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Faculty of Business Economics

Master of Management

Master's thesis

Does sustainability reporting and supply chain transparency in the fashion retail industry have an influence on consumer trust in a brand and indirectly affect the purchase intentions? A case study on the fashion brand Essentiel Antwerp

Julie Vilenne

Thesis presented in fulfillment of the requirements for the degree of Master of Management, specialization International Marketing Strategy

SUPERVISOR :

Prof. dr. Pieter PAUWELS

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PREFACE

Unfortunately, or fortunately for me, 2024 is already my last year as a student. I have been pursuing my higher education for five years already, and there is one thing I can tell you for sure: time flies very quickly.

During my last year as a student, which has been quite intense, I conducted research on SDGs, sustainability reporting, and transparency and their effect on consumers' trust in a brand and indirectly on their purchase intentions. This master's thesis was written in the context of my master's degree in Management with a major in International Marketing Strategy. In my last six months at the University of Hasselt, I not only learned how to set up quality and reliable research, but I also learned to better evaluate, improve, and value my work. Most importantly, I learned never to give up despite all the SPSS challenges I have come across, and trust me, there were many!

Of course, I did not accomplish this alone. Therefore, I would like to thank the people who gave me wise advice, help, and support during my research. First, I would like to thank my promotor, who is also the Dean of the Faculty of Business Economics at the University of Hasselt, Professor Piet Pauwels, for his indispensable advice and feedback. Sharing my findings and setbacks during the research with Professor Pauwels helped me organize my thoughts better and gave me confidence that I could still come up with a solution. With his guidance, I was able to complete this research successfully. Hereby, I would like to thank you, Professor Pauwels, very much for your time and guidance.

In addition to my promotor's essential help, I would like to show my appreciation to my close friends, whom I met during my first year of high school and who, since then, have been with me through thick and thin, including during my SPSS challenges. I would like to thank them for supporting me in this last year of education, for their moral support and enthusiasm, and finally, for proofreading my paper for some spelling mistakes. Thank you, my dear friends, for being an indispensable part of my academic journey.

Last but not least, I would like to take a moment to express my gratitude to my father, who has always been by my side and pushed me to keep excelling in my educational career. His support and belief in me kept me going, especially when things got tough. Thank you for always being there for me, for being such an incredible source of strenght, and also for making me who I am now. I couldn't have done this without you!

I hope you will enjoy reading this master's thesis as much as I did writing it!

Julie Vilenne,
May 2024

SUMMARY:

Today, our fast-paced world faces urgent matters, such as climate change, and humans are making it worse. The consequences of climate change are severe. They can go from extreme weather events, such as hurricanes and floods, to rising sea levels. These events, once considered as rarely happening, are now becoming more frequent, creating challenges for the population worldwide. To tackle these urgent matters, the United Nations has established the Sustainable Development Goals (SDGs). They are a set of goals agreed upon by 193 worldwide countries to address urgent issues such as poverty, inequality, and environmental degradation. In other words, they are like a roadmap for making the world a better place. By working towards achieving these goals, we can not only mitigate the impacts of climate change, but we can also create a more sustainable future for generations to come.

In the **first chapter** of this research, the research problem is explained in more detail. Climate change will be further discussed alongside the history of the SDGs and their aim to make the world better. Additionally, the progress made so far will be discussed as well. This chapter explains why it is interesting for businesses to implement and contribute to a more sustainable future. Moreover, it seems that businesses working towards the achievement of SDGs also aim to gain consumer's trust and indirectly affect their purchase behavior. For that reason, this master's thesis attempts to answer the following research question based on a case study on the fashion brand Essentiel Antwerp:

Does sustainability reporting and supply chain transparency in the fashion retail industry have an influence on consumer trust in a brand and indirectly affect the purchase intentions? A case study on the fashion brand Essentiel Antwerp.

The **second chapter** forms the literature review used for the research in order to form a theoretical background on the main topics: sustainability reporting, supply chain transparency, trust, and purchase intentions. In this literature review, it was clear that the different variables could potentially have a link. This literature review discussed the concept of Millennium Development Goals (MDGs), which later laid the foundation for the SDGs. Following their history, the literature explains why it is important for a business to implement them. For example, they provide a clear framework for achieving sustainability, but they also lead to the creation of new market opportunities or even the access to new financing sources. After this, the literature dives into the topics of sustainability, transparency, and sustainability reporting. In this section, it was found that supply chain transparency could affect not only the consumer's trust but also their purchase intentions. Additionally, both advantages and disadvantages of supply chain transparency are explained. As a result, many companies have started to show their initiatives towards sustainability through the use of sustainability reporting. Therefore, the next part explains the need for and content of those reports. In this part of the literature review, the findings showed that a brand's sustainability reporting could also impact the trust and the consumer's purchase intentions. Lastly, the concept of trust is further defined, where some scientific articles demonstrated a link between the consumer's trust and their purchase intentions. The last section of this chapter summarizes the

hypotheses formed for this research alongside the conceptual model and an explanation of the variables.

Once the literature review alongside the conceptual model and hypotheses are formed, the next step is to set up an empirical study to formulate an answer to the central question of the research. **Chapter three** discusses both the research and survey design, followed by the distribution of the questionnaire and the sample size estimation. The questionnaire was designed to ask questions on the four main topics: sustainability reporting, supply chain transparency, trust, and purchase intentions. For the collection of data, both convenience sampling and systematic sampling were used to reach as many respondents as possible. For systemic sampling, the Qualtrics survey was shared in a Facebook group called "365 days in Essentiel Antwerp", dedicated to the brand, which generated the highest number of responses. In total, 111 responses were collected in a few days, which passed the requirement of the sample size estimation of 66 respondents.

Chapter four aims to introduce the fashion brand Essentiel Antwerp by briefly discussing its history, its mission, and its values. Once the reader gets a bit familiar with the brand, their sustainability reports are discussed. Moreover, Essentiel started voluntarily sharing sustainability reports back in 2020.

Chapter five seems a bit boring, but it is the most important step before conducting the analysis. It aims to clean the collected data and prepare it for the analysis. For the data preparation section, the data will be cleaned and prepared to be ready for analysis by making some checks to make sure the dataset is complete (missing values), valid, reliable, unidimensional, and contains no errors. This will be done using a powerful statistical software called IBM SPSS. After this, the data is cleaned by removing respondents who did not finish the survey, did not know the brand, or did not accept the collection of their data. The second aim of this chapter is to describe the data, which is called descriptive statistics before the analysis can be conducted. In this section, the researcher dived into the responses given for each of the four topics.

In **chapter six**, it is finally time to uncover the secrets of sustainability reporting and supply chain transparency, delving not only into their impact on trust but also on the purchase intentions for the brand ESSENTIEL ANTWERP. The aim of this chapter is to perform a mediation analysis through the use of simple and multiple regression analyses in order to interpret the research findings in order to draw the right conclusions regarding the hypotheses.

Chapter seven concludes the findings of the previous chapter and formulates an answer to the research questions. This study has proven that Essentiel's commitment and dedication to supply chain transparency positively influence consumer purchase intentions. Additionally, this research demonstrated that Essentiel's commitment to supply chain transparency positively affects the consumer's trust in the brand. Unfortunately, the other hypotheses could not be supported. In conclusion, although many of the hypotheses formed could not be supported due to no statistical significance, this research is insightful on this SDG quest toward more sustainability and transparency in the fashion industry

Chapter eight concludes this thesis by mentioning the encountered limitations and making suggestions for potential future research.

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LIST OF ABBREVIATIONS:

CMB – Common Method Bias

CSR – Corporate Social Responsibility

CSM – Corporate social marketing

CSRD – Corporate Sustainability Reporting Directive

DV – Dependent variable

EU – European Union

GDPR – General Data Protection Regulation

GRI – Global Reporting Initiative

IV – Dependent variable

MDG – Millennium Development Goal

MV – Mediating variable

NGO – Non-governmental organization

SDG – Sustainable Development Goal

SDGF – Sustainable Development Goals Fund

SME - Small Medium Enterprise

TBL OR 3BL – Triple Bottom Line

UN – United Nations

UNESCO – United Nations Educational, Scientific and Cultural Organization

CHAPTER 1: INTRODUCTION AND PROBLEM DEFINITION

We all recognize the significant challenges confronting our world today, including poverty, hunger, inequality, and climate change. While it's true that progress has been made in reducing poverty and hunger over the last few decades, we must acknowledge that inequality remains a complex and persistent issue. Furthermore, climate change is a hot topic as the alarming changes in climate, such as melting glaciers and rising sea levels, emphasize the urgent need for actions to overcome the worsening effects of climate change. However, overcoming such obstacles is not easy. It requires significant actions, and this is why the Sustainable Development Goals (SDGs) are so crucial. These 17 SDGs have the power and ability to tackle these inequalities and create a better world by 2030 (Global goals, n.d.).

In recent years, as environmental problems and social conflicts have worsened, worldwide businesses have faced increased pressure. The situation became so critical that a worldwide political deal was established. With these, the SDGs were born. In September 2015, 193 countries agreed on this political deal established by the United Nations. These 17 SDGs, shown in figure 1, allow companies to peek into the future, which helps them to plan long-term investments and also to identify new potential business opportunities (Pedersen, 2018).

Figure 1: The 17 SDGs of the United Nations (Global goals, n.d.)

As we already reached the midpoint of the SDGs' timeline, which began in 2015 with 2030 as a deadline, it is clear that significant progress has been achieved, which is good news. However, there is still a long way to go, as shown in the graph on the next page. The United Nations explains that according to their 2023 data, only 15% of the SDGs are on track to be achieved by 2030. 48% are believed to be slightly deviating from the desired goal, but most surprisingly, 37% are showing no progress, or even worse, regression. This graph emphasizes the urgent need to keep making efforts towards achieving the SDGs (United Nations Statistics Division, n.d.). Pedersen (2018) adds that most companies will have to do things in new ways, and sometimes they will need to do entirely

different things in order to keep the SDGs on track. This is where sustainability reporting becomes important.
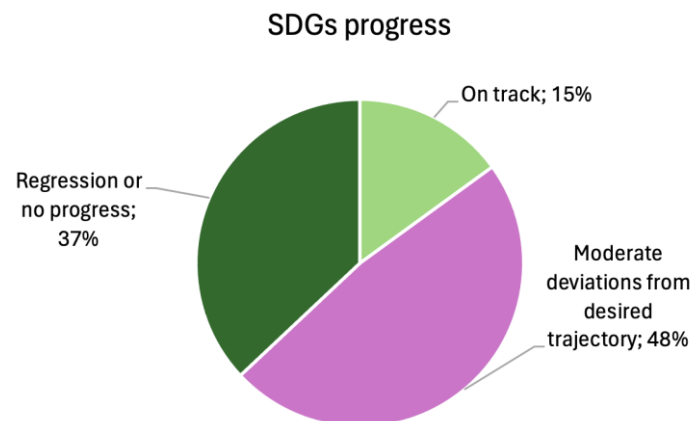
Figure 2: SDGs progress (United Nations Statistics Division, n.d.)

Organizations are more and more requested by stakeholders, especially by younger generations, to openly communicate their efforts and progress towards sustainability (Severà et al., 2019). This growing demand urges businesses to actively implement and pursue the SDGs. As companies are doing their best to help the environment and contribute to societal issues, they are also aiming to gain consumer's trust and indirectly, affect their purchase behavior. Trust in a brand is a significant factor in establishing long-term relationships with consumers indirectly influencing purchasing decisions and fostering brand loyalty. Pfeuffer and Huh (2020) refer to the concept of trust as more than just a crucial foundation for building and retaining relationships. Trust not only keeps customers loyal, but also makes them more likely to buy from a brand again. So, it is really important for businesses to establish and keep a trustful relationship with their customers. However, the specific factors that contribute to building trust remain a topic requiring further exploration (Kang and Hustvedt, 2013; Nishitani et al., 2021; Jiang et al., 2022; Barta et al., 2023; Lau and Lee, 1999).

Despite the global importance of the SDGs, few studies examine the actual consequences and/or effects of sustainability reporting and supply chain transparency on consumer's trust in a brand and their indirect effect on purchase intentions. Let alone in the fashion industry. As Barta et al. (2023, p.1) highlight in their paper: "most research focuses on their degree of commitment to the SDGs, along with some efforts to compare the SDGs with other international standards". In this context, the present study aims to answer the following research question: **'Does sustainability reporting and supply chain transparency in the fashion retail industry have an influence on consumer trust in a brand and indirectly affect the purchase intentions?'**. To answer this question, we focus on the fashion retail industry. More in particular, a case study will be performed on the fashion brand Essentiel Antwerp. The research objective of this study is to understand how sustainability reporting and supply chain transparency may affect the purchase intentions through the mediation of consumer's trust. Additionally, this research aims to understand the dynamics between these variables.

This research is needed for several reasons. Firstly, the fashion retail industry is a significant contributor to environmental degradation and social inequalities, making it imperative for businesses within this sector to adopt sustainable practices. The environmental impact of the clothing industry is significant, as the industry is causing a lot of pollution, from toxic chemicals used in the making of clothes to the dumping of waste in landfills. Additionally, the production of clothing, such as synthetic fibers, also releases greenhouse gases, making climate change worse European Parliament, 2024; Mudalige, 2023). Another crucial element that has to be considered, is the ethical practices in this industry. As explained further in the literature review, the sector faced a lot of criticism for exploiting workers, especially in developing countries (Mudalige, 2023). The underlying premise is that consumers may consider fashion not the more SDG-liking industry. This makes this industry a good choice for this case study. Secondly, it is crucial for businesses to match their sustainability reports with the United Nations SDGs to really make a difference in global sustainability. This research will look into how this alignment affects consumer trust. By doing this, we can see if companies are doing a good job of letting consumers know about their sustainability efforts and how that affects trust. Lastly, conducting a case study on a specific fashion brand like Essentiel Antwerp allows for a detailed examination of the direct and indirect effects of sustainability reporting and supply chain transparency on consumers and their behaviors.

1.1 Research approach

This master's thesis aims to research if sustainability reporting and/or supply chain transparency have an impact on the consumer's trust and indirectly if it affects the purchase intentions of the consumer. The second chapter of this research will start with a literature review in order to form a theoretical background on the different terms that can be found in the research questions. To write a literature study, desk research will be conducted to find relatable peer-reviewed scientific articles. These scientific articles have been accessed through various search engines such as the library of the Uhasselt, the EBSCO business searching interface and Google Scholar. Once the literature review alongside with the conceptual model and hypotheses are formed, the next step is the collection of quantitative data through the use of a survey, which can be found in chapter 3. The questionnaire for the data collection has been distributed through the website Qualtrics. Once enough data is collected, chapter 4 introduces the brand on which a case study will be performed. Additionally, their sustainability reports will be analyzed. In the next chapter, chapter 5, the data will be cleaned and prepared for the analysis to make sure the dataset is valid and reliable. Furthermore, the reached sample will be described alongside with their answers. In chapter 6, it is finally time to uncover the secrets of sustainability reporting and supply chain transparency. Therefore, a regression analysis in the statistical software SPSS is conducted to provide an answer to the research question by assessing whether or not the hypotheses formed in chapter 2 are supported or not. Chapter 7 summarizes the findings found in the previous chapter and forms the right conclusions. In chapter 8, the last chapter, the limitations and future research of this research are discussed. At the end of this thesis, the used references can be found followed by an appendix containing all relevant information that contributed to this research.

CHAPTER 2: LITERATURE STUDY

This literature study aims to explain the definition of the different constructs of the research question, which are SDGs, sustainability reporting, transparency, trust, and purchase intentions. This chapter also aims to dive deeper into these topics in order to briefly answer questions such as: 'Why are SDGs relevant for businesses?', 'Why do we need sustainability?', 'What are the EU laws regarding sustainability reporting?', 'How do you measure trust in a brand?', … . It is important to understand these different topics before making an attempt to formulate an answer to the research question, which is as follows: '**Does sustainability reporting and supply chain transparency in the fashion retail industry have an influence on consumer trust in a brand and indirectly affect the purchase intentions? A case study of fashion brand Essentiel Antwerp.**'

2.1 Sustainable Development Goals (SDGs)

Prior to the well-known Sustainable Development Goals (SDGs), the international development agenda was initially shaped by the Millennium Development Goals (MDGs). According to Servaes (2017), the MDGs initiative was launched in the early years of 2000 with a deadline set for 2015. This initiative followed years of discussions among nations to work together on long-term plans for a worldwide social agenda (Servaes, 2017). Sachs (2012) explains what the MDGs are for:

> The MDGs express widespread public concern about poverty, hunger, disease, unmet schooling, gender inequality, and environmental degradation. By packaging these priorities into an easily understandable set of eight goals, and by establishing measurable and time-bound objectives, the MDGs help to promote global awareness, political accountability, improved metrics, social feedback, and public pressures. (p1).

The following table displays the eight MDGs:

Millennium Development Goals (MDGs)	
Goal 1	Eradicate Extreme Hunger and Poverty
Goal 2	Achieve Universal Primary Education
Goal 3	Promote Gender Equality and Empower Women
Goal 4	Reduce Child Mortality
Goal 5	Improve Maternal Health
Goal 6	Combat HIV/AIDS, Malaria and other diseases
Goal 7	Ensure Environmental Sustainability
Goal 8	Develop a Global Partnership for Development

Table 1: The 8 MDGs (SDGF, 2018)

Although the world has achieved the MDGs' first goal of halving extreme poverty by 2015, the progress towards realizing MDGs have not been very significant, and these achievements could have been more balanced as highlighted by the Sustainable Development Goals Fund (SDGF) (2018). An agenda for the years beyond 2015 became imperative as the MDGs' expiration date drew near. "The focus on building a sustainable world where environmental sustainability, social inclusion, and economic development are equally valued" is the crucial component of this new agenda (SDGF, 2018, p1).

For this reason, a process to create a new set of development goals was initiated in June 2012. As a result, in 2014, the so-called Sustainable Development Goals (SDGs) were born. The United Nations General Assembly found them as part of the 2030 agenda for sustainable development, where 17 SDGs have been defined, as shown in Table 2, with 169 associated targets to be reached by 2030.

Sustainable Development Goals (SDGs)	
Goal 1	End poverty in all its forms everywhere
Goal 2	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
Goal 3	Ensure healthy lives and promote well-being for all at all ages
Goal 4	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all
Goal 5	Achieve gender equality and empower all women and girls
Goal 6	Ensure availability and sustainable management of water and sanitation for all
Goal 7	Ensure access to affordable, reliable, sustainable, and modern energy for all
Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all
Goal 9	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation
Goal 10	Reduce inequality within and among countries
Goal 11	Make cities and human settlements inclusive, safe, resilient and sustainable
Goal 12	Ensure sustainable consumption and production patterns
Goal 13	Take urgent action to combat climate change and its impacts

Goal 14	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development
Goal 15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss
Goal 16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels
Goal 17	Strengthen the means of implementation and revitalize the global partnership for sustainable development

Table 2: The 17 SDGs (SDGF, 2018)

Through this initiative, all nations across the world shared a common objective consisting of three main principles: putting an end to poverty, respecting human rights, and lastly, involving everyone for a sustainable 2030 (European Commission, n.d.-b).

All 17 SDGs can be divided into three fundamental axes, reflecting the three dimensions of sustainability. These three dimensions, also known as the triple bottom line (TBL) or 3BL, as shown in Figure 3, are economic, social, and environmental (Gupta et al., 2015).
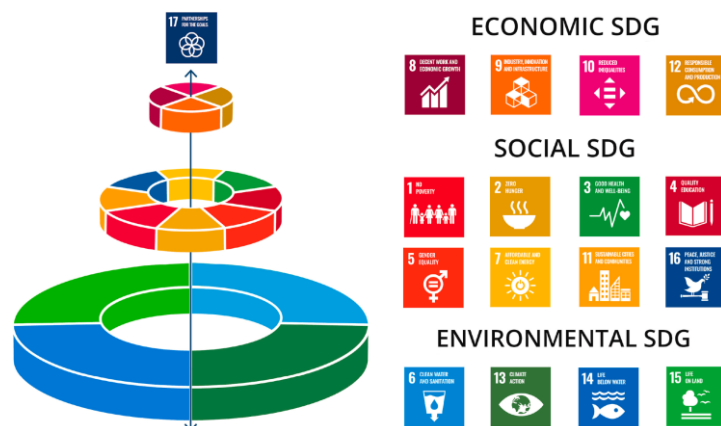
Figure 3: The three SDG axes (Barta, 2023)

The economic dimension is mainly related to the company's profit and financial outcome. It focuses on the production, distribution, and use of goods and services. The second dimension is the social pillar. Enhancing people's quality of life, meeting population requirements, and improving policies in domains like education and security are examples of how the social pillar is tied to the development of human capital. The third dimension, environmental, focuses on the conservation of natural resources, the preservation of the environment, and lastly, reducing environmental harm (Silva, 2022). Touboulic and Walker (2015) state the importance of integrating all dimensions of the 3BL in sustainable development rather than just focusing on a single aspect of sustainability, such as environmental or social.

