

Report On

**Sourcing Strategies in a Pandemic: An Analysis of LS Fashion's
Import of Garment Fabrics from China during COVID-19**

Submitted By:

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An internship report submitted to BRAC Business in partial fulfillment of the
requirements for the degree of

Bachelor of Business Administration

BRAC Business School

BRAC University

February, 2023

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Letter of Transmittal

Ms. Tanzin Khan

Senior Lecturer

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66 Mohakhali, Dhaka-1212

Subject: Submission of internship report on "Sourcing Strategies in a Pandemic: An Analysis of LS Fashion's Import of Garment Fabrics from China during COVID-19".

Dear Madam,

I am pleased to submit my internship report entitled "Sourcing Strategies in a Pandemic: An Analysis of LS Fashion's Import of Garment Fabrics from China during COVID-19." This report is a result of my internship at LS Fashion, where I had the opportunity to conduct research on the impact of the COVID-19 pandemic on the company's import of garment fabrics from China.

I hope that the findings and recommendations presented in this report will be of value to LS Fashion and other companies in the garments industry in Bangladesh.

Sincerely yours,

Osman Bin Ahmed

21104070

BRAC Business School

BRAC University

Date: February 1, 2023

Non-Disclosure Agreement

Osman Bin Ahmed (ID: 21104070), a student at BRAC University, and LS Fashion have created and entered into this agreement in order to prevent the unlawful disclosure of the company's confidential information. Each party pledges not to disclose or exchange any private information acquired during the internship. The intern also understands that a breach of this agreement could lead to the termination of their internship and legal action.

LS Fashion

Osman Bin Ahmed

Executive Summary

This internship report titled "Sourcing Strategies in a Pandemic: An Analysis of LS Fashion's Import of Garment Fabrics from China during COVID-19" aims to examine the effects of the COVID-19 pandemic on LS Fashion's import of garment fabrics from China. The report provides an in-depth analysis of the challenges faced by the company, its response to the pandemic, and the changes in consumer behavior that have occurred. The report also offers suggestions for alternative sourcing strategies and measures to mitigate the risk of future disruptions, and provides insights into the garments industry in Bangladesh. The research identified several challenges faced by LS Fashion, such as supply chain disruptions, changes in consumer behavior, and an increase in competition. The company had to adapt its sourcing strategies, logistics and inventory management, and marketing efforts to overcome these challenges. The report suggests that LS Fashion should consider diversifying its supply chain and exploring alternative sources of raw materials to mitigate the risk of future disruptions. Overall, the report provides valuable insights into the impact of the COVID-19 pandemic on the import of garment fabrics from China and the strategies used by LS Fashion to overcome these challenges

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Chapter 1

Internship Overview

1.1 Student Information

Name: Osman Bin Ahmed

ID: 21104070

Program: Bachelor of Business Administration

1.2 Internship Information

1.2.1

Company Name: LS Fashion

Department: Marketing

Address: Road # 04, House # 15, Block # C, Mirpur-06, Dhaka-1216

1.2.2

Internship Company Supervisor's Name: Naimul Azam Chowdhury

Designation: Head of Accounts

1.2.3 Job Description

I joined LS Fashion as a Sales and Marketing Intern. The company imports, exports and supplies all types of garments products. LS Fashion imports garments fabrics from China and supplies those fabrics to renowned clothing brands all over Bangladesh. As a Sales and Marketing Intern at LS Fashion, my main responsibilities included assisting the marketing and sales team with their daily tasks and projects. This included conducting market research to gather information about the industry and competition, as well as identifying potential new customers and markets for the company's products.

1.3 Internship Outcomes

1.3.1 My contribution to the company

During my tenure as a sales and marketing intern at LS Fashion, I was able to contribute to the company in a number of ways. One of my main responsibilities was to assist in sales meetings, where I helped to present the company's products and services to potential clients. I also conducted research on industry trends and market conditions, which helped to inform our sales and marketing strategies.

Additionally, I had the opportunity to interact with clients and help to manage customer relationships, which helped to build trust and establish strong partnerships. Overall, I believe that my contributions as a sales and marketing intern helped to support the company's efforts to increase sales and expand its customer base.

1.3.2 Experience I earned from working in LS Fashion

It was a great opportunity to work at LS Fashion. I had the chance to learn about the import-export business and the garments industry in Bangladesh. I also gained experience in sales and marketing strategies. The insights and knowledge I gained during my internship will be valuable for my future career. I am grateful for the guidance and support provided by my supervisor, Mr. Naimul Azam Chowdhury, and the team at LS Fashion.

1.3.3 Difficulties I have faced during my Internship

During my internship at LS Fashion, I faced several challenges that impacted my ability to contribute effectively to the company. One of the major challenges was a lack of technical knowledge among some of the clients I was dealing with. This made it difficult for me to communicate the features and benefits of the products effectively and resulted in a low conversion rate. Another challenge I faced was the language barrier between us and Chinese suppliers. This made it difficult to communicate effectively and resulted in delays in the delivery of goods. Additionally, at the end of my internship, we faced a problem with the bank LC which made it difficult to complete the financial transactions and caused delays in the payment to the suppliers. Overall, these challenges hindered my ability to fully contribute to the company and achieve my goals during my internship period.

1.4 Recommendations to the company

In order to improve the internship experience for future interns, LS Fashion could consider implementing the following recommendations:

- Providing training for interns on technical aspects of the products and industry, to help them communicate effectively with clients.
- Establishing a clear communication protocol with Chinese suppliers to minimize language barriers and improve communication.
- Providing support and guidance to interns when dealing with complex financial transactions, such as bank LCs, to minimize potential delays and ensure smooth completion of transactions.
- Providing more opportunities for interns to work with experienced staff members on real projects, this will help them to gain more experience in the field and will be more beneficial for them as well as for the company.
- Assigning a mentor for the interns to guide them throughout the internship.

Overall, by addressing these issues and providing more support and training for interns, LS Fashion can help to create a more positive and productive internship experience for future interns and ultimately benefit the company as well.

