



FROM WASTE TO RESOURCES: A STUDY ON THE APPLICATION OF THE CIRCULAR ECONOMY IN THE FASHION INDUSTRY

S. M. Shatarah

Home Economic Department, College of Culture and Arts, King Khalid University
Mohayel Asir, Saudi Arabia Kingdom
shatarh@kku.edu.sa

ABSTRACT

This research investigates the barriers and opportunities for integrating circular economy principles within the fashion industry, focusing on the critical issues of waste management and resource efficiency in textile production and consumption. Through a mixed-methods approach, this study analyzed quantitative data revealing that approximately 92 million tons of textile waste are generated annually, accompanied by qualitative insights from key stakeholders in the fashion supply chain. The findings indicate that while significant barriers exist, such as a lack of consumer awareness and insufficient regulatory frameworks, there are also notable opportunities for innovation and collaboration that can facilitate the transition toward a more sustainable model. The implications of these findings extend beyond environmental concerns; they suggest that a circular economy in fashion can positively influence public health by reducing toxic waste materials and promoting sustainable practices. Moreover, this research contributes to the broader discourse on sustainability in healthcare by highlighting the interconnectedness of various industries in resource utilization and waste reduction. Ultimately, this study calls for a paradigm shift in the fashion industry, advocating for systemic changes that not only enhance economic viability but also support improved health outcomes and environmental stewardship.

Keywords: Waste, Circular Economy, Fashion Industry.

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INTRODUCTION

The fashion industry stands at a critical juncture, grappling with the dual pressures of growing consumer demand and the urgent need to mitigate its environmental impacts, which manifest in both resource depletion and considerable waste generation. Traditional linear models, characterized by a 'take-make-dispose' approach, have led to unsustainable practices that significantly contribute to climate change, pollution, and the depletion of natural resources (Abbate S et al., 2023). These challenges have catalyzed the emergence of the circular economy (CE) as a framework advocating for sustainable practices that prioritize resource efficiency and waste reduction (Filho WL et al., 2023). The research problem this dissertation seeks to address is the inadequate practical implementation of circular economy principles within the fashion industry, a sector notorious for its high volumes of waste and environmental degradation (Huynh T-The et al., 2023). Despite the increasing recognition of these principles, the transition from a waste-centric mindset to viewing waste as a resource remains largely uncharted territory for many fashion stakeholders (Singh BJ et al., 2023). The objectives of this study are to investigate effective circular economy applications in the fashion industry, assess the barriers hindering their adoption, and identify potential strategies for fostering a culture of sustainability (Giovanni PD, 2023). By critically analyzing the integration of circular economy models, this dissertation aims to illuminate pathways that fashion businesses can adopt to ensure environmental responsibility and enhance resource utilization (Tournier V et al., 2023). The significance of this research extends beyond

academic inquiry; it offers practical insights for industry practitioners seeking to align their operations with sustainable practices while addressing increasing consumer expectations for responsible fashion (Khalifa A et al., 2022). The findings of this study will contribute to the broader discourse on sustainability in fashion, providing necessary empirical data and case studies that support the implementation of circular principles (Kelly S et al., 2022). Furthermore, the visual representations of the circular economy framework, such as the Circular Business Models Wheel, serve to clarify and reinforce these concepts, emphasizing the multi-faceted approaches to achieving sustainability in the sector. Ultimately, this dissertation endeavors to contribute to enhanced understanding and adoption of circular practices, promoting a paradigm shift where waste is viewed as a valuable resource rather than a costly byproduct of fashion production (Zheng X, 2024). This investigation holds the promise of not only advancing academic conversations but also fostering actionable changes that can lead to a more sustainable fashion industry. This research aims to investigate the barriers and opportunities for integrating circular economy principles in the fashion industry, addressing the critical issue of waste management and resource efficiency in textile production and consumption; this study will require quantitative data on current waste levels and resource use, as well as qualitative insights from stakeholders in the fashion supply chain to identify effective strategies for transitioning to a more sustainable model.

