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Fashion Futures

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The Future Laboratory is one of the world's foremost trend forecasting, consumer insight and strategic innovation consultancies. Through its online network LS:N Global, it speaks to clients in 14 lifestyle sectors on a daily, weekly and monthly basis.

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Why creating a more future-focused fashion industry is essential.

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The key anxieties holding the fashion industry back, from how clothing is produced to how it is consumed.

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The future strategies that brands need to be aware of in overcoming these anxieties, from optimising your workforce to the potential of data design. Included are key considerations about how your brand can begin to move forward.

Overview

On the surface, the fashion industry's global impact shows no sign of waning. But look away from the catwalks and a different reality appears. From poor working practices and unsustainable manufacturing methods to an outdated retail model and lacklustre adoption of artificial intelligence (AI) and automation, the fashion industry is reaching a tipping point.

As designers, buyers, models, stylists and editors jet off to New York, London, Milan and Paris for the collections, The Future Laboratory puts this creative powerhouse under the microscope and identifies four anxieties that affect how clothes are produced and how fashion is consumed.



DISOBEDIENT BODIES BY JW ANDERSON
AT THE HEPWORTH WAKEFIELD

In this report, we get to the core of what makes the industry so cautious in its progression and so conventional in its thinking. Against a backdrop of two-thirds (67%) of fashion professionals saying that conditions within the industry worsened in 2016, according to a report by Business of Fashion and McKinsey, we interviewed numerous experts to find out the issues that keep fashion CEOs up at night – and what they can do to turn things around.

You will discover solutions that will create a more future-focused fashion industry. From systems that prioritise access over ownership to embracing neurodiversity within the workplace, we focus on the fashion industry, but look beyond its boundaries to other sectors and other disciplines. Although our solutions are wide-ranging

You will discover solutions that will create a more future-focused fashion industry.

and reference many different agendas, it is now up to the brands to instigate meaningful change. Those brands that don't change will find their consumer base diminishing quickly as they are overtaken by brands able to plan far beyond next season's must-have collection.

OPPOSITE PAGE:
JI WON CHOI'S EXCESSIVISM
COLLECTION HIGHLIGHTS THE VOLUME
OF UNNECESSARY GARMENTS IN
CONSUMERS' WARDROBES



Fashion Anxieties

Fashion's Footprint

According to the Danish Fashion Institute, 'fashion is one of the most resource-intensive industries in the world, both in terms of natural resources and human resources'. According to Valuing Our Clothes, a recent report by Wrap, a charity that addresses resource efficiency, 800,000 tonnes of waste were created in 2016 in the making of clothes in the UK alone. Factor in the fact that the fashion industry's total amount of waste is predicted to increase by 60% between 2015 and 2030, according to Pulse of the Fashion Industry, a report by Global Fashion Agenda and The Boston Consulting Group, and it is clear that the industry is in a situation that is far from sustainable.

With so much talk of brands being eco-friendly but still no notable progression, it is imperative that brands rethink the strength of their commitment to the environment. In June 2017, high street brands including H&M, Zara and ASOS were found to be buying viscose from highly polluting factories in Asia, according to Dirty Fashion, a report by Changing Markets Foundation. With the same report claiming that 75% of all viscose production is



MY EP&L APP BY KERING AND PARSONS SCHOOL OF DESIGN

owned by just 11 companies even a small commitment to change from these businesses would make a significant difference.

'Not doing anything in response to their environmental and social impact is simply not doing good business,' says Renée Cuoco, manager at the Centre for Sustainable Fashion. 'That's not to say individual

businesses have to address sustainability challenges on their own. This can be a hard and overwhelming task. But there are many initiatives and groups working to make collective change. We work with many businesses who have made a commitment to change, and this is an important first step'.

Outdated Business Models

Caught between unsustainable, long-standing traditionalism and the demand of digitally native consumers, the fashion sector has struggled to find a way forward.

