

# Stitching Sustainability with Capital: Unravelling the Potential of Equity Crowdfunding for Sustainable Fashion Firms<sup>1</sup>

CARLOTTA BOTTARO<sup>2</sup> GIUSEPPE LANFRANCHI<sup>3</sup> CHIARA MARINELLI<sup>4</sup>

## Abstract

**Frame of the research.** *The paper is focused on the interplay between equity crowdfunding (ECF) and the integration of sustainable practices within the fashion sector. It explores the intersection of finance, sustainability and fashion, to shed light on ECF's potential to lead a paradigm shift towards more sustainable business models.*

**Purpose of the paper.** *This study aims to deepen the complex interplay between ECF and sustainable innovation, with the objective of identifying how ECF may act as a catalyst for sustainable transformation within the fashion industry. The goal is to highlight ECF's strategic potential to foster sustainable business practices in fashion.*

**Methodology.** *Our study employed a comprehensive exploratory multiple case study methodology, examining eight fashion firms that successfully launched ECF campaigns. We conducted thematic content analysis through qualitative coding on data from semi-structured interviews with firms' representatives.*

**Results.** *The findings delineate four main themes emerging from the analysis of ECF and sustainability within the fashion domain. Results showcase ECF as a potential mechanism to encourage sustainable innovation in fashion, by also facilitating a deeper engagement with investors and consumers.*

**Research limitations.** *The specificity of the sample selection and geographical focus may circumscribe the generalisability of our findings. The potential scarcity of comprehensive data may affect the thoroughness of our analysis. Lastly, the qualitative methodological approach introduces the potential for interpretative bias.*

**Managerial implications.** *This study underlines the strategic utility of ECF in meeting social and economic corporate sustainability goals, urging firms to integrate sustainable practices across their operations and maintain transparent stakeholder communication.*

**Originality of the paper.** *This research enriches the discourse on sustainable finance and fashion by elucidating the role of ECF in driving sustainability. It suggests ECF as a crucial facilitator of sustainable innovation and as a financial tool for industries towards a more sustainable trajectory.*

**Keywords:** *equity crowdfunding, sustainable fashion, innovation, sustainable business models, financial strategies for sustainability*

## 1. Introduction

The fashion industry finds itself at a crucial juncture, necessitating a profound transformation to address the environmental challenges it significantly contributes to. Positioned as one of the foremost global polluters, the conventional linear production model employed by the fashion sector has had severe environmental repercussions (European Environmental Agency, 2019). The rapid ascent of fast fashion has only exacerbated these issues, fostering unsustainable practices and reckless resource

---

<sup>1</sup> CONTRIBUTORS' STATEMENT:

First author: Introduction, Theoretical Framework, Discussion, Conclusions

Second author: Introduction, Methodology, Main findings, Discussion

Third author: Theoretical Framework, Main findings, Discussion, Conclusions

ACKNOWLEDGMENTS: we thank prof. Antonio Crupi and his team for their valuable methodological advice and support.

<sup>2</sup> University of Messina

e-mail: carlotta.bottaro@studenti.unime.it

<sup>3</sup> University of Messina

e-mail: giuseppe.lanfranchi@studenti.unime.it

<sup>4</sup> University of Messina

e-mail: chiara.marinelli@phd.units.it

depletion. Given the escalating environmental toll of the fashion industry, coupled with the relentless expansion of production and the diminishing product quality, the call for the adoption of circular business models to usher in sustainability is unequivocal (European Commission, 2022).

Entrepreneurs operating within the fashion domain are increasingly recognising the imperative to pivot towards sustainability and circularity (Todeschini *et al.*, 2017). Therefore, they are increasingly fostering sustainability into their endeavours, from the selection of materials to the application of innovative production techniques, with the primary objective of reducing the industry's ecological footprint (Bocken *et al.*, 2014).

However, the transformation towards circularity in fashion necessitates innovative solutions and substantial investments. Traditional financing channels may not always align with the sustainability objectives brought about by circular business models. Hence, there is a pressing need to explore alternative funding sources.

Effectively conveying the potential of sustainable fashion projects to prospective financiers is a complex undertaking, given the multifaceted nature of sustainability (Vismara, 2019). This is where equity crowdfunding platforms come into play, offering suitable means for entrepreneurs to showcase their sustainable fashion initiatives to investors who prioritise sustainability (Calic & Mosakowski, 2016). By accentuating the positive environmental and social impacts of their ventures, sustainable fashion projects can attract like-minded investors eager to contribute to the sector's advancement.

This research embarks on a journey to delve into the convergence of circular business models and equity crowdfunding campaigns within the fashion industry. While extant research has predominantly centred on reward-based crowdfunding platforms, the role of equity-based crowdfunding platforms in this context remains underexplored. These platforms, which enable individuals to invest and gain ownership equity, hold promise as alternative financing mechanisms for sustainable fashion firms (Belleflamme *et al.*, 2014). An exploration of equity-based crowdfunding in the fashion industry promises unique insights into its potential to enhance long-term financial sustainability.

The outcomes of this study can potentially cater to fashion entrepreneurs, investors, and policymakers alike. As charting a more sustainable course for the fashion industry is an increasingly more pressing need, the urgency to address this sector's challenges amplifies. Leveraging equity crowdfunding investments to underpin circular business models may thus contribute to reveal the presence of a transformative tool in the quest for a more sustainable and rejuvenated fashion ecosystem.

Following this introductory section, the subsequent sections of this paper are structured as follows. Section 2 will present the theoretical framework, providing a comprehensive foundation for the study. Section 3 will detail the methodology, elucidating the approach to data collection and the data analysis phase. In Section 4, the findings will be thoroughly examined, offering insights into the relationship between sustainability among fashion equity crowdfunding campaigns. Finally, in Section 5, the discussion will present the implications, significance, and potential avenues for further research stemming from the study's findings.

## **2. Theoretical Framework**

### *2.1 Sustainability in the Fashion Industry*

The T&A industry's impact on the environment is substantial, due to resource-intensive production processes and high waste generation. This sector is characterised by high water and energy consumption, extensive chemical usage, pollution and significant waste generation, particularly in the textiles and clothing segments (Jacometti, 2019). Manufacturing processes frequently depend on non-renewable energy sources, exploit water and natural resources and incorporate the use of harmful chemicals (Denuwara *et al.*, 2019; European Environmental Agency, 2019). Moreover, the industry's worldwide supply chain is linked to insufficient labour rights and transparency, potentially resulting in human rights violations and illicit practices (Fondazione per lo Sviluppo Sostenibile & FISE

UNICIRCULAR, 2021). Therefore, political actors have been proactive in addressing these environmental challenges, promoting sustainable practices, and advocating for the adoption of a circular economy model within the T&A sector (European Commission, 2022).

The rise of fast fashion has further intensified these concerns, resulting in a substantial increase in post-consumer waste. In response, the circular economy model, emphasising Reduce, Reuse, and Recycle principles, provides a strategic approach to counteract these negative impacts (Parthiban & Duraisamy, 2019). Particularly, circular practices bring about eco-friendly processing and sustainability throughout the textile supply chain, aiming at reducing waste at every stage of production and consumption (Thorisdottir & Johannsdottir, 2019; Weber *et al.*, 2016).

