



UNIVERSITY OF GOTHENBURG
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Welcome to the Jungle

A multiple extensive case study on the ‘Green Grey Zone’ of
sustainability labelling

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Abstract

This article focuses on the ‘Green Grey Zone’ phenomenon in the Swedish fashion industry; In particular the influence of brand positioning within the competitive environment of the fast and slow fashion market segments. We study the plurality and heterogeneity of communication strategies through sustainability labelling and thus contribute to the understanding of consumer confusion regarding the many environmental claims. We developed a model called ‘Influences on Green Grey Zone’ (IGGZ) based on obtained theory in different research fields, which illustrates our findings on examined relationships of brand positioning within the market segments and sustainability labelling strategies. Results from a multiple extensive case study of three Swedish fashion brands and their sustainability labelling are analysed with a grounded theory approach, in regard to their efforts in sustainability work and their brand positioning within the companies’ market segment. The fashion brands are applied to the model exclusively to examine similarities and differences in fast and slow fashion. The findings reveal that the competitive environment as well as financial space was found to be significant impacts for different strategies when considering investing in a certified production and labelling of the end-product. Thus, identified as a contribution to the ‘Green Grey Zone’ and visualised in the model IGGZ.

Keywords *Green Grey Zone; sustainability labelling; brand positioning; fast fashion; slow fashion; market segment; competitive environment, financial space*

Introduction

This thesis focuses on the ‘Green Grey Zone’ phenomenon. In 2018, the Swedish organization for the sustainability certification The Nordic Swan (part of Ecolabelling Sweden and owned by the government), released a report in this matter; “Green labelling – A jungle?”. The report problematizes the phenomenon ‘Green Grey Zone’ and describes it as creating consumer confusion regarding fashion brands and which of their offerings are sustainable, misleading the consumer in a jungle of environmental claims (The Nordic Swan, 2018). Moreover, Henninger (2015) argues that consumers may have an awareness or knowledge about sustainability standards, but still lack an understanding of what the individual sustainability labels imply.

Accordingly, it is further found that two out of three consumers find it difficult to separate the strong sustainability certifications from the weak ones (The Nordic Swan, 2018). Thus, the definition of a weak sustainability standard is therefore a vague indication of the sustainability benefit. Contrarily, a strong sustainability standard is defined as having extensive requirements where the documentation indicates clear sustainability benefits compared to a standard product.

Further on, consumers may not consider the different standards when purchasing clothes (Henninger, 2015) and the multitude of sustainability certifications therefore allows companies to take advantage of the consumers’ limited ability to critically review unqualified or general claims (Henninger, 2015; Maronick & Andrews, 1999; Evans &

Peirson-Smith, 2018). In addition, fashion companies are thus enabled to take advantage of the positive effect of conveying a false impression and claiming that their products are more environmentally sound than they are (Krafft & Saito, 2015). Consequently, the Nordic Swan (2018) argues that within the 'Green Grey Zone' and its consumer confusion regarding which fashion brands that are sustainable, weaker sustainability certifications get more attention on the market than those which hold stronger rules. Thus, the ability for companies to set their own sustainability standards is not solely giving fashion companies the possibility to be part of the solution to the problems of unsustainable development (Martin & Schouten, 2012), but also to contribute to the problem of having a 'Green Grey Zone'.

It is further argued that the fashion market and its consumption is still not primarily focused on sustainability and social justice (Solér, 2015), which might be a reason for the many ways to use sustainability labels. In line with this assumption, the report "Green labelling – A jungle?" from the Nordic Swan (2018), presents three well-known fashion companies that are interviewed about their use of sustainability labels, and it is apparent that there is more than one way to use them as an investment for sustainability and increased competitiveness. An investment in sustainability labels enables the company to differentiate the brand's positioning when competing among several other fashion brands (Sarkar 2012; Ottman, 2011). Therefore, one could suggest that sustainability labels are supplied on the fashion market to communicate the brand's positioning (Testa, Iraldo, Vaccari & Ferrari, 2015) and thus its value-laden sustainability benefit together with the conventional marketing factors price and quality (Ottman, 2011).

Sustainability labels are frequently used within both fast and slow fashion market segments and it becomes evident for the reader of the report by the Nordic Swan (2018) that the incentives for investing in sustainability labels differ significantly between fast and slow fashion; On the fast fashion market segment, 'fast' is a tool in the fashion industry to mass-produce in increased quantities to achieve continuous economic growth and profit. Therefore, fast is viewed as a set of business practices related to prioritized investments in minimizing costs and low prices (Fletcher, 2010). Consequently, one could define fast fashion as the non-sustainable market segment of the fashion industry. The prioritization of low prices limits the financial space and thus prevents fast fashion companies to make investments in sustainability. Consumers on the fast fashion market is therefore inclined to choose low prices over credible sustainability work. (Ozdamar Ertekin, Atik, Prothero & Mcdonagh, 2015) The consumer's preference for low prices thus makes lenient investments in sustainability sufficient as it adds value to the consumer. Therefore, communicating with weak sustainability labels is commonly used by fast fashion companies to take a green brand position and thus achieve competitive advantage over standard products.

On the contrary, companies positioned in the slow fashion market segment are defined by prioritizing investments in a sustainable set of business practices by the different actors in the supply chain. Adopting a sustainability approach is therefore assumed to be depending on the company's ethical conduct itself and thus prioritization of investments in sustainability (D'Souza, 2004) from production and consumption throughout the garments' lifecycle; i.e. raw material to use phase (Ozdamar Ertekin et al., 2015; Fletcher, 2010). Although investing in sustainability might minimize costs for

the society as a whole, it comes with increased costs for the company; It is unrealistic that an increased cost for the company providing the market with sustainable offerings would not lead to higher prices for the consumer (Niinimäki, 2010). Thus, the consumer on the slow fashion market is not considered to have a preference for low prices, but for credible sustainability efforts. Therefore, companies on the slow fashion market are assumed to prioritize investments in sustainability to ensure the consumer that their offerings are environmentally sound. Sustainability benefits thus need to be communicated to the consumer in a trustworthy way; When communicating through sustainability labels, the credibility therefore either is suggested to derive from a strong sustainable brand (Dekhili & Achabou, 2014) or a third-party organisation (Martin & Schouten, 2012). In contrary to the fast fashion market segment, communicating lenient efforts on the slow fashion market is thus not perceived as a competitive advantage. Rather than achieving competitive advantage by offering low prices to the consumer, the financial space and consumer's preference for sustainability increases the importance for competing with high credibility and consumer's perceived trustworthiness of the sustainability communication. Additionally, Sarkar (2012, pp.55) states; "(...) What is going to have to be most crucial is the validation of the claims for the green/eco-products and the close scrutiny of communication messages to the eco-friendly customers agreeable to pay premium prices, compatible with their modern lifestyles."

Companies' have different incentives to use sustainability labels as part of their sustainability communication strategy (i.e. hide weak claims, guide through different certifications or ensure the consumer credible efforts of investments in sustainability) and the sustainability

labels are thus not solely supplied on the market for the consumer's good, but also for taking a strong green position to survive on a hyper-competitive market where green is the new black. Consequently, the 'Green Grey Zone' is getting even more grey. Moreover, the phenomenon 'Green Grey Zone' is relatively new and therefore we found a need for extending this specific research field of sustainability labelling on the Swedish fashion market. We therefore answer the question;

How is the 'Green Grey Zone' influenced by brand positioning within the market segment?

In order to answer this question, we aim to contribute with new knowledge to the research field of the existing grey zone of sustainability labels on the Swedish fashion market. Thus, how sustainability labelling is used in brand positioning and how a sustainable brand positioning within the market segment influences the 'Green Grey Zone'. The article draws on the cases of Gina Tricot, Nudie Jeans and Velour By Nostalgia, which all were found to be a representable collection of cases to understand different ways to position brands through sustainability labels.

To fulfill the aim of this study, we firstly begin with presenting a theoretical framework with already existing literature on; 'Sustainability in a Competitive Environment', 'Fast Fashion and Slow Fashion' and 'Sustainability Labelling'. To conclude the chapter of the theoretical framework, we describe 'Brand Positioning with Sustainability Labels in the Fashion Industry'. Thereafter, we present our findings in theory with our general model about the 'Influences on the Green Grey Zone' (referred to as IGGZ) and a description of it. Subsequently, the method of this study, following the principles of grounded theory, is further described together with presentations of the three company cases of this multiple

extensive case study. We then present empirical findings of each company and apply the new concept; 'Financial space', to the conducted general IGGZ model (see Figure 1). Along with the company cases, the general model is applied and analyzed to discuss the similarities and differences in relation to each other and theory. Finally, in the concluding discussion, the influence of brand positioning on 'Green Grey Zone' within the market segment is discussed. Conclusively, 'Green Grey Zone' is addressed and we further explain how future studies could extend research in this area.

Theoretical Framework

Sustainability in a Competitive Environment

Competitive advantage is generated through low cost or high differentiation (Brun & Castelli, 2008), which could be transferred to every business environment and the strive for companies to position on a highly competitive market. Within the fashion industry, the ability for a company to orient their practices towards a brand that sustains on the market, is of high value to achieve competitive advantage (Bridson & Evans, 2004). Therefore, success often depends on the customers' perceived image of the company (Brun & Castelli, 2008), generated from the brand positioning. Companies on a green market are suggested to compete in terms of brand positioning with a 'price and quality' or 'image and prestige' strategy together with sustainability benefits that can increase profitability on a more sustainable basis (Sarkar, 2012). In line with Sarkar (2012), Ottman (2011) suggests that a company preferably takes a dual marketing focus on both conventional marketing aspects such as price and quality, as well as building on

credible value-laden benefits such as sustainability. Therefore, the conventional marketing factors elaborated on in this article will namely be 'price' and 'quality' together with the value-laden factor 'sustainability benefit'. Further on, it is argued that a more sustainable offering might be viewed as a competitive advantage regardless of being on the fast or slow fashion market. (Ottman, 2011) The increased importance for companies to take a green brand positioning is seen as a factor of success, due to the worldwide recognizable shift of consumers' attitudes regarding sustainability, especially in environmental contexts. Therefore, the importance of sustainable corporate behavior increases (Sarkar, 2012; Martin & Schouten, 2012). Conclusively, an investment in a more sustainable product should, rather than being viewed as a cost related to burden, be seen as a better investment as it is a factor for increased consumer value, stronger brand and company (Ottman, 2011).

It is argued by Peattie and Belz (2010) that the continuous improvements regarding sustainable products and services leads to improved standards regarding customer, social and environmental performances. It is therefore suggested that a product and service should also be compared with the competitors' offerings as yardsticks to be able to compete. (Peattie & Belz, 2010). The challenge for companies competing in the segments of fast or slow fashion could therefore be argued to be the achievement of sustainability combined with the competitiveness regarding the appeals of the apparels such as price and quality. Consequently, companies need to find a strategy to communicate their superiority towards the other brands and their offerings in terms of sustainability. The degree of incorporation of sustainability within different market segments on the fashion market can thus be argued as essential for a company with a green brand positioning.

