

Marketing Success Strategies for Upcycling-Based Fashion Brands: Case Studies of FREITAG and CONTINEW

업사이클링 기반 패션 브랜드의 마케팅 성공 전략: FREITAG과 CONTINEW 사례를 중심으로

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Abstract: Background/Purpose: The fashion industry contributes approximately 8–10% of global greenhouse gas emissions and consumes approximately 92 million tonnes of textile annually. Growing consumer expectations for environmental responsibility have elevated upcycling—the creative transformation of waste materials into high-value products—as a strategic option for fashion brands seeking differentiation through sustainability. This study examines the marketing strategies of upcycling-based fashion brands, identifying the success factors that underpin their commercial growth and sustainable positioning. **Study Design/Methodology/Approach:** A qualitative, multi-case study methodology was adopted, analysing two brands representing distinct upcycling applications: FREITAG (Switzerland, founded 1993), which transforms truck tarpaulins, bicycle inner tubes, and seatbelts into durable bags; and CONTINEW (South Korea, founded 2015), which repurposes automotive leather waste into premium accessories. Each brand was analysed through the 4P Marketing Mix framework (Product, Price, Place, Promotion). Data were collected from corporate websites, official social media channels, brand reports, and published case documentation through January 2025. **Findings:** Five common success factors were identified across both cases: (1) material innovation translating waste into desirable, functional products; (2) brand storytelling emphasising environmental and ethical values to build emotional consumer connection; (3) collaborative partnerships with industry partners and sustainability-focused organisations enabling scalability; (4) consumer engagement programmes (repair services, take-back schemes, customisation platforms) reinforcing circular consumption; and (5) premium market positioning elevating the perceived value of upcycled products. Both brands achieved premium pricing through transparency, scarcity, and distinctive design narratives rather than cost-parity with conventional products. **Originality/Value:** This study provides a comparative 4P analysis of two upcycling-based brands operating in distinct national and material contexts, identifying transferable success strategies for practitioners. The findings demonstrate that upcycling is not merely an environmental initiative but a commercially viable differentiation strategy compatible with premium branding and sustainable profitability.

Keywords: upcycling; fashion brand strategy; circular economy; sustainability marketing; FREITAG; CONTINEW; 4P marketing mix; brand storytelling; eco-luxury; sustainable consumption

1. Introduction

The fashion industry faces intensifying scrutiny over its environmental footprint. The United Nations Environment Programme estimates that the sector accounts for 8–10% of global carbon emissions—exceeding the combined contribution of international aviation and maritime shipping—while consuming approximately 92 million tonnes of textile annually (UNEP, 2020). Fast fashion's linear production-consumption-disposal model has concentrated these environmental costs, generating approximately 370,000 tonnes of textile waste in South Korea alone in 2020, of which only 5.8% was recycled (BizHankook, 2021). Against this backdrop, upcycling—which transforms discarded materials into higher-value products through design creativity rather than material degradation—has

emerged as a strategically distinct approach within the broader sustainable fashion movement.

The Ellen MacArthur Foundation (2017) characterises upcycling as a practical implementation of circular economy principles, extending material lifecycles and redirecting waste streams into productive use. Unlike recycling (which degrades materials to base components) or downcycling, upcycling preserves or enhances material characteristics while adding design value. This study investigates how upcycling-based fashion brands have translated these environmental principles into commercially successful marketing strategies, using FREITAG and CONTINUEW as primary cases.

2. Theoretical Framework

2.1. Upcycling in the Fashion Industry

Upcycling is defined as the process of converting waste materials into new products of higher quality or environmental value through creative design (Sung & Cooper, 2017). It is distinguished from recycling by its preservation of material aesthetics and characteristics, and by the design-led value creation process that transforms waste into a narrative asset. In the fashion context, upcycling generates products that carry inherent stories—the origin, history, and transformation of the source material—which serve as a basis for consumer emotional engagement beyond functional utility (Jung et al., 2021). Economically, upcycling enables brand differentiation through scarcity (no two units are identical), ethical positioning, and premium pricing supported by perceived uniqueness. Culturally, it invites consumer participation in sustainability, enabling ethical consumption identity expression (Henninger et al., 2016).

