

POTENTIAL STRATEGIES AND COURSES OF ACTION FOR ENCOURAGING ROMANIAN ECO CLOTHING PRODUCERS – CHALLENGES AND TRENDS

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Abstract

The purpose of the paper is to present possible strategies and courses of action that can be adopted to encourage Romanian clothing companies towards the production of ecological clothing.

The objectives of the research in the paper are to present the directions for increasing the role of sustainable industrial sectors, to identify new consumption trends in the new socio-economic context, to analyse the stage of adoption of socially responsible production methods within the Romanian clothing industry and to identify strategies that can be adopted by Romanian clothing companies in accordance with new consumption trends.

The clothing industry is an innovative industrial branch both for Romania and for the member states of the European Union, concentrating the largest number of SMEs in the European industry.

Within the paper the concepts of corporate social marketing, fast-fashion, slow-fashion, eco-design are also presented.

The research identifies growth possibilities in the number of local producers manufacturing ecological products, by proposing the creation of integrated companies and, also, the advantages of their creation are presented.

The paper is structured into the following sections: Introduction; Challenges and trends for marketing management in the new socio-economic context with the following sub-sections: Social responsibility reflected in fashion; The Romanian clothing industry and social responsibility, and Potential strategies and courses of action for encouraging Romanian eco clothing producers, Conclusions and References.

Keywords: *eco-clothing, strategies, social responsibility, recycling, integrated companies.*

1. Introduction

The paper presents potential new strategies and courses of action for encouraging Romanian eco clothing producers, respectively strategies tailored to crisis situations, post-crisis re-launch strategies, and also strategies in response to the new socio-economic realities and trends.

The choice of the clothing industry in Romania in order to identify opportunities to increase sales, respectively profit, is motivated by its importance, being an innovative industrial branch, representative for both our country as well as for all European Union member states. This sector concentrates the largest number of SMEs in the European industry being an illustrative branch for the identification of entrepreneurial strategies employed, and also is among the industries with high innovative potential. In both past and present, it is also an industrial branch employing a primarily feminine workforce.

The theme addressed within the paper is a topical and practical utility issue in the context of Romania's effort orientation towards the overall economic development in conditions of sustainable development.

Under the National Competitiveness Strategy 2021-2027, a major strength identified is the existence of sectors with competitive potential, namely the electric and electronic equipment sector, automotive, IT&C, *apparel industry*, food, furniture and services¹.

These companies are the ones that need to answer the challenges and opportunities of the market through the implementation of strategies compatible with development, strategies adapted to new consumption trends. Also, the EU repositions the macroeconomic coordination process within the European Semesters to integrate the United Nations Sustainable Development Goals, to place sustainability and citizens' well-being at the heart of economic policies and the Sustainable Development Goals at the heart of EU policy actions.

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¹ See Strategia Națională de Competitivitate 2021-2027, available at <https://economie.gov.ro/strategia-nationala-de-competitivitate-2021-2027>, last consulted on 13.01.2025.

In this paper I propose the creation of two integrated units for ecological wool fabrics, and for organic cotton fabrics (both for achieving of clothing), and through this passing from the limited measures at the level of the firm to a measure applied at the branch level.

I mention that in a paper published in 2013 (*Green fashion – a new possible lifestyle for Romanians*), in Industria Textila Journal, I proposed the creation of an integrated unit for eco flax-hemp fabrics.

The importance of creating these integrated units lies in the fact that they represent effective and efficient solutions to the Romanian economic context specific to the analyzed domain.

So, against the background of a declining textile industry since 1990, a trend of „exuberance” for lohn processing has been noted among the clothing companies.

Since 2006, orders placed in lohn system began to decrease, a trend that has intensified, forcing firms to develop their own collections in order to survive in the market, in parallel with lohn processing, performed to a lesser extent. Given the multiple crises, many firms belonging to the clothing industry were affected and continue to be affected, many of them disappearing.

By creating integrated units, Romania can become an important player in the fashion industry by regaining its value chain. This entails the development of local textile materials and could become a motor for the Romanian economy, stimulating innovation-driven ecological processing, from the cultivation of technical plants for fiber and breeding sheep for wool, to developing competitive eco brands on a global scale.

Within the specialized literature in the field, there is a lack of strategies for increasing sales and, respectively, profits, both within clothing companies in general and ecological ones in particular, through the creation of integrated units.

