



Product Lifetime Extension Case Study: Refazenda

Company name: Refazenda ([website](#))

Sector of activity: Textile reverse logistics

Implementation area: Local operation (headquartered in Pernambuco, Brazil)

Business strategy for product lifetime extension: Upcycling and Reuse

Upcycling

According to the *Seung (2015)* upcycling is a “process in which used materials are converted into something of higher value and/or quality in their second life”. This represents the process of converting old or discarded materials into something useful, giving an item a better purpose from one cycle of use to the next one. Its principles are associated with the circular economy concept, which means the continuous re-use of products and materials in biological and technical cycles, returning them to society with a higher value than the original one.

Reuse

The *Directive 2008/98/EC* on waste and repealing certain Directives of the European Parliament and of the Council define reuse as “any operation by which products or components that are not waste are used again for the same purpose for which they were conceived”. Reusing an item means that it continues to be valuable for longer and avoid the impacts associated with the manufacturing and purchase of a new one, besides preventing waste generation.

History

Bothered by the disposal of huge amounts of textile waste, several entrepreneurs gathered to discuss possible solutions to Brazilian textile industry, the second largest polluting sector in the country. From this, Magna Coeli, a Brazilian stylist, came up with the idea of developing a patchwork reuse project. The stylist realized that fabric scraps, which would normally become waste, could generate a profitable business within the fashion industry, and so Refazenda was created.

Refazenda’s business model is tied to a sustainability concept since its very start, 28 years ago. Through a strategy called ‘upcycling’, Refazenda adds value to products by using patchworks from fabric scraps, which would be discarded, as raw material for the design of new items.

Context

Refazenda’s initial core was “Bed, Bath N’ Table” products. However, due to the colorful patchwork geometric design of the pieces, consumers also started demanding the production of clothes. As the demand continued to increase, Refazenda fully migrated to their current fashion business.

Another shift in their business strategy was the adoption of an entirely handmade and natural fabric production (with the use of materials such as organic cotton, silk, and linen). This was motivated by the designer’s personal values and due to the fact that the company is located in a tropical region, which favors the growth of this type of material.

The company introduced lace pieces in their catalogue, relying on social work that employs lacemakers – whose work has been undervalued in the past years due to new technologies arising in the clothing industry (**Figure 1**) – from the entire Brazilian coastline. This activity had a solid contribution to the construction of the brand identity, due to the historical, cultural and economic factors associated with the work of the lacemaker community.

Concerning the operational aspects, Refazenda buys the fabric and weaves the clothes, generating patchworks that are reassembled and, in sequence, give rise to secondary materials to be embedded in the production of



Figure 1. Refazenda's lacemakers

smaller pieces. This second process generates small patchworks that are reassembled and used to produce accessories, such as necklaces, bracelets, scarfs, and brooches, or then are sent to associated cooperatives and submitted to upcycling. Once the textile is upcycled, Refazenda purchases it again as new fabric raw material and the process is restarted.

Making durable products

From the very beginning, Refazenda manufactured its products by applying high quality materials and handmade processes in the entire chain, which results in pieces with a higher durability than in the average fashion market, currently driven by "fast fashion" trends. Furthermore, the company also implements two projects that aim at extending product lifetime.

The first project, called "Enhancement", consists of a series of workshops that help consumers to give another use to their own pieces of clothes. For instance, consumers can take their clothes to one of Refazenda's stores and choose how they want them to be redesigned, or even submit them to upcycling.

Besides the benefit of keeping a valuable piece of clothing that was getting old fashioned, this project also allows people who have gained or lost weight to adjust their clothes to fit their bodies. In addition, due to upcycling, pieces that have already been used for many years can still have their life extended for another 15 years or so, avoiding premature discarding.

The second project is called "Reuse" and, unlike the previous one, it does not physically interfere in the pieces' design. Experts offer consultations to rethink the use of "prêt-à-porter" clothes (an expression that means "ready to wear" in French), assisting people to change their perceptions of their own clothes. For instance, a long skirt can become a strapless dress.

This versatility among the pieces consumers already have in their wardrobe reduces the need to buy more clothes. Furthermore, consumers can still feel like they are getting a new piece even if they haven't bought any.