Chapter 2

Organization Part

Company Introduction

2.1 History

LS Fashion was founded in 2011 by Saidul Islam Chowdhury. With a vision to become a leading player in the garments industry, the company started its journey with a small team of 6 employees. LS Fashion began as an import-export company specializing in the supply of garments products. They primarily imported fabrics from China and supplied them to renowned clothing brands all over Bangladesh. Despite initial challenges, the company steadily grew over the years, expanding its product offerings and customer base. As the business grew, LS Fashion established additional departments to support its operations, including Administration, Logistics, Commercial, Accounts, Marketing and Human Resource. The company also increased its workforce, and today LS Fashion is a well-established organization with a team of 25 dedicated employees. Throughout its history, LS Fashion has maintained a strong focus on providing high-quality products and excellent customer service. This approach, along with the company's ability to adapt to changing market conditions, has been a key factor in its continued success. LS Fashion is now a leading player in the garments industry, known for its ability to meet the needs of its customers and for its commitment to excellence.

2.2 Vision & Mission

2.2.1 Vision

A vision statement is a short declaration that defines the goals and ambitions of an organization. Below is the vision statement of LS Fashion.

"To be the leading provider of innovative and high-quality garments products, consistently exceeding customer expectations."

2.2.2 Mission

A mission statement provides a brief description of an organization's purpose. It outlines the organization's goals and overarching objectives. Missions of LS Fashion Are given below:

1. To provide the highest quality garments products at competitive prices, while fostering long-term relationships with our customers, partners, and employees.
2. To deliver exceptional garments products and services that exceed customer expectations while maintaining the highest standards of integrity and social responsibility.

2.3 Services

LS Fashion is a garments fabrics import-export company that specializes in delivering garments fabrics in the market. Their services include:

- **Importing**

.LS Fashion imports a wide range of garments fabrics from China, which are used to manufacture various clothing products. These fabrics include cotton, polyester, silk, and other materials.

- **Exporting**

LS Fashion also exports their garments fabrics to other countries. They have strong relationships with other garment manufacturers and clothing brands in other countries.

- **Supplying**

LS Fashion supplies their imported and exported fabrics to clothing manufacturers and brands in Bangladesh. They work with a wide range of clothing manufacturers and brands, providing high-quality fabrics for different types of garments products.

- **Customization**

LS Fashion also offers customization services in terms of providing fabrics as per the requirement of their clients. They also provide the option of private labeling and custom packaging for their clients.

- **Logistics**

LS Fashion also take care of logistics and delivery of the fabrics to the clients' location. They have a strong logistics network to ensure timely and efficient delivery of the products.

- **Quality Control**

Quality Control: LS Fashion have a strict quality control process to ensure that the fabrics they import, export and supply meet the highest standards of quality. They also have a team of experts that inspects the fabrics to ensure that they meet the required quality standards before shipping it to their clients.

2.4 Organogram of LS Fashion



Figure 01: Organogram of LS Fashion

2.5 Management Practices of LS Fashion

2.5.1 Leadership Style

The leadership style of LS Fashion can be described as a combination of autocratic and participative. The top management makes most of the major decisions, but they also involve other employees in the decision-making process, especially when it comes to sales and marketing strategies. This approach allows for a balance between efficiency and innovation, as the top management is able to make quick decisions while also taking into account the input of other employees.

2.5.2 Human Resource Planning

- **Recruitment and Selection Process:** LS Fashion has a rigorous recruitment and selection process, which includes initial screening, interviews, and background checks. This process helps to ensure that they are hiring the best-suited candidates for the positions they are applying for.
- **Compensation System:** LS Fashion has a competitive compensation system that includes a base salary, bonuses, and benefits. Employees are also eligible for promotions based on their performance and seniority.
- **Training and Development Initiatives:** LS Fashion provides regular training and development opportunities to employees in order to improve their skills and knowledge. This includes both on-the-job training and off-site workshops.
- **Performance Appraisal System:** LS Fashion has a performance appraisal system in place to evaluate the performance of employees. This process includes setting goals, monitoring progress, and providing feedback. Employees are also provided with opportunities to discuss their performance and give feedback on the appraisal process.

Overall, LS Fashion's management practices are geared towards achieving its goals and objectives by providing a balance of autocratic and participative leadership, rigorous recruitment and selection process, a competitive compensation system, regular training and development initiatives, and a performance appraisal system.

2.6 Marketing Practices of LS Fashion

LS Fashion has a well-defined marketing strategy that focuses on building strong relationships with customers, providing high-quality products, and maintaining competitive pricing. The company's main target customers are clothing manufacturers and brands, and they position itself as a reliable and affordable supplier of fabrics and garments.

2.6.1 Target Customers, Targeting, and Positioning Strategy

LS Fashion targets clothing manufacturers and brands as their main customers. They position themselves as a reliable and affordable supplier of fabrics and garments. They focus on building strong relationships with customers and providing high-quality products.

2.6.2 Marketing Channels

LS Fashion uses a combination of traditional and digital marketing channels to reach its target customers. They use trade shows, exhibitions, and industry events to showcase their products and services. They also use social media and email marketing to reach potential customers.

2.6.3 Product/New Product Development and Competitive Practices

LS Fashion continuously updates its product offerings by importing new fabrics from China and developing new designs. They keep a close eye on the market trends and competitors' activities to stay ahead in the game. They also offer value-added services such as logistics and delivery to customers.

2.6.4 Critical Marketing Issues and Gaps

One critical marketing issue for LS Fashion is its limited product offerings. They also have a limited international presence which may hamper their growth opportunities. Additionally, they are dependent on a single source for fabrics (China) which could be a risk in case of any disruptions in the supply chain.

2.6.5 Marketing 4Ps

The 4Ps of marketing, also known as the marketing mix, are product, price, place, and promotion. These elements are used to create a successful marketing strategy for a company. In the case of LS Fashion, the following can be noted:

- **Product:** LS Fashion specializes in importing and exporting fabrics, primarily from China, to be used in the garments industry. They also offer value-added services such as logistics and delivery.
- **Price:** LS Fashion aims to provide competitive pricing for their fabrics and services. They work with their suppliers to negotiate the best prices and pass the savings on to their customers.
- **Place:** LS Fashion is based in Bangladesh and primarily serves the Bangladeshi market. They also have a limited international presence in other countries.
- **Promotion:** LS Fashion primarily uses traditional marketing methods such as trade shows and print advertising to promote their products and services. They also use social media to reach a wider audience. They may also consider digital marketing, email marketing, and other means of advertisement to reach their target market.

