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Cost and Time Minimization Through Agile and Responsiveness Fashion Supply Chain Management in South Africa

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ABSTRACT: South Africa was experiencing a growth in its cheaper imports, mainly in the lower segment of the market, since 1994, the year of political change in South Africa, resulting in a faster reduction of its tariffs than that required by the World Trade Organization. The post-2005 environment has been marked by a rapid increase in imports into South Africa, mainly from Asia. This has forced many South African garment and textile companies to reduce their labour force, outsource part of their production, or shut down completely because of their inability to compete with their Asian counterparts.

KEYWORDS: Fast Fashion, agile offer, environmental impact, quick response, just in time, innovation, sustainable development.

I. INTRODUCTION

The fashion industry is a highly globalized international industry, with garments often designed in one country, made in another, and sold in a third. In recent decades, fashion retailers have revolutionized the fashion industry by following the so-called "fast fashion" strategy. Fast fashion is a business strategy that aims to reduce the processes involved in the buying cycle and delivery times of new fashion products in stores, in order to satisfy consumer demand at its peak. Fashion market has been ensuring rapid change and it has been shaped in such a way that the success factor of companies is highly determined by their flexibility and responsiveness in the market. The purpose of this paper is to reveal the strategic implications and benefits of an agile and responsive supply chain while minimizing costs and delays. This research aims to assess the degree of innovation of fashion brands that shape the industry and improve the management of the supply chain.

II. RELATED WORK

Agility is an enterprise-wide capability that encompasses organizational structures, information systems, logistics processes and especially mindsets. The determining factor of an agile organization is flexibility. The idea of agility in the context of supply chain management is focused on "responsiveness". A number of researchers have addressed the notion of "agile supply chains", which, like a quick response, describe shorter, more flexible and demand-driven supply chains than traditional supply chain systems characterized by high inventory levels based on forecasts. The main difference between agile supply chains, according to Christopher is based on information such as market data and information sharing between companies in the supply chain. In agile supply chains, the visibility of information allows the supply chain to better respond to changes in market demand. Fast Fashion as a business strategy to reduce the processes involved in the buying cycle and delivery times of new fashion products in stores at the height of consumer demand.

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III. LITERATURE REVIEW

The essence of fast fashion

In recent decades, fashion companies such as Gucci, Zara, Van, and Forever 21 have revolutionized the fashion industry by adopting what is now known as the "fast fashion" strategy, in which retailers react in a few moments to the evolution of the market. weeks, compared with an average of six months in the industry. Specifically, fast fashion is a concept developed in Europe to serve the markets of teenage and young adult women who are looking for fashionable, short-cycle and relatively cheap clothes. Fast fashion chains have grown faster than the industry as a whole and have gained market share over their traditional competitors as they seek to obtain fabrics, make samples and start shipping products with much shorter lead times than the traditional production schedule.

IV. RESEARCH QUESTION AND PURPOSE

The research question for this article is defined as follows: "How can Agile and Fast Fashion innovatively reduce supply chain costs and lead times to make the business more profitable?" a strategic way.

V. RESEARCH OBJECTIVE

The purpose of this article is to reveal the strategic implications and benefits of an agile and responsive fashion supply chain. The paper is based on a theoretical study that includes general interdisciplinary research methods.

VI. RESEARCH METHODOLOGY

In order to get a deep insight into the possibilities for decreasing the cost and time through agile and responsiveness Fashion supply chain, Critical analysis of articles, books, journals, reports were used as per the nature the conceptual paper.

VII. LIMITATIONS OF THE STUDY

- Some important limitations have to be discussed. In this study we have encountered an important lack of research studies done previously in South Africa which are related to Fast fashion that we could have used in order to elaborate our Literature review.
- An important constraint is time. The scope of the study has been reduced to the deadline given.
- The relevancy of the strategy is limited to the complexity of the markets and it also shaped by the consumers desires.

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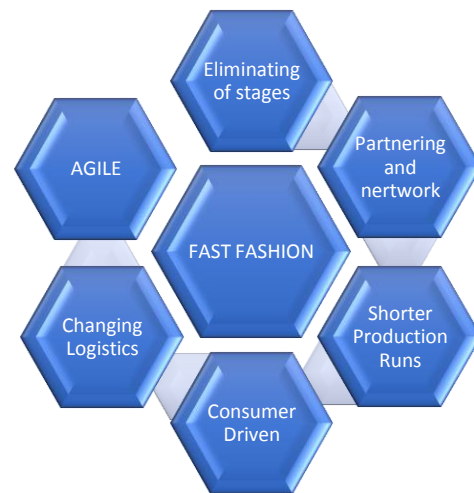
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VIII. IMPORTANT CHARACTERISTICS OF FAST FASHION