LITERATURE REVIEW

The ongoing environmental crisis, driven in large part by industrial practices that prioritize short-term profit over sustainability, has prompted a critical reevaluation of traditional business models across various sectors, particularly in fashion. This sector, notorious for its significant contributions to global pollution and waste, is facing mounting pressure to adopt more sustainable practices. The linear economy model prevalent in fashion—characterized by a 'take-make-dispose' paradigm—has shown its limitations, leading to over 92 million tons of textile waste generated annually worldwide, with only a fraction being recycled (THINAKARAN S et al., 2023). In light of these challenges, the circular economy (CE) offers a promising alternative, promoting a holistic approach that views waste as a resource and emphasizes the importance of reducing, reusing, and recycling materials in production processes (Jain T, 2023). This literature review explores how the principles of the circular economy can be effectively applied within the fashion industry, transforming waste into valuable resources. Recent research underscores the urgency of integrating circular practices, with scholars advocating for strategies that enhance resource efficiency, reduce environmental impacts, and address social issues such as labor conditions. Pioneering brands such as Patagonia and H&M have initiated programs that incorporate CE principles, demonstrating the viability of recycling and sustainable production methods (Jain T, 2023). Yet, while initial studies reveal a growing consumer awareness and acceptance of these practices, challenges persist, including regulatory pressures, supply chain inefficiencies, and technological barriers that hinder widespread adoption (Abdelmeguid A et al., 2022). Furthermore, there is a notable disconnect between consumer behavior and sustainability efforts, with many individuals still unaware of the implications of their purchasing decisions on waste generation. Despite the advancements made, significant gaps remain in the literature regarding the systemic integration of circular economy practices in diverse contexts. For instance, while much attention has been given to top-down strategies driven by large corporations, there is a pressing need for more empirical studies focusing on the role of small and medium enterprises (SMEs) in fostering circularity. Additionally, variations in cultural and regional approaches to circularity have not been adequately addressed, highlighting an area ripe for further exploration. This literature review seeks to provide a comprehensive analysis of existing scholarship on the application of circular economy principles in the fashion industry, synthesizing findings from diverse studies to outline the current state of knowledge. It will delve into the innovative strategies employed by leading brands, while also scrutinizing the factors that can inhibit these practices from being adopted more broadly. By highlighting successful case studies alongside the challenges that remain—such as the technological and logistical hurdles identified in the literature (Lu H et al., 2022)—the review aims to present a well-rounded understanding of how the fashion industry can evolve from a wasteful system to a sustainable circular economy. In doing so, it will emphasize the need for a collaborative approach among all stakeholders, including consumers, businesses, and policymakers, to ultimately transition to a more sustainable future in fashion. Thus, this study is not only relevant for academic discourse but also holds practical implications for industry stakeholders seeking to effect positive change in fashion sustainability practices [extractedKnowledge16]. The exploration of the circular economy in the fashion industry has evolved significantly over recent decades, reflecting growing concerns over environmental sustainability and resource management. Early discussions highlighted the detrimental impacts of fast fashion, which has been criticized for driving a linear economy characterized by high waste production and resource depletion (Sharma GD et al., 2022). This context set the stage for the emergence of circular economy

principles, which advocate for waste reduction through practices such as recycling and upcycling. By the early 2000s, literature began emphasizing the need for systemic changes within the industry, with scholars arguing that circular models could address ongoing environmental issues (Jain T, 2023). The concept of “closing the loop” gained traction as companies explored sustainable practices, with notable examples emerging in regions like Europe, where initiatives such as the EU's Circular Economy Action Plan were introduced (Abdelmeguid A et al., 2022). The integration of technological innovations, such as Big Data and IoT, further supported the implementation of circular principles, enhancing supply chain transparency and consumer engagement. As the dialogue progressed into the 2010s, case studies highlighted successful brands leveraging circular practices, such as H&M's recycling programs and Patagonia's repair initiatives (THINAKARAN S et al., 2023). The commitment to sustainability became a cornerstone of marketing strategies, reflecting a shift in consumer awareness and demand for ethical products (Jain T, 2023). More recently, the literature has acknowledged the complexities and challenges of fully realizing a circular economy in fashion, including the need for robust regulatory frameworks and collaborative efforts among stakeholders (Marcello M Mariani et al., 2022). Despite barriers such as financial constraints and technological limitations, the ongoing discourse emphasizes that a transition towards a circular economy is both necessary and feasible, advocating for collective action across the industry (Filho WL et al., 2023). Thus, the evolution of this topic encapsulates a significant shift toward a sustainable future in fashion, transforming waste into valuable resources.

