

Research on Zhejiang Province's Textile and Apparel Export Based on SWOT Analysis

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Abstract: The textile and garment industry, as a vigorously developed industry in Zhejiang Province, ranks first in China's exports. In line with the development of the times, how to develop and developing the textile and garment export market at home and abroad is an urgent problem to be solved in the economic development of Zhejiang Province. It is related to the future development direction of my country's textile and garment industry. This paper uses the SWOT analysis method to analyze the export of the textile and apparel industry in Zhejiang Province and puts forward the countermeasures for improving the competitiveness of the textile and apparel industry in Zhejiang Province.

Keywords: Textile and Apparel; Zhejiang Province; SWOT

1. Introduction

As the global textile and apparel have entered the "post-quota era", the textile and apparel industry in Zhejiang Province is facing the dual pressure of opportunities and challenges. How to seize the opportunity to complete the challenge and realize the sustainable development of the industry in the new era has always been the focus of Zhejiang Province. Important topics that demand rapid development, therefore, this article refers to many domestic and foreign studies on export competitiveness and will use SWOT analysis to summarize the domestic advantages and disadvantages of its competitiveness, and to more clearly show the current development situation of Zhejiang textile and garment industry.

2. Analysis of the Status Quo of Export of Textile and Garment Industry in Zhejiang Province

Zhejiang is the main producing area of textiles and garments in China. It has the most advanced production equipment and the highest design level in the country, and its garment production has obvious economies of scale.

2.1 Total export analysis

Related statistics, Zhejiang Province in 2020, the export value of textiles and apparel was 49.758 billion U.S. dollars, from 2010 to 2020, in Zhejiang Province the overall export value of textiles and clothing is an upward trend, and the amount of the textile and apparel exports from 49.758 billion U.S. dollars in 2010 to 75.576 billion U.S. dollars in 2020 and the increase rate was relatively fast from 2010 to 2015. Although the export value fell a lot in 2015, the export trade value has rebounded significantly in the past two years. Zhejiang's textile and apparel exports have always occupied the first place in China's textile and apparel exports.

2.2 export category analysis

Zhejiang Province accounts for the bulk of China's total textile and garment exports, and its garment industry is flagging. There are nearly 10,000 garment processing enterprises in the province, with an annual output of more than 4 billion pieces of various types of clothing, about 20% of the total. Zhejiang's textile and garment industry is actively deepening its advantages: first, focusing on the attack of men's clothing, suits and shirts; second, strengthening industrial clusters,

forming a three-legged situation in Hangzhou, Ningbo and Wenzhou, focusing on the production of women's clothing, men's clothing and casual clothing, respectively, to play their own regional characteristics; third, of course Third, of course, there are the advantages of regional industrial scale, skilled labor resources and strong industrial atmosphere.

2.3 Analysis of major exporting countries and regions

In 2020, the export value of Zhejiang's textile and garment industry to the United States reached 13.588 billion US dollars, accounting for 16.9% of the total export value, and the export value to Japan was 6.067 billion US dollars, accounting for 7.75% of the total export value. European countries (UK, Germany) accounted for 6.92%. In 2017, the top five export markets of Zhejiang Province's textile and apparel were the European Union, the United States, Japan, Hong Kong, and ASEAN, with a total export value of 14.387 billion US dollars, accounting for 59% of global exports. Exports from the United States and the European Union grew rapidly, both above 50%. The European Union, the United States, Japan, Hong Kong, and ASEAN have always been the main export markets of Zhejiang Province, of which the European Union has always taken the lead.

