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SWOT Analysis of The Uşak Province Textile Sector**Yaşar Akça***Bartın University, Economics and Administrative Faculty, Management Department,
74100 Bartın, Türkiye**Ayşenur Bozbay**

Bartın University, Graduate School, Management Department, 74100 Bartın, Türkiye

Corresponding Author*ABSTRACT**

The textile sector is a solution to unemployment as it is a labor-intensive sector. The inputs needed by the sector are supplied from domestic resources. It is also one of the locomotive sectors among the export items of the country. The objective of this paper is to present the current situation of the textile enterprises producing in Uşak by means of SWOT analysis and to make suggestions that will contribute to their development. By identifying the strengths and weaknesses of textile enterprises, investigating the opportunities and threats arising from the environment, and revealing the road map for the future, the growth of the Uşak textile sector will gain momentum. The population of the study consisted of 230 textile enterprises registered with the Uşak Chamber of Commerce and Industry and engaged in manufacturing activities. In obtaining the data, questionnaire forms prepared with semi-structured interview techniques were employed. The whole population was reached. 174 textile producer enterprises filled out the questionnaire forms voluntarily. SWOT analysis reveals strategic management options in the policies to be implemented by the enterprises. The originality of the research is that a similar study on the Uşak textile sector has not been put forward in the literature so far.

KEYWORDS: SWOT Analysis, Uşak Province, Textile Sector.

INTRODUCTION

Every enterprise needs to comply with the rapid technological changes that come along with globalization. Thus, it can increase its market share by making competition with competitors. The biggest helpers of businesses in strengthening their position are strategies. Strategies that fit the structure of the business and the environmental conditions in which it operates will function as a guide. Therefore, SWOT analysis provides this guidance.

SWOT analysis is employed to benefit from business resources in the most efficient way. SWOT analysis has two important benefits for businesses. The first one is to reveal the strengths and weaknesses of the business in the current situation; the second benefit is to make an assessment of the opportunities and threats that the business may face in the future (Aktan, 2008; Çoban & Karakaya, 2010: 342). Thus, the situation in the external and internal environment is presented. It is almost like a tomography of the enterprise (Özmen & Özmen, 2016: 504).

The objective of this strategic technique is to scrutinize internal and external environmental factors (Ersungur & Aslan, 2014: 214), to benefit from the opportunities contained in the environment by using the strengths of the business and then to develop policies that will minimize the threats in the environment and the weaknesses within the business (Kansız, Akın Acuner & Yavuz, 2008: 20). In addition, SWOT analysis contributes in revealing the general situation of the enterprise (Hamdioğlu, 2002: 16), adapting to the environment and developing the policies it needs in its activities (Uçar & Doğru, 2005: 2).

The subject of this study is the implementation of SWOT analysis to Uşak textile sector which is a very prominent source of income in Uşak province. In the "Uşak Textile Sector SWOT Analysis", the views of the owners and managers of textile enterprises are included. The current problems of the textile sector, the strengths of the sector, the opportunities and threats in the environment were identified and suggestions that can be implemented for the future were developed. The study covers all 230 textile enterprises affiliated with the Uşak Chamber of Commerce and Industry. All of the mentioned enterprises were reached, and the questionnaire return was obtained from 174 enterprises.

The concept of strategy and SWOT analysis

The definition of the word strategy in the Turkish Language Association dictionary is the path taken to achieve a goal (<https://sozluk.gov.tr>). Strategy is the planning and use of existing resources in the most efficient and economical way by the senior management to ensure and maintain the organizational success of the enterprise (Ülgen & Mirze, 2018: 33; Akgemci, 2019: 4). Thanks to the strategy pursued, it is possible to achieve the desired performance targets, to carry the business performance further with new targets (Bayraktar & Kakırman Yıldız, 2007), and to predict the positive or negative situations that may occur in the future where uncertainty prevails (Güven, 2014). While developing a strategy, the future plan targets of the business are determined. Competitors are taken into consideration and possible new areas of activity are explored (Ülgen & Mirze, 2018: 35). In short, the concept of strategy involves the past, as well as, a long-term perspective to carry the goals of the business further in the future (Bircan, 2002).

