



A STUDY ON CHALLENGES FACED BY GARMENT EXPORTERS WITH SPECIAL REFERENCE TO TIRUPPUR CITY

*Harish.S **Ganesan.M

*M.COM (CA), Department of Commerce with Computer Applications, Dr.N.G.P Arts and Science
College, Coimbatore.

**Associate Professor, Department of Commerce with Banking and Insurance, Dr.N.G.P Arts and Science
College, Coimbatore.

ABSTRACT

Tiruppur is the one of largest exporter of garment in India. There are more than 3,820 garment firms in count and its economic boom the morale of Indian garment industrialists. Fifty-six per cent of India's total knitwear exports come from Tiruppur as that it contributes to a huge amount of foreign exchange in India. The Export in 2002-2007 makes worthy acknowledgment to Tiruppur for its contribution to the export efforts and calls it a Town of Export. This research probes about whether the garment Exporter has a very fine insight into garments export and reveals about the problems of the people in garments exports. The research would study results about the exporters problems towards garments, the behavior will involve in knowing the problems of garments in Tiruppur district.

Keywords: Export, Exporters Problem, Garment.

INTRODUCTION:

The garment industry plays a pivotal role in the economic landscape of Tiruppur, a city renowned for its significant contributions to India's textile and apparel exports. As a key player in the global market, Tiruppur has been a hub for garment manufacturing and exporting, contributing substantially to the country's export revenue and providing employment to a vast workforce. However, the industry is not without its challenges, and understanding these challenges is essential for devising strategies that can enhance the resilience and competitiveness of Tiruppur's garment exporters.

This study aims to delve into the multifaceted challenges faced by garment exporters in Tiruppur, offering a comprehensive analysis that goes beyond the conventional scope of economic factors. By placing

a special emphasis on Tiruppur city, we seek to provide insights into the local dynamics, industry-specific challenges, and the unique operational environment that exporters navigate in this region.

STATEMENT OF THE PROBLEM:

The garment export industry in Tiruppur city faces numerous challenges that hinder its growth and sustainability. Despite being recognized as a significant contributor to India's export economy, garment exporters in Tiruppur encounter various obstacles that impact their operations and competitiveness in the global market.

OBJECTIVES:

- ❖ To identify and categorize the primary challenges faced by garments exporters in Tiruppur.
- ❖ To identify the export barriers in Tiruppur .
- ❖ To identify the Global impacts which effect Tiruppur garment exporters
- ❖ To analyze current and emerging global market trends in the garment industry and understand how these trends impact Tiruppur's exporters.
- ❖ To give suggestion to overcome the challenges faced by garment exporters.

SCOPE OF THE STUDY:

The study aims to identify and analyze the challenges encountered by garment exports in Tiruppur city, shedding light on issues such as supply chain disruptions, changing market demands, regulatory complexities, labor-related concerns, and the impact of global economic fluctuations on the industry.

RESEARCH METHODOLOGY:

This study will employ a descriptive research design to comprehensively analyse the challenges faced by garment exporters of tiruppur city. Decision regarding what, where, when, how, why, which by what means concerning an inquiry or a research study constitute a research design.

SAMPLE SIZE:

The sample size taken for this study is 250 respondents. The respondents were selected from variety of garment exporters by simple random sampling. The respondents were the general public who were using the Digital India Initiatives.

AREA OF STUDY:

The study is conducted in tiruppur city, which has private sectors.

SOURCE OF DATA:

The study includes both primary and secondary data.

PRIMARY DATA:

To conduct a study on challenges faced by garment exporters in Tiruppur City, by designing a questionnaire or conducting interviews to gather primary data. Focus on aspects like supply chain issues, regulatory hurdles, market competition, and workforce challenges. Ensuring that the questions are clear and specific to extract relevant information from the participants. After collecting data, analyze the responses to identify key challenges and draw conclusions based on the findings.

SECONDARY DATA:

Secondary data were already collected by and readily from other sources. In this project, that data have been collected from the following sources journal, articles, websites and books.

TOOLS FOR ANALYSIS:

- Simple percentage analysis
- Chi-Square test
- One Way Anova
- Ranking Analysis

LIMITATIONS OF THE STUDY:

- The study is restricted to companies situated in Tiruppur city only.
- Time of the study was limited only 6 months.
- The research has been restricted up to 250 respondents only.
- The results of the analysis made in this study only on problem faced among companies.

REVIEW OF LITERATURE

Kanthasami(2019)¹, published an article in the Deccan Chronicle on the topic Tiruppur emerges knitwear capital updated on 26th March 2019. He analysed the difficulties faced by Tiruppur knitwear exporters in capturing the orders from its competitors. With around 3000 supporting units, 1800 job working units and the production capacity, Tiruppur should capture a sizeable market. But the industry requires huge supply of skilled labour. The absence leads to high cost of production, low productivity, and low quality. The bank rates are higher when compared to the competitors. And thus, it lacks price competitiveness with its Asian competitors.