2. Challenges and trends for marketing management in the new socio-economic context

During the multiple crises (financial crises, pandemic, climate-related disasters and deepening geopolitical tensions that will continue to fundamentally alter the landscape), usually expenditure is cut down and concerns are raised about safeguarding the financial future, certain consumption patterns change, and in some cases, more is paid for new desires and priorities², which even leads to the paradox that in hard times many pay for new considerations regarding lifestyle. Many promoters of focusing on customer satisfaction have constantly argued that people increasingly appreciate results rather than products, the product becoming a part of the solution to a personal or business challenge or being a mandatory experience. The value hence derives from the help provided so that the person is able to see the solution. Similarly, numerous brands (sets of expectations that consumers/customers have when consuming/thinking about the ‘consumption’ of the good or service, branding being the process of brand creation) are perceived as non-differentiated means of reaching a given end, being purchased based on a compromise between price and convenience. The recession appears to have augmented this non-differentiated perception of brands. If desire comes from expectation or from the experience of an emotionally satisfying result, experience appears to become an end in itself. Clients cannot, however, purchase better until they know what is better.

In the context of marketing shifting dramatically (with regards to concerns about the financial future, physical distances, time, markets and competition), we are participants and spectators of the marketing of experience (integrating the brand or product messages into the lives of the consumers under the form of interactive experiences, rather than delivering them via the inert traditional channels, such as printed media or television) versus the branding of experience (beneficial differentiation of a good/service by focusing on the completeness of the experience, rather than the product’s characteristics, attributes or benefits)³.

The concept of social marketing was introduced by Philip Kotler in an article co-authored by Gerald Zaltman and published in 1971 („Social Marketing: An Approach to Planned Change”, Journal of Marketing). In 2004, together with Nancy Lee, Kotler argued that the target of corporate social marketing is always a change in behaviour (usually for the sake of health, safety or environmental improvement), this being the distinctive characteristic of corporate social marketing as opposed to other more familiar corporate social initiatives, such

² See J. Todor, *People will Consume Less but Aim to Consume Better*, 21.09.2009, available at http://customerthink.com/people_will_consume_less_but_aim_to_consume_better/, last consulted on 20.01.2025.

³ See T.V. Purcărea, V. Ioan-Franc, *Provocări pentru managementul marketingului în timp de criză. La ora judecăților înțelepte bazate pe valoare și logică*, in Marketing – Management - Studii, Cercetări, Consulting, vol. 3-4/2009, pp. 111-112.

as corporate philanthropy and community volunteering that do not strive to change people's individual behaviour.

This precisely the reason why, in the authors' eyes, corporate social marketing is the „best of breed”⁴ among the corporate social initiatives, in terms of supporting the marketing aims and objectives of the company, including brand positioning and preference (marketing, in Kotler's opinion, represents the art of brand building), market development and sales increase. The reasoning behind granting this superlative consists, in brief, in the fact that a change in personal behaviour may well stand a fair chance of determining a change in consumer behaviour. This is because „when people change the way they act, and then personally benefit from those actions, they are likely to have a strong positive association with the company that spurred the change”. Kotler and Lee conclude that, in a context where highly successful corporate social marketing campaigns gain more and more impact on corporations, firms and society overall, a firm would be irresponsible not to pursue a social and marketing advantage, if obtainable, by engaging an issue.

A recent study (Aspirational consumers: what brands should know) developed by GWI (formerly Global Web Index) identified the fact that as aspirational consumers make up a significant portion of the global population, with 39% of all consumers falling into this group, they're a crucial audience to consider for every brand's marketing strategy.

On top of their own efforts to become better people, aspirational consumers are starting to expect the same commitment to communal causes from the companies they do business with. Just as 86% say that it's very important to contribute to their communities, 48% want their favorite brands to be socially responsible.

So, the study reveals that 51 % of aspirational want these brands to be eco-friendly, and 4 in 5 of this group says they would pay a premium for a sustainable or eco-friendly product⁵.

Romania hesitantly adheres to the EU direction of increasing the role of sustainable sectors: it is simultaneously perceived as being among the countries with the highest levels of energy intensity in industrial activity, but also as a country where the weight of expenses with environmental protection in total public expenditure is relatively high⁶.

In fashion industry, the concept of fast-fashion, pertaining to consumerism, comes at the price of delocalizing production in geographical areas where the workforce is cheaper, and working conditions and environmental standards are very lax. Moreover, even though fast moves bring in innovation and quick feedback, their use only for the sake of expedient and massive production has led to nothing but an enormous consumption of resources in order to create a super-production rapidly transformed into „garbage”, or useless products.

Slow-fashion on the other hand purports design, production, consumption and a life, all improved by combining ideas about regeneration cycles and natural evolution with those concerning cultural values and traditions. Slow-fashion is not the opposite of speed; it is merely a different approach, with an accent on quality, where people are increasingly aware of the products' impact on employees, communities and ecosystems⁷.

Eco-design reduces the garment's environmental footprint throughout the entire lifecycle of the product, and since the product concept is perpetually improved, the design becomes sustainable.