Fast Fashion and Slow Fashion

In this study the brand positioning within the market segments of fast and slow fashion will be examined. By exploiting the consumers' desire for novelty and thus offering the new trends to cheap prices, 'fast' is a tool in the fashion industry to mass-produce in increased quantities by low-cost production systems to achieve continuous economic growth and profit. Consequently, fast is viewed as a tool and set of business practices related to minimized costs and low price. (Fletcher, 2010) The system of the fast fashion segment has consequently some distinct differences in characteristics in comparison to slow fashion; Cachon and Swinney (2011) state that the fast fashion segment is defined by lower prices, cheaper materials, less durable garment, lower-quality products that are being produced to be worn ten times. Companies using the argument that mass production and decreased prices is democratizing fashion and thus found to be an excuse for increasing profits in a non-sustainable manner (Fletcher, 2010); For instance, apparels with a short-life cycle which might be a cause of no repairs or less durable garments, but also by encouraging the consumers to buy new products due to the new upcoming trends (Aakko & Koskennurmi-Sivonen, 2013). In addition to this, Cachon and Swinney (2011) argue that the fast fashion system requires certain production-specific qualities that could be stated as unsustainable practices; 'Minimal production lead times' to capture the latest trends and 'enhanced product design capabilities' to match design with uncertain demand. Cachon and Swinney (2011) further suggest that there are several non-operational reasons for a company to implement the fast fashion system, for instance, competitive advantage and positioning. Therefore, one could suggest that the companies competing in the fast fashion market segment have limited financial space for investing in a sustainable production.

In contrary to the fast fashion production and consumption system, the slow fashion movement encourages companies to invest in practices for greater sustainability. Studies explain slow fashion as slower consumption and production systems, in combination with social sustainability for workers and communities, and by protecting the well-being of the environment. (Ozdamar Ertekin et al. 2015) Slow fashion therefore comes with a variety of factors indicating a higher quality. It is further stated that a quality item produced in a system with significant elements such as a sustainable and ethical production must come with a raised cost. (Niinimäki, 2010) Conclusively, Niinimäki (2010) stresses that it is unrealistic that an increased cost for the company providing the market with sustainable offerings would not lead to higher prices for the consumer. A sustainability certified production is therefore suggested to come with greater costs than the production in the fast fashion sector. The owner of the production unit does not solely need to invest in the production itself, but also ensure the trustworthiness to the client by certifying the production. Niinimäki (2010) further states the importance for slow fashion actors need to be cope in order to be revised into sustainability and stresses the cost-consuming process of doing so; Debrito, Carbone and Blanquart (2008) agree and mean that achieving sustainability requires a deep reorganisation both internally inside the organisation, but also externally for the different actors; Which one could assume leads to great costs for the company.

Sustainability Labelling

When using a green branding strategy, Sarkar (2012) stresses the importance of successfully communicating the brand's sustainability benefit. The International Organization for Standardization (ISO) works on a series of declaration standards intended by ISO to differentiate between environmental claims and sustainability

certifications, primarily used by fashion companies to communicate their brand positioning as green in a competitive environment;

Type I ‘ISO 14024’ sustainability labels are defined as strong due to credibility derived from the involvement of third-party programmes that requires the fashion company to meet a set of predetermined requirements (see Table 1) (ISO, 2006; ISO, 2018). In order to bring credibility to the brand, a third-party certification could play a significant role (Martin & Schouten, 2012); “(...) Two organizations combine their brands to benefit both brands” (pp.148) and could therefore be seen as a form of co-branding. Thus, the fashion brand gets credibility from the third-party certification and the certifying organization gets supported by the value of the brand and its sustainable product. (Martin & Schouten, 2012) On the contrary, Type II ‘ISO 14021’ sustainability labels are environmental claims that are self-declared, thus defined as weak sustainability labels (see Table 1) (ISO, 2006). However, self-declarations can be effective when the credibility derives from a well-known brand (i.e. brand with strong position) (Dekhili & Achabou, 2014).

However, ISO Standards 14000 do not change or have an influence on any applicable legal requirements (ISO, 2016). Therefore, the shortcomings argued by scholars is the voluntarily use and possibility for companies to set lenient environmental goals (D’Souza, 2004; Dekhili & Achabou, 2014). Consequently, the vague strategy of achieving environmental goals, enables fashion companies to use sustainability labels for different incentives (D’Souza, 2004; Martin and Schouten, 2012); Some companies guide the consumer through sustainability labels with communication (Dekhili & Achabou, 2014), while other companies seek to take advantage of the positive effect of greenwashing (Krafft & Saito, 2015) and mislead the consumer as a result. Consequently, a plurality and heterogeneity of sustainability labels are supplied on the green fashion market. However, labelling literature states that it would be a major challenge to create a sustainability label incorporating all parts of a sustainable business (Henninger, 2015), i.e. a universal label.

Sustainability Labelling	Type I	Type II
Standard	ISO 14024	ISO 14021
Revised	2018	2016
Third-Party Involvement	Yes	No
Self-Declared	No	Yes
Scope	Multicriteria	Selected Product Traits
Information Carrier	Label, logo	Graphic mark, word/slogan (claim)
Verifiability/Reliability	Strong	Weak
Examples	Fairtrade, The Nordic Swan, The EU Ecolabel	‘Organic Cotton’, ‘Sustainable palm oil’

Table 1: ISO Standards of Sustainability Labelling. Created by the authors and inspired by Koszewska (2011).

Brand Positioning with Sustainability Labels in the Fashion Industry

The following model of IGGZ (see Figure 1) shows a summarization of the literature obtained from the previously described different research fields, with proposed relationships. Literature suggests that the consumer is still not fully aware of the fashion industry's impact on the environment and sustainable fashion is therefore still a niche market. Thus, a green positioning of the brand enables for companies to achieve competitive advantage (Ozdamar Ertekin et al., 2015). Advantage in a competitive environment (see Figure 1) is generated through low costs or high differentiation (Brun & Castelli, 2008). As literature shows, costs and differentiation is prioritized differently within the two different market segments (see Figure 1). Therefore, it is crucial for the model of IGGZ to include the impact of the prioritization in the competitive environment on the fast and slow fashion market;

Literature shows that companies on the fast fashion market primarily compete with low prices (Fletcher, 2010) which therefore prevents investments in sustainability, as business practices in the fast fashion segment are related to minimizing costs (i.e. loss of quality). Contrarily, consumers on the slow fashion market are inclined to accept higher prices on the products by prioritizing offerings with credible sustainability benefits and higher quality indicated due to higher production costs (Niinimäki, 2010). Therefore, as seen in the model of IGGZ (see Figure 1), literature suggests dual focus on both the conventional marketing factors 'price' and 'quality' and the value-laden benefit

'sustainability', within the green market (Ottman, 2011) (see Figure 1).

Literature shows that it is crucial for companies on the green market to communicate their brand position to the consumer (Sarkar, 2012). As shown in the model of IGGZ (see Figure 1), it is also important to differentiate between communicating sustainability to the consumers and investing in sustainability certifications. Parts of the production can be certified with a Type I (i.e. third-party) certification, e.g. certifying the raw material. However, certifying the production itself is not viewed as a way of communication, even though the certification on the production enables for the company to communicate credible efforts on the end-product.

Sustainability communication supports the sustainable actions and benefits of a brand to the consumers, in order to position the brand as green on the market. Albeit, different strategies to communicate a green brand positioning by the use of sustainability labels can be found in literature, and is thus shown in the model of IGGZ (see Figure 1); An end-product can be labelled with either a Type I (i.e. certain standards that are fulfilled throughout the whole supply chain), or a Type II (i.e. self-declaration) label. It is important to underline that a certified production does not necessarily mean that any sustainability label is used on the end-product, therefore 'No Labelling' is added to the model of IGGZ (see Figure 1). Moreover, an umbrella label, can be used to cover any claims or third-party certification of the product (i.e. both Type I and II). As literature suggests, the challenge for the consumer is that an umbrella label might guide the consumer to a more sustainable choice, but it also gives companies the ability to cover weak environmental claims (The Nordic Council of Ministers, 2019).

As the umbrella label is not developed by an independent organization, but by the company itself, it can be categorized as a Type II labelling (see Figure 1). Moreover, these different ways of labelling can be found in various combinations, as literature

shows that the incentives to use (or not use) sustainability labelling differ between and within the market segments due to brand positioning.

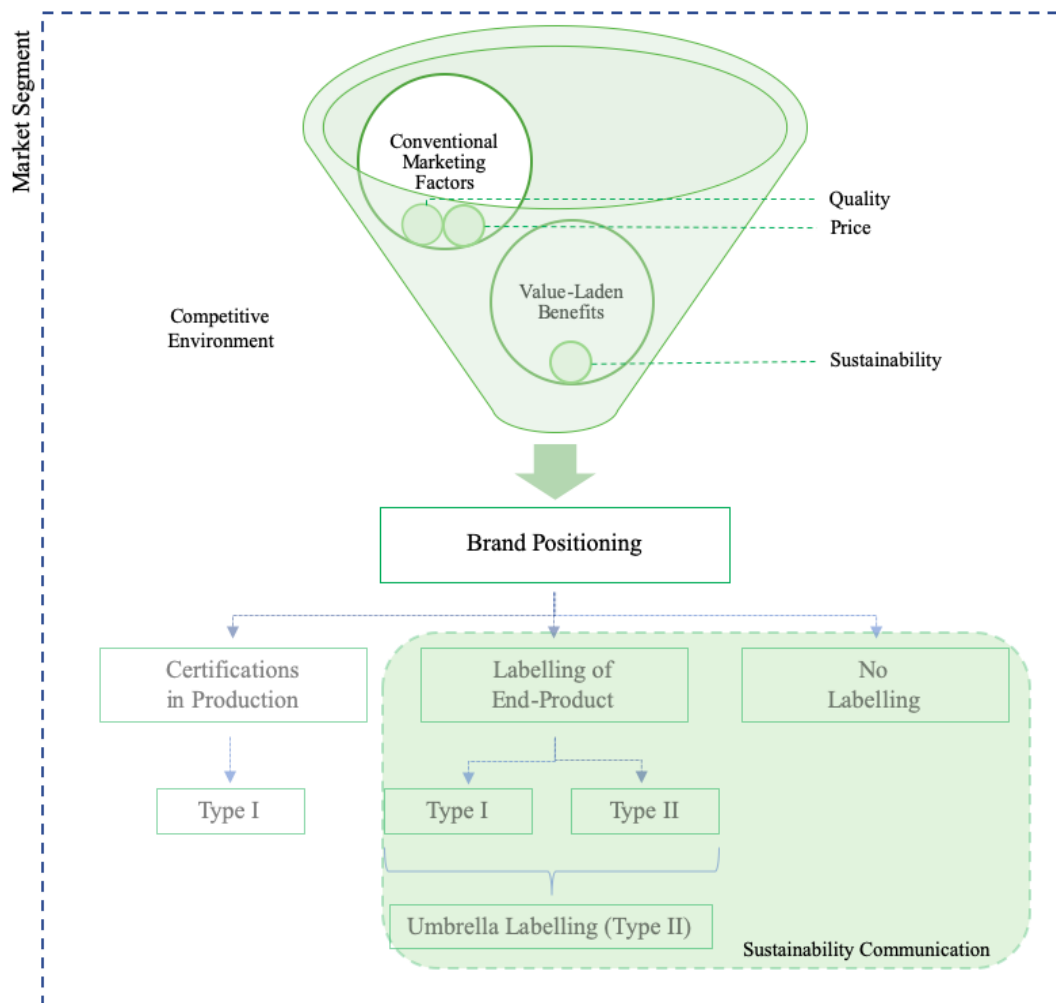


Figure 1: Model of Influences on Green Grey Zone (IGGZ). The influence of brand positioning within the market segment on sustainability labelling strategy, visualized by the authors to illustrate different relationships obtained from literature.

