

COACH SUSTAINABLE ACTION PLAN



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Image from Coach (2024)

BRAND OVERVIEW:

Founded in New York in 1941, Coach specialise in handbags, accessories, and leather goods, offering products in the 'accessible luxury' price range (Tapestry, 2024). The brand directly operate 930 stores worldwide across 60 markets worldwide and did over \$5 billion in sales during the 2024 fiscal year, comprising 76.4% of all sales for parent company Tapestry, who also own Kate Spade and Stuart Weitzman (Tapestry, 2024).

Target Market

Coach have historically been perceived to cater to adult women aged 25 to 55. Recently however, the brand have made a strategic effort to shift branding to attract younger consumers, a demographic which Coach have termed 'timeless Gen-Z'. This consumer has classic style, is sustainably-minded, and is willing to invest in high quality products (Bain, 2024; Webb, 2022).

With the launch of Coachtopia in 2023, an initiative which puts sustainability and circularity on full display, Coach successfully appealed to the Gen-Z market who, along with millennials, will soon represent the majority of luxury consumers (Garcia-Furtado, 2023; Webb, 2022).

Product Range

Coach are renowned for their leather handbags, which range in price from £75 to nearly £8000, though most fall between £200 and £400 (EDITED, 2024). Accessories, including bags, comprise 79.5% of the brand's current product offering, followed by shoes which make up 14.5% (EDITED, 2024).

Coach frequently partner with artists, icons, and other brands, including Jean Michel Basquiat (posthumously), Chinese artist Guang Yu, Disney, and singer Lil Nas X (Bowkett, 2020; Coach, 2024).

Current Sustainability Practices

Tapestry's 2023 annual report highlights four pillars of the company's strategy: products, people, planet, and community (Tapestry, 2024). United Nations Sustainable Development Goals (UN SDGs) 9 (Industry, Innovation, and Infrastructure), 12 (Responsible Consumption and Production), and 13 (Climate Action) have been cited throughout the report (Tapestry, 2024). Included in the 'Create Products With Care' initiative is the launch of Coachtopia in 2023 and the joining of the Ellen MacArthur Foundation (Coach, 2024; Ellen MacArthur Foundation, 2023).

Despite these efforts and improvements, sustainability rating site Good On You (2023) rates Coach 2 out of 5, 'not good enough'.

UN SDGs

United Nations Sustainable Development Goals (UN SDGs) 9 (Industry, Innovation and Infrastructure), 12 (Responsible Consumption and Production), and 13 (Climate Action) have been selected.

These three SDGs have been selected for the purposes of this report as they closely align with Coach's sustainability, CSR (Corporate Social Responsibility), and ESG (Environmental, Social, and Governance) strategies, as well as the brand's values and ethics.

As highlighted on their website, Coach value the brand's heritage of craftsmanship and quality as well as their customer-first luxury approach (Coach, 2024). Coach also state their vision is to 'stretch what's possible' by driving positive change for people, the planet, Coach products, and communities across the world (Tapestry, 2024). The brand's CSR and ESG strategies (discussed later) revolve around these values and ethics.

UN SDGs

9: Industry, Innovation, and Infrastructure



Goal 9 seeks to encourage innovation and sustainable industrial growth as well as widen access to financial aid and services to small enterprises. In addition, this goal aims to foster scientific research and innovation to support economic growth and resilience (United Nations, 2024).

Working towards goal 9 aligns with Coach's sustainability strategies through circularity, as the brand have expressed their intent to drive innovation and infrastructure for a less wasteful business model (Tapestry, 2024). Further, Coach's commitment to quality and craftsmanship aligns with sustainable industrial practices which reduce waste and environmental impact.

12: Responsible Consumption and Production



Goal 12 strives to guarantee the efficient and sustainable use of natural resources, including minimising waste, ensuring sustainable practices, and promoting a circular business model (United Nations, 2024).

Pursuing this goal aligns with Coach's business model and ethos, as it encourages competitors and consumers alike to make and shop intentionally. On the side of the brand, this could look like minimising waste or sustainably sourcing materials; on the side of the consumer, this could be accomplished through educated decision making and consumption. Initiatives such as Coach (Re)Loved, discussed soon, falls under this goal.

13: Climate Action



Goal 13 suggests businesses take immediate action to fight climate change and the global impact it creates. This, of course, includes integrating multi-national climate legislation, but also involves improving climate education and awareness as well as strengthening resilience to environmental hazards that result from the effects of climate change (United Nations, 2024).

