Case Study On
RMG Sectors in Bangladesh: A Recent Study

By
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Student ID 20164067

A report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of
Master of Business Administration

BRAC Business School
BRAC University
May 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/We have acknowledged all main sources of help.

Student’s Full Name & Signature:

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Student ID 20164067

Supervisor’s Full Name & Signature:

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Associate Professor, BRAC Business School
BRAC University
Letter of Transmittal

Mohammad Shahidul Islam PhD
Associate Professor,
BRAC Business School
BRAC University
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Subject: Submission of Case Study on “RMG Sectors in Bangladesh: A Recent Study”

Dear Sir,

It is my utmost pleasure to present my Case Study report under the title, “RMG Sectors in Bangladesh: A Recent Study” which I was appointed at your direction.

I aimed to put my best in finishing the report by using experience I have gained throughout working on the case study and recommended propositions in as significant a compact and comprehensive manner as possible.

I believe that my report will meet the desired requirements.

Sincerely yours,

----------------------------------
Mohammad Raihanul Islam
Student ID 20164067
BRAC Business School
BRAC University
Date: May 9th, 2023
Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between [Name of Company] and the undersigned student at Brac University. ..........................................................
Acknowledgement

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Executive Summary

Exports of knitwear rose 36.88% to $23.2 billion in FY22, boosting Bangladesh's RMG industry. From home-based workshops to multinational conglomerates, the industry makes workwear to haute couture. However, this industry is plagued by overdependence on exports to a few nations and competition from China, Vietnam and India. This case study introduces readers to Bangladesh’s RMG industry's history, potential and risks. It will also examine how marketing innovations might benefit Bangladeshi businesses. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) says, the industry employs over four million people, 80% of whom are women, and accounts for 11% of GDP and 81% of exports. FY2019-20 exports rose to $34.13 billion from $30.61 billion. Bangladesh exports 90% to the US and EU, with Japan, Australia, and South Africa growing. Bangladesh has RMG laws to develop the sector, however, worker safety, occupational dangers, and sustainability have been issued. The 2013 Rana Plaza disaster exposed industry safety issues. Due to a lack of backward linking and local value addition, Bangladesh’s garment sector relies on imported raw materials and is less competitive globally. Poor working conditions, labor rights, transportation, power outages, a lack of an educated workforce, and supply chain bottlenecks are weaknesses. In expanding markets like China, India, and Southeast Asia, Bangladesh’s RMG business may sell eco-friendly, organic, and plus-size clothing. E-commerce and digital marketing allow the RMG business to reach more people and sell through different channels as sustainable sourcing and ethical fashion trends grow. Competition from low-cost countries, political instability, security issues, and shifting rules and trade policies threaten the RMG sector. Bangladesh competes with China, Vietnam, and India in the textile business. China exports 37% of the world's textiles thanks to its extensive supply chain, low labor costs, and new technology. Vietnam is becoming Bangladesh's biggest RMG competitor. Vietnam's low labor costs, good infrastructure, and investor-friendly policies have increased textile exports.
Vietnam exports 5% of global textiles. India's low-cost raw materials, skilled labor force, diverse product variety, strong supply chain, and business climate give it a competitive edge.

**Keywords:** Bangladesh, RMG industry, Exports, Marketing innovations, Backward, Working conditions, Labor rights.
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## List of Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ODI</td>
<td>One day International</td>
</tr>
<tr>
<td>T20</td>
<td>Twenty Twenty</td>
</tr>
<tr>
<td>IPL</td>
<td>Indian Premier League</td>
</tr>
<tr>
<td>CPL</td>
<td>Caribbean premier League</td>
</tr>
<tr>
<td>BPL</td>
<td>Bangladesh Premier League</td>
</tr>
<tr>
<td>MR</td>
<td>Runs scored by Home team</td>
</tr>
<tr>
<td>OR</td>
<td>Runs scored by the opponent team</td>
</tr>
<tr>
<td>MRN</td>
<td>Home Team Run Rate</td>
</tr>
<tr>
<td>ORN</td>
<td>Opponent Team Run Rate</td>
</tr>
<tr>
<td>Batord</td>
<td>Batting Order</td>
</tr>
<tr>
<td>MW</td>
<td>Home Team Wicket</td>
</tr>
<tr>
<td>OW</td>
<td>Opponent Team Wicket</td>
</tr>
<tr>
<td>MAE</td>
<td>Mean Absolute Error</td>
</tr>
<tr>
<td>RMSE</td>
<td>Root Mean Squared Error</td>
</tr>
<tr>
<td>LBW</td>
<td>Leg Before Wicket</td>
</tr>
<tr>
<td>NBA</td>
<td>National Basketball Association</td>
</tr>
<tr>
<td>CSK</td>
<td>Chennai Super Kings</td>
</tr>
</tbody>
</table>
## Glossary