In an effort to demonstrate their commitment to sustainable development, a few major corporations have begun addressing the SDGs in their public statements, according to Arena et al. (2022). Meeting societal demands for increased responsibility and transparency can only benefit companies as many academic articles highlight several reasons and advantages why SDGs are relevant to businesses. First and foremost, the SDGs are important because they give multinational managers a clear framework for attaining sustainability; the framework defines goals and gives companies concrete targets and indicators that facilitate better understanding and alignment of firm-level sustainability metrics with the objectives set forth by the United Nations through the SDGs framework (Cuervo-Cazurra et al., 2022).

Secondly, when a business focuses on SDGs, according to Hepner et al. (2020) and also Granados and Gupta (2013), it allows them to differentiate themselves from competitors who are not focusing on sustainability and create a competitive advantage. Why? Because there is a growing consumer demand for sustainable products, but also for corporations to act in a responsible and sustainable manner (Negru, 2020). This point is also discussed in a study by Claro et al. (2013), confirming that in the first place, companies are asked to help and assist the consumer in understanding sustainability, and in the second place, consumers are prioritizing sustainability (Claro et al., 2013). Additionally, Tinlin (2016) adds that 91% of consumers request companies to think beyond profit, and 90% of them express a desire for a greater availability of sustainable products and services. Additionally, a survey by Deloitte (2018) shows that the rising consumer desire for environmentally responsible products has resulted in increased performance for those companies that are committed to sustainability. Additionally, in 2015, this rising demand consisted of 66% of consumers who are prepared to invest more in responsible products and services. Notably, this number is likely to keep increasing, as highlighted by Deloitte (2018) but also by De Pelsmacker et al. (2005), who is referring to the 'European attitudes towards corporate social responsibility' research of Mori (2000). In the early 2000s, the study already counted 46% of European consumers who were willing to pay more for sustainability (De Pelsmacker et al., 2005). Another result of this competitive advantage is brought to light by Tinlin (2016), who states, referring to the Cone Communications' Global CSR Study from 2015, that a company committed to supporting environmental initiatives, is more likely to have loyal customers, than a company that pays no attention to it. Next to having more loyal customers, taking the initiative to be more sustainable also impacts the reputation of your brand (Walsh and Beaty, 2007). In their article, Walsh and Beaty (2007) highlight the importance of how the corporate reputation is perceived by different stakeholders, as it serves two main purposes. Firstly, it reduces transaction costs, and secondly, it positively affects financial, but also customer outcomes such as consumer trust, which will be discussed further in the literature study.

Thirdly, it creates new market opportunities (Hepner et al., 2020; Negru, 2020). As Hepner et al. (2020) state in their article citing the findings of Osburg et al. (2016), Todeschini et al. (2017), Kapferer (2018), and Olsanova et al. (2018), the emergence of circular economy and sustainability has opened up new opportunities for brands. Additionally, new market opportunities, such as market expansion and market growth, help generate new revenue (UNDP, n.d.-a).

Fourthly, it enables employees to feel engaged with a purpose. Organizations can help employees understand their commitment and contribution to achieving sustainability and SDGs through offering training (Bilderback, 2023). Moreover, when employees are aware of this, it enables them to engage in the company with a purpose, leading to increased employee engagement, motivation, job satisfaction, employee retention, and finally, employee productivity. (Bilderback, 2023; Negru, 2020; UNDP, n.d.-a; Deloitte, 2018).

Fifthly, implementing SDGs helps to mitigate negative externalities. When making decisions as an individual regarding consumption, production or even investment, individuals can have a small or large impact on others without them being involved in these transactions. These impacts can be small and large, but when they are large, these impacts result in arising problems, which is called an externality (Helbling, 2010). There exist two types of externalities, known as positive and negative externalities. A positive externality happens when the third party, known as the individual who is impacted by the decisions of individuals without being involved in them, experiences a benefit from the situation. On the other hand, when the third party experiences a disadvantage or a cost, this is called a negative externality. A method to reduce these negative externalities from happening is through the imposition of taxes on goods and services by the government (Federal Reserve Bank of St. Louis, n.d.). A classification system has been proposed by Montiel et al. (2021), where the 17 SDGs are divided into six different categories based on their contribution to positive or negative externalities, as shown in figure 4. SDGs relating to knowledge, wealth and health can increase positive externalities. On the other hand, SDGs addressing the overuse of natural resources, harm to social cohesion and overconsumption can reduce negative externalities according to Montiel et al. (2021). An example of mitigating negative externalities associated with the fourth category, the 'overuse of natural resources', involves reducing water and energy consumption. This not only decreases the costs but also reduces the environmental impact (Negru, 2020).
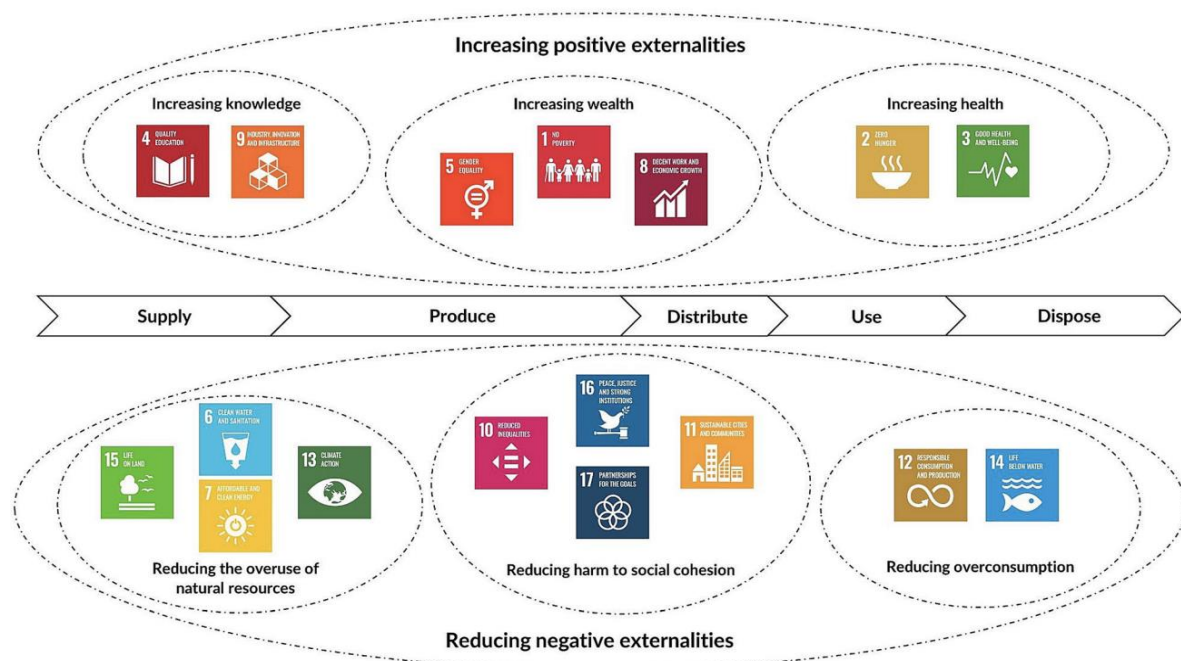
Figure 4: SDGs to address externalities (Montiel et al., 2021)

Sixthly, it allows you as a company to make savings. Many ways exist to save money and simultaneously reduce the carbon footprint, such as the emergence of electric cars for example. Numerous organizations are taking this advice into account. In fact, they are looking for different ways to reduce their carbon footprint, not only by idealism but because it leads to cost savings (Deloitte, 2018).

Seventhly, yet an important advantage, implementing SDGs allows companies to access new financing sources (Hepner et al., 2020). Unruh et al. (2016) observe that more and more investors are paying attention to and care about sustainability. Notably, Unruh et al. (2016) highlight that 80% of investors believe that companies that perform well in sustainability are more likely to create long-term value. Additionally, over 60% of investors think that companies with a strong sustainability performance are less risky to invest in (Unruh et al., 2016). Figure 5, shown below, states the reasons why investors care about good sustainability performance. The top three reasons are: increased potential for long-term value creation, improved revenue potential, and operational efficiency (Unruh et al., 2016).

Why is a company's good sustainability performance important to your firm when making investment decisions?
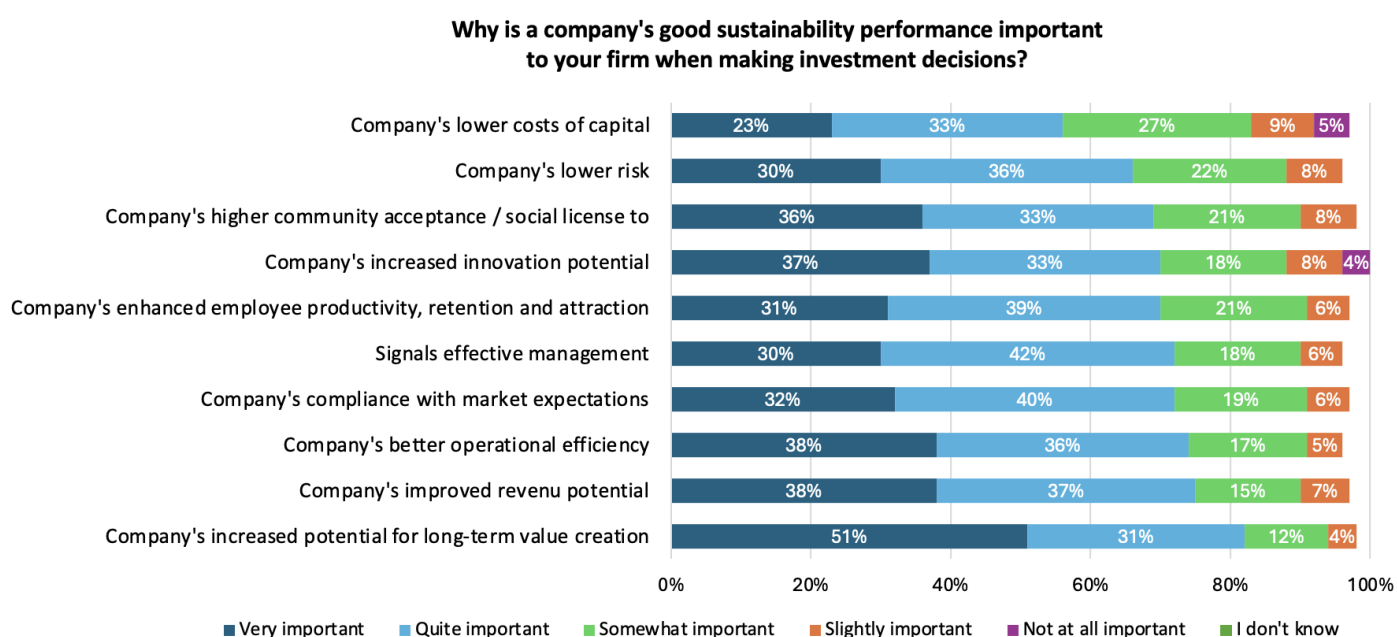
Figure 5: Why is sustainability performance important for investors? (Unruh et al., 2016)

The following table summarizes shortly the advantages discussed of implementing SDGs:

Advantage	Source
Provide managers of multinationals with a clear framework for achieving sustainability.	Cuervo-Cazurra et al., 2022
Achieve competitive advantage where there is a greater intention to buy for companies showing sustainable efforts, which leads to	Granados and Gupta, 2013; Negru, 2020; Claro et al.,

willingness to pay a premium, brand loyalty, and improved brand reputation.	2013; Deloitte, 2018; De Pelsmacker et al., 2005; Tinlin, 2016; Walsh and Beaty, 2007
Creates new market opportunities, which leads to generating new revenue.	Osburg et al., 2016; Todeschini et al., 2017; Kapferer, 2018; Olsanova et al., 2018; Negru, 2020; UNDP, n.d.-a; Hepner et al.,2020
Employees know how their actions can contribute to sustainability, which leads to increased employee engagement, job motivation and satisfaction, employee retention and employee's productivity.	Bilderback, 2023; Negru, 2020; UNDP, n.d.-a; Deloitte, 2018
Helps with mitigating negative externalities.	Negru, 2020; Montiel et al., 2021
Make savings.	Deloitte, 2018
Access new financing sources.	Hepner et al, 2020 Unruh et al., 2016

Table 3: Advantages of implementing SDGs into a business

2.2 Sustainability, transparency, and sustainability reporting

Sustainability is closely linked to the Sustainable Development Goals (SDGs) as the SDGs aim to address global challenges related to the TBL, which is addressing economic, social and environmental sustainability as discussed earlier (Gupta et al., 2015). Different scholars such as Heinberg (2010), Silva et al. (2022), Feeney et al. (2022) and Holden et al. (2014) explain that the term sustainability does not really have a clear definition. All these scholars agree that the term started to get widely used after the publication of the Brundtland Report in 1987 by the United Nations' World Commission on Environment and Development, which aimed to define the term sustainable development. The World Commission on Environment and Development of the UN defined this term as the development that meets the needs of the present generation while ensuring that future generations can also meet their own needs (Heinberg, 2010). Silva and Heinberg additionally state that after the Brundtland Report, many definitions appeared as the term became more widely used. Although the terms sustainability and sustainable development are often used interchangeably, differences can be observed between both. The United Nations Educational, Scientific and Cultural Organization (UNESCO) clarifies that sustainability is perceived as a long-term objective, such as a more sustainable world, while sustainable development is perceived as the diverse approaches to achieve the long-term objective, such as sustainable agriculture and education (Feeney, 2022).

Sustainability and **transparency** go hand in hand as organizations are being more and more requested by stakeholders to openly communicate their efforts and progress towards sustainability.

Jestratijević et al. (2021) refer to transparency as a business strategy that involves sharing relevant, clear, and accurate information about a company on its website or in its sustainability reports. Even though stakeholders have been asking for this for a while, the demand for more transparency became stronger in the 1990s. Consumer groups began urging retailers to take responsibility for the social and environmental impact of their business practices in other countries. This demand for transparency is especially noticeable in the fashion industry (Jestratijević et al., 2021). The fast fashion industry is not known for being the most environmentally friendly industry in the world. Fraser and Van Der Ven (2022) point out that for the past two decades, the fashion industry has faced a lot of criticism for its unsustainable practices. For instance, think about one of the most known tragic events of Rana Plaza in Bangladesh nearly five years ago, where a building collapsed, killing more than a thousand people. The Rana Plaza tragedy was not the first of its kind, but the scale and impact were enough to awaken many. In response, the Apparel and Footwear Supply Chain Transparency Pledge was created. This pledge is a commitment of companies in this industry to increased supply chain transparency (Transparency Pledge Coalition, n.d.). Following this tragedy, a need started growing in the fashion industry to become more transparent, as it has become increasingly difficult to obtain information about the origin of garments. The terrible incident in Bangladesh resulted in people really questioning the actual level of transparency of the fashion industry's supply chain. Notably, even the fashion retailers themselves could not establish if they were sourcing clothing from this specific factory despite their brand labels being discovered among the debris of the collapse (Jestratijevic et al., 2021). Hence, the definition of supply chain transparency is also being investigated in this research.

Schäfer (2022), alongside researchers such as Egels-Zandén et al. (2015) and James and Montgomery (2017), whom she cites in her article, agree that, again, there is a lack of a clear definition of supply chain transparency. Schäfer's research (2022) aimed to provide a general definition of the term. Her proposal is the following: supply chain transparency involves sharing supply chain information among stakeholders both within and outside the supply chain, such as customers. In a later research, Schäfer et al. (2023) state the advantages of being transparent as a company. Firstly, unethically behaving companies can be held accountable and put under pressure by stakeholders to change their behavior and become more responsible through supply chain transparency, but also through collaboration with stakeholders to find ethical solutions. Secondly, supply chain transparency fosters trust among stakeholders. Notably, consumers are likely to reward increased transparency with an increased willingness to buy, which makes it interesting for companies to do the right thing (Schäfer et al., 2023). This gives rise to the first hypothesis:

H1: There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's purchase intention.

This second advantage is also confirmed by Tang and Higgins (2022), who are adding that transparency helps companies not only to build trust but also to repair and maintain it. This formulates the next hypothesis:

H2: There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's trust in a brand.

Additionally, they state a third advantage in their research, saying that supply chain transparency improves the reputation of the business (Tang and Higgins, 2022).

The following table summarizes shortly the advantages and disadvantages discussed of transparency:

Advantage	Source
Assign responsibility, and unethically behaving companies can be held accountable.	Schäfer et al. (2023)
Creates trust among stakeholders	Schäfer et al. (2023)
Disadvantage	**Source**
Forced to share business secrets or intellectual property information	Jestratijević et al. (2021)

Table 4: Advantages and disadvantages of transparency

Despite these advantages, not all fashion retailers have embarked on this path to more supply chain transparency. Jestratijević et al. (2021) explains why:

> For many fashion brands, transparency represents a controversial strategy where a company is expected to share business secrets or intellectual property information that might serve as strategic information to a competitor. Because such information may constitute the essence of competitive advantage, brands either reluctantly share minimal or even ambiguous information, or they decide not to disclose any information at all. (p. 40).

The companies that choose to disclose minimal or no information at all are called transparency laggards according to Jestratijević et al., 2021. These secretive disclosure strategies are often employed by luxury fashion brands globally renowned for their prestigious history, unique products, and skillful manufacturing. Additionally, scholars argue that even the transparency leaders, the ones who do report information, present the information in a certain way that benefits themselves and leaves out certain details to suit their own interests (Jestratijevic et al., 2021). Additionally, the research adds that despite adhering to the Global Reporting Initiative (GRI) reporting guidelines, there exists a gap between companies when it comes to the actual amount of information disclosed. In the latest transparency rankings in the fashion industry, the gap between the degree of information shared between those who share a lot of information, the leaders, and those who try to hide information, the laggards, is evident (Jestratijevic et al., 2021).

In recent years, **sustainability reporting** has become a common approach to transparency. Hahn and Kühnen (2013) describe sustainability reporting "a diverse set of stakeholders (e.g., employees, customers, suppliers, creditors, advocate groups, public authorities) pursuing different economic, environmental, and social interests. To address these stakeholder's concerns, organizations make

use of sustainability reporting" (Hahn and Kühnen, 2013, p. 1). In other words, sustainability reporting is the voluntary disclosure of a company's information on social and environmental impacts (Jestratijević et al., 2021). As just discussed, a demand has emerged for companies to be held accountable for the environmental impact of their business activities through the disclosure of information on how they deal with these impacts (Del Mar Miralles-Quirós et al., 2017). Additionally, stakeholders and, above all, investors are now requesting companies to reveal more non-financial information than what is currently available in the companies' financial reports (Bose, 2020). As a result, many companies have started to show their initiatives towards sustainability. For example, think about the Eco-score founded by Colruyt. The Eco-Score rates the sustainability of a certain product. Label A on the packaging of this product represents excellent sustainability, and label E indicates lower sustainability. This rating system was launched by this grocery store to help customers make the right choice for the environment by choosing eco-friendly products (Colruyt Group, n.d.).

Companies can report their efforts to interested parties by using corporate social responsibility (CSR) reports, also named triple-bottom-line reports (The Corporate Governance Institute, 2023; Moravčíková et al., 2015). Karwowski and Raulinajtys-Grzybek (2021) explain that there is no clear definition of CSR. Siddique and Sciulli (2018) confirm this by highlighting that different terms are often being used to refer to CSR, such as corporate sustainability, sustainable development, or even environmental management. However, there is a definition of Kotler and Lee (2005) describing corporate social marketing (CSM), which is closely related to CSR, as a strategy applying marketing techniques to encourage the people you are targeting to change their behavior, which benefits society while also creating demand for products or services.

Moravčíková et al. (2015) explains what these CSR reports are:

> Those are voluntary comprehensive reports involving not only economic data, but also information from environmental and social fields. These reports tell about the company policy in relation to the environment, sustainability, or are directly focused on fulfilling the commitments accepted by the company within the concept of social responsibility (Moravčíková et al., 2015, p332).

At the time Moravčíková et al. (2015) wrote this definition, CSR reporting was a voluntary step companies could take towards enhanced sustainability and transparency for their stakeholders. However, this changed at the beginning of January 2023, when the Corporate Sustainability Reporting Directive (CSRD) entered the game. Large companies and listed SMEs are now required to disclose social and environmental information, according to the European Commission (n.d.-a).

Companies will now be required to release corporate information concerning environmental and social issues, as well as the treatment of their employees, how they respect human rights, what efforts they implement to act against bribery and corruption, and finally, how they ensure diversity among their board of directors in terms of age, gender, educational and professional background (European Commission, n.d.-a). The implementation of this strengthened rule will happen for the first time during the 2024 fiscal year, with reports expected to be published in 2025 (European

Commission, n.d.-a). Before the CSRD, it was the GRI that was responsible for helping companies with global standards they could follow to report their sustainability impacts and progress either on their website or through the use of sustainability reports (Jestratijević et al., 2021).

