Volume 18 Issue 3
Originally issued as E1



Global Journal of Management and Business Research: E Marketing
Volume 18 Issue 1 Version 1.0 Year 2018
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

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GJMBR-E Classification: *JEL Code: M39*



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Branding of Bangladeshi Apparel Products in International Market: A Survey

Md. Tanjim Hossain [α], Md. Nazmul Islam [σ], Md. Saber -E- Montaha [ρ] & Jannatul Mawa Moon [ω]

Abstract- RMG (Ready-made garments) earns most of the foreign currency among all the sectors in Bangladesh. Bangladesh has secured the second position regarding exporting RMG next to China. In the last 40 years, the RMG sector of Bangladesh has experienced a dramatic emergence as one of the top sourcing hubs for apparel buying throughout the world. Most of the world famous clothing brands buy apparels from Bangladesh and sell them as their products. The main reason for the popularity of Bangladesh as a sourcing hub in RMG sector is lower price compared to other garment making countries. Though Bangladesh is earning a considerable amount of foreign currency and has all the resources to create own international brands, in the history of forty years of its RMG sector, it could not establish any renowned international clothing brands. But the time has come to initiate Bangladeshi own global brands as the global market economy is changing gradually as well as the competition is also increasing. This paper along with defining different aspects of branding shows the possible strategies that can be proved instrumental in creating own global clothing brands of Bangladesh.

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I. Introduction

For any business creating a brand is a vital form of business strategy. Branding not only increases the image of the company but also upholds the country represented by the company. Bangladesh has a rare opportunity to be world famous in RMG sector as many renowned clothing brands throughout the globe are already using Bangladesh as a sourcing hub for buying their products.

RMG sector of Bangladesh has started its journey in the late 1970s [1]. Starting with a yearly earning of just 69 thousand USD in the year of 1978, within a expand of only three decades the RMG sector of Bangladesh has been able to make around 28094.16 million USD in the 2015-2016 fiscal year and secured the second position regarding exporting RMG next to China. This simple statistics shows how rapidly this sector has bloomed and how much potential it has in playing the most vital role in the further economic growth of the country. This area contributes around 82% of total foreign currency earnings [7]. In Bangladesh more than 4 million people works in about 4328 garments factories. This sector also contributes more than 14 % of GDP (Gross Domestic Product) of Bangladesh.

The facilities available in the RMG sector of Bangladesh has been the main reason why the foreign brands are so much interested in buying their products from here for selling in the global market. The main strengths of the RMG sector are low labor cost, efficient worker, organizational support and government support [1].

Now where the foreign brands are using this opportunity for increasing their brand value, Bangladesh instead of having all the facilities could not yet be able to create any significant global clothing brands. It is true that Bangladesh is earning a considerable amount of foreign currency by working as a sourcing hub of international clothing brands but the time has come to think about creating Bangladeshi global brands for some obvious reasons.

Along with the world, the economy of Bangladesh is also undergoing remarkable gradual changes. As a Least Developing Country (LDC) Bangladesh gets to enjoy various facilities that include international aids for business purposes and cheap man power [2]. But the rapid economic growth of the country shows that the situation is not going to stay like this forever. The agenda of the current government of Bangladesh suggest that the country is going to be a developed country within a very short period. So, some of the facilities that are now helping to keep the selling price lower compared to other countries will not be available. China, for example is on the verge of losing the leading position in exporting RMG because they have been forced to move towards other industries as a result of decreasing cost- effectiveness in RMG sector [3]. As Bangladesh does not have so many alternative industries to shift to, it is sensible to look for other ways to sustain the earning from the garment industry. So creating as many global brands as possible is the most feasible option to survive in the global clothing market.

Creating new international clothing brands and competing with those that are already established in the global market is a mammoth task. But for Bangladesh, the positive factor is that the country has all the resources and other requirements to emerge as a leading name in the global market for apparel brands. However, the task needs a lot of efforts such as

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extensive analysis of all the factors involved in the whole process, making careful and realistic planning and strategies considering all the related issues and finally executing them successfully.