<table>
<thead>
<tr>
<th>Thesis</th>
<th>An extended research paper that is part of the final exam process for a graduate degree. The document may also be classified as a project or collection of extended essays.</th>
</tr>
</thead>
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<tr>
<td>Glossary</td>
<td>An alphabetical list of key terms</td>
</tr>
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<td></td>
<td>This is an optional page and can be removed if not used. Marcro content: [305x498] Use one table row for each item to allow sorting using Word’s table tools.</td>
</tr>
<tr>
<td></td>
<td>Apply the style <strong>1_Para_NoSpace</strong> to table rows as shown here.</td>
</tr>
</tbody>
</table>
Chapter 1

Introduction

The RMG industry in Bangladesh has grown to become an important part of the country's economy. The most recent data from the Export Promotion Bureau (EPB) shows that in FY22, the value of exported knitwear items increased by 36.88%, to $23.2 billion. Furthermore, knitwear items have exceeded woven clothing in terms of export earnings. The woven garment industry saw a 33.82% rise, reaching $19.4 billion in FY22. The emergence of the garment industry in Bangladesh has unquestionably helped the country's economy. More than four million people, largely women, now have jobs because of this industry. Since its inception in the 1980s, the RMG industry has been essential to Bangladesh's social and economic growth (Mordor Intelligence., 2023). The industry has expanded from home-based workshops to multinational conglomerates, producing everything from work-wear to haute couture.

<table>
<thead>
<tr>
<th>Product</th>
<th>Total Export in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Readymade Garments</td>
<td>83.4</td>
</tr>
<tr>
<td>Jute and Jute Manufacture</td>
<td>3.6</td>
</tr>
<tr>
<td>Fish, Shrimps, and Prawns</td>
<td>1.4</td>
</tr>
<tr>
<td>Leather and Leather Manufactures</td>
<td>1.8</td>
</tr>
<tr>
<td>Home Textile</td>
<td>1.7</td>
</tr>
<tr>
<td>Vegetable Products</td>
<td>0.7</td>
</tr>
<tr>
<td>Pharmaceutical Products</td>
<td>0.4</td>
</tr>
<tr>
<td>Plastic and Plastic Products</td>
<td>0.3</td>
</tr>
<tr>
<td>Bicycle</td>
<td>0.3</td>
</tr>
<tr>
<td>Terry Towel</td>
<td>0.1</td>
</tr>
</tbody>
</table>

Figure: Top exported products of Bangladesh, FY 2021-2022 (BIBD, 2023)
However, despite the RMG sector's tremendous growth and promise in Bangladesh, enterprises working in this area confront a number of hurdles and concerns. Overdependence on exports to a few countries, namely the United States and the European Union, exposes the RMG sector in Bangladesh to external market swings and competition. In addition, countries like China, Vietnam, and India are presenting stiff competition in the market.

Bangladesh’s manufacturing sector has not only faced foreign but also domestic hurdles, including strikes, unsafe working conditions, and environmental concerns. Several incidences of manufacturing mishaps and fire outbreaks that resulted in multiple casualties have brought the sector under international criticism and scrutiny over its labor practices and human rights record.