Abd-El-Salam's research (2020) highlights that CSR is a common strategy that companies use to build and maintain their brand identity and reputation, as well as to foster loyalty and trust and, finally, to encourage purchase intentions. Additionally, Hepner et al. (2020) are adding to the statement of Abd-El-Salam (2020) that besides the just mentioned advantages, there is also evidence that sustainability reporting has a significant effect on the price a consumer is willing to pay. The following hypothesis can be drawn:

H3: There is a positive relationship between a brand's sustainability reporting and the customer's purchase intention.

2.3 Trust

In their study, Pfeuffer and Huh (2020) refer to the concept of trust as more than just a foundation for building and retaining relationships. They highlight that it is also a crucial element for facilitating business deals and online interactions, particularly in risky or uncertain environments. Furthermore, the term trust can be simplified as the confidence that others can be counted on, independently of the various situations and relationships, allowing people to act even when they are faced with risk, uncertainties, or even vulnerabilities (Pfeuffer and Huh, 2020). In the context of customers, trust is experienced, when a customer feels comfortable and believes he/she can depend on a partner, trusting that they won't be taken advantage of by relying too much on this partner (Quân et al., 2023).

When looking at the concept of brand trust, Delgado-Ballester and Munuera-Alemán (2005) suggest that a brand is trustworthy when the brand is always delivering the promises of value, they made to customers across all aspects of the product development, production, sales, service, and marketing even during challenging times, such as when a brand crisis occurs. Accordingly, Delgado-Ballester and Munuera-Alémán (2005) point out that trusting a brand suggests that the consumer will experience positive results from this relationship. Kang and Hustvedt (2013) summarize brand trust as the consumer's conviction that the company they trust will prioritize their interests and fulfill its promises.

Establishing a strong relationship between customers and companies should rely on trust, according to Kang and Hustvedt (2013). Quân et al. (2023) highlight that trust plays an important role to create and maintain customer loyalty. However, trust can also lead to other positive marketing outcomes according to Neumann et al. (2020). Besides leading to loyalty, it also ensures customer retention and purchase intention, as a customer who trust a brand is more likely to buy from it again (Quân et al., 2023). As a result, it is essential for businesses to build and maintain a trustful relationship with customers (Neumann et al., 2020). This gives rise to the following hypothesis:

H4: There is a positive relationship between consumer's trust in a brand and purchase intention.

Numerous studies, such as Mohammed and Al-Swidi (2019), De Leániz and Bosque (2013), and Cheng et al. (2021), have demonstrated that CSR initiatives have a positive impact on purchasing behavior, but also on consumer trust, as currently, customers are more tended to trust a company undertaking CSR when purchasing products (Quân et al., 2023). A recent study from Gerged et al. (2023) highlights that consumer trust can be enhanced by sustainability disclosure in the context of supply chain transparency. In addition, companies that are providing their customers and other stakeholders with sustainability information, whether or not it has a positive impact on the environment, on a regular basis and in a consistent way are fostering trusting relationships with their stakeholders (Gerged et al., 2023). The last hypotheses are as follows:

H5: There is a positive relationship between the brand's sustainability reporting and the consumer's trust in a brand.

2.4 Hypothesis development and conceptual model

The literature review allowed the researcher to gain some insights and develop different hypotheses. The table below recaps the five different hypotheses:

Hypotheses	
H1	There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's purchase intention.
H2	There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's trust in a brand.
H3	There is a positive relationship between a brand's sustainability reporting and the consumer's purchase intention.
H4	There is a positive relationship between consumer's trust in a brand and the consumer's purchase intention.
H5	There is a positive relationship between the brand's sustainability reporting and the consumer's trust in a brand.

Table 5: Research hypotheses

Based on these hypotheses gained from the literature review, a conceptual model can be drawn. The underneath conceptual model, shown in figure 6, explores the relationships between the predictor, outcome and mediating variables to know for example firstly if high/low sustainability reporting efforts or if high/low supply chain transparency can lead to higher/lower levels of purchase intentions. Secondly, if consumer's trust in a brand has an effect on their purchase intention. And thirdly, if high/low supply chain transparency or high/low sustainability reporting has an effect on purchase intention, while also taking into account the effect of trust. Now that a conceptual model has been drawn, it is important to understand what the elements of this model are and what they mean.

IV — Sustainability reporting — DV — Purchase intention

+ H3

+ H5

+ H1

+ H4

+ H2

IV — Supply chain transparency — MV — Trust
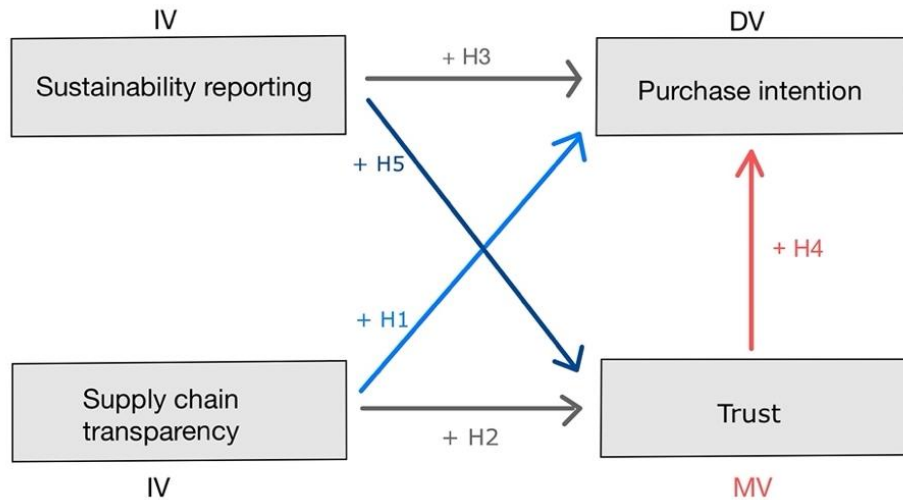
Figure 6: Conceptual model

An independent or predictor variable (X), is a variable that is being manipulated by the researcher in order to observe or predict the effect it has on the dependent/outcome variable (Nunan et al., 2020; Field, 2018). In this study, the predictor variables are sustainability reporting and supply chain transparency. A dependent or outcome variable (Y) is a variable on which we observe the influence of the independent/predictor variable (Nunan et al., 2020; Field, 2018). This research contains one outcome variable, the purchase intentions. There is another variable that has not been discussed yet, and this is the variable trust. The variable trust in this research acts as the mediating variable (M), it is an intermediate variable positioned between the predictor variable (X, the cause) and the outcome variable (Y, the effect). In other words, the mediating variable explains how a change in the predictor variable can cause a change in the outcome variable (Field, 2018).

In this study, the predictor variables sustainability reporting (X1) and supply chain transparency (X2) are being manipulated in order to observe the effect they have on the outcome variable purchase intentions (Y1), while also taking into account the interaction effect caused by the mediating variable trust (MV).

CHAPTER 3: EMPIRICAL STUDY

An empirical study is conducted by the researcher to formulate an answer to the main question of the research. More especially, the purpose of the empirical study is to test the conceptual model shown in figure 6.

3.1 Research design

This research aims to see if sustainability reporting and supply chain transparency may have an influence on the consumer's trust and indirectly if it impacts the purchase intentions of the consumer as well. To decide whether or not we accept the hypotheses formulated in table 6, a collection and analysis of data is mandatory. For this study, a quantitative analysis was chosen. It is a research technique focusing on number rather than words that aims to measure and quantify data, and it commonly involves the use of statistical analysis methods to analyze the results (Nunan et al., 2020). To gather data in a quantifiable way, an online survey was assembled using the online tool Qualtrics.

For the sample approach, both non-probability sampling and probability sampling techniques were used. Firstly, convenience sampling (non-probability sampling) was used, whereas convenience sampling involves asking people who happen to be convenient to the researcher, which can be for example, people on the street or simply friends and/or family of the researcher (Nunan et al., 2020). Additionally, the survey was sent out to students at the economic faculty of the Uhasselt in order to gather some additional respondents, which is also a convenient sample for the researcher. Secondly, systematic sampling (probability sampling) was used, whereas a target group with certain underlying characteristics are randomly chosen. Since the questionnaire of this research will be focusing on the brand Essentiel Antwerp, the underlying characteristics of this target group are that these people should know the brand Essentiel Antwerp, and additionally that they may or may not ever made a purchase from the brand. Finally, the questionnaire will be distributed in English.

3.2 Survey design

The survey consists of an introduction word, which discussed the aim of the research and the legal duty of the researcher to protect the data of the respondent according to GDPR. Accordingly, the next question asked for GDPR consent. If the respondent did not agree for the researcher to collect his/her data according to GDPR, the respondent was taken to the end of the survey using the display logic tool on Qualtrics. Next, one filter question was asked to filter out respondents who do not know the brand Essentiel Antwerp, since they are not the target group given that they are unknown of the brand. These respondents are automatically sent to the end of the survey as they will not be able to give trustworthy responses. Next, a general question was asked just to be informed if the respondent had ever made a purchase from the brand, however this question did not influence whether the respondent could participate in the survey or not. Next, four constructs were formulated on sustainability reporting, supply chain transparency, trust and purchase intentions, where each construct consisted of four different statements. The questions of the construct sustainability reporting were adapted from the research of Gräuler et al. (2013). The construct supply chain

transparency was formulated based on the questions found in the papers of both Kang and Hustvedt (2013) and Lin et al. (2017). The construct focusing on trust was adapted from two different sources, on the one hand the paper of Ennew and Sekhon (2007) and on the other hand the paper of Erdem and Swait (2004). Finally, the statement of the last construct, purchase intention, were adjusted from three different researches by Krishnamurthy and Sivaraman (2002), Moisescu and Gică (2020) and Öberseder et al. (2013). Each of the four questionnaire constructs are measured on a five-point Likert Scale, going from "strongly disagree" to "strongly agree". Finally, four demographics questions were asked followed by a final word to thank all respondents for their participation. Additionally, to ensure the completeness of the data and for the efficiency of the analysis, all questions used a forced response. The survey questions and their sources can be found in appendix 1.

3.3 Distribution of the questionnaire

To collect the actual data, the survey was distributed on social media platforms, such as LinkedIn, Instagram and Facebook accompanied by a general message asking for help. Additionally, the questionnaire was distributed in a Facebook group called "365 days in Essentiel Antwerp", dedicated to the brand, which generated the highest number of responses. Nevertheless, since the aim was to have a respondent group as much representative for the population as possible, the researcher actively encouraged all customers groups to participate, this is why the questionnaire was also sent to Flemish students, since Essentiel is a Flemish brand, studying at the UHasselt, with a major in economics. This research aims to obtain between 50 and 100 observations before starting with the analysis of the collected data. The Qualtrics questionnaire became publicly available on the 11th of April 2024.

3.4 Sample size estimation

In general, research aims to solve problems, so ideally the entire population would have to participate in the study to find the ultimate answer to the problem. However, this is almost impossible, and this is the reason why in general, smaller groups are chosen to participate in the research in order to draw conclusions from this sample group that applies to the larger population (Nayak, 2010). When choosing to conduct a survey on a smaller group, the results of the study can end up in an unsuccessful attempt to answer the hypotheses because the sample size was too small. This is also confirmed by Pallant (2020), who states that, when conducting a multiple regression analysis, which will be discussed further, it is important to not have a too small sample as it can result in little to scientific value according to Pallant (2020). However, a larger sample size has also disadvantages, as it can cost a lot of time and money (Nayak, 2010).

When setting up a quantitative analysis, researchers should ensure that their sample size is not too small, but also not too large to be able to identify any possible differences in the data. In order to conduct research with the right sample size, a calculation can be made before the start of any study, this is called sample size estimation. There are different ways to calculate the sample size estimation. In the book of Pallant (2020), a formula is given by Tabachnick and Fidell (2013, p.123) to easily

calculate the sample size depending on the number of independent variables present in the conceptual model. N (needed sample size) > 50 + 8*m (number of independent variables). In this case, since the conceptual model contains two independent variables, sustainability reporting and supply chain transparency, the needed sample size N is equal to 66 respondents (50 + 8*2).

Another way to estimate the sample size for a questionnaire is the statistical power analysis according to Nayak (2010). Power analyze is based on four main concepts: (1) power, (2) effect size, (3) desired statistical significance (4) number of independent variables. Power (1-ß) refers to the probability of not making a type II error, also known as ß error. A type II error happens when H0 is accepted while it should have been rejected. The value of the power is usually set at 0,80. Effect size is a measure that helps researcher to determine whether or not an observed relationship between variables is meaningful. As later in this research a regression analysis will be performed, f^2 will be used the effect size according to Cohen (1988). It can have three different values: (1) for a small effect size, $f^2 = 0,02$ which amounts to an $R^2 = 0,0196$ (2) for a medium effect size, $f^2 = 0,15$ which amounts to an $R^2 = 0,13$ and (3) for a large effect size, $f^2 = 0,35$ which amounts to an $R^2 = 0,26$. The desired statistical significance (α) refers to the probability of making a type I error, also known as α-error. A type I error happens when H0 is rejected while it should have been accepted. The value of the desired statistical significance is usually set at 0,05 (Cohen, 1988; Nayak, 2010). Since not much information has been found to know which f^2 should be used, this study will make use of the medium effect size. When calculating the power analysis with a power of 0,80; an effect size of 0,15 (with an $R^2 = 0,13$); two independent variables and a desired statistical significance of 0,05; the results show that a sample size of 48 respondents is needed.

The conclusion can be drawn that the required sample size should consists of at least 66 respondents.

CHAPTER 4: CASE STUDY: ESSENTIEL ANTWERP

As discussed in the very first chapter of this study, the fashion retail industry is a significant contributor to environmental degradation and social inequalities, making it imperative for businesses within this sector to adopt sustainable practices. This is the reason why, in order to answer the research question of this study, '**Does sustainability reporting and transparency in the fashion retail industry have an influence on consumer trust in a brand?'**, this study focus on the fashion retail industry. More especially, a case study of the brand Essentiel Antwerp is performed.

4.1 Introduction brand

Essentiel Antwerp, a brand where originality meets timeless elegance, is a Belgian fashion brand based in Antwerp. Their brand identity is quite luxurious. They stand for transcending the boundaries of conventional fashion style, which can be found at stores such as Zara, Mango, etc. The brand offers refreshing and elegant fashion while still being eccentric. The brand Essentiel is renowned for its graphic and floral prints, but most importantly, its colorful textiles. Their unique collections are designed to provoke an emotional response (Essentiel, 2024).

The Antwerp-based brand was founded in 1999 by founders Inge Onsea and her former husband, Esfan Eghtessadi. In 1999 Esfan and Inge launched a T-shirt collection, which were available in four styles and twenty different colors. After a year, they opened their first store in Antwerp. Four seasons later, knitwear, jackets, dresses, shirts, and trousers and an entire range of accessories were added, all in trendy colors, as this is what they stand for. In conclusion, Essentiel grew into a global and powerful brand (Essentiel, 2024).

Essentiel's mission is twofold. Firstly, they want to bring fun into fashion through a subtle mix of prints and colors at an affordable price. Secondly, they want customers to have an experience leading to dream, emotion and happiness, when diving into the Essentiel world (LinkedIn & Essentiel 2024). The company's vision is quite elaborated. They want to expand the brand's image globally through the right choice of local distribution channels. They aim to become and remain the leader in affordable fashion and at the same time, they want to increase the importance of accessories. For them it is also important to ensure constant sales dynamics. They do so by offering multiple collection's themes per year. Last but not least, they want to increase profitability by optimizing their internal processes and their supply chain (LinkedIn, 2024).

As almost every company, Essentiel also has values. They stand for passion, innovation, integrity and permanent questioning. First comes passion, they want to be passionate and enthusiastic in everything they accomplish. Secondly, they are known for innovation. They are creative and innovative all the time. Integrity comes next, with being respectful, human and fair with everyone. Lastly, nothing is due, and nothing is eternal. To stay at the top, they have to continuously question themselves (LinkedIn, 2024).

4.2 Sustainability reporting and transparency of ESSENTIEL ANTWERP

Today more than ever organizations are being more and more requested to be held accountable for the environmental impact of their business activities by openly communicating their efforts and progress towards sustainability, especially since the Bangladesh disaster (Jestratijevic et al., 2021; Del Mar Miralles-Quirós et al., 2017). As mentioned in the literature review, it's not just about customers, investors are also starting to request more non-financial information (Bose, 2020). As a result, many companies have started to show their initiatives towards sustainability. Essentiel is one of those companies. In 2020, Essentiel launched their very first sustainability report and showed the world their significant efforts in achieving more sustainability in the fashion industry. This section aims to delve into the different sustainability reports of the brand to see how they are addressing environmental challenges and how they contribute to a more sustainable future.

As just mentioned, Essentiel published their first sustainability reports in 2020. This thesis is written in the year 2024. Until now, three reports are available on the website of the brand, namely for the years 2020, 2021 and 2022. So far, 2023 has not been published yet. Additionally, the brand consecrated a whole webpage on this, which they called 'Responsibility at Essentiel Antwerp, a journey not a destination.'. On this page, both founders of the brand Inge and Esfan, discuss their commitment towards "creating a greener and more socially responsible Essentiel Antwerp" by using more responsible materials, offering trainings, using team effort to build more knowledge, and by reducing the carbon footprint. In the carbon footprint section, some graphs are shown to the stakeholders (Essentiel, 2024).

Both sustainability reports of 2020 and 2021 share the same similar layout and content. The report of 2022, use another layout which is quite vague and hard to understand if stakeholders have not taken a look at the previous reports. However, this report will be summarized in the underneath paragraphs alongside with the other two reports.

The sustainability reports start with a message from both founders of the brand, saying that it is during a panel discussion with other designers that they realized it was time to change. Secondly, the story of the brand is briefly discussed on the following pages. In this section, they explain that they joined this sustainable journey alongside with a team of experts, called Studio D, in order to guide them and make the right decisions. For them this collaboration was necessary, given the difficulty to abruptly transition away from something that had been built and operational for over two decades. Additionally, they briefly enumerate the challenges they came across and the changes made so far in the reporting year. In 2020 for example, they reduced the numbers of collections and the number of individual products. Additionally, they reconsidered their packaging to ban plastic and dropped 28% of their air transport to reduce carbon footprint. In 2021 for example, they incorporated making more responsible material choices in their product design process. Furthermore, they introduced a questionnaire to their suppliers to share details not only about the suppliers themselves, but also on their subcontractors, aiming to achieve more supply chain transparency. Impressively, in 2023, Essentiel launched their second-hand platform called RE-SSENTIEL. The last section on the brand's story discusses their commitments to the SDG's, which are summarized in table 2. Firstly, aligning with SDGs 1, 3, 5, 6, 7, 8, 10, 12 and 13, Essentiel is

contributing to a more responsible supply chain. Secondly, aligning with SDGs 12, 13, 14 and 15, they aim to use products with reduced impact. Thirdly, aligning with SDGs 3, 4, 5, 8, 9, 10, 16 and 17, the brand advocates for diversity, inclusivity and equality. Finally, aligning with SDGs 7,12 and 13, they aim to a reduced carbon footprint. The report goes then into further details on these different goals (Essentiel, 2024).