2.2. Upcycling and Marketing Strategy

The 4P Marketing Mix—Product, Price, Place, Promotion—provides the organising framework for this analysis (McCarthy, 1960). Upcycling-based brands face distinctive 4P challenges: products must convert waste into desirable items without compromising quality expectations; pricing must justify premium positioning based on sustainability, craft, and scarcity rather than conventional material cost structures; place strategies must balance the experiential retail dimension (where brand philosophy can be physically expressed) with global digital reach; and promotion must communicate complex environmental and ethical narratives effectively to diverse audiences (Han et al., 2019).

3. Case Analysis: FREITAG

3.1. Brand Overview

FREITAG was founded in 1993 in Zurich, Switzerland by brothers Markus and Daniel Freitag. The brand produces bags and accessories from used truck tarpaulins, bicycle inner tubes, and car seatbelts. Each product carries the unique colour and texture of its source material, ensuring no two units are identical. FREITAG operates in over 50 countries and is recognised as a definitive commercial success case in sustainable fashion.

3.2. 4P Analysis

Product: FREITAG's product differentiation is structurally embedded in its material sourcing process. Tarpaulins are collected from truck companies across Switzerland, washed, cut, and crafted into bags by hand—a five-stage 'Truckspotting to Completion' process documented and shared publicly. The unique colour patterns and material flaws of each tarpaulin are preserved as design features rather than defects, creating inherent scarcity. FREITAG offers a digital service through which buyers can trace the geographic route of the truck whose tarpaulin provided their bag's material, transforming the product into a personalised narrative artefact.

Price: FREITAG applies a premium pricing strategy (messenger bags: approximately KRW 150,000–300,000) justified through material authenticity, handcraft, scarcity, and sustainability credentials. The company communicates high durability and quality alongside the ethical and environmental value of the product to support consumer acceptance of premium pricing. Price stability across model years—unlike competitors who raise prices on new model releases—reinforces trust.

Place: FREITAG opened its first flagship store in Hamburg in 2001, constructing stores from reclaimed freight containers to physically embody brand philosophy. Flagship stores (Hamburg, Tokyo Ginza, Seoul Apgujeong, Jeju) function as brand experience spaces where customers can select tarpaulin pieces and commission customised bags. The early development of a global online platform from the mid-2000s enabled international reach while maintaining locally produced inventory. The combination of local production with global distribution supports FREITAG's sustainability positioning.

Promotion: FREITAG's promotional strategy centres on storytelling transparency: the 'Your Bag's Journey' digital campaign enables buyers to track their bag's tarpaulin provenance. Collaborative special editions (e.g., 2021 Brompton bicycle partnership for rider-optimised backpacks; 2017 Sennheiser collaboration for urban audio accessories) extend brand reach through aligned partner audiences. The 'S.W.A.P.' (Shopping Without Any Payment) event—allowing consumers to exchange FREITAG bags peer-to-peer—generated over 4,450 uploads and 1,000+ transactions, building circular consumption culture while generating organic social media content. The #ridewithfreitag hashtag campaign activated user-generated content at scale.

4. Case Analysis: CONTINEW

4.1. Brand Overview

CONTINEW was founded in 2015 in South Korea. Its name combines 'Continue' and 'New', symbolising resource renewal through recycling. The brand repurposes leather, seatbelts, and airbag materials generated as waste during automotive seat manufacturing into premium bags, wallets, and accessories. All products are produced as limited editions reflecting the available waste volumes from partner automotive manufacturers.

4.2. 4P Analysis

Product: Automotive leather's inherent durability and premium texture positions CONTINEW products as genuine luxury items rather than merely 'sustainable alternatives'. Buyers can identify the specific automotive model from which their product's leather originated, providing a distinctive provenance narrative. Product lines include briefcases, backpacks, card wallets, and the ultra-premium 'L Project' line (backpacks priced at KRW 1.79–3.7 million), reflecting automotive brand-level luxury positioning.

Price: CONTINEW targets upper-middle and high-income consumers who value both sustainability and quality (standard products: KRW 150,000–400,000; L Project: KRW 1.79–3.7 million). Premium pricing is justified through automotive-grade leather quality, handcraft, limited edition production, and the ethical value of waste diversion. Collaborations with automotive brands (Kia 'Niro x CONTINEW') reinforce the authenticity of material sourcing and validate the brand's premium tier.