The implementation of circular economy practices underscores the importance of integrating these strategies across the fashion value chain, going beyond mere waste management. A holistic approach is essential to achieve genuine circularity in the fashion industry (Brydges *et al.*, 2022). In this context, the adoption of circular business models, which encompass practices like upcycling, return policies, repairing and recycling, is crucial to achieve sustainability in the T&A industry. Entrepreneurs are gradually transitioning from the traditional linear production model to circular and responsible resource management, recognizing the necessity of such a shift for the industry's future sustainability (Belz & Binder, 2017; Bocken *et al.*, 2014).

The integration of technologies like blockchain and IoT is enhancing traceability and supporting circular economy models in the T&A value chain, facilitating the sector transition to more sustainable practices (Alves *et al.*, 2022; Leal Filho *et al.*, 2019).

Nevertheless, transitioning to a circular economy in the T&A industry poses various challenges, including technological, financial, and human resource constraints. This transition requires sensitisation and collaborative efforts from industry stakeholders, public authorities, consumers, and waste management facilities (Saha *et al.*, 2021). Consequently, effective transformation can be supported by platforms like the equity crowdfunding ones, where monetary interests can be aligned to sustainable development objectives (Yaşar, 2021).

## 2.2 Equity crowdfunding and the T&A sector

Equity crowdfunding is appearing as a potential mechanism for entrepreneurs championing sustainable initiatives in the fashion industry. Equity crowdfunding platforms may enable sustainable-oriented entrepreneurs to present their sustainable fashion projects to a wider audience. Indeed, current literature confirms that entrepreneurs can attract like-minded investors who share the same priorities in their investment decisions thanks to equity crowdfunding, and this could be applied to sustainability motives, too (Civardi *et al.*, 2023).

Examining equity-based crowdfunding platforms in the context of sustainable fashion offers a promising avenue to achieve long-term financial sustainability in the T&A industry (Dalla Chiesa *et al.*, 2022). The synergy between equity-based crowdfunding and sustainability transcends mere financial transactions, as this approach underscores a collaborative relationship between investors and fashion brands, united by a mutual commitment to sustainability. Beyond financial backing, these investors contribute valuable ability and share a vision for positive change within the T&A sector.

While current literature predominantly delves into reward-based crowdfunding platforms, which provide non-financial incentives to backers, there is a growing focus on equity-based crowdfunding platforms as an alternative financing avenue (Vismara, 2019). These platforms enable individuals to invest in businesses and gain ownership equity or shares, making them particularly pertinent for startups across various sectors as the fashion one (Belleflamme *et al.*, 2014). Research has shown that such platforms significantly influence funding outcomes, with environmentally sustainable projects often receiving more funding compared to non-sustainable ones (Calic & Mosakowski, 2016; Ko & Ko, 2021).

In essence, exploring the convergence of equity-based crowdfunding and sustainable fashion

unveils a landscape where financial considerations align with aware commitment to ecological and social well-being. It provides insights into a realm where financial sustainability can coexist harmoniously with environmental and social stewardship, offering a hopeful perspective for the T&A industry journey towards a more sustainable and prosperous future.

### 3. Methodology

#### 3.1 Sub-paragraph title

Considering the evolving nature of the subject matter under investigation, our research adopted a comprehensive exploratory approach through a multiple case study methodology involving eight distinct firms operating in the fashion sector, all of which have successfully conducted ECF campaigns (Table 1). This methodological framework is particularly apt for addressing ‘how’ and ‘why’ inquiries, providing a structured basis for comparative analysis across diverse cases. This approach is also in line with established recommendations for the examination of emerging trends within industries (Yin, 2002; Urbinati *et al.*, 2018).

*Tab. 1: General information on the interviews*

<b>Firm</b>	<b>Typology</b>	<b>Position</b>	<b>Length of the interview</b>
Firm no 1	Production	Founder	55'
Firm no 2	Production/E-commerce/Shop	CEO	83'
Firm no 3	Marketplace	Co-founder	44'
Firm no 4	E-commerce	CEO	35'
Firm no 5	Production/E-commerce	Co-founder	55'
Firm no 6	Marketplace	Managing Director	42'
Firm no 7	Shops	CEO	39'

Source: Authors' elaboration

To effectively pursue our research aims, we employed a thematic content analysis (Braun & Clarke, 2006) to scrutinise the experiences and perspectives of fashion firms engaged in successful ECF campaigns. Our primary aim was to discern themes and patterns emerging from these firms' experiences, while also focusing on challenges, strategies, investors' engagement, and the key factors affecting crowdfunding success.

The research setting was defined by the selection of fashion firms incorporating sustainability practices in their production and/or distribution value chains. This focus derived from consumers' focus for sustainable products and international regulations aimed at reducing the environmental impact of the fashion sector. The chosen firms showed innovative approaches to sustainability, encompassing the use of recycled materials, fair labour practices, water conservation in textile manufacturing, and commitment to sustainable distribution operations. The sample of firms involved in the study includes diversified firms in terms of scale, geographic presence, industrial fields, and market scopes (Table 1). Moreover, these firms show variations on ECF campaigns objectives, overall funds raised and their organisational structures.

As a first step, we deeply analysed the initiatives undertaken by each selected firm as part of our case study, thus identifying the specific actions implemented by these to enhance sustainability and the resources allocated for social purposes. These aspects are identified as pivotal ones influencing the outcomes of each crowdfunding campaign. Preliminary data were gathered from firms' websites, ECF platforms, press releases, news reports, and public entities' information sources. The choice of the Italian scenario is deliberate, considering it has been one of the first EU countries to have introduced regulations for ECF campaigns and to have assisted substantial growth in the ECF market over the last decade.

Since the first preliminary review of the literature and this on-the-field investigation, we set up the

interview questions structure. The interview questions attempted to follow the chronological deployment of crowdfunding initiatives and explore firms' inner structures, their experiences with ECF and the key achievements reached during the campaigns. Specifically, demands were constructed as open-ended inquiries based on the notions outlined in this study, although any direct reference to theoretical underpinnings was deliberately avoided while conducting the interviews.

