



Bridging Sustainable Fashion in ASEAN Society

To meet the ever-changing demands of fast fashion, many aspects of the environment are sacrificed. Today, sustainable fashion movements, production and design are indispensable. ASEAN countries have great potential to make a real impact, but how do we start this action?

SPOTINDEV TEAM | Stephanie Dame | Tsania Maulina

Academic Advisor: Shima Trisna Mutiara, S.E., M.Sc.

11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



A collection of white and light-colored garments, including jackets, blouses, and dresses, displayed on mannequins in a studio setting. The garments are arranged in a row, with some hanging and others on mannequins. The background is a plain, light-colored wall.

TRENDY IS THE LAST STAGE
BEFORE **TACKY**

Karl Lagerfeld

In regards to fashion trends ...

Back then, we used to have only

4

fashion seasons in a year

Source: Jordan (2021)



Due to fast fashion, we now have

52

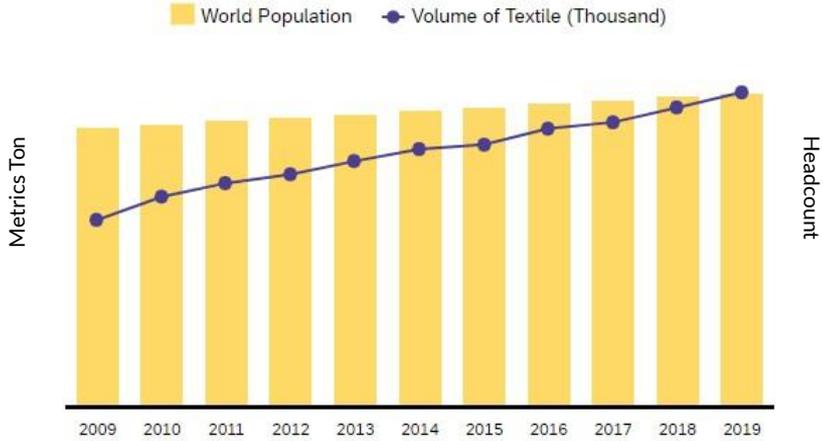
fashion seasons in a year

Source: Stanton (2021)

In the status quo, there is an emerging trend of fast fashion

Over the past ten years, data has shown that the growth of textile production has been higher than the world population.

Growth in Textile Production and World Population



Source: Statista (2021); World Bank (2019)

According to McKinsey (2016), the average consumer bought 60% more clothing in 2014 than in 2000 yet keep each garment half as long

Global Apparel Market Size (Revenues in Billions USD)



Source: Statista (2020)

Finding 1: Fast fashion utilized huge amount of natural resources for production

Illustration of Resources Needs in the Production of T-Shirt and Jeans



Does it need water resources?

To create a pair of blue jeans, about **1,800 gallons** of water are needed just to grow enough cotton for one pair.

To grow enough cotton to create one t-shirt, **400 gallons** of water are consumed

What about Energy Consumption?

T-SHIRT

54 MJ

JEANS

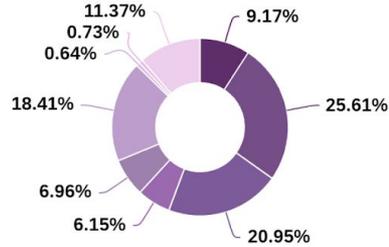
247 MJ

Sources: Merchant (2018)

Spotindeev Team

Total Energy (Fuel and Electricity) Consumption for each Specialized Technical Field

- Clothing manufacturing
- Knitting
- Twisting
- Dyeing
- Others
- Weaving
- Fiber Production
- Spinning
- Textured yarn production

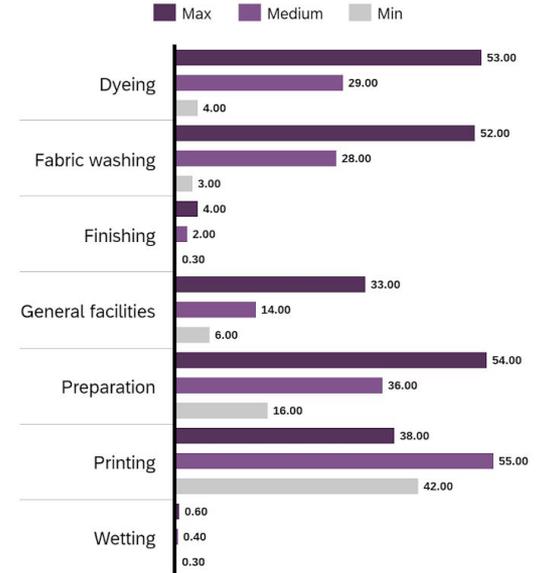


Source: Toprak and Anis (2017)

The fashion industry's high carbon footprint comes from high energy use. The manufacturing process that requires a lot of energy is dyeing.