First, they delve into their goal of being a more sustainable supply chain, by confirming what has been highlighted in the literature review, namely that the fashion industry, which is clearly not the most environmentally friendly industry in the world, has faced a lot of criticism for its unsustainable practices (Fraser and Van Der Ven, 2022). As a response to this, Essentiel developed a code of conduct to guide them in their sustainability journey. This code of conduct contains principles and rules on labor practices that should be strictly followed by all suppliers of the brand, including their subcontractors. In both years 2020 and 2021, the code of conduct consisted of 13 principles such as for example; no discrimination in employment, no use of child labor, all employees should receive a living wage, no excessive working hours, waste reduction and safe working conditions. In the report of 2021, they happily explain that 97% of their suppliers signed their code of conduct. Unfortunately, in 2022 the number remains 97%. They also dedicated a section of this goal to transparency, as stakeholders wants to know where their clothes are coming from. Essentiel explains in their report that in 2020 they aimed to move their production closer to their home as a response for this call for transparency. The underneath graph shows their aim to increase the production in Europe. It is clear to see that they made some progress to reaching this goal in 2020 compared to 2019, however from 2021 onwards, the European production decreased again and reached a lower percentage than in 2019. Additionally, the same conclusion can be drawn for the countries of India and China as well as this production percentage decreased in 2020 which was a good thing, but unfortunately it quickly rose to the same level as year 2019 or reached an even higher percentage. In conclusion, Essentiel still has a long way to go if they indeed really want to relocate their production to Europe (Essentiel, 2024).
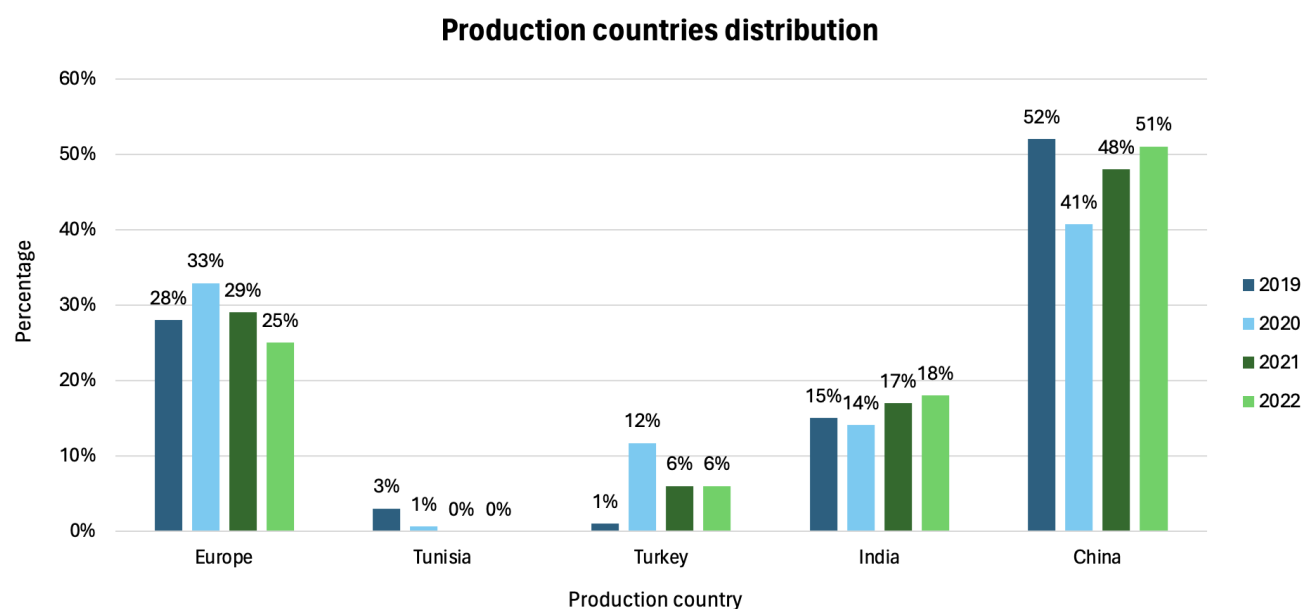

Figure 7: Production countries distribution (Essentiel, 2024)

Regarding their aim to use products with reduced impacts, they started looking for more sustainable fabrics in 2020. It is in that year that they designed the summer 2021 collection, for which 33% of sustainable materials are used. Additionally, they aim to reach 50% of sustainable fabric by 2025. However, in year 2021 when designing the fall/winter 2022 collection, they stated using 32% of more sustainable materials. And finally, in the report of 2022 they explained that the summer 2023 collection is designed with 34% of sustainable fabrics. In conclusion, no significant progress has been made yet. Some sustainable fabrics they use, as described in the reports, are; organic cotton, Eco Vero viscose and recycled materials such as mohair, polyester, viscose, wool and cotton. In the final part of this section, Essentiel discuss their latest idea, their rental revolution launched in May 2021. The name tells it all, Essentiel designed a rental collection for special occasions, which allows customers to make use over and over again of this collection, generating a lower impact on the environment (Essentiel, 2024).

Thirdly, Essentiel discusses their recruitment and talent development practices. When looking for new team members, the brand explains they prioritize those who align with their values. Over the years, their team grew significantly. Additionally, they value long-term relationships and encourage career growth. In 2021 for example, they facilitated internal career switches to give equal opportunities to all employees. Therefore, employees often move across the different departments as their skills evolve. The employees at Essentiel are very diverse. They have diverse nationalities, age groups, cultures and backgrounds including communities such as LGTBQ for example. Moreover, in 2021 Essentiel launched a collection featuring the pride to showcase diversity (Essentiel, 2024).

Finally comes the goal of carbon footprint reduction. Essentiel explains that they are aware of the significant impact of transport on CO_2 emissions. Therefore, they tried to optimize their logistic processes by prioritizing trains and boats for long distance to reduce the use of aircrafts. In 2020 they conducted trials for train transportation. Essentiel is also trying to reduce their carbon footprint by investigating the best sustainable packaging options, as mentioned earlier they already banned plastic in their packages. To reduce the total amount of paper used, Essentiel stopped producing paper look books and brochures for their collection in 2020, these are now only available online. Lastly, Essentiel is also concerned with waste management. They are strongly committed to reducing the waste generated by their business practices.

Both 2020 and 2021 reports conclude the report with some goals to be achieved by 2025. The 2022 report, on the other hand, closes the report by enumerating their top priorities for the year 2023, such as for example, further expanding the use of sustainable fabrics and materials not only for their clothes, but also for their accessories and shoes.

CHAPTER 5: DATA ANALYSIS

The aim of this chapter is firstly to clean the collected data and prepare it for the analysis. The second aim of this chapter is to describe the data, which is called descriptive statistics, before the analysis can be conducted.

5.1 Data preparation

In this section, the data will be cleaned and prepared to be ready for the analysis by making some checks to make sure the dataset is complete (missing values), valid, reliable, unidimensional and contains no errors. This will be done using a powerful statistical software called IBM SPSS in order to determine if the hypotheses of table 5 should be accepted or rejected.

5.1.1 Data cleaning

Before starting with the analysis of the questionnaire, the collected data needs to be cleaned up. In the SPSS file, some columns were left empty such as the column recipient last name, recipient first name, recipient email and external reference, as this survey was fully anonymous. These columns are deleted. Some columns are unnecessary for the analysis as they don't contain relevant information. This is the reason why the columns start date, end date, status, IP Address, progress, duration in seconds, finished, recorded date, responded, location latitude, location longitude, distribution channel and finally user language, as the survey was only distributed in English. Deleting these columns provides the researcher with a clearer view of the dataset, which makes it easier to have a look at uncomplete answers.

As mentioned in chapter 5, the survey was completed by 130 respondents. To start, all responses were checked to make sure those 130 answers were complete. Yet, in the SPSS file, it was noticeable that some rows did not answer all questions. The reason for this is because of incomplete questionnaire attempts, along with the respondents who did not consent to the collection of their data and those who did not meet the survey criteria, as they were not familiar with the brand, according to the filter question. All these respondents were removed from the dataset, to ensure data validity and reliability. Once they were removed, the survey accounted a total of 111 relevant respondents.

5.1.2 Errors and missing values check

In the statistical software SPSS, the researcher can check for errors through the use of the descriptive statistics tool by creating a frequency table for each of the variables of the survey. This frequency table provides the researcher with the number of valid responses and missing responses, but it also provides valuable information on the range of potential options by indicating the minimum and maximum values recorded. As mentioned in the survey design, the questionnaire used a five-point Liker Scale. This five-point Likert scale is the following: strongly disagree (1), somewhat disagree (2), nor disagree nor agree (3), somewhat agree (4), strongly agree (5). This means that the minimum value recorded should be equal to 1, and the maximum value recorded should be equal

to 5. If this is not the case, there is an error in the dataset, for example is the maximum is equal to 7. In the underneath table, all minimums are equal to 1, and all maximums are equal to 5 for all the different variables. In this same table, it is clear that there are no missing values for any variables, as all rows contain the value 0 for all variables. The conclusion can be drawn that in this dataset, there are no missing values or any errors. The original SPSS output can be found in the appendix 3.

	N valid	N missing	MIN	MAX
SR1	111	0	1	5
SR2	111	0	1	5
SR3	111	0	1	5
SR4	111	0	1	5
SCT1	111	0	1	5
SCT2	111	0	1	5
SCT3	111	0	1	5
SCT4	111	0	1	5
T1	111	0	1	5
T2	111	0	1	5
T3	111	0	1	5
T4	111	0	1	5
PI1	111	0	1	5
PI2	111	0	1	5
PI3	111	0	1	5
PI4	111	0	1	5

Table 6: Errors and missing values check

5.1.3 Outliers check

An outlier is an observation that seems to differ from the other observations in the dataset. It is important to identify outliers, as they can indicate bad data which can result in incorrect results (Nunan et al., 2020). A few methods are available to check for outliers, it can be checked by computing the standardized values, known as Z-score. With this method, the researcher looks at the absolute value of the standardized values with a cut-off. This cut-off depends on the number of respondents (n). If n ≤ than 80, there is an outlier detected if the standardized score is > than 4. However, if n > than 80, an outlier is detected if the standardized score is ≥ than/to 2,5 (Nunan et al., 2020). To compute the z-score in SPSS, the descriptive statistics are used again, now ticking the box 'save standardized values as variables', which will create new columns in the dataset with the z-score of all the different construct items. Another easier method to detect outlier is by drawing a boxplot in SPSS for each construct item. A boxplot is a graphical representation of some important characteristics belonging to a set of observations, in this case the construct items. The boxplot contains five different elements. The horizontal line at the top, also called a whisker, represents the maximum. The horizontal line underneath it, shows the third quartile which is followed by the median in the center of the graph. The median is surrounded by a box within which the middle 50% of the

observations fall. This is also called the interquartile range. In the lower part of the graph, the next horizontal line represents the third first quartile and finally the bottom whisker shows the maximum. (Field, 2018). Outliers can be recognized in a boxplot graph as little dots lying under, above or close to the minimum or maximum values. These dots each have a number next to them, which corresponds to the row number of the respondent who is an outlier in this survey.

A boxplot can be drawn by using the graph tool on SPSS. The result for this study is shown in figure 8. The boxplot of this research shows quite some outliers. In total, 41 outliers were found, though some of them occurred more than once for the same row number. In reality 24 outliers were present. For the construct of sustainability reporting, 5 outliers are present. This number continues to rise as the other constructs are further examined. Both constructs supply chain transparency and trust contain 7 outliers each. Finally, the construct purchase intentions shows the most outliers, namely 22. An outlier can be removed from the dataset in case it is not really representative of the population (Nunan et al.,2020). Therefore, the decision has been made to remove the following 24 rows: 1, 2 , 3, 4, 5 (occurred 3 times), 6 (occurred two times), 26 (occurred three times), 33 (occurred three times), 42 (occurred two times), 43 (occurred two times), 44 (occurred four times), 51, 59, 64, 65, 66, 70, 82, 94, 101, 102, 103 (occurred three times), 104 (occurred four times) and finally 111. After deleting the multiple outliers in the dataset, the total sample accounts now for 87 respondents.
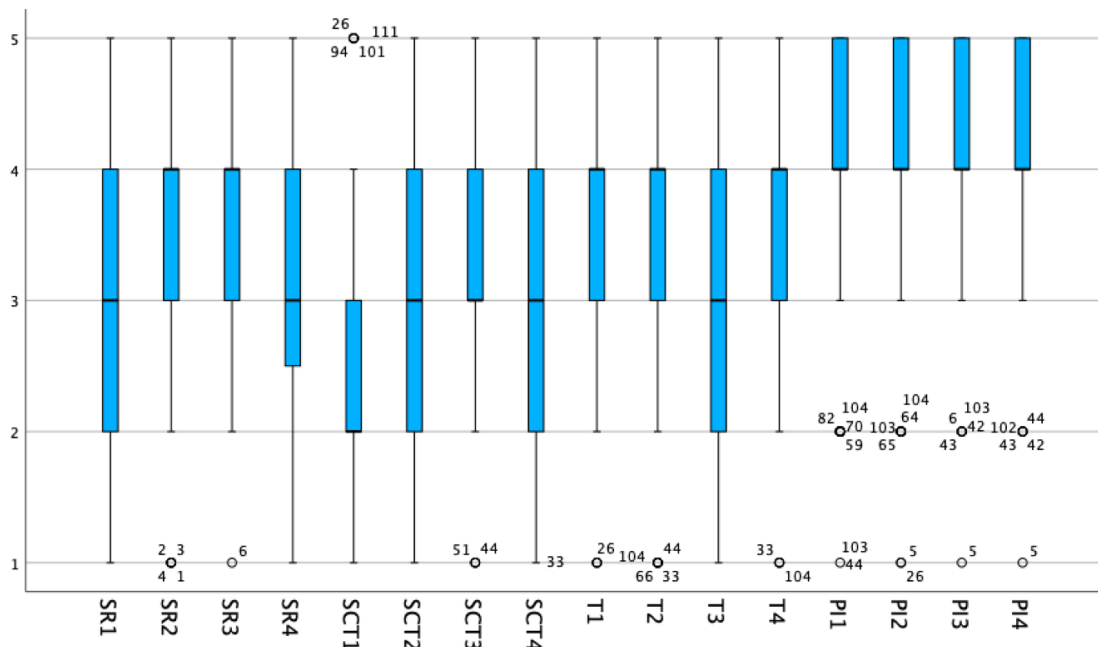
Figure 8: Outliers check

5.1.4 Data reliability check

Reliability implies that the answers to the questions will be relatively the same when measured again. To test for reliability, this paper will test for internal consistency. This is a method only applicable for reflective multi-item measurement instruments, which basically performs an analysis per construct. This internal consistency technique assesses the extent to which the various indicators lead to consistent results. There are two methods to perform this internal consistency test, and in

this paper, the method of Cronbach's alpha, also known as coefficient alpha, will be used. The Cronbach's alpha measures the average of all possible split-half correlation coefficients. This method can only be done using a statistical software, in this case SPSS. For this test, the results of the internal consistency of one specific reflective construct can vary between a range of 0 and 1, however there is a cut-off value of 0,60. When the result is minimum 0,60, this means there is enough correlation between all the different items of the construct, and thus the researcher can say all of them refer to the same reflective construct and measures are reliable (Nunan et al., 2020).

Since the survey contains four different constructs on sustainability reporting, supply chain transparency, trust and purchase intention, the Cronbach's alpha test must be performed four times for each construct. For sustainability reporting, the Cronbach's alpha just reached the cut-off value of 0,6. It is namely equal to 0,606. This can cause problem to the dataset, which will be explained further in the unidimensionality check and validity check. For the sake of the study, one construct item of sustainability reporting may be deleted. To decide if it is better to remove one construct item, an extra check can be made. When computing the Cronbach's alpha, the option 'calculate Cronbach's alpha if item deleted' can be selected. When doing this, it shows that if the construct item SR4 would be deleted, the Cronbach's alpha would go up to 0,612. This output can be found in appendix 3. Accordingly, SR4 will be deleted. Table 7 shows the different results of the Cronbach's alpha test for each construct.

Construct	Cronbach's alpha	Reliable?
Sustainability reporting (after deletion of item SR4)	0,612	Yes
Supply chain transparency	0,843	Yes
Trust	0,888	Yes
Purchase intentions	0,852	Yes

Table 7: Reliability check

Since all results of the Cronbach's alpha internal consistency test are higher than the cut-off value of 0,60 there is enough correlation between all the different items of the construct. Therefore, the conclusion can be drawn that all different construct used in this survey are reliable, keeping in mind that the item SR4 has been deleted.

5.1.5 Unidimensionality check

According to Leroi-Werelds et al. (2013), unidimensionality is the idea that there is only one main concept, known as a construct, behind a group of items. In her article, she cites the paper of Sahmer et al. (2006), who proposes a method to know if a set of items are unidimensional, also known as the Kaiser criterion (Pallant, 2020). When performing a factor analysis, unidimensional is confirmed when (1) the first eigenvalue of the output is > 1 and (2) if the second eigenvalue of the same output is < 1. Before removing the construct item SR4, all constructs were unidimensional according to the Kaiser criterion except for the construct sustainability reporting. It was causing a problem as the first eigenvalue of the item was >1 (1,90) which is good, but the second eigenvalue that must be <1 was in reality higher than 1 (1,07). As decided in the reliability check, SR4 has been removed

of the dataset, which solved this problem for the Kaiser criterion value. Table 8 recaps the obtained results for the unidimensionality test. Additionally, the SPSS output can be found in appendix 3. Based on this, the conclusion can be drawn that all four constructs now reflect unidimensionality.

	Eigenvalue 1	Eigenvalue 2	Unidimensional?
Sustainability reporting	1,72	0,79	Yes
Supply chain transparency	2,73	0,58	Yes
Trust	3,01	0,42	Yes
Purchase intentions	2,77	0,54	Yes

Table 8: Unidimensionality check

5.1.6 Data validity check

It is not enough to have reliable data, it needs to be valid as well. Validity implies that the question asked indeed measures what the researcher wants to measure. To know if this research is valid or not, different tests can be performed as well. Here, the paper focuses on construct validity, which tends to give an answer to the question "Does the measurement instrument (the items of the construct), indeed measure the construct it should measure?". In order to perform construct validity testing, the technique of convergent validity will be used. Convergent validity is checking if different measure, of which the researcher supposes they are related, actually are. This method is performed using the SPSS statistical software. When performing this test, if the answers are similar or correlated, it means that they are measuring the same underlying concept, which supports their validity (Nunan et al., 2020).

The test brought up a SPSS output, which can be found in appendix 3. However, to allow a clearer view of the output, the table was a bit adapted and can be found in table 9 on the next page. The rows 'N', as it is already known that the analysis is performed on 87 responses, and the significance level for each statement have been removed. Additionally, all items corresponding to the same construct have been highlighted in a specific color. Convergent validity allows the researcher to understand if there is a linear relationship between the different items of the construct. The values can vary between -1 (perfect negative correlation) and 1 (perfect positive correlation). When the value is positive, it indicates a positive correlation, meaning that when the first variable increases, the other variable will increase as well. If the result is equal to 0, it means there is no correlation, and so no relationship. Finally, the correlation coefficient can tell the strength of the relationships. Between 0,10 and 0,29 there is a small/weak relationship, between 0,30 and 0,49 there is a medium relationship and finally, between 0,50 and 1,00 there is a large/strong relationship (Nunan et al., 2020).

Table 9 recaps the results obtained for the validity testing for each construct item. First and foremost, the */** sign in this table shows that the correlation is significant at the 0,01 level (*) and at the 0,05 level (**). This already shows if there is a correlation between the items of the same construct (Nunan et al., 2020). As shown in table 9, all construct items show a significance sign.

	SR1	SR2	SR3	SR4		SCT1	SCT2	SCT3	SCT4
SR1	1	0,478**	0,223*	/	**SCT1**	1	0,578**	0,428**	0,570**
SR2	0,478**	1	0,367**	/	**SCT2**	0,578**	1	0,666**	0,599**
SR3	0,223*	0,367**	1	/	**SCT3**	0,428**	0,666**	1	0,616**
SR4	/	/	/	/	**SCT4**	0,570**	0,599**	0,616**	1
	T1	**T2**	**T3**	**T4**		**PI1**	**PI2**	**PI3**	**PI4**
T1	1	0,582**	0,653**	0,636**	**PI1**	1	0,538**	0,537**	0,623**
T2	0,582**	1	0,676**	0,682**	**PI2**	0,538**	1	0,511**	0,561**
T3	0,653**	0,676**	1	0,776**	**PI3**	0,537**	0,511**	1	0,757**
T4	0,636**	0,682**	0,776**	1	**PI4**	0,623**	0,757**	0,764**	1

Table 9: Validity check

For the construct sustainability reporting, all correlation coefficients are not equal to 0 and the correlation coefficient are positive, meaning there is a positive linear relationship. Before removing the item SR4, the weakest relationship could be found between SR1 (I believe I would read the sustainability report of a company that I am interested in, which is ESSENTIEL) and SR4 (I believe the reporting company, ESSENTIEL, has a genuine interest in the environment), with a correlation of 0,132 meaning there is a small/weak relationship. However, now that the item SR4 has been deleted, the weakest relationship can be found between SR1 (I believe I would read the sustainability report of a company that I am interested in, which is ESSENTIEL) and SR3 (I believe the information presented in the ESSENTIELs sustainability report is credible), with a correlation of 0,223 meaning there is a small/weak relationship. The strongest relationship is seen between SR1 (I believe I would read the sustainability report of a company that I am interested in, which is ESSENTIEL) and SR2 (I believe reading ESSENTIELs sustainability report allows me to quickly gather information on the reporting company), with a correlation coefficient of 0,478 which stands for a medium relationship.

Secondly, for the construct of supply chain transparency, all correlation coefficients are not equal to 0 and are positive, meaning there is a positive linear relationship between the items. The weakest relationship can be found between SCT1 and SCT3, with a correlation coefficient of 0,428 indicating a medium relationship. The strongest relationship here, is experienced between SCT2 (I believe ESSENTIEL is transparent and doesn't have anything to hide regarding their sustainability initiatives) and SCT3 (I believe ESSENTIELs reports are complete and do not conceal any information), with a correlation of 0,666 indicating a large/strong relationship.

The third construct trust is the first construct to have only large/strong positive relationships, there are no small/weak nor medium relationships. The strongest relationship can be found between T3 (I trust ESSENTIEL is always honest with me) and T4 (Overall I feel I can trust ESSENTIEL), with a correlation variable of 0,776.

The last construct, purchase intentions is also only showing large/strong positive relationships, with no small/weak nor medium relationships. The strongest relationship is seen between PI3 (I will

definitely try other products from ESSENTIEL) and PI4 (I will continue to be a customer of ESSENTIEL), with a correlation coefficient of 0,764.