Place: CONTINEW opened its Seoul Hapjeong-dong flagship ('House of Continew') in 2018, designed as an upcycling exhibition space and café as well as a retail environment. Online sales are conducted through the official website, Musinsa, and Naver Smart Store. T-commerce home shopping channel partnership with SK Store (2019) achieved sell-through of the first tranche on initial broadcast, demonstrating demand beyond the flagship's organic reach. Kia Motors collaboration served as both a supply chain and distribution channel.

Promotion: Brand storytelling communicates the specific automotive model origin of each product's leather. Consumer participation events at the Paju headquarters (factory tours, upcycling process observation) and Seoul flagship (experiential retail, café) deepen brand engagement. The #UpcycledLuxury hashtag campaign activates user-generated content. The Kia Niro collaboration ("The all new Niro x CONTINEW") communicated the brand's upcycling philosophy to a mass automotive audience. Digital content across Instagram, YouTube, and Facebook visualises the transformation process and brand culture.

5. Discussion and Strategic Recommendations

The comparative 4P analysis of FREITAG and CONTINEW reveals five transferable success factors for upcycling-based fashion brands. First, material innovation—developing processes that transform waste characteristics into product features rather than deficiencies—is foundational to both product differentiation and brand narrative. Second, transparent storytelling that shares material origins and production processes with consumers builds emotional connection and ethical consumption identity, supporting premium positioning. Third, strategic partnerships—with material suppliers, complementary brands, and retail channels—provide access to consistent feedstocks, extended brand reach, and validation of quality claims. Fourth, consumer engagement programmes (customisation, take-back, exchange, workshop participation) reinforce circular consumption culture and strengthen brand loyalty beyond the transactional relationship. Fifth, premium market positioning—supported by scarcity, craft, and narrative value—enables economic sustainability by pricing upcycled products above commodity equivalents.

For brands seeking to develop upcycling strategies, the study recommends: investing in material processing technology that preserves and enhances source material aesthetics; developing digital traceability systems that enable consumer connection with product provenance; pursuing strategic collaborations with material suppliers and complementary brands; designing consumer engagement programmes that extend the brand relationship beyond the point of purchase; and leveraging digital platforms for process transparency and community building.

Sustained marketing investment across economic cycles—analogueous to P&G's advertising investment model—is recommended to build durable brand equity.

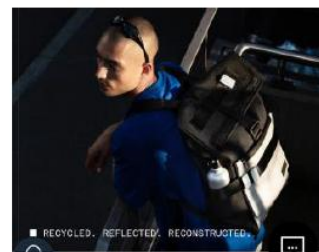
6. Conclusions

This study has demonstrated that upcycling is not merely an environmental compliance strategy but a commercially viable brand differentiation and premium positioning strategy in the fashion industry. FREITAG and CONTINUE both achieve market differentiation through waste-to-value product innovation, transparent storytelling, strategic partnerships, consumer engagement, and premium positioning—despite operating in different national markets and material categories. The findings confirm that environmental responsibility and commercial success are compatible when brand strategy consistently integrates sustainability at every level of the marketing mix. Limitations include the case-study scope (two brands, two countries) and the absence of quantitative consumer behaviour data; future research should extend comparative analysis across additional brands and markets, and incorporate primary consumer data to validate the identified success factors.