Once reserved for the industry elite, technology has made fashion more democratic and consumer-facing. During the spring/summer 2016 season



CARE LABEL PROJECT BY AEG AND NOT JUST A LABEL

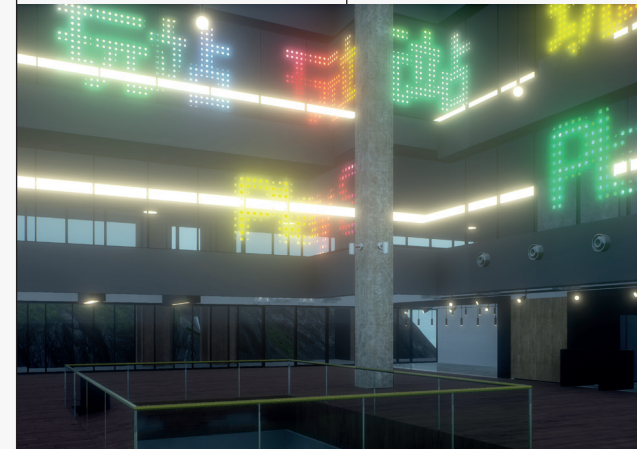
Fear of Automation

Automation is set to affect all industry sectors, including fashion. By 2020, the market for machine learning applications will reach £31bn (\$40bn, €34bn), according to market intelligence firm International Data Corporation. Similarly, a 2016 report by Narrative Science and the National Business Research Institute predicts that 62% of US enterprises will be using AI by 2018.

The fashion sector is struggling to embrace the change. 'There is a great deal of urgency in these things, particularly for large organisations,' says Wojtek Tusz, interim director of the Digital Anthropology Lab at the London College of Fashion. 'It is true that digital innovations can be built relatively quickly, but it takes a really long time to implement them, particularly if organisations lack digital infrastructure. We're talking years and millions of pounds in terms of investment and returns.'



ACNE STUDIOS AUTUMN/WINTER 2017 COLLECTION ON THE CATWALK



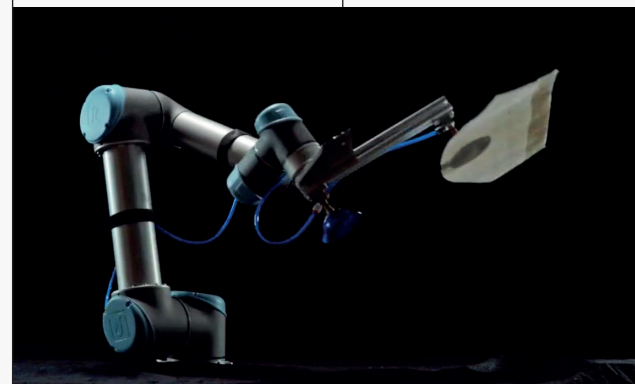
PLAY STATION BY LAWRENCE LEK IS A SPECULATIVE SCENARIO THAT EXPLORES HOW AI WILL AFFECT THE WORKPLACE OF THE FUTURE

alone, there were more than 500,000 mentions of #LFW on Twitter, London Fashion Week was broadcast to 60 screens in cities with a total population of more than 35m, and live streams were viewed in more than 150 countries.

As a result, demand has increased and designers are struggling with the rigours of the traditional fashion calendar. Initially, brands such as Tommy Hilfiger dropped the official schedule completely, and several brands adopted the see-now, buy-now business model, which enabled customers to purchase pieces straight from the runway, but it was later abandoned. 'We have recognised that the business model is ahead of the current retail environment,' said a statement from Thakoon,

announcing its dropping of the see-now, buy-now initiative. 'We are taking a pause and an eventual restructure.'

Concerned by the problem, The Council of Fashion Designers of America (CFDA) released a study, Examining the Future of New York Fashion Week. It said 'evolutions in technology, consumer behaviour, weather and the retail cycle have challenged the role and impact of the current fashion system' and said it had found 'unanimous consensus' that 'the time is ripe for change in our market'.



SEWBO BY JONATHAN ZORNOW

For fashion, an industry constantly looking to the technology sector for inspiration and innovation, inevitable change is coming. But rather than blame the loss of jobs and creativity on the rise of robotics, fashion will need to embrace technology. It will need to upskill its workforce and move from the romanticism of craftsmanship to a blend of human creativity and data-driven intuitive decision-making.