The directions of expressing cultural sustainability in fashion identified since 2015, elaborated by the major fashion offices of the world, are:

- **Eco-fashion** – a viable socio-cultural alternative;
- **Luxury brand** and **creativity** among dreams and desires;
- **Heritage** and **quality** – sustainability
- **Art** and **beauty** – fields of cultural sustainability through aesthetics.

The involvement of the consumer in the act of creation has become a trend in design.

⁴ See Ph. Kotler, N. Lee, *Best of Breed*, Stanford Social Innovation Review, Spring 2004, available at http://www.ssireview.org/articles/entry/best_of_breed/, last consulted on 13.01.2025.

⁵ Available at <https://www.gwi.com/blog/what-to-know-about-aspirational-consumers>, last consulted on 13.01.2025.

⁶ See European Commission, „Member States' Competitiveness Performance and Policies”, *Country chapter: Romania*, manuscript, June 2013.

⁷ See A. Joy, J.F. jr Sherry, A. Venkatesh, J. Wang, R. Chan, *Fast Fashion, Sustainability, and the Ethical Appeal of Luxury Brands*, *Fashion Theory*, vol. 16, no. 3, 2009, pp. 273-296.

Consequently, design is participative, the clothes becoming interactive. We are witnessing, in this context, a change in the consumer's attitude, as he transforms from a passive buyer of whatever he can find, to an active one, for whom goods are produced to his liking.

2.1. Social responsibility reflected in fashion

In the context in which the fashion industry produces negative effects on the environment and on people's health, the ecological movement has gained momentum. It is known that the downstream industry, namely the textile industry, is highly polluting. Thus, the concept of green fashion emerged.

The ecological movement therefore incorporates several concepts: organic, ethical, fair trade, sustainable, recycled and vegan. All these targets especially consumers who are more interested in the moral perspective on clothing production and in its functionality than in its aspect.

In order to fulfil the purpose of environmental protection, ecological articles of clothing can also be manufactured from recycled materials, by the re-use of second-hand clothes or residues such as PET bottles. By recycling, the clothing item is aimed to have a long-lasting life, in order to limit the consumption of raw materials, energy, and reduce the pollution from discarding them after no longer being worn.

In many western states, there is a current of opinion which supports the reduction in the volume of clothes thrown away⁸.

Owing to the efforts of TORAY, as early as 2008, nylon, whose structure makes reprocessing difficult, managed to be recycled and reused. The producer requested customers to return polyester clothes in order to prevent them from being thrown away.

Also, many companies/brands offer their customers repair services.

These companies belong to various fields of activity. As for the companies/brands in the clothing industry, we find such companies that offer repair services, especially those that sell sports items that are more easily damaged due to their destination.

Some of the brands that sell sports items provide repair kits to their customers.

On the websites of these companies, instructions for use, guarantees, post-guarantee services, etc. are presented. Examples of such companies/brands are Patagonia, Gore-Tex, Marmot.

Also, the French brand Eric Bombard, which sells clothing made of cashmere or cashmere mixed with natural silk or organic cotton, offers repair services, but also the possibility of returning old Eric Bombard products in exchange for which the costumers receive a voucher for each returned product that they can use to purchase a new product. Eric Bombard also sells special detergents for their products.

In the Netherlands, the „Repair Cafés” concept has emerged, consisting in places where people meet in order to fix broken objects (mobile phones, toasters, and so on) or to repair the hem of their trousers. The first café of this kind was founded in Amsterdam in 2009 by Martine Postma, an environmental activist. Since 2007, Martine Postma has fought for local sustainability in a number of ways. In 2010, the Repair Café foundation was established, offering professional support to local groups from the Netherlands and from other countries that wish to follow their initiative⁹.

A series of events are already dedicated to eco fashion, some examples being: The Green Shows Eco-Fashion Week (New York Fashion Week), London Eco Fashion Fair, Paris Ethical Fashion Show, International Fair for Natural and Organic Textiles INNATEX in Germany (2 editions every year) and so on¹⁰.

Also, Première Vision or Tissu Premier (dedicated French fairs) organise during every edition discussions, workshops or thematic conferences proposing ingenious ecological solutions, developed by research centres and tested several years in advance. The Maison & Object fair, an international standard among design, textile and decorations salons, grants eco-ethics prizes, initiating a green footprint dedicated to the most responsible and involved designers and producers¹¹.

One of the fairs connected to the Copenhagen Fashion Week (CFW) is Gallery. This was the first fashion fair in the world organised without CO₂ emissions and with the help of wind energy. In 2013, only organic food

⁸ See D.I. Popescu, *Green fashion – a new possible lifestyle for Romanians*, Industria Textilă, vol. 64, no. 1, CERTEX, 2013, pp. 47-48.