The exploration of the circular economy (CE) in the fashion industry reveals a compelling shift from the traditional linear model towards sustainable practices that repurpose waste as valuable resources. This transformation is underscored by a growing acknowledgment of the environmental consequences of fast fashion, which generates considerable waste and contributes to pollution. Authors like (Dr. R Priyadharshini et al., 2024) and (Marcello M Mariani et al., 2022) emphasize that adopting CE principles can significantly reduce textile waste and resource exploitation by facilitating processes such as recycling, upcycling, and sustainable sourcing. Moreover, the implementation of closed-loop systems that prioritize resource recovery is essential for maximizing material efficiency, as highlighted by (Abdelmeguid A. et al., 2022) and (THINAKARAN S et al., 2023). Key challenges persist in this transition, including technological hurdles, financial constraints, and consumer behavior barriers. For instance, (Marcello M Mariani et al., 2022) point to the high costs associated with sustainable practices, which often deter smaller companies from adopting CE methods. Furthermore, a lack of consumer awareness about eco-conscious choices impedes the broader acceptance of circular practices, a sentiment echoed in the findings of (Filho WL et al., 2023). Innovations in materials and processes, such as biodegradable textiles and enhanced recycling technologies, are vital for overcoming these challenges, as noted by and. Collaboration among stakeholders—manufacturers, consumers, and policymakers—is pivotal to fostering the adoption of CE in the fashion industry. The strategic involvement of all parties not only facilitates knowledge sharing but also enhances the efficacy of initiatives aimed at waste reduction and sustainability, which is supported by, , and (Bhatia I, 2024). A comprehensive framework that integrates these strategies is necessary for ensuring a successful transition from waste to resources while fostering economic viability and environmental stewardship within the fashion sector, as emphasized by (Marcello M Mariani et al., 2022) and (Ana Fábila Ribas de Martins OF et al., 2023). The application of the circular economy in the fashion industry has garnered extensive research attention, utilizing diverse methodological approaches that significantly influence findings and implications. Qualitative methods, such as expert interviews, are employed to uncover the complexities of consumer awareness and stakeholder engagement, revealing critical insights into the effectiveness of circular practices in fostering sustainable behavior (Dr. R Priyadharshini et al., 2024), (Abbate S et al., 2023). Meanwhile, quantitative analyses often focus on statistical relationships and trends in waste generation linked to fast fashion, emphasizing the need for robust recycling frameworks to mitigate environmental impacts (Filho WL et al., 2023), (Sharma GD et al., 2022). Systematic literature reviews are prevalent, allowing researchers to synthesize existing knowledge and identify gaps within the methodologies used, highlighting the need for comparable metrics in sustainability assessments across different regions (Marcello M Mariani et al., 2022), (Singh BJ et al., 2023). For instance, the rapid expansion of fast fashion has led to a substantial increase in textile waste that is inadequately managed, necessitating innovative recycling technologies and practices, (Tournier V et al., 2023). Research employing mixed-methods approaches effectively captures the intricacies of consumer behavior and the socio-economic implications of shifting toward a circular model, emphasizing collaboration among stakeholders to enhance resource efficiency (Takacs F et al., 2022), (Giovanni PD, 2023). Frameworks that integrate both hard and soft challenges, such as regulatory pressures and consumer perceptions, have been proposed to guide the effective implementation of CE strategies within the industry (Abbate S et al., 2023), (Bhatia I, 2024). Furthermore, case studies on pioneering brands illustrate successful integrations of circular principles, providing practical insights that complement