Methodology

Study Design

This study is informed by a multiple extensive case study of three Swedish fashion brands and a grounded theory methodology. Since the aim is to provide new insights and knowledge about the existing grey zone of sustainability labels, the authors need to get an idea about the fashion market in general, the slow and fast market segments, the brand positioning of companies and how they are using sustainability labelling. Thus, an exploratory study was undertaken. A qualitative research was therefore found to be an effective methodological approach in order to generate a data collection that provides a rich insight in meanings and reasons rather than frequency (Saunders, Lewis and Thornhill, 2009; Van Maanen, 1988). Three Swedish fashion brands agreed to take part in this study. Fortunately, it was possible to interview one sustainability coordinator with experience as sales assistant in-store, two executives in high sustainability management levels, and one chief executive, which we all consider as experts within the area.

Case Selection

One of the three principle ways of conducting an exploratory approach explained by Saunders, Lewis and Thornhill (2009) is interviewing 'experts' in the research area. Consequently, in this study two important decisions were made; Which cases to select and who to interview within the case companies (Saunders, Lewis and Thornhill, 2009).

The aim was to examine similarities as well as differences of diverse cases to strengthen the developed theory. In order to select cases that will enable the authors to answer the research question, a purposive selection

of companies that were judged particularly informative was undertaken (Neumann, 2005). Within our purposive sampling, we used a heterogeneous sampling approach. This strategy allows cases to be very different regarding their sample selection criteria, which is seen by Patton (2002) as a strength, as similar patterns of this different cases indicate particularly valued key themes of interest. One sample selection criterion was that the companies have to be part of the Swedish fashion market. In addition, differences regarding market segments, brand positioning and use of sustainability labelling were of interest for the authors when contacting potential companies. Therefore, the authors aimed for at least three case companies, whereby at least one of them should be part of the fast fashion segment.

Initially, we visited various online as well as offline stores in order to observe fashion companies regarding the selection criteria. Additionally, we were able to determine differences in terms of labelling strategies for the purpose of identifying potential cases for this study. Thereafter, several fast-fashion as well as slow-fashion companies that were chosen were contacted by phone, via LinkedIn, Facebook or through the customer service to get access to experts within the companies. Thus, a total of 15 companies were contacted; Some companies did not respond, while some companies rejected our request and stated not to have time to participate. In the end three companies, one fast fashion and two slow fashion, have shown interest to take part. Each person representing the company had the chance to identify their desire to take part (i.e. self-selection sampling). Sometimes, respondents recommended other potential participants within the company. In the end, four representatives of three companies were interested to participate in this research, which ensured their interest in the topic and their desire to share their thoughts as well as the company's view about the use of

sustainability labelling (Saunders, Lewis and Thornhill, 2009). These four ‘experts’ are part of the following heterogeneous (in terms of labelling) Swedish fashion companies: Velour By Nostalg, Nudie Jeans Co and Gina Tricot. We were able to interview Per Andersson, who is the CEO and founder of Velour By Nostalg. Moreover, the sustainability manager,

Sandya Lang, together with the sustainability coordinator, Kevin Gelsi at Nudie Jeans Co was interviewed. Additionally, the CSR and quality manager at Gina Tricot, Rebecca Watkins was interviewed. (see Table 2)

Company	Market Segment	Products	Highest price on jeans	Sustainable collection	Interviewees	Executive Position
Velour By Nostalg	Slow Fashion	Men’s fashion	1600 SEK	60% sust. products (certified by the Nordic Swan)	Per Andersson	CEO & Founder
Nudie Jeans Co	Slow Fashion	Mainly jeans, unisex	2999 SEK	99% sust. products (70% sust. materials)	Sandya Lang	Sustainability Coordinator
					Kevin Gelsi	Sustainability Coordinator
Gina Tricot	Fast Fashion	Women’s & Kids’ Fashion	599 SEK	47% more sust. products (50% more sust. materials, e.g. BCI)	Rebecca Watkins	CSR & Quality Manager

Table 2: Overview of the three case companies included in this study and their interviewed executives.

The Cases

Velour By Nostalg

Velour By Nostalg (referred to as Velour) started with a deadstock store in 1997 and is nowadays a Swedish men’s fashion brand that is sold through the own online shop as well as through wholesalers. Since 2002 the company aims to challenge classic menswear conventions with the ambition to create sustainable clothes for the well-dressed man (Velour By Nostalg, 2019a).

Nudie is regarded as part of the slow fashion segment (see Table 2). This brand has product styles that are certified by the Nordic Swan, as well as non-certified product styles. Moreover, self-declaration like ‘100 % organic cotton’ is used.

Nudie Jeans Co

Nudie Jeans Co (referred to as Nudie) is an independent, privately owned Swedish denim brand, founded in 2001. The Nudie Jeans is sold in more than 50 countries through 31 repair shops, the own online store as well as other online and offline retailers. Since the beginning

environmental and social sustainability has been addressed and incorporated and their vision is to ‘become the most sustainable denim company’ (Nudie Jeans Co, 2018). As a result, they are part of the slow fashion segment (see Table 2). The brand focuses on certified raw materials and a short, transparent supply chain, which can be seen on the Production Guide on their website. However, Nudie is not using third-party labelling for their end-products. They are using claims on their end-products, such as ‘100% organic cotton’.

Gina Tricot

Gina Tricot is a fast fashion company (see Table 2) that sells fashion for women since 1997. Nowadays, their fashion is available in 175 retail stores in five countries and through the online shop in 23 additional European countries. Moreover, the company sells their products also B2B (business-to-business) (Gina Tricot, 2018). Their aim is to make women smile and to strive for more sustainable fashion (Gina Tricot, 2019). They are using umbrella labels on the end-products, consisting of varying certifications depending on the product.

Interviews

The interviews of this study took place face-to-face between the interviewers and the interviewees. Moreover, the interviews were conducted in English and the interviewees were offered to remain anonymous as well as to get the transcription of the interview. All interviews were audio-recorded with the consent of the participants and in order to minimize interferences during the process, the authors decided on no note taking during the conversation and instead transcribing the recording accurately and directly afterwards to avoid missing out details (Eriksson & Kovalainen, 2008).

The interviews took place in by the participants chosen and for them familiar locations; The head quarter of Nudie Jeans, the head quarter of Gina Tricot and a coffee place in Billdal. The interview taking place in the coffee place was disturbed by loud noises or other distractions which influenced the quality of the audio-recording but not the face-to-face interview.

The interview guide covered questions about several themes, like the company in general, the company’s sustainability, the brand strategy, sustainability labelling and competition. The interviews were semi-structured, so that the interviewees were able to explain and develop their responses, due to the flexibility of this ‘non-standardized’ method (Bryman & Bell, 2007; Saunders, Lewis and Thornhill, 2009). Secondary questions were used during all interviews to ensure a correct understanding or to dig deeper into an interesting thought (Eriksson & Kovalainen, 2008). Furthermore, the questions were formulated open-ended, in order to approach a ‘rambling’, as it gave the authors a deeper understanding and insight about what is of more importance for the interviewees. Therefore, rich and detailed answers could be ensured (Saunders, Lewis and Thornhill, 2009).

The interview with Nudie took place on February 25, 2019 and took approximately 40 minutes, with Velour on March 4, 2019, which took approximately 87 minutes and finally the interview with Gina Tricot took place on March 29, 2019 and was approximately 40 minutes long. The time slots were suggested by the participants, but it would have been advantageous to meet during a time in which the participant is not under time pressure in order to avoid limiting the available time previously (Saunders, Lewis and Thornhill, 2009). Nevertheless, the authors are aware that this is difficult to include in an everyday workday of an international company and

are therefore grateful that the three companies participated in the study.

Other Data Sources

In addition to the interviews, observations were conducted (i.e. websites and in-store) and secondary data, e.g. the companies' sustainability reports, were examined to contribute to an extensive case study and an in-depth understanding of the 'Green Grey Zone' phenomenon. We collected valuable information from the websites regarding factors such as price, styles, and additional sustainability information about the brands and products. We visited the physical retail stores of Nudie Jeans and Gina Tricot in order to observe the labelling and communication strategy in-store. To observe the labelling strategy of Velour By Nostalg, we went to a wholesale store called 'Thrive' in Gothenburg that sells Velour By Nostalg products, as Velour currently does not have a physical store. Additionally, we gathered secondary data from sustainability reports to increase our understanding of the case companies' sustainability work. Due to the different units of analysis to ensure a triangulation of various sources, this multiple case study can be seen as embedded (Saunders, Lewis and Thornhill, 2009).

Data Analysis

The authors used grounded theory methodology to analyse the collected data. This method can be seen as a research application for theory development especially in case studies where little is known. Therefore, we argue in line with Eriksson and Kovalainen (2008) that this data analysis method is preferable when the aim is to generate theory during the research process (Eriksson & Kovalainen, 2008). When it comes to formulation of theoretical ideas, the grounded theory was used as an abductive approach in this research. Nevertheless, Locke (2010) indicates, that to generate new plausible

theoretical insights abduction must occur in an interplay with induction and deduction. Within the abductive grounded theory, the authors used the data analysis process of the grounded theory method to recognize core categories, combined with a process of finding theory that explains the relationships and interdependencies between the theoretical categories. With the matching theory a model was developed. This general model of IGGZ (see Figure 1) was refined in the following built on the results of the findings.

The iterative process, including the systematic three stages of coding, was labour intensive due to a constantly comparing of the data as part of a detailed, in-depth analysis (Saunders, Lewis and Thornhill, 2009). Moreover, the authors decided to execute the coding and the data analysis by hand, as the authors wanted to be close to the data and the whole process. To keep a shared online research diary for capturing the results and thoughts of many discussions between the authors helped during the simultaneous processes of literature review, data collection and coding (Eriksson & Kovalainen, 2008). In addition, both of the authors kept individual research diaries to capture thoughts continuously and to keep track of the thinking process.

In the grounded theory of Strauss and Corbin (2008) the coding process is structured into open-coding, axial-coding and selective-coding. In the first stage, the authors aimed for identifying concepts through breaking the data down into units. Following this, the axial-coding has been conducted, where relationships between the previously identified categories needed to be found and therefore the number of codes could be reduced. During the last step, selective-coding, core categories have been recognized and developed into findings. The final categories were the following ones: market segment, brand position, sustainability labels, sustainable production, supply chain, brand story,

financial space, communication, stakeholders, competition. Throughout the time-consuming process, it showed to be helpful for the authors to visualize potential relationships and draw different models to organize the thoughts of the huge amount of information and to process the quantity of data that was found during the interviews as well as during the analysis of observations on the companies' websites, in stores and sustainability reports. It was found that the visualizations helped not only to keep an overview and create an understanding for the relationship and meaningfulness between different aspects, but also to sort out a model that presents the theory and at the same time can be further developed with the authors' findings.

To structure the analysis the created model of IGGZ was helpful, but the authors also took time to collect thoroughly useful statements from the interviews and matched these with theory, which was constantly compared during the data collection and analysis process. Therefore, data was taken out of context and organized after correspondence regarding themes.

Issues of Quality

As already mentioned, several different companies were contacted within the two different market segments as part of the case selection. When conducting a case research, trustworthiness is a critical aspect (Tobin, 2010);

Firstly, the purpose was to find three cases that are heterogeneous regarding their selection criteria, which has been fulfilled with the three cases analysed in this study. Nevertheless, heterogeneous selection might have an influence on the generalizability potential of the study, also called transferability, as the results might be different when examining other cases; which is a common problem in qualitative studies (Saunders, Lewis and Thornhill, 2009). However, since the company cases were chosen thoroughly after the selection

criteria and the model of IGGZ (see Figure 1) is applicable to all of the three heterogeneous company cases (i.e. different brand positioning) the result was aimed to be generalizable to any brand position regardless of market segment. Therefore, the generalizability can be seen as improved and the model of IGGZ can be seen as transferable.