⁹ Available at <http://repaircafe.org/about-repair-cafe/>, last consulted on 13.01.2025.

¹⁰ See D.I. Popescu, *op. cit.*, loc. cit., pp. 48-49.

¹¹ See I. Nicolescu, *Play Design Fair – upcycling, modă și design*, Dialog Textil, vol. 23, no. 11, 2023, S.C. Martin Media Group, p. 20.

was served at Gallery, and in 2014, 50 free bikes were placed at the disposal of the audience. Moreover, in 2014, 60 brands with ecological core principles and sustainable styles exhibited at the Gallery¹².

Each year, in parallel with Tendence, organised by Messe Frankfurt and occupying an important slot in the calendar of European fairs that support fair trade with a clear focus on the European consumption goods sector especially in Eastern Europe and Scandinavia, the Ecostyle and FORM fairs also take place. Ecostyle is a fair destined to ecological products, combining design, functionality and environmental protection. FORM since 2014 was dedicated to manufacturing and industry, also comprising exhibition of prize-winning products within a competition organised by the German Association of Arts and Crafts (Bundesverband Kunsthandwerk) in collaboration with Messe Frankfurt. Furthermore, in 2014, within the fair there were a few platforms for young designers, namely Talents Carat (for young jewellery designers from around the world) and Talents Modern Crafts, where youths in the arts and crafts sector made their first presentations in the presence of an international audience.

According to a study performed in Germany by Ecostyle, in 2013, the trend of purchasing sustainable products was on the rise. Hence, 56% of German consumers make informed purchases, and are interested in whether the products were fabricated in an ethical manner. Besides, Ecostyle's target group is comprised of retail traders and buyers wishing to include sustainable products in their offer¹³.

2.2. The Romanian clothing industry and social responsibility

In Romania, there are few firms that fabricate ecological clothing and there is no education with regards to the use of eco clothing.

Presently, besides three firms that produce ecological wear for newborns in lohn conditions, S.C. Harmatric SRL from Vaslui manufactures under its own brand (Pifou), addressing exclusively to the internal market.

Currently, PIF SRL – Timisoara produces, in addition to ecological textile toys with hand embroidery, ecological clothing and folk costumes. The folk costumes are made of natural fabrics procured from peasants' households. Bearing in mind the small quantity of ecological raw material available to the firm at present, and also the reduced demand for this type of garment (folk costumes), the management's estimations concerning the company's eco production are of roughly 10-20 folk customs per year.

In 1990, the firm Ecolution SRL was founded in Cluj-Napoca, with an entirely American share capital and having as objective till 2015 the manufacture of hemp ecological wares, mainly women's, men's and children's clothing. The firm produced on average 2000 clothing items every month. Over 95% of the production was destined for export (traditional clients with small orders of up to 100 clothing items, from the USA, EU, Japan, Australia, and South Africa). Less than 5% of the production was purchased by local distributors¹⁴. Currently, the company produces sustainable clothing for women made from organic cotton sold online.

Moreover, in Romania there is a rather significant basis for the repair subsector, but this is mostly covered for cheap products. The cheap market is connected to second-hand stores which sell products requiring repair. On the other hand, small manufacturers have re-emerged, individuals starting small niche businesses or tailors collaborating with haberdasheries. Many of them have ties with their field of choice. Thus, approximately 60% of them are people having had a prior connection with the domain. Furthermore, patch working has begun to appear, a growing activity, represented by small businesses with online sales. Their orders have increased throughout recent years¹⁵.

The number of Romanian firms/brands using recycled material is very small, and the weight of these products in total production is, again, very small.

As for companies, an example is Romtex Aero SRL from Sibiu whose main activity is the wholesale of textile products. In addition, at present, this firm produces in very small quantities leather articles which reuse leather scraps in the production of bags for the entire family.

A few examples of brands revaluing waste are: Velemets, Common Parts, Atelier Resolved, and Recuperer.

¹² See A. Turp-Balazs, *Tărgurile scandinave în mijlocul verii*, Dialog Textil, vol. 48, no. 7-8/2024, S.C. Martin Media Group, p. 8.

¹³ *Idem*, pp. 8-9.

¹⁴ See D.I. Popescu, *op. cit.*, loc cit., pp. 49-50.

¹⁵ See A. Turp-Balazs, *O afacere cu meșteșug*, Dialog Textil, vol. 48, no. 3/ 2024, S.C. Martin Media Group, p. 7.

Velements - Upcycled clothing and accessories brand from Cluj-Napoca that aims to bring old clothes back to life, to give them a new chance, by modifying and reinterpreting them. T-shirts, shirts, sweaters, jackets, pants made with great attention to detail.

