



# **ORGANIZATION AND STRATEGY OF CLOTHING COMPANIES IN A CONTINUOUS CHANGING SOCIO-ECONOMIC ENVIRONMENT**

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This research is about Greek textile industry:  
It focuses on the ways a (Greek) fashion design company could improve its strategy in order to  
be more competitive in the market.

## Textile industry

- ✓ Industrial Revolution established textile industry, with the invention of the sewing machine.
- ✓ Asia dominates in textile world trade, while Western Europe comes second.
- ✓ China is considered to be one of the biggest threats in clothing trade, while western share is being diminished more and more.
- ✓ In Europe, Italy dominates in textile industry.

## Fashion

- A symbol
- An expression – people indicate roles and attitudes according to what they wear.
- It is strongly affected by social factors.
- It is a strong social influence as well.



## Fashion Industry

Fashion design industry is a very competitive economic field and has to be flexible in order to respond to the demands of fashion trends, which change rapidly and continuously, in international level.



- ✓ Most fashion products have a short life term
- ✓ Promotion and marketing strategies are crucial for good sales.
- ✓ ZARA is a very good example of such a successful brand.

## Textile industry in Greece

- Born in 1860 and developed mostly after the Second World War
- Most of the firms in Greece are small or medium – sized.
- Germany, Italy, Cyprus, France and England: the main markets for Greek clothing
- Italy, Bulgaria, Germany, USA, FYROM: Greek exports



## The decline

- The last years (1995 – 2005) Greek textile industry is in a decline
- China is responsible for the closing down of clothing manufactures in Greece
- Most of the companies choose to transfer their productive activities on other developing countries in the Balkans, where raw material and working power are much cheaper
- The few surviving and still active companies of the field are about 900 and their staff is composed of at least 10 persons.

## Structure of a Greek textile company

- Hierarchical organization
- Few people, most of the times, have multiple tasks to accomplish
- marketing and promotion strategies are usually neglected, because of lack of knowledge or capital



## Characteristics of the Research

- ✓ 20 medium and large – sized fashion clothing firms
- ✓ questionnaire with open and closed questions
- ✓ via e – mail or fax



## Results of the research

- ✓ 'manufactures' are located in Greece
- ✓ 'industries' have the half part of their production in other countries, such as Turkey, FYROM, China, Bulgaria and India.
- ✓ 'industries' have increased their production – they export products
- ✓ small companies don't have a strong organization or an efficient management strategy
- ✓ their primary goal is to offer the best possible quality comparing to the price
- ✓ larger companies are better organized and fulfill better management strategy terms - example of BSB firm

## Suggestions for the revival of clothing companies in Greece

- ✓ they have to differentiate their products
- ✓ to diminish their delivery time
- ✓ to become more technologically improved
- ✓ to train their employees
- ✓ to create better delivery webs
- ✓ to increase their exports
- ✓ to establish strategic allies
- ✓ they should be well informed of the trends dominating in the market
- ✓ Quick Response System (QRS)



## On the whole...

... a company, in order to last and to be successful, has to discover – or create – its personal comparative advantage and to be fully aware of the fashion trends.