A STUDY OF PERFORMANCE FACTORS INFLUENCING SELECTION OF GARMENT MANUFACTURERS – AN INDIAN RETAILERS’ PERSPECTIVE

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ABSTRACT
The apparel sector is one of the most fragmented sectors in India. The garment manufacturers are an important stakeholder of this industry. Due to increased demand for domestic apparels, the number of garment manufacturers are increasing at a very fast pace. Also out-sourcing has become a very attractive option for Indian apparel retailers due to larger control on the total cost and ease is sourcing smaller lots with better variety. However, selecting the best suitable garment job worker is an important strategic decision to support higher profitability of the firm. This research paper brings in various factors that influence the supplier selection decision of an Indian retailer. The study has undertaken views and opinions of 127 brands present in Indian markets through a structured questionnaire derived from a focused group discussion among managers and leaders in apparel sourcing field. At the end the study comes out with a set of variables that influence the supplier selection decision of Indian retailers. It also brings out two important sets through factor reduction method in SPSS. They are 1.) Retailers with high dependency on vendors and 2.) Retailers with low dependency on vendors. It also talks about important supplier performance criteria for each set.

KEYWORDS: Garment manufacturer, performance, retailers, India