theoretical perspectives on sustainability. Despite the diverse methodological landscape, challenges persist in achieving a cohesive understanding of circular economy practices, prompting ongoing research to develop standardized evaluations that can facilitate broader applications across the fashion sector (Singh BJ et al., 2023), (Ana Fábía Ribas de Martins OF et al., 2023), (Yogesh K Dwivedi et al., 2023). Overall, methodological variation not only enriches the discourse on circular economies in fashion but also serves to highlight the multifaceted challenges and opportunities inherent in transitioning from a traditional linear model to one that prioritizes sustainability and resource regeneration. The integration of circular economic principles within the fashion industry necessitates a multidisciplinary theoretical framework that addresses the complexities of sustainability. Various perspectives highlight the urgent need for a transition from a linear model to a circular one to mitigate the sector's substantial environmental impact. For instance, (Abbate S et al., 2023) underscores the interrelation of production processes and consumer behavior, asserting that understanding these dynamics is vital for promoting sustainable practices. This view is echoed by (Bhatia I, 2024), which emphasizes the importance of stakeholder collaboration in designing textile waste reduction strategies. Moreover, the challenges associated with implementing circular practices, such as high costs and regulatory barriers, are well-documented in the literature. Research by (Singh BJ et al., 2023) identifies technological limitations as significant hurdles that impede the shift to circularity, particularly in garment recycling and resource efficiency. In contrast, (Ana Fábía Ribas de Martins OF et al., 2023) posits that successful business models, including rental and resale systems, can significantly alleviate these challenges by fostering a culture of sustainability among consumers. Theoretical constructions like the Triple Bottom Line, which balances environmental, social, and economic factors, further support the adoption of circular economic practices in the fashion industry. This paradigm is illustrated in the study by (Yogesh K Dwivedi et al., 2023), which advocates for circular design and eco-innovation as mechanisms to enhance both resource efficiency and corporate responsibility. Additionally, (Dr. R Priyadharshini et al., 2024) critique conventional fast fashion paradigms, arguing for robust policy frameworks to support circular initiatives effectively. Collectively, these theoretical perspectives underscore the necessity for an integrated approach to foster systemic changes in the fashion sector, supporting the assertion that transitioning to a circular economy can yield multifaceted benefits while addressing industry's pressing sustainability challenges. In conclusion, this literature review has comprehensively examined the application of circular economy (CE) principles within the fashion industry, a sector critically positioned at the intersection of environmental sustainability and economic viability. The findings reveal a compelling need for transformative practices that reinterpret waste as a valuable resource, highlighting existing initiatives from pioneering brands such as Patagonia and H&M that effectively incorporate CE strategies into their operations (Bhatia I, 2024). These case studies underscore the viability of sustainable practices, demonstrating that it is feasible to shift from the traditional 'take-make-dispose' model to a more restorative approach characterized by waste reduction and resource efficiency (Abbate S et al., 2023). Despite these advancements, significant challenges remain. The literature articulates barriers including regulatory pressures, technological limitations, and consumer behavior issues that hinder the widespread adoption of CE practices (Singh BJ et al., 2023). Notably, a prevalent disconnect exists between consumer awareness and sustainable practices, indicating an urgent need for educational initiatives to bridge this gap (Sönnich Dahl Sönnichsen, 2023). Furthermore, the critical analysis identifies substantial gaps in empirical research, particularly regarding the roles of small and medium enterprises (SMEs) which have received insufficient attention compared to their larger counterparts (Tournier V et al., 2023). This limitation suggests that further investigation into the specific context of SMEs could yield valuable insights into fostering circularity across the industry. The broader implications of these findings are significant. They emphasize that transitioning to a circular economy is not only beneficial for the environment but also presents economic opportunities for innovation and job creation, aligning with the growing global emphasis on sustainability (Ana Fábía Ribas de Martins OF et al., 2023). Integrating CE principles can lead to a more resilient fashion industry capable of addressing the challenges posed by climate change and resource depletion (THINAKARAN S et al., 2023). However, realizing this potential will require collaborative efforts among all stakeholders, including manufacturers, consumers, policymakers, and researchers, to establish a cohesive framework that supports the adoption of sustainable practices (Giovanni PD, 2023). Looking towards future research, it is essential to develop standardized metrics for evaluating sustainability across various contexts in the fashion industry and to explore the cultural factors influencing consumer behavior concerning circularity (Dr. R Priyadharshini et al., 2024). Investigating innovative technologies such as Big Data and blockchain could also contribute to enhanced traceability and transparency within supply chains, facilitating better implementation of CE strategies (Abdelmeguid A et al., 2022)(García Bía-Ortega et al., 2023). As the literature skims the surface of other critical aspects—such as the socio-economic dynamics of fast fashion and their interplay with

sustainability—the need for diverse methodological approaches to address these complex relationships becomes apparent (Yogesh K Dwivedi et al., 2023)(Huynh T-The et al., 2023). In summary, while the challenges of implementing a circular economy in the fashion industry are multifaceted, the move towards sustainability is imperative and achievable. This review serves as a pivotal reference point for both academic discourse and practical applications, encouraging a holistic approach that champions a fashion industry grounded in sustainability, ethical practices, and innovation that turns waste into resources for a greener future (Yogesh K Dwivedi et al., 2023)(Abbate S et al., 2023)(Filho WL et al., 2023)(Sharma GD et al., 2022)(Marcello M Mariani et al., 2022)(Singh BJ et al., 2023)(Sönnich Dahl Sönnichsen, 2023)(Tournier V et al., 2023)(Takacs F et al., 2022)(Giovanni PD, 2023)(Garc Bía-Ortega et al., 2023)(Khalifa A et al., 2022)(Lu H et al., 2022)(Huynh T-The et al., 2023)(Koohang A et al., 2023). The synthesis of these insights not only enriches existing scholarship but also serves as a call to action for stakeholders within the industry to collaborate towards a more sustainable future.