SWOT analysis is an analysis technique that involves the strengths, weaknesses, opportunities, and threats that may be encountered in the future. SWOT analysis consists of the abbreviated first letters of its English equivalents. These are;

- S: Strengths (determining the strengths of the business)
- W: Weakness (identification of the weaknesses of the business)
- O: Opportunity (determining the potential opportunities offered by the environment to the business)
- T: Threat (detecting potential threats posed by the environment).

Since the business operates in an ever-changing environment, it is possible to achieve its goals only if the goals and current conditions are compatible. The process of developing new strategies by revealing the assets, capabilities, strengths, and weaknesses of the business, analyzing the situation of competitors and identifying the opportunities and threats in the market is called SWOT analysis (Gürlek, 2002; Dinçer, 2007: 142; Akgemci, 2019).

Here, the current situation of the business is analyzed. In the sense of making predictions for the future of the business, SWOT is a "future situation" analysis. In this regard, SWOT analysis is a pair of glasses that allows us to see far and near. When the SWOT analysis is completed, the business will have information about itself and its surroundings in terms of positive/negative aspects (Altunışık, Özdemir & Torlak, 2006).

Internal and External Environmental Factors

For businesses to achieve success, they need to define the external environment in which they operate and their subsystems (Ülgen & Mirze, 2018). It is aimed to compare the harmony between the existing opportunities in the business environment and the capabilities and capacity of the business as a whole (Dinçer, 2007).

In SWOT analysis, internal values representing strengths/weaknesses such as human resources, plant machinery and equipment, location of the business, product diversity, provided services, performed activities, innovation capacity, productivity, efficiency, effectiveness, customer relations, business structure and business culture are analyzed (Uçar & Doğru, 2005: 15). Advantages are internal environmental indicators that will improve the business and take it further. If competitors are stronger in these areas, the business is in a weak position compared to competitors. Weaknesses will make the business regress (Ülgen & Mirze, 2018).

Current and emerging opportunities and threats in the environment are external value factors that include political, economic, social, technological and competitive changes (Dyson, 2004: 632). Threats can prevent the business from growing or terminate its operations. Opportunity is the occurrence of favorable environmental conditions for the objectives of the business. Situations such as the production of a new product, internationalization, reduction in costs and lack of substitute products are opportunities for the business (Bell, 1996). Environmental analysis reveals how and in what direction future environmental conditions may affect the business (Cebecioğlu, 2006; Yıldız, 2013).

Textile and Uşak Province

Textile is based on the Latin word *texere*. It means knitted fabric and weaving. The word textile covers clothing and fabrics (Uyanık & Oğulata, 2013: 60). The production process in the textile sector starts with fiber and consists of processes such as yarn, knitting, dyeing, printing and finishing. Textile products are especially preferred in the automotive and construction sectors, in areas such as sports halls, airports, stadiums, and warehouses (Yıldız Varan & Durur, 2007). In the medical field, aprons, masks, socks, gloves, medical uniforms, protective clothing, bedspreads and fabrics are common textile products for hygiene and care purposes.

Uşak is located at the junction of central Anatolia and the Aegean regions. Its neighbors are Kütahya in the north, Manisa in the west, Denizli in the south and Afyonkarahisar in the east. Uşak was a province of Kütahya before it was separated and became a province in 1953. It has 5 districts, namely Eşme, Banaz, Ulubey, Karahallı and Sivashlı. The leading sectors contributing to Uşak's economy are textiles, leather, ceramics and food. It is Turkey's leading city especially in yarn production, blankets, home textiles and health products ("Target Market and Foreign Trade Report of Uşak Chamber of Commerce and Industry, 2018). Uşak is located on the Izmir-Ankara highway and has railway and airline transportation networks. It is also in an advantageous position with its proximity to industrial centers such as Izmir and Denizli (Bayraklı, Savaşan, Odabaş & Akyüz, 2004).