Goal 13 naturally aligns with Coach's strategy as the brand have already expressed interest and set targets in this category, such as reducing greenhouse gas emissions and using renewable energy, to streamlining logistics and minimising waste during the packaging process (Tapestry, 2024). The brand also frequently mention a circular economy, which will not be possible without immediate and substantial climate action from many brands, including large luxury brands like Coach.

CURRENT BRAND ASSESSMENT

CSR and ESG Strategies

Coach (Re)Loved: Coach launched its (Re)Loved programme in 2021, which the brand describes as a 'circular ecosystem' for refurbishing and recycling used and damaged Coach products (Coach, 2024). The programme consists of four segments: Coach Upcrafted, Coach Remade, Coach Restored, and Coach Vintage, and has given a new life to over 45,000 products since its launch (Tapestry, 2024).

Coach Foundation: Since 2008, the Coach Foundation has donated over \$55 million to nonprofits and launched initiatives like 'Dream It Real' in 2018 which provides grants and access to education to young people from historically marginalised communities (Coach, 2024).

Diversity and Inclusion: Coach consistently rank highly for diversity and inclusivity; parent brand Tapestry are named in Forbes' 2024 "America's Best Employers For Diversity" and achieved a score of 95 on the Human Rights Campaign Corporate Equality Index's "Best Places to Work for LGBTQ Equality" this year (Peachman, 2024; Human Rights Campaign, 2024).

Sustainable Materials: Sourcing and tracking sustainable materials is a major part of Coach's ESG strategy. The brand set a target of 90% of leather coming from Silver- and Gold-rated Leather Working Group tanneries by 2025, a goal which has been surpassed, at 99% this year already (Tapestry, 2024). The brand also aims to achieve 95% materials traceability by 2025, though the actual figure for 2024 was 74%. This is a high percentage for the industry but falls substantially short of Tapestry's goals (Tapestry, 2024).

Strengths and Weaknesses

Strengths: Coach have a strong brand heritage and global reputation and are widely known for their quality craftsmanship (Kahn, 2024). The brand also have a wide global reach, with 930 stores in over 60 markets, which reduces dependence on a single market (Tapestry, 2024).

Weaknesses: Coach heavily rely on the North American market for sales; this region comprised 60% of the brand's revenue last year (Tapestry, 2024). In addition, Coach face serious competition from other players in the accessible luxury space such as Michael Kors as well as indirect competition from true luxury brands like Louis Vuitton or Gucci (Fuller, 2024). Importantly, parent brand Tapestry seem to be struggling to meet their 2025 sustainability targets.

Brand Impact

As a heritage brand founded almost a century ago, Coach have shaped modern American luxury and is in many ways synonymous with it.

Environment: Coach are one of the forerunners in their category for responsible materials and sourcing practices such as the Coach (Re)Loved programme and the brand's leather sourcing standards (Tapestry, 2024).

Society: Coach have made an impact in marginalised communities through the Coach Foundation and Dream It Real initiative, which provide donations to nonprofits worldwide and help break barriers to education (Tapestry, 2024).

Economy: Coach have over 11,600 employees worldwide across 60 markets and are widely regarded as an inclusive and accepting employer (Tapestry, 2024; Human Rights Campaign, 2024).

CURRENT BRAND ASSESSMENT

Sustainability Frameworks and Theories

7R Framework: The 7R framework, adapted by Henninger et al. (2015) from the common 3R framework (re-use, reduce, recycle), comprises some variation of recycle, reuse, reduce, repair, rethink, repurpose, and repair.

Recycle	Tapestry have set the goal of using 95% recycled nylon in 2025 and 95% recycled polyester by 2027 (Tapestry, 2024). In 2024, 80% of Tapestry’s polyester came from recycled sources, seemingly on track. However, only 48% of the brand’s nylon came from recycled sources as of this year, so substantial action must be taken. In a partnership with recycled materials company Bank & Vogue, Coach produced limited-edition runs of their classic Soho and Hamptons Hobo bag crafted from recycled post-consumer denim (Tapestry, 2024; Coach, 2024).
Reuse	Coach tap into reuse via their (Re)Loved programme, reselling second hand Coach bags to a new consumer so the bag can be reused, sometimes many times over (Coach, 2024).
Reduce	In their 2024 Corporate Responsibility report, Tapestry mention their goal of reducing waste and water usage multiple times, although few specifics are given on how the brand will achieve this goal (Tapestry, 2024).
Repair	Via Coach’s (Re)Loved programme, over 91,000 Coach products were repaired globally throughout 2024 (Tapestry, 2024). In addition, damaged products are repaired and resold through (Re)Loved’s Coach Restored initiative (Coach, 2024).
Rethink	Lessons learnt from the brand’s (Re)Loved programme are being used to inform design for products that are made to be recycled, such as Coachtopia’s Wavy Dinky bag, which is constructed to be deconstructed and recycled at the end of its life (Coach, 2024).
Repurpose	Coach Remade, part of (Re)Loved repurposes bags that cannot be repaired into new products (Coach, 2024).
Repair	The Coach (Re)Loved & Repair workshop achieved Gold-level TRUE Zero Waste Certification this year, which means that the brand achieved a landfill diversion rate of over 90% via recycling, reuse, repair, composting, and waste management (TRUE, 2025).

