



The Use of E-Commerce in the Textile and Apparel Supply Chain

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ABSTRACT

Diverse e-commerce applications are being implemented in the textile and apparel supply chain. This paper includes case studies of small global companies' use of e-commerce, with analyses of the use and impact of e-commerce. Benefits of e-commerce include global marketing opportunities for products and markets. However, a key limitation of e-commerce is the risk of channel conflict between existing customers and new profile customers. With the continued globalization emphasis of the textile and apparel supply chain, analyses and creative implementation of e-commerce applications may offer unique product and market opportunities.

KEYWORDS: e-commerce, supply chain, marketing, channel conflict, global companies

Introduction

E-commerce is a new and exciting technology, attracting much interest. It has the potential of fundamentally changing the ways in which companies do business, thus having a profound effect on the management of the supply chain. Aspects of e-commerce will be discussed, including the impact on industry as a whole, descriptions of aspects associated with e-commerce, Business-to-consumer (B2C) e-commerce, business-to-Business (B2B). Through case studies this paper identifies a number of small companies in the textiles and clothing supply chain and analyses their use of e-commerce and the impact that this has had on the company and also on communication within the chain.

Hines (2001) argues that the 'e-revolution' is transforming how business-to-business markets are interacting. This change has

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occurred not only because of technological advances, but factors such as globalisation, organisational restructuring, information and communication technologies, increased focus on differentiation over cost-cutting, and the rise in consumerism.

E-commerce for business-to-business activities

McGuffog and Wadsley (1999) argue that e-commerce is set to revolutionise the way in which most businesses conduct their business and administrative processes. Companies can utilise activities such as collaborative event management, the structuring and synchronisation of master data, and the sharing of customer data. Although consumer web businesses rarely make any profit from advertising, sales or subscriptions, the use of e-commerce for business-to-business purposes appears much more promising (Klein and Quelch 1997),