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F-STORE HAMBURG

F-STORE GINZA
1-13-12 Ginza
Chuo-ku
100-0061 Tokyo
Japan

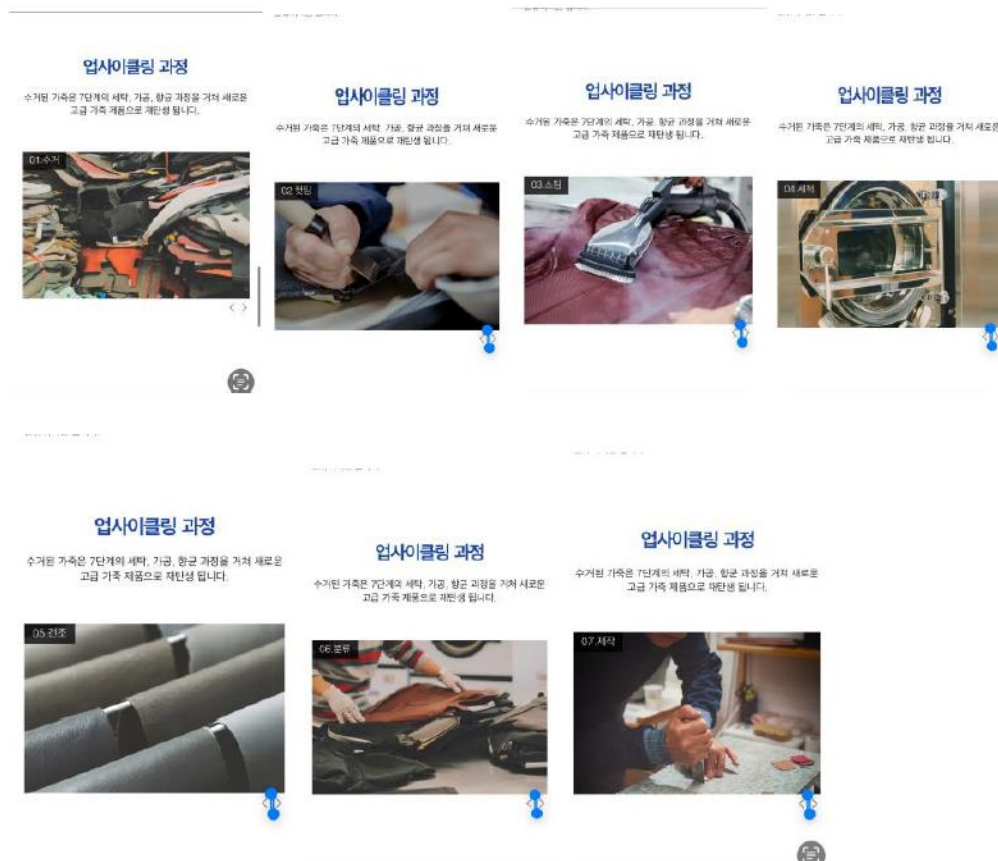
F-STORE SEOUL APGU-JEONG
Seolleong-ro 159-gil 11 1F
Gangnam-gu
06010 Seoul
South Korea

(그림 4). 업사이클링소재, 공장, 스토어. 출처: 컨티뉴 웹사이트.