The purpose of this case study is to introduce readers to Bangladesh’s RMG industry, its history, and the opportunities and threats that it currently faces. Analysis of the RMG industry's marketing landscape, including a SWOT analysis and an examination of the industry's competitors, will form the backbone of the research project. The study will also look at how businesses in Bangladesh might benefit from new developments in marketing. The case study's following section offers context about the RMG industry in Bangladesh, covering topics like the industry's size, growth rate, and current market trends. This section will also analyze the regulatory climate and government policies that have an impact on the industry, as well as the competitive landscape, including the market share and size of the industry's major players.
Background

A. Size, growth rate, and market trends of the RMG industry in Bangladesh

Over the past few decades, Bangladesh’s RMG industry has grown into its greatest export-oriented business. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) states the industry employs over four million workers, 80% of whom are women. It contributes 11% of the nation's GDP and 81% of exports. RMG production and exports have grown steadily. This region exported $34.13 billion in FY2019-20, up from $30.61 billion in FY2018-19. Since 2000, the sector has grown above 10%, and between 2010 and 2020, it will expand by 14%. The US and EU account for 90% of Bangladesh’s RMG exports. In recent years, the sector has expanded its exports. Japan, Australia, and South Africa are rising.

Figure: Bangladesh global clothing export market share in % from 2015 to 2019  
(Textiletoday.com.bd, 2021)

B. Competitive landscape of the industry, including major players and market share

Bangladesh’s RMG industry is highly fragmented with thousands of SMEs. However, a few large businesses dominate the market and export most. Top 10 corporations export 45% of industrial exports, while tens of thousands of small and medium-sized businesses export 55%. This market includes Square Group, Beximco Group, Esquire Group, and Pacific Jeans. These
companies are global leaders in clothing production (BGMEA.com.bd., 2022). To manufacture cutting-edge clothes, they've invested heavily in R&D.

C. Regulatory environment and government policies affecting the sector
Bangladesh has several RMG legislation and regulations. The government uses export processing zones (EPZs), tax incentives, and subsidies to boost the sector. Worker safety, occupational risks, and sustainability have been difficulties. The 2013 Rana Plaza catastrophe, in which a factory building collapsed and killed over 1,100 people, highlighted the industry's unsafe working conditions (Alam et al., 2017). The Bangladeshi government and industry stakeholders developed the Alliance for Bangladesh Worker Safety and the Accord on Fire and Building Safety to address these challenges. Environmental laws have also been passed to reduce industrial pollution. The Bangladesh Environment Conservation Act requires all industrial establishments to get an ECC before starting operations (BECA). In response to government initiatives encouraging green technologies, several corporations have embraced more eco-friendly and energy-efficient production practices.

SWOT Analysis

A. Strengths of the RMG sector in Bangladesh

**Labor Availability and Cost:**
Bangladesh's massive, inexpensive labor force allows the country to create clothing at a price that can compete globally. The minimum pay for garment workers in the country is also quite low, making it a desirable location for international clothing manufacturers (Abdin, 2020). McKinsey claims that Bangladesh's labor productivity is higher than both India and Vietnam and is on par with that of China (McKinsey, 2023).