3. SWOT Analysis of Export Competitiveness of Zhejiang Textile and Garment Industry

3.1 Strengths (S) - Abundant production factors and significant advantages of industrial clusters

3.1.1 The production factors are abundant

Relatively speaking, Zhejiang is relatively densely populated. One of the advantages of Zhejiang Province is its relatively abundant labor resources. As we all know, the most typical example of labor-intensive industries in the textile and garment industry, and the traditional products exported from Zhejiang are textile and garments, which also provides more development opportunities for small and medium-sized textile enterprises in Zhejiang Province. From the perspective of location, Zhejiang is located on the southeast coast of China, near the two largest ports of Ningbo and Shanghai. This saves a lot of manpower and material resources for textile and garment export and creates more room for reducing the export cycle. From the development of the industrial chain, the industrial chain in Zhejiang Province is relatively complete, from raw materials to the final product, the whole process is quite perfect. In addition, sufficient textile machinery and equipment, a large textile and garment industry market and a number of textile enterprises enjoying a high reputation in the country, have enhanced the degree of industrial aggregation.

3.1.2 The advantages of industrial clusters are remarkable

Zhejiang Province is one of the earliest areas in my country where industrial clusters have grown. The textile and garment industry in Zhejiang Province has many clusters, and the sales of products from many industrial clusters are among the best in the country. The emergence of clusters such as Shengzhou tie base, Shaoxing fabric, Zhuji hosiery, and Xiangshan knitting industry has provided relevant market information for small and medium-sized textile enterprises in Zhejiang, saving them the cost of purchasing textile raw materials. Especially after joining the World Trade Organization, Zhejiang textile enterprises must rely more on industrial clusters if they want to maintain their original advantages in the fierce international market competition. The benefits brought by industrial clusters should not be underestimated. They can help effectively avoid the high management costs and transaction costs caused by various forms of organization of large groups, and at the same time reduce the internal consumption of industry organizations and gain significant external scale. Economic Effects. To sum up, the development of the textile industry in Zhejiang and the improvement of export competitiveness are mainly achieved by the construction of industrial clusters.

3.2 Weaknesses (W) - low technical content and added value of products

3.2.1 The technical content and added value of the products are low.

The quality of employees in the textile industry in Zhejiang Province is generally not high, the education they have received is low, and there is a serious lack of professional and technical personnel. In 2020, 9.40% of Zhejiang's manufacturing employees have a bachelor's degree or above, 14.31% are junior college students, 27.31% are technical secondary school and high school employees, and 46.87% are junior high school and below. The lack of scientific research talents and technical talents will not be conducive to the implementation of mechanized production in Zhejiang Province, and will not be conducive to improving the competitiveness of the entire textile and garment industry through advanced equipment. In addition, due to the lack of attention to staff training, technological transformation and equipment renewal, it is difficult to improve labor productivity and quality, thus seriously restricting the competitiveness of Zhejiang's textile and garment industry in the international market, making Zhejiang's textile products in the international market. disadvantaged in the market.

3.2.2 Weak brand building

In terms of brand building and brand management, Zhejiang textile enterprises are still far behind the international level. Domestic well-known brands such as Youngor and Peacebird are also weak in international brand competitiveness, which is not enough to form a brand effect. The development and promotion of products are inseparable from the advantages brought by brands with international influence. If textile enterprises want to grow and develop healthily, they must realize the importance of improving marketing methods and building high-quality brands to ensure that textile enterprises can obtain more markets.

3.3 Opportunities (O) - "One Belt One Road" Strategy

Under the "One Belt, One Road" strategy, the government and the industry encourage enterprises to "go global". In order to increase the added value of the entire industry, overseas investment and mergers and acquisitions are used to vertically extend the industrial chain to raw materials, design, brands, and market channels. After transferring the production links of labor-intensive industries such as the textile industry to western China and countries along with the "Belt and Road", the eastern region can use the increased domestic space and resources to focus on the development of high value-added parts of the industrial chain, such as technology research and development, The brand building can also develop industry-related services, such as inspection and certification, monitoring energy conservation and environmental protection services. It can be seen that with the implementation of the "One Belt, One Road" strategy, the structural transformation and upgrading of the textile and garment industry will also be accelerated.