2.7 Financial Performance of LS Fashion

In order to forecast an organization's future and sustainability, its financial performance must be tracked. One method of evaluating an organization's financial performance is by calculating financial ratios. To determine the company's viability and future, the last two years' worth of data on LS Fashion Limited's cost-to-income ratio, and return on investment have all been analyzed.

2.7.1 Cost-to-Income Ratio:

A company's efficiency is clearly demonstrated by its cost-to-income ratio; the smaller the ratio, the more lucrative the business is. Changes in the ratio may also point to possible issues; for example, if it increases from one quarter to the next, it indicates that expenses are rising faster than revenues.

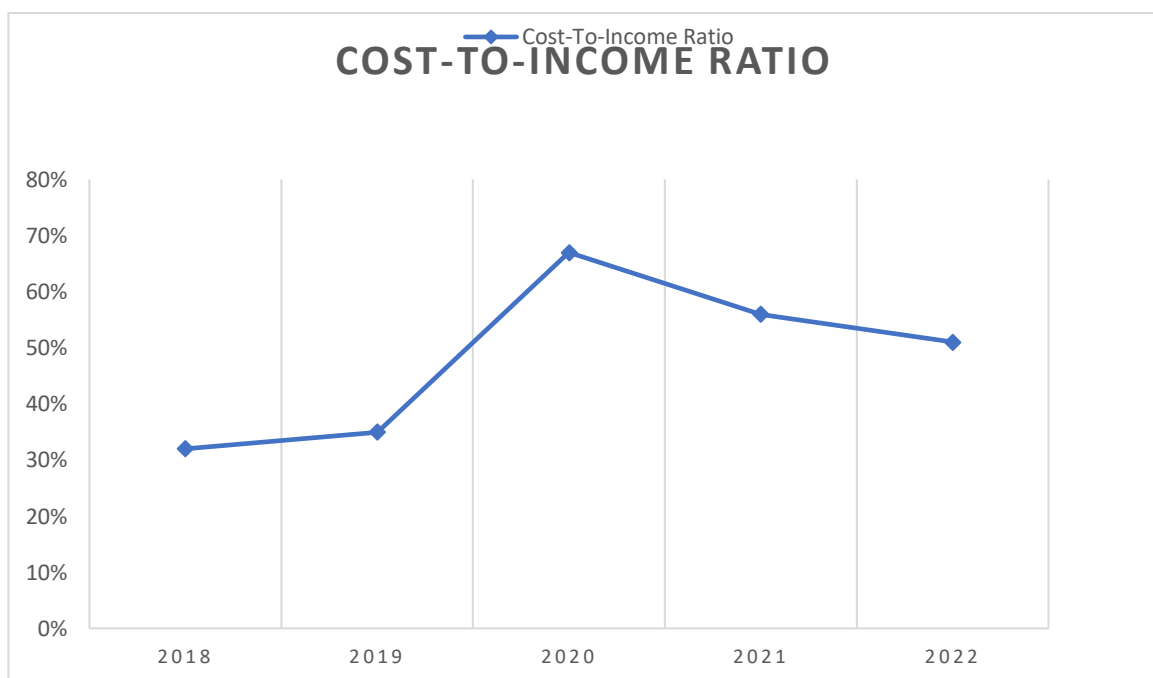


Figure 02: Cost-to-Income Ratio of Tech Garlic

The cost-to-income ratio for LS Fashion Limited from 2018 to 2022 is depicted in this graph. The ratio was lowest in 2019 and just 5% higher in 2020, as can be seen, showing the firm was operating profitably throughout those years. However, it was high in 2020 since Covid 19 expenditures had increased significantly and the income had decreased by about 45%. The

effect of COVID-19 is also shown in the years 2021 and 2022, as LS Fashion LTD is still striving to deal with the situation and regain its previous sales margin.

2.7.2 Return on Investment:

The return on equity ratio serves as a useful tool for calculating the rate of return that investors in a firm receive on their investment. How successfully a firm makes money off the investments made by its owners may be shown by looking at its return on equity.

