

Chance for Sustainable Fashion in Jabodetabek

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Abstract: The rise of environmental awareness globally has influenced the clothing industry, prompting the emergence of sustainable fashion as a response to the negative impacts of fast fashion. Despite its positive intentions, sustainable fashion holds a modest 7% of the global market, with fast fashion dominating at 93%. In Indonesia, a growing environmental consciousness has led to an increase in sustainable fashion businesses. An analysis using Porter's five forces model and the Delphi technique for sustainable fashion in Jabodetabek indicates that the current competitive power of sustainable fashion in the broader industry is relatively low. While the competitive landscape is secure and not overly saturated, attention is needed for factors like increasing competitors, significant product differentiation, and high capital requirements, posing notable competitive threats. Key parameters, including the number of buyers and the threat of substitute products, also warrant scrutiny. Challenges persist, such as consumer confusion regarding the pricing of sustainable versus conventional products. Interestingly, the threat from suppliers in the sustainable fashion sector is low, indicating a relatively stable relationship. Despite challenges, the growing awareness of environmental issues in Indonesia presents an opportunity for sustainable fashion businesses to enhance their competitive standing and expand their market share for a more environmentally friendly future. To strengthen the position of sustainable fashion in Indonesia, the focus should be on brand differentiation through storytelling and a unique identity. Innovate products for quality and durability to counter fast fashion trends. Launch educational campaigns, collaborate with like-minded partners, and adopt transparent supply chain practices. Implement competitive pricing, engage customers through loyalty programs, and contribute to the local community, establishing a strong presence in the growing market for sustainable fashion.

Index Terms: Environmental Friendly, Sustainable Fashion, Porter's Five Forces Model Analysis, Delphi Technique, Marketing Strategy.

1. Introduction

The concept of being environmentally friendly is currently being widely echoed by all countries in the world, the Sustainable Development Goals (SDGs) was established as a worldwide agenda for sustainable development until 2030 by the United Nations [1]. Counted 193 countries agreed to move toward these goals including Indonesia. There are many sustainable movements that have been carried out by Indonesia, starting from the concept of environmentally friendly energy, green materials in development, green marketing, green lifestyle, even to detailed products such as sustainable fashion. This concept is slowly starting to become a trend that is recognized and followed by all Indonesian people. The smallest example, a few years ago several supermarkets began the free plastic campaign, which this movement requires consumers to bring their own shopping bags to minimize plastic waste generated by the people of Indonesia. Another option is that these supermarkets provide paid plastic, ref. [2] research says that consumers who know they are environmentally friendly and want to contribute to the development of sustainable agriculture agree to promote paid plastics at affordable prices. This means that even a simple movement will have an impact on knowledge, and willingness as well as the ability of consumers to change old habits into new habits that can support environmentally friendly concepts.

The number of bad impacts that have resulted from all human activities and habits so far is quite a lot. The clothing industry itself has contributed a lot of waste to the environment, starting from its production process to the impact of

consumerism it forms. Many people succumb to buying seasonal trends that then get thrown away within a few months, and it's just not sustainable [3]. More clothes mean cheaper prices, lower quality, and more ending up in the landfill or burned. One of the ways that can be done in an effort to overcome the negative impacts generated on this industry is to implement the concept of sustainable fashion. Sustainable fashion was formed to eliminate impulsive buying, hedonistic behavior and also environmental pollution problems [4].

Currently, many clothing brands are starting to issue sustainable fashion products, ranging from big brands to local brands. The concept of being environmentally friendly in the clothing industry has started to stick, but in reality fast fashion still dominates the global fashion market and is 93% superior compared to sustainable fashion who only hold the 7% market. All the good impacts and solutions brought by sustainable fashion have not had much impact on the global market. People still prefer to consume fast fashion products which more or less have a negative impact on the environment. Even sustainable fashion only hold 7% of the market, this is certainly a good hope according to ref. [16] customer awareness of sustainable products has increased very rapidly during the last few years, the study has found that Indonesian market are already very aware of the sustainability movement and the concerns toward environmental health. Although the numbers are still quite far away compared to the fast fashion market, with all the encouragement of the eco-friendly concept being echoed, it means that there is still good hope for sustainable fashion businesses to gain market share. Therefore, research was carried out using Porter's Five Forces Model analysis with Delphi technique calculations to see the condition and position of the sustainable fashion industry in Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi). It is anticipated that the outcomes of this research may serve as a strategic guide for current and aspiring players in the sustainable fashion industry in Indonesia, with a particular focus on Jabodetabek. The aim is to bolster the market presence of sustainable fashion, enabling them to outperform the rapidly evolving fast fashion sector. This, in turn, is expected to yield positive and enduring effects on consumers, the environment, and overall quality of life in the future.