OPPOSITE PAGE:
ANXY IS A PRINT MAGAZINE THAT
AIMS TO TACKLE THE STIGMAS
SURROUNDING MENTAL ILLNESS

People Over Profits

As an industry, fashion is not known for being kind to its workers. From reports of bullying and cruelty at casting sessions to the lack of diversity on catwalks, it is an industry in which human resources and inclusion appear to be afterthoughts.

To succeed in attracting and retaining world-class talent, fashion brands will have to drop the short-term thinking and hard measures of success, and look to the example of the science and technology sector in the adoption of a long-term, people-before-profit ethos. Today, as Brexit is set to bring about new immigration restrictions, attracting and retaining international talent has never been more pressing, according to Thriving After Brexit, a 2017 report by Walpole, which represents 200 British luxury brands.

Iain R Webb, professor of fashion and design at Kingston School of Art, says that 'while the industry may appear to celebrate mavericks, especially feting new young designers, it does not have a robust track record for offering continued support or maintaining loyalty in the long term'. He adds: 'Fashion, by its nature, is populated with followers who, for the most part, have no desire or need to look beyond or deviate from the security of the current prescribed version of fashion. For a forward-looking business, it is notoriously cautious and conventional.'



BETHANY WILLIAMS WORKED WITH
MARGINALISED AND VULNERABLE WOMEN
TO CREATE HER SPRING/SUMMER 2018
WOMEN FOR CHANGE COLLECTION

Future Strategies: What Needs to Happen Next

Immersion Tactics

A sector that spends its time navel-gazing will miss out on opportunities for innovation that come from working with other industries. To address issues of sustainability, it is vital for brands to analyse innovations beyond their sector and apply that thinking to fashion.

Italbugs, a company dedicated to the innovation and development of edible insects, is an example of a brand that is taking a Whole-system approach. It uses silkworm larvae, usually disposed of by the fashion industry, as a new bakery ingredient for the food sector. Similarly, Vegea is developing Wineleather, a leather obtained from grape waste from wine processing.

Aiming to use technology to prove sustainability in the fashion sector, London-based designer Martine Jarlgaard has developed a smart label system for a collection presented at the Copenhagen Fashion Summit. The smart labels track the journey of raw materials through the supply chain to the finished garment. Lamenting



FRAGILE: A STATE OF EMERGENCY
SPRING/SUMMER 2018 COLLECTION BY
MARTINE JARLGAARD

fashion's lack of sustainability innovation, she asks: 'where is the Tesla of fashion?' Jarlgaard questions the lack of change in the industry in the past decade. 'When we look to the energy sector,' she says, 'it has developed solar power, wind turbines and hydro-power to try and address its issues, but there is no equivalent in the fashion industry.'



SOLAR TEXTILES, WINNER OF
THE GLOBAL CHANGE AWARD
BY H&M FOUNDATION

Take-outs

: Think outside the box. How can you create long-term partnerships with disruptive, different and daring innovators outside fashion?

: Innovation starts at the beginning. Is it time to reframe your innovation strategies throughout your supply chain and employ partners or specialists who can enable you to be a true disruptor?

: Celebrate new values. As consumers start to wear their attitudes, morals and values, how do you plan to communicate and champion the beauty and value in waste materials?

Invest in disruptors

To ensure brands get the most future-thinking perspectives on solving issues such as sustainability, they should be looking to work with and invest in start-ups that can bring a fresh perspective to big problems. At a time when, according to Abu Dhabi-based renewable energy company Masdar, 31% of Generation Z consumers have boycotted a brand for unsustainable practices, harnessing new technologies is key to fortifying long-term success.

Brands including C&A and luxury conglomerate Kering worked with global innovation platform Plug and Play to build the Fashion for Good – Plug and Play Accelerator, a start-up programme within the recently launched Fashion for Good platform. The accelerator offered grants to 12 textile start-ups, which then followed

'We cannot advance alone. This collaboration is a solution, among others, to reach our sustainability ambition by bringing disruptive innovators to the table.'