Each statement of the four different constructs is positively correlated with each other, as all constructs show positive linear relationships, which means they are all moving in the same direction. For the validity check, the conclusion can be drawn that all different items of the different constructs indeed measure the construct they should measure, which supports their validity (Nunan et al., 2020).

5.2 Descriptive statistics

After the data cleaning and preparation are done, descriptive statistics are conducted to explore the collected data. Firstly, the survey sample will be described followed by an analysis of relevant statistics such as the mean for example.

5.2.1 Sample description

In total, 111 respondents participated in this research. The collected data shows that the survey was mostly completed by women who accounted for 95% of the respondents followed by 5% of men, as shown in figure 9.

According to the survey findings, the majority of the respondents, accounting for 66%, identified themselves as workers. 24% of those being surveyed were students, showing that a big portion is still pursuing their education. A smaller portion of the respondents, 7%, mentioned they were retired. The remaining 3% are reporting to pursue other occupations, including self-employed individuals and psychologists, showcasing the diverse range of professions represented in this questionnaire. Interestingly, no respondents reported being unemployed, which makes some sense as Essentiel is known for its higher prices. These insights are shown in figure 10.
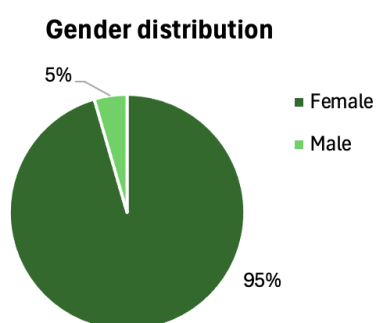
Figure 9: Gender distribution
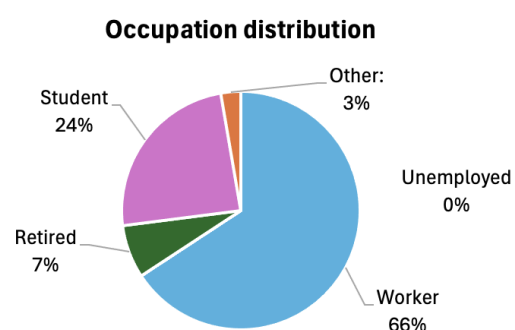
Figure 10: Occupation distribution

Out of the 111 respondents, four different age categories were clear to see, which indicated a wide range of different ages in the survey. For the first three categories, shown in figure 11 on the next page, it is noticeable that the respondents are fairly evenly distributed. Among the surveyed individuals, a notable set of respondents, totaling 35 respondents, reported being in the age category

of younger than 30 years old. This category represents a significant portion of the surveyed population, indicating a considerable presence of young individuals. Furthermore, 39 respondents reported being in the age category between 30 to 49 years old, indicating a significant presence of individuals in their active career years. The third significant category, accounted for 36 individuals aged between the category 50 and 69 years old, suggesting a notable presence of older respondents with considerable life and work experience. Finally, one last respondent reported being older than 70 years old, though this individual constitutes a minority in the survey. However, the inclusion of this respondent underscores the diversity of age groups represented in this research.
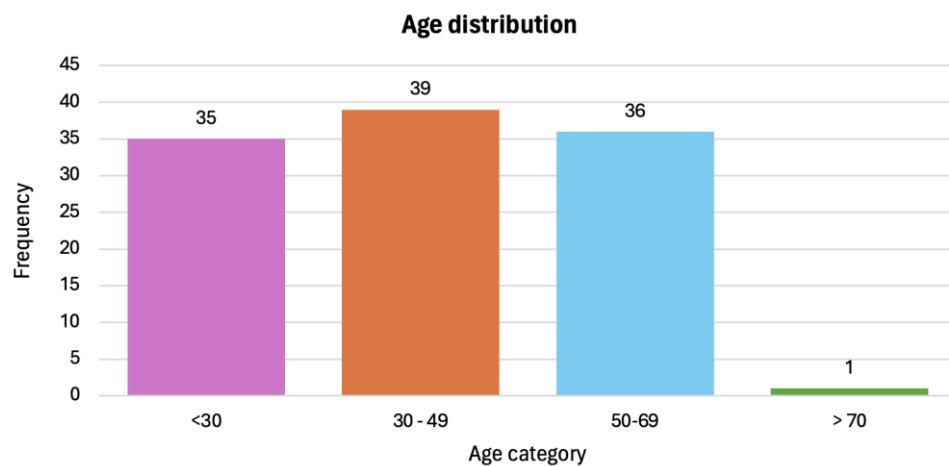
Figure 11: Age distribution

The survey reached respondents from various countries, with the majority of 104 individuals originating from Belgium, which makes sense as Essentiel is a Belgian fashion brand and is well-known in Belgium. Furthermore, the survey extended its reach to neighboring countries of Belgium, with 3 respondents from the Netherlands and 1 respondent from France. Surprisingly, this survey reached a broader range of respondents, as 1 respondent coming from Indonesia and 1 respondent from Morocco completed the survey as well. The conclusion can be drawn that the survey's international participation has highlighted the different cultures and emphasized its global reach. The graphical representation of the country distribution can be found in the underneath figure 12.
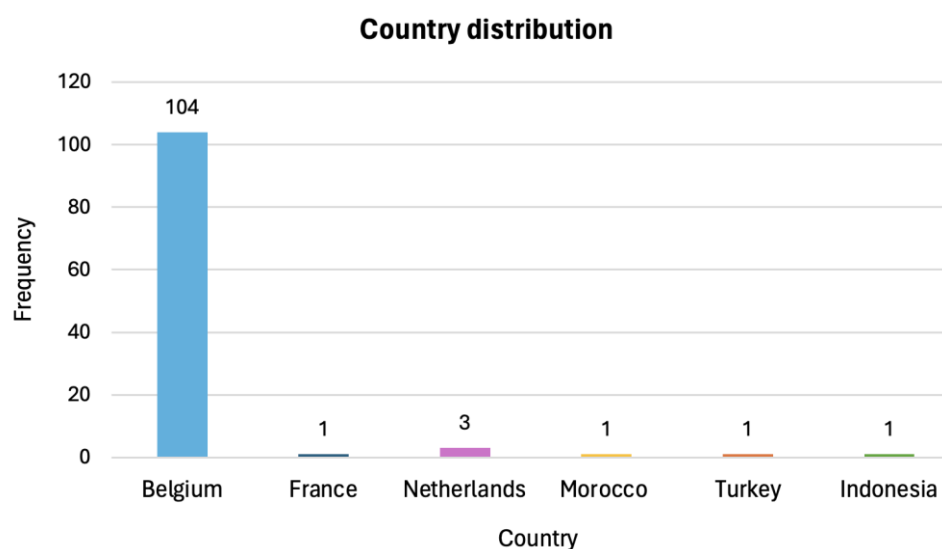
Figure 12: Country distribution

It is already known, thanks to the filter questions that all 111 respondents knew the brand Essentiel, as the filter question brought them to the end of the survey if they were not familiar with it. Furthermore, out of these 111 respondents, it was found that 89 individuals have made at least one purchase from the brand Essentiel, indicating a significant portion (80%) of engaged buyers. In contrast, the remaining 22 respondents reported they did not make a purchase yet, suggesting potential areas for further improvement in terms of marketing strategies to convert these prospects into customers. This is shown in the following figure:
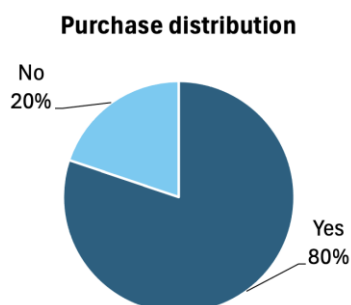
Figure 13: Purchase distribution

In the last part of this section, the answers of the questionnaire will be shortly discussed. For the sustainability reporting construct, most respondents are tending to somewhat agree with most statements, as shown in figure 14. For the first question, most respondents tend to somewhat agree with the statement followed closed by 33 respondents indicating they are nor disagreeing nor agreeing with the statement that essentiel has a genuine interest in the environment. For the second and third question, more than the half of the respondents (70 respondents) are indicating they agree with the statements concerning the credibility and the informativeness of those sustainability reports. For the last question asking if customers would read these reports, 29 respondents indicate they disagree, followed by 30 who are not sure and 52 respondents who would read it. The conclusion can be drawn that despite the many respondents are nor disagreeing nor agreeing, there is a positive sentiment towards Essentiel's sustainability reports.
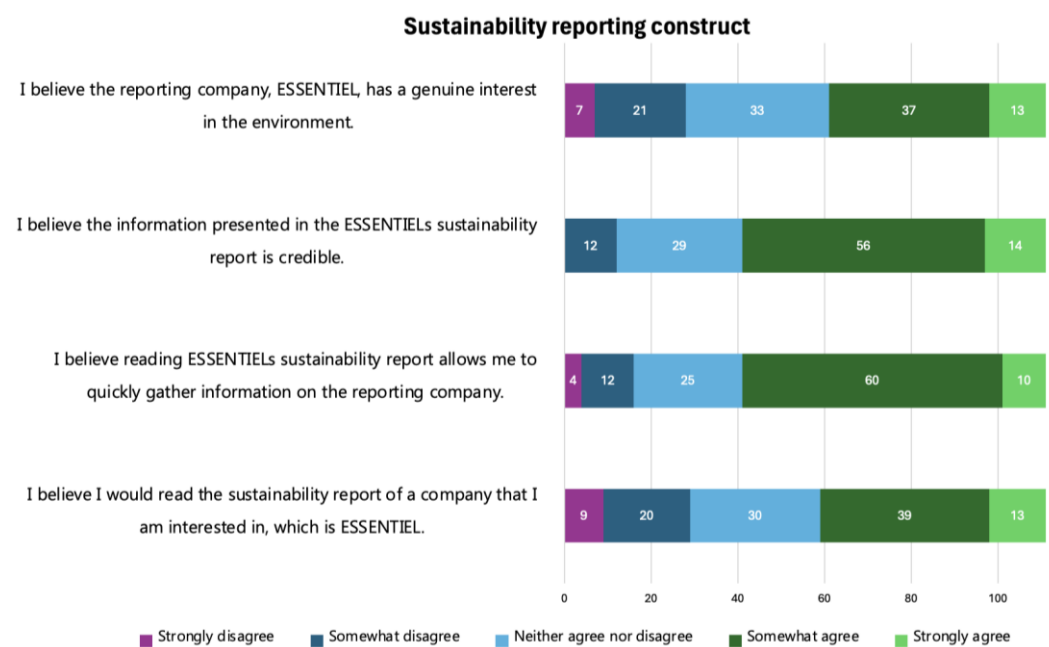
Figure 14: Answers sustainability reporting construct

For the next construct on supply chain transparency, shown in figure 15, once more it is noticeable that many respondents are nor disagreeing nor agreeing with most statements, especially for the second question, where 43% chose for this option. For the first question on the right information being provided, 41% agree with the statement while 30% indicate they disagree. On the third statement that Essentiel doesn't have anything to hide, 32% are disagreeing while on the other hand 35% are agreeing. Once more, the most answers (32%) are coming from respondents who are nor disagreeing nor agreeing. The last statement makes clear that most respondents (49%) can't easily find information on labor conditions. In conclusion, most respondents have a neutral or negative feeling towards Essentiel's supply chain transparency, except for the first statement.

Supply chain transparency construct
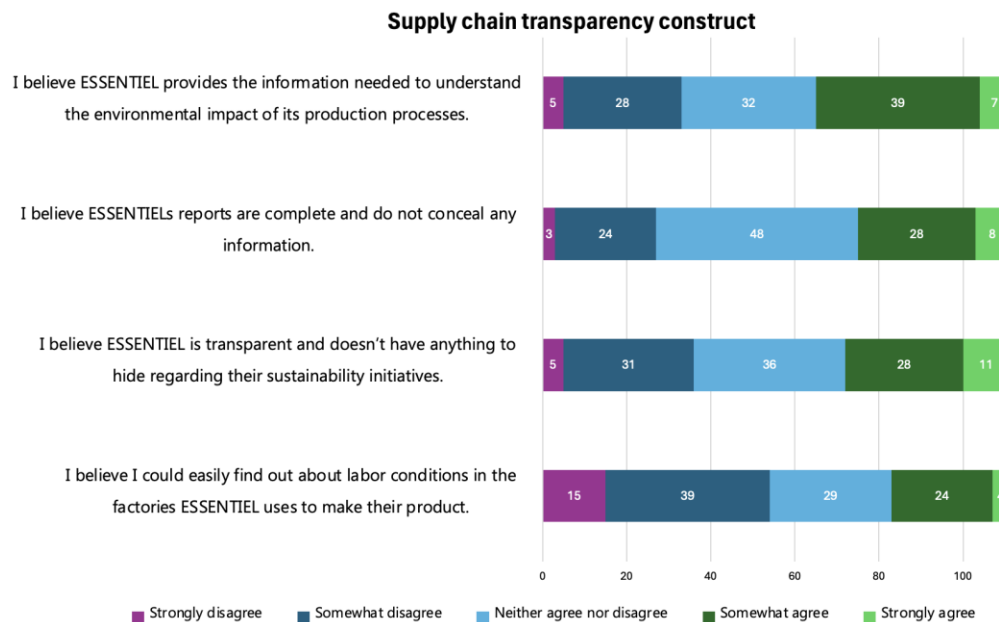
Figure 15: Answers supply chain transparency construct

The first statement indicates that more than half of the respondents (55%) agrees that they trust Essentiel overall. The same can be concluded for the last statement where even more respondents (60%), indicates they trust the brand to deliver what they promise. The second statement, I trust Essentiel is always honest with me, received the lowest level of agreement (39%), where 30 respondents (27%) are disagreeing and 38 respondents (34%) remains uncertain. 51% of the respondents indicated they agree with the third statement, I trust Essentiel has my best interest at heart. Overall, the respondents have a positive feeling and tend to trust the brand. However, some are skeptical and show uncertainty regarding whether or not Essentiel is really always honest with them, as shown in figure 16 on the next page.

Trust construct

Statement	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Overall I feel I can trust ESSENTIEL.	3	14	33	46	15
I trust ESSENTIEL is always honest with me.	6	24	38	30	13
I trust ESSENTIEL to have my best interests at heart.	5	19	30	41	16
I trust ESSENTIEL to deliver what it promises.	3	19	22	50	17
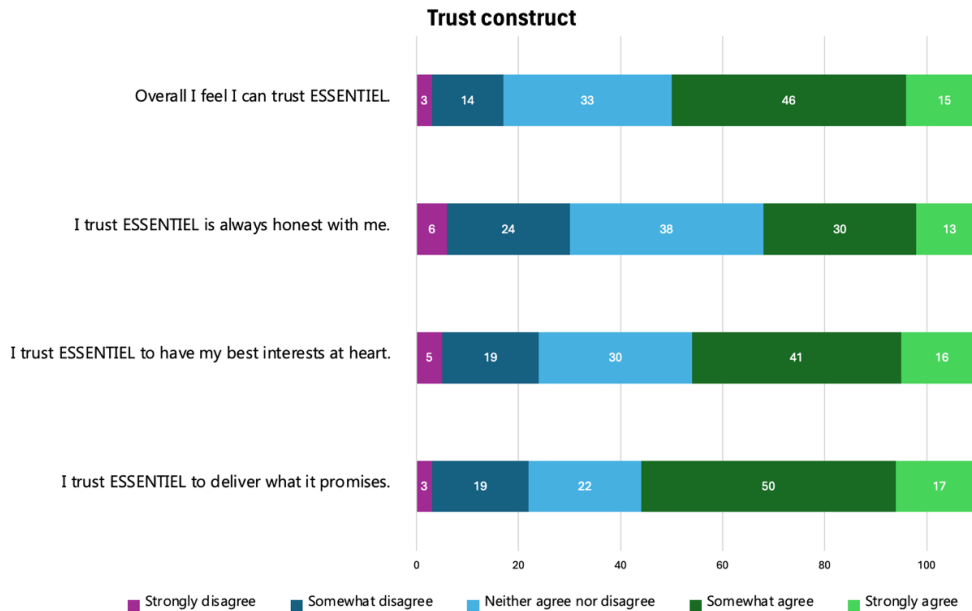
Figure 16: Answers trust construct

At the first look, it is clear to see that the most positive answers are coming from this construct. The first statement, stating that respondents will keep buying from the brand, scores pretty high. 77% of respondents are agreeing, however, 19% indicate they remain uncertain about it. 81% of respondents, which is the highest level of agreement so far, indicate they agree with the second statement and that they will try out other products from the brand. The third statement asking if respondents would suggest the brand to friends, scores the third highest, as 77% of respondents are agreeing. Here, only 17% remains uncertain and 8% is not agreeing. For the final statement, asking whether or not customers will consider the brand for the next time they buy clothes, scores the second highest, as 79% are indicating they agree. For this statement, only 11% indicate they remain uncertain, which is the lowest score in this construct. In conclusion, this construct achieved great positive scores overall where it is clear that despite a few disagreeing and uncertain respondents, the most of them will buy again and try new products from the brand.

Purchase intentions construct

Statement	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
I will continue to be a customer of ESSENTIEL	1	3	21	35	51
I will definitely try other products from ESSENTIEL.	2	3	16	42	48
I am likely to suggest ESSENTIEL to a friend.	3	6	17	52	33
I am likely to consider ESSENTIEL the next time I think about buying clothes.	1	10	12	47	41

Figure 17: Answers purchase intentions construct

5.2.2 Descriptive statistics of the constructs

The descriptive statistics of the four different constructs will be shortly discussed in this section. Descriptives also provide details on the distribution of scores on continuous variables, and this is called skewness and kurtosis, which will be explained later. Table 10 provides the mean, standard deviation, skewness and kurtosis for each construct. The SPSS output can be found in Appendix 4. Since the data preparation checks from the previous chapter confirmed the dataset's unidimensionality, validity and reliability, a variable was computed in SPSS to group all construct items belonging to the same construct together.

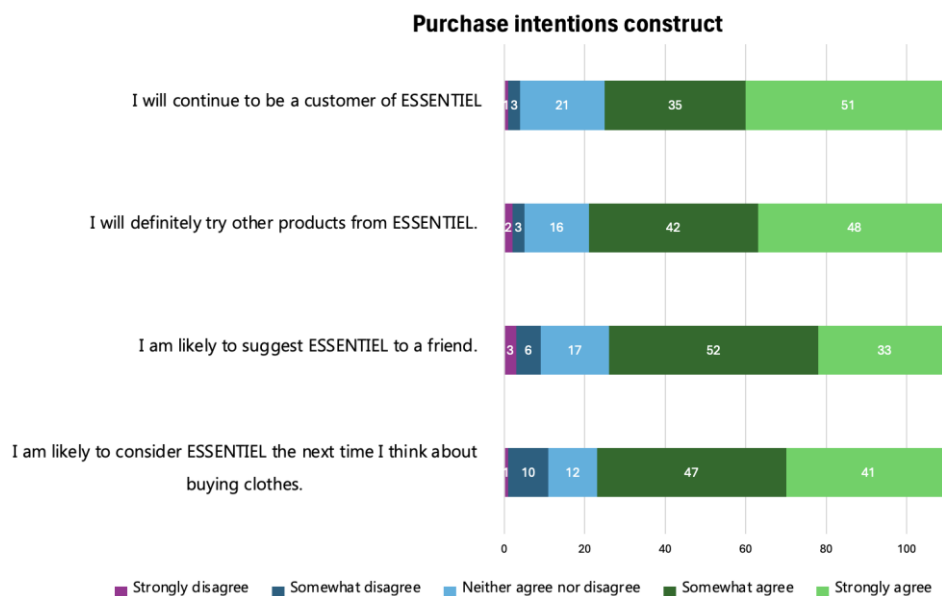|	Mean	Meaning	Standard Deviation	Skewness	Kurtosis
Sustainability reporting	3,51	Tend to somewhat agree (4)	0,68	-0,39	-0,19
Supply chain transparency	3,06	Tend to nor disagree nor agree (3)	0,80	-0,12	-0,44
Trust	3,47	Tend to nor disagree nor agree (3)	0,81	0,03	-0,66
Purchase intentions	4,24	Tend to somewhat agree (4)	0,60	-0,24	-0,73

Table 10: Descriptives statistics

As mentioned in the third chapter in the survey design section, each questionnaire construct is measured on a five-point Likert Scale, going from "1 = strongly disagree" to "5 = strongly agree". Hence, the mean values range from 1 to 5. For the construct sustainability reporting the mean is equal to 3,51. This implies that the respondents show a tendency to agree with the statements belonging to this construct. The same can be concluded for the construct purchase intentions as the mean is equal to 4,24. Unfortunately, the same conclusion cannot be drawn for both constructs supply chain transparency and trust. These two constructs show that their mean is equal to 3,06 and 3,47 respectively. This implies that the respondents show a tendency to nor disagree, nor agree with the statements from both constructs. The underneath tables allow to better understand the tendency for nor disagreement nor agreement for each separate construct item. For the construct supply chain transparency, unfortunately all items reflect the same. Namely, the respondents do not really have an opinion on these construct items, as shown in table 11.

