

The Influence of Eco-Labels and their Diagnosticity on Credibility Perceptions, Consumer Trust and Visit Intentions in the Fashion Industry

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Abstract

The implementation of sustainability within the fashion industry's business processes is constantly increasing to establish favourable brand images and adapt to changing customer needs. Labelling strategies, such as the utilization of eco-labels, are often used to communicate ecological messages to potential target customers and influence their purchase behaviour. This thesis aims to investigate the exact implications of various labels and their diagnosticity levels on consumer perceptions regarding e-tailers' credibility, trust and visit intention. In the empirical part of the thesis, an online experiment has been conducted to test the theoretically developed hypotheses. The survey's sample includes 201 valid respondents. The influence of labels' diagnosticity on credibility perceptions described in the literature has not been confirmed by the data. However, a general positive impact of eco-labels on credibility perceptions has been detected. The results also state a positive influence of retailer credibility on consumers' visit intention and word-of-mouth marketing. Based on these findings, it is recommended that fashion brands should employ sustainable practices with their business operations and design their (eco-)labelling strategy accordingly. Communicating credible ecological messages to customers results in economic benefits such as higher consumer traction and word-of-mouth marketing.

Keywords: Fashion, Sustainability, Environment, Labelling, Eco-Label, Diagnosticity, Credibility, Visit Intention, Consumers' Trust