

# Sourcing Shifts

Seeking **Speed**, **Stability**,  
and **Sustainability**

PRESENTED BY

Jane Singer

Managing Director

[jane@inside-fashion.net](mailto:jane@inside-fashion.net)

an INSIDE FASHION Market Intelligence seminar

At the Trans Pacific Maritime Conference | Shenzhen

After years of consolidation, buyers are diversifying their supply chains across more countries.

## INDUSTRY INSIGHT:

“Risk” is now a top concern

- Political risk
- Inventory risk
- Infrastructure risk
- Currency risk
- Labor risk

**Impacts on logistics:** Greater diversification of sourcing locations requires more sophisticated logistics – especially as lead times get shorter.

Speed is critical. Buyers want to wait until the very last minute to place orders.

- Last minute orders help reduce risk.
- Factories need models that are more agile
- Logistics needs to find ways to support shorter lead times, but without raising costs.

Logistics providers can be “heroes” here. There are big opportunities for 3P providers.


**Inventory = Risk + Cost**

**Goal:** Keep inventories as low as possible



## Where Apparel Sourcing is Going

	2019 (H1)			
	Value (\$ mil)	% chg	Volume (mm2)	% chg
China	14,469	+2.33%	6,275	+4.88%
Vietnam	7,804	+13.05%	2,370	+9.21%
Bangladesh	3,568	+11.53%	1,235	+5.62%

Source:  DTEXA

**Vietnam** has been the go-to place for apparel sourcing, but prices there are rising as orders surge.

**Bangladesh** offers lower costs but buyers fear relying too heavily on a nation that lacks infrastructure.

**On the horizon:** India is getting more attention. Some movement to Indonesia and Malaysia. Pakistan is poised to grow.

# New services for New Challenges

- A greater openness to using 3PL.
- Recognition of the need to digitize.
- More strategic use of logistics to manage inventory.

## Speed Bumps

- No downtime when new systems can be implemented.
- Change management is difficult given the complexity of the apparel supply chain.

## Opportunities

- Can you help customers manage risk?
- Can you support customers in digitization?

For a copy of this  
presentation, please email  
[jane@inside-fashion.net](mailto:jane@inside-fashion.net)

# Sourcing Shifts

Seeking Speed, Stability,  
and Sustainability

PRESENTED BY  
**Jane Singer**  
Managing Director

an INSIDE FASHION Market Intelligence seminar

At the Trans Pacific Maritime Conference | Shenzhen