participants across all backgrounds emphasized that the luxury industry must lead by example, using its visibility, resources, and cultural influence to drive broader change throughout the fashion sector and serve as a catalyst for higher ethical and environmental standards.

In summary, the findings highlight that the luxury sector is facing a turning point, where style and sustainability are expected to go hand in hand. Today's consumers are not just looking for beautiful products; they are asking deeper questions and holding brands to higher standards. As sustainability shifts from a trend to an expectation, luxury brands will need to find thoughtful ways to balance tradition with progress and prestige with a clear sense of purpose.

6.2. Main Contributions

This research contributes both academically and business-related. On the academic side, it highlights a clear shift in how consumers view luxury, not just as exclusivity and status anymore, but as something that also reflects ethical values like sustainability, transparency, and fairness. It supports the idea that aligning with these values is becoming a key factor in how people perceive brands and decide what to buy in the luxury market. These findings add to existing theories around value-driven consumption and expand our understanding of consumer behavior in ethically conscious markets.

These findings also offer valuable implications for businesses, particularly luxury brands, which need to keep pace with the constantly evolving expectations of consumers. The study reveals that people who consume or do not consume expect brands to lead by example about ethical and sustainable practices. This is particularly true in markets where consumers may have less spending power but still aspire to luxury goods. By focusing on transparent and

honest communication and by embedding ethical values into their brand identity and core, brands can build stronger trust and, consequently, lasting loyalty from consumers.

6.3. Limitations and Future Research

This research has some limitations that are worth considering for future studies. First, the sample size was relatively small, consisting of only 14 participants with similar cultural backgrounds, while the entire sample was Portuguese. This homogeneity limits the generalizability of the findings, as the insights may not fully represent the behaviors of consumers from other countries with different income levels, values, or exposure to luxury brands and sustainability practices. The Portuguese market, with a lower GDP per capita index to the EU average, may exhibit more price-sensitive behaviors or view sustainability as a secondary concern compared to more affluent countries. Additionally, relying solely on self-reported data introduces potential bias, as participants may articulate ethical consumption values that do not consistently reflect their purchasing behavior. Factors such as convenience, brand familiarity, or financial constraints still influence consumer choices, despite expressed intentions to support sustainable luxury.

Future research could build on this by conducting cross-cultural studies with more diverse samples, and complementary observational methods would further enhance the validity and applicability of these findings. Using surveys or combining qualitative and quantitative methods can also help assess how well consumers' values align with their behavior, especially as brands become more open about their sustainability efforts. It would also be interesting to explore which ways of communicating about ethics work best, whether through certifications, third-party checks, or storytelling approaches. Additionally, emerging trends such as digital fashion, upcycling, and the role of influencers in promoting sustainability could offer rich areas to study.

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ANNEXES

Annex A - The luxury and brand system



Source: Kapferer (1997)

Annex B - Comparison table matrix: Economic vs Sociological vs Psychological Views

Dimension	Key Concepts	Foundational Theorists	Typical Question
Economical	<ul style="list-style-type: none"> - Scarcity - Pricing - Elasticity 	Kapferer, Kemp, McKinsey	What justifies the premium?
Sociological	<ul style="list-style-type: none"> - Class Distinction - Symbolic Capital 	Veblen, Bourdieu	How does luxury signal social position?
Psychological	<ul style="list-style-type: none"> - Identity - Esteem - Motivation 	Maslow, Dubois et al.	What internal need does luxury fulfill?

