As consumers’ expectations and preferences keep shifting towards more transparency, more sustainability, and less negative social impacts when choosing a product within an extremely competitive field, there is a true opportunity and necessity for fashion businesses to create products with demonstrated social and ecological benefits, and equal pressure to back up their narratives with coherent and holistic facts, metrics and numbers. Fashion businesses tend to create increasingly more downward accountability programs, creating transparent processes in coordination with communities it serves, and looking for a way to emphasize and present the process to their investors and customers. Further, measuring social and sustainable impact means gaining access to precise and extensive data about the entirety of the value chain which proves to be a powerful tool directed towards strategic leadership in order to better inform business decisions and optimize investments and logistics.

In the “Playbook for designing social impact measurement” by the Stanford for Social Innovation Review 1, the use of data is deemed central to better decide where to put resources towards solving social and ecological problems, emphasizing that making social progress means using the right data to evaluate outcomes in order to separate correlation from causation. It is thus crucial for brands to measure the social and ecological impacts along their whole apparel and accessories value chain. In that way, the creation and application of a theory of change and consequential measurement of its impacts is necessary. As defined by the OECD 2, measuring social impact means measuring the social value produced by organizations, including social value creation and social return. However, there is a lack of consensus surrounding the exact definition, and about the perspective, market and scale for the social impact programs, creating variations in a very hybrid space that induces many challenges ahead. For instance, The European Commission’s GECES 3 1 Reynolds, G. & al, (2018) A Playbook for Designing Social Impact Measurement, Stanford Social Innovation Review 2 Noya, A. (2015) OECD, Policy Brief on Social Impact Measurement for Social Enterprises counters the “one size fits all approach” to social impact measurement, deeming that “no single set of indicators can be divided top-down to measure social impact on all cases”. Additionally, the vast majority of the research regarding social impact measurement was made to clarify and strengthen the action of philanthropic actors, social businesses and public actors creating social impact-related programs, which creates further difficulties for fashion businesses 4. Despite the challenges, a plurality of investigative methodologies have been developed including impact measurement tools. The Harvard Business School Review 9 and the Stanford for Social Innovation Review 10 have published a plethora of work regarding social innovation measurement, including experimental tools, and The European Commission as well as the OECD have done propositions to simplify and optimize social impact tools and measurement. The OECD Policy Brief on Social Impact Measurement 11 lists three main approaches to social impact measurement: positivist, critical and interpretive, or in practice cost-benefit analysis, rating methods and auditing depending on the public concerned. Other methods and research work focus on return of investment, to appraise financial contribution and assess their impact via integrated approaches focusing on corporate social responsibility. A few social impact measurement tools have been developed, including Stanford’s Spectrum of Impact Measurement Tool 12, which includes a business analysis process and the assessment by control groups, Social Capital’s SIMM (Social Impact Measurement Model) 13, which measures the impact of corporate investment and aims to translate financial investment into social outcomes, and the Centre for social impact’s 3 European Commission, (2014) Proposed approaches to social impact measurement.