Secondly, the cases were connected to existing theory in order to demonstrate the broader theoretical significance (Saunders, Lewis and Thornhill, 2009). Further on, open-ended questions were seen as beneficial to understand the participants view on the phenomenon 'Green Grey Zone' as this study has an interpretivist epistemology nature (Bryman & Bell, 2007; Saunders, Lewis and Thornhill, 2009). Therefore, rich and detailed answers could be ensured (Saunders, Lewis and Thornhill, 2009).

The authors are aware of the fact that the interviews could have been potentially biased as they were conducted in English, which is not the native language of either the interviewees or interviewers. Therefore, language could have had an effect on the understanding or the ability to express oneself, but as everyone agreed to having the interviews in English and all participants had very good language skills, this was recognized as a problem. Moreover, secondary questions prevented a potential misunderstanding and the interviewees were also given the option to reply in Swedish if necessary, as one of the authors speaks Swedish.

In addition to transferability, data quality issues related to case studies could potentially be identified regarding credibility and dependability (Tobin, 2010). Therefore, to strengthen the credibility, the interviewees was offered to take part of the transcription and able to contact us anytime in any matter. Due to a lack of information regarding Velour, as they do not have a sustainability report at the moment, we

contacted the representative for Velour, Per Andersson after the interview was taken place and he took the possibility to provide us with specific additional information via email and thus to fill the lack of information.

One could assume that it is possible to be biased by the individual and objective perception of the brands. Nevertheless, dependability could be seen as established, since two authors worked together on this study. Therefore, every thought, every conclusion, every part of this research was discussed and evaluated by two persons. Nevertheless, no author outside of the data collection and analysis examined the study to support our results (Tobin, 2010). However, a shared as well as individual research diaries helped the authors to reflect on discussions and examine thoughts and motives that lead to the conclusions that were made.

Analysis

In the analysis we aim to answer the research question;

How is the 'Green Grey Zone' influenced by brand positioning within the market segment?

Therefore, each of the three case companies will be analyzed in respect of the market segment and its brand positioning. We are going to prove the influence of the company's market segment on its financial space for investing in a certified production. Moreover, how the financial space influences the brand's positioning which results in different incentives to use labelling on the end-product. The plurality and heterogeneity of communication strategies with sustainability labels are pointed out as a contribution to consumer confusion through a jungle of environmental claims and certifications. Consequently, the contribution to the 'Green Grey Zone' is examined by

analysing the various different strategies of the cases.

Hereinafter, each of the cases is introduced shortly with a summary of our findings regarding its individual sustainability communication, followed by a model generated by the authors' obtained literature and adapted to represent each of the companies' strategy. Subsequently, the company's 'market segment', 'brand positioning' and 'certifications in production' together with 'labelling on end-product' will be analysed and described explicitly. Furthermore, the financial space divided in certifications in production and labelling of end-product will be visualized by the symbols 'star' and 'triangle'; The star represents the relationship between financial space for certifications in production and market segment, while the triangle represents the relationship between the labelling of end-product and competitive environment due to brand positioning within the market segment. Attached to each model is a legend that describes to what extent the company are investing in certifications in production and labelling of end-product. The size of the symbols 'star' and 'triangle' is the authors' proposed example of how to identify and differ between different levels of financial space for each company. Which makes it vital to point out that the financial space is the authors' estimations based on gathered data for this study. Additionally, it is important to point out that potential blurred parts in the case companies' model of IGGZ is considered as non-sufficient use or investments.

Velour By Nostalg

Velour By Nostalg is part of the slow fashion segment. Their sustainable apparels represent 60 percent of the total collection and is certified by 'The Nordic Swan', also 'GOTS', which is communicated to the consumer through the label on their end-products, as shown in the model of IGGZ

(see Figure 2). Moreover, the company applied for an additional certification ‘*The EU Ecolabel*’. Additionally, Velour’s 40 percent non-certified products might also have a less environmental impact, which is described on their website, and thus it can be seen as a form of self-declaration, Type II. Hence, the company uses both Type I and II labelling on their end-products as visualized in the model of IGGZ below (see Figure 2). Since a certified end-product of Type I have requirements on high standards throughout the whole supply chain, it is proposed that Velour By Nostalg invests

resources into ‘certifications in production’ which therefore can be related to the slow fashion market segment (see ‘star’ in Figure 2). Conclusively, they certify the whole production chain with the Nordic Swan certification for 60 percent of their products. Moreover, as symbolized by the ‘triangle’, financial resources are invested into ‘labelling of end-product’ with Type I by the Nordic Swan label in order to position the brand in the competitive environment.

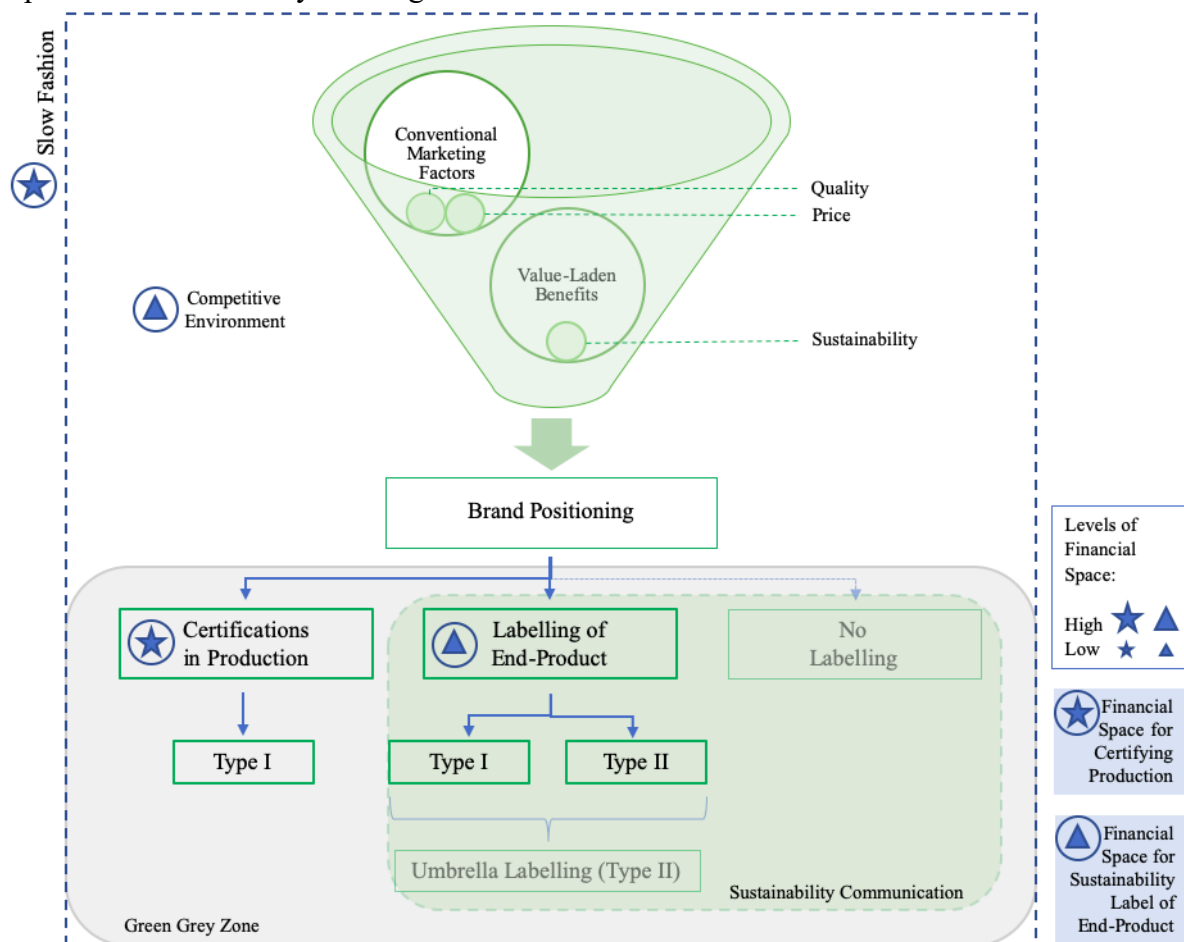


Figure 2: Model of Influences on Green Grey Zone (IGGZ), applied to Velour By Nostalg. Labelling Strategy of Velour By Nostalg, influenced by their market segment and brand positioning. (Source: Developed by the authors, based on findings.)

Market Segment

‘Sustainability’ and ‘well-dressed’ are Velour’s two core values, as stated on the

website (Velour By Nostalg, 2019a). We argue in line with Velour By Nostalg that the company is part of the slow fashion sector (see Figure 2), and the argument is built on combining high quality, high price

and high standards for regulating 60 percent of the collection according to a sustainable production and close collaboration with non-profit organisations owned by the government to achieve their goals. Hence, Velour aims to have the whole production certified with credible sustainability certifications and to be part of the solution of prolonging the life of the finished product. (Velour By Nostalg, 2019b; Martin & Schouten, 2012; Ozdamar Ertekin et al., 2015) A statement that we argue is truthful based on previous efforts and current development to ensure sustainability. For instance, by solving the challenge for a Nordic Swan certified production (Velour By Nostalg, 2019b);

“We found a supplier that we started to convince that this is important, (...) in the end, he got on board and he started to change a lot of stuff in the production”.

Although having 75 percent organic cotton in their total collection, Velour does not define sustainability based on the garment itself, but highlights the importance to consider the use phase as well. In line with Velour, literature shows that a company within the slow fashion market segment is characterized by investments in production techniques and garments for a prolonged life cycle (Martin & Schouten, 2012).

Brand Positioning

During the years, Velour’s “value-driven” target group has evolved from mainly focusing on being well-dressed to being well-dressed *and* sustainable (Velour By Nostalg, 2019b), thus as suggested by literature, their customers are primarily looking for value-laden benefits (see Figure 2) and inclined not to primarily look for the lowest price (Niinimäki, 2010). Therefore, Velour states that striving for a green brand positioning acquired an increased importance for the company over the years (Velour By Nostalg, 2019b);

“(...) Our main vision and goal was to... Is to make a change in the fashion industry. To combine men’s worn fashion with sustainability. That was actually our top priority. And we built that on the value-driven customers that we had.”

As a result, high prices and high quality are implemented in order to ensure consumer satisfaction (see ‘conventional marketing factors’ in Figure 2) (Sarkar, 2012). This resulted in Velour By Nostalg selling the first Nordic Swan (in Swedish ‘Svanen’) certified jeans in 2017 and also on the chinos it is claimed to be ‘*The World’s First Svanen Chinos*’. Further on, it was important for Velour to stay true to their brand. Therefore, the style of Velour’s products was advantageous from a financial and sustainability production perspective when they started to consider a third-party certification. Velour defines their clothes as well-dressed, and the non-sustainable practices to get a ‘used-look’ on the garments (Velour’s definition on “not well-dressed”) was therefore never necessary to consider (Velour By Nostalg, 2019b);

“(...) We were also not the brand that make a lot of washes (...) So this (referring to being environmental responsible) was not a problem for us (...). That fitted our way of working as well.”

Another competitive advantage is the possibility to be progressive in the sustainability field due to the factors ownership, company size and organizational structure (Debrito, Carbone & Blanquart, 2008); It enables the company to quickly adapt to new trends which eases for the company to strive for a forefront position as it was exemplified by investing in a new sustainability certification (Velour By Nostalg, 2019b). Therefore, the change in ownership has had an impact on the possibilities to position the brand as green (Velour By Nostalg, 2019b);

“I mean, because now I’m 100 percent owner which means that I don’t need to ask them and them and them. So now I have put a new group of people who digitalize what we’re doing more and build that on a total sustainable platform. So, we go more intense in sustainability. What we did was good with the production, but next step is to do it in a much broader way.”