Average water spending of a medium sized textile factory producing around **8,000 kg fabric/day** is **1,6 million liters**.

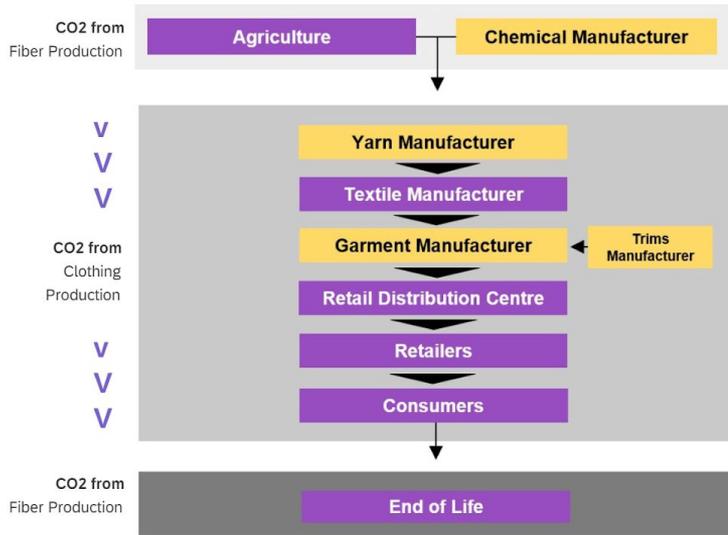
Water Consumption (% from Total Consumption of the Textile Plant)



Sources: Toprak and Anis (2017)

Finding 2: Fast fashion produces a big portion of carbon emissions and pollution

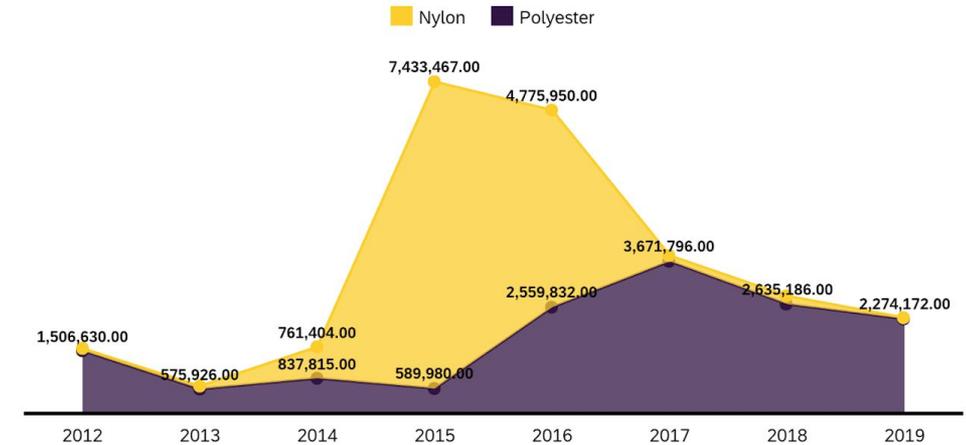
The high volume of demand for textile products produces concerning environmental impact by promoting unsustainable manufacturing which produce until up to 1.2 billion tons of CO2 in 2015 (Niniinaki 2020).



Furthermore, the fashion industry is the second largest industrial polluter after aviation, accounting for up to 10% of global pollution (Niniinaki 2020).