Marie-Claire Daveu, chief sustainability officer and head of institutional affairs at Kering



PLUG AND PLAY - FASHION FOR GOOD
ACCELERATOR SUPPORTED BY KERING

a three-month programme to help fast-track their sustainable innovation to the apparel industry. 'We cannot advance alone,' says Marie-Claire Daveu, chief sustainability officer and head of institutional affairs at Kering. 'This collaboration is a solution, among others, to reach our sustainability ambition by bringing disruptive innovators to the table.'

H&M's Global Change Award is another funding competition for technologies and business models working to make the fashion model more circular. So far, the initiative has seen successful collaborations with Solar Textiles, an idea that converts the sun's energy into fabrics, and Denim-dyed Denim, a process that reduces old, used denim to fine particles for dyeing new pieces of denim.

Take-outs

: Embrace new collaborators. How do you get your business to take a fresh perspective to collaboration to create valuable partnerships for your brand?

: Celebrate the intrapreneurial spirit. How can you focus on the internal processes that lead to disruption, rather than relying on celebrity-driven capsule collections at the end of the chain?

: You cannot advance alone. How can you maximise young talent and fresh mindsets to create mutually beneficial long-term partnerships and solutions?





YOOX NET-A-PORTER
TECHNOLOGY HUB, LONDON

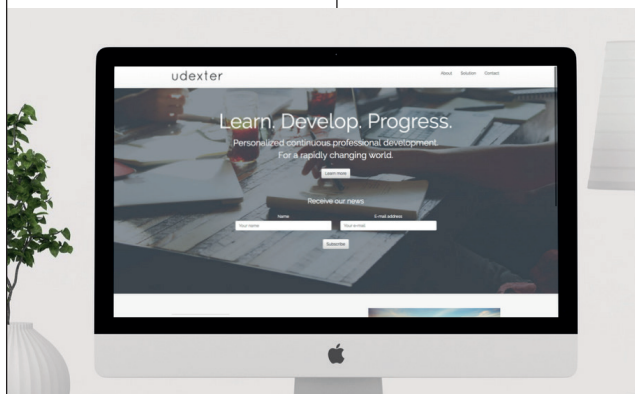
Optimise Your Workforce

It should come as no surprise that the face of the future workplace is changing, not just in fashion, but globally. As a result, a digital skills gap is growing within the fashion sector to the point where, according to a 2016 report by Essential Retail, UK fashion will need 60,000 new technology roles by 2020, particularly within the fields of digital content creation, CRM management and systems analysis.

The face of the future workplace is changing, not just in fashion, but globally.

Leading the cause, Net-A-Porter recently opened a dedicated technology hub in London. By merging luxury fashion and technology under one roof, as well as hiring more than 100 IT experts, it hopes to be better prepared for a technology-focused future. Online retailer ASOS, which already has a technology team of 900 people, has committed to adding 200 more to that team within the next year to better prepare for a technology-focused future.

For Tusz, the success of the future workforce relies on brands providing their employees with the means to constantly adapt to these new technologies. 'Jobs of the future are not about slapping technology on top of existing fashion industry paradigms,' he says. 'Technology evolves too fast for any company to put a stake in the ground and say 'we bet on VR', for example.'



UDEXTER ADVISES ON CAREER
PROGRESSION IN THE AGE OF
AUTOMATION

Take-outs

: Rethink your approach to hiring. How do you prepare for a new hybrid hiring strategy – in which creating new job specifications will require considered thought around the future role of technology?

: Technology is not an afterthought. How can you better understand the importance and impact of technology on the everyday roles of your workforce to avoid slapping technology on top of existing fashion industry paradigms?

: Upskill your workforce. What level of investment are you willing to make now to enhance your workforce to be better prepared for the future?



THE INSTITUTE PRESENTS: NEUROSOCIETY
AT PACE GALLERY, CALIFORNIA

Become Neurodiverse

While diversity across all levels of the industry should be promoted regardless, brands should be paying extra attention to how they encourage creatives. Unemployment within the neurodiverse population can be as high as 80%, according to Harvard Business Review, despite the fact that neurodiverse teams can be 30% more productive. Brands such as Microsoft, Ford and UBS have started to reform their HR processes to better cater for neurodiverse talent.