Common Parts - Premium brand of upcycled clothing for women. It works with textile scraps and aims for a zero-waste production process. Classic patterns, texture combinations, hand-sewn details, all these techniques give a spectacular look to the pieces of Common Parts, a brand signed by Ana Dinuta.

Atelier Resolved - Romanian brand launched in 2016, a courageous initiative by designer Andrei-Bryan Goudarzi to create clothes and accessories from less conventional materials: raffia bags, packaging, clothes and textile scraps. The objects are handmade, in small batches, but the uniqueness of the raw materials used makes these pieces a must-have.

Recuperer - Romanian brand launched in 2020, under the signature of designer Silvia Cristescu. Recuperer pieces are made from reinterpreted old clothes – jeans, shirts, scarves, but also from textile scraps. All products are vegan friendly, and most are made-to-order to avoid excess production¹⁶.

With regards to exhibition manifestations dedicated to clothing products manufactured with social responsibility in mind, in the spring of 2011, a presentation of fashion collections made from recycled materials, PETs, etc. took place in Cluj-Napoca. The public's reaction was an unfavourable one, the majority considering that it was all about creators at their debut, intending to shock in order to capture their attention¹⁷.

In Romania, since 2013 there has been a fair called Play Design Fair that promotes recycling and aims to educate consumers in the direction of recycling, respectively upcycling. This fair is organized under the aegis of Code Noir Style.

The founder of the fair is Ioana Niculescu who is a trends forecaster, fashion contributor, but also the one that started of the „Cismigiu Mon Amour” action, a project to save the park. She is also a permanent collaborator of Dialog Textil journal (the journal of the textile and clothing industry in Romania).

All the organizers of the fair are professionals in the fashion field (designers, manufacturers).

Within the fair, which takes place annually, workshops are organized where clothes are presented for sale either from old collections, but upgraded, or from recycled materials. Accessories such as jewelry and bags made from recycled materials and signed by designers are also sold.

Over time, the proceeds collected from the sale of the objects are donated to the Beneva Association for children with cancer from the Department of Paediatric Oncology of the Marie Curie Hospital in Bucharest.

2.3. Potential strategies and courses of action for encouraging Romanian eco clothing producers

The research performed shows a small number of Romanian producers that manufacture ecological clothing products. Moreover, the study shows that both repairing and recycling are extremely isolated processes in Romania.

In this context, I propose the following incentive actions for Romanian producers to orient themselves towards the manufacturing of eco products:

- The increase of agricultural subsidies for sheep breeders for wool;
- The granting of tax incentives to firms fabricating ecological products;
- The creation of two types of integrated companies as follows: a „green” wool fabrics integrated unit; an organic cotton fabrics integrated unit;
- The briefing of consumers on the advantages of using eco products.

The livestock sector saw a rapid decrease in the number of breeders of Merino sheep.

Currently in Romania specific aids are granted, according to the dec. no. 759/21.07.2010, to improve the quality of agricultural products in the organic farming sector. The beneficiaries are farmers, individuals, legal entities and/or licensed individuals, individual or family businesses established according to GEO no. 44/2008 and subsequent amendments, on performing economic activities by licensed individuals, sole proprietorships and family businesses who are active, registered each year in the organic farming system, and under contract with an accredited inspection and certification body in the territory EU / approved by the Ministry of Agriculture and Rural Development, hereinafter termed as beneficiaries.

¹⁶ Available at <https://www.yko-yko.ro/local/6-branduri-romanesti-de-upcycled-fashion-pe-care-merita-sa-le-cunosti/?srsltid=AfmBOoqZpWbEUK-gBfr85EHAXbAN5b2UxvEIHoZeYLnHrHSKjvfEmAJul>, last consulted on 20.01.2025.

¹⁷ See D.I. Popescu, *op. cit.*, *loc. cit.*, p. 50.

These aids consist in annual additional payments to farms registered in the organic farming system of plant and animal production in accordance with art. 68 para. (1) letter (a) ii) of dec. no. 759/21.07.2010 or are in the conversion period.

The main condition that must be met by the farms with „green” plant production in order to receive specific support, in addition to the necessary documents stipulated by the law, is to exploit agricultural areas of at least 0.30 ha, filled with annual crops, perennial crops or permanent pastures and meadows. Also, in the case of land conversion, farmers must own a certificate confirming the conversion, stating the status of the exploitable land in conversion during Year 1, Year 2, and Year 3.

