

Case Study of Ecoalf a Spanish Sustainable Company

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Executive Summary

The case is about Ecoalf that is a Spanish sustainable fashion company founded by Javier Goyeneche. The video gives insights into Ecoalf's sustainability strategy, supply chain decisions, target market, marketing communications, and long-term growth challenges. The case examines a niche sustainable fashion brand that produces high-quality fashionable clothing items made from 80–100% recycled materials (Emery, 2016). The main marketing challenges faced by the company is to have a secure reliable sustainable material, stand out in a highly competitive fashion market, to reach a worldwide customer with limited retail stores, and to communicate its sustainability message without losing its fashion appeal.

A quick situational analysis of Ecoalf's operation shows it operates in a fashion industry that uses a lot of resources with constant under public pressure to be more eco-friendly. The company's innovative supply chain, firm brand story, and strategic partnerships give competitive advantages. However, its premium pricing and niche market positioning made harder for market penetration. Therefore, this report provides a recommendation to Ecoalf to expand its digital direct to consumer marketing, strengthen and broaden its partnerships to access new markets, and introduce a tiered product line to appeal a wide range of customer segments while ensuring sustainability values. Moreover, the effective strategy is to emphasize digital growth supported by storytelling that focus on lifestyle, as this approach aligns with market trends toward ethical consumption and enhance Ecoalf's reach without foregoing unique, sustainability-driven identity.

Accessing the Case Study

Key Marketing Issues

- Sustainability problems faced by fashion industry in cotton production, synthetic materials, and overuse of resources.
- Environmental concerns have impacts on consumer expectations.
- Ecoalf has only one retail store in Madrid.
- Premium pricing has limited to reach wider market adoption.
- Niche brand positioning whereby only targeted specific group of customers.

Strategic Decisions in the Case

- The company is using 80–100% recycled materials instead of new raw materials.
- Ecoalf networked with 18 suppliers globally for recycled fabrics such as in Taiwan, Spain and Korea.
- Collaborations with well-known brands Goop, Coca-Cola EKOCYCLE and Apple.
- Preserving subtle sustainability messaging rather than aggressive green marketing.
- Investing 17% of income in R&D to ensure quality and innovation.
- Have one store but distributed through 330 partner stores worldwide.

Challenges Presented

- How to expand the target market without losing brand identity.
- Deciding to remain a niche brand or appeal to mainstream fashion.
- Find balance between promoting fashion with sustainable messaging.
- Navigating high costs production while keeping premium pricing.
- Figuring future growth, expand digitally, and customer education about the products.

Analysis & Evaluation

Ecoalf faces several marketing challenges:

