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DECADE REWIND X THREE

LOOKING BACK ON THE LAST THIRTY YEARS

Three decades ago, we were faced with incredible uncertainty. It felt as though the world had been put on pause, yet we tried to perform business as usual. Hundreds of thousands of people died, while millions were infected with COVID-19. The pandemic left the world feeling hopeless. However, it also left us with more compassion for one another, and the planet we live on. It was a period of reflection where we could decide what our priorities moving forward would be. For many of us, we came to the realization that community is what held us together during that difficult time. It made us re-evaluate what we wanted the future to look like for ourselves, and for generations to come.

How has this translated into the fashion industry we know today? The fashion and textiles industry used to account for 10% of the world's greenhouse gas emissions. Now, the contribution is nearly nonexistent. This is largely due to the demand from consumers for sustainability. This shift began after consumers saw the positive impact on the environment when factories were shut down amidst the pandemic. Companies could no longer avoid the fact that their production contributed significantly to global warming. The forecasted depletion of resources terrified Generation Z, who were only in their mid-twenties at the latest when the pandemic occurred. This was especially worrying to the fashion industry considering Generation Z was their largest global customer base at the time.

To address sustainability concerns, companies had to adapt their current business models to those of a circular economy. This type of economy focuses on eliminating waste, extending product use, and finding creative ways to ensure the product benefits the environment once it's out of use. It took years to implement,

but eventually the circle economy came to fruition. It began with fashion leaders becoming educated on the importance of sustainability. They recognized that while many consumers prefer sustainable options, they may sway if it has a higher price tag. To prevent this, companies had to look at their supply chains to find ways to maintain a stable price for the expectations of their consumers.

Fashion leaders began analyzing every component of their supply chain and asked themselves, “How does this contribute to the environment?” If it was positive, it could remain. If it was negative, they would have to find a sustainable alternative. For example, the common trend decades ago was to use polyester as the primary fiber in textile production. Polyester generated toxins that could infiltrate the air and water in surrounding areas. It was massively produced in China before stricter regulations were enforced by their government. With the increased regulation in China on polyester production and the desire for sustainability from consumers, the fashion industry was forced to find new materials that would fit within the circular economy.

The new materials were unique to each organization according to their needs. One company may have a business model that focuses on the recycling of materials, whereas another may want to only repurpose their materials. Common materials used today include organic hemp, recycled cotton, and Tencel. The biggest issue that faced the industry was the hefty cost that came along with going green. The sense of community after the pandemic encouraged the fashion industry to prioritize wages of their employees. The increased cost of being sustainable to meet the needs of and consumers post pandemic made this even more difficult. They couldn’t choose between their employees and their customers. They recognized something had to be done to find the money to meet everyone else's needs paired with their own. Investors could only go so far when seeking funding, so companies began focusing on creative ways to free up cash within their business.

The first innovation they implemented was a new approach to selling fashion. The

online market was already booming in 2020, and has now become the primary way for consumers across the world to buy clothing. The past decade's technological advances have played a substantial role in converting stores from brick and mortar to an almost entirely virtual experience. It has given the customer a completely individualized platform. For example, the holographic option on store apps allows the consumer to try on various items via their own hologram. They can adjust colors and sizes of the products accordingly. There is no longer a need for brick and mortar with this technology, nor is there usually a need to return items. As a result, companies have been able to save money, which they can reinvest in their sustainable supply chain efforts.

The use of artificial intelligence is another major innovation that has had a significant impact on the fashion industry. It provides extremely accurate demand and fashion trend forecasting. Companies feel assured that the type and amount of product they have on hand will accommodate their consumers needs. Today, companies rarely have safety stock due to how accurate artificial intelligence has become. It has also perfected the manufacturing process to the point where it is nearly impossible to have a mistake within any product sold. This has allowed for costs associated with safety stock and product deformities to be allocated toward providing reasonable pay for their employees.

There were concerns many years ago that artificial intelligence would take human jobs away. While it's true that humans rarely work within the automation space due to artificial intelligence, it's evident this forced us to adapt to different occupations. We now have a space for more creative fields because humanity has become a commodity as technology advances. We want insight from human fashion designers rather than relying on a machine because we desire the originality of a human. This remains true for any field, which is why millions of new jobs were discovered as technology progressed.

If there is one takeaway from the past three decades, it's that we as a human race are incredibly adaptable. When challenges come along, we face them the best we

can and become stronger as a result. The fashion space has remained a dominant business field because of the constant push for improvement. Fashion consumers today are even more knowledgeable on what they buy, and care about where their products originate. Therefore, companies have put in more effort into ethical and sustainable business practices. Current generations are motivated by creation, compassion, and community. It's up to us to continue this trend for generations to come.

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