Velour By Nostalg is focusing on building a strong brand around consumer engagement, digitalization and position the brand in the forefront of sustainable development in the fashion industry (Ottman, 2011). During the interview, it becomes evident that Velour is aiming for being part of new developments regarding sustainability, since they take part in projects together with Ecolabelling Sweden; A by the state owned non-profit company that has the responsibility for the Nordic Swan Ecolabel and the EU Ecolabel in Sweden (Government Offices of Sweden, 2015). Through these project groups Velour contributes to developing new standards and gains knowledge that might help to increase their brand positioning (Velour By Nostalg, 2019b);

“(…) You do that through SIS (Ecolabelling Sweden), it’s a Swedish organization which makes standards, ISO standards. (…) They are working on projects, invite people like me or others from the fashion industry like Nudie, (…) to work with them in a project group. To get to know, to set standards. (…) To help them”.

However, one could argue that they still have a need to increase the business’ financial possibilities to invest in a fully certified production. Since Velour is on the slow fashion market, they are not primarily competing with decreasing prices, instead the importance of ensuring high quality and sustainability benefits increases (Niinimäki, 2010). However, Velour is striving to grow and not all of their consumers are appealed by a certification

that comes with a higher cost (e.g. 30 percent higher cost of certified jeans, 1299 SEK in comparison to uncertified jeans for 999 SEK) (see ‘conventional marketing factors’ in Figure 2). However, Velour argues that if aiming for a fully certified collection it is important for the company to increase profitability and thus financial space (Debrito, Carbone & Blanquart, 2008). Therefore, offering the consumer the optionality to choose between identical products with either a low cost or credible sustainability benefit is argued by Velour to increase the probability for completing a sale (Velour By Nostalg, 2019b);

“So then, some customers they would never buy these (referring to the Nordic Swan certified products), you know. So, we have to keep them for them. We cannot be like ‘No you have to buy these’. Because it is a business, we need to have money to grow.”

Conclusively, Velour sees investing in sustainability certifications as profitable, since it contributes to increased consumer value and a stronger brand and company (Ottman, 2011).

Certifications of Production and Labelling of End-Product

Velour is relatively new to sustainability communication. Therefore, it might be of importance to consider where the credibility should derive from when communicating their sustainability efforts to achieve a sustainable brand image (Sarkar, 2012; Brun & Castelli, 2008; Martin & Schouten, 2012). Further on, the importance of choosing the right way to communicate sustainability to the consumers is crucial and can be explained by literature as the outcome of the worldwide recognizable shift in consumers’ attitudes towards how the company choose to incorporate sustainability (Sarkar, 2012; Martin & Schouten, 2012) (Velour By Nostalg, 2019b);

“When you do that you get attention, people ask a lot of questions, because then we needed to be trustworthy in every sense here.”

In order for the consumer to perceive Velour as sustainable, literature suggest that a third-party certification can play an essential role for bringing credibility to the brand (Martin & Schouten, 2012). In line with Martin and Schouten (2012), Velour sees a third-party certification as a way to be sustainable *“in a trustworthy way”* and describes the trustworthiness to derive from a production controlled by a non-business driven third-party organisation owned by the government (Velour By Nostalgia, 2019b).

The independently developed sustainability certifications are created to guide the consumer towards a sustainable choice (Sarkar, 2012), as the consumer gets a guarantee that the product or service has been independently controlled and verified regarding specified standards or criteria of performance (Sarkar, 2012). Consequently, Velour is certifying a largely part of their end-products by the third-party ‘The Nordic Swan’ (see Figure 2). Therefore, it can be argued that Velour has high expenses for a fully certified production (see ‘star’ Figure 2). However, they are only certifying a part of their products.

Velour is currently applying for an additional sustainability certification, the EU Ecolabel, for labelling the same end-products that are certified with the Nordic Swan (see ‘triangle’ in Figure 2), (Velour By Nostalgia, 2019b). Conveniently, Velour states that the EU Ecolabel is mainly having the same requirements to fulfill as the Nordic Swan, which can be argued as beneficial from a time- and cost consuming perspective (Velour By Nostalgia, 2019b);

“I mean a little bit extra costs, you have to pay a little bit for it. It’s based on how much

you sell, but it’s not much. It’s a fee for them so they get some money, but it’s not a big deal.”

Additionally, Velour states that their production units certified with Nordic Swan and EU Ecolabel also holds the certification GOTS, however this is not labelled on the end-product (Velour By Nostalgia, 2019b);

“All of our the Nordic Swan certified productions uses GOTS certified fabrics. This is not a requirement for having the Nordic Swan certified products, but if you are working with that kind of fabric it eases for the company to receive the Nordic Swan”.

Consequently, Velour invests financial space into producing together with independently certified production units with certifications that holds similar requirements, assumingly to be able to communicate credible sustainability efforts while considering time- and cost consumption (Velour By Nostalgia, 2019b; Sarkar, 2012).

Accordingly, Velour argues in line with literature that Type II certifications (i.e. self-declarations), are lacking in credibility reasoned that *“nobody checks”* (Velour By Nostalgia, 2019b). Nevertheless, Velour is describing on their website in what way the fabrics of their garments have a less environmental impact, even though they are not certified, which could be categorized as Type II labelling (see Figure 2) (Velour By Nostalgia, 2019a).

However, Velour’s reasoning for using the Nordic Swan could be supported by Martin and Schouten’s (2012) explanation of co-branding where the trustworthy image of the certification is transferred to the company’s brand and conversely. Although, enhancing the advantage of using a trustworthy third-party certification, Velour claims they need to

stay true to their brand and not be seen as “*the Nordic Swan brand*”. Therefore, Velour further states that it is important for the consumer to know that they buy Velour pants (Velour By Nostalgia, 2019b);

“I mean we cannot be a Svanen brand. I mean, it’s Svanen and we are marketing it because it is a sustainable good thing, it’s a trustworthy thing, but how much should we marketing it? They don’t buy Svanen, they buy Velour pants. That’s why we want to develop, I mean that should be second thing.”

Hence, Velour aims to get a stronger green position to be perceived as a sustainable brand and thus using sustainability communication in form of Type I labelling on end-product to achieve a sustainable brand image, which is of high value in a competitive environment (Brun & Castelli, 2008; Bridson & Evans, 2004; Ottman, 2011).

“(…) Should be and will be natural after we get further into sustainable productions and circulations.”

A sustainable brand image would be advantageous as it enables Velour, like other brands with a strong green positioning, to make the credibility derive from not solely a certification, but also the brand itself (Brun & Castelli, 2008). Accordingly, to achieve a stronger position, Velour are communicating their sustainability work to the consumers by the use of third-party sustainability certification on the end-product and thus also the production. Therefore it can be said that Velour is investing in both a certified production and labelling of the end-products with credible Type I certifications (see Figure 2) in order to achieve competitive advantage, increase the perception of the brand as sustainable and

thus compete with brands that holds a stronger green position.

Nudie Jeans

Nudie Jeans is part of the slow fashion segment, taking responsibility regarding social as well as environmental sustainability. They use certified raw materials for their production processes. Therefore, their organic cotton is certified in accordance with the *Global Organic Textile Standards (GOTS)*, the *Organic Content Standards (OCS)* or the *US Department of Agriculture (USDA Organic)*. Moreover, the in India sourced cotton is *Fairtrade* and GOTS certified, while man-made cellulosic textiles are *FSC* certified and recycled yarns, the *Global Recycled Standard* is used. Consequently, it can be said that Nudie certifies parts of their production with Type I certifications (see Figure 3). However, on their end-products they only use claims like ‘*100% organic cotton*’ or ‘*Living wage - our share is paid for this product*’. These are defined as Type II labels on the end-product, which is visualized in the model of IGGZ (see Figure 3). It is proposed that Nudie is fully focussing on investments for certifications in a part of the production, i.e. a high proportion of their raw materials is certified (see ‘star’ in Figure 3), while not investing into any labelling of the end-product. Self-declarations are related to establishing competitive advantage, however Type II on the end-product is not connected to additional expenses for certifications (see ‘triangle’ in Figure 3). However, Nudie has overall high expenses for their sustainability work. Though, when focussing on sustainability labelling of the end-product, the financial space invested is assumed to be lower than for Velour By Nostalgia.

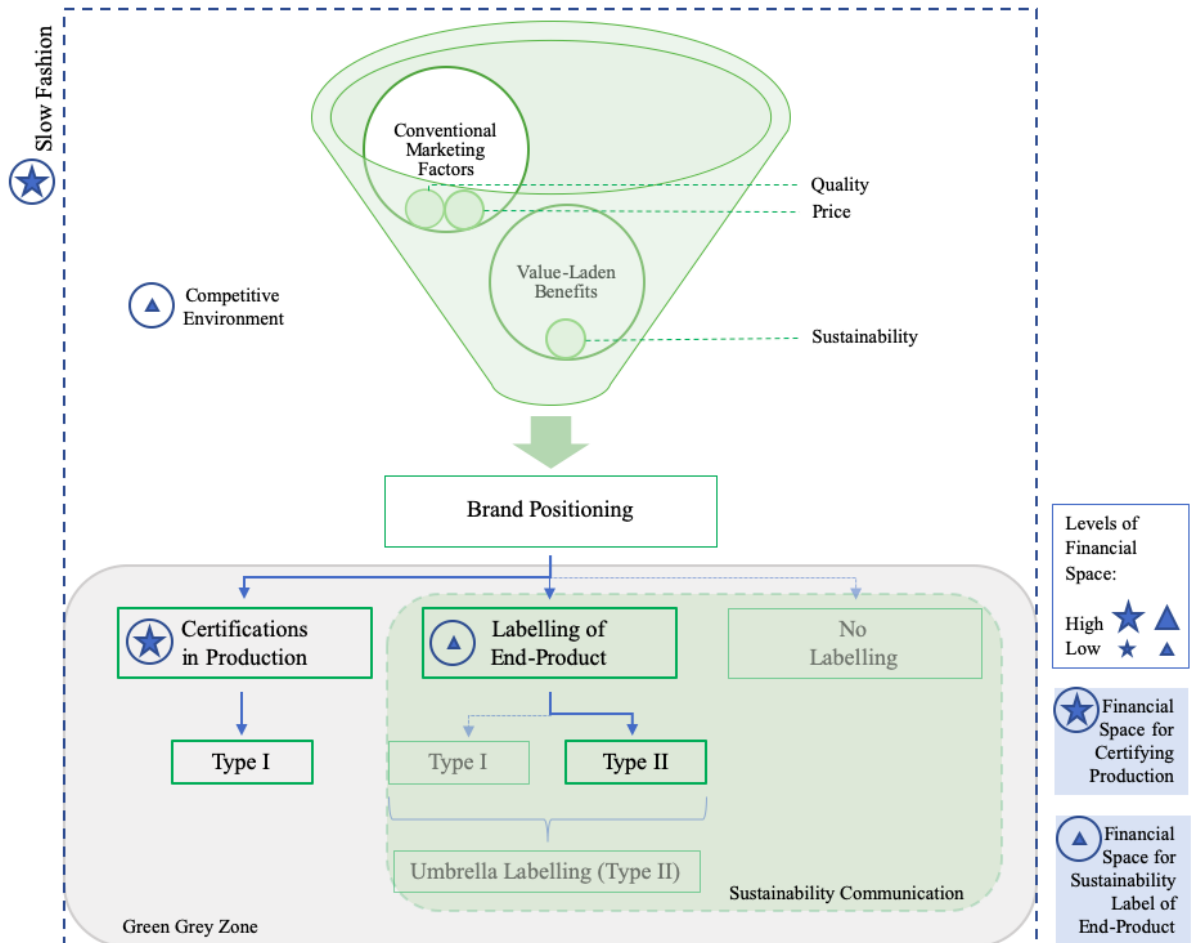


Figure 3: Model of Influences on Green Grey Zone (IGGZ), applied to Nudie Jeans. Labelling Strategy of Nudie Jeans Co influenced by their market segment and brand positioning. (Source: Developed by the authors, based on findings)

Market Segment

The company entered the green market in 2001 as an “*reaction*” to the conditions in the fashion industry, which ignores in large parts environmental and social responsibility. The brand was based on the idea of producing a high-quality product in a fair and responsible way, throughout the production chain (Nudie Jeans Co, 2019a). Nudie therefore puts value on social and

environmental sustainability, takes responsibility for raw materials and the production chain (Nudie Jeans Co, 2018; Nudie Jeans Co, 2019a). In addition, they claim to contribute to a creation of more sustainable consumption patterns with free repairs as well as reselling and reusing products (Nudie Jeans Co, 2018, p.36), while stating high ambitions within the slow fashion market (Nudie Jeans Co, 2018, p. 3; Nudie Jeans Co, 2019a);

“(...) Our vision is to become the most sustainable denim company”.

