

NORMIZATION AND ORGANIZATIONAL SETTINGS IN MARKET FASHION FOOTWEAR

Darko Ujević¹; Bosiljka Šaravanja¹ i Mirjana Ljubić²

¹Sveučilište u Zagrebu Tekstilno-tehnološki fakultet

Prilaz baruna Filipovića 28 a, 10 000 Zagreb

²Katapult d. o. o., Ulica Gordana Lederera 4, 10 000 Zagreb

e-mail: darko.ujevic@tff.hr; bosiljka.saravanja@tff.hr; mirjana@shooster.hr

Abstract:

This paper gives an overview of basic standardization settings and the importance of their implementation, as well as organizational settings in production of footwear. In order to encourage the development of Croatian footwear industry, it is essential to establish a quality assurance system in accordance with the requirements of European standards with a clear definition of quality policy as the key aspect of business policy. Quality is an important parameter for the production and business success and numerous business analyses of many companies have greatly contributed to its determination. Quality management is a very important factor in the success of production process and it represents the partnership between producers, suppliers and consumers. A successful product on the market is considered to have the optimal ratio of quality, type, supply and price set. The review is followed by an insight in the issues of footwear industry and solution guidelines. The final part of the paper gives a positive example of the yellow boot Timberland and how its successful launch and positioning have allowed it to win the footwear market worldwide.

Key words: standardization, quality, organizational settings, production, footwear, yellow boot.

1. Introduction

Footwear industry in the Republic of Croatia presents a significant and high-ranged industrial exporting branch, with relatively strong manufacturing potential, machine and energy infrastructure, technical and technological competences and well-trained management and production staff. Along with all the above-mentioned, footwear industry also has the benefits of long-standing markets, favourable geographic position, positive business image and manufacturers with traditional quality in men's, women's and children's footwear production. As an export-oriented branch, footwear industry is directly facing quality-related issues and standardization problems. Since quality is an important parameter in the production and business success, its determination has contributed to numerous exact business analyses of many companies, especially those whose products have become known and appreciated worldwide because of their remarkable quality. A successful product is considered to have the optimal ratio of quality, type, supply and price set. A successful product is also the key factor of the company's success and survival in a very demanding market. Quality management, which represents a partnership between producers, suppliers and consumers, is equally important for mastering quality as a category of production process. In order to ensure profitable production, it is

necessary to focus on the wishes and needs of consumers and to find ways to meet those expectations by introducing modifications in the product promptly and successfully. Quality management has a strategic and operational function and its establishment in companies has indicated the need for standardization. High quality has become the focal point of success, having taken the place of former price-oriented competitive strategies. It is therefore necessary to master all elements and stages of the production process which are essential for developing high-quality products in accordance with the ISO 9000 standard [1-3].

Continuous development of technology in industrial production implies market research, monitoring of product quality requirements, accurate definition of quality and methods of its evaluation and expression. Therefore, international quality standards have to be met in order to achieve success on the international market (unique European CE certification mark) [1]. The production in footwear, textile and clothing industries has to be adequate for market capacities. Companies must meet organizational setting requirements and timely respond to the highly demanding fashion market with their own brands that offer modern, high quality and affordable products. Fashion trends, production time, supply and market response must be very fast and efficient [4, 5]. The problems of footwear industry are related to cost-related low competitiveness,

obsolete technology, slow restructuring, as well as an insufficiently skilled personnel, while free market practices have led to repositioning of footwear industry and increased imports [6]. In order to follow fashion trends, production needs to be well-organized and flexible, with an extremely fast distribution chain and optimized inventory status. Therefore, shoemaking companies that followed this principle managed to grow much faster than those that operated seasonally [7, 8].

2. Footwear Standardization

A norm is the basic document that provides rules and guidelines for general and multiple use, instructions or features for activities and their results, and guarantees the best level of order in given conditions, as adopted by consensus and approved by the relevant body. The Croatian Standards Institute (HZN) is the national standards body of the Republic of Croatia. Regional standardization organization can be joined by all relevant national bodies of each country in a particular geographical, political or economic region, or these bodies can become a part of a regional standards organization. The fundamental difference between these two organizations is that the first organization is a standardization organization, and the latter is a standards organization. International standardization and standard bodies of all countries are recognized at international level [9].

The basic purpose of internationalization of the norm is to avoid protectionism, to protect developing countries, to create a single market, to build a single communication system, to protect the ecological planetary system, and to accept, apply and spread the latest global technical and technological knowledge [10].

Continuous monitoring and investment in marketing, development, technical preparation of production, production, quality control and sales are essential to systematically master the quality of the industry as a whole and in individual areas of work. In order to foster the development of footwear industry of the Republic of Croatia, it is necessary to establish a quality assurance system in accordance with the requirements of European standards, with a clear definition of quality policy as an elementary aspect of business policy [1, 11].

3. Organizational settings with focus on problems in footwear industry

Croatian footwear industry traditionally operates in market structure and most companies have undergone the process of privatization, which has changed the ownership and production structure significantly, so that a

large number of companies rely on a combination of finishing jobs and the development of own product [12].