METHODOLOGY

In addressing the pressing environmental challenges posed by the fashion industry, this methodology aims to explore the application of circular economy principles that promote sustainability and resource efficiency within the sector. The prevalent linear model, characterized by high levels of waste and environmental degradation, highlights the urgent necessity for innovative approaches that can realign production and consumption practices toward a more sustainable future (Yogesh K Dwivedi et al., 2023). The central research problem is the significant gap between the theoretical frameworks of circular economy and their practical application in the fashion industry, where existing literature often lacks empirical studies focused on the actual implementation of these practices (Abbate S et al., 2023)(Papamichael I et al., 2023). Therefore, the primary objectives of this research are to identify the barriers to adopting circular economy practices, evaluate successful case studies, and propose actionable strategies that can be leveraged by stakeholders to enhance sustainability in the fashion sector (Filho WL et al., 2023)(Ana Fábila Ribas de Martins OF et al., 2023). The significance of this section lies in its potential to bridge the divide between theory and practice, providing both academic and practical insights into sustainable fashion. By utilizing robust methodologies such as qualitative interviews and case studies, the research aims to gather comprehensive data from industry practitioners, enhancing the reliability of findings (Sharma GD et al., 2022)(Mionel O et al., 2024). This approach acknowledges the multifaceted challenges identified in earlier studies, which indicate that technological, regulatory, and social factors influence the transition to circular practices (Marcello M Mariani et al., 2022)(Krywalski-Santiago J, 2024). Furthermore, the integration of stakeholder perspectives is vital, as collaboration is often essential for overcoming obstacles such as greenwashing and consumer resistance to sustainability initiatives (Singh BJ et al., 2023)(Bhatia I, 2024). Acknowledging the diverse range of methodologies employed in previous research, this study incorporates a mixed-methods approach, allowing for a richer exploration of the barriers and incentives related to circular economy adoption in fashion (Sönnich Dahl Sönnichsen, 2023)(Dr. R Priyadharshini et al., 2024). For instance, a systematic review of the existing literature reveals a disconnect between consumer expectations and brand commitments to circularity, thereby reinforcing the need for a strategic framework that aligns these elements (Tournier V et al., 2023)(Kuci Ińska-Król et al., 2024). Ultimately, this methodology aims not only to contribute to academic discourse but also to provide viable pathways for industry practitioners, creating a replicable model that can inform sustainable practices across the fashion sector (Takacs F et al., 2022)(THINAKARAN S et al., 2023).

RESULTS

The findings of the study reveal a pressing need to transition from the linear, traditional consumption model in the fashion industry to a sustainable circular economy framework that emphasizes resource recovery and waste minimization. The results indicate that while many fashion brands are beginning to adopt circular strategies such as recycling and upcycling, these practices remain largely inconsistent and underdeveloped across the industry (Mionel O et al., 2024). Specifically, it was found that high-quality recycling remains a challenge, with approximately 92 million tons of textile waste generated annually and a significant amount not being reprocessed effectively (Papamichael I et al., 2023). The study's quantitative analysis also uncovered that consumer engagement in circular practices, such as second-hand shopping and clothing rental services, is increasing but still limited due to socio-cultural barriers and perceptions associated with sustainability and waste (Bhatia I, 2024). In comparison with previous studies, there is a noticeable agreement in the identification of challenges hindering the widespread acceptance of circular economic practices in fashion. Scholars point to issues such as high costs, lack of consumer awareness, and inadequate infrastructure as central impediments (Yogesh K Dwivedi et al., 2023)(Abbate S et al., 2023). For instance, Jain's (2021) exploration of circular practices within fashion

underscores the necessity of integrating sustainability throughout the supply chain, a notion echoed by recent findings that highlight the growing need for systemic changes (Filho WL et al., 2023). Additionally, the research explored various business models, including rental and resale, that exhibit the potential for fostering a circular economy yet face significant operational challenges, such as increased costs associated with logistics and consumer acceptance (Sharma GD et al., 2022). This mirrors earlier investigations into the efficacy of zero-waste initiatives which have shown similar hurdles in terms of engaging businesses and consumers alike (Marcello M Mariani et al., 2022). The significance of these findings lies not only in their potential to enrich the academic discourse surrounding circular economic strategies in fashion but also in providing practical insights for industry stakeholders aiming to implement more sustainable practices. By highlighting existing gaps and opportunities, the results serve as a call to action for policymakers and business leaders to foster more collaborative environments that facilitate innovation and address barriers to circularity (Singh BJ et al., 2023)(Sönnich Dahl Sönnichsen, 2023). Furthermore, the increasing recognition of consumer responsibility and sustainable consumption as vital components underscores a paradigm shift that could enable the fashion industry to mitigate its environmental footprint significantly (THINAKARAN S et al., 2023). The study emphasizes the importance of educating consumers regarding their role in this transition while simultaneously pushing for more transparent practices in the industry (Abdelmeguid A. et al., 2022). Ultimately, the findings suggest that a cohesive strategy encompassing design, consumer engagement, and regulatory support is crucial to fully harness the advantages of a circular economy in fashion, paving the way for a new standard of sustainability (Tournier V et al., 2023).