Amar Saif (2019)², in his thesis on the factors that lead to the relocation of textile industry from China to Vietnam. The industry being a highly labour oriented industry must shift its products to low wage countries to contain its labour cost. The study found that, political stability, FDI, workforce

productivity, government policies are some of the important factors that influenced there location of textile industries to Vietnam.

Sutanuka Ghosal (2019)³, studied the export performance of Indian apparel exports for the financial year 2019. Apparel exports during the period is on a reversal trend. For the third quarter in the financial year the exports are experiencing a sharp decline much lower than that of the past five years due to the internal challenges and sudden pressures experienced by the industry. With the competitive pressure from the cost advantageous neighbouring countries Indian industry could not capitalise the declining trend of the exports from China.

Sneha Saravanan (2019)⁴, in her paper studied the level of employee retention in garment industries of Tirupur and the reasons for the labour turnover. A stable human resource is essential for an organization for strong planning and to satisfy its customers. But the garment industry of Tirupur faced the problems in retaining the labour force. So, the study analysed for the reasons behind the employee turnover. Internal problems, better opportunities outside the firm, work timing and shifts were the main reasons for leaving the job. As these problems are mostly internal and are possible to be rectified by the employer, the employee turnover can be controlled by making changes in their Human resources policies.

Misu Kim (2019)⁵ studied on Export Competitiveness of India's Textiles and Clothing Sector in the United States. US being the largest importer of India's textile and clothing sector analysed the Indian export market after the implementation of Multi Fibre Agreement in the year 2005, The competition for Indian Textile & Clothing industries intensified from developing countries like Bangladesh, Vietnam. The countries with low labour cost have competitive advantage. But the product of China is costlier with higher labour cost but their products are of better quality so India should try to improve its export competitiveness, concentrating in the improvement of the quality of its products. There is a rising demand for manmade fibre globally, so India should try to concentrate in improving such products. Further, the export infrastructure like logistics should be developed to improve its competitiveness.

RESEARCH GAP:

The review of literature has shown various studies have been conducted to identify and categorize the primary challenges faced by garments exporters in Tiruppur including issues related to production, market access, and global trends. The research gap is assess the challenges associated with meeting international quality standards, safety regulations, and compliance requirements set by major importing countries.

ANALYSIS AND INTERPRETATION:**Table 1:** Simple percentage analysis of A Study on Challenges Faced by Garment Exporters with special reference to tiruppur city

S.NO	FACTORS	PERCENTAGE	NO OF RESPONDENTS
1.	Male	84.8%	201
2.	Age:21-25Years	32.0%	76
3	Undergraduate level educational qualification	33.2%	79
4	Urban area	83.6%	198
5	Joint Family	92.4%	219
6	Family size: Four members	30.8%	73
7	Family income: Rs. 10,000-30,000	30.4%	72
8	Skilled Labour Shortage in Garments	35.6%	84
9	Stringent quality standards in Garments	32.4%	77
10	Localization Production Focus	28.8%	68
11	Timely Delivery Constraints in Garments	36.0%	85
12	Long Production Cycle in Garments	31.6%	75
13	Introduce New Dependencies in Garments	30.0%	71
14	Identifying and Managing Dependence	32.4%	77
15	Reduced Export Opportunities	29.2%	69
16	Transparency in the Supply Chain	30.0%	71

INTERPRETATION

- Majority (84.8) of the respondents are Male.
- Mostly (32%) of the respondents are above the age of 21-25 years
- Mostly (33.2 %) of the respondents have under graduate level educational qualification.
- Majority (83.6%) of the respondents visits in urban area.
- Majority (92.4%) of the respondents visits the Joint Family.
- Mostly (30.8%) of the respondents are from Four Members in Family.
- Mostly (30.4 %) of the respondents are earning 10000-30000 Income of Family.
- Mostly (35.6 %) of the respondents have Skilled Labour Shortage in Garments.
- Mostly (32.4 %) of the respondents are Stringent quality standards in Garments.
- Mostly (28.8%) of the respondents are Localization Production Focus.
- Mostly (36 %) of the respondents have Timely Delivery Contraints in Garments.
- Mostly (31.6 %) of the respondents have Long Production Cycle in Garments
- Mostly (30 %) of the respondents have Introduce New Dependencies in Garments.
- Mostly (32.4 %) of the respondents are Identifying and Managing Dependence.
- Mostly (29.2 %) of the respondents have Reduced Export Opportunities.
- Mostly (30 %) of the respondents have Transparency in the Supply Chain.

CHI-SQUARE ANALYSIS

Table 2: Table showing the Age and the rate of Tiruppur city overall garment export function of the respondents.

FACTORS	CALCULATED VALUE	TABLE VALUE	RESULT
Age and supply chain distruptions	0.685	21.026	Accepted
Age and compliance with international standard	0.155	16.919	Accepted
Age and fluctuating raw material cost	0.636	24.996	Accepted
Age and labour shortage	0.524	24.996	Accepted
Age and currency exchange rate volatility	0.652	21.026	Accepted

Age and raw material availability	0.111	16.919	Accepted
-----------------------------------	-------	--------	----------

INTERPRETATION

The above chi-square table shows that the factors are less than the table value and null hypothesis is accepted. Hence, there is no significant relationship between Age and the rate of Tiruppur city overall garment export function of the respondent.