Therefore, in 2018, their collections contain out of 98 percent sustainable garments (Nudie Jeans Co, 2018). In line with literature, Nudie contributes to slower consumption and production systems, in combination with social responsibility for workers and communities, and responsibility for the environment (Ozdamar Ertekin et al. 2015). But, with the sustainable and ethical production, the high-quality products come with higher costs (Niinimäki, 2010). Hence, the most expensive jeans is available on a price of 2999 SEK (Nudie Jeans Co, 2019b). Due to their responsibility in sustainability in combination with their high ambitions and the attempts to create sustainable consumption patterns, Nudie Jeans can be seen as part of the slow fashion segment (see Figure 3) (Ozdamar Ertekin et al. 2015).

Brand Positioning

Success often depends on the customers' perceived image of the company (Brun & Castelli, 2008), generated from the brand position. Nudie assumes that consumers see their efforts regarding sustainability, and it can be argued that they see their positioning already printed in the consumers mind (Nudie Jeans Co, 2019a).

“(...) We think that our consumers and the potential consumers are maybe already aware of the benefits of having a Nudie jeans product”.

Nudie describes themselves as *“one of the leader brands in many ways”* and reasons this on a combination of social and environmental responsibility, while other brands tend to focus on only one of these (Nudie Jeans Co, 2019a);

“(...) We are trying to be always the better option instead of being one of the many players”.

During the interview the brand is described as *“pretty punk brand”* as Nudie claims to go its own way, not depending on the mainstream pools and as *“cool and independent”* (Nudie Jeans Co, 2019a). Nevertheless, they are aware that they are still part of an industry of consumerism (Nudie Jeans Co, 2019a). This implies that positioning the brand as sustainable is seen as competitive advantage (Ottman, 2011). Nudie positions the brand within the slow fashion segment in a way, which they state makes the brand *“unique”* within the pool of many players in the fashion industry (Nudie Jeans Co, 2019a).

A brand's competitiveness can be influenced by price, quality and sustainable benefit as factors within brand positioning (Ottman, 2011; Sarkar, 2012). Nudie Jeans claims to consist of a good brand, product and service (Nudie Jeans Co, 2019a). As already mentioned, comes a high-quality product that is produced sustainable with higher costs (Niinimäki, 2010). One could assume that higher prices also lead to the customers perception of a high-quality product, and therefore the conventional marketing factors (see Figure 3) of Nudie affects the brand positioning in the customers' mind.

Nevertheless, to be able to compete in the fashion industry, it is important to not only focus on conventional factors such as price and quality, but also include value-laden benefits, such as environmental benefits (Ottman, 2011). The sustainable positioning of Nudie Jeans was emphasized during the interview. It was argued that the brand is based on sustainability (Nudie Jeans Co, 2019a);

“(...) Sustainability is a pretty great part of our DNA”.

The concept creates value-laden benefits (see Figure 3), as it includes free repairs, resell second-hand jeans as well as collecting worn-out jeans to reuse them (e.g. for repairs) is built around a “*strict way of thinking*” that results in responsible production. Taking responsibility and being transparent constitute important factors within the brand positioning. With the ‘Production Guide’ they try to improve traceability as well as transparency of their supply chain. Contrary to other companies, they declare to have a short supply chain, which is beneficial for the traceability of the production and supply chain. Through the development of the ‘Production Guide’ and other efforts representing their responsibility they try to communicate and lift up the “*unique things*” about the brand towards their consumers in order to position the brand on the market. (Nudie Jeans Co, 2019a) Nudie claims that their transparency could be one reason for customers to see Nudie’s sustainability work and therefore the advantageous aspect of the brand (Nudie Jeans Co, 2019a). However, Nudie started in the recent years to evaluate customer opinions (Nudie Jeans Co, 2019a);

“(...) The new situation in the market requires us to do something”.

Therefore, Nudie is aware of the increasing competition within green positioning, as more and more brands realize that a clear, strong and credible green positioning within a market segment is seen as a factor of success (Sarkar, 2012; Martin & Schouten, 2012).

Consequently, an effective communication is essential to establish a strong brand position on the market (Sarkar, 2012). Nudie states not to be good at communicating what they are doing. They explain that their work has been “*in the shadows*” but recently they try to be “*more open*” about what they do. However, instead of putting sustainability labels on

their end-product (see Figure 3), they try to enhance the awareness for the brand and its work through alternative communication, like working together with students, giving interviews as well as holding lectures and presentations. Additionally, Nudie communicates their position through the staff in the stores that is educated regularly regarding CSR and sustainability as well as the store design and interior that represents the brand strategy (Nudie Jeans Co, 2019a);

“You almost have to be blind to not see that it is something going on with the machines in there. (...) The repair shops is kind of the most visible place to go if you want to see the brand’s strategy, because there it is in practice”.

However, it can be said that the consumers need to inform themselves more actively on the website or through the sustainability report for example. In their sustainability report, they only communicate what they have achieved and short-term goals, which differentiates them from other companies. Those mostly tend to have long term goals and communicate fewer achievements. (Nudie Jeans Co, 2019a)

Nevertheless, Nudie has an advantage, because of their circumstances regarding their ownership as it has been argued during the interview. They are privately owned and therefore have no external investors that “*put pressure*” on them and restrict them in their autonomy of decision. Thus, it enables Nudie to establish at the forefront. The limitation through investors and ownership was also something recognized by Velour. Moreover, they focused on sustainability and a traceable supply chain from the very beginning, whereas it could be difficult to “*turn around*” an existing company with a different structure. (Nudie Jeans Co, 2019a) This goes along with the theory, as it states that it requires a deep reorganisation of the companies’ structures, to achieve sustainability (Debrito, Carbone & Blanquart, 2008). Therefore, new brands

would constitute a higher competitive risk for Nudie (Nudie Jeans Co, 2019a).

Certifications in Production and Labelling on End-Product

Nudie sees themselves in the forefront of the slow fashion market segment and therefore believes in the self-explaining brand positioning through their image. In contrary to Velour, they are consequently not using external sustainability labels on the final products, but certified fabrics for example (see Figure 3). Therefore, Nudie can be seen to prioritize differently to Velour (Nudie Jeans Co, 2019a);

“It is a matter of prioritizing (...) Maybe this (referring to having a sustainability label on the end-product) is not the major topic at the moment”.

Instead of investing into third-party certifications on their end-products, Nudie is trying with alternative communication, transparency and traceability to print their position into the consumers mind (see ‘Brand Positioning’). Hence Nudie claims, that they might not need a certification to signal it to the consumer, solely certifications to ensure that their raw materials as part of the production are sustainable. Therefore, their strategy is to ensure that fabrics for the production are Type I certified. On the end-product Nudie uses Type II labelling in form of self-declaration (see Figure 3). So far, they have ‘100% organic cotton’ saying on the hang tags, not putting value on communication through third-party certifications on their end-products. As shown in the model of IGGZ (see Figure 3) Nudie has low expenses for “labelling of end-product”, as they have their own claims and are not investing in third-party certifications. The competitive advantage is therefore seen as established. However, they are using certified fabrics for producing their products, which can be connected to the slow fashion segment. Their financial space

for certifications on production is seen as similar to Velour. Even though, Nudie is only certifying a part of their production chain while Velour is certifying the full production chain; Nudie has a certification for a large part of their production while Velour certifies only a part of their products and therefore a part of their production (see Figure 2 and 3).

One aspect that they are mentioning are the resources; Getting a certification for the full product is a time- and also cost-consuming process (Nudie Jeans Co, 2019a). This goes in line with what has been stated by Velour; To ensure that standards can be met, additional resources regarding time and costs are required. In Nudie’s case it has been indicated that they are rather spending time and money on their sustainability work, to move forward and improve, than spending resources on a third-party certification. On the contrary to Velour’s strategy, which is to spend resources on certifications, aiming for increasing trustworthiness through credible third-party certifications on the end-product and reinvest the money they gain from the improved sales into their sustainability work; Until Velour is naturally put into relation with sustainability by the consumers. Nudie argues that sustainability labelling on the end-product has not been necessary for them, as they believe their green brand image is already established (Nudie Jeans Co, 2019a);

“We have been able (...) to change people’s consumption pattern without having the eco labelling on it (referring to their end-product)”.

However, they are aware that the consumers’ mind has been changing towards a more sustainable thinking and consumption (Sarkar, 2012; Martin & Schouten, 2012; Peatti & Belz, 2010), which means more and more brands position themselves as green and consequently they constitute a potential

threat for Nudie. This is especially a problem in online wholesale stores like 'Zalando', where Nudie is competing against companies with certifications on the end-product and therefore they are considering a third-party certification (Nudie Jeans Co, 2019a);

“So maybe, now people are actually looking for those labels. Before we didn't really think that they were, in the same way. And now if they are seeing for example a green label at another jeans company maybe they think that that one is better than ours. Even though we have a 100 percent organic cotton and they might have only like...20 percent organic cotton.”

They state their awareness that communicating their brand position through certifications on the end-product in the slow fashion segment could be a competitive advantage. Since more companies are investing in sustainability, Nudie is becoming more conscious about other brands and their consumers (Nudie Jeans Co, 2019a). Research suggests (Peattie & Belz, 2010) that product and service need to be constantly compared within a competitive environment. Nevertheless, Nudie does not see a third-party certification as an option to bring credibility to the brand like Velour and as theory suggest (Martin & Schouten, 2012), but more as something that would potentially not meet their high standards and at the same time be lowering their transparency, as the standards might not be comprehensively shown to the consumer (Nudie Jeans Co, 2019a);

“(...) For a third-party of course GOTS could be an option, but on the other hand, it's also not sure if the consumers are really informed about what it is... and since for example GOTS has two different levels of organic – depending on the composition, it is also a bit confusing (...) for the consumers.”

Nudie suggests a certification that is universal. But as labelling literature states, it would be a major challenge to create a label incorporating all parts of a sustainable business (Henninger, 2015). Also, the brand is seen by Nudie as already printed in the consumers' mind and therefore a clean and cool look, representing the brand's characteristics is more in line with the “cool and independent” brand image seems to be preferred (Nudie Jeans Co, 2019a). As a result, Nudie are considering having their own label, which might enable them to be fully transparent about what they do and having their own definitions and their own high sustainability criteria, instead of a third-party label (Nudie Jeans Co, 2019a). Moreover, Nudie means that an own sustainability label on their products could be “more trustworthy”, which is based on the argument that it would be more in line with what Nudie have done before (Nudie Jeans Co, 2019a);

“(...) Doing our own thing – putting the level very high”.