METHODS AND FINDINGS

The target population of the study consists of 230 textile producer enterprises registered with the Uşak Chamber of Commerce and Industry. All of the population was reached and the number of enterprises contributing to the study was realized as 174. Content analysis was used as the research method. With this method, the strengths, weaknesses, opportunities and threats of the Uşak textile sector were identified.

Size of enterprise by number of employees

The number of employees of 174 interviewed textile companies is given in Table 1.

Table 1: Number of employees of textile manufacturing enterprises

Number of Employees	Frequency	Percentage	Cumulative Percentage
1-9 person	31	17.8	17.8
10-49 person	55	31.6	49.4
50-249 person	59	33.9	83.3
250 and more people	29	16.7	100
Total	174	100	

The proportion of micro-enterprises with 1-9 workers is 18% (31 enterprises), small enterprises with 10-49 workers is 32% (55 enterprises), medium-sized enterprises with 50-249 workers is 34% (59 enterprises) and large enterprises with 250 or more workers is 16% (29 enterprises) (see Table 1).

Operating period of enterprises

The distribution of the interviewed enterprises according to their years of operation is given in Table 2.

Table 2: Operating duration of enterprises

Year of Establishment	Frequency	Percentage	Cumulative Percentage
Less than 10 Years	49	28.2	28.2
Between 10-20 Years	68	39.1	67.3
21 Years and Over	57	32.7	100
Total	174	100	

The operating periods of the enterprises are as follows: 28% (49 enterprises) less than 10 years, 39% (68 enterprises) between 10-20 years and 33% (57 enterprises) 21 years or more (see Table 2).

Age ranges of participants

The age distribution ranges of those who filled out the questionnaire are given in Table 3.

Table 3: Age ranges of participants

Age range	Frequency	Percentage	Cumulative Percentage
30 years and below	34	19.6	19.6
31-40 years old	61	35.1	54.7
41-50 years old	54	31.0	85.7
50 years and over	25	14.3	100
Total	174	100	

The age range of the respondents was as follows; 20% (34 people) are aged 30 and below, 35% (61 people) aged between 31 and 40, 31% (54 people) aged between 41 and 50, 14% (25 people) aged 50 and above (see Table 3).

Distribution of participants by gender

The gender ratios of the survey participants are given in Table 4.

Table 4: Distribution of participants by gender

Gender	Frequency	Percentage	Cumulative Percentage
Male	140	80.4	80.4
Female	34	19.6	100
Total	174	100	

Participants were predominantly (80%) male (see Table 4).

Education Levels of Participants

The educational status of the participants is shown in Table 5.

Table 5: Education status of participants

Education Status	Frequency	Percentage	Cumulative Percentage
Secondary Education	51	29.3	29.3
University graduate	123	70.7	100
Total	174	100	

When the educational status of the respondents is analyzed, 29% (51 people) are secondary education graduates and 71% (123 people) are higher education graduates (see Table 5).

Titles of participants

The titles of the participants are shown in Table 6.

Table 6: Distribution of participants by title

Title	Frequency	Percentage	Cumulative Percentage
Accountant	16	9.2	9.2
Foreign Trade Officer	17	9.8	19
R&D Responsible	19	10.9	29.9
Production Supervisor	21	12.1	42
Workplace Owner	22	12.6	54.6
Business Manager	38	21.8	76.4
Planning Manager	41	23.6	100
Total	174	100	

Of the respondents, 9% (16 people) were accountants, 10% (17 people) were foreign trade officers, 11% (19 people) were R&D officers, 12% (21 people) were production supervisors, 12% (22 people) were workplace owners, 22% (38 people) were business managers and 24% (41 people) were planning managers (see Table 6).