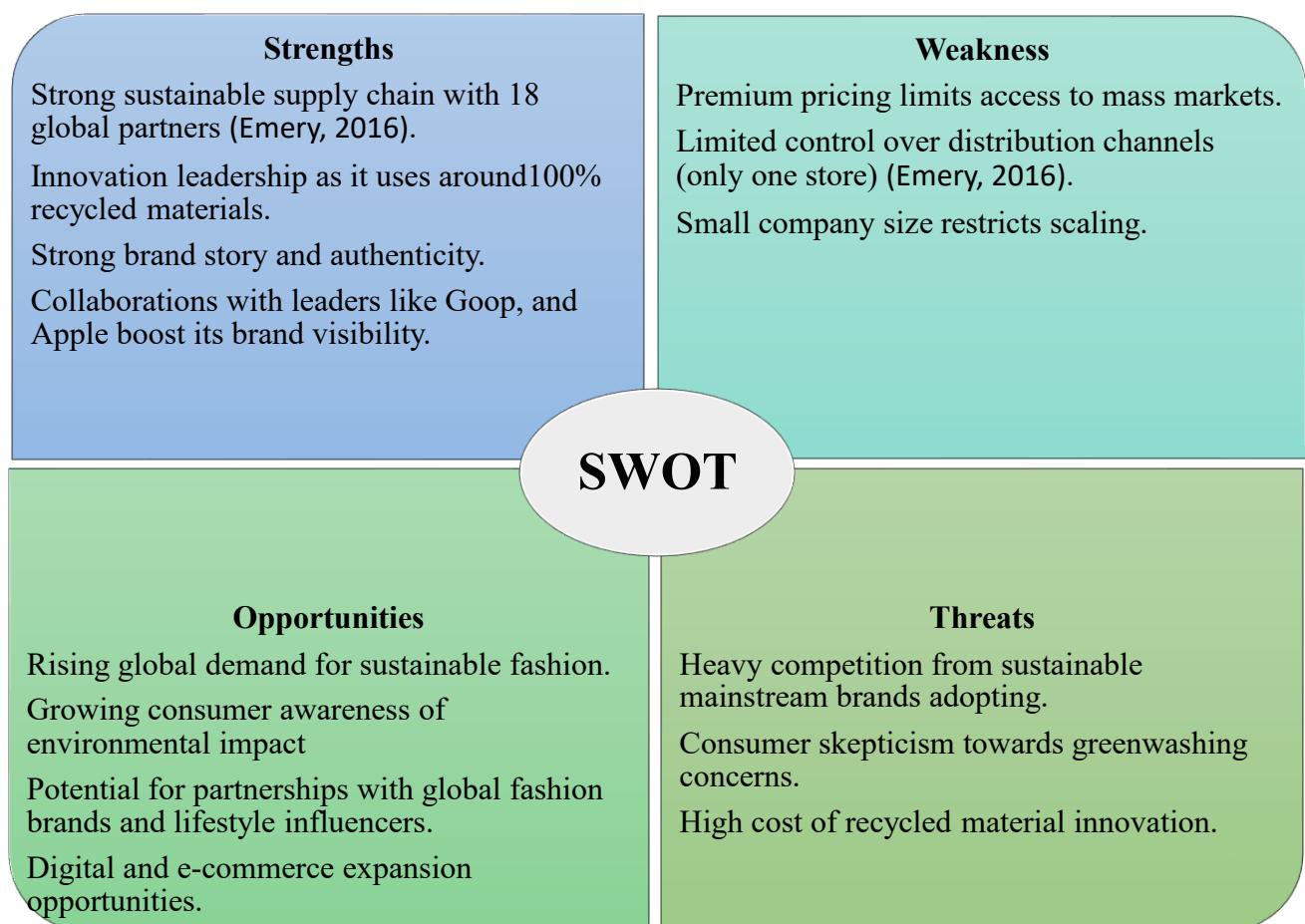
- ***Difficult to Source Material:*** The company struggles to access the high-quality sustainable materials to scale production. Although, Ecoalf attempted to address through partnerships with businesses that convert waste like fishing nets, tires, plastic bottles, and coffee grounds into premium fabrics.
- ***Limited Market Access with Restricted Growth:*** The company has only one flagship store and distribution heavily relies on a network of 330 retailers, which makes it harder to build strong global brand visibility.

- ***Brand positioning is a constant challenge:*** The company struggle to balance its sustainability message with the need to present itself as a stylish, fashion-forward brand while also managing premium prices driven by high research and development investment.

Situational Analysis

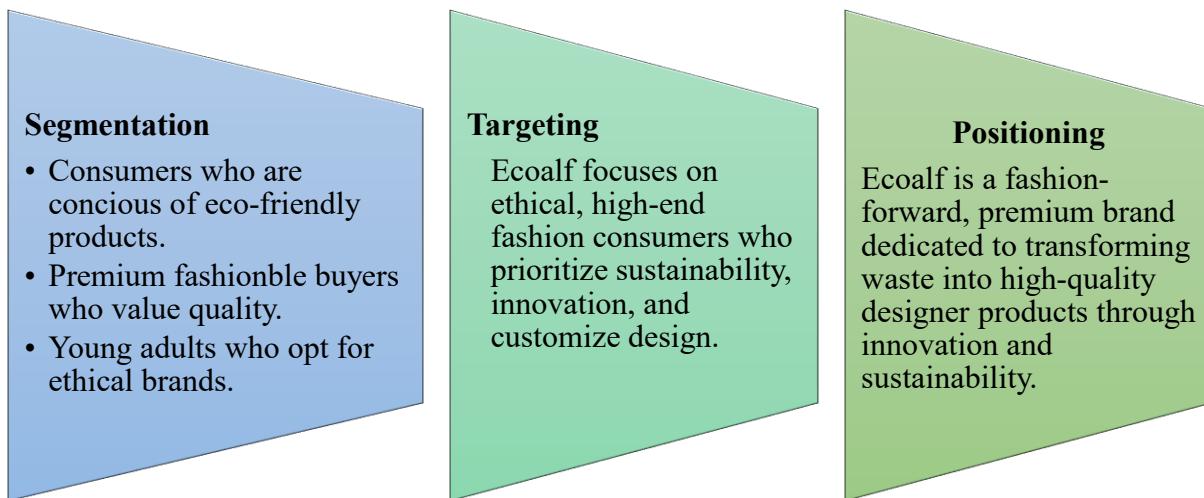
To examine the company's internal strengths and weaknesses, as well as external opportunities and threats, understand its current position in the market and identify key challenges, uses SWOT, STP and 4ps analysis method.

