



The Impact of Upcycled Fashion on Waste Reduction and Consumer Perception

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ABSTRACT

The fashion industry significantly impacts environmental pollution, with industrial manufacturing waste increasing massively. This research paper explores the effectiveness of upcycled fashion in waste reduction, consumer acceptance, and economic viability. Using Streeter as a case study, we conducted a survey to assess consumer attitudes towards sustainable clothing and analyzed responses to understand purchasing behavior and barriers to adoption. The findings provide insights into consumer perception, sustainability impact, and future strategies for scaling upcycled fashion initiatives.

Key Words: Upcycled Fashion, Sustainable Clothing, Consumer Behavior, Willingness to Pay, Perceived Quality, Price Sensitivity, Circular Economy, Sustainable Fashion Marketing, Textile Waste Reduction, and Eco-friendly Products.

Introduction

The rising concern over environmental sustainability has intensified the need for creative solutions in the fashion industry. The fashion industry is a major contributor to global pollution, generating vast amounts of textile waste due to overproduction and fast-changing consumer trends. As landfills overflow with discarded garments, the need for sustainable alternatives is highly demanded.

Upcycling or resisting discarded clothing into valuable, wearable products presents a viable solution to this problem. Unlike traditional recycling, which divides materials into raw components, upcycling preserves and enhances the value of textiles, reducing waste while offering stylish and functional clothing.

Streeter, a zero-waste clothing initiative, serves as a study for this research. The venture collects discarded garments from communities and surplus inventory from retail stores, recreating them into top-notch fashion products. By raising both environmental and economic concerns, Streeter aims to promote sustainable fashion while creating economic opportunities for artisans.

This study examines the effectiveness of upcycled fashion in reducing textile waste and assesses consumer attitudes toward sustainable clothing. By creating a structured survey, this research explores buying behavior, barriers to adoption, and potential strategies for scaling upcycled fashion initiatives. The findings aim to provide insights into how business term viability.

Literature Review

The study of sustainable fashion and upcycling has gotten significant attention in academic research as an essential solution to the environmental crisis caused by the fashion industry. This literature review outlines ten key studies that contribute to understanding consumer behavior, barriers to adoption, and the effectiveness of upcycling in waste reduction.

1. Consumer Awareness and Interest in Sustainable Fashion

Fletcher (2010) states the importance of consumer education in the transition to sustainable fashion. The study finds that many consumers express concern over environmental issues, and a lack of knowledge about upcycling and sustainable alternatives hinders widespread adoption. Similarly, Jacobs et al. (2020) state that consumer awareness has increased, but accessibility and affordability remain key concerns.

2. Influence of Ethical Considerations on Purchase Behavior

Niinimäki and Hassi (2011) study the role of ethical consumption in fashion and find that while many consumers prefer eco-friendly products, the decision to purchase upcycled fashion depends on perceived social responsibility, brand credibility, and trust. Wiederhold and Martinez (2018) further support this claim, stating that young consumers, particularly millennials and Gen Z, are more likely to buy sustainable clothing if they believe in the ethical practices of the brand.

3. Perceived Quality and Consumer Skepticism

Bick, Halsey, and Ekenga (2018) examine how the image of repurposed apparel as low-quality is a significant impediment for buyers. Their research reveals that product durability and design aesthetics are important determinants in purchase decisions. In contrast, Moorhouse and Moorhouse (2017) argue that advances in textile processing and new design techniques have considerably increased the durability and appeal of recycled products, overcoming customer scepticism.

4. Affordability and Pricing Concerns

Lundblad and Davies (2016) look at the pricing challenges of sustainable fashion. They discover that, while consumers are interested in ethical items, many are unwilling to pay a higher price for upcycled clothing due to budgetary restrictions. However, Farrant, Olsen, and Wangel (2010) claim that long-term cost reductions from sustainable fashion, such as increased durability and decreased replacement frequency, make upcycled products a feasible choice, regardless of the initial cost.