**Export Orientation and diversification:**
Approximately 84% of Bangladesh's total garment exports go to the United States, the European Union, and Canada, demonstrating the country's RMG industry's strong focus on exports. As a result, the industry is less reliant on any one consumer market. Over time, the industry has evolved to include more complex clothes, such as knitwear, lingerie, and sportswear.
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>n (%)</th>
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<tbody>
<tr>
<td><strong>Gender of the Respondents</strong></td>
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</tr>
<tr>
<td>Male</td>
<td>247 (88.5%)</td>
</tr>
<tr>
<td>Female</td>
<td>32 (11.5%)</td>
</tr>
<tr>
<td><strong>Race of the Respondents</strong></td>
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<tr>
<td>Bangladeshi</td>
<td>267 (95.7%)</td>
</tr>
<tr>
<td>Others</td>
<td>12 (4.3%)</td>
</tr>
<tr>
<td><strong>Age of the Respondents</strong></td>
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</tr>
<tr>
<td>18-27</td>
<td>7 (2.5%)</td>
</tr>
<tr>
<td>28-37</td>
<td>116 (41.6%)</td>
</tr>
<tr>
<td>38-47</td>
<td>139 (49.8%)</td>
</tr>
<tr>
<td>48-57</td>
<td>17 (6.1%)</td>
</tr>
<tr>
<td><strong>Education Category</strong></td>
<td></td>
</tr>
<tr>
<td>Secondary Education</td>
<td>3 (1.1%)</td>
</tr>
<tr>
<td>Higher Secondary Education</td>
<td>104 (37.3%)</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>125 (44.8%)</td>
</tr>
<tr>
<td>Master's Degree</td>
<td>47 (16.8%)</td>
</tr>
<tr>
<td><strong>Working Department</strong></td>
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</tr>
<tr>
<td>Merchandising</td>
<td>17 (6.1%)</td>
</tr>
<tr>
<td>Sewing</td>
<td>21 (7.5%)</td>
</tr>
<tr>
<td>Garment Washing</td>
<td>3 (1.1%)</td>
</tr>
<tr>
<td>Finishing</td>
<td>20 (7.2%)</td>
</tr>
<tr>
<td>Others</td>
<td>218 (78.1%)</td>
</tr>
<tr>
<td><strong>Work Experience</strong></td>
<td></td>
</tr>
<tr>
<td>More than a year</td>
<td>2 (0.7%)</td>
</tr>
<tr>
<td>3-6 years</td>
<td>38 (13.6%)</td>
</tr>
<tr>
<td>7-10 years</td>
<td>192 (68.8%)</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>47 (16.8%)</td>
</tr>
<tr>
<td><strong>Number of Employees</strong></td>
<td></td>
</tr>
<tr>
<td>Below 500</td>
<td>14 (5.0%)</td>
</tr>
<tr>
<td>1000-1999</td>
<td>35 (12.5%)</td>
</tr>
<tr>
<td>2000-2999</td>
<td>33 (11.8%)</td>
</tr>
<tr>
<td>3000-3999</td>
<td>41 (14.7%)</td>
</tr>
<tr>
<td>Over 4000</td>
<td>156 (55.9%)</td>
</tr>
<tr>
<td><strong>Number of International Buyers</strong></td>
<td></td>
</tr>
<tr>
<td>2-4</td>
<td>11 (3.9%)</td>
</tr>
<tr>
<td>5-7</td>
<td>27 (9.7%)</td>
</tr>
<tr>
<td>Over 7</td>
<td>241 (86.4%)</td>
</tr>
<tr>
<td><strong>Management Level</strong></td>
<td></td>
</tr>
<tr>
<td>Top Management</td>
<td>17 (6.1%)</td>
</tr>
<tr>
<td>Middle Level Management</td>
<td>175 (62.7%)</td>
</tr>
<tr>
<td>Operational Level Management</td>
<td>87 (31.2%)</td>
</tr>
</tbody>
</table>

Figure: Worker’s breakdown of the RMG sector of Bangladesh (Rahman, 2023)

**Access to raw materials and technology:**
The garment industry in Bangladesh is supported by the country's robust textile industry. Raw resources including cotton, yarn, and cloth are also imported by the country. The government
has been offering tax breaks, duty-free imports of capital gear, and low-interest loans to entice foreign investment in the textile and garment manufacturing sector.

B. Weaknesses of the RMG sector in Bangladesh

**Poor working conditions and labor rights**
Low wages, long hours, and a lack of safety safeguards are just some of the complaints leveled at Bangladesh's RMG industry (Abdulla, 2019). Workers in the industry have been very vocal, holding numerous strikes and rallies for higher wages and safer working conditions. The Rana Plaza building collapse in 2013 and other reports of labor rights breaches have further damaged the industry's image.

**Infrastructure challenges:**
Inadequate transportation systems, frequent power outages, and a lack of trained labor are just a few of the infrastructure issues Bangladesh must contend with. The RMG industry's production capacity and the cost of doing business are both impacted by these difficulties. Major bottlenecks in the supply chain include the country's ports and customs processes, which add unnecessary time and money to the export process.