First, FastFashion is a consumer-driven process. These consumer shifts, demand and the emergence of trends mean that retailers considered to be successful recently are those that have the ability to respond to rapid changes in consumer demand by reducing delays. Fast fashion has a definite impact on the fashion product supply chain, but the fast fashion drivers that create the impact come clearly from consumer demand. Retailers are out of stock and therefore work with manufacturers who can quickly provide a new product. Fast fashion is putting pressure on supply chains to increase the number of suppliers used by retailers, simply because consumer demand concerns a greater variety of styles that change more frequently. Suppliers are increasingly encouraged to be more flexible and respond to changing demand. Eliminating steps in the supply chain means that product development and quality control are being eliminated from the supply chain process to better meet consumer demand. Pressure on speed of delivery, technological advances and changing economic conditions have led to innovation in transportation, resulting in shorter lead times and, where appropriate, air cargo has become the standard in fast fashionable supply chains, though this is sometimes only partial. Time as a strategic weapon is essential for QR operations, but like any weapon, its effectiveness depends on the circumstances of its use.



As in the case of demand, competition over time requires a careful assessment of the best possible service for customers. A quick and accurate adaptation to market developments is perhaps the most important element of the QR strategy. The model presented in this article provides decision-makers with information on the trade-offs between operational costs and the time required for a multi-product supply chain to meet the demand of multiple markets. To meet the demands of competition and reduce costs, many manufacturers have turned to lean manufacturing techniques to dramatically reduce cycle times and increase their competitive advantage.

IX. EXPERIMENTAL RESULTS

Organizations seeking to compete in the fashion markets must manage three critical deadlines:

1. Time to Market: How long does the company take to recognize a market opportunity and translate it into a product or service and market it? In markets with a short life cycle, it has become essential to be able to quickly identify trends and translate them into products in the store as soon as possible. Companies slow to market can suffer in two ways. First, they miss an important sales opportunity that will probably not be repeated. Secondly, the supplier is likely to find that when the product finally arrives on the market.
2. Delivery Time: How long does it take to register a customer's order and deliver the product to the satisfaction of the retail customer?
3. Reaction time: how long does it take to adjust the company's output in response to volatile demand? can the "faucet" be enabled or disabled quickly? Ideally, an organization wants to be able to respond to all customer inquiries about the product being offered when and where the customer needs it. When all partners, such as primary and secondary producers, manufacturers and retailers along the supply chain embrace the QR concept, lean manufacturing, flexible response and supply flexibility, all these advantages are advantageous. For all parties to benefit, they must commit to sharing critical information and creating an effective dissemination infrastructure. Fashion consumers are satisfied and benefit because the right products are in the right place at the right time.

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X. DETERMINING FACTORS OF REDUCING THE COST AND TIME COULD BE REALISED BY THESE STRATEGIES

1. Agile Manufacturing:

The agile supply chain is focused on service optimization. It is market-oriented, which means that it is highly responsive to current customer demand and dynamic, reflecting a constant adaptation to external changes. Agility is demonstrated in the ability to reconfigure all the different facets of the supply chain at a given time, according to the most recent consumer preferences. The information must therefore be collected as close as possible to the customer and then forwarded to other parts of the value stream (tailor, 2017).

2. Lean inventory management

You will have trouble finding excess stocks or deadstock's in a Zara warehouse. Throughout the supply chain, lean is the word, from raw materials to finished clothes on shelves. Inventory optimization models are in place to help the company determine the quantity that must be delivered to each of its retail stores via shipments shipped twice a week (Finance times, 2017). The delivered stock is strictly limited, ensuring that each store receives only the desire it needs. This goes in the direction of branding being exclusive while avoiding the accumulation of unpopular stocks. This rapid turnaround in the course of the season, from production facilities near the Zara distribution headquarters in Spain, allows Zara to ship more often and in smaller batches. If the design that Zara hastily creates to try to chase the latest trend is not selling well, little harm is done.

The lot is small, so there is not a ton of unsold inventory to eliminate. And since the missed experience is over, there is still time to try another style, then another.

3. MARKET QUALIFIERS:

Two important concepts may be used in order other to balance the lean manufacturing and agile approach: Market Winner and "market Qualifier (eddie, 2018). thefirst, encompassing the characteristics of the market which must be taken into account in order to enter the competition, and the latter being the only characteristic whose possession leads to over-competition.

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	MARKET QUALIFERS	MARKET WINNERS
Lean Supply	Quality lead Time Service Level	Cost
Agile Supply	Quality Cost Lead Time	Service Supply

It is generally accepted that agility is a holy grail for the fashion industry. Nevertheless, this assertion wrongly suggests that fashion brands completely forget light supply, which is not at all true. That's why it's safe to say that FF supply chains tend to combine lean and agile approaches.