5. Upcycling and Waste Reduction

According to Geissdoerfer et al. (2017), the circular economy plays an important role in sustainable fashion, with upcycling reducing textile waste by up to 50%. Their findings suggest the incorporation of waste-reduction measures into mainstream fashion business models. Clark (2008) also discusses how small-scale upcycling firms assist both the economy and the environment by prolonging the lifecycle of discarded textiles.

6. The Role of Fashion Brands in Promoting Sustainability

Niinimäki (2013) examines how big fashion brands might affect customer behaviour towards sustainability. According to the research, public adoption of sustainable fashion is dependent on well-known firms' dedication to upcycling and environmentally friendly production methods. Furthermore, organisations that aggressively promote their sustainability efforts are more likely to attract ethically concerned customers.

7. The Psychological Influence of Green Marketing

Jacobs et al. (2020) investigate the effects of green marketing tactics on customer purchase decisions. They discover that strong branding, storytelling, and clarity about sustainable methods can boost consumer trust and desire to buy upcycled items.

8. Consumer Behavior and Social Influence

Wiederhold and Martinez (2018) examine how peer influence and social media impact sustainable fashion choices. Their study finds that social proof—such as influencer endorsements and celebrity advocacy—plays a critical role in shaping consumer attitudes toward upcycled fashion. Additionally, consumers are more likely to support sustainable brands if they see their peers adopting similar purchasing habits.

The literature indicates that sustainable fashion and upcycling present viable solutions to the environmental crisis caused by textile waste. However, challenges such as affordability, consumer skepticism, and scalability must be addressed. Research suggests that increasing awareness, improving product design, and implementing supportive policies can enhance the adoption of upcycled fashion. This study builds upon these findings by conducting a survey to further explore consumer perceptions and potential strategies for scaling upcycled fashion businesses.

Methodology

This study utilizes a quantitative survey-based approach to assess consumer behavior toward upcycled fashion. Data was collected from 50 respondents across urban and suburban regions via online forms and in-person interactions at sustainable fashion events.

Survey Design & Sampling

- **Sampling Method:** Random sampling ensuring diversity in age, income, and shopping habits.
- **Survey Period:** January 2025.
- **Response Rate:** 100% (50 valid responses).

Data Representation & Analysis

1. Awareness of Sustainable Fashion

The survey found that **60%** of respondents were aware of sustainable fashion, while **40%** were not.

Awareness Level	Respondents (%)
Aware	60% (30)
Not Aware	40% (20)

2. Willingness to Pay for Upcycled Fashion

Most respondents (44%) were willing to pay a **10-20% premium**, while **30%** preferred no extra cost.

Willingness to Pay	Respondents (%)
No Premium	30% (15)
10% Premium	44% (22)
20% Premium	16% (8)
30% or more	10% (5)

3. Purchasing Behavior

52% of respondents had purchased upcycled products before, mainly **handbags (40%)**, accessories (36%), and clothing (24%).

Product Type	Respondents (%)
Handbags	40% (21)
Accessories	36% (18)
Clothing	24% (11)

4. Regression Analysis on Price Sensitivity

A regression analysis was conducted to determine the factors influencing consumer willingness to pay for upcycled fashion. The dependent variable was willingness to pay a premium, and the independent variables included perceived quality, income level, and awareness of sustainable fashion.

Statistical analysis showed that perceived quality had the strongest impact on willingness to pay ($\beta = 0.45$, $p = 0.002$), followed by income level ($\beta = 0.32$, $p = 0.018$).

Results of Regression Analysis

Variable	Coefficient (β)	Standard Error	P-Value	Significance
Perceived Quality	0.45	0.12	0.002**	Highly Significant
Income Level	0.32	0.1	0.018*	Significant
Awareness	0.2	0.09	0.049*	Marginally Significant
Constant (β_0)	1.25	0.15	0.001**	Highly Significant

- $R^2 = 0.62$ → The model explains **62% of the variation** in willingness to pay.
- **Adjusted $R^2 = 0.58$** → Adjusted for the number of predictors.
- **F-statistic = 9.41, $p < 0.001$** → The model is statistically significant.