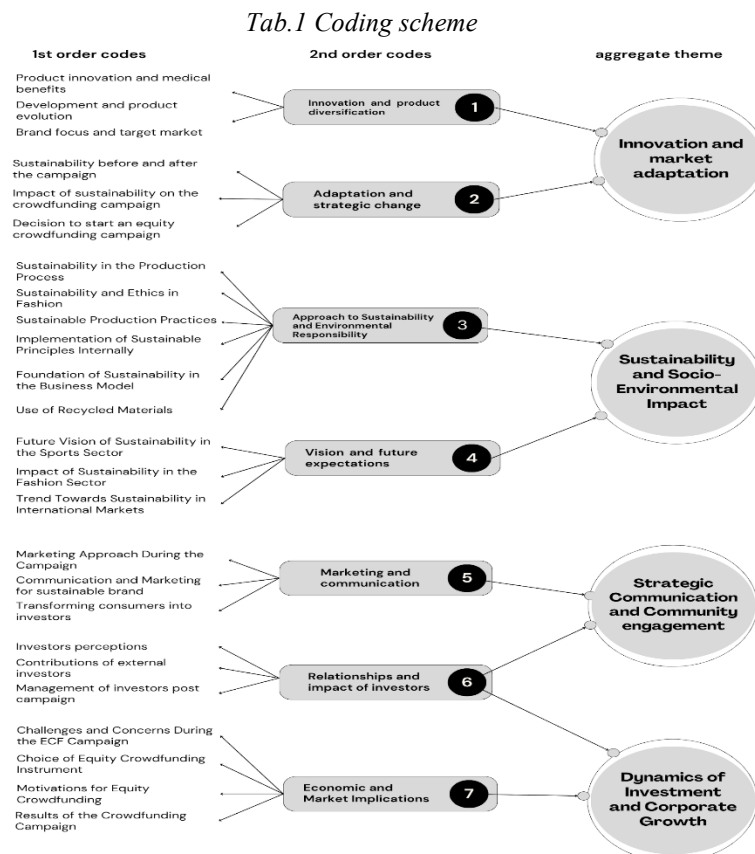
Primary data were obtained through semi-structured interviews conducted with founders or key decision-makers within the selected fashion firms that successfully navigated ECF ventures. Participants were provided with information about the study's purpose, and their anonymity is rigorously preserved throughout the entire research process.

Interviews were conducted via video conferencing and lasted approximately 30-45 minutes. Additionally, they were audio-recorded with participants' consent and then transcribed for analysis (Riessman, 2008). After that, the transcribed data underwent thematic content analysis to allow for the identification, analysis, and reporting of patterns within the data (Braun & Clarke, 2006).

Qualitative coding was employed to distil raw data into foundational concepts, then abstracted to discern internal consistencies and inter-case linkages (Eisenhardt & Graebner, 2007). The coding process ranged from brief phrases to entire paragraphs, to preserve the original context of respondents' statements. The analysis proceeded iteratively, with codes organised into potential themes and sub-themes. A collaborative approach constantly involving the three coauthors ensured a comprehensive coding system, in line with the methodological principles emphasising multiple researchers for qualitative data analysis (Creswell & Poth, 2018).

#### 4. Main findings

Thanks to the thematic content analysis procedure, we were able to detect first and second order codes which we will present in detail in the following sections, in correspondence with the 4 main aggregated themes emerging from our research (Tab 1).



Source: Authors' elaboration

#### 4.1 Theme 1: Innovation and Market Adaptation

This theme discusses how fashion firms are dynamically innovating and adjusting to a swiftly changing marketplace. It includes launching new, consumer-focused products and services that not only meet consumer needs but often predict them, leveraging new technologies and innovative approaches. It also includes the adaptation of business models to capitalise on the opportunities offered by e-commerce and digitalisation, highlighting a trend towards customization, product diversification, and strategic adjustment. Firms emphasise the importance of remaining flexible and responsive, adapting not just to survive but to thrive in a constantly changing market context also thanks to new business strategies harnessing the potential of e-commerce and digital technologies (Huynh, 2022).

The emerging trend consists in creating distinct products that merge technological advances with real-world utility. In this context, two interviewed firms produce professional and leisure sportswear, thus embedding innovation and research in their fashion offer.

*“In essence, we are producers... We were founded with the aim of introducing an innovative product concept... We integrate biomechanical science... Based on these studies, we develop targeted products that provide real and tangible benefits.”*

All firms highlight the importance of innovation in their offer, from product to circular business models (Kozłowski *et al.*, 2016). Indeed, the fashion sector is considered as suffering from static dynamics, without a real market evolution despite the collections flow over time. In relation to this, most of the firms emphasised the relevance of customers' opportunities to personalise products and receive dedicated support on the outfits creation. This underscores the increasing necessity of fashion firms to focus on their distinctive brand identities and, therefore, target specific market segments as key for their success.

*“Gaia presents itself as a virtual friend for all users, but it is personalised for each registered user on the platform, knowing their tastes and emotions”.*

Moving further, most of the firms report to be born as innovative startups. The decision to embark in ECF campaigns served their desire to grow, expand and become economically viable businesses:

*“We needed to complete a round of fundraising; we had already completed some initial rounds... As we needed additional financial resources, we decided to launch an equity crowdfunding campaign.”*

After the successful conclusions of their campaigns, they nevertheless kept up the pace by progressively adjusting their business methods to support their competitiveness in an evolving market landscape. Flexibility of their business models allowed their evolutionary growth and maintenance of economic sustainability over time, beyond the timeframes of their ECF campaigns:

*“We initially established this brand as if it were a leisurewear brand for players... Today, our work primarily involves collaborating directly with clubs or the end consumer.”*

Importantly, the interviewed businesses focused on the role of digitalisation in bringing about their business activities. While some firms also sell through physical shops, these ones are not configured as the core business channels. Particularly, some of them are configured as online marketplaces selling multiple fashion brands' products and all of them have e-commerce channels through which they reach their customers' segments. Contrary to initial expectations, not all firms are producers per se but some work as fashion tech firms and online platforms selling other T&A firms' products:

*“Our main goal is to sell online across multiple channels and, above all, to internationalise sales... We are not a fashion firm. We are experts on technological services.”*

The interviewees highlight the need to adapt to new customers' exigencies and markets contingencies. Given the variety of firms operating in the T&A sector, firms make themselves distinguishable through new business models to reach their customers and the implementation of technological services at clients' disposal. Specifically, their businesses cover consulting services dedicated to registered platforms, online selling channels for external fashion producers and even the combination of both production, e-commerce, and consulting activities all-in-one.

*“We have developed a live shopping platform that is integrated into our proprietary websites. We have our own brand of classic tailored men's clothing, as well as a streetwear brand, and we distribute other 60 brands through this network of sellers available in live sessions, offering guidance to the end user within the e-commerce platform. Therefore, without leaving the e-commerce environment, it is possible to receive guidance and purchase products with the advice of an expert seller who knows the product well.”*

It is in this context that the importance of reaching customers in a sustainable manner emerges, leading us to the second topic emerging from our analysis.

#### *4.2 Theme 2: Sustainability and Socio-Environmental Impact*

This topic underscores the rising significance of sustainability and socio-environmental responsibility within the fashion industry. It encompasses practices of sustainable production, the employment of eco-friendly materials, initiatives aimed at diminishing environmental impact, and the pursuit of carbon neutrality. It also illustrates how firms are implementing measures to enhance their social footprint, such as advocating for fair labour conditions and the development of products that exert a positive influence on society. This reflects a growing awareness and a proactive response to the demands of a market increasingly conscientious about environmental and sustainability issues (Jia *et al.*, 2020).