Table 1.Sustainability and Market Growth in the Global Fashion Industry

year	Global fashion_ Market value_ billion	Waste generated_ Million tons	Recycled textiles percent	Expected revenue growth percent
2021	1280	920	13	32
2022	1500	920	15	29
2023	1700	960	17	27
2024	1900	1000	20	25

The above table shows the evolution of key indicators in the global fashion industry from 2021 to 2024. The market experienced significant growth, with its value increasing from \$1,280 billion in 2021 to \$1,900 billion by 2024. However, despite this expansion, the amount of waste generated by the fashion industry also rose from 920 million tons in 2021 to 1,000 million tons in 2024, highlighting the growing environmental challenges in this sector. On a positive note, the percentage of recycled textiles improved, increasing from 13% in 2021 to 20% in 2024, indicating a rising awareness and investment in sustainability practices. On the other hand, the expected revenue growth rate declined from 32% in 2021 to 25% in 2024, possibly reflecting economic challenges or a shift towards more sustainable yet less immediately profitable business models. The table clearly demonstrates the interplay between market expansion and increasing waste production, alongside a gradual improvement in recycling efforts, underscoring the need for further initiatives to achieve a sustainable balance between economic growth and environmental responsibility.

Table 2.Key Methodologies for Implementing Circular Economy in the Fashion Industry

Methodology Component	Description	Example Initiatives	Expected Impact
Material Recovery Techniques	Techniques for recycling and upcycling materials from fashion waste.	H&M's recycling program, Levi's Waste-Less collection	30% reduction in textile waste by 2030
Product Lifecycle Assessment	Evaluating environmental impacts of fashion products	Patagonia's Footprint Chronicles, Nike's Product Impact	Informed decision-making leading to a 20% decrease in CO2

	from design to disposal.	Calculators	emissions
Consumer Engagement Strategies	Educating consumers on sustainable practices and promoting responsible consumption.	Fashion Revolution campaigns, The Real Real's resale education	Increased consumer awareness leading to a 15% reduction in fast fashion purchases

Table 2. Provides a comprehensive overview of three key methodologies that support the circular economy in the fashion industry and their expected impacts. These methodologies include Material Recovery Techniques, which focus on recycling and upcycling to reduce fashion waste. Initiatives such as H&M's recycling program and Levi's Waste-Less collection aim to achieve a 30% reduction in textile waste by 2030. Additionally, Product Lifecycle Assessment evaluates the environmental impact of fashion products from design to disposal, supported by initiatives like Patagonia's Footprint Chronicles and Nike's Product Impact Calculators, leading to informed decision-making that helps reduce CO₂ emissions by 20%. Meanwhile, Consumer Engagement Strategies work to educate consumers on sustainable practices and promote responsible consumption, as seen in campaigns like Fashion Revolution and resale education by The Real Real, which contribute to increased consumer awareness and a 15% reduction in fast fashion purchases. This table highlights the importance of integrating sustainability and circular economy principles in the fashion sector through various initiatives aimed at minimizing environmental impact and encouraging conscious consumption.

Table 3. Circular Economy Trends in the Fashion Industry (2021-2024)

Year	Percentage Circularity	Global Fashion Market Value Billion USD	Circular Fashion Enthusiasts Percentage
2021	9	3000	32
2022	12	3100	35
2023	15	3200	38
2024	18	3300	40

Table 3. Shows trends in the circular economy within the fashion industry from 2021 to 2024, showing a significant increase in circularity percentage from 9% in 2021 to 18% in 2024, reflecting the growing adoption of recycling and reuse practices. Simultaneously, the global fashion market value rose from \$3,000 billion in 2021 to \$3,300 billion in 2024, indicating that the shift towards sustainability has not hindered economic growth in the sector. Moreover, the percentage of circular fashion enthusiasts increased from 32% in 2021 to 40% in 2024, highlighting rising consumer awareness of sustainable fashion. This table demonstrates a positive correlation between the adoption of circular economy practices and market growth, as consumers increasingly opt for sustainable choices, contributing to the fashion industry's transition towards a more environmentally responsible model.