Polyester clothing manufactured from oil-based polyethylene terephthalate (PET) is the market leader (Mateo et al 2021). Polyester has become a major component in the manufacturing process

Growth Textile Production by Fibre Type: Polyester and Nylon in 5 ASEAN Countries

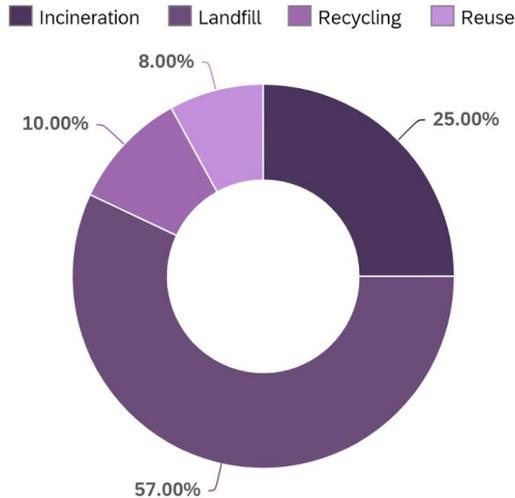


Source: UN COMTRADE (2021)

Depending on manufacture quality, fabric thickness and material compositions, a polyester shirt is thought to take anywhere from 20-200 years to decompose ! (Cobbing and Vicare 2016; Fletcher 2014; Chen and Burns 2006).

Finding 3: To increasing demand for fashion has lead to a plethora of fashion waste

End of Use Worldwide Fashion Waste



Source: BCG NSAC (2017)

According to Ellen MacArthur (2017), **more than \$500 billion value is lost every year** due to clothing underutilization and the lack of recycling

KEY FINDINGS:

Only **three years** is the lifetime of a garment today (Charpail, 2017)



In 2017, Thai are the most likely to have thrown away more than three items of clothing that they have only worn once (YouGov 2017)



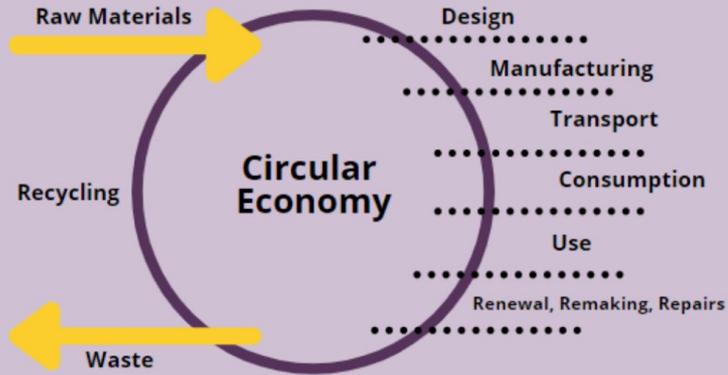
Singapore Recycling Rate on Textile Waste: 8%

According to statistics from the National Environment Agency (NEA), In 2015, Singapore generated 156,700 tonnes of textile and leather waste. Only 12,500 tonnes were recycled (Chia, 2016).



According to Kloth Data 2019, Malaysians **produce a whopping 2,000 tonnes of textile waste**, including other wearable products daily, which ends up in landfills (Morogesan, 2020).

We Look Up for Initiatives Supporting the Transition to CIRCULAR ECONOMY



Source: Fischer (2021)

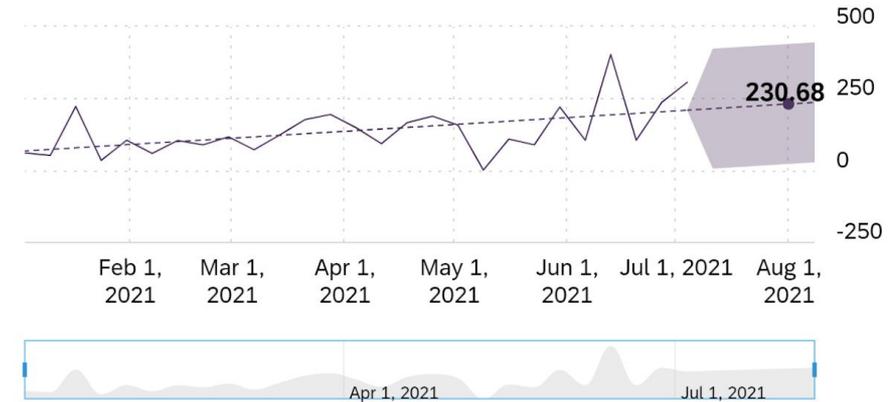
The circular economy is a new way of creating value, and ultimately prosperity (UNIDO, n.d.). Moving toward a circular economy would make a crucial contribution toward preserving the environment.

We have Great Potential to Shift to More Sustainable Fashion!

Sustainable Fashion Search Interest on Google Trends (2021)

Forecast

1M 3M 6M YTD 1Y All



Source: Google Trends (2021)

Consumer behavior began to change. Towards the middle of 2021, the society in five ASEAN countries (Malaysia, Philippines, Indonesia, Singapore, Vietnam) shows an increasing trend in sustainable fashion awareness.

