Connotation Analysis on Sustainable Development Strategy of Garment Enterprises — Case Study on the Famous Brand JNBY

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Abstract. Domestic original designer brand JYBY adheres to environmental protection and social responsibility actions, and integrates sustainable development into its strategic planning. This paper mainly USES case analysis method to analyse the composition and implementation measures of JNBY's sustainable development strategy, so as to provide experience for other garment enterprises in China to formulate sustainable development strategies.

1. Introduction

In recent years, with the increasing influence of various fashion climate innovation forums, sustainable fashion has become a new trend. With the upgrading of the consumer market and the rapid rise of China's fashion industry, new requirements have been placed on the reform of enterprises. Internal and external factors such as government and investor support for sustainable design and low-carbon industrial upgrades have driven the rapid development of domestic sustainable fashion brands.

1.1. Superior policies promote the expansion of the reach of sustainable apparel markets

In recent years, government departments have begun to support, guide and encourage of sustainable fashion development by setting up special support funds, regulating industrial structural development, and accelerating green industry talent development. Enterprises are the main body of innovation and market, then the government is the promoter of innovation^[1]. China attaches great importance to the 2030 sustainable development agenda. In March 2016, the government integrated the sustainable development agenda with the national long-term development plan. The policy environment for the fashion industry is increasingly perfect. The government supports most of the sustainable fashion industry's operating projects, and the domestic sustainable fashion brand development has a stable policy foundation.

1.2. Textile and apparel corporate social responsibility promotes sustainable fashion development

With the increasing attention of consumers and the media on environmental issues, social responsibility and sustainable environmental protection measures have become the focus of the development strategy of apparel companies. China's textile and apparel industry is also gradually in line with international standards, and is produced in accordance with international industry standards during production to ensure the environmental protection and sustainability of products. At present, 2 brand companies, 14 group companies and their value chain partners have joined the "Climate Innovation 2030" industrial action organized by China Textile Association. Advocating sustainable fashion is conducive to promoting the stable and sustainable development of enterprises and improving the level of social development of enterprises^[2].

1.3. Change of consumer concept to expand domestic demand for sustainable clothing market

The promotion of sustainable fashion has become the focus of consumers, while the awareness of environmental protection among Chinese consumers is also increasing. According to the report "New Trends in China's Consumption: Three Major Motives Shaping New Customer Groups for China's Consumption", consumers support green consumption and environmental protection. A survey by GFK, a market data analysis agency, showed that 80% of Chinese respondents insisted that brands and companies must be responsible for the environment. The eco-friendly design of clothing aims to develop environmentally friendly products and meet consumers' demand for fashion trends^[3].

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2. Strategic analysis of sustainable development of JNBY

The company is an excellent designer brand, that mainly focus on designs, promotes and sells fashion clothing, shoes and accessories. As the basic unit of society, enterprises have the responsibility to reduce the negative impact on the environment in addition to producing products and creating value. The elements of sustainable

development of clothing companies are composed of economic factors, social factors and environmental factors. Therefore, the three aspects of responsibilities that companies need to undertake are economic responsibility, social responsibility and environmental responsibility. The sustainable development strategy of JNBY (Figure 1) revolves around three elements. The company actively promotes sustainable initiatives, adopts sustainable corporate management strategies, and assumes environmental and social responsibilities.

Figure 1. Sustainable development strategy of JNBY

2.1. Incorporate the concept of sustainable development into the concept of enterprise management

2.1.1. Establishment of ESG working group references

In order to carry out environmental, social and governance management in an all-round way, JNBY has set up an ESG working group led by internal control and internal audit, and formed an ESG working group including the group affairs department, group brand department, headquarters human resources department, direct human resources department, production and procurement center, research and development center and e-commerce operation center. The heads of departments participate and appoint special personnel to be responsible for ESG management and reporting. The ESG working group regularly reports to the company's management and puts forward appropriate improvement suggestions.

JNBY pays attention to the sustainable development of the environment, and regards the social responsibility of enterprises as an obligatory responsibility and an extension of enterprise values. The company is committed to running the green concept into the company's operations, advocating the reduction of energy consumption and resource conservation. The company is very concerned about the sustainable development of society. JNBY believes that the

development of art is regarded as an essential part of the brand value of the company. It always adheres to the designer's artistic pursuit and social responsibility, which is also the governing concept of ESG Working Group.

2.1.2. Identifying key stakeholders

Stakeholder communication is way for enterprises to fulfill their social responsibilities and achieve sustainable development. Based on the characteristics of the industry and the group's operations, JNBY has identified eight major stakeholder groups. It has maintained close communication with key stakeholders through various channels and actively responded to the requirements and expectations of stakeholders.