Focusing firstly on the environmental aspects emerging from the analysis, the topic highlights the importance of incorporating sustainability within the structure of business operations. It goes beyond sustainable manufacturing or the use of recycled materials to include a strategic, inclusive approach where sustainability is a fundamental aspect of the business ethic (Braun *et al.*, 2021). Businesses are actively working to minimise their environmental footprint, undertaking efforts to achieve carbon neutrality and create eco-friendly e-commerce solutions. Here, sustainability is seen as both a moral responsibility and a unique selling proposition, significantly influencing brand perception.

*“...we use organic products... 90% of our packaging is made from compostable materials or recycled plastic.”*

As for the fashion manufacturers, environmental sustainability is at the core of production processes. First, T&A producers involved in ECF campaigns make use of recyclable and sustainable materials which are carefully selected and respond to internal sustainability requirements. In addition, interviewed manufacturers pay attention to the implementation of low-impact printing and dyeing procedures, which are among the most environmentally impactful stages of fashion production. Apart from showing positive impact in environmental terms, these green processes go to the benefit of the products quality and durability.

*“I start with the raw material, which is usually the only point of focus when talking about sustainability and is certainly the most evident aspect in our case. It involves primarily using materials sourced from production waste, surplus production, and/or regenerated sources.”*

*“We use eco-friendly printing and dyeing techniques that not only have a low environmental impact, but also ensure the longevity of the products.”*

Among producers, the ‘Made-to-Order’ business model stands as pivotal sustainability practice, ensuring zero-waste, avoiding resource drains and inventory stock. In close relation to this stands the importance of continuative, non-seasonal collections made of standardised products which can be customised upon clients’ requests.

*“...the decision not to create a true seasonal sample collection, but to offer a series of individual products throughout the year. Often, these are the same products we have been offering for four years since the beginning of our firm. This allows us to have less inventory...”*

Nevertheless, the implementation of sustainable production processes emerges as a key factor not only during the production phase, but also during the distribution stage. As a matter of fact, not only producers but also e-commerces and online distribution platforms report paying due attention to sustainable packaging and the choice of logistic infrastructures which aim at reducing the environmental impact of transportation.

*“Logistics has a strong impact, as well as e-commerce service and returns. Therefore, we have started selecting some suppliers who have chosen to be 100% carbon neutral, for example, and we are beginning to offer it as a service to our partners.”*

For all the firms involved, the adoption and implementation of sustainability practices is highly felt as an issue of environmental responsibility. Even firms which are not solely responsible for the production processes, indeed, declare their intentions to implement sustainable business models and strive to reduce their carbon footprint. This stands a priority which is brought about despite budgetary boundaries and the need to support competitiveness, which limit the range of implementable sustainable actions.

*“From the first day, we strived to build a business model that not only creates high-quality products but does so in the most responsible way possible.”*

Moving to consider sustainability in its broader meaning, most of the firms underscore the importance of the social impact of fashion firms. While some mention the implementation of sustainability measures to the benefit of internal employees, other firms’ representatives touch the relevance of implementing corporate sustainability practices with suppliers and in the choice of partnering brands. These actions respond to internal and external ethical practices and are coherent with fashion firms’ awareness on the importance of adopting sustainable initiatives at 360°.

*“We strive to be ethical both towards the user and sustainable in the fashion industry, so we pay special attention to brands that aim to become more sustainable.”*

Sustainability is considered a key topic in the future vision of the fashion firms involved in our sample. All of them report the willingness to implement more and better sustainability services to their clients and affiliates soon, as well as within their firm structures. This rising awareness is also dictated by the strategic importance of the topic for the fashion sector. Thus, several firms of our sample have decided to adopt environmentally sustainable practices internally, to respond concretely

and effectively to calls for a broader transformation of the T&A field. This occurred even in situations where sustainability was not among the core corporate values:

*“We have undertaken two significant actions. The first is to become carbon neutral us... The other initiative is to offer our partner firms the opportunity to create a fully sustainable e-commerce platform.”*

*“Sustainability has become one of our strategic pillars... we are trying to do and have already started some initiatives to understand how to make our firm more sustainable.”*

Future expectations regard the rising importance of the topic for consumers and for the fashion industry in general, marking the progressive shift from fast fashion (McNeill & Moore, 2015). While this is a trend internationally relevant and ongoing, however, some firms express lower optimism for the Italian consumers. As a matter of fact, this latter category seems to be less sensitive to sustainable fashion products and unwilling to give up cheapness for higher quality and items respectful of sustainability principles. However, this is also a matter of affordability and knowledge of the benefits and advantages of sustainable fashion, which are out-of-range in the case of Italian SMEs:

*“Italy is still in an early adopters’ stage [...] Italian small firms fight for their survival.”*

Significantly, however, the sustainability component was not reported as being among the key motivations moving ECF backers to invest in their businesses proposals. This directly leads us to the next section on the third topic emerging from the thematic analysis, focusing on dynamics of investment and firms’ growth.

#### 4.3 Theme 3: Strategic Communication and Community Involvement

This theme highlights the importance of strategic communication and community engagement in the context of equity crowdfunding and beyond. It proves how firms utilise various channels and communication tactics to engage their stakeholders, from customers to investors. It emphasises the importance of transparency, honesty, and authenticity in brand storytelling and marketing campaigns. Furthermore, it illustrates how active community engagement can not only increase support for the crowdfunding campaign but also strengthen customer loyalty and brand reputation.

A key role for the involvement of all investors’ categories was played by effective communication efforts. Given the peculiar dynamics of ECF campaigns and the importance of directly involving investors with diversified degrees of ability, we tried to deepen how these firms conducted their campaigns from the communication standpoint. However, firms’ representatives reported differences in communicative efforts from other investment instruments, but not because of the fashion sector impact.

*“I observed significant differences in communication compared to other investment projects, but I did not notice differences due to our sector.”*

Apart from information available from the ECF platforms publishing the campaigns, some firms decided to undergo additional marketing actions to support their ECF efforts. This differed across firms, however, as some others opted for more traditional social media advertisement and word-of-mouth communication.

*“We haven’t done a lot in terms of marketing... we have communicated through our channels but in a rather limited way.”*

*“We have always relied on ambassadors, so boys and girls who have tried the product for free and then created content talking about it.”*

Despite the diverse communication efforts in marketing terms, all interviewees underlined the key role of transparency in communication with their backers. Transparency stood as a key element for communication with investors before, during and after ECF campaigns. It translated in complete documents provision and availability to give additional information and clarifications to potentially interested backers, in a process defined as stressful and time consuming. While documents and formal communication served more formal investors with a professional interest in funding the campaign, respondents also documented the importance of keeping contact with their communities of small investors and being ready to clarify any potential source of concern for them. Indeed, as most of them did not know the ECF mechanisms but were eager to giving support to the campaigns, additional informal communication efforts had to be undertaken by firms’ representatives to ensure smooth investing processes.

*“All documents were ready for download from the very beginning, making our ethical transparency and commitment easily observable and understandable.”*

*“Transparency is fundamental... transparency and showcasing who we are, what we do, our past, and everything else have certainly contributed significantly.”*

Moreover, the coding process of the interviews highlighted the relevance of investors’ values and perceptions of the seriousness of the campaign and their core corporate values. As a matter of fact, ECF campaigns give the possibility to cater to a wider public of investors who share the same values and practices with the firms they decide to support (Civardi *et al.*, 2023). Therefore, apart from transparent communication efforts, value sharing often played a pivotal role in retaining and attracting new investors, especially for firms directly embedding sustainability as core of their business proposal.