2. Methodology

This study uses a qualitative method with a descriptive approach. Ref [5] says that qualitative research methods are often called naturalistic research methods because the research is carried out in natural conditions (natural setting). This research will explain the competitive strategy based on the results of Porter's five forces model analysis on sustainable fashion marketing in Jabodetabek. Methods of data collection in this study is interviews, and observation.

The analytical method used in this study are:

2.1. Porter's Five Forces Model

The analysis put forward by Michael Porter is a fundamental support for formulating a competitive strategy [5].

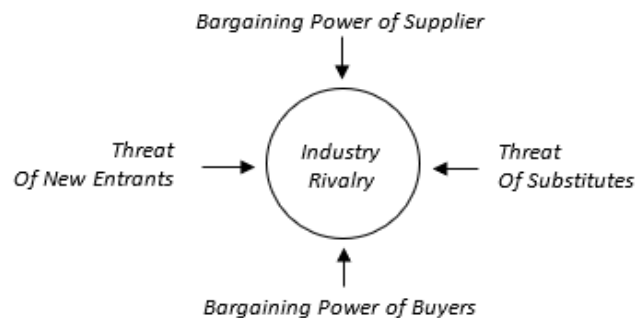


Fig. 1. Porter's Five Forces Model.

According to [6] competition in an industrial environment depends on five basic factors of competition as shown in Figure 1, namely 1. Industry rivalry, 2. Suppliers, 3. Buyers, 4. Substitutes, and 5. New entrants. The analysis put forward by Michael Porter aims to determine the company's position in the industrial environment where the company produces options to survive the threat of competition or be able to dominate the competition. Can decide a good strategy for the company anyway. This analytical model is applied to this research to see how the current position of the sustainable fashion industry is, and also to formulate a good marketing strategy for sustainable fashion in Jabodetabek.

2.2. Delphi Technique

One approach to conducting the analysis of the five forces model is through the application of the Delphi technique. As referenced in [7], this method serves as a means to gather insights and opinions from individuals considered experts in their respective fields. In the context of this study, 10 interviews were conducted with professionals recognized as experts in the realm of fashion, with a specific focus on sustainable fashion. These experts encompass various roles, including fashion designers, fashion observers, business owners within the fashion industry, and end-users of fashion products.

The purpose of these interviews is to ascertain the weights and values associated with each indicator. Subsequently, the derived weights and values will be categorized into three scores, aligning with the methodology presented in, as detailed in Table 1 [7]. The computation for each factor involves utilizing the formula $\text{Score} = \text{Weight} \times \text{Mark}$.

This structured approach ensures a comprehensive evaluation of the five forces model, leveraging the expertise of individuals immersed in the dynamics of the fashion industry, particularly in the realm of sustainability. The subsequent analysis aims to unveil nuanced insights into the competitive forces shaping the sustainable fashion landscape.

Table 1. Range Score

SCORE	INFORMATION
1 – 2.33	Low
2.34 – 3.67	Medium
3.68 - 5	High

3. Results and Discussions

Based on a survey conducted in a previous study of 100 consumers who had purchased sustainable fashion products in Jabodetabek, it was found that 58% of the consumers were women who belonged to Gen Z and millennials as shown in Figure 2. This is because women are classified as paying more attention to fashion trends, and tend to be more interested in the world of fashion, but with this very thin margin it is clear that fashion has attracted both genders regardless of whether it is a woman or a man.