The first thing that is most important in this regard is to create some Bangladeshi apparel brands for the global market and to launch them successfully. In this regard, the most important thing is the initiative from already established local apparel brands to launch their products in the global market. Some of the Bangladeshi apparel brands have already started doing business globally, but other brands also need to take the same initiative to increase the presence of Bangladesh in the international apparel market.

Now making products for the international market is really a challenging task. To be able to do that it is necessary to take measures. The RMG sector of Bangladesh has the experience of manufacturing apparels for many international brands. In addition to that establishing a Research and Development (R & D) center for apparel manufacturing for the international market can be useful. As the products are for the global market, there must be some strategies for product diversification. Keeping the factor in consideration that Bangladeshi brands have to compete with already established international brands in the market, there must be the assurance of good quality products along with effectively lower pricing compared to other international brands.

For any business, strong marketing strategy is an important factor. Strong marketing and promotion strategy will be the most instrumental factor in ensuring a good market for Bangladeshi brands in the international market. So the Bangladeshi brands must increase the presence and visibility of their brand names and products in the global market through promoting them in all the possible forms of marketing.

To be able to keep doing business in the global market successfully, the Bangladeshi brands must ensure and maintain good business reputation. Maintaining business reputation largely depends on some issues like developed infrastructures, uninterrupted access to all the resources, enhancing the skills of the workers for increasing productivity, etc. So the government and the concerned authorities must take necessary measures to upgrade the communication system, to ensure proper supply of all the required resources and to provide sufficient skill development training for the workers with a broader view to maintaining business reputation.

RMG sector is an asset for Bangladesh, and by using this asset, it is possible to create a place for Bangladeshi apparel brands in the global market. Bangladesh has all the necessary resources to show the world that it can offer the world its creation in apparel manufacturing rather than just delivering the orders for other countries.

II. Brand, Branding and Brand Value

A brand is a symbol that people create in their minds, and brings association of different things with the products or services it provides [4].

The act of making a brand is commonly known as branding. The process involves a considerable number of activities such as creating a place for the product and company in the market, devising the strategy to reach the goals, creating the identity of the company or product, writing messaging of the brand and setting standards of the brand. Any brand is the outcome of successful branding effort. It describes the users by using verbal dialog, visual identity as well as the tone of actions. This aspect of branding is necessary for marketing communications. In this way people know the identity and remember others [5].

Brand value is the value that is imposed on a particular brand and makes the customers willing to spend extra money for it [4]. For obvious reasons the very topic 'Brand value' is of profound importance amongst marketers, executives, and entrepreneurs in almost all the businesses.

Steve Jobs once wrote: "To me, marketing is about values. This is a very complicated world; it's a very *noisy world. And we're not going to get the chance to get people to remember much about us. No company is. So we have to be really clear on what we want them to know about us."*

Example: What made the iPhone so valuable in the eyes of consumers? [6].

III. What Makes a Strong Brand?

Though many companies now recognize the value of branding, most of the businesses are still not able to understand the elements required to create a standard brand. Five elements are instrumental in establishing a good brand. They are as follows:

i. Creating a brand requires clarity about its purpose and mission.
ii. Creating a brand needs understanding and leveraging its uniqueness.
iii. Creating a brand requires clarity about the target market.
iv. Creating a brand needs consistent maintenance of on-board message.
v. Creating a brand needs the continuation of building a strong relationship with the associated community.

IV. Current Status of Bangladeshi Apparel Brand in International Market

Though the RMG sector of Bangladesh has already become well known throughout the world for its service as a sourcing hub for many renowned

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international brands, the country has not yet been able to establish any significant global brands. Bangladesh has a considerable number of local apparel brands that are doing good business in the international market for quite a long time. Some of them are recently taking some initiatives to enter the global market, though they are inconsiderable in number. Among the leading Bangladeshi local apparel brands, Cat's Eye was first introduced in 1980 [2]. Since then till to date many more local apparel companies entered the market, and are doing business successfully and the current number of listed local brand is 56. A small number them have crossed the border of the country and doing business in the global market. "Yellow", "Artisti" and "Kay Kraft" are most popular Bangladeshi local apparel brands that are doing business in the global market. So, Bangladeshi apparel brands have already entered the international market, although global exposure of consumer-clothing of Bangladeshi brands is not up yet to the mark. Considering the strengths and potential Bangladesh has in RMG sector, it is very much possible that Bangladeshi apparel brands can lead the global market by taking some necessary measures.