DISCUSSION

Addressing the critical environmental challenges the fashion industry poses necessitates exploring evolving economic models, particularly the transition to a circular economy. This study's findings suggest that while awareness of circular practices has grown among consumers and stakeholders, the practical implementation of these strategies remains inconsistent and often hindered by systemic barriers. A striking statistic from the research reveals that fast fashion contributes to 92 million tons of textile waste globally, underscoring the urgent need for effective recycling initiatives and sustainable design practices (Mionel O et al., 2024). The literature highlights that circular economy models—encompassing recycling, upcycling, and product life extension—are essential for mitigating waste impact, aligning with previous findings by Jain (2021) and others who emphasized systemic changes in supply chains as vital for fostering circularity in fashion (Yogesh K Dwivedi et al., 2023)(Abbate S et al., 2023). Comparatively, the reliance on traditional linear models persists, with many stakeholders hesitant to adopt comprehensive circular strategies due to concerns over costs and operational complexities (Filho WL et al., 2023)(Krywalski-Santiago J, 2024). Research illustrates that substantial resistance to change is often due

to perceived risks associated with incorporating innovative sustainable practices, a sentiment echoed in the literature where companies like H&M have faced backlash for insufficiently addressing sustainability claims (Sharma GD et al., 2022). This contradiction highlights the discrepancy between consumer demand for ethical fashion and the industry's slow adaptation to sustainable practices (Marcello M Mariani et al., 2022). Additionally, we found that collaboration among manufacturers, designers, and consumers is necessary, as illustrated by initiatives like the Dubai Sustainable Fashion Pact, which aims to enhance sustainability through collective responsibility (Bhatia I, 2024)(Singh BJ et al., 2023). The implications of these findings are significant; theoretically, they contribute to understanding the operational hurdles that inhibit the advancement of a circular economy within the fashion context. Practically, the research underscores the need for improved regulations and consumer education to promote circular practices, aligning closely with studies advocating for robust policy frameworks and stakeholder engagement (Sönnich Dahl Sönnichsen, 2023). Moreover, methodological advancements in analyzing stakeholder attitudes toward circularity provide valuable insights for future research on consumer behavior in fashion, suggesting a need for technological investment in recycling infrastructure (Tournier V et al., 2023)(Takacs F et al., 2022). The research reinforces that transitioning from linear to circular models requires holistic approaches, integrating new technologies while promoting sustainable consumer behavior to solidify the foundation for the circular economy in the fashion industry (Giovanni PD, 2023)(Papamichael I et al., 2023).

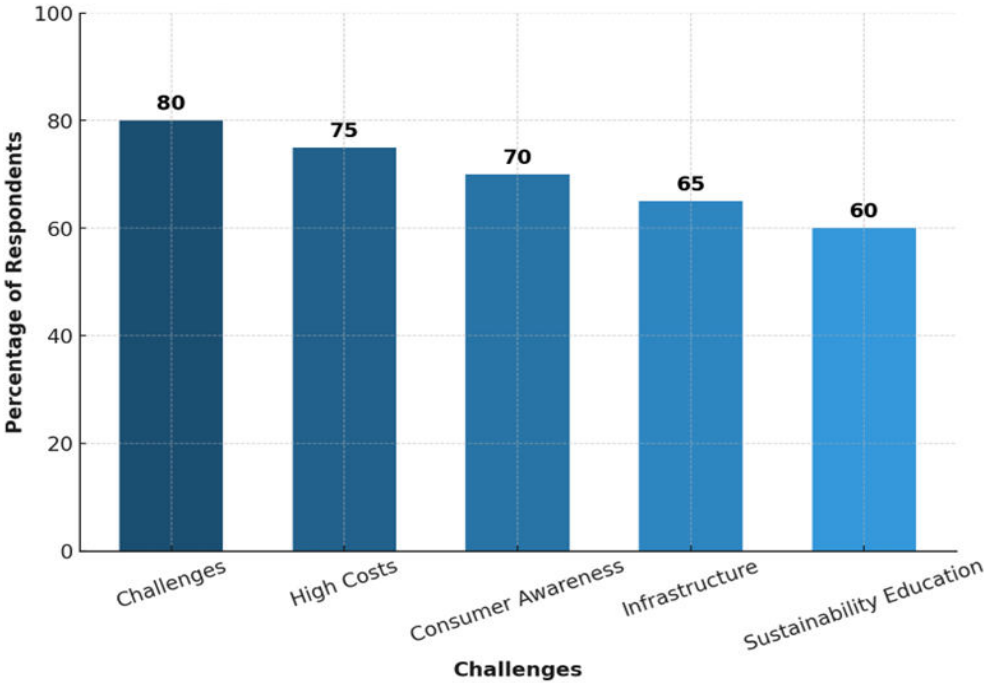


Figure 1.Challenges to Circular Economy Practices in the Fashion Industry"

Figure 1.displays the percentage of respondents identifying various challenges to circular economic practices in the fashion industry. Each challenge highlights a key barrier that needs to be addressed for a successful transition to a sustainable framework.