*“The theme of sustainability has been particularly relevant for most investors. I honestly think that those who have invested [...] have also taken into consideration the firm’s values along with the business plan.”*

Thus, given the purpose of our study, during the interviews we attempted to explore in depth the role played by sustainability efforts to the outcomes of the ECF campaigns. Although some firms remarked the importance of the emphasis of communication on sustainability on the attraction of new investors, this was not considered a determinant factor. Contrary to our expectations, apart from the firms with a core strong sustainable identity, firms’ representatives mostly reported the absence of a direct linkage between investors’ support and their sustainability efforts:

*“Unfortunately, to date, customers don’t care much [about sustainability] ...”*

*“Italian SMEs often find themselves struggling for survival rather than thinking about anything else... We don’t see a great push or interest towards e-commerce or sustainability.”*

The last quoted sentence, indeed, realistically reports that Italian firms fall well behind other European countries in terms of sustainability efforts, mainly due to the Italian industrial ecosystem conditions. Customers are, unfortunately, not ready yet to give up economic convenience to the benefit of environmental sustainability. Therefore, the efforts towards sustainability of these fashion firms were considered as important by investors, but not essential. When solicited to reflect upon this, in fact, firms’ representatives most frequently reported that sustainability did not constitute a

determinant factor for their investors' decisions to support their ECF campaigns. Conversely, these firms confirmed the successful leverage on innovation topics, which catered especially to a public of unknown investors. This appeared evident also for the firms embracing sustainability as core value of their business proposal, conformingly to what indicated by current literature (Todeschini *et al.*, 2017):

*“In my opinion, it's a rather secondary issue... having sustainable themes represents an additional advantage, but what certainly stands out today is innovation.”*

For the firms involved in our sample, a direct connection between the decision to implement sustainability efforts and the starting of the ECF campaigns was absent. Some of them decided to include references to sustainability later, after the conclusion of the campaign, while other ones only hinted at sustainable values during the ECF initiative and currently do not include it as one of the core values keys to the business success. Nevertheless, sustainability was considered as a strategic communication tool to be emphasised during the campaigns:

*“During our campaign, we communicated that we were committed to sustainability to a certain extent, but what we would actually do was not entirely clear even to us. [...] I believe we were not particularly decisive on the issue of sustainability.”*

Therefore, although the current scenario confirms other priorities tend to prevail over sustainability concerns, sustainable efforts are worth remarking to cater additional investors' support. Given that, in the next section we will delve deep into backers' dynamics and the linkage to corporate growth.

#### *4.4 Theme 4: Dynamics of Investment and Corporate Growth*

Overall, this thematic exploration delves into the use of equity crowdfunding by firms as a mechanism for financing their expansion and innovation endeavours. It includes how firms manage expectations and relationships with investors during and after crowdfunding campaigns, and how ECF dynamics affected their growth and relations with investors. The theme also deepens the significance of the symbiotic relationships proved between corporations and investors, illustrating that crowdfunding transcends mere capital provision to foster a community of support. Furthermore, this discourse elucidates the challenges and strategic considerations pertinent to investor management and the allocation of financial resources. It underscores the criticality of maintaining an equilibrium between economic sustainability and the pursuit of investments aimed at fostering growth, thereby highlighting a nuanced understanding of equity crowdfunding within the corporate finance landscape.

The first sub-theme emerging from the thematic content analysis of the interviews explores more in depth the interactions and the relations with the backers of the ECF campaigns conducted by the interviewed firms. All firms report two main types of supporters, i.e. professional investors, and small ones. For most of the interviewees, this latter category includes consolidated customers and the community of people who already knew the product and were turned into investor partners during the ECF campaign.

*“We have put a lot of effort into building our community, both among the sellers, some of whom have become partners, and among the customers who have chosen to invest in the campaign due to the benefits offered, trust in the project, or their proximity to us, and so on.”*

The role played by external investors, however, differs across the interviewed firms. While external investors generally played a remarkable role, they contributed to different extents to the success of ECF campaigns of our sample of firms. Professional investors often invested considerable amounts of money, but the human aspect of the relationships with them is less relevant than with the

rest of the community and other close investors. As a matter of fact, while small investors often belonged to the customers' bases of the firms involved, professional ones who did not know the brands before had to rely on public information posted on ECF platforms or retrievable through other online sources. Due to their ability and detached perspective, this category of investors paid more attention to performance and other key aspects related to digitalisation and sustainability.

*“In the end, we closed at 430 thousand euros... we raised about 80-90-100 thousand euros of the total 430 from people I didn't know.”*

*“In the end, focusing our communication on the platform in a very pronounced way, showcasing our values and certifications, was inevitable. [...] This was important, especially for investors who did not know us. [...] it is certainly true that they see sustainability as an added value for the future.”*

In this context, most interviewees reported that they had to be at complete disposal for meetings and clarifications by new backers while ECF campaigns were ongoing. This was even more important in the preliminary phases, when necessary, documentation had to be prepared and made available to investors' scrutiny. These tasks were reported by many as being among the key commitments that had to be performed at best, given the importance of attracting new investors beyond those that already knew and trusted the brand. Thus, the conversion of new investors is reported as being a time-consuming and challenging task, requiring information and documentation from firms' side attesting their plans for economic viability in a transparent manner. Overall, hindrances about the management of ECF campaigns was related especially to the preceding stages of the ECF campaigns and while they were ongoing.

*“The difficulties during the campaign were mainly related to the organisation of the content and preparation. [...] Without any doubts, there were difficult moments during the campaign, especially when it was necessary to dedicate a lot of time to convert some investors rather than others”.*

However, efforts in investors' engagement were rewarded with positive relationships with backers during and after the ECF campaigns themselves. After the conclusion of the campaign, almost all interviewees had the opportunity to meet investors in person and keep relations with the most important ones, through regular updates and annual meetings with the main stakeholders. This is considered among the positive aspects of relations with investing partners, also given the limited impact that these ones could have on firms' internal decisions. As investors in ECF become partners in the project but have limited influence on the creativity process, afterwards relations management is neither complex nor demanding as during the campaigns themselves.

*“As for the investors, I have an excellent relationship with all of them... investors do not have a real impact on the firms' creativity. [...] I can't say the situation is complicated... many investors don't have voting rights because their investment is asset-based.”*

Another key topic emerging from the coding process is related to the key economic and market implications of the pandemic. The decision to opt for ECF campaigns as financial instruments was determined by the need to collect funding to start with business activities on a larger scale or get additional resources when the firm was already established and stable, to enlarge some units, bolster in-place operations or implement new, additional ones.

