

Positive Luxury: How high-end fashion, jewellery, and travel are buying into sustainability

The woman behind the 'FairTrade of luxury goods' on how affluent consumers can drive positive change across the retail world

By Will Nichols | 01 May 2015 | 0 Comments

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Luxury and sustainability are not two words that often go together. Outside of wallet-draining eco-lodges in the Maldives, the green movement is often mocked as a bunch of hair-shirted hippies living without electricity.

But this concept is alien to Diana Verde Nieto, the founder and chief executive of [Positive Luxury](#), whose aim is to create a "globally recognised seal of approval for luxury brands".

Since the organisation started in 2011, it has accredited the sustainability efforts of 200 brands from across the worlds of beauty, fashion, jewellery, travel and hospitality, and fine food and wine. Names such as Dior, Mulberry, De Beers, Dom Pérignon and Louis Vuitton, as well as the more accessible NIKE, John Lewis and Radisson, now sport Positive Luxury's butterfly symbol as a mark of their progress.

One of Al Gore's young global leaders, Nieto hit upon the idea of targeting the luxury market after selling her previous business, green marketing firm Clownfish, in 2010. She says that many luxury brands are already practicing sustainability by another name, actively highlighting the quality of ingredients or materials as part of their marketing.

"Sustainability and luxury is not an oxymoron - it's about craftsmanship and quality and service," Nieto says. "When you buy a luxury handbag, for example, you will not throw it away. A luxury coat, watch or handbag will not break - and if it does you will take it to be repaired.

"Luxury can really inspire the rest of the market that the beauty and the craftsmanship and the quality of the brands come from embedding sustainability into it."

Despite luxury being a relatively small part of the global retail market, Nieto believes its influence on both consumers and businesses is incredibly far-reaching.

Essentially, she says, where luxury leads the rest of the market tends to follow. So, embedding sustainability into top-end brands raises awareness among affluent, trend-setting consumers. This in turn draws in less affluent consumers and influences brands marketing to that market segment.

The consumer play is particularly important to Positive Luxury's plans to become the FairTrade equivalent for luxury. Nieto says consumers are still confused by the issue and are unclear about what companies are actually doing. She blames this on brands' tendency to engage with individual issues rather than the whole systemic picture.

The next phase on from awarding brands the butterfly symbol is something Nieto calls the Trust Button. Launching in June this year, this would sit on accredited companies' websites - or third-party retail sites - and takes the form of a more interactive version of the Like button on Facebook. When consumers click to "Trust" the brand they can see how many others have done the same as well as icons that link to what the brand is doing in terms of social and environmental responsibility.

The idea is to reach a critical mass so that consumers start demanding why brands do not have the mark. "Right now, brands are engaged in push, push, push marketing," Nieto says. "I want 2.5 billion affluent consumers to 'pull' the brands and ask the question 'why can you not be trusted?'"

A lot will depend on consumer confidence that companies have had to go through a sufficiently stringent process to meet Positive Luxury's standards. Currently, brands' applications must outline their progress across a series of issues deemed material to the business such as waste reduction, water savings, or removing hazardous chemicals from the value chain, while most CSR activities and philanthropy are considered immaterial and ignored.

This assessment is made annually by an advisory board, which includes Jonathon Porritt, BT chief sustainability officer Niall Dunne, Better Cotton Initiative chief executive Patrick Laine, and Dilys Williams, director of the Centre of Sustainable Fashion. Its newly-launched US operation counts green business guru Andrew Winston and Patricia Jurewicz, founder and director of Responsible Sourcing Network, among those assessing companies' policies.

This expertise is backed up by an algorithm-backed web search that assesses all available information supplied by the company or in the consumer space and makes sure all is as it should be. "People ask why we don't do auditing, but it's like inviting you to my house when I've cleaned," Nieto says. "What happens afterwards?"

About 30 per cent of applications are currently rejected and while in the next few years Nieto is concentrating on building engagement in the US and, by the end of next year, starting operations in Asia, she would like to get to a point where only a limited number of brands are certified each year.

Of course it is possible an unscrupulous company might game the system, but Nieto insists any greenwash would not hold up for long. "There is a level of transparency now that if companies think they can get away with it they have a nasty surprise coming," she warns. "Obviously we have to constantly improve our verification process, but we invest a lot of money looking into how we verify brands to make sure consumers know these brands are really trustworthy."

This issue of consumer trust is absolutely crucial to what Positive Luxury is trying to achieve - and not only because Nieto hates the "over-used" and "meaningless" word "sustainability".

"Trust is everything," she says. "A company that sells organic goods could also have child labour. A company that sells fair trade bananas could be dumping chemicals in the ocean.

"When you trust a brand, it's because of how they behave. Like a friend, it shares your values and tries to improve. But if your friend constantly lets you down, you don't trust that friend anymore."

By the looks of it, Positive Luxury could soon be spelling out which of your friends you stop visiting.