V. Survey Report and Swot Analysis

There was a survey among some of the textile professionals regarding different facets of Branding of Bangladeshi Apparel Products in International Market. The findings are illustrated below:

All the respondents agree that it is possible to develop our country image by launching Bangladeshi Apparel Products in International Market. 66% among them strongly agree on the issues.

On the question whether Bangladeshi apparel brand will be able to compete with world famous brands or not, 66% of the respondents strongly believe that Bangladeshi apparel brand will be able to compete. On the question, if Bangladesh has some reputed international brands then it will increase the strength of RMG sector of Bangladesh or not, 50% strongly agree, and the remaining only agrees that it will increase the strength.

On the question whether Bangladeshi brand can contribute to the GDP and economy or not, 83% strongly agree, and the remaining only agrees that it can.

The survey included a section for mentioning the strengths, weaknesses, opportunities, and threats of Branding of Bangladeshi Apparel Products in International Market as a part of SWOT analysis which is as follows:

Table 1: Analysis of the Survey

		5	4	3	2	1	Remarks
1.	It is possible to develop the image of the country by Branding of Bangladeshi Apparel Products in International Market.	34	66	0	0	0	YES
2.	Bangladeshi apparel brands will be able to compete with world famous brands.	34	66	0	0	0	YES
3.	If BD has some reputed international apparel brands then it will increase the strength of RMG of Bangladesh	50	50	0	0	0	YES
4.	Creating international brands can contribute to the GDP, and economy of Bangladesh	83	17	0	0	0	YES

SWOT Analysis

Strength

i. Adequate human resources.
ii. Easily accessible water and air communication and a wide range of port facilities.
iii. A high-quality standard for RMG products.
iv. Low labor cost and cheap resources.
v. The capability of producing various types of garments.
vi. Favorable business climate.
vii. Reputation for RMG products.

Weakness

i. Lack of interest for Bangladeshi entrepreneurs and marketing tactics.
ii. Lack of enough manufacturing methods and advanced technological knowledge.
iii. Lack of sufficient fund, training personnel.
iv. Unsafe working environment.
v. Insufficiency of utilities like electricity, gas
vi. Compliance issues.
vii. Lower productivity.

Opportunity

i. The reputation of product quality all over the world.
ii. Pricing capability to attract new customers.
iii. Sufficient cheap workers.
iv. Favorable export situation.
v. Government support for textiles and clothing.

Threat

i. Competition in the global market.
ii. Labor unrest in RMG sector.
iii. Risk of losses.
iv. Renowned global apparel brands.

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VI. Prospect and Strategies for Launcing Bangladeshi Apparel Brands in the Global Apparel Market

As Bangladesh has gathered extensive experience in RMG sector in the past forty years, it already has the ground to enter the global Market with its apparel brands. However, there are some limitations. If it is possible to minimize those obstacles, Bangladeshi apparel products undoubtedly has a secured future in the global market.

The survey made among the textile professionals suggests some strategies in favor of launching Bangladeshi apparel brands in the global apparel market. They are as follows:

i. Taking Initiatives from the existing local brands to popularize their brands in the global market.
ii. Maintaining business reputation.
iii. Establishing product diversification strategy.
iv. Ensuring best quality with pricing to attract the customers.
v. Ensuring strong marketing strategy.
vi. Establishing Research and Development (R&D) center for apparel manufacturing for the international market.
vii. Establishing consumer- brand relationship.
viii. Maintaining compliance issues properly.
ix. Improving marketing resources.
x. Understanding market and competitors.

VII. Conclusion

As there are not many industries in Bangladesh that has so much potential to become the best in the world like RMG industry has, launching Bangladeshi apparel brands in the global market is the demand of the time. Through proper utilization of our strengths as well as by sorting out and solving the problems it is very much possible to take Bangladeshi apparel brands to the zenith of the global market. If all the necessary measures are taken timely the day is not so far when Bangladeshi apparel brands will be the first choice of people throughout the world.

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