Sam Phillips, chief marketing officer at Omnicom Media Group UK, promotes neurodiversity as a way to raise awareness of new perspectives. 'At a time when we need different minds and different thinking to come up with different solutions,

in a world where it has been proved beyond doubt that difference leads to improved business performance, imagine the richness that could come through changing the narrative within your workforce,' she says.

Yahoo is another brand championing neurodiversity. In May it announced the creation of its Neurodiversity Employee Resource Group as a new division within the company dedicated to supporting employees with ADHD, autism and dyslexia. Margenett Moore-Roberts, global head of inclusive diversity at Yahoo, said the group will help encourage 'anyone with these differences' to 'utilise their strengths at work and thrive through one another's support'.

Recent research by Johan Wiklund, professor of entrepreneurship at Whitman School of Management, Syracuse University, showed that people with ADHD are highly likely to be working in entrepreneurial workplaces and, if catered for effectively, offer limitless positive contributions. 'Those with ADHD tend to spur themselves into action regardless of uncertainty,' says Wiklund. 'An impulsive inability to wait comes with a willingness to take risk.'

Take-outs

: Embrace new perspectives. Are you ready to celebrate individuality and accept that the future diversity of your brand will go beyond just addressing race and gender?

: Create a network of support. How can your company offer multiple learning strategies to accommodate the neurodiversity of the workforce?

: Creativity requires new thinking. Are you willing to reframe creativity by looking into the considerable variation among human brains for ideas that go beyond the existing aesthetic-driven paradigm of the fashion industry?



It was predicted that by 2030, individuals won't own anything anymore.

Introduce Subscription Systems

As it begins to shake off the chains of the traditional calendar, the fashion industry must rethink its traditional model of high-price, one-off ownership to move to a more fluid model of subscriptions. At the 2017 World Economic Forum, it was predicted that individuals won't own anything any more by 2030. Subscription models represent this movement to access over ownership, with the added benefit of creating a continual, long-lasting relationship between consumer and brand.

Rent The Runway, a mainstream brand that offer a subscription model for borrowing clothes, reportedly hit \$100m in revenue in 2016. The brand has just unveiled next-day delivery to compete with the speed of Amazon. 'We're aiming to pull off what we consider to be the ultimate convenience,' says CEO and co-founder Jennifer Hyman. 'It's essentially a never-ending closet.'

OPPOSITE PAGE:
HIGHER, LONDON



RENT THE RUNWAY DREAM CLOSET BY HEITLER HOUSTOUN ARCHITECTS, NEW YORK

Higher, a recently launched start-up, offers a more sustainable pattern of consumption for fashion consumers by allowing them to borrow and swap archive pieces by designers such as Commes des Garçons, Maison Martin Margiela and Vivienne Westwood. 'In the face of climate change, over-consumption is what needs to be tackled, but to remain creative, we need constant newness,' says founder Sara Arnold. 'Access over ownership allows for newness, but by eliminating idle capacity – the clothes hanging in our wardrobes – it has the potential to incentivise a much more circular approach to design, production, upkeep and recycling.'