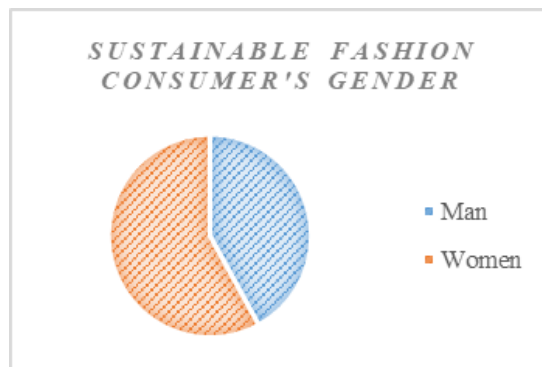


Fig. 2. Sustainable Fashion Consumer's Gender

Figure 3 shows that out of 100 sustainable fashion consumers, 52 people are willing and even 21 people are very willing to pay the new price of sustainable fashion products which tend to be more expensive. Most products are offered at a price higher than similar products [8]. Ref [9] explains that the reason for this increase in value is due to the additional costs of modifying the production process, packaging using high technology and waste disposal processes.



Fig. 3. Willingness to Pay Green Prices

The reasons for sustainable fashion consumers in Jabodetabek are willing to pay the green price are explained in Figure 4, because these consumers are willing to support sustainable fashion because the concept also has a very good impact on the world. This shows that there is already a high level of awareness and willingness from consumers towards sustainable fashion products. Even though 100 consumers seem to show a positive attitude towards environmental issues, at the same time there are also many consumers outside who do not buy environmentally friendly products [10]. It can be said that even though consumers have a level of awareness of the environment, they will not necessarily buy environmentally friendly products [11] for various reasons.

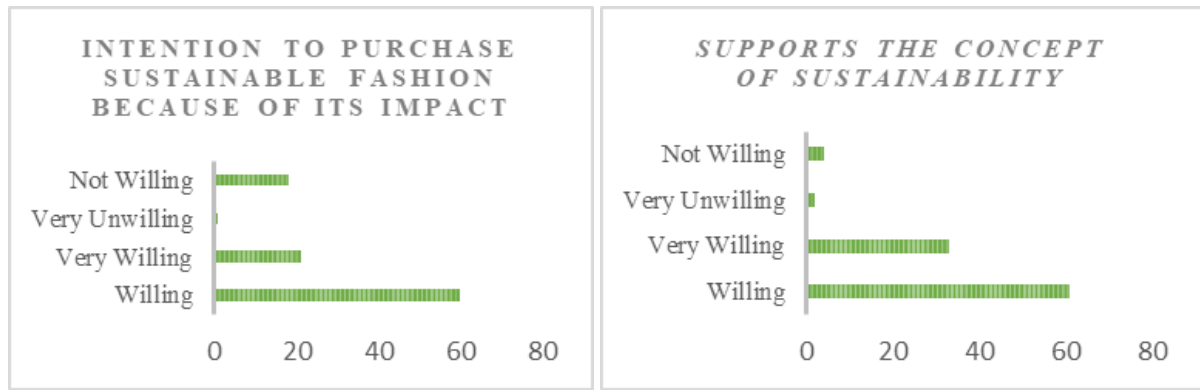


Fig. 4. Consumers Reason's to Purchase Sustainable Fashion

Analysis of Porter's five forces model was processed by weighting and scoring calculations by experts using the Delphi technique. Each indicator in these five parameters is referred to in research [7] and [6].

The analysis of the five forces with the Delphi technique on 10 experts in the fashion industry produces quite detailed calculations. Table 2 shows that the total strength score with competitors is relatively low with a value of 2.071910113, but the highest score is found in the number of competitors indicator with a score of 0.555617978. This means that the conditions of competitors have begun to be strict in this sustainable fashion industry, in line with the promotion of environmentally friendly concepts in Indonesia, especially Jabodetabek and the condition of consumers who are gradually starting to understand and wish to consume sustainable fashion so that this becomes an opportunity for clothing line business owner to start entering the realm of sustainable fashion. So it's a good thing to do if sustainable fashion entrepreneurs start to actively think more creatively by considering many factors that are owned by competing businesses. Marketing the products by educating consumers as well as potential consumers can be done to maintain and advance this sustainable fashion business because with the condition of Jabodetabek consumers who have started to become aware of sustainable fashion, it is not difficult to take that gap to consumers and increase consumer purchase intentions towards sustainable fashion.