In the technological process of footwear production, work organization depends on the choice of the technological process system, introduction of new workplaces and interphase transport, whereby the supervision of workplace maintenance also has a significant impact [13]. It is essential to enter the market with an affordable price, whereas key elements for achieving the company's competitive advantages and survival in the market lie in investment in the development and marketing of their own products, developing and managing their own product brands and developing their own distribution channels. Distorted liquidity of a company makes finishing jobs the only possible way of conducting business, and should focus on their benefits such as direct and free transfer of know-how and the fact that finishing jobs do not require current assets [14].

Manufacturers themselves should decide which features of their products they wish to promote (quality, price, value, state-of-the-art technology, etc.) If there are multiple similar products on the market, manufacturers need to decide which two or more attributes they want consumers to associate with their products [15, 16].

Leather and footwear industries in Europe need to move up the value chain by building their competitiveness on new technologies, innovations and design. Companies can realize their competitive advantage over foreign suppliers by operating in localized buyer - supplier - sourcing chains which enable fast production and distribution of small series of products and a quick response to fast fashion cycles [17].

The measures proposed as a solution to the existing situation are: focus on qualitative adjustments to dynamic market, technical, technological and organizational changes; stimulation of structural changes and development of innovative products and processes; insisting on constant technological progress, specialization and competitive market production; orientation towards the production of own product (own brand); intensifying marketing activities; improvements of logistics; a decrease in the number of employees as a reflection of a significant increase in the level of productivity and successfully implemented programs for outplacement of redundant employees; partnership of trade unions and entrepreneurs with the Ministry of Economy and the establishment of business clusters. For footwear manufacturers, production policy is a science and an activity, a system of coordinated, planned, controlled and regulated knowledge

and skills, as well as a set of activities, functions, processes, measures, operations, rules and legalities that enable the creation, design, operationalization, servicing, management and control of all footwear production processes. Limiting factors of these activities are reflected in:

- very unsafe market, subject to constant impact of changing fashion trends and short product life cycle,
- underdeveloped business / manufacturing processes,
- insufficient investments in technology,
- not well-known brands,
- weak competitiveness of the company.

The potentials for the development and strength of Croatian footwear production lie in the availability of quality raw materials, such as quality raw cowhide (though imported due to insufficient availability of raw leather); business tradition and a developed recipe, together with the country's geographical proximity to other European markets, which enables fast distribution and delivery. Over the last decade, the production of leather, footwear and related



Figure 1. The yellow Timberland boot [20]

Timberland boots are extremely practical because they are watertight with anti-slip soles and good insulation properties. These features make them ideal for cold winter days. Timberland boots are a great fashion trend among teenagers, both girls and boys.



Figure 2. Women's and men's Timberland boots [20, 21]

Today, they are produced in a wide range of colours, and their sales and popularity have not diminished even after over four decades because of their timeless design, with no regard to fashion trends. Most footwear manufacturers offer more or less successful copies of this brand in their product range. Timberland has become the leading outdoor brand in the world, and with each day, Timberland seeks to improve their products

products has made significant progress in environmental protection. The main technological challenge of this production is the focus on creating added value and transforming products, processes, materials and organizations into an environmentally sound and sustainable industry [17].

4. Development of the yellow boot - icon of Timberland brand

A positive example of market positioning in the footwear market is the development and positioning of yellow Timberland boots that have managed to conquer the footwear market worldwide. In the early 1970s, or precisely in 1973, the company's founder Sidney Swartz wanted to build a firm, durable and waterproof leather shoe for American workers. With this idea in mind, he made boots from watertight yellow leather, which has become the must-have trendy footwear of the new generation. Quality, authenticity and legacy of durable watertight boots still dominate the new collections made for today's generation [18, 19].

with new styles, innovations, new collections or by establishing its image as a brand for generations that value authenticity, sustainability and quality, a brand inspired by the past that thrives in the present, as suggested by their slogan - Best then. Better now. Timberland boots are sold in several million copies a year. Timberland's vision is to be the largest and most sustainable brand in the world, characterized by quality, authenticity, rough heritage with a new style, performance and ecological sustainability. All Timberland products are characterized by durability, quality, variety and the brand logo. The number of sold items represents 19% of world customers. In order to protect its originality, Timberland has protected some elements on its boots that are unavailable to other manufacturers, and can be checked in five steps: the manufacturer's box and label, the Timberland logo on heels, laces, soles and sewn seams. As each product is protected by these specific features, retailers of Timberland products (footwear, clothing, handbags, wallets and others) are also required to abide by company's rules and guidelines for interior design of the shop.



Figure 3. Protected elements on the Timberland boots [20, 21]

6. Conclusion

The paper gives clear instructions regarding the implementation of standardization and its importance in positioning footwear on a very demanding market. It can be concluded that it is virtually impossible to enter the European market and survive on the domestic market without good organizational settings and establishment of a standardization system. Therefore, this paper provides some basic guidelines for systematic mastering of quality, which is a key prerequisite for good sales and positioning in the market. Also, based on the aforementioned issues, certain lessons can be drawn up as a potential solution to the present situation. Finally, the paper presents a positive model of market positioning in the example of yellow Timberland boots. This yellow boot has managed to conquer the footwear market worldwide, which is certainly the target for all shoe manufacturers in the Republic of Croatia.

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