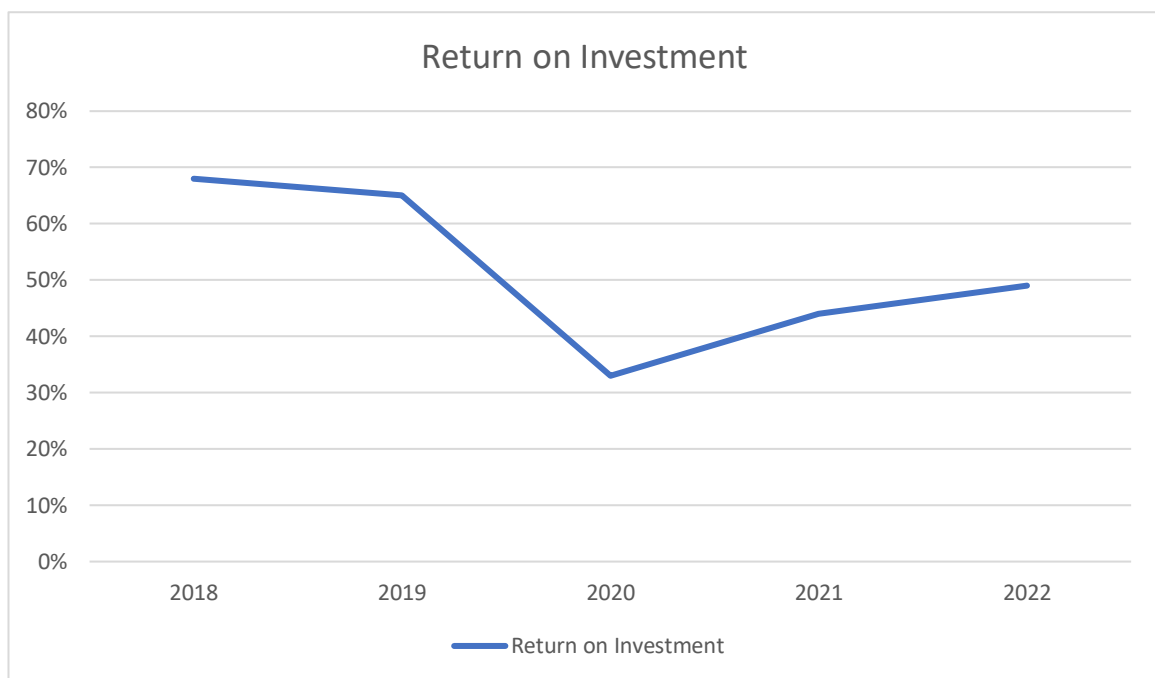


Figure 03: Return on Investment

The return on investment was best in the year 2018 at 70%, and it was also highest in the following year, 2019. However, in 2020, LS Fashion Limited was affected by the Covid-19 epidemic, and its ROI dropped to 33%, the lowest it had been in the previous five years. ROI for 2020 decreased by 32%, or nearly 50%, from the prior year. However, the years 2021 and 2022 are exhibiting a positive ROI, with both years experiencing an increase in ROI over the prior years

2.8 Industry Analysis & Competitive Analysis

2.8.1 SWOT Analysis

A SWOT analysis is a tool used to evaluate the internal and external factors that can affect a company's performance. SWOT analysis of LS Fashion is shown below:

Strengths:

- **Strong brand recognition in the garments industry**
- **Wide range of fabrics imported from China**
- **Strong relationships with clothing manufacturers and brands**
- **Experienced and dedicated team**
- **Offering value-added services such as logistics and delivery**
- **Competitive pricing**

LS Fashion has a strong brand recognition in the garments industry and is known for its wide range of fabrics imported from China. The company has built strong relationships with clothing manufacturers and brands, which allows them to offer a variety of products and services to its customers. The team at LS Fashion is experienced and dedicated, with a wealth of knowledge and expertise in the industry. Additionally, the company offers value-added services such as logistics and delivery, which helps to make the overall process more convenient for customers. Furthermore, LS Fashion offers competitive pricing, which helps to make its products and services accessible to a wider range of customers. Overall, these strengths position LS Fashion as a leader in the industry and set the company up for continued success.

Weaknesses:

- **Dependence on a single source for fabrics (China)**
- **Limited product offerings**
- **Limited international presence**

One of the main weaknesses of LS Fashion is its dependence on a single source for fabrics, which is China. This puts the company at risk in case of any disruption in the supply chain from China, such as trade disputes or natural disasters. Additionally, the company currently

has a limited product offering, which limits its appeal to a broader customer base. Lastly, LS Fashion has a limited international presence, which means that it is not reaching its full potential in terms of sales and revenue. This also makes the company vulnerable to competition from larger, more established players in the industry. To overcome these weaknesses, the company should diversify its sources of fabrics, expand its product offerings, and explore new international markets.

Opportunities:

- **Expansion into new international markets**
- **Diversifying product offerings**
- **Increasing e-commerce and online sales**
- **Offering new services such as private labeling and custom packaging**

Expanding into new international markets is a great opportunity for LS Fashion as it would give them access to new customers and increase their revenue. Diversifying product offerings will allow them to reach new customers and increase sales. Increasing e-commerce and online sales will also help to reach new customers and make their products more accessible. Offering new services such as private labeling and custom packaging will allow them to differentiate themselves from competitors and attract more customers. These opportunities have the potential to significantly increase the company's revenue and growth.

Threats:

- **Economic downturns**
- **Increasing competition in the garments industry**
- **Changes in consumer preferences**
- **Political instability in the countries where they import and export**

Supply chain disruptions due to pandemics or natural disasters

Economic downturns can greatly impact the demand for LS Fashion's products, resulting in decreased sales and revenue. The garments industry is highly competitive, with many companies offering similar products and services. This can make it difficult for LS Fashion to stand out and maintain its market share. Consumer preferences are constantly changing, which

can affect the demand for certain products. Political instability in the countries where LS Fashion imports and exports from can also cause disruptions in the supply chain, leading to delays and increased costs. Additionally, pandemics and natural disasters can disrupt the entire supply chain, making it difficult for LS Fashion to acquire the materials and resources it needs to operate effectively. All these threats can have a major impact on the company's operations and profitability.



Figure 04: SWOT Analysis

2.8.2 Porter's Five Forces Analysis:

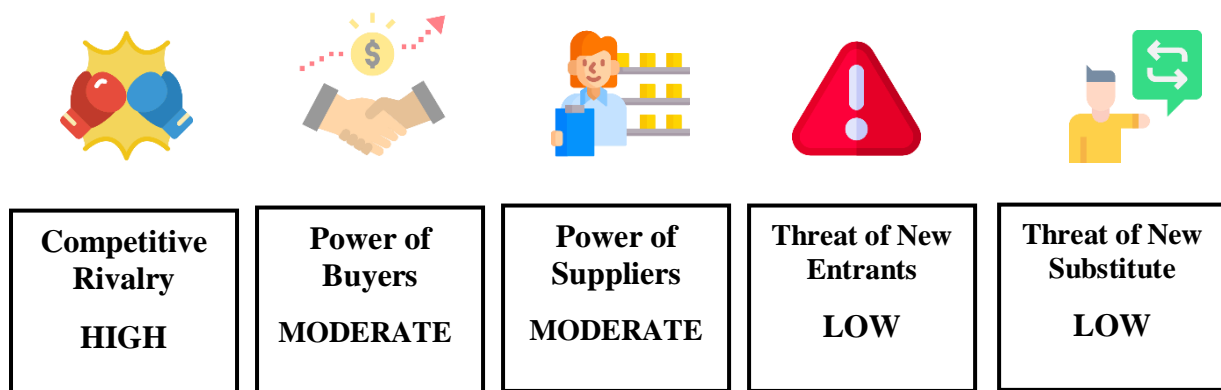


Figure 05: Porter's Five Forces Analysis of LS Fashion

The following is a discussion of Porter's five forces considering LS Fashion

- **Threat of new entrants:**

The threat of new entrants in the garments industry is low. The barriers to entry are high as it requires significant capital investment in order to import and supply garments fabrics on a large scale.