![Image: The 4 heaviest effects parts of the fashion and apparel sector (Natural Resource Defense Council, 2012)]

**Limited backward linkage and local value addition:**
Bangladesh's RMG industry is highly dependent on imported raw materials due to a lack of backward connectivity with the country's domestic textile industry. Because of this, the
industry can’t add as much value to its products, making them less competitive in the worldwide market. Moreover, the sector has been hesitant to adopt new technology and invest in R&D, which has stunted its capacity for innovation and product differentiation.

C. Opportunities for the RMG sector in Bangladesh

**Emerging markets and new product categories:**
Opportunities for Bangladesh’s RMG industry are many in emerging markets like China, India, and Southeast Asia. The growing disposable income of the middle class in these countries is fueling the need for trendy yet affordable garments. To meet the needs of a diverse customer base and respond to shifting tastes, the fashion industry can also experiment with new product categories like eco-friendly styles, organic fabrics, and plus-size wear.

![Image]

*Figure: Export scenario of Bangladesh in the RMG sector (Mckinsey, 2021)*

**Sustainable sourcing and ethical fashion trends:**
Sustainable materials and ethical design are becoming increasingly popular, and this shift presents an opportunity for businesses. Eco-friendly materials, waste reduction, and advocacy for equitable working conditions are all part of this. Some Bangladeshi firms have already adopted sustainable practices and earned certifications like LEED (Leadership in Energy and Environmental Design) and OCS (Organic Content Standard).
E-commerce and digital marketing channels:
The growth of e-commerce and digital marketing networks gives the RMG industry in Bangladesh a chance to reach more people and sell through different channels (Zaman, 2023). Online platforms and social media can be used by the business world to reach new customers and raise brand recognition.

D. Threats to the RMG sector in Bangladesh

Competition from other low-cost countries:
The global textile industry is a highly competitive one. Some of Bangladesh’s main rivals are other low-cost countries like China, Vietnam, and India. The RMG business in Bangladesh is threatened by these companies since they offer identical items at lower prices. The demand for textiles from Vietnam, Cambodia, and Indonesia has increased as a result of the trade war between China and the United States. Bangladesh’s market share could be seriously threatened by this shift in demand.

Political Instability and security risks:
Bangladesh has a lot to worry about when it comes to political uncertainty. In the past few years, the country has dealt with political violence, social unrest, and terrorism, all of which can have an effect on the RMG sector. These risks can cause problems in the supply chain, raise production costs, and hurt the reputation of the business as a whole. The safety of the country can also make investors and buyers from other countries not want to do business with Bangladesh.

Changing regulations and trade policies:
The RMG industry in Bangladesh is very susceptible to shifts in trade rules and regulations. For instance, in 2013, Bangladesh lost duty-free access to the US market after the United States Generalized System of Preferences (GSP) for the country ended. Only in 2019 was GSP extended for another year. The European Union’s Generalized Scheme of Preferences (GSP+) and the upcoming Brexit can both affect Bangladesh’s exports to the EU. The price, demand, and market share of Bangladesh’s RMG business is all susceptible to shifts in trade rules and regulations.
Competitor Analysis

A. Major Competitors of the RMG Industry in Bangladesh

Bangladesh confronts tough competition from other low-cost garment manufacturing countries in the global textile market. Bangladesh’s primary competitors in the worldwide RMG market include China, Vietnam, and India.

![Apparel import value](chart1.png)

Source: Eurostat; USITC; McKinsey analysis

Figure: Competitive scenario of Bangladesh in the RMG sector (McKinsey, 2021)

**China:**

China’s textile exports represent an outsized component of the global textile market. China’s textile industry has a competitive advantage over its rivals due to the country’s vast domestic market and well-established supply chain network. Moreover, China has easy access to cutting-edge technology, enabling it to mass-produce low-cost, high-quality goods. This country is Bangladesh’s primary competitor in the international textile market.

