

Research on the Enterprise Environment of Clothing Company

Weijia Tao^{1,a,*}

¹SILC Business School, Shanghai University, Shanghai, 226500, China

a. twj20040206@163.com

**corresponding author*

Abstract: The business activities of any enterprise are conducted in the international market, which is influenced by various factors such as international politics, the economy, and so on. An enterprise environment can create opportunities for a business and can also pose a threat to a business. Therefore, in order for an enterprise to develop for a long time, it must study the environment and actively adapt to it. This article examines the environmental problems of clothing companies and analyzes the degree to which different clothing companies implement the environment on their websites, with the aim of providing effective measures for enterprises to adapt to the environment and long-term development. To analyze and evaluate the environment of a garment enterprise, first of all, it depends on the physical environment of the enterprise, clothing materials or the implementation effect of external publicity. The second is to analyze the enterprise environment. Enterprise environment analysis includes macro-environment analysis and micro-environment analysis. For the macroenvironment of an enterprise, it is necessary to grasp the political, economic, technological and social and cultural aspects.

Keywords: clothing companies, enterprise environment analysis, enterprise website analysis, environment problems

1. Introduction

Clothing is an important light industrial textile industry and a labor-intensive industry. With the development of time and technology, the development of clothing enterprises is not limited to the cold-proofing and warm-keeping of clothing itself. People are gradually paying attention to the environmental problems of clothing enterprises. At first, people's attention to the environment was limited to the environment itself, such as ground hygiene and air cleaning. Today, many people realize the importance of the enterprise environment for the development of a business. Clothing exports are blocked in many countries as the international market shrinks [1]. Since the 2008 financial crisis, China's economic growth has slowed and countries around the world are facing similar problems with falling disposable income, determining that falling social and personal purchasing power leads to lower demand [1]. As a labor-intensive traditional industry, clothing enterprises not only need to strengthen their own environmental construction but also need to strengthen the political, economic, technical, and cultural environment. Clothing companies can only develop better if they actively adapt to their environment. The current study of the enterprise environment deals with macro-micro and the impact of various factors on enterprise development, and the lack of

comprehensive environmental factors on enterprise behavior. The topic of this article is to conduct enterprise environmental analysis and analyze specific environmental problems of enterprises through specific websites. This article specifically explores the question of how to use the enterprise environment theory to make the enterprise develop better. The main methods of research are the bibliography reference method and theoretical analysis. The purpose of this article is to help people understand the uncertainty that environmental change brings to business. Correctly analyze the environment in which the enterprise is located and formulate effective strategic goals for the development of the enterprise. Let an enterprise better adapt to the market and develop. Expose the threat posed by the environment to the development of enterprises, and correctly understand the external development trend and major events of enterprises.

2. Definition of business environment analysis

Enterprise environment analysis is to assess the ability, differences, and dynamics of the environment, take appropriate measures to adapt to the dynamics of the environment in order to survive, promote the development of the enterprise, and achieve the integrated dynamic balance of the enterprise's external environment by utilizing the ability, differences, and dynamics of the environment [2]. The operation and development of a business must be inseparable from the market, which is influenced by international politics, economy, national technology and local culture. What is enterprise environment analysis? Enterprise environment analysis refers to factors related to the production and operation of enterprises. The enterprise environment can be largely divided into two parts, the external environment and the internal environment.