- **Threat of substitute products:**

The threat of substitute products is low. LS Fashion specializes in importing and supplying a wide range of fabrics from China, making it difficult for other companies to replicate their offering.

- **Bargaining power of suppliers:**

The bargaining power of suppliers is moderate. LS Fashion imports fabrics from a single source (China), so they are dependent on Chinese suppliers for their raw materials. However, they have built strong relationships with these suppliers and have contracts in place to secure regular supply.

- **Bargaining power of buyers:**

The bargaining power of buyers is moderate. LS Fashion supplies fabrics to a wide range of clothing manufacturers and brands, which gives them some leverage in negotiations. However, these buyers also have many other suppliers to choose from, which limits the power of LS Fashion.

- **Competitive rivalry:**

The competitive rivalry in the garments industry is high. There are many other companies importing and supplying garments fabrics in Bangladesh. However, LS Fashion has strong brand recognition and established relationships with customers, which gives them a competitive advantage.

2.9 Conclusions and Recommendations

In conclusion, LS Fashion has established itself as a leading player in the garments industry through its ability to provide high-quality fabrics and excellent customer service. The company's history has shown that its focus on quality and customer relationships has been a key factor in its success. The company's vision and mission reflect its commitment to innovation, excellence, and meeting the needs of its customers. The SWOT analysis highlighted the company's strengths, such as its strong relationships with customers and its ability to adapt to changing market conditions, as well as areas for improvement, such as the need to diversify its sourcing and improve its inventory management. Porter's Five Forces analysis revealed that the industry is

moderately competitive, with the threat of new entrants being low and the threat of substitutes being moderate.

Based on this analysis, the following recommendations are made for LS Fashion:

1. To diversify its sourcing and reduce its dependence on China as a source of fabrics. This can be done by exploring other countries as potential sources of fabrics and by investing in local fabric production.
2. To improve its inventory management by implementing a more efficient system for tracking and managing stock levels.
3. To continue building strong relationships with customers and to explore new customer segments to increase its revenue streams.
4. To focus on cost-effective production and logistics management to minimize the impact of the rising costs in the industry.
5. To invest in technological advancements, such as automation to improve efficiency, and to increase the use of digital platforms to improve communication with clients.

Chapter 3

Project Part

3.1 Introduction

This internship report aims to analyze the impact of the COVID-19 pandemic on LS Fashion's import of garment fabrics from China and is named "Sourcing Strategies in a Pandemic." The research analyzes the company's struggles, its response to the epidemic, and the resulting shifts in consumer behavior at length. Insights into the Bangladeshi garment sector and recommendations for alternate sourcing strategies and actions to reduce the likelihood of future disruptions are also included in the research.

3.1.1 Literature Review

The global economy as a whole has felt the effects of the COVID-19 pandemic, and Bangladesh's garment industry is no exception. As a result of the epidemic, LS Fashion, an organization that imports garment fabrics from China for Bangladesh's garments sector, has encountered numerous challenges. The purpose of this internship report titled "Sourcing Strategies in a Pandemic: An Analysis of LS Fashion's Import of Garment Fabrics from China during COVID-19" is to analyze how the pandemic affected LS Fashion's decision to import garment fabrics from China.

The study starts off with a brief introduction to the garment industry in Bangladesh and LS Fashion's place within it. It then goes on to detail the many problems that LS Fashion has encountered because of the pandemic, including disruptions in the supply chain, shifts in consumer preferences, and more intense competition. A case study of LS Fashion's approach to overcoming these obstacles is provided in the paper as well, including findings from an examination of the company's sourcing practices, logistics operations, and promotional initiatives.

In its last part, the paper summarizes the study's most prominent findings, such as the need for rapid response to unforeseen events and the advantages of a multi-pronged approach to sourcing.

3.1.2 Broad Objective

The broad objective of this report is to carry out academic research in order to fulfill internship requirements.

3.1.3 Specific Objectives

The specific objectives of this report are the following:

- To identify the challenges faced by LS Fashion in importing garment fabrics from China during the COVID-19 pandemic
- ❖ To evaluate LS Fashion's response to the pandemic, including its sourcing strategies, inventory management, and marketing efforts

3.1.4 Significance

The purpose of this internship report, titled "Sourcing Strategies in a Pandemic: An Analysis of LS Fashion's Import of Garment Fabrics from China during COVID-19," is to analyze how the COVID-19 pandemic affected LS Fashion's decision to import garment fabrics from China. This paper examines the company's struggles, its response to the pandemic, and the resulting shifts in consumer behavior in great detail. In addition to detailing the state of the Bangladeshi garment industry, the report also gives recommendations for alternate sourcing strategies and precautions to lessen the impact of future disruptions.

3.2 Methodology

- **Primary Data Collection:** Responses of LS Fashion employees through online Survey will be used to collect primary data.
- **Secondary Data Collection:** Articles, Internet sources, and Published papers will be used to collect secondary data.

3.3 Primary Data Collection and Analysis

Research Design: The research design for the survey conducted on 4 higher authorities of LS Fashion is a case study. This research design was chosen as it provides an in-depth analysis of a specific organization and its sourcing strategies during a pandemic.

Sample: The sample for this research study consists of 4 higher authorities of LS Fashion, 2 of whom are administration officers, 1 is the head of accounts, and the other is a commercial officer.

Sample Size: The sample size for this research study is 4 higher authorities of LS Fashion.

Sampling Technique: The sampling technique used in this research study is non-probability sampling. The reason for using non-probability sampling is that it is appropriate for small sample size and the selected sample is based on the researcher's judgment and convenience.

Data Collection Method: The data collection method used in this research study is a self-administered online survey using Google Forms. The survey questions were designed to gather information about LS Fashion's sourcing strategies during the COVID-19 pandemic and their experience with importing garment fabrics from China.

Data Analysis Technique: The data collected through the online survey were analyzed using descriptive statistics. The data was organized and summarized to provide a clear picture of LS Fashion's sourcing strategies during the COVID-19 pandemic and their experience with importing garment fabrics from China.

COVID-19 impact on LS Fashion

Employee Response Analysis

3.3.1 Challenges LS Fashion Faced during COVID-19 Pandemic

The COVID-19 pandemic has significantly affected LS Fashion's ability to source and import garments fabrics from China.