Introducing Sashh, a platform to help people sell, donate, & recycle their unused wardrobe



You may have seen other thrifting shop or secondhand e-commerce platform, but this is different. In Sashh, we help you to:



Sort which unused wardrobe to be **sold, donated, and recycled**



Remove the **hassle** in selling your secondhand clothes

We prepare, take proper photos, create detailed description, determine the reasonable price, and promote your wardrobe all in our service



Connect you with **trustable communities and organizations** that need your secondhand wardrobes



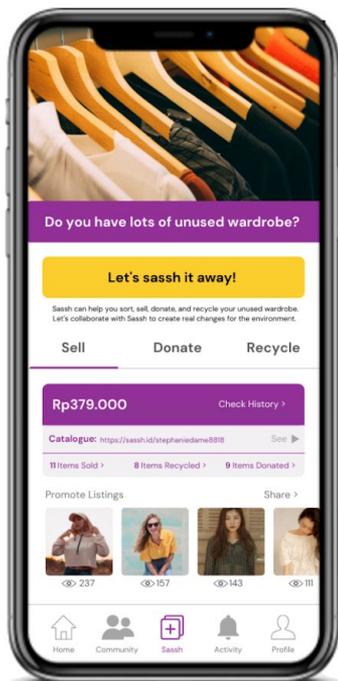
Provide you a **transparent and trackable progress** for your listing, donation, and recycled items

Sassh aims to create an ageless fashion cycle ...

We provide interactive platform and programs to increase people's interest in secondhand fashion items



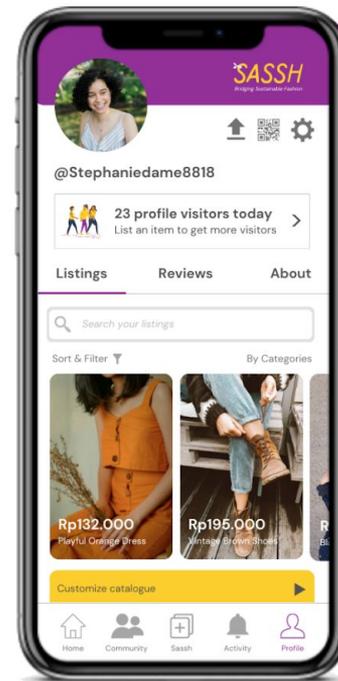
Our service provides an easy and efficient way for people to declutter their wardrobe while supporting the idea of circular economy



Through a community based approach, we hoped to connect like-minded people to increase sustainable fashion awareness



With complete information, high quality pictures, & reasonable prices Sassh can be a trusted platform for both buyers & sellers



In short, here is our main customer journey ...



You send your unused wardrobe package to our office



Upload the delivery proof and choose your service preference



We help you sell/donate/recycle your unused wardrobe



You can track the service progress through our app

How our service can help sellers:

- We reduce the time & energy needed to sort their unused items
- We provide cost effective marketing
- We provide wider & potential leads

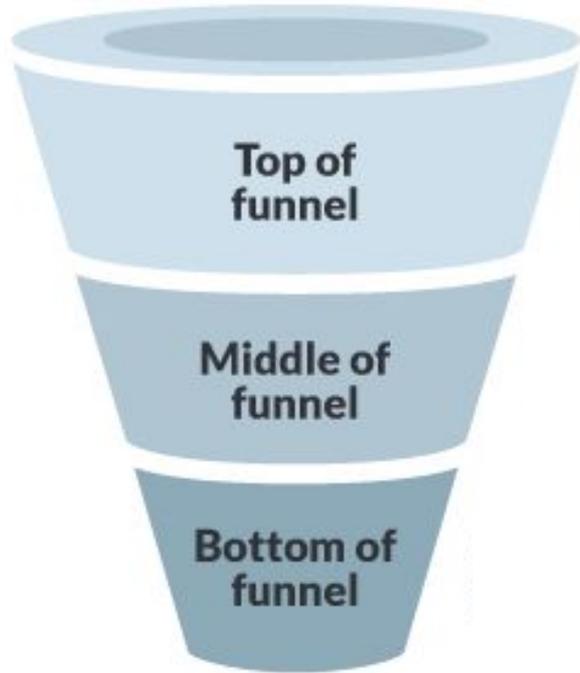
How our service can help buyers:

- We provide a user-friendly app
- We can guarantee the quality of our secondhand items
- We provide variety of product choices