What exactly are the internal and exterior environments? The totality of numerous external elements that have an impact on a business' survival and growth is referred to as the external environment [2]. The internal environment, sometimes referred to as the internal conditions of the business, is the culmination of its internal resources and culture. The external environment is divided into macro and micro. Macro environmental factors include the above-mentioned political, economic, technical and sociocultural environments. Microenvironment, also known as PEST, will be described in detail in the next section. Macro environmental factors generally affect enterprises indirectly through microenvironmental conditions. Microenvironmental factors include market demand, competitive environment, consumers, suppliers, middlemen, and other social interest groups [3]. Current markets include consumer markets, producer markets, distributor markets, government markets and international markets. The consumer market is made up of individuals and families who purchase products only for their own consumption. A producer's market is the production of other products or services by purchasing them. The dealer market is where dealers buy products and services to resell for profit. The government market is where government agencies buy products to provide public services. The international market is a market made up of foreign consumers, producers, middlemen, and foreign governments. Vendors are businesses and individuals that provide resources to businesses and their competitors. The specific impact of suppliers on businesses is reflected in price changes and adequacy and quality of supply. An agency is an agency that helps a business sell and deliver products to its customers. Microenvironment is a specific environment for survival and development of enterprises. It can provide useful information to enterprises more directly than macro environment and is more easily recognized by enterprises. The physical and cultural surroundings of the business represent the general atmosphere and working circumstances of the business. This is referred to as the internal environment of the business. To understand the current state of the business's strength in the future, one may refer to the internal environment of the enterprise as the internal condition analysis of the firm. Business chances must be taken advantage of if they are presented by the external environment.

3. Analysis of the macro environment

The PEST model refers to the analysis of the enterprise macroenvironment. Enterprise macroenvironment refers to all macro factors affecting enterprises. As mentioned above, the macro environment includes four categories: political, economic, technical, and social and cultural [2]. The first is the political environment. The political environment refers to the political elements that affect and restrict enterprises and the legal system. It includes the national political system, political and military situations, policy guidelines, and laws and regulations. Clothing exports are increasingly blocked in the face of shrinking international markets. As a labor-intensive industry, enterprises shall control and regulate their production and business activities in accordance with national laws and regulations. But at the same time, different policies may have different opportunities. The second is the economic environment. The economic environment refers to the socioeconomic conditions and national economic policies that make up the survival and development of enterprises. The economic environment specifically includes the socioeconomic system, economic structure, macroeconomic policy and level of economic development. Measures of a country's economic environment include policies such as gross national product, national income, employment level, price level, size of distribution of consumer spending, balance of payments status, etc. The country's economic growth rate has slowed since the economic crisis. At the same time, with the decrease in disposable income, this directly affects the size of people's demand. If people's income decreases, people's desire to consume decreases as well, leading to a decrease in the purchase of products. On the other hand, a decrease in people's income savings will lead people to become more price-sensitive and clothing beyond their dominant level will not be purchased. This can lead to the closure of high-class clothing or high-class industries. People's disposable income determines their purchasing power. When a country's disposable income is high, it also represents a country's high level of economy. The economic condition of a country affects the performance of specific industries and enterprises, so the economic environment has a significant impact on the production and operation of enterprises. Thirdly, the technical environment refers to the current level of science and technology related to the enterprise, development trend, and national technology policy. There are pros and cons to the rapid development of social technology and the changeable impact of the technological environment on enterprises. Businesses must respond accordingly to changes in new technologies. Fourthly, the social and cultural environment refers to the formation and change of factors such as social structure, customs, religious beliefs, living standards, cultural level, population size and geographical distribution in the area where the enterprise is located. The sociocultural environment affects businesses slowly, but does not mean that it does not matter. Because different countries have different development histories, different cultural backgrounds can lead to cultural differences between the East and the West. A business must adopt a different management model if it wants to develop internationally. Businesses can adopt different models according to different cultural customs, such as more open-minded Western ideas and avant-garde ideas, then Western costumes can be bold. In areas that are backward or not open-minded, conservative clothing can be adopted. All in all, respect for the local culture.

4. Analysis of cases

The following is an analysis of the specific clothing company's PEST model. We focused on the analysis of Adidas Enterprise among the three companies. In today's world, many countries are stable in politics and social stability, which provides a good political environment for the development of Adidas in the international market. The relationship between political environment and garment enterprises is that political environment has an impact on garment enterprises also react to political environment. Designers can use design to communicate ideas that are to be interpreted in different