As supported by theory (Dekhili & Achabou, 2014), self-declaration might be superior as the trustworthiness derives from the consumers' perceived image of the brand. However, it becomes evident during the interview that Nudie is divided when considering a third-party label on the end-product. They state their awareness for other companies focusing more and more on sustainability, and even though Nudie is proud to be in the forefront on the green market, they also point out that the competitiveness is increasing.

Gina Tricot

Gina Tricot is part of the fast fashion segment, characterized by minimized cost and primarily competing with low prices (Fletcher, 2010). They claim in the interview to partly use certified production units (e.g. Öko-tex and Nordic Swan), however it cannot be confirmed by the

authors as it is not mentioned in any of the analysed data (e.g. sustainability reports). Therefore, as visualized in the model of IGGZ (Figure 4), Gina Tricot is suggested to barely have any investments in certifying parts of the production which could be related to the financial space of the fast fashion market segment (See ‘star’ in Figure 4). However, Gina Tricot does have several environmental claims covered by the umbrella label ‘the Good Project’.

Visualized on the hangtags is therefore Gina Tricot’s own umbrella label the Good Project regarded as a self-declaration, and thus Type II, to communicate environmental claims, such as ‘*Better Cotton Initiative - Thank you for supporting responsibly grown cotton*’. Therefore, the financial space invested into labelling of end-products is low (see ‘triangle’ in Figure 4).

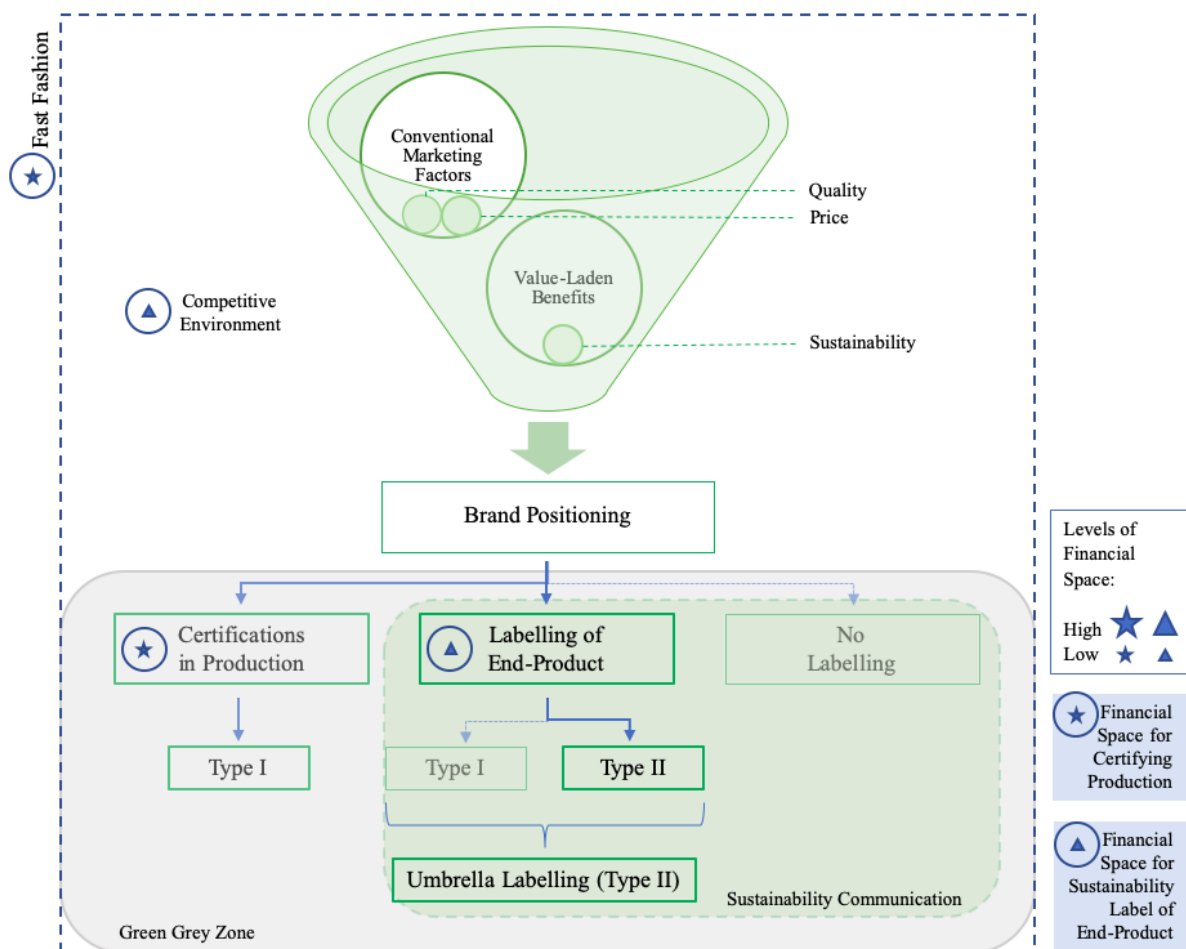


Figure 4: Model of Influences on Green Grey Zone (IGGZ), applied to Gina Tricot. Labelling Strategy of Gina Tricot influenced by their market segment and brand positioning. (Source: Developed by the authors, based on findings.)

Market Segment

Gina Tricot states their awareness of the fashion industry’s impact on the environment. They highlight during the interview that sustainability has been

incorporated in the company for ten years and means that it is pervasive in all areas of Gina Tricot. According to their annual report, the goal for 2028 is to have all of their products produced in a “more” sustainable material, e.g. *more* sustainable cotton from BCI (Gina Tricot, 2018). Claiming both in interview and on the

website to be part of the problem of having environmental issues, Gina Tricot has set lenient environmental goals to change the fashion industry which is underlined in their business idea “*Good affordable fashion*” (Gina Tricot, 2019a; Gina Tricot 2019b);

“Discover the latest trends in sustainable fabrics that are better for the environment”.

However, weak environmental goals are a common problem within the fast fashion market segment since the garments are characterized by having short-life cycles due to prioritizing the conventional marketing factors (Cachon & Swinney, 2011; Aakko & Koskennurmi-Sivonen, 2013; Ottman, 2011) price and quality (see Figure 4). Accordingly, Gina Tricot claims that they want to make fashion affordable for everyone. Thus, the jeans with the highest price for the consumer costs 599 SEK (Gina Tricot, 2019b), a relatively low price in comparison to the other case companies (1600-2999 Sek) and characteristic for the fast fashion market segment competing with continuously decreasing prices (Fletcher, 2010; Cachon & Swinney, 2011), and as stated in their annual report, quality *within* the price range (Gina Tricot, 2018, p.23). Accordingly, the following can be found on Gina Tricot’s website (Gina Tricot, 2019b);

“At Gina Tricot, you’ll always find the latest fashion trends. We have new arrivals every day!”

Implementing a sustainable fashion system is therefore counter to Gina Tricot’s consumers’ preferences for low prices (Ozdamar Ertekin et al., 2015), and preventing Gina Tricot to invest in sustainability (Henninger, 2015), e.g. certifications in production (see ‘star’ in Figure 4). Therefore, since Gina Tricot is competing on the fast fashion market, their consumers are both inclined to look for the

cheapest prices (Ozdamar Ertekin et al. 2015) and encouraged to buy new products to go with the latest trends (Aakko & Koskennurmi-Sivonen, 2013). Consequently, Gina Tricot in the fast fashion market segment is showing significantly lower financial space for investing in higher sustainability standards than both Nudie Jeans and Velour By Nostalg (see ‘star’ in Figure 4).

Brand Positioning

Initially, when Gina Tricot started in 1997, the core idea behind the business was to give female customers “*a happy surprise each time they saw the price tag*”, and thus “*lots of fashion for the money*” (Gina Tricot, 2019b). Gina Tricot believes that they have already succeeded in giving the consumers a positive feeling when it comes to product and price, but the competitiveness on the fashion market makes it crucial for Gina Tricot to differentiate to survive. Gina Tricot states that the fashion market is competitive and tough, hence they state that they need to enlarge the consumers’ perceived image of Gina Tricot and thus to be positively linked with sustainability values (Gina Tricot, 2019a). Accordingly, Gina Tricot therefore wants the consumer to perceive the brand’s offerings as “*Good affordable fashion*” (Gina Tricot, 2019b). In accordance, literature about competition on the green market suggests a dual focus on the conventional factors price and quality together with environmental benefits to position the brand and thus increase profitability (see Figure 4) (Ottman 2011; Sarkar, 2012).

To successfully establish the position of the brand on a green market, Sarkar (2012) emphasise the importance to put value on the communication strategy. Gina Tricot tend to look “*a lot*” on what other companies are doing and have found both their communication and branding to be similar to their competitors. In comparison

to their competitors, Gina Tricot believes that they communicate sustainability less and explain it as a consequence of being afraid of the consumers' reaction (Gina Tricot, 2019a);

"(...) We can't do everything. But we try to do our best. And I think if we have that humble and transparent and open communication to customers, I think that is good".

Due to the competitive environment on the green fashion market, Gina Tricot states that it is crucial to have their sustainability efforts printed in the consumers mind and to be positively linked with sustainability values, i.e. which is the consumer's perceived image of the brand as a goal of brand positioning (Brun & Castelli, 2008). Furthermore, Gina Tricot states that there will be an even more recognizable shift in the consumers' mentality within environmental contexts, thus stating in line with literature (Sarkar, 2012; Martin & Schouten, 2012) that sustainability incorporated in the brand strategy is the future gap. Accordingly, Gina Tricot's target group is the young buyers and have a dual preference for sustainability and low prices (Gina Tricot, 2019a);

"(...) The young female, still wanting to buy fashion, which hasn't too much money, but still feel that the environmental issues are important for her."

Gina Tricot further rejects heavy sustainability communication, and means that it should be more fun and simpler, and thus easier for the consumer to take in. However, Gina Tricot states that their sustainability communication so far not has succeeded to perceive a sustainable brand image, and therefore will increase the use of labelling on the end-product in the communication with the consumer (see 'triangle' in Figure 4) to achieve their goal of having sustainability printed in the consumers' mind.

Gina Tricot's strive for a successful communication of sustainability is therefore assumed to be achievement of competitive advantage through a green brand positioning. Which is reasoned by having a growing awareness for environmental issues within the target group. We can therefore assume that in order to position Gina Tricot as good and affordable on the competitive fast fashion market, sustainability labelling on the end-product will be part of their sustainability communication to achieve this goal (see Figure 4).