SWOT Analysis of Ecoaf



Note: Diagram is self-made

STP Analysis of Ecoalf



Note: Diagram is self-made

Marketing Mix (4Ps) of Ecoalf



Note: Diagram is self-made

Recommendations and Rationale

Marketing Alternatives

Alternative 1: Expand Digital Marketing & Direct-to-Consumer (D2C)

The company needs to concentrate on increasing online advertising that focuses on fashion and sustainability. Along with creating immersive digital storytelling that highlights the origin of materials, design and recycling process. Additionally, develop e-commerce by adopting a virtual try-on, transparent impact metrics, and influencer partnerships.

Rationale:

This strategy adaptation will broaden reach without the need to increase physical stores and will be appealing to ethically conscious digital consumers. This approach will allow the company to sell its product directly to customers via online channels without interference of middlemen such as retailers and distributors. Thus, earning with better profits on each sale. Direct sell eases to get access on real-time customer opinions and data that can be used for better understanding of preferences, personalize marketing, and improve products. In addition, a robust digital presence and D2C model enhance strong customer relationships, and immediate response to changes in the market eventually creating strong brand position (McKee et.al., 2023).

Alternative 2: Introduce a Tiered Collection with Premium and Budget-Friendly Products

The approach means that by keeping the current premium products price as it is and launch a secondary, reasonable priced products that are made using recycled materials. The simple designs and lower-cost production will reach to wider customers while maintaining the production cost efficiency.

Rationale:

Launching a tiered collection will allows Ecoalf to expand its market reach by appealing range of customers while preserving the premium brand image. The affordable product will provide an entry point for new consumers who opt sustainable fashion but cannot afford the high-end products. This strategy will not only maintain brand cost efficiency but also drives higher sales and create a pathway for long-term growth in both niche and mainstream markets.

Alternative 3: Expand Strategic Collaborations with Major Brands

Ecoalf current partnerships with well-known companies such as Apple, Goop, and EKOCYCLE has limited the sales. Through co-branding capsule collections with retailers such as Zara and H&M will facilitate to explore collaborations with travel, sports, and outdoor gear companies. This helps a brand to reach to new audiences, enhance brand visibility, and improve its position as a sustainable, fashion-forward innovator.

Rationale:

Through expansion of collaboration will give the company a potential to leverage the reputation and development of established in brand name whereby the collaboration can help the company to plug into more advanced tech, talent, and platforms. Since, digital transformation initiatives are often risky both financially and operationally and collaboration with major brands benefits to distribute that risk by pooling resources (Zhang, Ge & Li, 2025). Moreover, it will strengthen brand awareness, distribution, create opportunities for innovative products and enhance both brand credibility and market presence.

Evaluation of Strategies Already Used in the Case

Ecoalf has established a differentiated brand based on its innovation and high-quality recycled materials. The company was able to build strong global partnerships to secure sustainable materials and leveraged high-profile partnerships to improve marketing and expand its brand reach. Moreover, Ecoalf uses subtle sustainability messaging that has been resonating with the fashion-conscious consumers, efficiently balancing its eco-friendly values with a stylist brand identity.

However, the company went through several challenges regardless of its successes. The retail presence is limited which confines the direct customer to access and brand visibility. The high-priced products further restrict the growth potential by causing less accessible to a larger audience. The brand's niche positioning has massive effect on achieving mainstream adoption in the long run, potentially limiting its overall market expansion.

Recommended Strategy: Digital Expansion with Storytelling

Ecoalf's target market is basically based on highly active online users who values transparency and opt for authentic brand narratives. The digital expansion will allow the company to reach global audiences without need to depend on additional physical stores. Schmitt (2012) says that sustainable consumption will be successful when brands engage not just by offering eco-friendly features but also engaging consumers on multiple psychological levels such as functional, experiential, social, and symbolic. Through its digital channels, the company needs to emphasise on both fashion appeal and sustainability mission. Providing the online education about its recycling and production processes will reinforce customer trust and foster the perceived value of its products. Overall, this strategy affiliates directly with Ecoalf's existing strengths, including its innovation, authenticity, and compelling brand story.

Supporting Logic

This strategy makes sense for several reasons. For instance, Ecoalf's gentle sustainability message can be shared through digital platforms in a way that informs audiences without overwhelming them. As the company has already invested substantial amount in research and development, well-executed digital marketing and campaigns will help to justify its worth of premium pricing by highlighting the value behind its innovations. In addition, as more competitors have been adopting sustainability narratives, strong digital presence and differentiation will help Ecoalf stand out and stay ahead of its competitors.

Conclusion

In conclusion, Ecoalf a fashion company who focus on sustainability has become successful in niche brand through redefining sustainable fashion with advance innovation and creativity while ensuring the high-quality with stylish design through its recycled materials. There are few challenges the company has been going through and to avoid on losing its niche brand identity, the company needs adopt development in its digital presence, improve storytelling, and increase the collaboration. These steps will allow the company to reach wider customers, maintain its premium positioning, and continue to lead in sustainable fashion.

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