Based on the responses provided, it is clear that LS Fashion faced a number of challenges during the COVID-19 pandemic in terms of logistics, transportation, and supply chain management. One of the main challenges faced by the company was delays in transportation. This likely resulted from the travel restrictions and lockdowns implemented around the world to contain the spread of the virus, which made it difficult for LS Fashion to move goods from China to Bangladesh.

Another significant challenge faced by LS Fashion was shortages of raw materials. The disruptions in logistics and transportation caused by the pandemic likely resulted in delays in

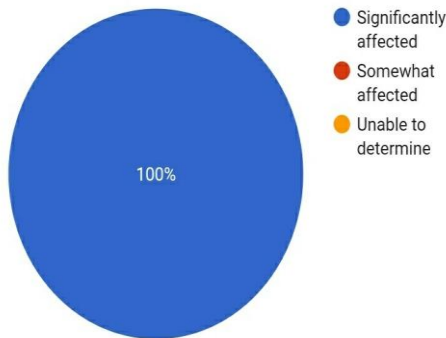
the delivery of goods, including fabrics, which in turn led to shortages of raw materials for the company.

The disruptions in logistics also caused problems for LS Fashion, as they could not plan their inventory and production schedule properly. Additionally, salary delays could be an issue as the company might have faced financial difficulties as a result of the challenges.

Overall, the COVID-19 pandemic has had a significant impact on LS Fashion's supply chain operations, and the company has had to navigate a number of challenges in order to continue sourcing fabrics from China. Implementing effective strategies to mitigate these challenges will be crucial for the company's future success.

How has the COVID-19 pandemic affected LS Fashion's ability to source and import garments fabrics from China?

4 responses



What specific challenges did LS Fashion face during the pandemic in terms of logistics, transportation, and supply chain management?

4 responses

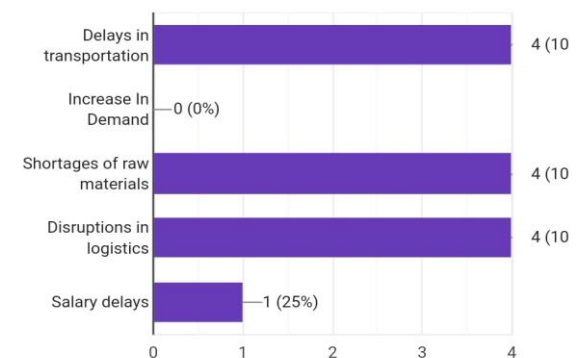


Figure 06: LS Fashion's Challenges during COVID-19

3.3.2 LS Fashion's response to COVID-19 Challenges

Based on the responses provided, it is clear that LS Fashion implemented a number of strategies in order to respond to the challenges faced during the COVID-19 pandemic.

One strategy that LS Fashion used was to utilize its existing stock of fabrics. This allowed the company to maintain its production schedule and fulfill customer orders, even in the face of

disruptions to logistics and transportation. Additionally, LS Fashion also increased the prices of their products to avoid loss during the pandemic as they had to face higher costs in terms of logistics and supply chain.

Another strategy that LS Fashion implemented was to look for alternative sources of fabrics. This included buying fabrics from local sources, as well as using their own local transportation services. This allowed the company to mitigate the disruptions caused by the pandemic and continue to supply fabrics to their customers.

Overall, it seems that LS Fashion has been able to navigate the challenges of the pandemic by being creative and flexible in its sourcing strategies, and by maintaining strong relationships with its buyers.

3.3.3 LS Fashion's measures to ensure employee safety during COVID-19

Based on the responses provided, it is clear that LS Fashion took a number of steps to ensure the safety of its employees and maintain operations during the COVID-19 pandemic.

One step that LS Fashion took was to provide COVID-19 masks and other personal protective equipment to its employees. This helped to protect employees from the virus and minimize the risk of transmission within the workplace.

Another step that LS Fashion took was to implement safety protocols such as temperature checkers at the office entryway and hand and feet sanitization systems. This helped to further minimize the risk of transmission within the workplace. Additionally, LS Fashion also reduced the working hours of their workers and provided remote work options to ensure the safety of employees while maintaining operations.

The company also provided masks, gloves, and sanitizer, a temperature-checking machine to their employees, which helped to maintain safety at the workplace. They also provided limited working hours with proper job security and the work-from-home option to their employees at that time.

Overall, LS Fashion took a comprehensive approach to ensuring the safety of its employees and maintaining operations during the pandemic, which included a combination of personal protective equipment, safety protocols, and flexible working arrangements.

3.3.4 COVID-19 impact on LS Fashion's future operation

It seems that LS Fashion anticipates that the COVID-19 pandemic will continue to have an impact on its future operations and sourcing strategies. Some of the specific actions that the company may take include implementing new strategies, adjusting pricing, and diversifying sourcing.

The company may recognize that it will continue to face challenges due to the pandemic, and may implement new strategies in order to mitigate these challenges and ensure the smooth functioning of its business. Some of the strategies that LS Fashion may implement include diversifying its sourcing channels, in order to reduce the impact of disruptions to its supply chain. Additionally, the company may also adjust its pricing strategies in order to adapt to the changing market conditions and mitigate any financial losses.

Overall, it is clear that LS Fashion recognizes the impact of the COVID-19 pandemic on its operations and is taking steps to adapt and mitigate any negative effects on its business. The company will keep implementing new strategies and diversifying sourcing to tackle the challenges in the future. They will also adjust pricing to cope with the market situation.