Construct	Statement	Mean	Meaning
SCT1	I believe I could easily find out about labor conditions in the factories ESSENTIEL uses to make their product.	2,72	Tend to nor disagree nor agree (3)
SCT2	I believe ESSENTIEL is transparent and doesn't have anything to hide regarding their sustainability initiatives.	3,14	Tend to nor disagree nor agree (3)

Construct	Statement	Mean	Meaning
SCT3	I believe ESSENTIELs reports are complete and do not conceal any information.	3,18	Tend to nor disagree nor agree (3)
SCT4	I believe ESSENTIEL provides the information needed to understand the environmental impact of its production processes.	3,18	Tend to nor disagree nor agree (3)

Table 11: Descriptive statistics supply chain transparency construct

Table 12 shows the descriptive statistics for the construct trust. However, for this construct, there is only a tendency for nor disagreement nor agreement for the construct items T2 (M= 3,45) and T3 (M=3,23). For the construct items T1 (M=3,66) and T4 (M=3,56) the respondents indicated to tend to somewhat agree to these statements.

Construct	Statement	Mean	Meaning
T1	I trust ESSENTIEL to deliver what it promises.	3,66	Tend to somewhat agree (4)
T2	I trust ESSENTIEL to have my best interests at heart.	3,45	Tend to nor disagree nor agree (3)
T3	I trust ESSENTIEL is always honest with me.	3,23	Tend to nor disagree nor agree (3)
T4	Overall, I feel I can trust ESSENTIEL.	3,56	Tend to somewhat agree (4)

Table 12: Descriptive statistics trust construct

According to Pallant (2020), the skewness values indicated how symmetric the distribution is, while the kurtosis values inform about the "peakedness" of the distribution. In a perfectly normal distribution, both skewness and kurtosis values are equal to 0. In the results shown in table 10 in the previous page, most variables, except the variable trust, are showing negative skewness values, indicating a type of distribution where most values are concentrated on the right side of the distribution graph, while the left tail of the distribution graph is longer. All kurtosis values are negative, indicates a relatively flat distribution. However, despite most values being negative, they are still close to 0, which indicated a normal distribution (Pallant, 2020).

CHAPTER 6: DATA RESULTS

In this chapter, it is finally time to uncover the secrets of sustainability reporting and supply chain transparency, delving not only into their impact on trust, but also on the purchase intentions for the brand ESSENTIEL ANTWERP. The aim of this chapter is to perform a mediation analysis through the use of multiple regression analyses in order to interpret the research findings in order to draw the right conclusions regarding the hypotheses.

6.1 Regression analysis and their assumptions

Within this research, it is believed that the two independent variables sustainability reporting and supply chain transparency may have an influence on the dependent variable purchase intention through the mediating variable trust. However, it is unknown to what degree the independent variable can cause change in the dependent variable. To determine in what degree the independent variables X can cause variation in a dependent variable Y, regression analysis can be used. Regression models aim to describe the relationship between the dependent and independent variable by adding a straight line to the collected data (Nunan et al., 2020; Field, 2018). The conceptual model of figure 6 consists of two different types of regression analysis. For H1 and H3 simple linear regression will be used. On the other side, a mediation analysis through the use of regression analysis will be conducted for H2, H4 and H5.

Before conducting the linear regression analysis, some assumptions need to be checked. According to Pallant (2020), there are three major assumptions, concerning the sample size, multicollinearity, and outliers. However, Nunan et al. (2020) have two additional assumptions which will be taken into account as well. These five assumptions will be discussed in the underneath paragraphs.

The first assumption states that both the independent variable(s) and dependent variable(s) need to be measured at the continuous level. In other words, the measurement scale should be either interval or ratio. When using the Likert scale as the measurement scale, the data is considered as ordinal. However, when combining the different construct items together, as they have been identified as being reliable, valid and unidimensional, the total of the Likert scale can now be considered as interval data (Nunan et al., 2020).

The second assumption explains that there is a need for a linear relationship between the independent and dependent variable in order to perform a regression analysis (Nunan et al., 2020). To check for this relationship, a scatterplot with the option fit line total can be used. The output is shown in figure 18 and 19, where it is clear that both independent variables sustainability reporting and supply chain transparency have all separately a linear relationship with the dependent variable purchase intentions. All outputs can be found in appendix 5.
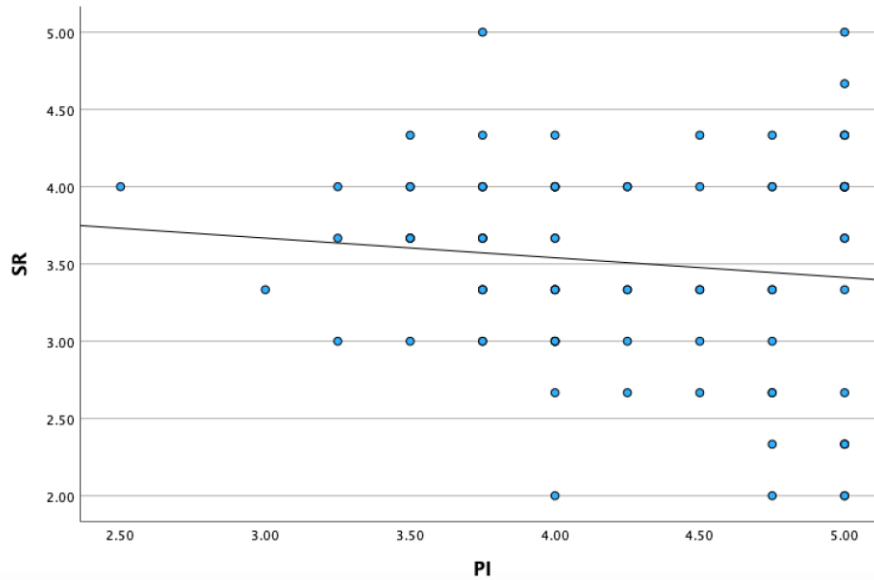
Figure 18: Scatterplot sustainability reporting and purchase intentions
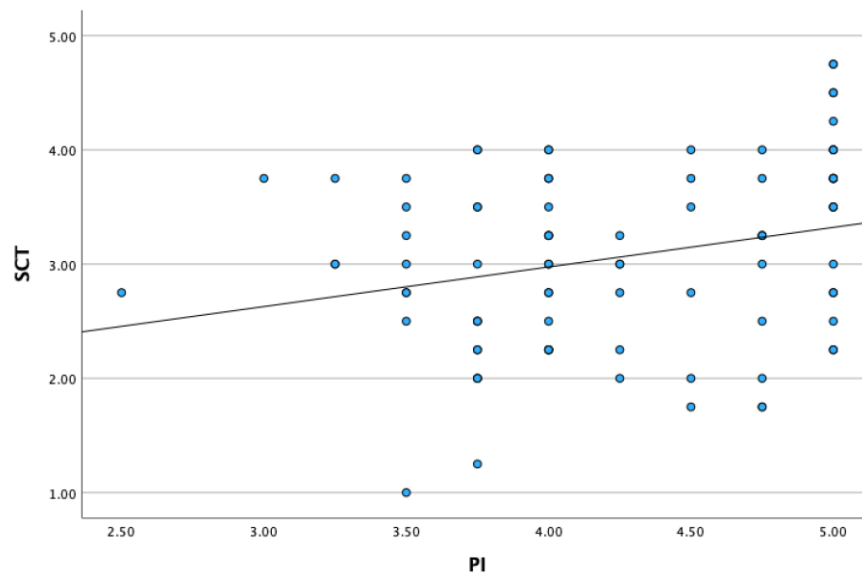
Figure 19: Scatterplot supply chain transparency and purchase intentions

The third assumption explains that the right sample size is needed. As previously calculated in chapter 3 under section sample size estimation, the formula of Tabachnick and Fidell (2013) were used to calculate the sample size. In this case, since the conceptual model contains two independent variables, the needed sample size N is equal to at least 66 respondents (50 + 8*2) (Pallant, 2020). This survey reached 111 respondents. Hence, the conclusion can be drawn that the sample size will not cause any problems in this research.

The fourth assumption only needs to be checked for multiple linear regression as with this assumption, the correlation between the different independent variables should be analyzed. In a simple regression, there is only one independent variable, therefore it is not necessary to be checked.

This second assumption mentions that multicollinearity cannot be present between the different independent variables. Multicollinearity exists when the independent variables are highly correlated with other, in other words when r is higher than 0,7. As shown in table 13, the correlation between both independent variables sustainability reporting and supply chain transparency are not causing a problem for the regression analysis as the values are lower than 0,7 (Pallant, 2020). Keep in mind that as explained previously, all different construct items are now regrouped to one construct.

Correlation	Sustainability reporting
Supply chain Transparency	r = 0,288** (**=Significant at the 0,01 level)

Table 13: Correlation between the independent variables

The final assumption explains that outliers may affect the results of the regression analysis, therefore, a check needs to be made to ensure that no outliers are present in the dataset (Pallant, 2020). As mentioned during the data preparation section, 24 outliers were identified and removed to avoid unusual responses. Hence, the underneath boxplot graphs confirm that all outliers have been removed. This can be seen in the figure 20 and in appendix 5.
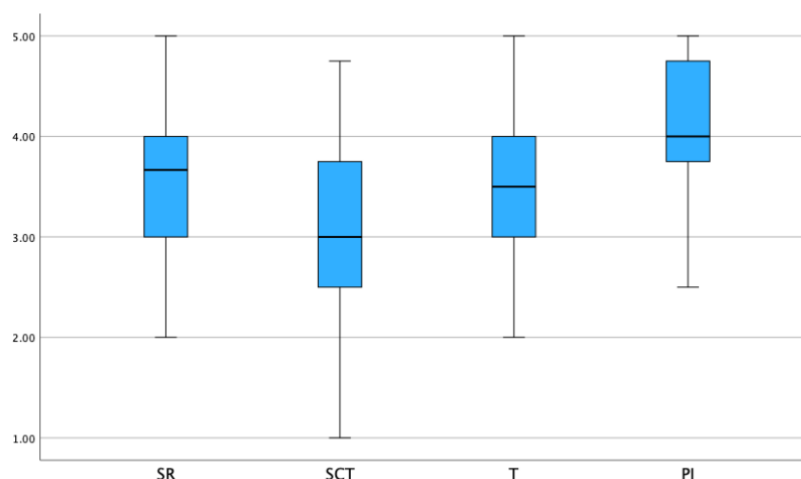
Figure 20: Boxplot for the outliers check

In conclusion, all three assumptions from Pallant (2020) and Nunan et al. (2020) have been checked and the researcher may proceed to conducting the necessary regression analyses to accept or reject the hypotheses.

6.2 Mediation and multiple regression analysis

The concept of multiple regression analysis is very similar to the simple regression analysis, however in this case we have more than one independent variable to explain the variance of the dependent variable. Variance helps to see how well the model fits the data and how much each independent variable contributes to that fit (Bougie & Sekaran, 2020). In this research, two multiple regression analysis with mediation will be performed. Mediation happens when a mediating variable is present in the model. This variable explains how or why the outcome variable is influenced by the predictor variable (Gunzler et al., 2013).

The first multiple mediated regression will be conducted with the independent variable supply chain transparency (X), mediating variable trust (M) and the dependent variable purchase intentions (Y) for H1, H2 and H4. Next, the same multiple mediated regression will be conducted with the independent variable sustainability reporting (X), mediating variable trust (M) and the dependent variable purchase intentions (Y) for H3, H4 and H5. The multiple regression equation is shown in the following table:

$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + ... \beta_mX_m + \varepsilon$	
Y	Dependent variable
α	Intercept
βi	Regression coefficient of independent variable i
Xi	Independent variable i
ε	Error term

Table 14: Table: Multiple regression equation (Bougie & Sekaran, 2020)

Before the mediation analysis is conducted, a correlation check must be made. All the variables in the mediation analysis must have a relationship between them. Therefore, the correlation of both mediation analyses will be tested using the Pearson correlation, where 0 indicates no relationship. These correlations, as explained in chapter 5, also tell the strength of the relationships. Between 0,10 and 0,29 there is a small/weak relationship, between 0,30 and 0,49 there is a medium relationship and finally, between 0,50 and 1,00 there is a large/strong relationship (Nunan et al., 2020). Table 15 concludes that all variables have a relationship with each other, however many of them show only a weak relationship, except both variables supply chain transparency and trust who show a strong relationship.

	SR	SCT	T	PI
SR	1	0,288**	0,146	-0,114
SCT	0,288**	1	0,673**	0,262*
T	0,146	0,673**	1	0,294**
PI	-0,114	0,262*	0,294**	1

Table 15: Correlation between all variables

6.2.1 Multiple mediated regression with independent variable supply chain transparency

Before the mediation analysis is conducted, the normality should be assessed. This can be done by looking at the normal probability plot, which is automatically conducted by SPSS when performing a regression analysis. Figure 21 shows the normality between IV supply chain transparency and DV purchase intentions. Figure 22 shows the normality between IV supply chain transparency and MV trust. Both figures 21 and 22 show that the residuals seem to be normally distributed (Nunan et al., 2020).
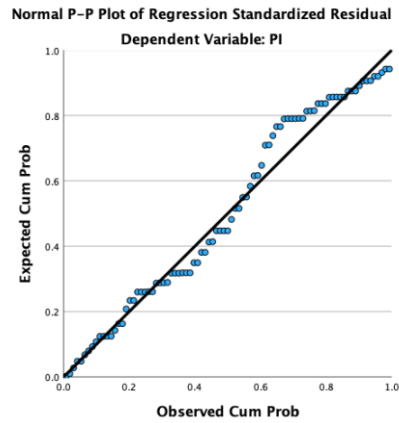
Figure 21: P-plot SCT and PI
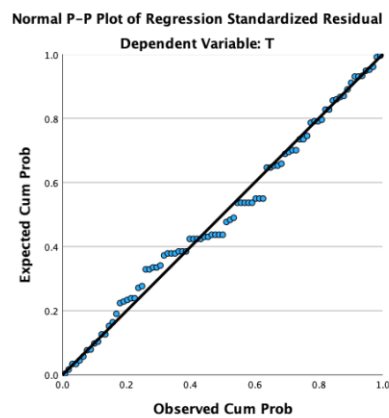
Figure 22: P-plot SCT and T

The following model recaps the conceptual model from figure 6 elaborated in chapter 2 and allows a clearer view of the multiple mediated regression that will be conducted in this section. The objective of mediation analysis is to test the statistical significance of the indirect effect (path a*b). The direct effect of X on Y controlling for M is shown through path c (Fairchild and McDaniel, 2017).
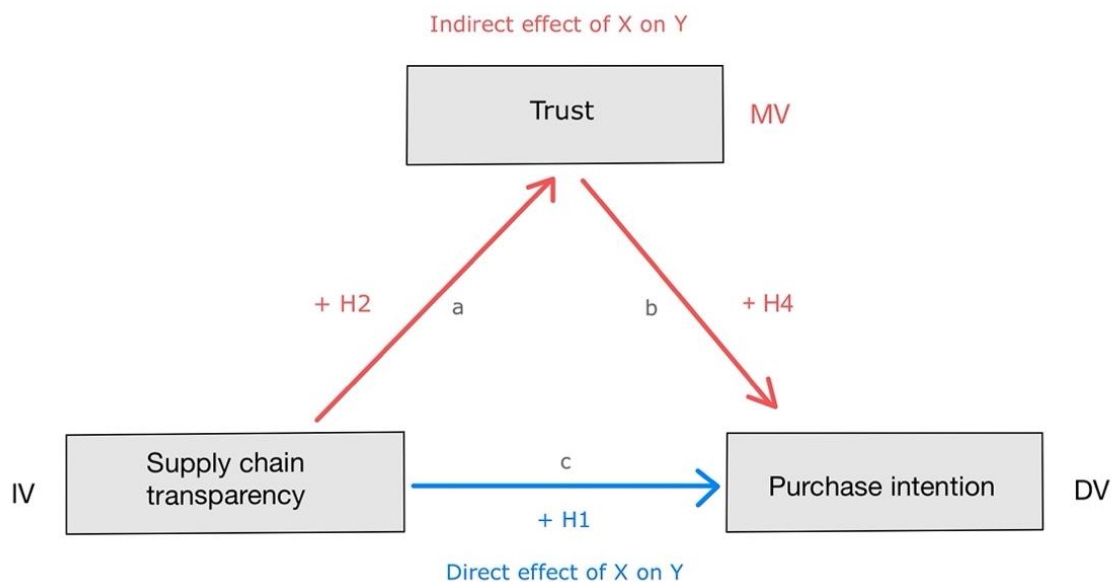
Figure 23: Mediated regression model with IV supply chain transparency

Another requirement before actually conducting the mediation analysis is to make sure that (1) IV SCT statistically significantly affects the DV PI, (2) IV SCT statistically significantly affects the MV T and (3) the MV T statistically significantly affects the DV PI. Therefore, three simple linear regressions are conducted. The SPSS output can be found in appendix 6. Table 16 shows that all three requirements have been achieved, as all variables are statistically significant (Fairchild and McDaniel, 2017). The mediation analysis may therefore be conducted.

Simple linear regression 1					
	Unstandardized B	**Coefficients Std. Error**	**Standardized Coeff. Beta**	**t**	**Significance**
(Constant)	3,631	0,250		14,507	<0,001
SCT	0,199	0,079	0,262	2,507	0,014
Dependent variable purchase intentions					
Simple linear regression 2					
	Unstandardized B	**Coefficients Std. Error**	**Standardized Coeff. Beta**	t	**Significance**
(Constant)	1,396	0,256		5,459	<0,001
SCT	**0,680**	**0,081**	0,673	8,398	<0,001
Dependent variable trust					
Simple linear regression 3					
	Unstandardized B	**Coefficients Std. Error**	**Standardized Coeff. Beta**	t	**Significance**
(Constant)	3,473	0,277		12,527	<0,001
T	0,220	0,078	0,294	2,834	0,006
Dependent variable purchase intentions					

Table 16: Mediation analysis requirements IV Suppply chain transparency

The first step is to estimate the total direct effect between IV and DV with the help of a linear relationship. A simple linear regression was already performed for the requirements and therefore the results can be found in table 16 'simple linear regression 1'. The direct effect of IV supply chain transparency on DV purchase intentions is known, and additionally, it is statistically significant. Therefore, the total effect is significant, and the researcher may proceed to the second step.

The second step is to estimate the direct effect between IV supply chain transparency and MV trust, which is path a in figure 23. Once again, a linear regression was already performed for the mediation requirements and these results can be found in table 16 under title 'simple linear regression 2'. The direct effect between supply chain transparency and trust is known, and additionally, it is statistically significant so the next step can be performed.

The third step aims to estimate the indirect effect of the IV on DV, which is path c, while controlling for the indirect effect of MV on DV, which is path b. Since two predictor variables are now used, IV supply chain transparency and MV trust, multiple regression will be used. The results of the multiple

regression are shown in table 17. At this stage, all the required terms are known in order to estimate the indirect effect, and to test this indirect effect for statistical significance. Unfortunately, for the IV supply chain transparency, the unstandardized beta has a weight of 0,089 but is not statistically significant as the p-value of 0,403 is > than 0,05. Moreover, there is no statistically significant direct effect between supply chain transparency and purchase intentions, while controlling for trust. Additionally, the MV trust shows no statistically significant effect according to table 17. It is likely that the indirect effect through the complete mediation of the variable trust will be statistically significant, but before making that conclusion, the indirect effect (path a*b) must be tested in step 4.

	Unstandardized B	Coefficients Std. Error	Standardized Coeff. Beta	t	Significance
(Constant)	3,407	0,289		11,802	<0,001
SCT	0,089	0,106	0,118	0,841	0,403
T	**0,161**	**0,105**	0,214	1,525	0,131
Dependent variable purchase intentions					

Table 17: Mulitple regression with IV SCT

Step four uses an online website called Quantpsy (Preacher, 2010) to perform the Sobel test in order to test the indirect effect (a*b) through the mediating variable trust on purchase intentions for statistical significance. All required values that needs to be entered in the Sobel test have been highlighted in blue in the tables 16 and 17. Table 18 summarizes the Sobel test results. The Sobel test ended up not being statistically significant.

	Test statistics	Standard error	p-value
Sobel test	1,50838	0,07258118	0,1314573

Table 18: Sobel test results for IV SCT

In conclusion, there is a total direct effect of IV supply chain transparency on DV purchase intentions as shown in table 16. Additionally, as shown in table 16, there is a direct effect between supply chain transparency and trust as this regression showed a statistical significance. Unfortunately, the Sobel test, which investigated if the independent variable supply chain transparency had an indirect effect through the mediating variable of trust on purchase intentions, resulted in a not being statistically significant. Therefore, the conclusion can be drawn that there is no indirect relationship through the mediating variable trust on the DV purchase intentions.