The Means-End Chain: The Means-End Chain (MEC), developed by Gutman (1982), links a product’s attributes (the means) to the consumer’s desired personal or emotional values (the ends) via perceived ‘consequences’ and is meant to model a consumer’s decision-making process.



A 2015 study by Jägel et al. evaluated patterns which arose from this theory in modern consumers; the five which stood out were value for money, style and image, comfort and wellbeing, environmental concern, and societal concern.

To build trust between the brand and consumers, Coach should align their strategies with these five consumer patterns. The brand have strong heritage and are known for their quality, so Coach’s value proposition is already strong. In regards to style and image, Coach have successfully marketed to Gen-Z in recent years and positioned the brand as a trendy and stylish retailer (Webb, 2022). Coach are consistently outspoken about their sustainability efforts and environmentally friendly initiatives, which is advantageous to the brand as long as sustainability targets are met. By ensuring workers throughout their supply chain are treated humanely and fairly, societal concerns will be significantly diminished amongst the brand’s consumers.

ACTION PLAN

Strategies and Initiatives

- 1. Roll out digital product passports** – Goal 9: Industry, Innovation, and Infrastructure
- 2. Charge for online returns** – Goal 12: Responsible Consumption and Production
- 3. Achieve B-Corp certification** – Goal 13: Climate Action

Digital Product Passports (Goal 9)

Existing on a small scale in the Coachtopia initiative already, full scale digital product passports (DPPs) will enhance Coach's sustainability by increasing the brand's supply chain transparency. DPPs provide detailed information on a product's origins, materials, and manufacturing and will aid in product lifecycle tracking and end-of-life, assisting Coach's (Re)Loved and recycling programmes. In addition, product passports provide consumer-facing information such as care instructions and a certificate of authenticity (EON, 2024; Cernan-sky, 2023).

Implementing digital product passports aligns with UN goal 9 (Innovation, Industry, and Infrastructure) as the strategy leverages new technologies and innovations to further sustainability and traceability for brands. In addition, DPPs foster cross-industry collaborations between technologies and fashion.

Short-term goals:

June 2025: Via a partnership with EON technologies, which Coach already partner with to power digital IDs for Coachtopia products, Coach should pilot DPPs in the United States on its 'Coach Originals' product line, comprising about a quarter of the brand's current offering (Coach, 2024).

Long-term goals:

June 2026: Coach should roll out DPPs for all products sold in America by mid-2026.

June 2027: In 2027, the brand should have implemented a full-scale global rollout of the digital product passport technology.

Communication: Coach should be transparent in their communication with society and consumers regarding this initiative, which will boost the brand's sustainability credentials whilst building trust between Coach and consumers. The brand should also take the opportunity to educate consumers on DPPs, how to understand them, and what they could mean for society and the future of fashion sustainability.

Online Returns Fee (Goal 12)

Rising return rates mean extra costs for brands, including shipping, labour, and inventory costs, as well as sustainability issues like greenhouse gas (GHG) emissions from returns logistics. In response to this, brands such as Zara and H&M have begun charging a £2 fee for online returns (Morris, 2023). Coach should also begin charging a £2 fee for online returns to combat the rising costs that come with returns and encourage consumers to shop more mindfully. The brand should continue free in-store returns as it will encourage consumers to return products in person, giving Coach an opportunity to educate consumers on the brand's sustainability practices and to provide memorable customer service. Perhaps the most critical aspect of this initiative is how the fee is communicated to consumers: understandably, some customers will dislike the initiative, however a 2022 study showed that more than 40% of consumers are willing to pay more for returns if they believe the returns method is more sustainable (BoF Team, 2022). To tap into this consumer mindset, Coach must emphasise the sustainability angle of a returns fee in their marketing and communications.