China’s textile exports account for approximately 37% of all textiles shipped worldwide. China has a competitive advantage in producing low-cost, high-quality goods due to its vast supply chain network, minimal labor costs, and access to innovative technologies. A further advantage is the country’s robust domestic market, which provides an immediate outlet for its textile exports.
Vietnam:
Vietnam is quickly becoming one of Bangladesh's main rivals in the international RMG industry. Foreign investors have been drawn to the country because of its low labor costs, strong infrastructure, and favorable investment rules, all of which have contributed to a dramatic rise in textile exports. Vietnam's involvement in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU-Vietnam Free Trade Agreement (EVFTA) gives the country preferential access to key markets, which is beneficial to the country's textile industry.

In 2019, Vietnam accounted for roughly 6% of worldwide textile exports, continuing a trend of steady growth in its share of the global textile market. Vietnam has a leg up on the competition thanks to its well-developed infrastructure, relaxed investment policies, and low labor costs. Joining the CPTPP and EVFTA has given the country preferential access to major markets, which has stimulated the textile industry and increased exports.

India:
India is the world's second-largest exporter of textiles, shipping out all sorts of materials like cotton, silk, and synthetics. India has a substantial advantage in the global textile business due to its access to low-cost raw materials and a skilled labor force. Foreign investors are drawn to India because of its hospitable business climate and advanced supply chain network. India is the second-largest textile exporter in the world, with a market share of roughly 5% of worldwide textile exports. India's competitive edge stems from its access to low-cost raw materials, skilled labor force, and varied product range. A substantial competitive edge in the global textile market is also provided by the country's strong supply chain network and favorable business climate.
Discussion Questions

1. How can the RMG sector in Bangladesh balance its cost competitiveness with ethical and sustainable practices in order to remain competitive in the global market?

2. What are some effective marketing strategies that companies in the RMG sector in Bangladesh can adopt to differentiate their products and increase their market share?

3. How can companies in the RMG sector in Bangladesh build backward linkages and promote local value addition in their supply chains to increase their competitiveness and create more value for the local economy?

4. What role can the government of Bangladesh play in supporting the RMG sector in the face of competition from other low-cost countries and changing trade policies?

5. How can companies in the RMG sector in Bangladesh use digital marketing and e-commerce to reach new customers and expand their market reach beyond traditional markets?
Suggested Answers for Discussion Questions

1. How can the RMG sector in Bangladesh balance its cost competitiveness with ethical and sustainable practices to remain competitive in the global market?

Bangladesh's economy is largely driven by the Ready-Made Garment (RMG) business, which is responsible for more than 80% of the country's total exports. But the industry gets a lot of bad press for bad working conditions, not respecting workers' rights, and polluting the environment. In the past few years, international consumers, governments, and civil society groups have put more weight on the sector to become more ethical and sustainable. For the RMG sector in Bangladesh to stay competitive on the global market, it is important to find a balance between low prices and practices that are ethical and good for the environment (Islam et al., 2016). One way for the RMG sector in Bangladesh to find a good balance between low prices and ethical and environmentally friendly practices is to use a "circular economy" method of production. The goal of this method is to lessen a product's effect on the environment by reusing as many resources as possible at every stage of its life cycle. For the RMG industry, this could mean putting in place closed-loop recycling systems for textile trash, designing products with eco-friendly materials, lowering production costs by saving water and energy, and so on. By cutting waste and making better use of resources, companies can save money and improve their environmental and social sustainability. The RMG business in Bangladesh could also find a balance between cost-competitiveness and ethical and sustainable practices by improving working conditions and making sure everyone gets paid fairly. This means giving workers what they deserve, like safe and healthy places to work, fair pay, and hours they can handle. Businesses can also improve the quality of their employees by paying for courses that help them learn and grow. These investments save money in the long run and make a company more competitive. They also improve the quality of life for workers. Also, RMG businesses can stand out in the global market by using eco-friendly and moral branding strategies. One way to do this is to highlight their commitment to social and environmental responsibility in their marketing and branding. By partnering with independent licensing agencies, businesses can take another step towards making sure their operations are sustainable and moral. By putting a focus on sustainability and ethical branding, businesses can set themselves apart from competitors and attract customers who care about the environment and society. The RMG sector in Bangladesh can find a balance between cost competitiveness and ethical and sustainable practices by using a circular economy approach to production, improving working
conditions and making sure fair labor practices are used, and setting themselves apart on the market through sustainable and ethical branding strategies. By staying competitive in the global market, companies in this business can improve their long-term viability and resilience.