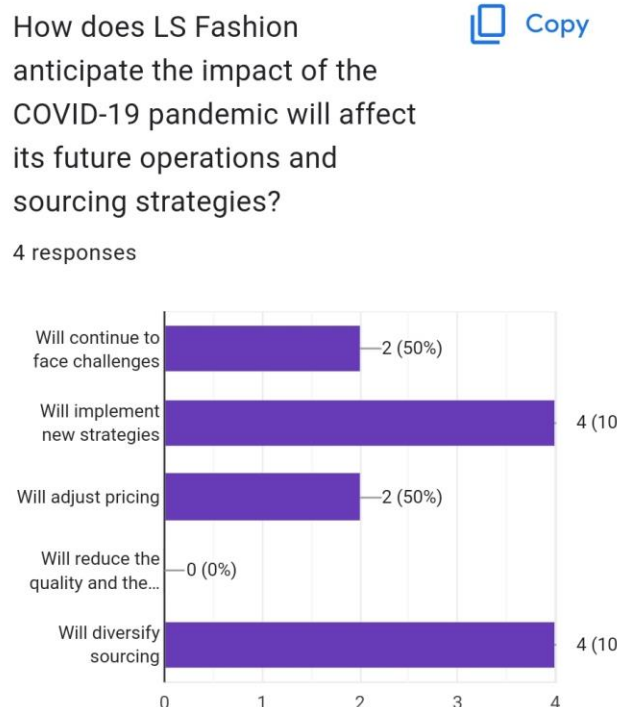


Figure 07: COVID-19 impact on LS Fashion's Future operation

3.4 Secondary Data Collection:

3.4.1 Garments Fabrics Sourcing

Fabrics sourcing involves finding the most cost-effective supplier of materials, production, or completed items at the desired quality and service. It's crucial to garment merchandisers. Piece products that will be cut and sewn are materials. Fabric must be suitable for the garment design and end use and available when needed. Thus, lead times affect the sourcing and ordering of production materials. Supplier lead times range from two weeks to nine months. Trims are the non-piece items needed to build a garment. Findings need meticulous planning like component items. The buyer's thread color must be sourced after the fabric arrives in stores. Threads must be ordered before the fabric is cut for sewing lines. Sourcing and garment merchandisers are crucial to export order fulfillment. Merchandisers must coordinate fabric and trim approvals with sourcing in a timely manner. Fabric sourcing determines how and where to get fabric at the right price and time. To perform their duties, sourcing managers must understand all textiles and trimmings. When sourcing for an export order, lead time, fabric and trim approvals, freight cost, and incoterms must be considered. (Textile Today, 2013)

3.4.2 Garments Fabrics Sourcing from China

Sourcing garments fabrics from China has been a popular practice among clothing manufacturers and retailers worldwide, including Bangladesh. China has a well-established textile industry, with a wide range of fabrics available at competitive prices, making it a preferred destination for sourcing garments fabrics. According to a study by the China National Textile and Apparel Council (CNTAC, 2020), China is the world's largest producer and exporter of textiles and garments, accounting for around 30% of global textile exports.

However, sourcing garments fabrics from China also comes with its own set of challenges. One of the biggest challenges faced by importers is the fluctuation in currency exchange rates, which can significantly affect the cost of importing fabrics from China (Das, 2019). Additionally, the distance between China and other countries can also add to the cost of transportation, which can be further affected by unexpected events such as a pandemic. The COVID-19 pandemic has led to disruptions in logistics and transportation, leading to delays and increased costs for importing garment fabrics (CNTAC, 2020).

Moreover, there is also a risk of intellectual property infringement, as some Chinese textile companies are known to copy the designs of luxury brands. This can lead to legal issues and

reputational damage for the importer (Das, 2019). Additionally, there is also a risk of receiving substandard or counterfeit fabrics, which can be a significant problem for importers (CNTAC, 2020).

In conclusion, sourcing garments fabrics from China has its advantages, such as a wide range of fabrics available at competitive prices. However, it also comes with its own set of challenges, such as currency exchange rate fluctuations transportation costs, intellectual property infringement, and the risk of receiving substandard or counterfeit fabrics. It is important for importers to be aware of these challenges and take necessary precautions to mitigate them.



Figure 08: Top Garments Fabrics Sourcing Areas in China

3.4.3 COVID-19 and its impact on Garments Fabrics Sourcing

The COVID-19 pandemic has had a significant impact on the sourcing of garments fabrics from China. The outbreak, which began in Wuhan in late 2019, quickly spread to become a global pandemic, leading to lockdowns and travel restrictions around the world. This has led

to disruptions in logistics and transportation, making it difficult for importers to source fabrics from China.

The Chinese government-imposed lockdowns and travel restrictions in Wuhan and other cities to contain the spread of the virus, which led to a significant slowdown in production and exports (China National Bureau of Statistics, 2020). This has led to delays in the delivery of goods and increased costs for transportation, causing significant difficulties for importers of garments fabrics. Additionally, many textile mills and factories in China were closed or operating at reduced capacity during the early months of the pandemic (China National Textile and Apparel Council, 2020).

Furthermore, the pandemic has also caused a decline in consumer demand for garments, resulting in a decrease in orders for fabrics from China (World Bank, 2020). The decline in consumer demand has also led to a decline in the prices of fabrics, which has negatively affected the textile industry in China (China National Bureau of Statistics, 2020).

In conclusion, the COVID-19 pandemic has had a significant impact on sourcing garments fabrics from China. The outbreak has led to disruptions in logistics and transportation, delays in the delivery of goods and increased costs, decline in consumer demand and decline in prices of fabrics. These challenges have affected the textile industry in China and importers of garments fabrics worldwide. It is important for importers to be aware of these challenges and take necessary precautions to mitigate them.

3.4 Findings

Analyzing the responses from the employee, I have come up with two major Findings which impacted LS Fashion significantly during COVID-19. Which are:

- Delays in transportation are a major setback faced by LS Fashion during the COVID-19 pandemic. This likely resulted from the travel restrictions and lockdowns implemented around the world to contain the spread of the virus, which significantly affected LS Fashion's ability to source and import garments fabrics from China.
- LS Fashion faced a number of challenges during the COVID-19 pandemic in terms of logistics, transportation, and supply chain management. The disruptions in logistics and transportation caused by the pandemic likely resulted in delays in the delivery of goods, including fabrics, which in turn led to shortages of raw materials for the company.

3.5 Recommendations

Considering the study's findings, I would advise LS Fashion to take the following actions:



- To mitigate the challenges caused by the pandemic, LS Fashion should focus on diversifying its sourcing strategies. This could include looking for alternative sources of fabrics, such as local suppliers, and building relationships with suppliers in other countries. Additionally, LS Fashion should also explore new technologies and tools that can help to improve supply chain efficiency and reduce the impact of future disruptions.
- To address logistics, transportation, and supply chain challenges, LS Fashion should focus on improving its logistics and transportation capabilities. This could include investing in new technologies and tools to improve supply chain efficiency and also working closely with logistics providers to develop more reliable and efficient supply chain networks. Additionally, LS Fashion should also consider implementing a more flexible inventory management system that can adapt to changing market conditions and disruptions.