Table 2. Porter's Five Forces Model Industry Rivalry Analysis

	Industry Rivalry	Weight	Mark	Score
1	Number of Competitors	0.241573034	2.3	0.555617978
2	Industrial Growth	0.258426966	1.9	0.491011235
3	Competitor Characteristics	0.252808989	2.1	0.530898877
4	Differences in Product Quality	0.247191011	2	0.494382022
				2.071910113

The supplier threat itself has a low total score strength with a value of 1.493939394. Table 3 shows that under these conditions players in the sustainable fashion sector still have bargaining conditions with safe suppliers. This is because there are still relatively few suppliers of raw materials for sustainable fashion products and the products they offer vary, some are 100% made from environmentally friendly materials, some are made of only a few components

Table 3. Porter's Five Forces Model Suppliers Analysis

	Suppliers	Weight	Mark	Score
1	Number of Suppliers	0.260606061	1.3	0.338787879
2	Product Uniqueness from Each Supplier	0.248484848	1.9	0.472121211
3	The role of Products supplied	0.224242424	1.5	0.336363636
4	Threat of Existence of Substitute Products	0.266666667	1.3	0.346666667
				1.493939394

made from environmentally friendly materials, some are made from recycled materials. repeat, or so on. This uniqueness is one of the things that needs to be considered in the sustainable fashion industry, because not all suppliers provide the various kinds of raw materials needed so that this condition can more or less endanger sustainable fashion business owners. The strategy that can be carried out is to try to focus on the value of the business that is owned and try to adapt the conditions of consumer needs to the variety of products produced by each sustainable fashion brand. Ref. [12] also corroborates with his statement that the process begins with a market test presenting the initial ideas, in the form of a drawing presentation, for a portion of potential consumers. Then, it presents the stage of "specifying the opportunity, specifying the project and then turning to the conceptual project to select the best concept".

Table 4 shows the results of the analysis using the Delphi technique on the bargaining indicator for this buyer, which has a low score of 1.74922481. The number of buyers indicator has a fairly high score of 0.346124032 compared to other indicators. This is quite profitable for business owners in sustainable fashion industry because little by little consumers have known and are starting to be aware of the current conditions, so that the desire to try sustainable clothing appears, but with all the growth that is happening at this time the number of sellers is still low. relatively small compared to the number of consumers.

According to [13] ethical fashion must influence consumers in such a way that they will obtain a global understanding of the productive chain of the clothing industry, which can cause great social, environmental, economic, cultural, eco-logical, educational, and spiritual transformation. So it is very important to approach consumers and always communicate the good impact of sustainable fashion on consumers and potential customers.

Table 4. Porter's Five Forces Model Industry Buyers Analysis

	Buyers	Weight	Mark	Score
1	Number of Buyers	0.182170543	1.9	0.346124032
2	Multiple Buyer Orders	0.174418605	1.4	0.244186047
3	Product Value in Buyer's Cost Structure	0.166666667	1.8	0.300000001
4	Buyer's profit	0.166666667	1.8	0.300000001
5	Product Quality Importance Level For Buyers	0.158914729	1.9	0.301937985
6	Buyer's Information	0.151162791	1.7	0.256976745
				1.74922481

The calculated substitution indicator looks not in intentense condition. The total score of 1.667175573 listed in Table 5 belongs to the low category. The concept of sustainable fashion is still considered a new concept being implemented and until now substitute products with the same concept are still relatively rare. However, when viewed from its price performance, consumers tend to be hesitant to buy other products considering that the green price of sustainable fashion has a significant difference compared to conventional products. According to the previous studies [17,18], customers view towards sustainability in fashion is still relatively low compared to other fields, with the assumption that sustainable fashion is an overpriced product with low quality[19].