3.4 Threats (T) - Rising trade protectionism

After the severe and widespread world economic crisis, the world economy has been slowly recovering year by year. However, due to the different economic recovery processes of various countries, many developed countries prioritized their employment and industrial development when formulating economic policies. The emergence of various trade restrictions and protection measures aggravated trade protectionism. In addition, the economic crisis has objectively accelerated the arrival of the era of a low-carbon economy. Developed countries intend to increase the growth cost of developing countries that cannot fully realize a low-carbon economy by vigorously promoting the global low-carbon economy, suppressing their export advantages, and thus inhibiting the development of textile and apparel exports in developing countries. This is essentially a new kind of trade protectionism.

4. Analysis of the Countermeasures for Improving the Competitiveness of Textile and Garment Industry in Zhejiang Province

4.1 Increase scientific and technological research and development efforts

Cost reduction and quality improvement are two important factors to improve product market competitiveness. Facts have proved that the two are inseparable, and changes in one will inevitably lead to changes in the other. The transformation from quantitative advantages to quality advantages, from labor-intensive advantages to knowledge-intensive advantages and capital-intensive advantages will become the future development direction of Zhejiang's textile and garment industry. To vigorously develop the textile and garment industry, focus on research and development, introduce advanced technologies and equipment at home and abroad, and continuously use high-tech and advanced applicable technologies to update and transform. To realize the birth of "high-grade, high-value-added, high-tech, low-pollution, low-consumption" products, and to improve the competitiveness of Zhejiang textile and garment enterprises in the European and American markets, it is essential to increase investment in science and technology.

4.2 Improve the scale effect of the textile and garment industry

Zhejiang's textile and garment industry is mostly small-scale enterprises, with scattered industrial clusters and a low degree of risk aversion. These are the reasons for the strength of Zhejiang's textile and garment industry's export competitiveness. According to the general laws of the market economy, a more reasonable economic system will be constructed, the economic benefits will be improved in a wider range, and at the same time, the ability to resist risks will be stronger, and then some diversified and grouped groups with strong international competitiveness will be formed. large multinational corporations that are globalized and internationalized. For small textile and garment enterprises to take the road of professional fine, the formation of their competitive advantage, in the realization of self-worth at the same time, promotes the development process of the entire textile and garment industry.

4.3 Intensifying efforts to cultivate talents

How to increase the cultivation of talents has three crucial points. First, excellent textile and garment industry designers and engineers are an indispensable part of all links, so it is so important to vigorously attract and cultivate talents in this field. Second, it is not enough to have designers and engineers. How to sell the products you have will require a large number of enterprise management and marketing talents to cultivate high-quality talents who are good at brand marketing and trial production development. talent. Third, people who are familiar with all international trade rules, such as those who understand WTO rules, anti-dumping and other measures, can take up legal weapons at an appropriate time to protect their own and the company's interests.

4.4 Improve industrial clusters and form a regional characteristic economy

Although local governments have been emphasizing winning by quality for many years, there are still many enterprises in the Zhejiang textile industry cluster that produce low-end products and low value-added products, lacking the constraints of the same type of enterprises and the constraints of upstream and downstream enterprises. These enterprises have short-term goals and lack the awareness of healthy development of domestic and foreign markets. Once new markets are heard, they do not pay attention to product quality, but win at low prices, which has a very bad impact on the increase of industrial added value. Although the development of the textile industry cluster in Zhejiang Province has been in a leading position in the country, the scale is generally small. The original industrial clusters are conducive to the exchange of knowledge and technology, thus enhancing innovation capacity. However, because the Zhejiang textile industry gathered mostly for

low cost, the value-added of product processing is very low, the diffusion of knowledge and technology is very limited, and once the market fluctuations, these clusters will be difficult to avoid risk, which has been an important cause of the impact of Zhejiang textile export competitiveness. Relying on industrial agglomeration can improve the scale efficiency within the cluster and optimize industrial resources. To improve industrial agglomeration, it is necessary to strengthen the division of labor and cooperation among cluster enterprises. Therefore, industrial coordination and orderly competition within the cluster are important factors that drive the development of Zhejiang's textile industry and strengthen export competitiveness.

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