*“We needed to complete a fundraising round; we had already completed some initial rounds... Needing additional financial resources, we decided to launch an equity crowdfunding campaign.”*

All firms in our sample successfully concluded one or more than one round of ECF. Although most successful ECF projects propose highly innovative products or services, often implying important digitalisation efforts, also firms with an apparently simple fashion offer reached and overcame the established funding threshold by catering to investors' values and professional evaluations, too. Despite the peculiarity of the ECF instrument, however, most of the respondents reported experiencing no differences worth reporting in the collection of funding with respect to other financial tools. While some representatives shown moderate enthusiasm on the use of ECF, others expressed wider support for it:

*“If we were to go back and find ourselves in the same situation again, yes, I would recommend it [i.e., ECF] to other firms, startups, or innovative SMEs that have the opportunity to do so.”*

All in all, the determinant factors for the success of the campaign rested importantly with effective communication efforts and active investors' involvement.

## 5. Discussion

The interconnection between innovation, sustainability, investment dynamics, and strategic communication in the fashion industry reflects a deep understanding of its current challenges and opportunities. This thematic analysis highlights how fashion firms, through ECF campaigns, have demonstrated a remarkable capacity for innovation and adaptation to the needs of the current market, integrating aspects of sustainability as a key element for success.

Innovation in the fashion sector is manifested not only through the development of new products but also thanks to the adoption of innovative business models and the use of advanced technologies. This innovative drive is often led by the desire to respond more effectively to consumers' needs, anticipate market trends, and optimise the shopping experience through digital channels (Huynh, 2022). However, innovation also extends to sustainability, where the adoption of eco-friendly materials, low-impact manufacturing processes, and circular economy strategies become distinctive elements of corporate value, creating an intrinsic link between technological progress and environmental commitment (Kozłowski *et al.*, 2016). Firms that have conducted ECF campaigns have distinguished themselves by offering innovative proposals, emphasising the importance of sustainability as a critical factor to access specific market segments and strengthen competitiveness. Geissdoerfer *et al.* (2017) highlight how circular business models (CBM) assert themselves as essential strategic approaches, responding not only to the immediate needs of consumers but also anticipating future market evolutions. These allow firms to proactively position themselves for long-term success, integrating innovation and sustainability into a single corporate development model.

**Proposition 1:** Fashion firms should invest in the development and implementation of circular business models, to contribute to greater environmental sustainability and attract conscious investors and customers.

Sustainability has emerged as an imperative not just for ethical reasons or regulatory compliance, but also as a response to the growing expectations of consumers. Fashion firms that integrate sustainability into the core of their operations and communication strategies can differentiate themselves in a saturated market, attracting customers who value environmental and social ethic practices (McNeill & Moore, 2015). Firms, even those that in the past adopted a limited approach to sustainability or focused primarily on some aspects, are acknowledging the importance of adopting a broader and more integrated commitment. Sustainability is no longer seen merely as a set of isolated practices but as a corporate philosophy that encompasses all dimensions of the business, from product conception to end-of-life, including production, distribution, and consumption. This holistic approach

to sustainability represents a response to increasing pressures from consumers, stakeholders, and public institutions, demanding a concrete commitment to more environmentally and socially responsible practices. The realisation of circular business models, aimed at reducing waste through reuse, recycling, and lower use of natural resources, is establishing itself as a key strategy for fashion firms wishing to innovate and remain competitive in a rapidly evolving market. This transition towards sustainability implies a rethinking of production processes, product life cycles, and consumption patterns, pushing firms to explore new ways to create added value in an ethical and sustainable manner.

Proposition 2: Fashion firms should integrate sustainability not only into products but across all operational phases, from production to distribution. This includes adopting sustainable materials, reducing the carbon footprint, and promoting ethical labour practices.

Proposition 3: It is advisable to implement monitoring and reporting systems that measure the impact of the firm's sustainable practices, allow for the assessment of progress, the identification of areas for improvement, and transparent communication of outcomes to stakeholders.

Funding strategies, especially through equity crowdfunding, highlight the importance of building a supportive community around the firm. These investment dynamics require transparent and honest communication, where the sharing of corporate values, including those related to innovation and sustainability, plays a crucial role in investors' engagement (Civardi *et al.*, 2023; Mollick, 2014). An authentic and consistent narrative increases trust and stakeholders' support, facilitating not only fundraising but also the building of a loyal and committed customer base. Investors, especially the most expert ones, tend to evaluate corporate values, including sustainability, as crucial elements in their investment decisions. This indicates that corporate values can have a significant impact on social relations with investors, beyond mere financial performance.

Proposition 4 : It is key to promote training and education programs for employees, suppliers, and partners on the importance of sustainability and how sustainable practices can be integrated into their daily operations. This can help spread a culture of sustainability both within and outside the organisation.

The interdependence between innovation, sustainability, targeted funding, and impactful communication requires fashion firms to adopt holistic managerial and business development strategies. This necessity is based on the understanding that each element impacts on the others, thus steering the industry towards a future characterised by responsible innovation (Todeschini *et al.*, 2017; Kaplan & Haenlein, 2010). In this context, the ability to transform customers into investors highlights the importance of tapping into different backers' segments, an approach that deviates from traditional financing mechanisms.

Proposition 5: Designing ECF campaigns that not only seek funding but also build and strengthen a community around the firm is fundamental to firms' long-term success. This approach can transform customers into long-term investors and supporters.

Remarkably, it emerges that sustainability has garnered great appreciation among consumers, acting not only as a catalyst attracting a broad spectrum of investors but also creating a community of customers deeply connected by sustainability values. This aspect can be interpreted through the lenses of signalling theory, according to which firms can leverage sustainability as a communicative tool to convey their commitment to social and environmental issues, thus attracting investors and customers who share similar ethical principles to achieve a distinctive market position (Connelly *et al.*, 2010).

In conclusion, success in the fashion industry today necessitates a balanced focus on innovation, sustainability, effective investment dynamics and strategic communication, which together form a holistic business strategy capable of navigating the complex dynamics of the contemporary market.

### *5.1 Theoretical Contributions*

This study aims to comprehensively explore the intersections among various research fields, including ECF, sustainability, strategic management and sustainable open innovation, to make a significant contribution to knowledge in these areas.

First and foremost, this study contributes to ECF literature, which traditionally focuses on financial dynamics, investors' motivations, and strategies for campaign success (Ahn, 2022). However, this paper goes further by examining how ECF can play a role not only as a financial tool but also to promote sustainable initiatives. By bridging ECF with sustainability, it creates a connection between two separate research domains, offering fresh insights into how ECF can contribute to sustainability goals within the fashion industry.

Secondly, the shift from general literature on other forms of crowdfunding to ECF as a new financial instrument remarks a significant change in funding projects oriented towards positive social and environmental impacts. While traditional crowdfunding has received considerable attention as a means of financing sustainable initiatives, ECF introduces an element of direct investment, making this form of funding particularly attractive for projects with strong commitment to sustainability. This transition represents a significant evolution in the perception and management of sustainable investments, underscoring the value of ECF as a strategic tool in sustainability promotion.

Furthermore, this study integrates current literature on strategic management, providing a fresh and renewed perspective on how financing strategies, particularly ECF, can align with corporate sustainability goals. It demonstrates how firms can implement innovative financial instruments to support their progressive shift towards more sustainable business models, highlighting the pivotal role of ECF in this transition process.