6.2.2 Multiple mediated regression with independent variable sustainability reporting

Before the mediation analysis is conducted, the normality should be assessed. Figure 24 shows the normality between IV sustainability reporting and DV purchase intentions. Figure 25 shows the normality between IV sustainability reporting and MV trust. Both figures 24 and 25 show that the residuals seem to be normally distributed (Nunan et al., 2020).

Normal P–P Plot of Regression Standardized Residual
Dependent Variable: PI

Figure 24: P-plot SR and PI

Normal P–P Plot of Regression Standardized Residual
Dependent Variable: T

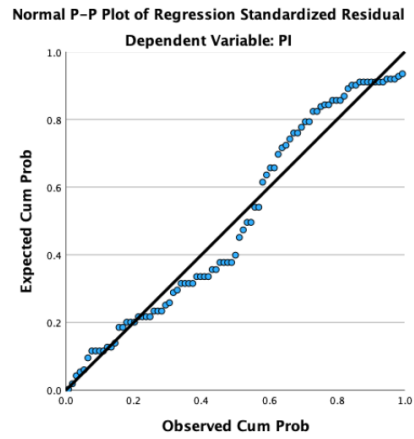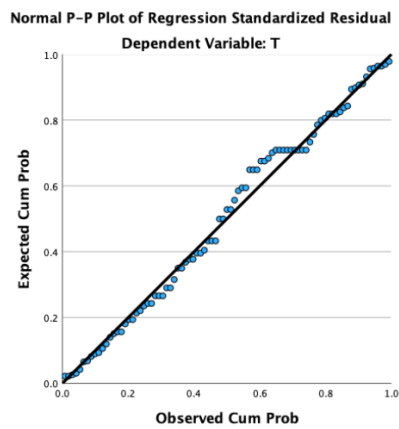*Figure 25: P-plot SR and T*

The following model recaps the conceptual model from figure 6 elaborated in chapter 2 and allows a clearer view of the multiple mediated regression that will be conducted in this section. The objective of mediation analysis is to test the statistical significance of the indirect effect (path a*b).
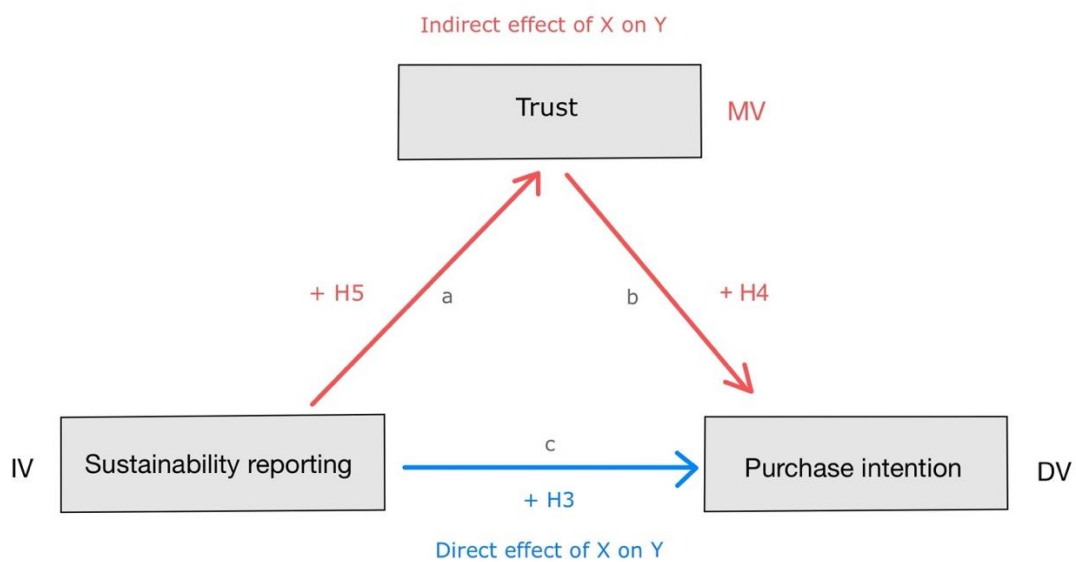

Figure 26: Mediated regression model with IV sustainability reporting

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Another requirement before actually conducting the mediation analysis is to make sure that (1) IV SR statistically significantly affects the DV PI, (2) IV SR statistically significantly affects the MV T and (3) the MV T statistically significantly affects the DV PI. Therefore, three simple linear regressions are conducted. The SPSS output can be found in appendix 6. Table 19 shows that not all three requirements have been achieved, as not all variables are statistically significant (Fairchild and McDaniel, 2017). Simple linear regression 1 and 2 from table 19 shows that there is no statistically significance between (1) sustainability reporting and purchase intentions and (2) sustainability reporting and trust as both p-values are > 0,05. The mediation analysis for IV sustainability reporting through the MV trust on DV purchase intentions may therefore not be conducted.

Simple linear regression 1					
	Unstandardized B	**Coefficients Std. Error**	**Standardized Coeff. Beta**	**t**	**Significance**
(Constant)	4,595	0,344		13,357	<0,001
SR	-0,102	0,096	-0,114	-1.055	0,295
Dependent variable purchase intentions					
Simple linear regression 2					
	Unstandardized B	**Coefficients Std. Error**	**Standardized Coeff. Beta**	**t**	**Significance**
(Constant)	2,866	0,277		6,274	<0,001
SR	0,220	0,078	0,146	1,356	0,179
Dependent variable trust					
Simple linear regression 3					
	Unstandardized B	**Coefficients Std. Error**	**Standardized Coeff. Beta**	**t**	**Significance**
(Constant)	3,473	0,277		12,527	<0,001
T	0,220	0,078	0,294	2,834	0,006
Dependent variable purchase intentions					

Table 19: Mediation analysis requirements IV Sustainability reporting

In conclusion, there is no total direct effect between IV sustainability reporting and DV purchase intentions, as the regression resulted not being statistically significant as shown in table 19. Therefore, no mediation analysis could be conducted as this is a condition to perform the analysis (Fairchild and McDaniel, 2017). Which means in this case study, there is no direct effect between sustainability reporting and trust and also no indirect relationship through the mediating variable trust on the DV purchase intentions.

CHAPTER 7: CONCLUSION

Before this chapter goes straight to the conclusions made based on the previous chapter, please keep in mind that these results should be interpreted only for the brand Essentiel Antwerp. These results and conclusions are not applicable for any other brand or context.

The purpose of this master's thesis was to conduct research on SDGs, and more especially on sustainability reporting and supply chain transparency. Moreover, a case study was performed focusing on the brand Essentiel Antwerp. Consequently, the central research question was the following:

'Does sustainability reporting and supply chain transparency in the fashion retail industry have an influence on consumer trust in a brand and indirectly affect the purchase intentions?'

The following conclusions have been drawn based on the previous chapter and are discussed in detail. Additionally, these hypotheses conclusions are summarized in table 20 on the next page.

Supply chain transparency => purchase intentions

H1: There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's purchase intention.

A linear regression established that supply chain transparency could significantly predict the purchase intentions of customers from the brand Essentiel, as the p-value was lower than 0,05. As the predictor supply chain transparency increases with 1 unit, the dependent variable purchase intentions will increase by 0,199. In other words, there is a positive relationship between Essentiel's commitment to supply chain transparency and the consumer's purchase intention. Therefore, H1 is **supported.** The regression equation of H1 is the following: Y = 3,631 +0,199 * supply chain transparency + 0,079

Supply chain transparency => trust

H2: There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's trust in a brand.

A linear regression established that the brand's supply chain transparency has an effect on the consumer's trust in Essentiel, as the p-value was lower than 0,05. As the predictor supply chain transparency increases with 1 unit, the dependent variable trust will increase by 0,680. In other words, there is a positive relationship between Essentiel's commitment to supply chain transparency and the consumer's trust in the brand. Therefore, H2 is **supported**. The regression equation of H2 is the following: Y = 1,396 +0,680 * supply chain transparency +0,081.

Sustainability reporting => purchase intentions

H3: There is a positive relationship between a brand's sustainability reporting and the consumer's purchase intention.

A linear regression analysis established that Essentiel's sustainability reporting had no effect on the purchase intentions of their customers, as there was no statistical significance. Therefore, H3 is **not supported.**

Trust => Purchase intentions

H4: There is a positive relationship between consumer's trust in a brand and the consumer's purchase intention.

A linear regression and a Sobel test, once again established that unfortunately, there is no indirect relationship between the consumer's trust in a brand and their purchase intentions. Therefore, H4 is **not supported.**

Sustainability reporting => Trust

H5: There is a positive relationship between the brand's sustainability reporting and the consumer's trust in a brand.

A final linear regression established that there was no direct effect between Essentiel's sustainability reporting and the consumer's trust in their brand as it resulted not being statistically significant. Therefore, H5 is **not supported**.

Hypotheses		Result
H1	There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's purchase intention.	Supported
H2	There is a positive relationship between a brand's commitment to supply chain transparency and the consumer's trust in a brand.	Supported
H3	There is a positive relationship between a brand's sustainability reporting and the consumer's purchase intention.	Not supported
H4	There is a positive relationship between consumer's trust in a brand and the consumer's purchase intention.	Not supported
H5	There is a positive relationship between the brand's sustainability reporting and the consumer's trust in a brand.	Not supported

Table 20: Hypotheses result

To know wether or not the research question has been answered, please have a look at the next page.

7.1 Answer research question

'Does sustainability reporting and supply chain transparency in the fashion retail industry have an influence on consumer trust in a brand and indirectly affects the purchase intentions?'

When looking back at the research question, the following answer can be provided:

Supply chain transparency

This study has proven that Essentiel's commitment and dedication to supply chain transparency positively influences consumer purchase intentions. Moreover, when customers are aware of the brand's efforts towards transparency in its supply chain, their likelihood to purchase products from Essentiel increases. Additionally, this research demonstrated that Essentiel's commitment to supply chain transparency is positively affecting the consumer's trust in the brand as well. By being more transparent on their supply chain practices, Essentiel is demonstrating being integer, ethical and accountable. As discussed in the literature review of this research, these advantages from Schäfer et al. (2023) leads to the enhancement of a consumer's trust in the brand. These findings highlight the importance of being commited to supply chain transparency as a key driver of consumer's trust and indirectly in their purchase intentions.

Sustainability reporting

In the case of Essentiel Antwerp, the study has proven that there was no relationship between their sustainability reporting and the consumer's trust in the brand. This suggest that consumers may evaluate a brand's trustworthiness based on others factors than just sustainability reporting. Therefore, if Essentiel wants to enhance the trust of their customers, they should focus on more factors than only sustainability reporting. Additionally, this study demonstrated there was no relationship between Essentiel's sustainability reporting and their consumer's purchase intentions. This may suggest that Essentiel's consumers may simply not prioritize or care about the brand's sustainability reporting in general when making purchase decisions. In conclusion, the brand's disclosure of their sustainability initiatives was not sufficient to influence the overall consumer behaviour.

Trust

Lastly, the study demonstrated that there was no relationship between consumer's trust and their purchase intentions for the brand Essentiel. While trust is an important element for building strong relationships between Essentiel and their customers, this finding suggests that trust alone may not be the only determinant of the consumer's purchase intentions. Other factors such as product quality and price are likely to play a higher role in the customer's purchase decisions as well.

In conclusion, although many of the hypotheses formed could not be supported due to no statistical significance, the researcher still believes this research to be insightful on this SDG quest toward more sustainability and transparency in the fashion industry.

CHAPTER 8: LIMITATIONS, FUTURE RESEARCH AND MANAGERIAL IMPLICATIONS

This final chapter focuses on the limitations encountered when conducting this research, on the formulation of suggestions for possible futher research and lastly on the managerial implications.

8.1 Limitations and future research

The first limitation encountered was that this research focused only on one specific industry and one specific brand. In other words, no comparison was made between different sectors/brands as it was not possible to delve deeper into each specific sector/brand. Not making a comparison between different sectors/brands might make it harder to use the study's findings for all kinds of businesses. A possible recommendation for future research could be to select one specific industry and to select a few brands in order to make comparisons. According to the researcher this seems to be the best compromise that simultaneously takes into account the broad scope of the research and allows the researchers to delve deeper into the subject. A comparison between brands, would allow a better understanding on the different brand's approaches to sustainability reporting and supply chain transparency, as each brand may have its own way of reporting. By comparing them, the researcher could see what works well and what does not.

The second limitation encountered is that fiscal year 2024 will be the first year in which business will be required to share corporate information concerning environmental and social issues as discussed in the literature review. Before this, sustainability reporting was only a voluntary step companies could take towards enhanced sustainability and transparency for their stakeholders. Therefore, the results of this study may still change when the regulations actually come into force. A recommendation for future analysis could be to wait a few years and allow the customers to understand the importance of sustainability reporting before asking them again. This would provide a more accurate reflection on how businesses comply with the new regulations and offer insights into the evolution of the disclosure of corporate information concerning environmental and social issues.

The third limitation experienced in this study was that many respondents neither disagreed nor agreed with some survey statements. This neutral response can possibly indicate lack of clarity in the survey questions, which can results in making it hard for the researcher to interpret what the results really mean and how useful they are. Additionally, many hypotheses resulted is not being supported as their data did not appeared to be significant. This could be linked to this uncertainty of respondents when they didn't disagree nor agree with the survey questions. To fix this, future research should firstly work on making the questions clearer to make them easier to understand. In this study, one construct item had to be removed, therefore it seems to be a good idea to remove the SR4 statement and replace it by another meaningful question. Additionally, before sending out the survey with these adapted questions, it could be a good idea to test this questionnaire with a small group to see if less neutral responses are given. Another recommendation linked to this limitation could be to use a mixed-method approach by combining the survey with a qualitative interview or focus groups to better understand the nuances behind the respondent's answers.

The fourth limitation encountered was the language barrier. This online survey was only conducted in English, leading to a significant number of people making attempts to answer the questionnaire but who quickly gave up. This could be a problem, as it may introduce bias by excluding non-English speakers from the sample, which could potentially limit the generalizability of the findings. Future research could consider conducting survey in extra languages such as French and Dutch to address this limitation. By distributing the questionnaire in multiple languages, a wider range of information could be gathered, which can help to better understand what consumers think about the brand's sustainability reporting and supply chain transparency.

8.2 Managerial implications

This research provides valuable insights for many brands in the fashion industry on sustainability reporting and supply chain transparency, which can guide managerial decisions in the industry. By following these recommendations, not only can Essentiel Antwerp, but also various other fashion brands, improve their market position, gain more consumer trust, and enhance purchase intentions even more by being clear and transparent about their supply chain and sustainability practices. After all, the customers are the foundations of every brand, without them, no brand can make money and achieve success. Customers nowadays want to contribute to a more ethical and environmentally friendly fashion industry. For them, choosing a brand that **prioritizes** these values is crucial. Therefore, managers should take the following recommendations into account:

This research provides valuable insights for managers in the fashion retail industry, who are considering the importance of sustainability reporting and supply chain transparency. This research proves that managers should prioritize supply chain transparency. This study supports that supply chain transparency significantly increases not only the customer's purchase intentions, but also the consumer's trust. Therefore, managers should prioritize the development and communication of their transparency supply chain practices furthermore, if they already don't do so, in order to positively influence the consumer's buying behavior in general. They could do so by focusing on transparency initiatives. Moreover, the managers of fashion brands could implement detailed and regular reporting on their supply chain transparency practices by for example provide detailed information on their sourcing information to customers about where materials are sourced, how products are manufactured and the labor conditions. Just like Essentiel Antwerp did by hiring Studio D, managers of similar fashion brands could ask for help regarding their sustainable journey by hiring a team of experts on the topic to guide them and make the right decisions. Effective communication of supply chain transparency initiatives can significantly build consumer trust and enhance purchase intentions. To maximize reach and impact, the communication on these initiatives should be shared across multiple channels. Firstly, companies could dedicate a section on their website that details the supply chain transparency initiatives. Like Essentiel Antwerp, they could include detailed reports and visuals such as infographics and videos to make the information more accessible and engaging. Secondly, these initiatives should also be shared on all social media platforms of the company by, for example, sharing regular updates on the company's efforts in supply chain transparency. Thirdly, managers could decide to incorporate information about supply chain transparency in regular email

newsletters, where they could highlight recent updates and achievements. Lastly comes in-store communication. The fashion brand could display their reports at the checkout counter to inform the customer while waiting for his/her purchase to be packed. Additionally, a summary of these reports could be given in each shopping bag and why not add a QR code on the customer's receipt leading to the full report could be a good idea to catch the attention of the customers.

Secondly, managers should re-evaluate the current practices regarding sustainability reporting, as the study found no significant relationship between sustainability reporting and consumer's trust nor between sustainability reporting and the consumer's purchase intentions. This suggests that simply reporting on sustainability efforts may not be sufficient to positively influence the consumer's buying behavior in general. Therefore, it may be a good idea to integrate sustainability reporting with consumer interests. By that is meant that company's should focus on the sustainability issues that matter most to their customers. They can do so by conducting surveys to understand the priorities of their customers and, accordingly, adjust their way of reporting. Additionally, they could enhance their communication on sustainability reporting by using various channels to describe their sustainability efforts as described in the first recommendation.

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APPENDIX 1 : Survey questions proposal, coding and sources

Construct	Question	Answer format	Source
GDPR	Do you agree to participate in the survey and allow your data to be collected?	Yes No =>end survey	
General	Do you know the brand ESSENTIEL ANTWERP?	Yes No =>end survey	/
	Have you ever made a purchase from, or are you a (regular) customer of, the brand ESSENTIEL ANTWERP?	Yes No	/
Sustainability reporting (Independent variable, X1)	Do you agree with the following statements: • I believe I would read the sustainability report of a company that I am interested in, which is ESSENTIEL. (SR1) • I believe reading ESSENTIELs sustainability report allows me to quickly gather information on the reporting company. (SR2) • I believe the information presented in the ESSENTIELs sustainability report is credible. (SR3) • I believe the reporting company, ESSENTIEL, has a genuine interest in the environment. (SR4)	5 Point Likert scale: Strongly disagree, Somewhat disagree, Nor disagree nor agree, Somewhat agree, Strongly agree	Gräuler et al. (2013)
Supply chain transparency (Independent variable, X2)	Do you agree with the following statements: • I believe I could easily find out about labor conditions in the factories ESSENTIEL uses to make their product. (SCT1) • I believe ESSENTIEL is transparent and doesn't have anything to hide regarding their sustainability initiatives. (SCT2) • I believe ESSENTIELs reports are complete and do not conceal any information. (SCT3)	5 Point Likert scale: Strongly disagree, Somewhat disagree, Nor disagree nor agree, Somewhat agree, Strongly agree	Kang and Hustvedt (2013) Lin et al. (2017)

	• I believe ESSENTIEL provides the information needed to understand the environmental impact of its production processes. (SCT4)		
Trust (Mediating variable, M)	Do you agree with the following statements: • I trust ESSENTIEL to deliver what it promises. (T1) • I trust ESSENTIEL to have my best interests at heart. (T2) • I trust ESSENTIEL is always honest with me. (T3) • Overall I feel I can trust ESSENTIEL. (T4)	5 Point Likert scale: Strongly disagree, Somewhat disagree, Nor disagree nor agree, Somewhat agree, Strongly agree	Ennew and Sekhon (2007) Erdem and Swait (2004)
Purchase Intention (Dependent variable, Y)	Do you agree with the following statements: • I am likely to consider ESSENTIEL the next time I think about buying clothes. (PI1) • I am likely to suggest ESSENTIEL to a friend. (PI2) • I will definitely try other products from ESSENTIEL. (PI3) • I will continue to be a customer of ESSENTIEL. (PI4)	5 Point Likert scale: Strongly disagree, Somewhat disagree, Nor disagree nor agree, Somewhat agree, Strongly agree	Krishnamurthy and Sivaraman (2002) Moisescu and Gică (2020) Öberseder et al. (2013)
Demographics	What is your gender? (DEM1)	Multiple Choice Question: Male, female, prefer not to say, other: E.G. non-binary	/
	What is your age? (DEM 2)	Open question	/
	From which country are you? (DEM 3)	Open question	/
	What is your occupation? (DEM4)	Multiple Choice Question Student, worker, retired, unemployed, other:..	/

APPENDIX 2: Definitive survey questions in Qualtrics

▶▶ | UHASSELT

Dear respondent,

I hope this message finds you well. My name is Julie Vilenne, and I am a Master of Management student specializing in International Marketing Strategy at the University of Hasselt.

You are about to participate in a study about consumer behaviour regarding sustainability reporting and transparency for the brand ESSENTIEL ANTWERP. This study is conducted as part of my Master's Thesis. My research aims to understand how consumers perceive and respond to sustainability initiatives and transparent practices undertaken by the brand ESSENTIEL.

Under the General Data Protection Regulation (GDPR) (EU) 2016/679, I have a legal duty to protect any information I collect from you. Information contained in this survey is confidential and is intended for the exclusive use of this Master's Thesis. In other words, this survey is anonymous, and your answers will not be shared publicly.

The survey is designed to be completed within approximately 8 minutes. Please keep in mind that there are no right or wrong answers. Your honest opinions and perspectives are what matter most.