4.Quick Response:

The goal was to reduce lead times and inventory by improving forecasting and flexibility. The cycle surplus and the cycle inventory result in an overall cost reduction, which will improve the business (Forbes, 2016).

5.Value of information:

As a decision base, the flow of information also initiates material flow and planning. In the most primitive context, if designers follow the news of the world of fashion and the latest trends in culture, they can anticipate what customers will most likely want (eddie, 2018). If retailers are watching what customers are buying, they will know what goods to store, and when. passed on to manufacturers, they can improve product availability by more effectively planning their purchases, production and planning.



6.Fast Fashion:

FF is a business model developed from QR. Similarities include, for example, high product speed, information dependence, integration into supply chains.

The marketing-driven ideology of the FF encourages consumers to shop regularly and make purchasing decisions quickly. This is achieved through a broader product offering than conventional clothing retailers and predefined numbers for factory orders, which means that each model is typically only highlighted once in small quantities. If it is exhausted, it will not be replenished. production plant (Hines & Bruce 2007: 44). Store reviews are therefore used not to correct the situation of existing items in the store, but rather to get an idea of the actual demand, to detect opportunities and to quickly introduce new products to their maximum. It is clear that the turnover of the goods is much faster in FF than QR.

7.Information and Communication Technologies:

Companies must increasingly coordinate their activities in supply chains. In addition to highly automated operations in production plants and distribution centres, as is the case with Benetton and Mango, new technology solutions are providing companies with completely new ways of handling transactions and sharing information. They help visualize product demand and inventory levels over the entire length of the pipeline. Without them, the instantaneous transition of data and electronic commerce simply could not exist (Supply chain management, 2017).

8.Value of relationships:

Paradoxically, trust-based relationships are needed for companies to share information and collaborate (Bowersox, Closes& Cooper 2010: 379). It is usual for companies to manage a portfolio of suppliers.

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9. Just-In-Time:

Just in time can improve storage costs. One of the most important ancillary costs for a Fashion retailer is inventory conservation costs associated with excess inventory of dwellings, which have been ordered based on the most likely estimates or rainy days. Rent, electricity, water, water and other expensive storage costs can quickly engulf these margins, even before the stock has reached the floor and may have been in the hands of your customers. customers. Minimize the amount of storage space required which is the bottom line of your business (Forbes, 2017).

Moreover, Stock obsolescence, or "dead stock", is a major problem for retailers in sectors such as technology and fashion. What could be a peak season could be for story books a month or two later. A Just in Time system will ensure that you are not stuck with products that nobody wants, which will save you from having to reduce the price just to clear the stock (if possible) and ultimately reduce your profit margins. With a Just in Time system, you will no longer have to keep large stocks that have reached the end of their life cycle.

9.1 Less investment in stocks

For a young Fashion retailer trying to make their way on the scene, it is likely that you do not have shipping containers full of cash. Purchasing large volumes of inventory means that you are stopping funds in this inventory that you have to wait to pay back. A Just in Time inventory management system means that you do not stock large amounts of money that you may or may not need. Instead, these resources are used in other areas, which can give your business a competitive advantage in an environment where dogs eat.

XI. VERTICAL DISINTEGRATION AND OUTSOURCING OF PRODUCTION

Operations strategy in a global environment can be used for reducing the Cost. One of the main trends in superstore supply chain management is the vertical disintegration and outsourcing of the production function to a global network of independent subcontractors, typically located in countries where labour costs are lower (tailor, 2017, p. 25). The extent of the relationship with the third party will depend on the degree of specificity of the assets - the high skills specific to these assets will generally be governed by long-term partnership agreements, while weak skills specific to these assets will be acquired by the through independent market agreements. (Times, 2017)

As a result, today's businesses tend to focus on their core competencies and outsource other activities to smaller businesses. This is the case of the outsourced seam at Zara mentioned earlier.

XII. RECOMMENDATIONS

In order to make fast fashion more effective and competitive It highly important to enhance the international supply chain at the expense of cost and time that drive the profitability of the business. Marketing and Global sourcing will play a major role for reducing the cost and will improve the product quality. Apart from the strategies elaborated above, what any firm in the fashion industry should do is to reduce the cost through the Supply chain, Inventory Management, Working progress, Raw material and logistics Cost. For a sustainable Cost reduction, we should have a sound deal we World Trade Organization (WTO), EU, APEC, NAFTA etc... because these organizations have great impact on the international supply chain.

XIII. CONCLUSION

In this article, we have developed a model of supply chain management of fashion, using a network economy perspective, allowing multiple fashion products. The model has two objective functions: total cost reduction, fast mode strategies, time savings in manufacturing, storage and distribution processes and reduction of total time consumption. It has been recognized that different products may require separate supply chains.



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