Finally, underlining the linkage between sustainable open innovation literature and sustainability management literature represents another noteworthy theoretical contribution of this study. Indeed, the paper examines how open innovation practices, when oriented towards sustainability, can enhance firms' ability to generate new solutions addressing market and environmental challenges. These intertwined concepts emphasise the importance of firms adoption of innovative and sustainable management approaches, highlighting how ECF can serve as a catalyst for such initiatives.

To sum up, this interdisciplinary analysis significantly contributes to the dialogue among the fields of ECF, sustainability, strategic management, and sustainable open innovation. It offers new perspectives on how fashion industry firms can navigate contemporary challenges, leveraging ECF not just as a source of funding but also as a strategic tool to promote innovation and sustainability.

### *5.2 Managerial Implications*

The analysis emerging from our paper highlights the relevance of the ECF as a financial instrument to successfully navigate through the risks of the initial phases of a new firm, in terms of both economic and social resources. Particularly, the paper underscores that, despite being a field relatively less considered by the ECF, also new ventures in the fashion industry can benefit from it in reputational and financial terms. As a matter of fact, the study proves that firms who do not possess a highly innovative potential can make use and benefit from the ECF instrument. Despite the efforts spent in the preparation and during the ECF campaign, all firms report that the payback was significant, under both financial and networking aspects.

In addition, the paper suggests to fashion firms' representatives and managers to emphasise corporate efforts on sustainability, which our interviewees documented as an important payback approach. The emerging message is clear: sooner or later, the demonstration of corporate concrete

efforts in a more sustainable direction will be necessary. Communication actions meant to show the presence of adequate corporate engagement on sustainability at 360° are already even more necessary, at least for marketing purposes.

As a matter of fact, stressing the importance of corporate sustainability values is to be considered strategic to appeal to more categories of investors, i.e. both corporate experts and community members. An important leftover emerging from our analysis is the relevance of investors' diversification and the importance of cultivating personal relationships especially with small investors. Indeed, the latter category of backers often overlaps with the firm's customer base, fostering a symbiotic relationship where investors not only contribute financially but also serve as brand ambassadors. Conversely, the process of converting small investors into loyal customers underscores the reciprocal benefits of such stakeholder engagement, enhancing the brand market presence and customer loyalty.

Further, sustainability has the potential to attract a broader spectrum of investors, spanning from corporate professionals to community members. This insight is a key factor in appealing to investors' growing preference for ethical and sustainable practices, thereby broadening the investor base beyond traditional financial metrics to include socio-environmental impacts as a core investment criterion.

In conclusion, it is necessary to adopt a multifaceted approach to leveraging ECF within the fashion sector. This entails a concerted focus on sustainability as a cornerstone of business strategy, proactive communication to underscore the firm's commitment to sustainable practices, and the strategic cultivation of investors' relationships to foster a broad-based support network. This holistic strategy not only facilitates capital acquisition but also enhances the firm's brand reputation, operationalizes its commitment to sustainability, and ultimately, secures its competitive positioning in the rapidly evolving fashion marketplace.

### *5.3 Limitations*

This study on the role of innovation, sustainability, strategic funding, and effective communication in the fashion industry makes significant contributions to existing literature, highlighting how fashion firms can navigate contemporary challenges and position themselves for future success. However, its scope and applicability are subject to various limitations that deserve attention. The selection of the sample and the specific geographic context may affect the universality of the findings, making it difficult to apply them to other contexts or sectors of the global fashion industry. Additionally, data collection may be limited by the availability of detailed information, affecting the depth of the analysis and understanding of internal business dynamics. Assessing the impact of sustainability practices represents another challenge, given the lack of standardised metrics, making it complex to quantify the size and effectiveness of firms' sustainable initiatives.

Temporal variability adds another layer of complexity, with market trends, consumers' preferences, and environmental regulations constantly evolving, which can make conclusions less valid or relevant over time. External factors, such as economic changes or global crises, can significantly impact the fashion sector and its practices, factors that might not have been fully considered in the study. Lastly, the qualitative orientation of the study, while offering detailed insights, can introduce interpretive biases and limit the ability to generalise findings.

Finally, the absence of long-term follow-up prevents a comprehensive understanding of the lasting effects of the sustainability and innovation strategies adopted by firms.

Acknowledging these limitations is crucial not only to correctly contextualise the study's findings, but also to outline directions for future research. Addressing these limitations in future studies using larger samples, more comprehensive data collection methodologies, and longitudinal approaches could provide further insights into the dynamics of the fashion industry and contribute to a greater understanding of the importance of integrating innovation, sustainability, funding and strategic communication.

## 6. Conclusions

This study suggests that for fashion firms to effectively meet current challenges and foresee future trends, a comprehensive approach that addresses consumers' demands while deeply committing to sustainable and responsible practices is needed. Engaging stakeholders, especially through equity crowdfunding campaigns, is identified as a valuable method to enhance consumer-brand relationships by converting customers into active investors and brand ambassadors. This highlights a trend towards consumer support for businesses with a real commitment to sustainability, underlining the necessity for transparent and genuine communication.

The findings indicate that sustainability is turning into a strategic imperative, significantly affecting market competitiveness, customers' loyalty, and investors' appeal. Firms that successfully incorporate sustainable practices into their operations not only contribute positively to the environment and society but also achieve distinctive market positioning.

Furthermore, the study adds further evidence to the signalling theory, showing that sustainable practices can act as strong indicators of a firm's social and ethical commitments, thereby attracting like-minded investors and customers. Embracing circular business models and investing in sustainable technologies are presented as essential strategic tools for fashion firms.

Overall, the study conveys that a holistic approach to business management, focusing on innovation, sustainability, strategic stakeholder engagement, and clear communication, is important for achieving long-term success in the fashion sector. Firms committed to these principles are better equipped to handle current challenges and are positioned as pioneers towards a more sustainable and ethical fashion industry future.