Certifications in Production and Labelling of End-Product

Gina Tricot's consumer today might not perceive them as a brand working with environmental issues, Gina Tricot's sustainability communication is therefore considered as not yet succeeded (Gina Tricot, 2019a). Currently, Gina Tricot is marking 47 percent of their garments under the *more* sustainable collection covered with the umbrella label '*The Good Project*'. This umbrella label can be assigned to Type II certifications (see Figure 4), as it is Gina Tricot's self-declaration of what is defined as a more sustainable product. In order for the product to be marked with *The Good Project*, 50 percent of the material need to be regarded as *more* sustainable by Gina Tricot's standards. (Gina Tricot, 2019a) For instance, an apparel in the *more* sustainable collection marked with *The Good Project* could therefore contain 50 percent of conventional cotton and 50 percent of cotton from BCI. As literature suggests, the challenge for the consumer is that an umbrella label gives the company the optionality to guide the consumer to a more sustainable choice, but also to cover weak environmental claims (The Nordic Council of Ministers, 2019). However, Gina Tricot still stresses a pressure to join the green movement to achieve competitive

advantage although competing in a market segment where the financial space prevents them to do it thoroughly (Niinimäki, 2010), i.e. financial space to invest in a certified production (see ‘star’ in Figure 4). Since the brand not yet is perceived as sustainable, Gina Tricot believes it to be beneficial to increase the use of labelling on the end-product to communicate their sustainability efforts. Gina Tricot argues the benefit of sustainability labelling of *The Good Project* that is currently communicated via hang tags throughout the store as a way for the company to be perceived as sustainable. Therefore, Gina Tricot’s strategy is to increase the use of hang tags to be positively linked with values within sustainability (Gina Tricot, 2019a);

“When we believe this (referring to Gina’s sustainability work) is printed in the customer’s mind, we can remove all the labels (referring to hang tags) and communicate it in another way.”

Therefore, we assume that having a sustainability certified production is not the top priority for Gina Tricot (see Figure 4). They stress that the supplier’s level of sustainability might be “too low” for a third-party certification, but still do not invest in the production to ensure high standards, i.e. choose a supplier based on ensured sustainability through certifications of production. We can therefore assume that Gina Tricot’s lenient sustainability requirements on the choice of supplier is reflecting their limited financial space. Thus, we claim that Gina Tricot’s financial space for producing in accordance with sustainability is obstructive when aiming for sustainability. However, they communicate their sustainability effort by covering lenient environmental goals through a self-declaration, Type II, in form of an umbrella label, which can be seen as cost effective for a fast fashion brand (Dekhili & Achabou, 2014; D’Souza, 2004). However, Gina has low expenses for ‘labelling the end-product’ (see ‘triangle’ in Figure 4).

Gina Tricot argues in line with literature (Nordic Council of Ministers, 2019) that an umbrella label can prevent confusion by guiding the consumer through the many claims. Accordingly, Gina Tricot can control self-responsibly how to communicate their sustainability work. However, literature suggests that an umbrella label covering weak claims, (e.g. *the Good Project*) is having the opposite effect and thus misleading the consumer.

“(…) We want to own it ourselves you can say. Then we can decide for ourselves what to communicate and how to communicate. Because many of these are quite strict, in communication. Because they have their own brands etcetera. Then we have everything under our roof.”

Gina Tricot exemplifies the benefit of using *the Good Project* label by claiming during the interview that they have production units certified with the Nordic Swan and Öko-tex. However, states that communicating this to the end consumer would be an inconsistent communication method, and thus believed to confuse the consumer even more. Further on, Gina Tricot is also producing 98 percent viscose from the Austrian company Lenzing which they claim to be *more* sustainable. However, she develops and means that Lenzing has not approved Gina Tricot to use Lenzing in their branding and argues that this is a reason for them not to communicate it through the hangtags. Therefore, we assume that the umbrella label *The Good Project* enables them to communicate the sustainable aspect of the garment without branding Lenzing to the consumer, but having the garments marked with the umbrella label, *The Good Project*, instead. Therefore, when arguing in the perspective of Gina Tricot, they mean that an umbrella label is a way for the brand to use clear and consistent communication to the consumer. Although claiming to aim for an open and humble communication by the use of an umbrella label, Type II (see ‘triangle’, Figure 4), the consumer might

not perceive the labelling of end-product as claims and solely Gina Tricot's opinion of what is more sustainable.

In contrast to Velour and literature that underlines that third-party certifications can bring credibility to the brand's communication (Martin & Schouten, 2012) and prevent consumer confusion by its strict rules (Nordic Council of Ministers, 2019), Gina Tricot finds it problematic to be dependent on a third-party certification and its requirements for communication. Additionally, Gina Tricot believes that their consumers might relate some third-party certifications to other product groups, such as detergents, rather than fashion and textile.

However, certifying the end-product is assumed to be a matter of limited financial space which thus what might be a disadvantage for Gina Tricot active on the fast fashion market. Gina Tricot does not require certifications in their production and claim that they evaluate the supplier based on their own standards (Gina Tricot, 2019a). However, it is stated during the interview that Gina Tricot have several production units producing according to the Nordic Swan and Öko-tex standards. However, the authors have no information about the number of certified production units in relation to non-certified production units why the authors assume that the investments are no more than 'barely' any; In order to visualize this, the path was blurred out slightly in the model of IGGZ (see Figure 4). In terms of sustainable production and suppliers, there are two main topics that were discussed during the interview;

Firstly, it becomes evident that some of their suppliers might not fulfil the requirements for a third-party certification, what Gina Tricot refers to as a production where the sustainability level is "too low". When describing the process of choosing a supplier, a third-party certified production unit is not a requirement. In line with

literature, a non-sustainable production process is a common problem in the fast fashion segment (Sarkar, 2012). However, a third-party certification normally indicates that Gina Tricot can approve the supplier's standards; which except for Gina Tricot's own requirements regarding sustainability is heavily based on 'price', 'quality', 'product' and 'lead time'. Additionally, it is stated during the interview that they consider logistics and flexibility, social conditions, sustainability, the right mindset and communication.

Secondly, due to low cost productions in the fast fashion industry (Fletcher, 2010; Sarkar, 2012) the financial possibility for the suppliers to afford third-party certifications prevents Gina Tricot to have a sustainability certified production. Gina Tricot states that the plurality for both the company to reach their target markets and the supplier to satisfy its clients active on different markets is problematic (Gina Tricot, 2019a);

"Because we don't own our own production units, we produce in a unit with maybe 50 other clients and they have production in other countries. Maybe they have demands on one label, another on the other label, so for the producer it would be quite expensive and difficult to get all of these labels."

Conclusively, it is stated during the interview that Gina Tricot would be open for a universal third-party certification that cover all aspects of sustainability and is internationally known.

Discussion

We created this model of IGGZ to contribute to the theoretical understanding of the impact from brand positioning and market segments on the 'Green Grey Zone'. Accordingly, we argue that the heterogeneous brands contribute with a plurality and heterogeneity of sustainability

labels. In addition, the three cases provide clear evidence that there is an influence of financial space.

In accordance with previous research (Niinimäki, 2010; D'Souza, 2004), we found the similarity that the company cases Nudie and Velour, representing the slow fashion market, were recognized by high prices with ensured sustainability benefits, and thus with financial space to invest in credible sustainability work. It was therefore found to be crucial for brands on the slow fashion market to ensure high credibility. We therefore argue that the most significant difference between the market segments is the certifications in production, since Gina Tricot, representing the fast fashion market does not require a third-party certification in production. Therefore, our findings were in line with research (Fletcher, 2010; Cachon & Swinney, 2011; Ozdamar Ertekin et al. 2015) and supported by the case Gina Tricot, where it was found that credibility of sustainability efforts has less impact when competing primarily with low prices. Conclusively, we therefore argue that the financial space for investments in a sustainable production (i.e. Type I certifications) differed significantly between the two segments slow and fast fashion;

We found that companies within the slow fashion market segment have high cost investments in certifying production (Type I).

We found that companies within the fast fashion market segment have low cost investments in certifying production (Type I).

(See Figure 2, 3, 4)

With relevance to the research question, we found crucial differences and similarities in the use of sustainability labelling between and within the slow and fast fashion market

segments due to brand positioning and its contribution to the Green Grey Zone;

In similarity, Nudie and Velour are both aiming for credible sustainability communication. However, to survive on the competitive slow fashion market, their different brand positions were found to have a crucial impact on their strategy to divide their investments between production and labelling on the end-product; Since Nudie holds a stronger position on the green market, the credibility derives from the sustainable brand image. We therefore argue in line with research (Dekhili & Achabou, 2014) who contest criticism towards self-declarations and mean that strong brands on the slow fashion market are enabled to effectively communicate through weaker environmental claims in form of self-declarations (Type II). We found that it is beneficial to use self-declarations for a strong brand since it is less cost-consuming and enables the company to prioritize their investments in a certified production (Type I), while ensuring credibility through the brand. On the contrary, the brand Velour is more recently established on the green market and thus investments in labelling of end-product can increase the credibility of their sustainability work (see Figure 2). This, since Type I certification on the end-product is directly related to investments in credible sustainability efforts where the credibility thus derives from co-branding. Therefore, we support literature (Martin & Schouten, 2012) and argue that brands that are new to position themselves as green on the slow fashion market advantageously invest parts of their financial space in labelling of the end-product (Type I) in order to increase trustworthiness and thus able to compete with stronger sustainability brands.

We found that there is a connection between labelling on the end-product (Type I) and investments in certifying production (Type I).

(See Figure 2, 3)

Contrarily, fast fashion companies on the green market is therefore found to compete with low investments in sustainability communication. Therefore, based on our model of IGGZ, we found that fast fashion companies have the following possibilities; Certify a minor part of their total collection with credible Type I sustainability certifications on the end-product and, as the case company Gina Tricot, use weak sustainability labels in forms of self-declarations (Type II) (see Figure 4). Since the importance of credibility is assumingly low within the fast fashion segment, we argue that self-declarations are more commonly used.

We found that there is no connection between labelling on the end-product (Type II) and investments in certifying production. Thus, self-declarations are not connected to a market segment.

(See Figure 3, 4)

Conclusion

We therefore contribute with rare research on explaining companies' different incentives for using sustainability labelling and its influence on the new understanding of the 'Green Grey Zone' phenomenon. We expand the understanding of consumer confusion regarding sustainability labelling by the creation of our model of 'Influences on Green Grey Zone' (IGGZ) and application of it on heterogenous brands. We have thus created the model of IGGZ that shows the different companies' investments between certification in production (Type I), certification on the end-product (Type I) and self-declarations (e.g. umbrella label) (Type II). Due to the findings of similarities and differences we can thus argue the crucial influence by the market segment, brand position, competitive environment and financial space.

Thus, third party certifications on the end-product (Type I) are the only credible sustainability labels that are connected to investments in sustainability. However, third-party certifications (Type I) on the end-product are found not to be crucial for offering sustainable products. The creation of the 'Green Grey Zone' is therefore found to be the confusion regarding which sustainability labels are connected to investments in a sustainability certified production. Therefore, one of the most significant findings of this research is the financial incentives for brands on both market segments (i.e. low and high cost investments in production) to use sustainability labelling in form of self-declaration (Type II) in accordance with their own interests; As indicated by Dekhili and Achabou (2014), either strong slow fashion brands use self-declarations to prioritize investments to ensure sustainability backwards in production and thus with limited financial space for sustainability labelling, or fast fashion companies use self-declarations to hide their low investments in sustainability. Although, research indicates that self-declarations is a vague strategy of achieving environmental goals (D'Souza, 2004) since there is no validation or close scrutiny (Sarkar, 2012) of the self-declarations. We argue that companies regardless of market segment and due to their brand position and financial space have incentives to use weak environmental claims to communicate with the consumer.

With relevance to the research question we therefore contributed with an understanding of how the 'Green Grey Zone' is influenced by brand positioning within the competitive market segment (i.e. financial space for investments in credible sustainability efforts) and the impact of financial space for the use of sustainability labelling.

As the 'Green Grey Zone' phenomenon is rather new, future research needs to

examine this research field further to contribute to in-depth knowledge about consumer confusion caused by the 'Green Grey Zone'. The data of this research indicated an impact of ownership and investors on the ability to adapt to a sustainability strategy. Moreover, the findings indicated a common request for the development of a universal sustainability label, which therefore is assumed to be of interest for future research. However, due to the limitation of time and in respect to the research question it could not be further analysed in this study.

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