Results

The brand received the 'Zero Waste Award' from the Industries Federation of Pernambuco State (FIEP) in 2013, for being able to reduce the amount of solid waste in their activities to zero, due to patchworks' reuse and upcycling. Also, they do not use any metal components in clothing, nor raw materials that are difficult to dispose, and their packaging does not use plastic materials.

Over the years, the company has been collecting testimonials from customers that not only report their emotional attachment to Refazenda's pieces, but also highlight the extended lifetime of products – some testimonials tell the story of people who have bought their clothes 15 years ago and still use them. These reports are available on Refazenda's website, where consumers can watch videos ([click here to access some of them](#)).



Refazenda has been able to connect all three pillars of sustainability securing market differentiation. This is due to their work towards social causes, the positive environmental impacts of their value chain and also their financial profit.

The company believes that it is not possible to be environmentally sustainable without being socially and financially sustainable as well. Moreover, they want to be recognized in all three pillars equally, without highlighting one in spite of the other because they are all rooted in Refazenda's values and mission.

Barriers, Solutions and Next Steps

Opposing 'fast fashion', the average durability of Refazenda's pieces is 10 to 15 years. This longevity of the clothes, however, presents a commercial challenge to the brand: if a piece has high durability, consumers, consequently, take longer to buy new clothes.

One of the solutions comes from the "Enhancement" project. Although the project is still new, it already has a large customer base. It can serve as a diversification strategy, taking its profits from the consulting services that are charged.

Companies working with innovative strategies, such as upcycling, that are not yet widely known, especially in developing economies, can sometimes take longer to realize that their business stand out positively in the market. In this context, it is not unusual that in face of commercial issues or low acceptance of consumers, these companies end up giving up before obtaining success. This can be further accentuated by the lack of government support and financial difficulties that sometimes make business models such as upcycling harder to implement.

Although Refazenda's founders acknowledge the practical challenges, they perceive that it was indeed possible to achieve their goals by rethinking their marketing strategy and working hard to conquer their space in the fashion industry. One of their decisions was to base their communication strategy on emotional messages, removing institutional information from the website and instead showing cases and real stories of clients so other people could identify themselves with it.

Another challenge found by Refazenda is the owners' perception that although the brand is highly appreciated by consumers, sales are still lower than expected. This means that people intend to buy, but still don't do it. The company's communication team has been working ever since they perceived this inconsistency to understand what makes people recognize the brand, but not buy from it. So far, they have yet not come to a solid conclusion, but realized that marketing can be inefficient in some aspects and should be improved.

Also, Refazenda continues to face some challenges related to the brand identity. The reason is that some consumers see their style as "hippie" while others define them as High Fashion. Through its marketing strategy, the company has been working to eliminate any labels that may inhibit the purchase of those who do not identify with any of these stereotypes. By doing this, Refazenda seeks to unify the brand so that most consumers can recognize themselves in some way in their pieces.

How to get involved?

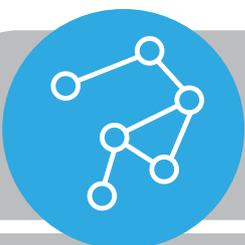
Everyone can contribute to a more textile industry. Consumers have a double role, both when deciding what to consume, looking for more durable products depending on their design and raw materials, but also when choosing products from companies that address key issues of the value chain, passing through raw material extraction and labor relationship, and that allow an adequate end-of-life management of the product, ideally extending its life or reinserting it into the chain.



The Long View Report

This case study is related to *The Long View Report* in two main aspects:

- Improvement of waste treatment infrastructure, since textile waste is a large problem in the country. Since Brazilian laws are not effective on encouraging textile waste treatment, upcycling can help solve this issue.
- Consumer information and education, due to initiatives that induce a positive consumer attitude towards extended product maintenance and reuse.



Open Source perspective: enable and support consumers to extend the lifetime of their products

Consumer education and information

The promotion of the development of (for instance) product buying/use guides, or consumer awareness/marketplace campaigns, can increase the understanding of product durability, induce a positive consumer attitude towards product maintenance and repair, and encourage consumers to hold companies to account.



Product lifetime extension in developing economies

Improvement of waste treatment infrastructure

In many economies a formal, environmentally sound and safe waste management system is needed. In order to make such a system function properly, public education on how and where to dispose products is required.