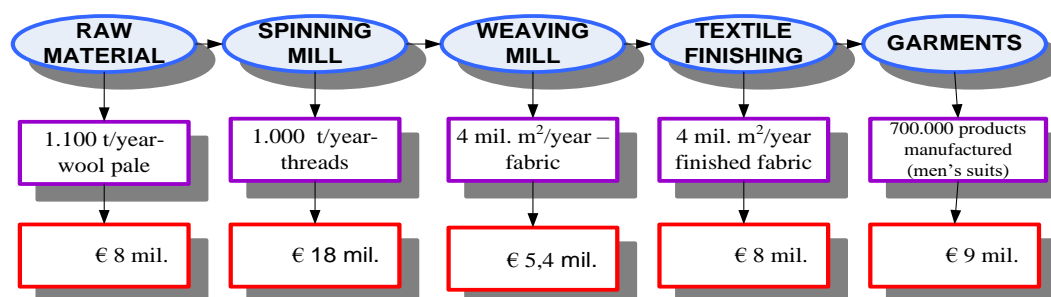
For those working in the ecological livestock sector, besides necessary documents established by the law, in the case of conversion, they must own certified conversion confirmations stating the status of the holding in conversion in Year 1 and the number of animals.

In order to create ecological clothing, I consider opportune the creation of the two integrated companies as follows:

- an integrated company comprised of a spinning mill for processing the flocks of ecological wool, a treatment plant, a weaving mill allowing textile finishing and the processing of wool threads to obtain thin and thick fabrics, and a production firm of clothing made of eco wool fabrics (trousers, jackets, men's suits, women's suits, overcoats, coats);
- an integrated company comprised of a spinning mill for processing organic cotton yarn, a treatment plant, a weaving mill allowing textile finishing and the processing of organic cotton threads, and a production firm of clothing made of eco cotton fabrics and similar fabrics (combinations with other natural threads).

With regards to the integrated company specialised in ecological wool fabrics, its structure, necessary quantities and amounts are depicted in Figure 1.

Figure 1: Integrated company for ecological wool fabrics



Source: Own conception

I consider that within the integrated company specialising in eco wool fabrics, approximately 1,100 t/year of eco flocks can be processed. Among these, around 1,000 tons of threads may be obtained per year. The necessary investment for the spinning mill is of approximate 18 mil. Euro (the counter value of the equipment for dyeing flocks, for re-combing, the preparation lines, the spinning equipment, the winding and double twisting equipment and the treatment plant).

These threads are to be processed in a weaving mill. The investment required for its creation amounts to around 5.4 mil. euro for the purchase of specialised equipment (warping machines, vaporizers, weaving machines).

By processing the 1,000 tons of eco threads, approximately 4,000 thousand m²/year are obtained in fabric (from a ton of threads, once processed, one obtains around 4,000 m² of fabric).

A textile finishing of the fabrics obtained is necessary, via an investment of around 8 mil. euro (the expenditure on dyeing, drying and special treatment equipment - antistatic, crease guard, saponification and so on).

From these fabrics, around 700 thousand clothing/year are obtained. I considered the manufacturing of suits of high complexity for men, the average suit requiring around 6 m²/piece.

For the inauguration of the clothing section where these suits are to be manufactured, an investment of minimum 9 mil. euro is needed, for the purchase of specific equipment for cutting, fabricating and finishing. I took into consideration special equipment (specialised in men's suit) with a value of around 8,200 euro/piece of equipment, from which around 3.2 suits/person may be obtained in an 8-hour shift.

This integrated company can be realised in only one variant:

- Entirely novel (the creation of a smelting house, of a spinning mill, of a weaving mill, of textile finishing and of a clothing manufacturing section).

The necessary funds may be ensured by attracting European funding.

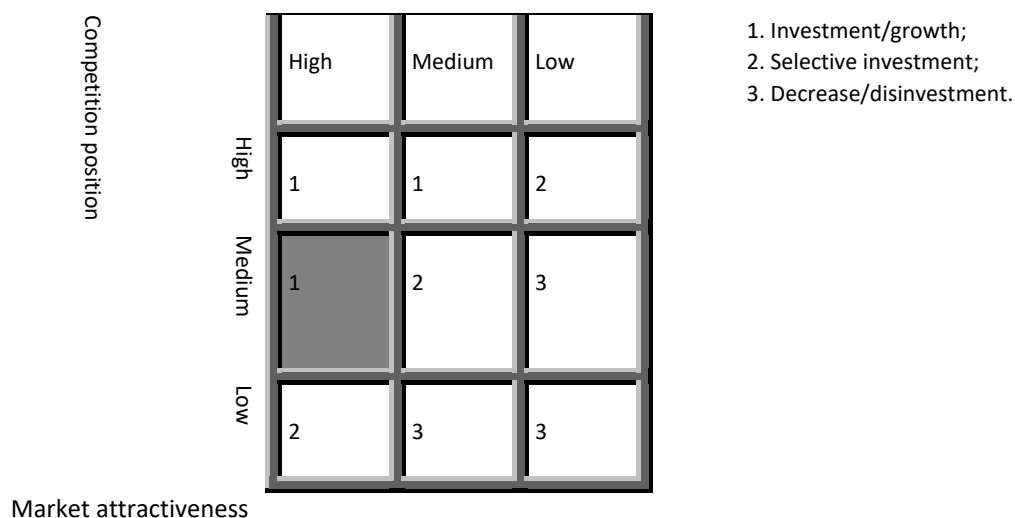
I suggest that this type of integrated company be created in the centre of the country, due to the fact that the required raw materials are predominantly found there.

