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GREEN INVESTMENT INITIATIVES BY LUXURY BRANDS IN INDIA: A RESEARCH PERSPECTIVE

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ABSTRACT :

Luxury brands, historically associated with opulence and exclusivity, are increasingly embracing green investments to align with sustainability objectives and consumer expectations. This research explores the green investments or sustainability initiatives and strategies within the luxury sector, with a particular focus on Indian contexts. It highlights the different luxury brands that adapt eco-friendly practices, ethical sourcing, renewable energy, biodegradable and recyclable materials, and energy-efficient technologies in production for a sustainable future.



KEYWORDS : *Luxury brands, green investment, biodegradable and sustainability initiatives etc.*

1. INTRODUCTION

The phrase "luxury" refers to a state of extreme comfort, elegance, and pleasure that exceeds the basics of life. It frequently denotes something unique, expensive, or exclusive, bringing a sense of pleasure, satisfaction, or status to those who experience or own it. A brand is a distinct identity that symbolises a company, product, service, or individual and sets it apart from rivals. It includes characteristics like as a name, logo, slogan, design, and reputation, as well as sentiments, perceptions, and observations that customers and the general public have with it. Luxury brands have historically emphasised exclusivity, heritage, and workmanship. However, the increased need for environmental responsibility and ethical behaviours has shifted customer expectations. As a result, luxury businesses are transitioning towards green initiatives, which include financial and operational pledges to reduce environmental impact while preserving high quality.

Green investments in the luxury sector include a wide range of projects, including the use of renewable energy, the reduction of carbon footprints, ethical sourcing, and the implementation of circular economy ideas. Leading worldwide companies such as Gucci, Louis Vuitton, and Burberry have established sustainability standards by investing in renewable resources, decreasing waste, and encouraging recycling. In this regard, Gucci's Equilibrium initiative commits to carbon neutrality and sustainable production (Gucci Equilibrium, 2021). In India, luxury businesses are also making green investments. Tanishq, a jewellery industry pioneer, employs recovered gold and promotes environmentally friendly mining processes. Forest Essentials incorporates renewable energy and

organic farming into its production methods, emphasising green luxury's growing importance (Tanishq Sustainability Report, 2021).

The remaining portion of the paper is organised as follows: Sections 2 and 3 examine related studies and methodologies. Sections 4 and 5 present the green investment initiatives and strategies. Section 6 contains the final conclusion of the paper.

2. LITERATURE REVIEW

This section confers several research studies concerning green investment and luxury brands conducted by other researchers worldwide. Kapferer and Michaut-Denizeau (2017) examined consumer perceptions, noting that luxury consumers often view sustainability as complementary to brand authenticity and craftsmanship. They also address scepticism about "greenwashing" in the luxury sector and discuss how sustainability efforts can enhance brand equity. Angelis et al. (2017) explored how design similarity influences consumers' evaluations of new green products, specifically in the context of luxury fashion brands, and find that consumers tend to evaluate green products more positively when they resemble existing, familiar luxury designs, thereby enhancing their acceptance. Wiedmann et al. (2018) investigated consumer attitudes and identified that perceived authenticity of green initiatives directly impacts purchase intentions. Dekhili et.al (2019) investigated the potential for sustainability to enhance the promotion of luxury products, focusing on consumer perceptions and marketing strategies. Kunz et.al (2020) explored the integration of sustainability into luxury brands and the evolving consumer expectations. The paper highlights the need for further exploration of sustainable practices and their impact on luxury brand value and consumer behaviour. Franco et.al (2020) discussed the challenges luxury brands face in incorporating sustainable practices while maintaining exclusivity and appeal and highlights the growing consumer demand for eco-conscious luxury fashion and offers strategic insights for brands to align with sustainability without compromising on luxury.

Sengupta and Sengupta (2021) explored the key factors influencing the adoption of sustainable fashion, such as environmental concerns and cultural influences, using factor analysis. Jaiwant (2022) reviewed sustainable fashion in India and identified the emerging trends and challenges faced by the industry. The author explored the growing consumer awareness and demand for eco-friendly fashion alternatives in India, alongside the role of traditional practices in promoting sustainability. Sharma and Akinwalere (2023) analysed consumer behaviour regarding investments in sustainable luxury real estate and the factors influencing decision-making. The paper focuses on the growing consumer interest in eco-friendly, luxury real estate as a status symbol and long-term investment. Di Leo et al. (2023) analysed sustainability reporting practices among luxury fashion brands and how these brands communicate their environmental and social impact. The researcher found that the growing trend of luxury fashion brands adopting sustainability reporting is a means to enhance reputation and meet consumer expectations for ethical practices. Zhang (2024) examined the impact of sustainable practices and CSR on brand reputation and consumer purchase intentions in the context of luxury green marketing. The study demonstrates that consumers are more likely to make purchasing decisions when luxury brands incorporate sustainable practices and emphasise CSR initiatives, thus enhancing their brand reputation.