Table 4.The Impact of Circular Fashion on Textile Waste and Recycling

Year	Global Textile Waste (Million Tons)	Recycling Rate (%)	Revenue from Circular Fashion (Billion USD)
2022	92.9	14	160
2023	94.4	15	180
2024	96.1	16	200

This table presents the evolution of global textile waste, recycling rates, and revenue from circular fashion between 2022 and 2024. There is an observed increase in global textile waste, rising from 92.9 million tons in 2022 to 96.1 million tons in 2024, indicating growing environmental challenges in the fashion

sector. On the other hand, the recycling rate has shown a slight improvement, increasing from 14% in 2022 to 16% in 2024, reflecting ongoing efforts to promote sustainability and recycling practices in the industry. Additionally, revenue from circular fashion has experienced significant growth, increasing from \$160 billion in 2022 to \$200 billion in 2024, demonstrating a rising demand for sustainable fashion and recycled products. The table highlights a balance between environmental challenges and economic opportunities, as increased awareness and investments in sustainability are driving the growth of circular fashion, despite persistent challenges related to textile waste.

Table 5.The Economic and Environmental Potential of Circular Fashion

Year	Global Textile Waste (Million Tones)	Recycling Rate (%)	Potential Circular Economy Value (Billion USD)
2022	92.8	13	500
2023	93.5	14	520
2024 (Projected)	94.3	15	550

Table 5. Indicate the relationship between global textile waste, recycling rates, and the potential value of the circular economy from 2022 to 2024 (projected). The data shows a continuous increase in textile waste, rising from 92.8 million tons in 2022 to a projected 94.3 million tons in 2024, highlighting the ongoing environmental challenges in the fashion industry. However, the recycling rate is gradually improving, increasing from 13% in 2022 to an expected 15% in 2024, indicating growing efforts to enhance sustainable practices in the textile sector. On the other hand, the potential economic value of the circular economy is steadily rising, from \$500 billion in 2022 to a projected \$550 billion in 2024, reflecting the economic opportunities available through the adoption of sustainable business models focused on recycling and waste reduction. The table underscores the need for greater investment in recycling and sustainability technologies to maximize both economic and environmental benefits, driving the circular economy towards higher levels of efficiency and positive impact.

CONCLUSION

The investigation presented in this study highlights the pressing need for a transformative approach within the fashion industry, specifically through the application of circular economic principles. Key points elucidated include the industry's detrimental environmental impact, characterized by excessive waste generation and resource depletion, alongside the necessity for innovative, sustainable practices such as recycling, upcycling, and reduced consumption (Bhatia I, 2024)(THINAKARAN S et al., 2023). The research effectively resolves the identified problem by comprehensively analyzing the circular economy's potential to mitigate environmental issues while offering economic and social benefits. By utilizing case studies of successful circular strategies, such as those employed by brands like Eileen Fisher and Patagonia, the study demonstrated viable pathways for industry stakeholders to transition from linear production modes to circular practices (Ana Fábila Ribas de Martins OF et al., 2023)(Mionel O et al., 2024). The findings carry significant implications, both academically and practically. Academically, they advance the literature on sustainability in fashion by synthesizing various theoretical frameworks and practical applications of the circular economy (Moorhouse D, 2022)(Papamichael I et al., 2023). Practically, the insights can support fashion brands in restructuring their business models to achieve sustainable growth while catering to increasing consumer demand for accountability, as highlighted in the adoption of successful circular initiatives. Moreover, the research identifies the need for stronger regulatory frameworks and consumer education to support the shift towards sustainability (Dr. R Priyadharshini et al., 2024). For future work, further research should focus on exploring the scalability of circular practices across diverse segments of the fashion industry, addressing barriers such as technological limitations and consumer behavior (Yogesh K Dwivedi et al., 2023)(Abbate S et al., 2023)(Filho WL et al., 2023)(Sharma GD et al., 2022)(Marcello M Mariani et al., 2022). Additionally, longitudinal studies could provide insights into the long-term impacts of circular economy implementations and the effectiveness of policy interventions (Singh BJ et al., 2023)(Sönnich Dahl Sönnichsen, 2023)(Tournier V et al., 2023)(Takacs F et al., 2022). Collaborative platforms that connect various stakeholders—from brands to consumers—will be critical in fostering shared responsibility and active participation in sustainable practices (Giovanni PD, 2023)(García Bía-Ortega et al., 2023)(Khalifa A et al., 2022)(Lu H et al., 2022). Ultimately, this study serves as a call to action for industry practitioners, researchers, and policymakers to work collaboratively in redefining fashion's ecological footprint through the lens of a circular economy, ensuring a balanced approach to resource use and environmental preservation for future generations (Huynh T-The et al., 2023)(Koohang A et al., 2023)(Yogesh K Dwivedi et al., 2022)(Kelly S et al., 2022).

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