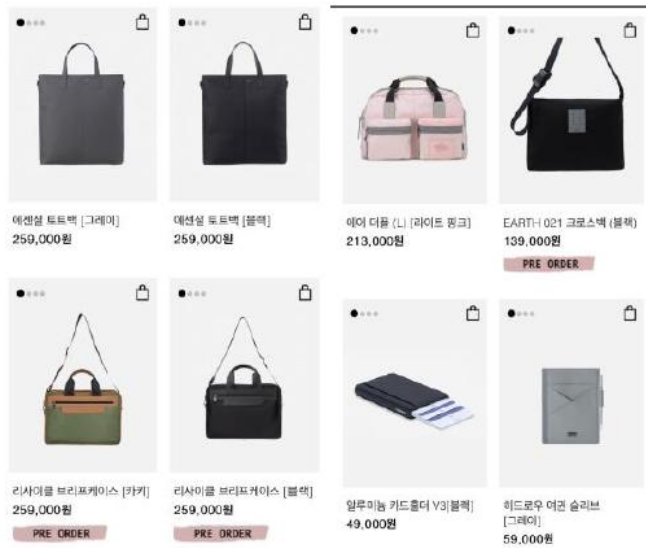
컨티뉴 업사이클링 소재



(그림 5).업사이클링 프로세스. 출처: 컨티뉴 웹사이트



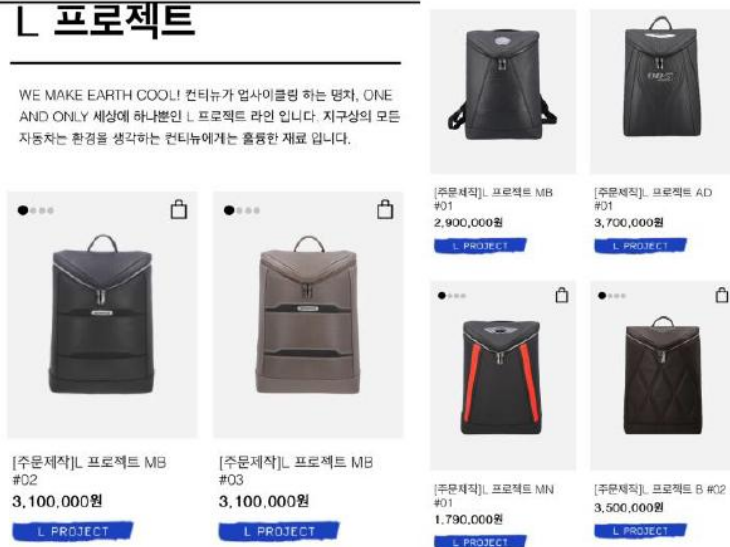
(그림 6). Products. 출처. Continev website.



(그림 7). L 프로젝트. 출처. Continev Website.

L 프로젝트

WE MAKE EARTH COOL! 컨티뉴가 업사이클링 하는 명차, ONE AND ONLY 세상에 하나뿐인 L 프로젝트 라인입니다. 지구상의 모든 자동차는 환경을 생각하는 컨티뉴에게는 훌륭한 재료입니다.



(표 1) 프라이탁(FREITAG)과 컨티뉴(CONTINEW)의 4P Mix 비교 분석

4p 요소	프라이탁(FREITAG)	컨티뉴(CONTINEW)
Product	- 트럭 방수포, 자전거 튜브, 안전헬트 등의 산업 폐기물을 활용해 내구성과 방수성이 뛰어난 가방 및 액세서리 제작 - 고유한 색상과 텍스처를 강조하여 모든 제품이 독창적이고 유일한 디자인을 가짐 - 수작업으로 제작되어 고품질과 희소성 제공.	- 자동차 제조 공정에서 발생하는 고급 가죽 폐기물을 활용하여 가방, 지갑, 카드 홀더 등 제작 - 한정판 생산을 통해 희소성과 독창성을 강조 - 소재의 출처를 명시하여 소비자에게 제품의 스토리와 고급스러움 전달.
Price	-프리미엄 가격 정책 적용, 메신저백 15 만 원~30 만 원대 - 업사이클링 소재의 독창성과 지속 가능성을 강조하여 높은 가격 정당성 확보 - 품질과 스토리를 통한 소비자의 고가 제품 수용도 강화	-프리미엄 가격 정책 채택, 제품 가격 약 15 만~40 만 원대/ L line: 200-300 만원 - 업사이클링 소재와 고급스러운 디자인을 결합하여 고소득층 및 윤리적 소비자를 타겟으로 설정 - 한정판 제작으로 가격 프리미엄 유지
Placement	-2001 년 독일 함부르크 첫 플래그십 스토어 오픈 후, 글로벌 매장 확장 - 오프라인 매장 내 재활용 자재 활용 인테리어로 브랜드 철학 강조 - 디지털 플랫폼을 통해 글로벌 소비자 접근. - 맞춤형 가방 제작 서비스 제공	- 2018 년 서울 합정동에 플래그십 스토어 오픈, 업사이클링 철학을 반영한 전시 공간 제공 - 공식 웹사이트와 국내 주요 온라인 플랫폼(무신사, 네이버)에서 제품 판매 - SK 스토어 및 기아자동차와 협업해 홈쇼핑 및 한정판 제품 유통(Gregson et al., 2015)
Promotion	-투명한 메시지와 디지털 캠페인 활용: "Your Bag's Journey" 캠페인으로 소재의 출처 및 제작 과정을 공개 -브롬톤(Brompton) 및 쟈하이저(Sennheiser) 등과의 협업으로 한정판 제품 출시 - 오프라인 이벤트 "S.W.A.P." 캠페인 및 무료 대여 캠페인 진행	-스토리텔링 중심의 마케팅: 자동차 가죽의 재활용 과정을 강조하며 윤리적 소비 촉진 - 소셜 미디어 캠페인(#UpcycledLuxury)을 통해 소비자 참여 유도 - 오프라인 매장에서 업사이클링 제작 과정을 체험할 수 있는 워크숍 개최.