The clothing will be destined for export given the high competitive level of the products.

The high competitiveness of the clothing produced in this holding will permit the generation of a rate of return similar to those obtained in developed countries, of 15% compared to 7-10%, level attained till now.

By applying the McKinsey matrix to the clothing obtained from eco woollen fabrics, since the market attractiveness is high and the competition level is medium, the option of investment/growth is selected (Figure 2).

Figure 2: Clothing from eco woollen fabrics

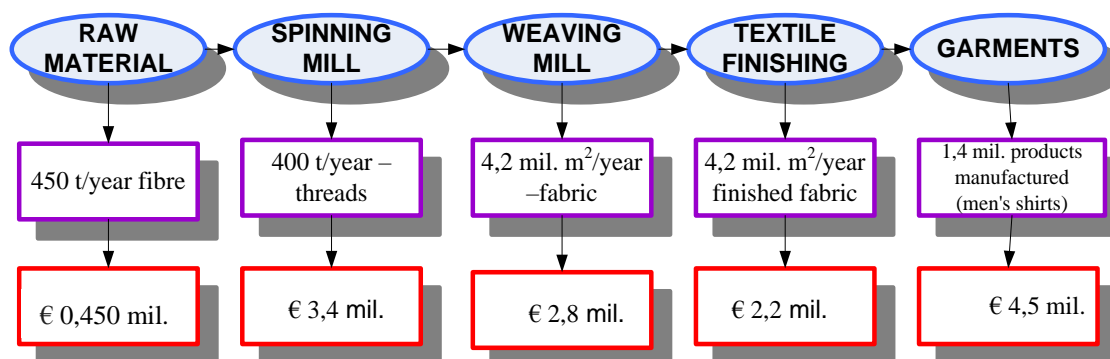


Source: Applying the McKinsey matrix for integrated company for ecological wool fabrics (own conception)

As a result, it is opportune to invest in an integrated company specialised in „green“ woollen fabrics destined for the manufacture of clothing articles.

Considering the integrated company specialised in organic cotton fabrics, its structure, necessary quantities and amounts are depicted in Figure 3.

Figure 3: Integrated company for organic cotton fabrics



Source: Own conception

Seeing that the organic cotton fibre will be imported, the processing of 450 t/year of organic cotton fibre is considered, for the purchase of which an amount of 450 thousand euro would be necessary (the cost of an organic cotton yarn is of 1,200 \$). From this quantity of yarn, 400 t/year of threads can be obtained, on account of losses recorded in the processing cycle.

The investment necessary for the spinning mill is of approximately 3.4 mil. euro, the counter value of the following specialised equipment: harvesting and carding machines, rolling mills, lappers, combing equipment, roving machines, spinning and winding machines and a treatment plant.

By processing the 400 tons of thread, approximately 4,200 thousand m²/year of fabric are obtained (from a ton of thread results by processing around 10,500 m² in fabric). The necessary investment for the weaving mill is of approximately 2.8 mil. euro.

A textile finishing of the fabrics obtained is necessary, via an investment of around 2.2 mil. euro (the expenditure on frames for starching – thermal fixing, dyeing equipment and special treatment machines – for bleaching and mercerising and so on).

From among these fabrics approximately 1.4 mil. clothing articles/year will result. I took into consideration the fabrication of men's shirts, for which the average consumption is of about 3 m²/piece.

For creating the clothing section to produce these shirts, an investment of at least 4.5 mil. euro is called upon for the purchase of specialised (aggregate) equipment, in value of around 8,200 euro/equipment unit.

This integrated company can be realised in only one variant:

- Entirely novel (the inauguration of a spinning mill, a weaving mill, textile finishing equipment and a manufacture section).

This company cannot be established by modernising existing spinning and weaving mills and textile finishing facilities for cotton, since these have mostly been dismantled.

The necessary funds may be ensured by attracting European funding.

I suggest that this integrated company be established in Moldova, since unemployment is very high in this area.