How our service can help donators:

- We can reduce the time & energy needed to sort their unused items
- We can connect them with relevant & trusted organizations and NGOs

In order to tap, reach, and convert the market, we have 3 level of marketing strategy

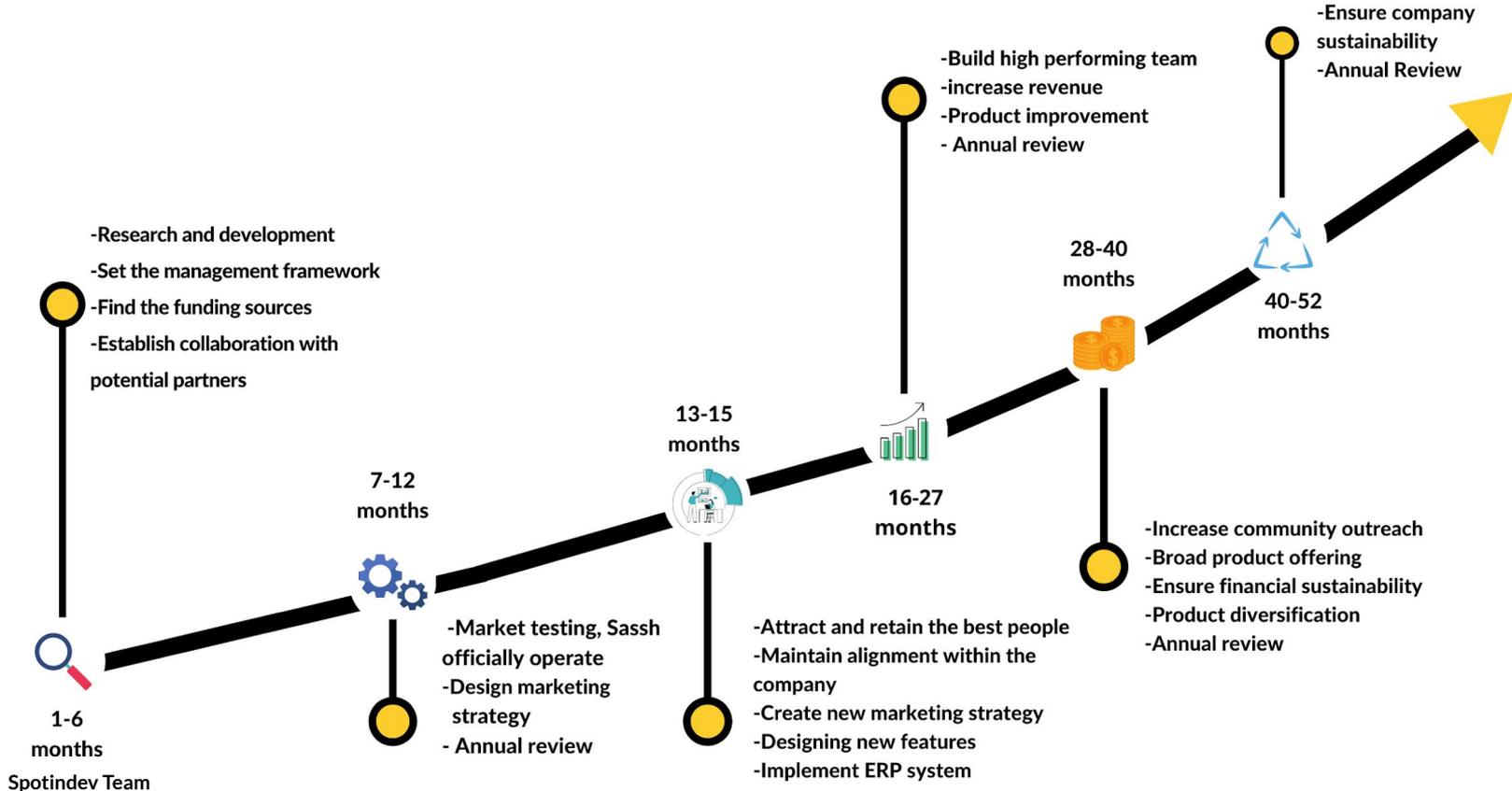


- Social media activation (KOLs collaboration, environmental content series, social media challenges & filters, Ambassadors Program)
 - Community collaboration & event marketing
 - SEO optimization
-

- In-app points
 - Loyalty & appreciation program
 - Impact reports
 - Push notifications
-

- Referral Program
- Word of mouth marketing strategy (Ex. Testimonial)

Here is our plan to develop Sassh ...