Table 5. Porter's Five Forces Model Industry Substitutes Analysis

	Substitutes	Weight	Mark	Score
1	Number of Available Substitute Products	0.34351145	1.7	0.583969465
2	Buyer Tendency to Switch	0.328244275	1.5	0.492366413
3	Substitution Price Performance	0.328244275	1.8	0.590839695
				1.667175573

The threat of new entrantss to sustainable fashion has a relatively low score with a value of 2.000806456. Table 6 shows that the dominant indicators are capital requirements with a score of 0.396774194 and product differentiation with a score of 0.370967742. New entrants to the sustainable fashion business have started to penetrate, and these new entrants offer a wide variety of products while the capital requirements in this business are quite high due to increased costs ranging from raw materials, production to packaging and marketing for environmentally friendly products, so It will be burdensome if you compete in product variations.

Table 6. Porter's Five Forces Model Industry New Entrants Analysis

	New Entrants	Weight	Mark	Score
1	Product Differentiation	0.185483871	2	0.370967742
2	Transfer Fees	0.161290323	1.8	0.290322581
3	Capital Requirements	0.165322581	2.4	0.396774194
4	Access Distribution Channels	0.157258065	1.8	0.283064517
5	Supplier Access	0.169354839	1.8	0.30483871
6	Government policy	0.161290323	2.2	0.354838711
				2.000806456

The final result of this calculation is shown in Table 7 that overall, the position of the five competitive forces of sustainable fashion is still relatively low. The threat indicators for competitors and new entrants have high scores with values of 2.071910113 and 2.000806456 due to the current conditions, many business actors are starting to enter the realm of environmentally friendly with sustainable fashion businesses. This condition can be considered for business actors in the field of sustainable fashion to try to develop their own business and be creative to create unique value for their business, Ref. [14] in his research also stated that In design with sustainable approaches, adaptability is one of the strategies used in order to increase the efficiency of products and accordingly their total time of usage, ensuring a greater use of items in different situations. Not only adapting and focusing on products, the sustainable fashion industry must also pay attention to its consumers and try to market as well as educate consumers and potential consumers about the value they get for themselves as well as what they give to nature. This can be seen as motivation to make consumers more active, taking into account their interaction with the product, by changing their forms [15].

Table 7. Porter's Five Forces Model Analysis Score Category

Parameter	Score	Category
<i>competitors</i>	2.071910113	Low
<i>Suppliers</i>	1.493939394	Low
<i>Buyers</i>	1.74922481	Low
<i>Substitutes</i>	1.667175573	Low
<i>New Entrants</i>	2.000806456	Low
1.796611269		Low

4. Conclusion

Analysis of Porter's five forces model with the Delphi technique on sustainable fashion in Jabodetabek shows the result that currently the competitive power position of sustainable fashion in the fashion industry is honestly still relatively low, where competition in this industry is still relatively safe and not too tight. However, even though the score is relatively low, the competitive factor of competitors as well as the threat of newcomers must be given sufficient attention considering that these two parameters have high scores compared to other parameters with values of 2.071910113 and 2.000806456. If you look in more detail, the indicators that are quite intense on these two parameters are the number of competitors that are starting to increase and product differentiation which is quite a lot as well as high capital requirements. The buyers parameter itself has a score of 1.74922481 with an indicator that needs to be considered is the number of buyers who have started quite a lot but still with the many sustainable fashion businesses the number is still less than the number of consumers, not to mention other factors such as green prices, this is evidenced in the parameter threat of substitute products with a score of 1.667175573 and the indicator what must be considered is the performance of substitute prices, which means that consumers are still easily confused between the green price and the price offered by conventional products. While the threat of the supplier itself has the lowest score of 1. To strengthen the position of sustainable fashion in Indonesia's competitive market, focus on brand differentiation through compelling storytelling and unique identity. Innovate products with an emphasis on quality, durability, and timeless design to counter fast fashion trends. Launch educational campaigns, collaborate with like-minded partners, and adopt transparent supply chain practices to raise awareness and build trust. Implement competitive pricing, engage customers through loyalty programs, and contribute to the local community to establish a strong foothold in the growing market for sustainable fashion.

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