Source: Own elaboration

Annex C - Interview Guide

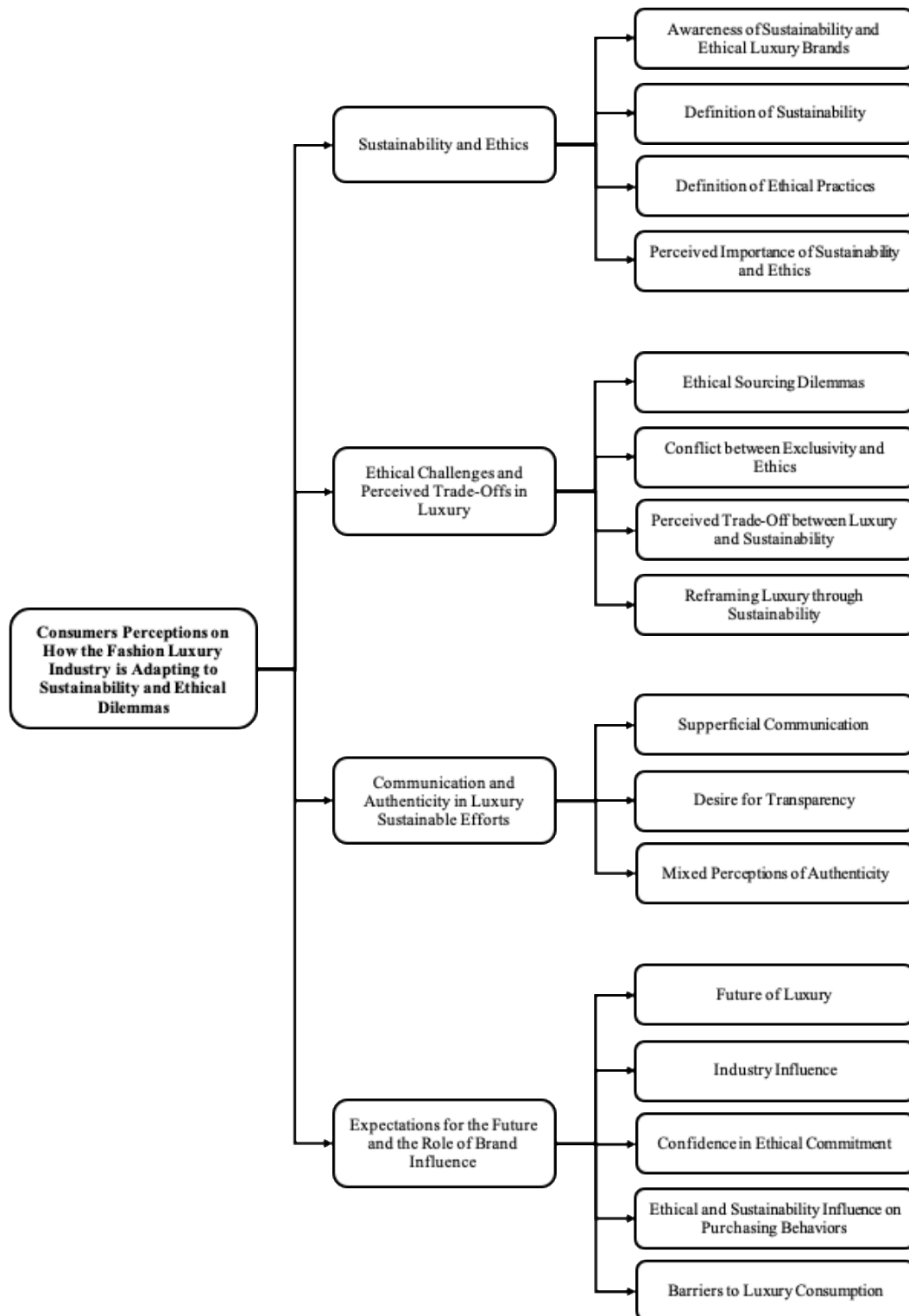
This research seeks to examine consumer perceptions of luxury brands' sustainability initiatives and responses to ethical challenges. Insights from both consumers and non-consumers will contribute to a deeper understanding of attitudes toward the mentioned challenges in the luxury sector, thereby enhancing the study's findings.

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1. Are you aware of any luxury brands that are focusing on sustainability and ethical practices? If the answer is yes, please name those brands.
2. How do you define sustainability when it comes to luxury brands?
3. What does 'ethical business practices' mean to you in the context of luxury brands?
4. Do you think sustainability and ethics are important factors in the luxury industry? Why or why not?
5. How do you feel about the way luxury brands communicate their sustainability efforts?
6. Do you think luxury brands do enough to explain the ethical dilemmas they face (e.g., sourcing materials, labor practices, environmental impacts)?
7. In your view, how genuine are luxury brands' sustainability campaigns?
8. What ethical dilemmas do you think luxury brands face today?
9. How should luxury brands balance the demand for exclusivity and craftsmanship with the need for ethical and sustainable practices?
10. Do you think there's a trade-off between sustainability and luxury in terms of quality, price, or experience?
11. How do you see the future of luxury concerning sustainability?
12. Do you believe luxury brands have the power to drive industry-wide changes in sustainability and ethics?
13. What would make you more confident that luxury brands are truly committed to sustainability and ethical business practices?
14. How much does their sustainability and ethical stance influence your decision, on a scale from 1 to 5, being (1 - Not influenced at all; 2 - Somewhat influenced; 3 – Neutral; 4 – Partially influenced; 5 - Totally influenced).
15. When considering a purchase from a luxury brand, how much does their sustainability and ethical stance influence your decision? Have you ever refrained from purchasing from a luxury brand because of concerns over sustainability or ethics? In case you do not consume from any luxury brand, do you think it is partially due to these topics or due to other factors such as, motivation, taste, financial reasons, etc.?

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Annex D - Coding Tree



Source: Own elaboration