## References

- AHN S. (2022), "To buy or to back? Backers' motivations for fashion crowdfunding projects", *Journal of Fashion Marketing and Management: An International Journal*, vol. 27, n. 2, pp. 335-351.
- ALVES L., FERREIRA CRUZ E., LOPES S.I., FARIA P.M., ROSADO DA CRUZ A.M. (2022), "Towards circular economy in the textiles and clothing value chain through blockchain technology and IoT: A review", *Waste Management & Research*, vol. 40, n. 1, pp. 3-23.
- BELLEFLAMME P., LAMBERT T., SCHWIENBACHER A. (2014), "Crowdfunding: Tapping the right crowd", *Journal of Business Venturing*, vol. 29, n. 5, pp. 585-609.
- BELZ F.M., BINDER J.K. (2017), "Sustainable entrepreneurship: a convergent process model", *Business Strategy and the Environment*, vol. 26, n. 1, pp. 1-17.
- BOCKEN N.M.P., FARRACHO M., BOSWORTH R., KEMP R. (2014), "The front-end of eco innovation for eco-innovative small and medium sized companies", *Journal of Engineering and Technology Management*, vol. 31, pp. 43-57.
- BRAUN V., CLARKE V. (2006), "Using thematic analysis in psychology", *Qualitative Research in Psychology*, vol. 3, n. 2, pp. 77-101.
- BRAUN G., SOM C., SCHMUTZ M., HISCHIER R. (2021), "Environmental consequences of closing the textile loop-life cycle assessment of a circular polyester jacket", *Applied Sciences*, vol. 11, n. 7, pp. 2964.
- BRYDGES T., HENNINGER C. E., HANLON M. (2022), "Selling sustainability: Investigating how Swedish fashion brands communicate sustainability to consumers", *Sustainability: Science, Practice and Policy*, vol. 18, n. 1, pp. 357-370.
- CALIC G., MOSAKOWSKI E. (2016), "Kicking off social entrepreneurship: How a sustainability orientation influences crowdfunding success", *Journal of Management Studies*, vol. 53, n. 5, pp. 738-767.
- CIVARDI C., MORO A., WINBORG J. (2023), "'All that glitters is not gold!': The (Unexplored) Determinants of Equity Crowdfunding", *Small Business Economics*.
- CONNELLY B.L., CERTO S.T., IRELAND R.D., REUTZEL C.R. (2010), "Signaling Theory: A Review and assessment", *Journal of Management*, vol. 37, n. 1, pp. 39-67.
- CRESWELL J.W., POTCH C. (2017), *Qualitative Inquiry and research design : choosing among five approaches*, Sage Publications, Thousand Oaks.
- DALLA CHIESA C., PAVLOVA A., LAVANGA M., PYSANA N. (2022), "When fashion meets crowdfunding: exploring sustainable and innovative features of online campaigns", *Journal of Fashion Marketing and Management: An International Journal*.

- DENUWARA N., MAIJALA J., HAKOVIRTA M. (2019), "Sustainability benefits of RFID technology in the apparel industry", *Sustainability*, vol. 11, n. 22, pp. 6477.
- EISENHARDT K.M., GRAEBNER M.E. (2007), "Theory building from Cases: Opportunities and challenges", *Academy of Management Journal*, vol. 50, n. 1, pp. 25-32.
- EUROPEAN COMMISSION (2022), *EU Strategy for Sustainable and Circular Textiles* (COM(2022) 141 final), available from: [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12822-EU-strategy-for-sustainable-textiles\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12822-EU-strategy-for-sustainable-textiles_en).
- EUROPEAN ENVIRONMENT AGENCY (2019), *Textiles in Europe's circular economy*, available from: <https://www.eea.europa.eu/publications/textiles-in-europes-circular-economy/textiles-in-europe-s-circular-economy>.
- FONDAZIONE PER LO SVILUPPO SOSTENIBILE, & FISE UNICIRCULAR (2021), *L'Italia del Riciclo 2021*, Italy.
- GEISSDOERFER M., SAVAGET P., BOCKEN N., HULTINK E.J. (2017), "The Circular Economy - A new sustainability paradigm?", *Journal of Cleaner Production*, vol. 143, pp. 757-768.
- HUYNH P. H. (2022), "Enabling circular business models in the fashion industry: the role of digital innovation." *International Journal of Productivity and Performance Management*, vol. 71, n. 3, pp. 870-895.
- JACOMETTI V. (2019), "Circular economy and waste in the fashion industry", *Laws*, vol. 8, n. 4, pp. 27.
- JIA F., YIN S., CHEN L., CHEN, X. (2020), "The circular economy in the textile and apparel industry: A systematic literature review", *Journal of Cleaner Production*, vol. 259, 120728.
- KAPLAN A.M., HAENLEIN M. (2010), "Users of the world, unite! The challenges and opportunities of Social Media", *Business Horizons*, vol. 53, n. 1, pp. 59-68.
- KO J., KO E. (2021), "What fashion startups should know before launching Crowdfunding projects: Focusing on Wadiz reward Crowdfunding", *Journal of Global Fashion Marketing*, vol. 12, n. 2, pp. 176-191.
- KOZLOWSKI A., SEARCY C., BARDECKI M. (2016), "Innovation for a Sustainable Fashion Industry: A design focused approach toward the development of new business models", *Environmental footprints and eco-design of products and processes*, pp. 151-169.
- LEAL FILHO W., ELLAMS D., HAN S., TYLER D., BOITEN V.J., PAÇO A., MOORA H., BALOGUN A.L. (2019), "A review of the socio-economic advantages of textile recycling", *Journal of Cleaner Production*, vol. 218, pp. 10-20.
- PARTHIBAN M., DURAISAMY G. (2019), "3Rs and circular economy", *Elsevier eBooks*, pp. 77-93.
- MCNEILL L., MOORE R. (2015), "Sustainable fashion consumption and the fast fashion conundrum: fashionable consumers and attitudes to sustainability in clothing choice", *International Journal of Consumer Studies*, vol. 39, n. 3, pp. 212-222.
- MOLLIK E. (2014), "The dynamics of crowdfunding: An exploratory study", *Journal of Business Venturing*, vol. 29, n. 1, pp. 1-16.
- RIESSMAN C.K. (2007), *Narrative methods for the Human Sciences*, Sage Publications, Thousand Oaks.
- SAHA K., DEY P.K., PAPAGIANNAKI E. (2021), "Implementing circular economy in the textile and clothing industry", *Business Strategy and the Environment*, vol. 30, n. 4, pp. 1497-1530.
- TIDD J., BESSANT J. (2018), *Managing Innovation: Integrating Technological, Market and Organizational Change*, John Wiley & Sons, Hoboken.
- TODESCHINI B.V., CORTIMIGLIA M.N., CALLEGARO-DE-MENEZES D., GHEZZI A. (2017), "Innovative and sustainable business models in the fashion industry: Entrepreneurial drivers, opportunities, and challenges", *Business Horizons*, vol. 60, n. 6, pp. 759-770.
- THORISDOTTIR T.S., JOHANNSDOTTIR L. (2019), "Sustainability within fashion business models: A systematic literature review", *Sustainability*, vol. 11, n. 8, pp. 2233.
- URBINATI A., CHIARONI D., CHIESA V., FRANZÒ S., FRATTINI F. (2018), "An Exploratory Analysis on the Contextual Factors that Influence Disruptive Innovation: The Case of Uber", *International Journal of Innovation and Technology Management*, vol. 15, n. 03.
- VISMARA S. (2019), "Sustainability in equity crowdfunding", *Technological Forecasting and Social Change*, vol. 141, pp. 98-106.
- WEBER S., LYNES J., YOUNG S.B. (2016), "Fashion interest as a driver for consumer textile waste management: Reuse, recycle or Disposal", *International Journal of Consumer Studies*, vol. 41, n. 2, pp. 207-215.
- YAŞAR B. (2021), "The new investment landscape: Equity crowdfunding", *Central Bank Review*, vol. 21, n. 1, pp. 1-16.
- YIN R.K. (2009), *Case Study Research: Design and Methods, 4th edition*, Sage Publications, Thousand Oaks.