Duration of survey participants' employment in the company

The working hours of the employees who filled out the questionnaire are given in Table 7.

Table 7: Duration of participants' employment in the company

Working Time	Frequency	Percentage	Cumulative Percentage
Between 1-5 Years	44	25.3	25.3
Between 6-10 Years	51	29.3	54.6
Between 11-15 Years	41	23.6	78.2
16 Years and Over	38	21.8	100
Total	174	100	

The working years of the employees of the enterprises participating in the research were determined as follows; 25% (44 people) between 1-5 years, 29% (51 people) between 6-10 years, 24% (41 people) between 11-15 years and 22% (38 people) between 16 years and more (see Table 7).

Strengths of the Uşak textile sector

- Uşak province has calm, comfortable and livable properties in social and economic terms.
- It is a pioneer in the market of textile product diversity.
- Businesses are known and recognized in terms of business ethics.
- Customer portfolio is wide. Different product demands are met in fast and meticulous work,
- High value-added, high-quality and organic products are produced.
- Enterprises carry out research and development activities in their laboratories.
- Since the sector is open to developments, the technical infrastructure is continuously strengthened. Innovations are quickly adapted and continuous innovation is practiced.
- The machinery and equipment used in production technology are both new and the machinery equipment is adequate
- It has the required certificates (such as TSE, CE and ISO 9000), experience, know-how, competencies, and technical knowledge for production and export.
- Integration in production has been achieved. Fibers such as cotton and wool are first turned into yarn, yarn is woven into the fabric and textile products are produced from the fabric.
- Since exports are increasing year by year, this situation is almost like a second market.
- The corporate structure of the enterprises is generally rooted in family companies.
- The employed personnel are young, educated and qualified. They are continuously subjected to on-the-job training.
- Raw material stocks meet the requirements for production.
- Uşak is close to market provinces due to its geographical location.
- Roads, airways, railroads and sea ports, which constitute the logistics network infrastructure for the transportation of products to customers are close and sufficient. This situation facilitates raw material supply and product shipment.
- Since raw materials and intermediate products used in textile production are supplied domestically, production is realized at the lowest costs.
- Textile enterprises are constantly working on new market research. In this context, participation in domestic and international fairs is high. In this way, the sector responds to demands early and quickly.
- 3.9. Weaknesses of the Uşak textile sector
- Current physical working areas are limited and inadequate.

- Most of the inputs needed for production, such as chemical dyes and machinery, are imported. This increases production costs.
- Despite the potential for growth, enterprises have not yet reached the desired production capacity. Customer demands can be refused due to low capacity and insufficient market share.
- Corporate advertising, promotion and public relations are weak. Branding is insufficient.
- Activities in foreign markets are insufficient and there is no country diversity in exports.
- Government incentives are inadequate.
- Businesses' equity capital is insufficient. Access to finance is difficult.
- Implementation of technological innovations increases costs.
- Due to the intensity of work and the heavy nature of the work, there are difficulties in obtaining technical workers and an insufficient number of workers. There are problems with the personal rights of the existing personnel.
- Uşak textile sector lags behind in virtual marketing and e-commerce.
- Seasonal production structure is another weakness.
- There is a storage problem.