Charging shoppers an online returns fee aligns with UN SDG 12 (Responsible Consumption and Production) as it will encourage consumers to buy more intentionally and reduce the brand's GHG emissions from shipping returns and logistics.

ACTION PLAN

Short-term goals:

January 2025: Coach should inform consumers as soon as possible that a fee will be implemented for online returns, emphasising the fee's sustainability-based purpose.

March 2025: The brand should trial a matching £2 returns fee in the United States and monitor customer sentiment.

Long-term goals:

January 2026: Coach should implement a returns fee globally and continue monitoring the initiative's impact on return rates and customer satisfaction.

September 2026: From the data gathered over a year and a half in America plus six months globally, Coach should adjust fees or strategies accordingly.

Communication: It is imperative that Coach frame the returns fee around its sustainability benefits and communicate this to society and consumers accordingly, potentially rebranding the phrase 'returns fee' to something more approachable. At every step of implementation, sustainability should be emphasised.

Achieve B-Corp Certification (Goal 13)

B-Corp certification is a certification given to a brand by nonprofit organisation B Lab, who evaluate the brand on social and environmental practices as well as supply chain transparency in addition to other standards. Coach should apply for and gain B-Corp certification, as it will reinforce the brand's sustainability efforts and strengthen consumer trust during a widespread growing customer interest in sustainability (Fraraccio, 2024). B-Corp certification also means Coach will be responsible for meeting B Lab's legal requirements, ensuring that the company will continue to make sustainable, responsible decisions.

Achieving B-Corp certification aligns with SDG 13 (Climate Action) as it holds Coach accountable for their sustainability efforts and ensures that the brand will make beneficial decisions not only for their bottom line, but for the climate as well. Coach getting certified may also encourage other brands to seek certification, resulting in better practices across the industry.

Short-term goals:

January 2025: Coach will apply for the certification's mandatory B Impact Assessment; results will be communicated in approximately two months.

March 2025: Coach will get B-Corp certified by pledging to meet B Lab's requirements in two years.

Long-term goals:

April 2025: Coach will work with B Lab over the course of the allotted two years to meet B-Corp legal requirements.

March 2027: Coach should get recertified every three years as is mandated by B Lab.

Communication: Coach will be able to include the certification logo on product tags and labels as well as their website and should do so. Promoting their B-Corp certification will communicate to society and consumers that Coach is a brand with sustainability-minded values and a commitment to improvement.

CONCLUSION

Reflection

This report has provided an overview of Coach as a global brand and analysed their practices, initiatives, strengths, and weaknesses, utilising the 7R framework for sustainability and the Means-End Chain to further develop the analysis.

From this research, three initiatives to improve Coach's sustainability were proposed. Aligning with UN SDG 9, Coach should expand Coachtopia's digital product passport pilot to Coach's entire product offer, driving supply chain visibility and aiding the brand's recycling efforts.

Coach should begin charging for online returns. Although this initiative may face initial backlash, in the long run it will encourage mindful and sustainable purchasing which benefits both the brand and the consumer, aligning with SDG 12.

Coach should pursue B-Corp certification to solidify the brand's commitment to sustainability and promote these values to other brands and consumers, in accordance with SDG 13.

Challenges

Rolling out DPPs will require significant investment and technology at scale, and Coach must effectively communicate and educate consumers on DPPs to avoid consumer resistance or confusion.

Implementing an online returns fee faces the obvious challenge of negative consumer sentiment, so communicating the initiative's sustainability benefits is essential.

Achieving B-Corp certification is complex for large global brands like Coach, so the brand will have to ensure precise and accurate record-keeping and data collection.

Opportunities

Successful implementation of DPPs and achievement of B-Corp status will solidify Coach as a market leader in sustainable fashion, which will build consumer trust in the brand and its authenticity.

DPPs will provide Coach further insight into their own supply chain, presenting numerous opportunities for streamlining and improvement.

An online returns fee could encourage consumers to come into physical stores, which presents a chance for Coach to provide excellent customer service and education on the brand's sustainability initiatives.

Industry Contribution

Partnerships with companies like EON and B Lab will foster cross-industry collaboration and establish connections between the fashion industry and other industries. These bonds can be strengthened over time and extended to other fashion brands. Stronger relationships will make it easier for brands and industries to work together on sustainable practices and initiatives.

DPPs and B-Corp certification, as well as the public pursuit of UN SDG goals, will position Coach as a market leader for sustainability in the fashion industry and give the brand a competitive edge. In response, other brands will pursue similar sustainable initiatives, pushing the entire industry to become more sustainable.

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Image from Coach (2024)