



CHALLENGES FACED BY THE EXPORTER IN MANAGING SUPPLY CHAIN

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ABSTRACT

KEYWORDS:
Apparel industry, garment industry, supply chain management,

Apparel industry covers 47% of the total Indian Fashion catalogue and India’s online fashion commerce is expected to grow four-fold to \$30 billion (nearly Rs 2 lakh crore) by 2020. The online purchase of the consumer has given more avenues of profit through sales. In order to satisfy the varied demands of the consumer the knitted garment industry adopts various procedures of supply chain management. By adopting the supply chain management techniques the industry suffers from various setbacks. The various supply chain challenges are listed and the researcher tried to adopt ranking analysis to find out which of the challenge is hindering the export of knitted garments. The survey instrument consisting of ten statements were included and the instrument was distributed to 384 exporters who have set up units in the Tirupur city.

INTRODUCTION

Apparel and Garment industry have set geared to satisfy the untiring wants of the consumers now, and then. The industry is mostly protected and encouraged by government by framing policies, allocating funds and so on. By utilising the support from the government the knitted garment industry in Tirupur has set records by supplying its major base to the world countries. Apparel industry covers 47% of the total Indian Fashion catalogue and India’s online fashion commerce is expected to grow four-fold to \$30 billion (nearly Rs 2 lakh crore) by 2020. The online purchase of the consumer has given more avenues of profit through sales. In order to satisfy

the varied demands of the consumer the knitted garment industry adopts various procedures of supply chain management. By adopting the supply chain management techniques the industry suffers from various setbacks. The various supply chain challenges are listed and the researcher tried to adopt ranking analysis to find out which of the challenge is hindering the export of knitted garments. The survey instrument consisting of ten statements were included and the instrument was distributed to 384 exporters who have set up units in the Tirupur city. The exporters were further segregated in to manufacturer exporters consisted of 186 units and merchant exporters consist of 198.

Table 1 Rank analysis on the supply chain challenges faced by the exporters.

supply chain challenges	Mean	Rank
The demand consumer varies every time	1.3542	V
Consumers are keen on quality	1.3332	XI
Transportation costs are increased vibrantly	1.3099	XII
Global competition creates pressure	1.3698	II
Commodity prices are increased extensively	1.3568	IV
Customers demand are complexed	1.3672	III
Fluctuations in finance create pressure	1.3490	VII
Talented labourers are not found	1.3359	IX
Increase in supplier create problem	1.3385	VIII
Regulatory requirements of the supplier is not stable	1.3750	I
Environmental concerns create more problems in production	1.3516	VI
There is great instability in geo politics	1.3333	X

The weighted score was calculated with the formula which was detailed below.

$W(r, n) = 100 - S_n(r - 1)$, Where, $S_n = 3.19514 + (37.75756/n)$, $1 \leq r \leq n$, and r and n are integers, In the present case n = 12.

Table 2 – Assuming ranks for the variables selected.

Supply chain challenges	Rank	Weight in %
Regulatory requirements of the supplier is not stable	I	100
Global competition creates pressure	II	93.66
Customers demand are complexed	III	87.32
Commodity prices are increased extensively	IV	80.98
The demand consumer varies every time	V	74.63
Environmental concerns create more problems in production	VI	68.29
Fluctuations in finance create pressure	VII	61.95
Increase in supplier create problem	VIII	55.61
Talented labourers are not found	IX	49.27
There is great instability in geo politics	X	42.93
Consumers are keen on quality	XI	36.58
Transportation costs are increased	XII	30.24

Table 3 - Rank

Assessment factors	Mean	Rank
Buying cycle time	1.3646	IV
Quality goods delivery	1.3568	V
Delivery performance	1.3984	II
Cost structure in warehouse	1.3542	VI
Rejection rate	1.4036	I
Older responsiveness	1.3802	III
Frequency of delivery	1.3411	VII
Rate of unfilled orders	1.3125	X
Supplier assistance in solving technical problems	1.3229	IX
Lead time	1.3307	VIII

Assessment factors	Rank	Weight in %
Rejection rate	I	100
Delivery performance	II	93.0291
Older responsiveness	III	86.05821
Buying cycle time	IV	79.08731
Quality goods delivery	V	72.11642
Cost structure in warehouse	VI	65.14552
Frequency of delivery	VII	58.17462
Lead time	VIII	51.20373
Supplier assistance in solving technical problems	IX	44.23283
Rate of unfilled orders	X	37.26194

CONCLUSION

By applying the weighted score and rank analysis, it was understood that the predominant challenges were, Global competition creates pressure, Customers demand are very complex and Commodity prices are increased extensively. The least of value indicates that the less vibrant is for the challenges pertaining due to There is great instability in geo politics, Consumers are keen on quality and Transportation costs are increased.

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