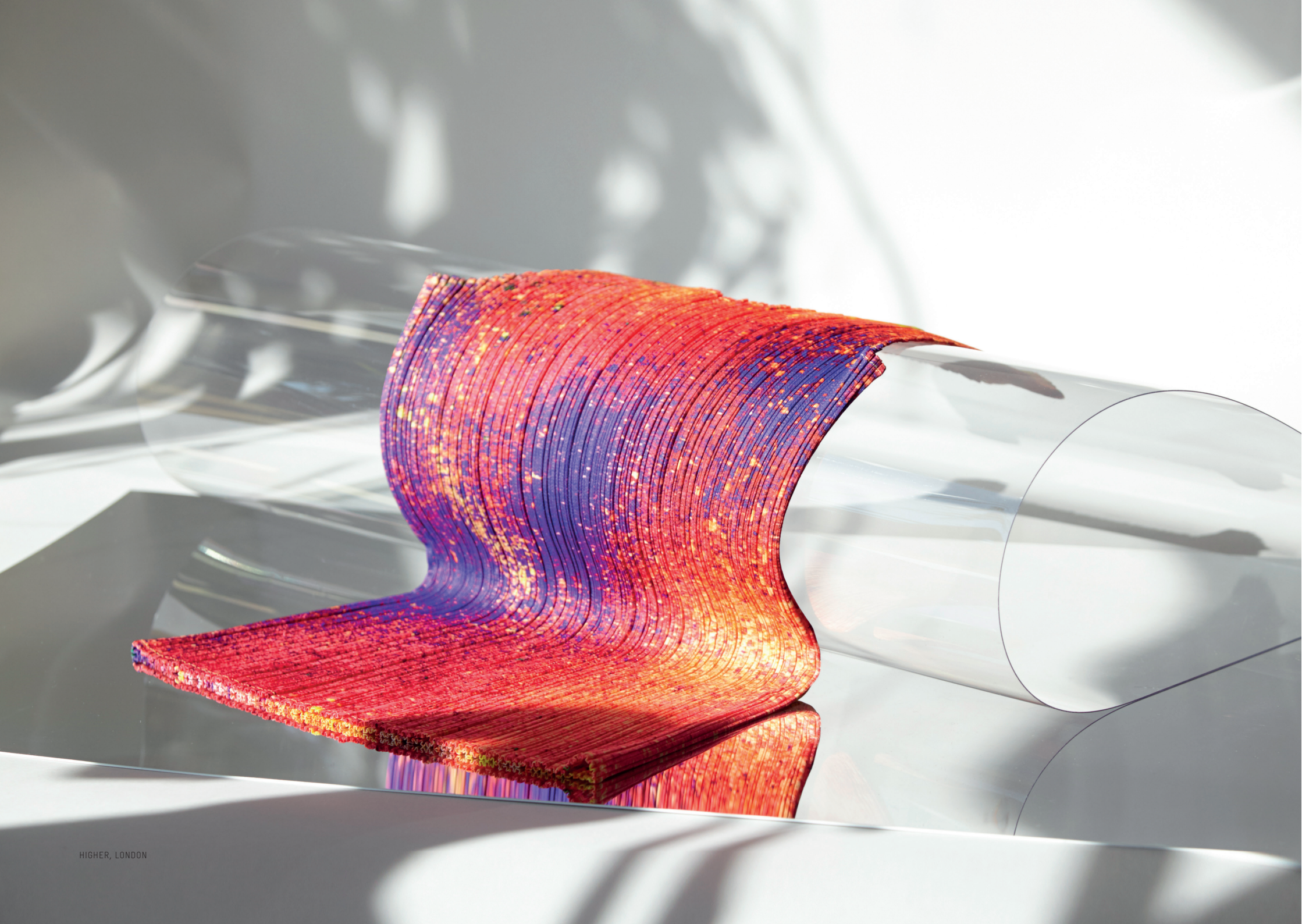
Take-outs

: Address over-consumption.

What role could your brand take in educating the consumer on the personal and planetary benefits of subscription models and encouraging an access over ownership future?

: It's time to slow fashion down. Are you now investing in technology and material developments that will allow you to create collections that can contribute towards the deceleration of fashion?

: Membership equals accessibility. Are you prepared to reshape your business models, pricing strategies and target consumers, as a subscription system is a way of offering mass-market consumers access to luxury products?



Embrace Data Design

Fashion brands must look to technology, especially artificial intelligence (AI) and the opportunities that lie within big data, as a means to enhance creative design.

‘Interpreting the digital technology versus craft argument as a ‘zero-sum game’ highlights a fundamental misunderstanding of the role technology can play in the creative process,’ says Tusz. ‘Technology itself does not replace craft, but rather what you apply the technology to.’

