

The Daily Star
CELEBRATING
33
years of
JOURNALISM WITHOUT
FEAR OR FAVOUR

BANGLADESH ON THE WORLD STAGE

SEGMENT 1

ANNIVERSARY SUPPLEMENTS 2024

DHAKA THURSDAY FEBRUARY 15, 2024

FALGUN 2, 1430 BS

28

Future growth in a changing world

FROM PAGE 26

DIVERSIFICATION AND VALUE ADDITION

To mitigate risks associated with overreliance on a single sector, Bangladesh's garment industry is exploring diversification and value addition. Rather than solely focusing on low-cost mass production, manufacturers are venturing into high-value segments, including customised and niche products. This strategic shift allows Bangladesh to cater to diverse market demands and create a more sustainable and resilient industry.

Bangladesh's garment industry has historically been focused on mass production of basic apparel items. Diversification involves expanding product lines to

Online presence through e-commerce platforms enhances the visibility and branding of Bangladesh's garment industry. Through digital marketing strategies, manufacturers can showcase their products to a vast and diverse audience.

include a wider array of garments, from high-end fashion to niche markets such as sportswear, athleisure, and sustainable fashion. This strategy helps mitigate risks associated with dependence on a single market or product, making the industry more resilient to economic fluctuations and shifts in consumer preferences.

By diversifying product offerings, Bangladesh's garment industry can tap into niche markets that offer higher profit margins and sustained demand. Customised and specialised garments catered to specific consumer segments can create a competitive edge, allowing manufacturers to differentiate themselves in a crowded global

marketplace.

Consumer preferences are dynamic, driven by factors such as sustainability, innovation, and individuality. Diversification enables Bangladesh's garment industry to adapt to these changing preferences. By offering a variety of products that align with diverse consumer needs, manufacturers can stay ahead of trends and maintain relevance in the highly competitive fashion landscape.

E-COMMERCE AND DIGITAL TRANSFORMATION

The rise of e-commerce and digital platforms has transformed the retail landscape, presenting new opportunities for the garment industry. Bangladesh's manufacturers are increasingly embracing digital transformation, from online sales channels to digital design and production processes. This shift not only facilitates direct access to consumers but also enables greater agility in responding to changing market trends.

E-commerce has dismantled geographical barriers, allowing Bangladesh's garment industry to reach a global audience with unprecedented ease. Online platforms provide manufacturers and exporters the opportunity to showcase their products to customers around the world, enabling them to tap into previously untapped markets. This newfound global reach has become instrumental in reducing dependence on traditional brick-and-mortar retail channels.

E-commerce platforms empower Bangladesh's garment industry to adopt a direct-to-consumer (DTC) model, eliminating intermediaries and establishing a more direct connection with end consumers. This shift allows manufacturers to gain better control over branding, pricing, and customer

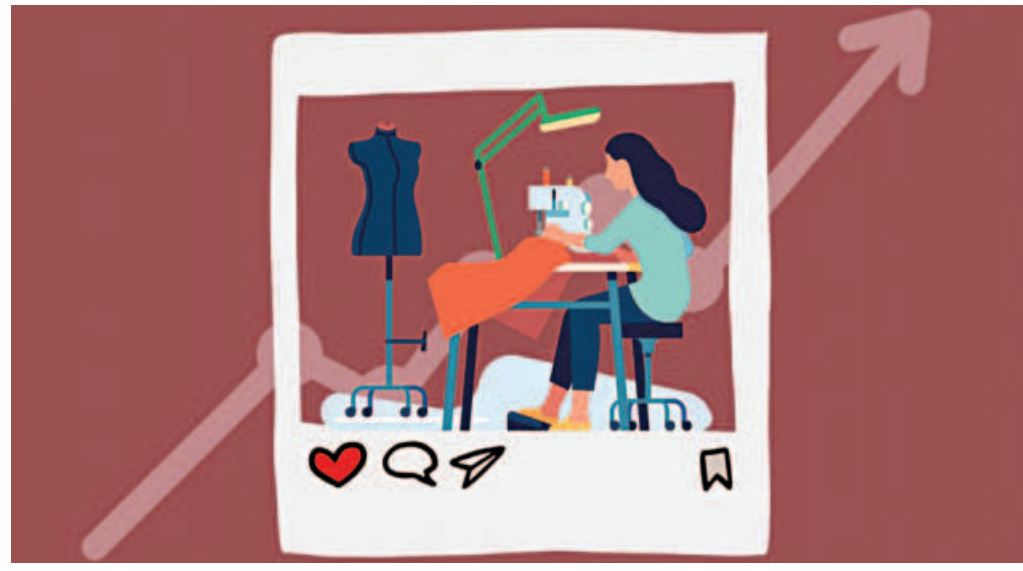


ILLUSTRATION: AFIYA JANHIN

The sector's prospects for future growth are shaped by a combination of factors, including technological advancements, sustainability initiatives, and changing consumer preferences.

relationships. By cutting out middlemen, businesses can enhance profit margins and adapt more swiftly to changing consumer preferences.