To succeed our plan, we acknowledge the important role of other stakeholders



Policymaker

- Create regulations to promote sustainable production
- Construct policies for extended producer responsibility



Industry

- Avoid surplus production
- Create supply-chain transparency
- Prevent waste
- Close the material loop



Consumer

- Start shifting to a circular economy with slower consumption behavior
- Extend product life time

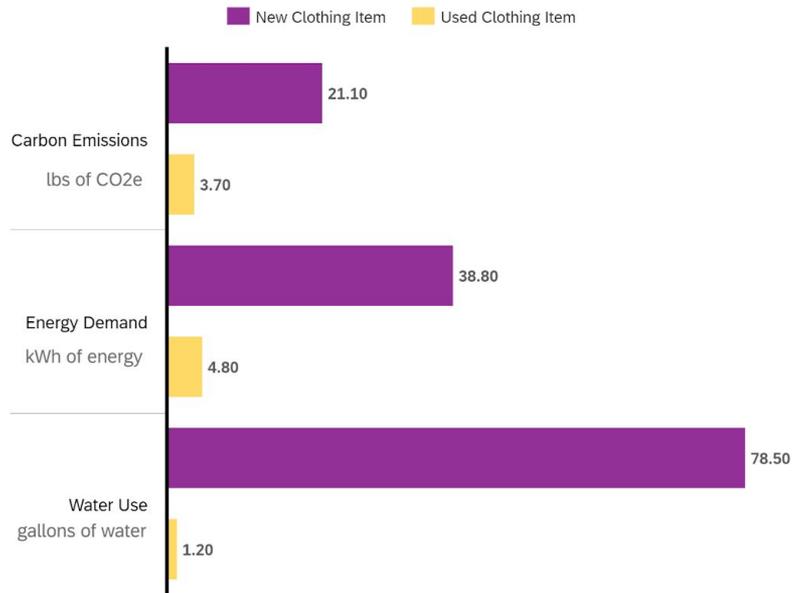


ASEAN & NGOs

- Create campaign to increase environmental awareness within the society
- Create partnerships to foster initiatives related to circular economy

Impact and Conclusion

The Environmental Impact of Buying Used Instead of New Clothing



Source: Thred Up, 2021

Acknowledging the complexity of fast fashion problem, we tried to analyze the current data and found an micro- and macro-approach initiatives as a recommendation. Through Sassh, we aim to bridge the implementation of sustainable fashion idea within the community. This initiative is in line with the SDGs, AEC Blueprint 2025, and ASCC Blueprint 2025 as follows:

11 SUSTAINABLE CITIES AND COMMUNITIES

Target 11.6: Reduce the adverse per capita environmental impact of cities, including by paying special attention to waste management



AEC Blueprint 2025
Sustainable Economic Development
Element B.8.
SM ii

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse



ASCC Blueprint 2025
Sustainable Consumption and Production
Element C.4.
SM i, ii, iii, iv



Thank You!