Department store group Kohl’s combined data with creativity for the launch of K/Lab. Arthur Lewis, executive vice-president of product development at Kohl’s, each collection is made from two weeks of data-gathering from Trendalytics, Google Trends and Instagram. By analysing available data in real time, it is a positive example of how data offers the opportunity to produce designs that actively respond to consumer demand.

Combining data with AI will become a powerful tool for brands to pre-empt consumers’ needs.



ECHO LOOK BY AMAZON

Zalando and Google are also tapping into the concept of data design with Project Muze, which combines the style preferences of more than 600 fashion experts with data from Google Fashion Trends Report and Zalando to create 3D fashion designs through machine learning.

Combining data with artificial intelligence will become a powerful tool for brands to pre-empt consumers’ needs.

Amazon is already owning the wardrobe with its Alexa-powered Echo Look. The device enables users to take photographs and short videos of their outfits for submission to an AI-powered Style Check feature, which generates an overall rating on their outfit. Intriguingly, this data is fed back to Amazon, which allows it to gain insight into what its customers are wearing.

Take-outs

: Retail offers real-time data. How can the function of retail play a more transformative role in your overall business strategies rather than be treated as simply the physical space?

: Access live customer segmentation. How can you better use data to allow for a more targeted, and ultimately more sustainable, manufacturing process?

: AI is here to stay. Is now the time to think seriously about how this technology can benefit the future of your brand?



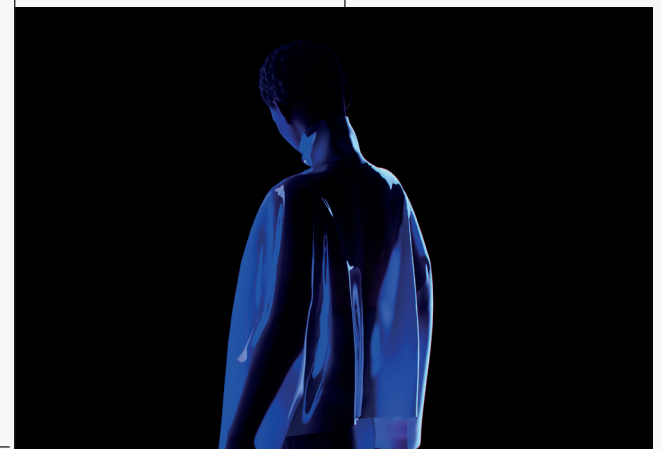
PROJECT MUZE BY ZALANDO AND GOOGLE

Automation should be considered a more sustainable option than manual labour.

React Faster

While designers have been experimenting with ways to react quicker to consumer demand, they must look at their production processes to speed up their offerings.

Adidas is one brand that understands the way in which technology can be used as a means of being more reactive through the effective introduction of automation. Its aptly named Speedfactory uses intelligent robotic technology to create products in high volume with advanced complexity in colour, materials and sizes. Based in Atlanta, the Speedfactory production line, which features robotic cutting, 3D knitting and additive manufacturing machines, can be reprogrammed to respond to cultural shifts as they happen, without the need to



NEURO BY CLEMENT BALAVOINE

retool the factory or retrain workers. ‘Our ambition is to give consumers what they want, when they want it,’ says James Carnes, vice-president of brand strategy creation at adidas.

Clément Balavoine, conceptual art director at brand agency The 88, set up Neuro with the aim of speeding up the fashion process, but without wasting materials in the prototyping stage. Using technology from the gaming and film sectors to accelerate the creative process, it displays garments via a digital showcase and gives customers the opportunity to print out pieces on demand.

Take-outs

: Consumers appreciate speed. How do you build agility into your business model?

: Automation offers sustainable options. With its higher level of precision, is it worth considering automation as a more sustainable option than manual labour?

: Make automated manufacturing positive. How can you better champion that it is in fact machines that drive your innovation in materials and product performance?

Fashion Futures Report contains insights from The Future Laboratory designed to provoke innovative thinking and give you the confidence to take decisions today that will result in growth tomorrow.

From inspiration to strategic advice and activation, The Future Laboratory offers a range of services to help you harness market trends, understand and adapt to emerging needs, and keep you ahead of the competition.

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