Online presence through e-commerce platforms enhances the visibility and branding of Bangladesh's garment industry. Through digital marketing strategies, manufacturers can showcase their products to a vast and diverse audience. Social media, search engine optimisation, and other online marketing tools enable companies to build a strong brand image, fostering consumer trust and loyalty.

E-commerce facilitates real-time communication and collaboration across the entire supply chain, from manufacturers to retailers and end consumers. This enhanced connectivity optimises inventory management, reduces lead times, and minimises the risk of overstock or stockouts. The efficient flow of information ensures that products are delivered to consumers in a timely manner, contributing

to customer satisfaction and loyalty.

The digital nature of e-commerce transactions generates vast amount of data that can be leveraged for insightful analytics. Bangladesh's garment industry can use this data to understand consumer behaviour, preferences, and market trends. By analysing this information, businesses can make data-driven decisions, refine their product offerings, and tailor marketing strategies to better align with the needs and desires of their target audience.

E-commerce platforms enable the garment industry to offer customised and personalised products, catering to individual preferences. Through user-friendly interfaces, consumers can personalise garment specifications, choose colours, and select sizes according to their preferences. This level of customisation enhances the overall shopping experience, fostering a sense of individuality and exclusivity.

CHALLENGES

Despite the positives, challenges lie ahead for Bangladesh's garment industry. The first of these is sustainability. While this represents an opportunity in some ways, it also is a threat. We are seeing global concerns about clothing over production and mass production centres such as Bangladesh could find themselves in the cross-hairs of these discussions.

There are also issues around climate change. Many buyers from Bangladesh now require their manufacturers to meet strict climate targets around energy use. Can garment makers meet these requirements? To do this, a coordinated approach is needed involving industry, government, and the national energy infrastructure. This issue will become paramount over the next five years as buyers seek to hit 2030 climate targets.

Competition is also a challenge. Fast growing rivals such as Vietnam and Turkey are capable of stealing market share from Bangladesh. The latter has the benefit of close proximity

to Western customers. The former is ahead of Bangladesh in terms of its technical textile capabilities. Africa is also viewed by many as the next big thing in textile production, although progress in countries such as Ethiopia has been stop-start over the years.

Likewise, talk of near-shoring is an issue Bangladesh should keep a close eye on. There have for many years been discussions around textile near-shoring in countries such as the US and the UK. The benefits of this include speed to market and a reduced environmental footprint.

Near-shoring has yet to take off in any significant form due to numerous reasons—labour costs in the West, lack of skills base and so on—but it cannot be ruled out as a medium- to long-term threat to domestic garment makers.

Bangladesh's garment industry has come a long way since its inception, evolving into a key player on the global stage. The historical development of the sector reflects the resilience of the country in overcoming economic challenges and leveraging its strengths. As the industry faces ongoing challenges related to labour rights, environmental sustainability, and global economic uncertainties, its future growth prospects hinge on embracing technological advancements, sustainable practices, and diversification strategies.

By addressing the challenges and capitalising on emerging opportunities, Bangladesh's garment industry can navigate the complexities of a changing world. As the country continues to evolve, the industry's ability to balance economic growth with social and environmental responsibility will be crucial in shaping its role in the global garment market.

A COMMITMENT TO SUPERIOR PRINT AND THE FINEST CREASING

BOHUI PAPER



FOLDING BOX BOARD

ART BOARD | COATED/UNCOATED

CUP STOCK | KRAFT LINER



ZEESHAN INTERNATIONAL AGENCIES PVT LTD

MMK Akash Avenue | 5th, 6th & 7th Floor | Kamal Ataturk Avenue | Gulshan-2 | Dhaka-1212 | Bangladesh.

Phone: +880-2-222296017 | 222285799 | 222285764 | 222299179 | Fax: +880-2-9896019

E-mail: info@zeeshangroup.com | Website: www.zeeshangroup.com