2. What are some effective marketing strategies that companies in the RMG sector in Bangladesh can adopt to differentiate their products and increase their market share?

The ready-made garment (RMG) market in Bangladesh is being hurt by competitors like China, Vietnam, and India. So, companies in the industry need to use good marketing strategies to set themselves apart from the competition and grow their market share (Islam, 2021). In order to do this, this piece will talk about some of the ways that RMG companies in Bangladesh might advertise.

In product marketing, one of the most important things to do is to give more and different things. By moving into new product categories, a business can reach more customers and give itself more ways to stand out. They can focus on a certain business, like high-end fashion, or a certain group of people, like clothes for kids. The product range can give you an edge over your competitors and bring in new customers. Second, using production methods that are good for the environment and morale can make people more aware of a brand and boost sales. People in the modern world care more and more about how the things they buy affect society and the planet. Businesses that make their products in a way that is good for the environment and for society can attract customers who care about these things. They can use renewable energy sources and products that are good for the environment. Third, digital marketing and e-commerce can help companies in the RMG industry in Bangladesh reach a bigger audience. During the COVID-19 pandemic, the number of people buying online has gone through the roof, and businesses are taking advantage of the fact that digital marketing can reach people all over the world to get more customers. Businesses can get more customers and make more money by using digital marketing tools like social media and websites that are easy to use and let you buy things online. Fourth, going to foreign trade shows and events can be a good way to advertise. Expos and other events give businesses a chance to show off their products and get more customers. Meeting new customers and business partners is another way for companies to increase their market share and reach. Lastly, a good marketing plan might include encouraging local value addition and setting up backward ties. Bangladesh's RMG industry has relied on imported raw materials for a long time, but businesses there can now try to build backward links and encourage local value addition. Companies that make their products in-house and use materials that can be found nearby set themselves apart from their
competitors and appeal to customers who want to buy things that are made in an ethical way. In conclusion, Bangladeshi businesses in the RMG industry have several marketing choices they can use to stand out from the competition and grow their market share. Some of these strategies are expanding product lines, using ethical and environmentally friendly methods, using digital marketing and e-commerce, going to foreign trade fairs and events, building backward links, and encouraging local value addition.

3. How can companies in the RMG sector in Bangladesh build backward linkages and promote local value addition in their supply chains to increase their competitiveness and create more value for the local economy?

Bangladesh’s economy depends on the RMG industry, which employs millions of people and brings in a lot of money from sales abroad. But the industry has problems, like a lack of backward linkage and chances to build value at the local level. RMG companies can deal with these problems in a couple of ways. They can build backward links and encourage local value addition in supply chains. One way for businesses to cut costs and improve efficiency is to invest in research and development to find domestic sources for imported goods (Hsieh and Chaturvedi, 2017). Cotton, for example, is an important part of making fabrics, but Bangladesh doesn't have enough cotton to meet its own needs. By putting money into research and development, businesses can find alternatives to cotton and other fibers that can be grown locally. This makes them less reliant on imports and encourages local value addition. Businesses can also raise the level of knowledge within the company by investing in training and development programs for employees. Investing in their employees to improve the quality of their products and services can make a company more competitive in the global market. Human capital growth and better job chances are two more ways that investing in employee training and development could help local economies. When companies work with local vendors and service providers, they can add more value to their supply chains. Companies can help their local economies grow by buying goods and services from local businesses. This helps local businesses grow and helps the local economy grow. Organizations can also improve the consistency and quality of their inputs and services by working together and getting to know their local sources better. Lastly, businesses should start looking for ways to improve their supply lines by adding social and environmental factors. When it comes to inputs, businesses can practice sustainable sourcing by buying from sellers who use eco-friendly production methods and socially responsible policies. Bangladesh's economy and the RMG industry's reputation on the global market may be improved if companies put social and environmental
issues at the top of their supply chain management. RMG companies in Bangladesh can build backward links and encourage local value addition in their supply chains by investing in research and development, training and developing employees, working with local suppliers and service providers, and taking social and environmental factors into account. By using the above strategies, companies can make themselves more competitive around the world, boost the local economy, and help the RMG business in Bangladesh grow in the long run.