Any questions or inputs are very welcome

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Attachments

Revenue Stream, Cost Structure, and Break Even Point

Revenue Stream



15% Commission
from Users' Reselling Profit

Cost Structure



Human Resource Expenditure

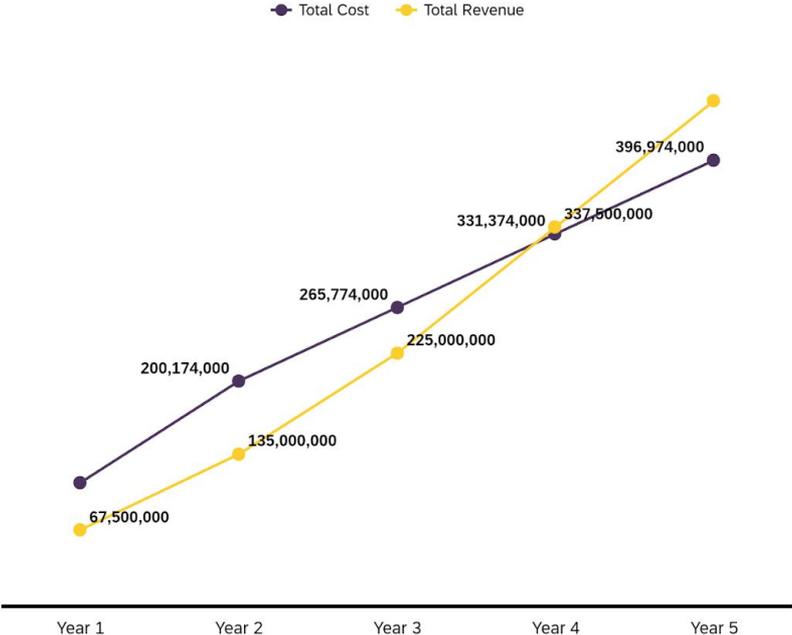


Marketing Expenditure



Operational Expenditure

Projected Break Even Point



We projected that Sash will reach its **break even point** in year 4 of operation

COST STRUCTURE	Year 1	Year 2	Year 3	Year 4	Year 5
HR Expenses					
Board of Directors					
Number of BoDs	3	3	3	3	3
Payroll cost/month	Rp0	Rp2,000,000	Rp3,000,000	Rp4,000,000	Rp5,000,000
Payroll cost/year	Rp0	Rp72,000,000	Rp108,000,000	Rp144,000,000	Rp180,000,000
Employee					
Number of Employees	2	3	4	5	6
Payroll cost/month	Rp2,000,000	Rp2,000,000	Rp2,000,000	Rp2,000,000	Rp2,000,000
Payroll cost/year	Rp48,000,000	Rp72,000,000	Rp96,000,000	Rp120,000,000	Rp144,000,000
Education and training (Rp1,000,000/employee)	Rp2,000,000	Rp1,000,000	Rp1,000,000	Rp1,000,000	Rp1,000,000
Total HR Expenses	Rp50,000,000	Rp145,000,000	Rp205,000,000	Rp265,000,000	Rp325,000,000
Marketing Expense					
Social Media Activation	Rp15,000,000	Rp20,000,000	Rp25,000,000	Rp30,000,000	Rp35,000,000
Community Collaboration	Rp1,500,000	Rp1,700,000	Rp1,900,000	Rp2,100,000	Rp2,300,000
SEO Optimization	Rp1,000,000	Rp1,200,000	Rp1,400,000	Rp1,600,000	Rp1,800,000
Event Marketing	Rp2,000,000	Rp2,200,000	Rp2,400,000	Rp2,600,000	Rp2,800,000
Total Marketing Expense	Rp19,500,000	Rp25,100,000	Rp30,700,000	Rp36,300,000	Rp41,900,000
Operating Expense					
Office	Rp25,000,000	Rp25,000,000	Rp25,000,000	Rp25,000,000	Rp25,000,000
Internet	Rp1,500,000	Rp1,500,000	Rp1,500,000	Rp1,500,000	Rp1,500,000
Chair	Rp2,500,000	-	-	-	-
Desk	Rp2,500,000	-	-	-	-
Camera	Rp5,000,000	-	-	-	-
Electricity	Rp2,000,000	Rp2,000,000	Rp2,000,000	Rp2,000,000	Rp2,000,000
Appstore fee	Rp1,236,500	Rp1,236,500	Rp1,236,500	Rp1,236,500	Rp1,236,500
Playstore fee	Rp337,500	Rp337,500	Rp337,500	Rp337,500	Rp337,500
Total Operating Expense	Rp40,074,000	Rp30,074,000	Rp30,074,000	Rp30,074,000	Rp30,074,000
TOTAL COST	Rp109,574,000	Rp200,174,000	Rp265,774,000	Rp331,374,000	Rp396,974,000

REVENUE STRUCTURE	Year 1	Year 2	Year 3	Year 4	Year 5
# Users	1500	3000	5000	7500	10000
# Item Sales (5 items/user)	7500	15000	25000	37500	50000
Gross Marginal Value (Rp80,000/item)	Rp562,500,000	Rp1,125,000,000	Rp1,875,000,000	Rp2,812,500,000	Rp3,750,000,000
Packaging Cost (Rp5,000/item)	Rp37,500,000	Rp75,000,000	Rp125,000,000	Rp187,500,000	Rp250,000,000
Points Cost (Rp50,000/user)	Rp75,000,000	Rp150,000,000	Rp250,000,000	Rp375,000,000	Rp500,000,000
Users' Profit	Rp450,000,000	Rp900,000,000	Rp1,500,000,000	Rp2,250,000,000	Rp3,000,000,000
Commission	15%	15%	15%	15%	15%
TOTAL REVENUE	Rp67,500,000	Rp135,000,000	Rp225,000,000	Rp337,500,000	Rp450,000,000