3. RESEARCH METHODOLOGY

This research is descriptive in nature. The primary goal of this research is to identify the green investment or sustainability initiatives and long-term strategies implemented by various luxury brands in India. Secondary data was used for this, which was gathered from numerous Journals, newspaper articles, reports, magazines, blogs and websites etc.

4. INITIATIVES TAKEN BY LUXURY BRANDS IN INDIA

Tanishq

Tanishq, part of the Tata Group, has undertaken a number of green initiatives, including ethical diamond sourcing and recycled gold. The brand's production facilities use water recycling technologies and use environmentally friendly mining techniques. Tanishq works with local communities to encourage responsible jewellery making techniques.

Amrapali Jewels

Amrapali Jewels is known for its outstanding jewellery based on Indian history, with a focus on ethical gemstone and metal sourcing. The firm actively supports traditional craftsmen by paying fair wages and encouraging ecologically friendly production practices. Amrapali also employs water-saving measures and decreases its carbon impact by utilising energy-efficient technologies in production.

Forest Essentials

This high-end Ayurvedic cosmetics company emphasises organic materials and cruelty-free practices. Its packaging is environmentally friendly, and the company's facilities are powered by renewable energy. Forest Essentials also helps local farmers by purchasing raw materials directly from them.

Ritu Kumar

Ritu Kumar is a pioneer in Indian sustainable fashion, using traditional Indian textiles and natural colours into her creations. The firm actively partners with craftsmen to protect historical traditions such as block printing and hand weaving, while also providing fair salaries and environmentally friendly living conditions.

Sabyasachi

Sabyasachi Mukherjee, a famous luxury fashion designer, incorporates sustainability by employing handwoven textiles and natural dyes. His company collaborates closely with local artisans and weavers to provide sustainable lives while minimising environmental effect. Sabyasachi's initiatives extend to packaging, where he uses biodegradable and recyclable materials.

Fab India

Fab India promotes environmentally responsible methods by using organic cotton, natural colours, and recycled materials in its clothing lines. The firm prioritises water conservation and waste control in its manufacturing plants, while assisting rural craftsmen through its supply chain.

Anita Dongre

Anita Dongre is a prominent campaigner for environmentally friendly fashion in India. Her brand, which comprises bridal couture and luxury pret lines, prioritises sustainability by utilising organic materials, hand embroidery, and environmentally friendly manufacturing facilities. Dongre's "Grassroot" project aims to empower rural craftsmen and promote sustainable fashion.

Hide sign

To reduce chemical waste, this luxurious leather products manufacturer uses vegetable tanning procedures. Hide sign sources its leather locally and has invested in solar-powered energy systems to decrease their carbon emission.

Good Earth

Good Earth promotes sustainability using biodegradable materials and handcrafted items. The company's initiatives to protect India's natural resources and cultural legacy are consistent with the circular economy's principle.

ITC Hotels

ITC Hotels, a luxury hospitality industry leader, has introduced comprehensive environmental measures as part of its "Responsible Luxury" initiative. The effort covers energy-efficient building designs, waste management systems, and water recycling. ITC Grand Chola in Chennai, for example, is LEED Platinum-certified, demonstrating its dedication to sustainability in the luxury market.

5. GREEN INVESTMENT STRATEGIES IN INDIAN LUXURY BRANDS

Luxury businesses in India are progressively implementing long-term sustainability initiatives like as collaborations with non-governmental organisations (NGOs), investments in renewable energy, and research into alternative materials. These activities are consistent with global norms like the Paris Agreement and the UN's Sustainable Development Goals (SDGs). Furthermore, transparency through certifications like Fairtrade and LEED increases consumer trust, Social Equity through empowering rural artisans, ensuring fair wages, and preserving traditional craftsmanship and reaffirms the brand's commitment to sustainability.

6. CONCLUSION

Luxury brands in India have effectively integrated sustainability into their main business strategies. From assisting traditional craftsmen to investing in renewable energy, these firms are establishing standards for green practices in the global luxury industry. Their activities not only cater to an increasingly environmentally sensitive customer base, but also make major contributions to environmental and social well-being.

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