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Appendix

COVID-19 Impacts on LS Fashion

 osman.bin.ahmed@g.bracu.ac.bd (not shared) [Switch account](#) 

Full Name

Your answer _____

Designation

Administration

Head Of Accounts

Head Of Market and Sales

Human Resource Manager

Commercial officer

How has the COVID-19 pandemic affected LS Fashion's ability to source and import garments fabrics from China?

Significantly affected

Somewhat affected

Unable to determine

What specific challenges did LS Fashion face during the pandemic in terms of logistics, transportation, and supply chain management?

- Delays in transportation
- Increase In Demand
- Shortages of raw materials
- Disruptions in logistics
- Other: _____

How did LS Fashion respond to the challenges faced during the pandemic?

Your answer _____

What steps did LS Fashion take to ensure the safety of its employees and maintain operations during the pandemic?

Your answer _____

How does LS Fashion anticipate the impact of the COVID-19 pandemic will affect its future operations and sourcing strategies?

- Will continue to face challenges
- Will implement new strategies
- Will adjust pricing
- Will reduce the quality and the price
- Will diversify sourcing

Submit

Clear form

COVID-19 Impacts on LS Fashion

Full Name

Shaikh Mahmood

Designation

- Administration
- Head Of Accounts
- Head Of Market and Sales
- Human Resource Manager
- Commercial officer

How has the COVID-19 pandemic affected LS Fashion's ability to source and import garments fabrics from China?

- Significantly affected
- Somewhat affected
- Unable to determine

What specific challenges did LS Fashion face during the pandemic in terms of logistics, transportation, and supply chain management?

Delays in transportation

Increase In Demand

Shortages of raw materials

Disruptions in logistics

Other:

How did LS Fashion respond to the challenges faced during the pandemic?

import challenge, scarcity of raw materials, logistics issue

What steps did LS Fashion take to ensure the safety of its employees and maintain operations during the pandemic?

covid mask, vaccine, work from Facility

How does LS Fashion anticipate the impact of the COVID-19 pandemic will affect its future operations and sourcing strategies?

Will continue to face challenges

Will implement new strategies

Will adjust pricing

Will reduce the quality and the price

Will diversify sourcing

This form was created inside of BRAC University.

COVID-19 Impacts on LS Fashion

Full Name

Saidul Islam Chowdhury

Designation

- Administration
- Head Of Accounts
- Head Of Market and Sales
- Human Resource Manager
- Commercial officer

How has the COVID-19 pandemic affected LS Fashion's ability to source and import garments fabrics from China?

- Significantly affected
- Somewhat affected
- Unable to determine

What specific challenges did LS Fashion face during the pandemic in terms of logistics, transportation, and supply chain management?

Delays in transportation

Increase In Demand

Shortages of raw materials

Disruptions in logistics

Other:

How did LS Fashion respond to the challenges faced during the pandemic?

LS Fashion faced a setback as shipment of fabrics was stopped at that period of time. We used our stocked products at that period with a higher price. It was really tough for us to negotiate with the buyers but somehow we managed as we have a strong relationship with the buyers.

What steps did LS Fashion take to ensure the safety of its employees and maintain operations during the pandemic?

We reduce the working hour of our workers. We also implemented safety portocols.

How does LS Fashion anticipate the impact of the COVID-19 pandemic will affect its future operations and sourcing strategies?

Will continue to face challenges

Will implement new strategies

Will adjust pricing

Will reduce the quality and the price

Will diversify sourcing

COVID-19 Impacts on LS Fashion

Full Name

Md. Labon Chowdhury

Designation

- Administration
- Head Of Accounts
- Head Of Market and Sales
- Human Resource Manager
- Commercial officer

How has the COVID-19 pandemic affected LS Fashion's ability to source and import garments fabrics from China?

- Significantly affected
- Somewhat affected
- Unable to determine

What specific challenges did LS Fashion face during the pandemic in terms of logistics, transportation, and supply chain management?

Delays in transportation

Increase In Demand

Shortages of raw materials

Disruptions in logistics

Other:

How did LS Fashion respond to the challenges faced during the pandemic?

Increased the prices to avoid loss. Utilized the stocked fabrics and we also looked for local fabric sourcing at that time

What steps did LS Fashion take to ensure the safety of its employees and maintain operations during the pandemic?

Safety protocols were there like office entryway temperature checker and hand and feet sanitization system. Remote work option was also there.

How does LS Fashion anticipate the impact of the COVID-19 pandemic will affect its future operations and sourcing strategies?

Will continue to face challenges

Will implement new strategies

Will adjust pricing

Will reduce the quality and the price

Will diversify sourcing

COVID-19 Impacts on LS Fashion

Full Name

Naimul Azam Chowdhury Naim

Designation

- Administration
- Head Of Accounts
- Head Of Market and Sales
- Human Resource Manager
- Commercial officer

How has the COVID-19 pandemic affected LS Fashion's ability to source and import garments fabrics from China?

- Significantly affected
- Somewhat affected
- Unable to determine

What specific challenges did LS Fashion face during the pandemic in terms of logistics, transportation, and supply chain management?

- Delays in transportation
- Increase In Demand
- Shortages of raw materials
- Disruptions in logistics
- Other: Salary delays

How did LS Fashion respond to the challenges faced during the pandemic?

Buying fabrics from local sources. Used our own local transportation services. We used out stocked fabrics at that time.

What steps did LS Fashion take to ensure the safety of its employees and maintain operations during the pandemic?

Mask, gloves, sanitizer and temperature checking machine was there. Limited working hours with proper job security. Work from home was there at that time

How does LS Fashion anticipate the impact of the COVID-19 pandemic will affect its future operations and sourcing strategies?

- Will continue to face challenges
- Will implement new strategies
- Will adjust pricing
- Will reduce the quality and the price
- Will diversify sourcing