Thank you sincerely for considering participating in this study. Your time and input are deeply appreciated.

Please do not hesitate to contact me if you have any questions. My email address is: Julie.vilenne@student.uhasselt.be

Kind regards,

Julie Vilenne

*Do you agree to participate the survey and allow your data to be collected?

◯ Yes

◯ No

Next page >

ESSENTIEL ANTWERP

*Do you know the brand ESSENTIEL ANTWERP?

◯ Yes

◯ No

*Have you ever made a purchase from, or are you a (regular) customer of, the brand ESSENTIEL ANTWERP?

◯ Yes

◯ No

Next page >

*Do you agree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
I believe I would read the sustainability report of a company that I am interested in, which is ESSENTIEL.	◯	◯	◯	◯	◯
I believe reading ESSENTIELs sustainability report allows me to quickly gather information on the reporting company.	◯	◯	◯	◯	◯
I believe the information presented in the ESSENTIELs sustainability report is credible.	◯	◯	◯	◯	◯
I believe the reporting company, ESSENTIEL, has a genuine interest in the environment	◯	◯	◯	◯	◯

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*Do you agree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
I believe I could easily find out about labor conditions in the factories ESSENTIEL uses to make their product.	○	○	○	○	○
I believe ESSENTIEL is transparent and doesn't have anything to hide regarding their sustainability initiatives	○	○	○	○	○
I believe ESSENTIELs reports are complete and do not conceal any information.	○	○	○	○	○
I believe ESSENTIEL provides the information needed to understand the environmental impact of its production processes.	○	○	○	○	○

Next page >

*Do you agree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
I trust ESSENTIEL to deliver what it promises.	○	○	○	○	○
I trust ESSENTIEL to have my best interests at heart.	○	○	○	○	○
I trust ESSENTIEL is always honest with me.	○	○	○	○	○
Overall I feel I can trust ESSENTIEL.	○	○	○	○	○

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*Do you agree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
I am likely to consider ESSENTIEL the next time I think about buying clothes.	◯	◯	◯	◯	◯
I am likely to suggest ESSENTIEL to a friend.	◯	◯	◯	◯	◯
I will definitely try other products from ESSENTIEL.	◯	◯	◯	◯	◯
I will continue to be a customer of ESSENTIEL.	◯	◯	◯	◯	◯

Next page >

*What is your gender?

◯ Male

◯ Female

◯ Prefer not to say

◯ Other: (E.G. non-binary) [   ]

*What is your occupation?

◯ Worker

◯ Unemployed

◯ Retired

◯ Student

◯ Other: [   ]

*What is your age? (Please only enter numbers E.G. 19)

[   ]

*From which country are you?

[   ]

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Dear respondent, you reached the end of the survey!

Thank you sincerely for considering participating in this study. Your time and input are deeply appreciated.

Please do not hesitate to contact me if you have any questions or require further information. My email address is:
Julie.vilenne@student.uhaselt.be

Kind regards,

Julie Vilenne
Student Master of Management - International Marketing Strategy
University of Hasselt

APPENDIX 3: SPSS output data preparation

3.1 Errors check and missing values

		SR1	SR2	SR3	SR4	SCT1	SCT2	SCT3	SCT4
Statistics									
N	Valid	111	111	111	111	111	111	111	111
	Missing	0	0	0	0	0	0	0	0
Minimum		1	1	1	1	1	1	1	1
Maximum		5	5	5	5	5	5	5	5

		T1	T2	T3	T4	PI1	PI2	PI3	PI4
Statistics									
N	Valid	111	111	111	111	111	111	111	111
	Missing	0	0	0	0	0	0	0	0
Minimum		1	1	1	1	1	1	1	1
Maximum		5	5	5	5	5	5	5	5

3.2 Outliers check
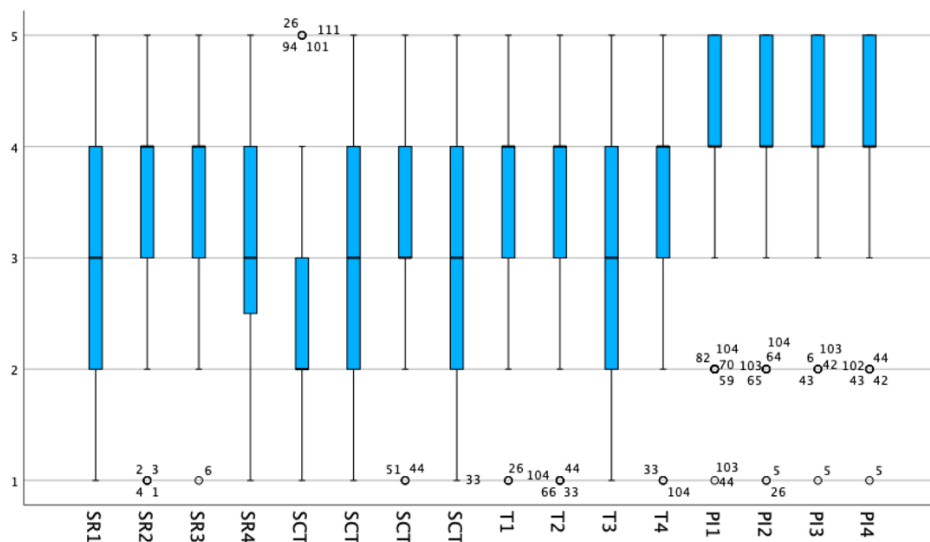
3.3 Reliability testing using Cronbach's alpha (before deleting SR4)

	Sustainability reporting		**Supply chain transparency**	
Cronbach's alpha	**Reliability Statistics**		**Reliability Statistics**	
	Cronbach's Alpha	N of Items	Cronbach's Alpha	N of Items
	.606	4	.843	4
	Trust		**Purchase intentions**	
Cronbach's alpha	**Reliability Statistics**		**Reliability Statistics**	
	Cronbach's Alpha	N of Items	Cronbach's Alpha	N of Items
	.888	4	.852	4

Cronbach's alpha if item deleted for construct sustainability reporting:

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
SR1	10.63	3.631	.340	.585
SR2	10.34	3.973	.488	.471
SR3	10.22	4.010	.480	.477
SR4	10.53	4.113	.288	.612

3.4 Unidimensionality check

For the construct sustainability reporting before removing item SR4:

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.900	47.510	47.510	1.900	47.510	47.510
2	1.070	26.750	74.261	1.070	26.750	74.261
3	.556	13.903	88.164			
4	.473	11.836	100.000			

Extraction Method: Principal Component Analysis.

For the construct sustainability reporting after removing item SR4:

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.722	57.417	57.417	1.722	57.417	57.417
2	.787	26.230	83.646			
3	.491	16.354	100.000			

Extraction Method: Principal Component Analysis.

For the construct supply chain transparency :

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.732	68.312	68.312	2.732	68.312	68.312
2	.580	14.493	82.806			
3	.405	10.113	92.918			
4	.283	7.082	100.000			

Extraction Method: Principal Component Analysis.

For the construct trust:

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.006	75.155	75.155	3.006	75.155	75.155
2	.426	10.654	85.809			
3	.344	8.605	94.414			
4	.223	5.586	100.000			

Extraction Method: Principal Component Analysis.

For the construct purchase intentions:

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.770	69.242	69.242	2.770	69.242	69.242
2	.544	13.601	82.842			
3	.455	11.383	94.225			
4	.231	5.775	100.000			

Extraction Method: Principal Component Analysis.

3.5 Validity testing using construct validity (without SR4)

Correlations

		SR1	SR2	SR3	SCT1	SCT2	SCT3	SCT4	T1	T2	T3	T4	PI1	PI2	PI3	PI4
SR1	Pearson Correlation	1	.478**	.223*	.094	.007	.058	.118	-.151	-.020	-.039	-.082	-.001	-.012	-.105	-.031
SR2	Pearson Correlation	.478**	1	.367**	.240*	.101	.152	.254*	.030	.090	.056	.091	-.109	-.075	-.225*	-.202
SR3	Pearson Correlation	.223*	.367**	1	.213*	.334**	.459**	.315**	.427**	.331**	.288**	.360**	-.064	-.019	-.005	-.056
SCT1	Pearson Correlation	.094	.240*	.213*	1	.578**	.428**	.570**	.559**	.453**	.378**	.252*	.163	.244*	.031	.048
SCT2	Pearson Correlation	.007	.101	.334**	.578**	1	.666**	.599**	.592**	.514**	.510**	.539**	.187	.344**	.229	.256*
SCT3	Pearson Correlation	.058	.152	.459**	.428**	.666**	1	.616**	.543**	.430**	.521**	.569**	.226*	.272*	.217*	.270*
SCT4	Pearson Correlation	.118	.254*	.315**	.570**	.599**	.616**	1	.492**	.564**	.386**	.418**	.149	.155	.007	.113
T1	Pearson Correlation	-.151	.030	.427**	.559**	.592**	.543**	.492**	1	.582**	.653**	.636**	.152	.171	-.007	.049
T2	Pearson Correlation	-.020	.090	.331**	.453**	.514**	.430**	.564**	.582**	1	.676**	.682**	.152	.330**	.231	.224*
T3	Pearson Correlation	-.039	.056	.288**	.378**	.510**	.521**	.386**	.653**	.676**	1	.776**	.149	.384**	.255*	.251*
T4	Pearson Correlation	-.082	.091	.360**	.252*	.539**	.569**	.418**	.636**	.682**	.776**	1	.200	.333**	.264*	.254*
PI1	Pearson Correlation	-.001	-.109	-.064	.163	.187	.226*	.149	.152	.152	.149	.200	1	.538**	.537**	.623**
PI2	Pearson Correlation	-.012	-.075	-.019	.244*	.344**	.272*	.155	.171	.330**	.384**	.333**	.538**	1	.511**	.561**
PI3	Pearson Correlation	-.105	-.225*	-.005	.031	.229*	.217*	.007	-.007	.231	.255*	.264*	.537**	.511**	1	.757**
PI4	Pearson Correlation	-.031	-.202	-.056	.048	.256*	.270*	.113	.049	.224*	.251*	.254*	.623**	.561**	.757**	1

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

APPENDIX 4: SPSS output: Descriptive statistics

4.1 Descriptive statistics for each separate construct item

Descriptive Statistics

|	N	Minimum	Maximum	Mean	Std. Deviation
SR1	87	1	5	3.28	1.075
SR2	87	2	5	3.56	.803
SR3	87	2	5	3.69	.797
SCT1	87	1	5	2.72	.996
SCT2	87	1	5	3.14	1.036
SCT3	87	1	5	3.18	.856
SCT4	87	1	5	3.18	.971
T1	87	2	5	3.66	.913
T2	87	1	5	3.45	.974
T3	87	1	5	3.23	.973
T4	87	2	5	3.56	.859
PI1	87	2	5	4.25	.719
PI2	87	2	5	4.11	.706
PI3	87	3	5	4.29	.714
PI4	87	3	5	4.30	.764
Valid N (listwise)	87				

4.2 Descriptive statistics all constructs

After computing a new variable, regrouping all different construct items that belong to the same construct together:

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
SR	87	2.00	5.00	3.5096	.67598	−.385	.258	−.188	.511
SCT	87	1.00	4.75	3.0575	.79762	−.124	.258	−.443	.511
T	87	2.00	5.00	3.4741	.80517	.025	.258	−.656	.511
PI	87	2.50	5.00	4.2385	.60390	−.239	.258	−.730	.511
Valid N (listwise)	87								

APPENDIX 5: SPSS output: Regression assumptions

5.1 Linear relationship check:

Scatterplot sustainability reporting and purchase intentions
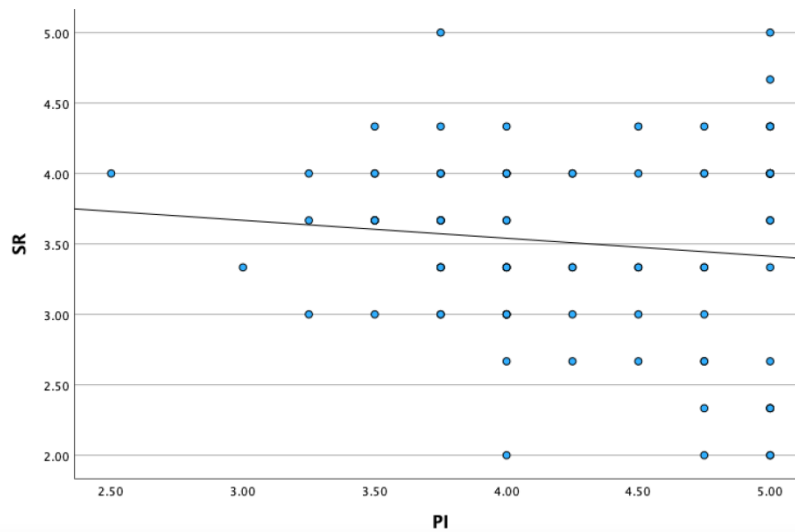
Scatterplot supply chain transparency and purchase intentions
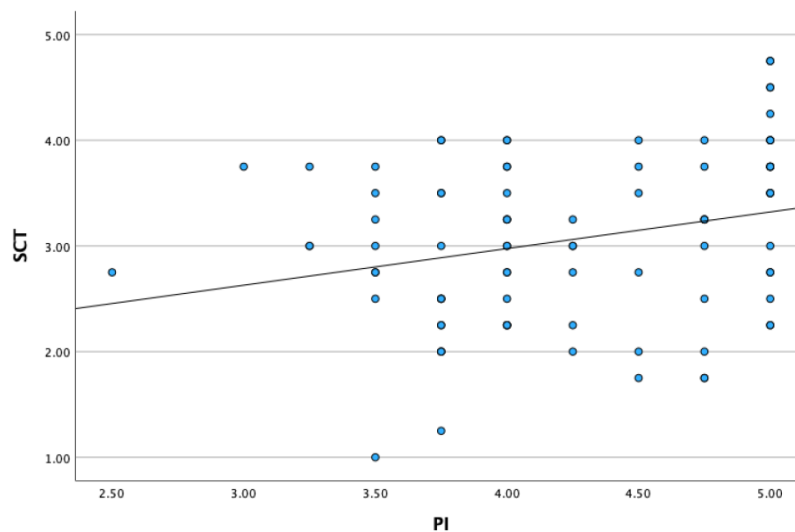
5.2 Multicollinearity check:

Correlations

		SR	SCT
SR	Pearson Correlation	1	.288**
	Sig. (2–tailed)		.007
	N	87	87
SCT	Pearson Correlation	.288**	1
	Sig. (2–tailed)	.007	
	N	87	87

**. Correlation is significant at the 0.01 level (2–tailed).

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5.3 Outliers check
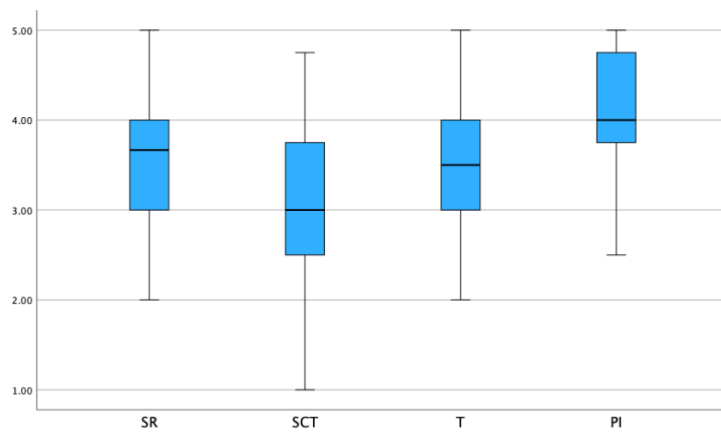
APPENDIX 6 : SPSS output: Mediation requirements

6.1 Correlation check

Correlations

|		SR	SCT	T	PI
SR	Pearson Correlation	1	.288**	.146	−.114
	Sig. (2–tailed)		.007	.179	.295
	N	87	87	87	87
SCT	Pearson Correlation	.288**	1	.673**	.262*
	Sig. (2–tailed)	.007		<.001	.014
	N	87	87	87	87
T	Pearson Correlation	.146	.673**	1	.294**
	Sig. (2–tailed)	.179	<.001		.006
	N	87	87	87	87
PI	Pearson Correlation	−.114	.262*	.294**	1
	Sig. (2–tailed)	.295	.014	.006	
	N	87	87	87	87

**. Correlation is significant at the 0.01 level (2–tailed).

*. Correlation is significant at the 0.05 level (2–tailed).

6.2 Normality check

Probability plot SCT and PI

Normal P–P Plot of Regression Standardized Residual
Dependent Variable: PI

Probability plot SCT and T
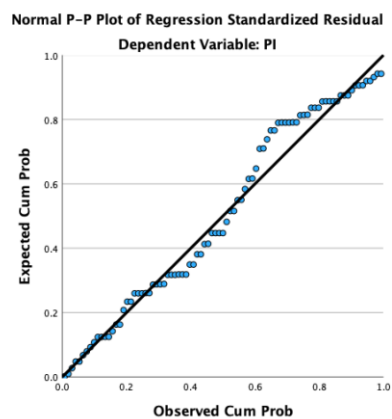
Normal P–P Plot of Regression Standardized Residual
Dependent Variable: T
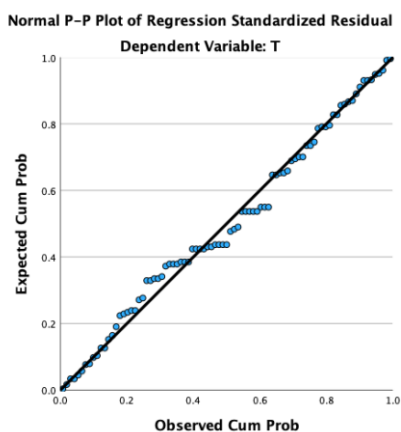
Probability plot SR and PI
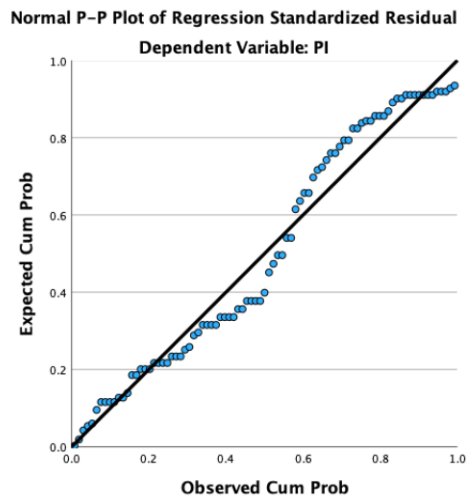
Probability plot SR and T
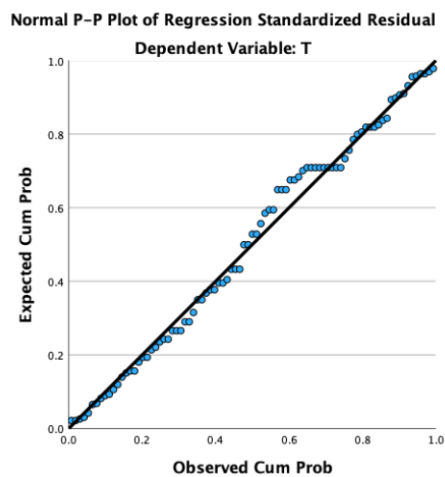
6.3 Statistically significance check of the model

Model with IV supply chain transparency

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.631	.250		14.507	<.001
	SCT	.199	.079	.262	2.507	.014

a. Dependent Variable: PI

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Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.396	.256		5.459	<.001
	SCT	.680	.081	.673	8.398	<.001

a. Dependent Variable: T

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.473	.277		12.527	<.001
	T	.220	.078	.294	2.834	.006

a. Dependent Variable: PI

Model with IV sustainability reporting

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.595	.344		13.357	<.001
	SR	−.102	.096	−.114	−1.055	.295

a. Dependent Variable: PI

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.866	.457		6.274	<.001
	SR	.173	.128	.146	1.356	.179

a. Dependent Variable: T

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.473	.277		12.527	<.001
	T	.220	.078	.294	2.834	.006

a. Dependent Variable: PI

APPENDIX 7 : SPSS output: Mediation analysis

7.1 Simple regression

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.631	.250		14.507	<.001
	SCT	.199	.079	.262	2.507	.014

a. Dependent Variable: PI

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.396	.256		5.459	<.001
	SCT	.680	.081	.673	8.398	<.001

a. Dependent Variable: T

7.2 Multiple regression

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.407	.289		11.802	<.001
	SCT	.089	.106	.118	.841	.403
	T	.161	.105	.214	1.525	.131

a. Dependent Variable: PI

7.3 Sobel test

Input:			Test statistic:	Std. Error:	p-value:
a	0.680	Sobel test:	1.50838	0.07258118	0.1314573
b	0.161	Aroian test:	1.49812969	0.07307779	0.13409956
s_a	0.081	Goodman test:	1.51884362	0.07208115	0.12880186
s_b	0.105	Reset all	Calculate		