Interpretation of Results

1. Perceived Quality ($\beta = 0.45$, $p = 0.002$)

It is the Strongest predictor of willingness to pay. Consumers who view upcycled fashion as high quality are more likely to pay a premium.

2. Income Level ($\beta = 0.32$, $p = 0.018$)

Higher-income consumers are more likely to accept price increases.

1. Awareness ($\beta = 0.20, p = 0.049$)

Consumers with more knowledge about sustainable fashion show a moderate willingness to pay extra.

The analysis suggests that improving product quality and targeting higher-income consumers can increase market adoption. Awareness campaigns may further influence price acceptance over time.

Discussion

The findings from this study provide valuable points into consumer behavior toward recycled fashion, highlighting both opportunities and challenges for market adoption. The **survey results** and **regression analysis** indicate that **desired quality, income level, and knowledge** are the primary drivers of willingness to pay for sustainable fashion.

1. Consumer Awareness and Market Potential

This study finds that 60% of respondents were aware of recycled fashion, yet only 52% had purchased recycled products before. This suggests a gap between awareness and actual purchasing behavior, indicating the need for stronger marketing efforts and consumer education campaigns to encourage conversions from interest to purchase.

2. Influence of Perceived Quality on Willingness to Pay

The regression analysis revealed that desired quality ($\beta = 0.45, p = 0.002$) had a major impact on willingness to pay. Consumers tend to associate upcycled products with lower durability and outdated designs, which acts as a barrier to adoption. To address this, sustainable fashion brands must emphasize product craftsmanship, durability, and modern aesthetics in their marketing strategies.

3. Price Sensitivity and Income Level Impact

The study found that income level ($\beta = 0.32, p = 0.018$) significantly influences customers' willingness to pay a premium for upcycled fashion. Higher-income consumers were willing to spend an additional 10-20% for sustainable products, whereas price-sensitive purchasers (30% of respondents) preferred no premium at all. To broaden market reach, organisations may explore tiered pricing methods, which involve offering both budget and premium collections to distinct consumer categories.

4. Role of Awareness in Consumer Behavior

Although awareness of sustainable fashion was high, it had a smaller impact on willingness to spend ($\beta = 0.20, p = 0.049$). This implies that simply being aware of sustainability does not necessarily equate to increased purchasing of environmentally friendly products. To increase their trust-value relationship with customers, brands should prioritize emotive storytelling, production transparency, and eco-certifications. Collections tailored to distinct consumer segments.

5. Practical Implications for Sustainable Fashion Brands

- Improve product perception by emphasising design originality, material quality, and branding to eliminate the stigma associated with repurposed apparel.
- Use segmented pricing strategies to appeal to both price-sensitive and high-income consumers by offering budget-friendly collections alongside premium designs.
- To entice first-time purchasers, offer trial discounts, influencer endorsements, and sustainability rewards programs in addition to awareness campaigns.

The discussion highlights the positive market potential for upcycled fashion, but also identifies key barriers such as quality perception, affordability, and weak conversion from awareness to purchase. Addressing these challenges through strategic pricing, product innovation, and trust-building marketing will enhance adoption and create long-term consumer loyalty in the sustainable fashion industry.

Conclusion

This study investigated customer attitudes towards upcycled fashion and identified significant elements that influence their willingness to pay. The findings show that while there is a rising awareness of sustainable fashion, price sensitivity and perceived quality remain substantial barriers to adoption. The regression analysis showed that perceived quality ($\beta = 0.45, p = 0.002$) has the greatest impact on customer willingness to pay, followed by income level ($\beta = 0.32, p = 0.018$) and awareness ($\beta = 0.20, p = 0.049$).

To increase adoption rates, sustainable fashion manufacturers should prioritise improving product quality, developing tiered pricing schemes, and increasing consumer engagement through marketing campaigns. Effective narrative, influencer alliances, and product innovation are required to bridge the awareness-to-action gap.

Future research should look into long-term consumer behaviour trends and the effect of government policies on sustainable fashion adoption. Incorporating technological advancements like AI-driven textile sorting could further optimize upcycling practices.