4. What role can the government of Bangladesh play in supporting the RMG sector in the face of competition from other low-cost countries and changing trade policies?

The government of Bangladesh can play a key part in protecting the RMG industry from threats like other low-cost countries and changing trade rules. By doing the following, the government could help the business and keep it competitive: The RMG business needs transportation improvements, and the government may be able to help by investing in infrastructure development. Cutting down on transportation costs will help keep the business competitive. The government could offer incentives for investment in the RMG sector, especially in the backward linkage businesses, to increase the amount of value-added locally (Amit and Barua, 2020). This could improve the quality of the products and lessen the need to buy raw materials. Make it easy for businesses to start up and run by getting rid of red tape, simplifying the tax code, and easing other government regulations. This could lead to more foreign investment and more exports. Skill development programs, in which the government works with private companies and academic institutions, can help industries make more money. This could make it easier for businesses to compete in the global market by letting them make high-quality things for less money. Bangladesh's reputation as a reliable and high-quality RMG maker can be improved by the government. If people outside the country thought better of it, it could help both exports and investment. Do something about workers' rights The problems with workers' rights in the ready-made garment (RMG) business in Bangladesh can be fixed by the government of Bangladesh. Examples include making sure workers follow the rules, improving working conditions, and encouraging social compliance in the field. This will help the industry gain credibility and set up a supply system that is more honest. Lastly, the government of Bangladesh can help the RMG sector in a big way because of competition from other low-cost countries and changing trade rules. The government can help the industry stay competitive and add to the local economy by investing in infrastructure, encouraging investment, creating a good environment for business, improving skills, building Brand Bangladesh, and addressing worries about workers' rights.
5. How can companies in the RMG sector in Bangladesh use digital marketing and e-commerce to reach new customers and expand their market reach beyond traditional markets?

In today's globalized economy, e-commerce and internet marketing are more important than ever because they let businesses reach customers all over the world. The RMG business in Bangladesh can use these methods to make its products stand out, raise brand awareness, and get more customers (Hassan, 2023). One type of digital marketing that has worked well for businesses is social media marketing. Social media sites like Facebook, Instagram, and Twitter have made it possible for businesses to advertise to a much bigger audience for much less money than they could before. By making content that is interesting and useful to their target audience, companies can increase brand recognition, website traffic, and, in the long run, online sales. Businesses can also use SEO, which stands for "search engine optimization" (SEO). SEO helps businesses get their products in front of people who are constantly looking for them on Google and other search engines. This can be done by using keyword analysis, optimizing the text, and making backlinks from sites that people trust. In addition to social media marketing and search engine optimization, RMG companies can use e-commerce networks to reach more customers. Global e-commerce marketplaces like Amazon and Alibaba help businesses meet with customers they wouldn't have been able to reach any other way. Companies can boost sales and earnings by making their products stand out and making sure people know who they are. For digital marketing and e-commerce strategies to work well for RMG companies, they need good logistics and supply chain systems. It's important to be able to handle orders well, work with reliable shipping companies, and give great customer service. The ability of a company to give customers a good experience is closely linked to its ability to build and keep long-term relationships with customers and attract new ones. In conclusion, businesses in Bangladesh's ready-made-garment (RMG) industry can use digital marketing and e-commerce to make their goods stand out, improve the image of their brand, and reach new customers in places they haven't before. With these strategies, businesses can not only do well in a crowded market, but they can also find ways to grow.
List of further readings references


List of references cited