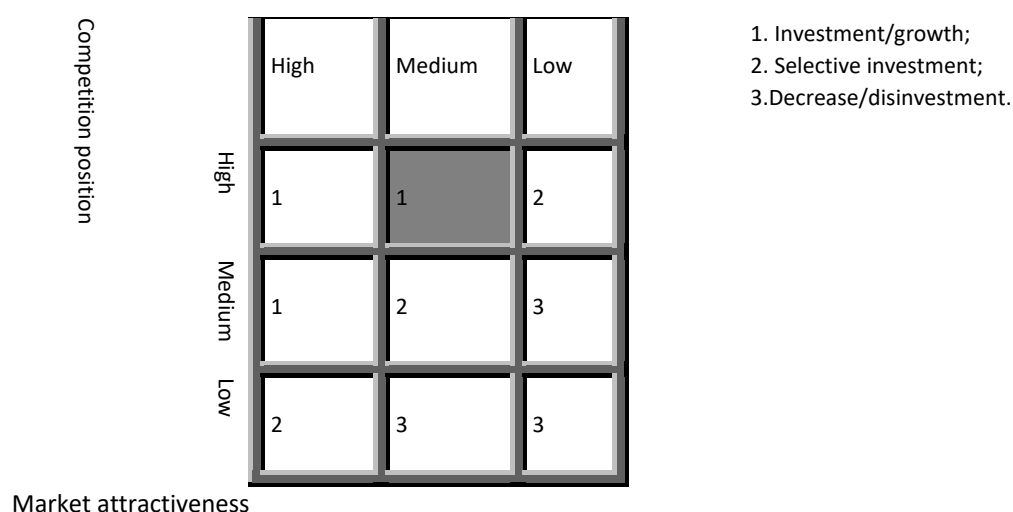
The proposed integrated company is efficient since by producing fabrics exclusively destined for men's shirts it ensures a superior exploitation of fabrics.

Men's shirts will be destined for export, considering the high competitiveness of the products, as well as the existing trends on the external market, consisting in a rise of demand for such assortments.

The integrated company products' level of competitiveness allows the attainment of a rate of return similar to those obtained in developed countries, of 10% compared to 5%, level reached in present.

By applying the McKinsey matrix to the clothing obtained from organic cotton fabrics, since the market attractiveness is average and the competition level is high (a large number of producers owning cotton), the option of investment/growth is selected (Figure 4).

Figure 4: Clothing from organic cotton fabrics



Source: Applying the McKinsey matrix for integrated company for organic cotton fabrics (own conception)

As a result, it is opportune to invest in an integrated company specialised in organic cotton fabrics destined for the production of clothing articles.

The costs within the integrated companies are reduced due to the exclusion of expenses with procurement, transportation, sale, VAT, remuneration of management and other personnel specific to autonomous units (distinct smelting houses, spinning and weaving mills, textile finishing works).

Other advantages of creating integrated units include the fact that the processing system within them is full business, namely that own brands will be produced and also the negotiating power of raw material prices will be greater than in the case of SMEs.

These advantages together with a good quality/price ratio for the resulting finished products will lead to both an increase in sales volume and profit.

3. Conclusions

The paper presents potential strategies which could be adopted by Romanian firms within an innovative industrial branch, representative for both our country as well as for all European Union member states, namely the clothing industry.

In addition, the importance of identifying strategies that can be adopted by clothing industry producers in line with trends in consumption and consumer behaviour in times of multiple crises is represented by the fact that fashion industries represent so much more than mere production or design. They form a system comprised of SMEs present throughout the EU territory, and unique in the EU compared to other regional competitors; their activity consists of maintaining a complete value chain of fashion, from design, raw material selection, up to production and distribution.

Within the paper, I presented the challenges and trends in marketing management in the new socio-economic context, I analyzed the socially responsible actions taken by clothing companies/brands from abroad, but also from Romania.

Regarding Romania, the research conducted showed that there are few companies/brands that manufacture ecological clothing and that there are no consumer education actions in the direction of using ecological clothing.

Thus, the strategies and courses of action proposed in the direction of encouraging manufacturers to manufacture ecological clothing are, in addition to providing incentives, the creation of two types of integrated units, namely Integrated company for ecological wool fabrics and Integrated company for organic cotton fabrics. For each of them, I applied the McKinsey matrix and in both cases the option to invest emerged.

The creation of these integrated units will lead to both increased sales and increased profits by eliminating the lohn system processing, replacing it with full-business processing, eliminating the costs of management and administrative personnel for each component of the integrated unit.

Also, perhaps one of the major advantages of integrated units is that they contain all the components specific to the textile industry, an industry that was destroyed in Romania after 1990.

As for future research directions, this also constituting a limitation of the work, I propose to create a software that will allow those who will invest in the creation of these integrated units to enter the number of products they want to manufacture (input data) and to receive information related to the quantity of raw materials to purchase (output data), considering that the proposed units contain sufficient technical data to allow the creation of this software.

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