Potential opportunities in Uşak textile sector

- Every sector such as furniture, automotive, health, and home needs textile products. The market for textile products is a market that never expires. Since the textile sector is always in demand, it is open to growth.
- It creates a business field for production, employment and exports. Government incentives for the textile sector have been increasing over the years.
- With the solar power plants (SPP) projects to be brought into new enterprises, the energy needed by the enterprises will be met from solar panels and energy costs will be minimized.
- The Russian-Ukrainian war is expected to end. In this case, the market will expand and production capacities and exports will increase.
- Supply of raw materials and shipment of products is easy due to the diversity of the transportation network. For example, the port of Izmir is very close. Shipment and contact to big cities such as Afyon and Denizli is easy.
- Zero waste studies and the growing importance of recycling make the sector attractive.
- The main raw material for textiles is met from domestic resources within the country.
- New Solar Power Project investments are planned.
- New investment incentive regulations are expected.
- The purchasing power of the European textile market is high. Türkiye is the closest supplier of this market. Europe meets its textile needs from Türkiye in the most economical way.
- Uşak is a candidate to be the capital of textile production in the future.
- Exports continue to increase over the years.
- Uşak has a textile production infrastructure and production culture. Uşak is specialized in weaving, knitting, and yarn production. This situation shows that it will have more growth potential in the future.
- Demand for textile products is increasing worldwide. This situation increases product sales prices and profitability grows.

Potential threats to Uşak textile sector

- The entry of new sector players and the realization of new investments in the same field by existing enterprises have resulted in a lot of idle production capacity.
- The low population density of the city makes it difficult to meet the personnel needs of the sector.
- There is a belief that there is a risk of a major energy crisis in the near future.
- Fluctuations in exchange rates, economic problems and uncertainties about the future affect the sector negatively.

- If new pandemics of different types affect economic life worldwide, it is possible that the textile market will shrink in terms of both production and consumption.
- Labor costs are continuously getting more expensive.
- Energy prices are rising day by day.
- There are problems with an insufficient supply of raw material inputs.
- There is a shortage of water needed in the textile production process.
- The lack of storage spaces leads to production as much as the order.
- The small size of the province increases the shortage of qualified workers and intermediate staff.
- Vehicle freight costs paid for the transportation of products to customers are constantly increasing.

DISCUSSION & CONCLUSION

The textile sector is a locomotive in economic development with both the number of workers it employs and its contribution to other sectors. There are problems in the Uşak textile sector. If these problems are solved, it will positively benefit the provincial economy.

The following suggestions have been made for Uşak Textile Sector to protect its strengths, strengthen its weaknesses, turn opportunities into advantages and eliminate threats:

- Lack of staff is among the weaknesses that enterprises see as weaknesses. As a solution, emphasis should be placed on courses and training programs that will provide skilled qualified personnel to the sector.
- Solar Energy System installation should be accelerated. Thus, uninterrupted and cheap energy needed by enterprises will be possible.
- Businesses should focus on branding activities. For this purpose, it is possible to receive services from relevant public institutions and private consultancy firms.
- Raw materials and chemical production materials imported from abroad should be produced domestically with domestic resources. Especially new investors joining the sector should be encouraged to realize their investments in the areas where they are needed.
- Advertising and public relations are pointed out as one of the weaknesses of the Uşak textile sector. Representatives of the textile sector in Uşak can come together and unite under the roof of an association. Through this association, advertising, branding, public relations and promotion activities can be developed.
- Another weakness pointed out by the respondents is the inadequacy of marketing and e-commerce activities in the virtual environment. This weakness can be overcome by each enterprise opening a virtual store on its own website. Another solution is to take part in virtual shopping platforms operating throughout Türkiye.
- For the production of agriculture-based raw materials, which constitute one of the textile inputs, production agreements with purchase guarantees should be made with farmers. Thus, both agricultural activities will become attractive and the difficulties experienced in the supply of textile raw material inputs will be eliminated.
- Cooperation with the municipality should be developed to meet the water needed by the textile industry. Wastewater recycling facility capacities should be increased.
- Production of organic products should be essential in textile production.
- The importance of road transportation in meeting the logistics needs of the textile industry should be supported by train and port transportation.
- Textile enterprises operating within the borders of Uşak province can come together and establish a foreign trade company. Thus, it will be possible to gather exports under a single roof and increase exports to more countries.
- Uşak Governorship should be requested to help the textile enterprises to solve the storage area problem. It is expected that this request will definitely be met by the Governor's Office.

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