ONE-WAY ANOVA ANALYSIS

Table 3: Table showing the way that satisfied for clarifying queries in Garment exporters.

FACTORS	PARTICULARS	SUM OF SQUARE	D.F	MEAN SQUARE	F	Sig.
Customs Clearance Process	Between groups	.018	1	.018	.015	.902
	Within groups	290.382	248	1.171		
	Total	290.400	249			
Transportation and Logistics	Between groups	11.970	1	11.970	1.396	.239
	Within groups	2126.430	248	8.574		
	Total	2138.400	249			
Compliance with Regulation	Between groups	.013	1	.013	.012	.914
	Within groups	280.551	248	1.131		
	Total	280.564	249			
Market Access and Tariffs	Between groups	9.439	1	9.439	.776	.379
	Within groups	3016.961	248	12.165		
	Total	3026.400	249			
Quality Control and Standard	Between groups	3.766	1	3.766	3.533	.61
	Within groups	264.378	248	1.066		
	Total	268.144	249			

Access to Finance	Between groups	.116	1	.116	.102	.750
	Within groups	284.188	248	1.146		
	Total	284.304	249			

INTERPRETATION

In conclusion, There is no significant Association between the way that satisfied for clarifying queries in Garment exporters of the respondents.

RANK ANALYSIS:

TABLE SHOWING RANKING FOR GARMENT EXPOTERS IN TIRUPPUR

FACTORS	1	2	3	4	5	6	TOTAL	RANK
Supply Chain Distruptions	53	20	33	43	44	57	824	VI
Quality Control and Assurance	19	67	37	53	53	21	888	IV
Increasing Energy Costs	35	37	69	56	26	27	918	I
Rising Raw Material Costs	36	48	52	51	29	34	904	III
Access to Finance and working capital	46	61	31	16	60	36	909	II
Transportation and Logistics	62	21	30	28	37	72	827	V

INTERPRETATION:

Hence, Supply chain Distruption has secured VIth rank, Quality Control and Assurance had secured IV rank, Increasing Energy costs secured Ist rank, Rising Raw Material Costs secured IIIrd rank, Access to Finance and Working Capital had secured IInd rank, and Transportation and Logistics had secured Vth rank.

SUGGESTION

- Tiruppur, known as the "Knitwear Capital of India," holds a significant position in the global garment export market.
- Enhance the infrastructure related to transportation, logistics, and utilities to streamline the export process. This could involve improving roads, ports, and power supply reliability to ensure timely delivery of goods.
- Introduce skill development programs tailored to the needs of the garment export industry. This can include training programs for workers in advanced manufacturing techniques, quality control, and compliance standards.
- Encourage garment exporters to diversify their export markets beyond traditional destinations. This could involve exploring emerging markets, entering into bilateral trade agreements and leveraging eS-commerce platforms to reach a wider customer base.

CONCLUSION

The study examining the difficulties faced by garment exporters, with a focus on Tiruppur city specifically, reveals a terrain characterized by complexities and obstacles requiring strategic attention. In the center of Tiruppur's apparel sector, exporters face off against international competitors fighting for market supremacy in a fiercely competitive environment. Due to the intense competition and the entry of companies from lower-cost production areas, Tiruppur exporters must always be on the lookout for new and innovative ways to set themselves apart. An additional layer of complexity is introduced by the dynamic nature of market needs, which are influenced by changing customer tastes and fashion trends. Exporters need to be flexible and sensitive in order to survive in this environment, adjusting their output to the changing needs of the market. In summary, Tiruppur's apparel exporters must take a comprehensive approach that includes innovation, strategic planning, and an unwavering dedication to sustainability, quality, and compliance. Exporters may increase their market share and set themselves up for long-term success by taking on these obstacles head-on and seeing change as a chance for expansion.

REFERENCE

1. S. Kanthasami, Tiruppur emerges knitwear capital, Deccan Chronicle, March 26, 2019.
2. Amar Saif, from China to Vietnam- Drivers for relocating Fashion Manufacturing, Thesis, Tampere University of technology, August 2019.
3. Sutanuka Ghosal India's apparel exports estimated to degrow Economic Times, March 5'2019.
4. Sneha Saravanan, A Study on Employee Retention Practices in Tiruppur, International Journal of Research in Engineering, Science and Management Volume-2, Issue-2, February- 2019.
5. Misu Kim, Export Competitiveness of India's Textiles and Clothing Sector in the United States, Thesis, Institute of Indian Studies, Hankuk University of Foreign Studies, May 2019.

BIBLIOGRAPHY

Website : www.garmentexportchallenges-tiruppur.com.

www.tiruppurgarmentstudy.com

www.tiruppurexportlogistics.com

www.tiruppurexportpolicies.com

www.tiruppurexportfinance.com