2.2. Take measures to implement the sustainable development strategy of enterprises

2.2.1. Sustainable product development.

JNBY values product quality and service quality, and uses a design-led retail model to provide full freedom for the creation of the designer team, allowing designers to use their unique aesthetic vision to pursue artistic beauty. The company adheres to the design concept of being close to nature and insists on selecting high-quality raw materials, such as natural organic cotton

certified by the Global Organic Textile Standards (GOTS) (Figure 2) and pure wool certified by the Woolmark Company. The company chooses environmentally friendly raw materials, such as recycled polyester, which are extracted from plastic bottles for recycling (Figure 3), recycled nylon extracted from discarded fishing nets for decomposition and recycling.

Figure 2. Organic cotton

Figure 3. Regenerated polyester

2.2.2. Sustainable supply chain management.

JNBY attaches importance to supply chain and supplier management. The company conducts hierarchical management of suppliers and actively promotes suppliers to fulfill their social and environmental responsibilities in order to achieve sustainable development values that are mutually beneficial to supply chain partners. Suppliers of JNBY include four major categories: surface accessories suppliers, finished product suppliers, processing suppliers and other suppliers. The company has established strict procedures and standards for supplier access, and regularly inspects and evaluates suppliers. JNBY is concerned about the environmental and social performance of suppliers and investigates the employment and environmental protection effects of suppliers.

2.2.3. Sustainable customer service.

Increasing consumer awareness of environmental protection consumption and resource reuse is an important part of achieving sustainable development. JNBY is committed to constructing a sustainable lifestyle ecosystem. It has established a full-channel interactive platform consisting of three parts, physical retailing stores, online platforms and WeChat-based social media interactive marketing service platform. It insists on taking "fan economy" as the core. The company provides attentive customer service and personalized member activities to strengthen contact with customers, thereby improving customer satisfaction and enhancing service competitiveness. In FY 2019, driven by the WeChat-based social media interactive marketing service platform, JNBY already has more than 3.6 million member accounts, including

3.1 million electronic member WeChat users. The retail sales contributed by members accounted for 70% of total retail sales. The brand's fans are constantly expanding and have a high fan loyalty. Driven by the "fan economy" strategy, offline retail stores grew by 3.4% compared with the same store in 2019.

2.2.4. Sustainable customer service.

The success of an enterprise depends on the high-quality and reliable service of its employees. Good employee relations are the foundation of its development and will have a strong impact on its development potential. JNBY has established good cooperative relations with employees and is committed to providing employees with a safe, healthy and comfortable working environment. The company protects the legitimate rights and interests of employees, and cares about the health and safety and sustainable development of employees.

2.3. Emphasis on environmental management extension connotation of enterprise sustainable development

2.3.1. Sustainable customer service.

In order to reduce energy consumption, JNBY encourages employees to reduce consumption and waste from the source, and advocates green office. For example, the company strictly requires employees to work without paper, so as to cultivate employees' awareness of resource conservation.

2.3.2. Sustainable customer service.

(1) Recovery of office resources

In order to increase the utilization of resources, JNBY encourages the secondary or even multiple use of resources to raise the awareness of environmental protection. In response to the call for garbage classification, the company set up a sorting box for plastic bottles and paper in the REVERB brand design office, and carried out office recyclable waste processing and reuse activities. By reducing solid waste emissions, the company improves waste recycling and utilization rates and contributes to the environment and circular economy.

(2) Recovery of production resources

JNBY takes measures to classify and recycle waste fabrics and inventory fabrics, thereby reducing waste of resources and increasing resource reuse. The company has set up a fabric recycling box at the entrance of the production purchasing center and the design department to collect the waste fabric for classification and recycling, and classify it according to the color for employees to use in the platform classroom. The JNBYHOME brand has produced the "Replay Series" designed and developed from stock fabrics, aiming to adhere to and promote the environmental protection

concept of sustainable development and recycling utilization of resources.

JNBY implemented a series of energy-saving and consumption-reducing measures and paid attention to environmental management. In 2019, emissions of the

company have reached the national emission standards. The company is a leader in the sustainability sector of the apparel industry. The environmental management performance indicators are shown in Tables 1 and 2.

Table 1. Emissions

Key performance indicators	Fiscal year 2019
Waste Water Quantity (Tons)	19364.00
Total greenhouse gas emissions (tons)	1751.19
Direct greenhouse gas emissions (tons)	139.93
Among them: gasoline (tons)	139.93
Indirect greenhouse gas emissions from energy sources (tons)	1611.26
Among them: purchased power	1611.26
Total greenhouse gas emissions per square meter of floor (tons/square meter)	0.09
Total amount of harmless wastes (tons)	40.50
Emissions of harmless wastes per square meter of floor (kg/square meter)	2.13

Source: JNBY 2019 Financial Report

Table 2. Resource usage

Key performance indicators	Fiscal year 2019
Total energy consumption (megawatt-hours)	2861.03
Of which: electricity consumption (megawatt-hours)	2288.71
Gasoline consumption (megawatt-hours)	572.32
Water consumption (tons)	24205.00
Energy consumption per square meter of floor (megawatt-hours/square meter)	0.15

Source: JNBY 2019 Financial Report

2.4. Undertaking social responsibility to promote sustainable value of enterprises

JNBY takes service and return to society as its own responsibility, and fulfills its social responsibility and mission. According to the business characteristics of the enterprise, a variety of public welfare activities have been carried out. In 2019, JNBY donated about 560,000 yuan in total. While fulfilling its social responsibilities, JNBY demonstrates its responsibilities and responsibilities as an enterprise, and enhances its sustainable value.