Initiatives of ASEAN Countries to Support the Circular Economy Transition

Country	Initiatives	Country	Initiatives
Cambodia	Better Factories Cambodia (BFC)	Philippines	<i>Halukay</i> (to dig up) culture or <i>ukay-ukau</i> .
Indonesia	Eco-label for industry Increase in sustainable brand	Singapore	Increasing consumer interest on sustainable fashion.
Lao People's Democratic Republic	Creative Media approach; Sustainable Fashion Weekend	Thailand	The Clean Clothes Campaign
Malaysia	<ul style="list-style-type: none"> • SAVE initiative (Sustainable Action Values for Exporter) • Design to Sustain Campaign for KL Fashion Week 2020. 	Vietnam	Green Growth Strategy; promote sustainable consumption and green lifestyle
Myanmar	SMART Myanmar		

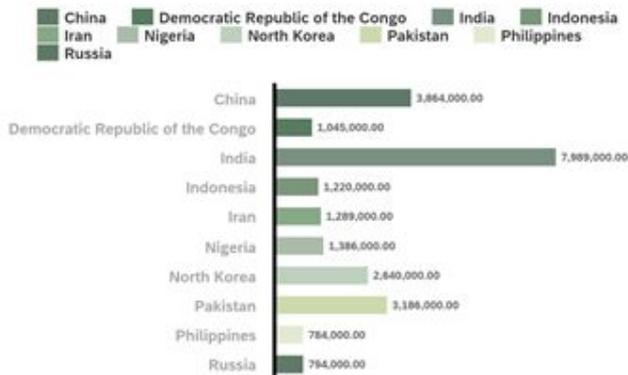
Comparative Advantage

	 SASSH <small>Bridging Sustainable Fashion</small>	 TINKERLUST <small>INDONESIA'S STYLISH PRE-LOVED MARKETPLACE</small>	 carousell
Preloved marketplace			
Sorting service			
Marketing service			
Community feature			
Progress tracker feature			
Recycle option			
Donation option			

Working Condition

- In **Cambodia**, half of all garment sector employees worked more than the allowed **48 hours** per week.
- In **Vietnam**, more than **40%** work excessive hours.

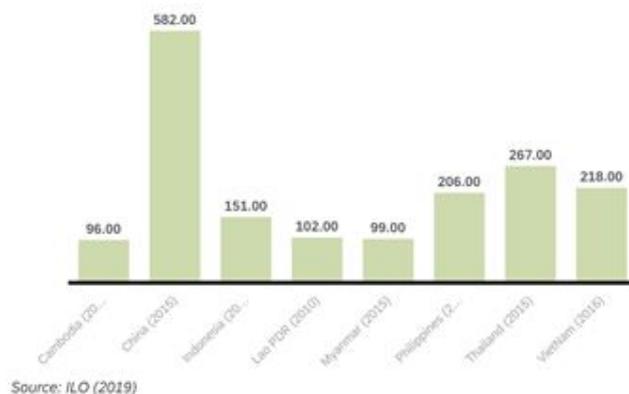
Countries with the Largest Number of People in Modern Slavery 2018



Employment Wages

To meet the demand of fast fashion's ever-changing, it has been increasingly reliant upon low-cost labor.

Average Nominal Monthly Wages (\$) per Country





Interest by Subregion Data in Indonesia

On Average, there are

50 daily
searches

for “Jual baju bekas” on Google in
the Indonesia on the past 12 months

Source: Google Trend Data Retrieved on 24 September 2021



Interest by Subregion Data in Indonesia

On Average, there are

19 daily
searches

for “Beli baju bekas” on Google in
the Indonesia on the past 12 months

Source: Google Trend Data Retrieved on 24 September 2021



Interest by Subregion Data in Indonesia

On Average, there are

25 daily
searches

for “Donasi baju” on Google in the
Indonesia on the past 12 months

Source: Google Trend Data Retrieved on 24 September 2021

A map of Indonesia is shown in the background, with several subregions highlighted in red. The text 'Interest by Subregion Data in Indonesia' is overlaid on the map in a dark red box with white text.

Interest by Subregion Data in Indonesia

On Average, there are

20 daily
searches

for “Daur ulang baju” on Google in
the Indonesia on the past 12 months

Source: Google Trend Data Retrieved on 24 September 2021