JNBY pays more attention to the concept of sustainable development, and actively promotes the cooperation between brands and environmental protection projects and brand environmental protection activities. REVERB and the well-known visual installation artist Olafur Eliasson launched the "Little Sun" project for cross-border cooperation. The company's sales of solar-powered lamps and lanterns stimulate the public's thinking about the fair distribution of energy and electricity, and respond to the UN's sustainable development goals. REVERB sponsors the sale of "Little Sun" in Burkina Faso. The small sun lamps will be provided at low prices to communities without electricity or lack of electricity, bringing people pollution-free and inexpensive light sources. The distribution plan eventually includes more than 200 small and micro enterprises selling small solar lights and

mobile charging devices for mobile phones, which will have the following impact in the future:

- More than 13,000 solar products will be sold.
- The cost of 770,000 euros for flashlights will be saved.
- 355,000 batteries will be saved, thus reducing the possibility of environmental pollution caused by their disposal.
- 60 new dealers can be employed and trained.
- The local tax revenue of 17,000 euros was generated from the sales of small solar lamps.

3. Enlightenment for the sustainable development of other domestic clothing brands

3.1. Reconstruction of enterprise value system

The development of JNBY has always followed the concept of sustainability for society, economy, environment and employees. The concept of sustainability has been integrated into the enterprise's operation and management process. The company identifies stakeholders and proposing differentiated measures to deal with it, which has laid a foundation for the enterprise to realize the vision of sustainable development. JNBY achieves sustainability of enterprise growth by creating value and pursuing economic benefits. Since listing in Hong Kong in 2016, JNBY has handed over 3 annual reports. The economic

returns from FY17-19 can be seen in Figure 4, which has maintained a healthy growth. After years of rapid development, China's brand clothing enterprises have entered the stage of industrial upgrading, structural adjustment, innovation drive and responsible production. First, the company should distinguish the situation and think about the problem from the overall pattern of the entire apparel industry chain. Secondly, the company

needs to identify key stakeholders on time and collaborate with stakeholders at different levels to integrate as many key resources as possible. Finally, the company should use industry responsibility and social responsibility to build an enterprise value system to achieve coordinated and sustainable development of the branded apparel industry chain in the economic, environmental and social aspects^[4].

Figure 4. Performance of JNBY

3.2. Strengthen contact with stakeholders

The further promotion of sustainable fashion for domestic clothing brands cannot be achieved without the support of relevant parties such as the government, non-governmental organizations, enterprise employees and consumers. Enterprises will provide clothing products to meet the social needs as their business philosophy, while also providing good working conditions for employees to realize the social responsibility of enterprises as a basic unit of society^[5]. Apparel brand enterprises should use their influence to strengthen cooperation with various social organizations and promote all aspects of sustainable measures to improve accessibility standards. Brand enterprises should work with the government to accelerate the formulation and implementation of environmental protection policies in the supply chain in low-carbon life^[6]. Enterprises promote the concept of green consumption in marketing, and guide consumers to form environmentally friendly consumption habits to achieve the goal of promoting the coordinated development of economy and environment. Sustainable apparel companies should expand the scope of social responsibility, such as carrying out charity, and jointly promote the sustainable development of the economy, environment and society.

3.3. Strengthen contact with stakeholders

From the perspective of the international market and the domestic market, environmental management has become an environmental responsibility that apparel companies must perform. Apparel companies should change from passively complying with environmental standards to actively taking on and fulfilling environmental responsibilities. "Made in China 2025" put forward the goal of promoting green industrial

development, through green product development, building green factories, building green supply chains, building my country's green manufacturing system. Apparel companies fulfill their environmental responsibilities and achieve coordinated development with the environment. The environmental responsibility of apparel companies is reflected in two aspects: resource conservation and environmental protection. From the perspective of material resource consumption, the enterprise can save resources and reduce waste in product design, production and use. Through the closed-loop development model of "resource-product-renewable resources", the resources can be used continuously. From the perspective of environmental protection, enterprises must reduce the damage of waste water, waste gas and waste to the environment in production and operation, reduce energy consumption, save water, and become an environmentally friendly enterprise.^[7].

4. Summary

The case of JNBY indicates that the company's sustainable development strategy has expanded from sustainable product design and production, sustainable supply chain management, and sustainable consumer management to sustainable enterprise employee management and sustainable social responsibility. The company integrated the concept of sustainability into its management, forming a comprehensive strategy for sustainable development, and achieved obvious results. As a well-known and original brand in China, JNBY's sustainable development strategy has certain guiding significance to other brands in China. Textile and apparel enterprises should respond to climate change and assume social and environmental responsibilities.

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