political contexts. Rising labor costs in Asia have prompted global brands to shift manufacturing back home. The state now puts the focus of all economic work on improving economic efficiency [4]. With the popularity of sports and the development of national sports, the sports economy is getting more and more attention, and consumers are increasing their demand for sportswear and shoes and increasing their awareness of buying sports products. Due to the improvement of people's living standards, the competition between clothing companies has become fierce, and the choice of clothing materials and whether they use high-tech has also become one of the consumer selection criteria. In the market, Adidas quickly won the initiative and expanded its market share. Adidas uses better materials and technology to give customers a better experience. The company uses vertically curved special mesh on both sides of the front chest and back of the clothes to make athletes feel cooler and more comfortable while exercising and perform at their best. Adidas combines the diverse cultures of the world and blends in different aesthetics of many countries to produce clothes and shoes with various patterns, which also reflects the way it operates in society. The basis social responsibility that enterprises should undertake is to improve their competitiveness and show their advanced nature in national social and economic activities. It embodies the will of the state and plays a fundamental role in national macroeconomic regulation and control. Safeguarding civil rights, people's livelihood and people's interests in promoting the construction of a harmonious society, demonstrating the mainstay style. it is an exemplary force in safeguarding social equity, justice and sustainable development [5].

The analysis of environmental problems should not only be carried out from the macro- and micro-aspects of enterprise environmental analysis, but also from the environment itself. There are many standards to measure the quality of the environment of a garment enterprise, such as the materials used in clothing, the environmental health of the enterprise, and whether the enterprise has any publicity in protecting the environment. Next, this paper will analyze the environmental implementation of Adidas, Lululemon, and Under Armour.

The first is whether the site includes reports related to the environment. Research reveals that only Lululemon, out of the three websites, has environmental reports after consulting a wealth of information. Lululemon Impact Report, which describes progress in supporting human well-being and fulfilling commitments to restore a healthy planet [6]. Impacts Highlight 2021, which introduces the implementation plan for changing the community and the environment, as well as the innovation plan. A climate action plan is also included in the second report, it appears to employ renewable energy sources and create a recycling ecosystem [6]. Information on fostering collaboration and cutting-edge raw materials is also included in the paper.

The second criteria is whether the website has some detailed information. Adidas offers a wealth of information on how to work together to reduce plastic pollution with the influence of sports, transform beach plastic waste into useful goods, as well as work together with others across the world to find answers [7]. Lululemon offered thorough details on particular climate action objectives, filtering water, and photos.

The third one discusses the components of clothing. Adidas actively encourages the usage of common materials and uses them in their goods. The organization advises reusing natural and environmentally friendly items, like marine plastics. Additionally, it encourages the creation of reusable items rather than disposable ones, the reduction of waste, and the use of high-performance products to combat global warming [7]. The website of Lululemon advises the creation of novel, long-lasting, and durable materials to combat the loss of natural resources [6]. In order to use at least 75% sustainable resources, the company advocates circular ecosystem solutions. Underarmour encourages the use of robust and cutting-edge materials including recycled polyester, long-lasting water repellents without fluorine, and deodorizing and non-insecticidal technologies [8]. It is advised to use innovative dyes and advocate for the use of sustainable, performance-oriented materials in production.

5. Conclusion

In this article, the enterprise environment analysis related to clothing enterprises, the PEST model, and the implementation of three specific metrics by three websites are specifically discussed. In order to adapt the enterprise strategy to the environmental characteristics, the enterprise must analyze the environmental situation specifically. Analyze and evaluate the environment of a clothing enterprise, which firstly depends on the physical environment of the enterprise, the implementation effect of clothing materials, or external publicity. The second is to conduct an enterprise environment analysis. As mentioned in the article, enterprise environment analysis specifically includes analysis of macro and microenvironment. Because the enterprise is volatile, uncontrollable, and differentiated, it has to grasp the external environment of the enterprise. For the macroenvironment of the enterprise, it is necessary to grasp the political, economic, technical, social, and cultural aspects. When a business understands the factors that restrict its development, adjusts its operational status, understands the economic policies that make up its survival and development, grasps the science and technology related to the business, and adapts to different social cultures, it can grow internationally and in the long term. The current content is limited to theoretical information and lacks specific data, and some economic data related to the macro-environment and information on the physical environment of clothing enterprises may be mentioned in future articles.

References

- [1] Library Jin Chutou. (2018) Analysis of macro environment of garment industry. <https://wenku.so.com/d/414e61d47f8fbeaa911b77738005b57d>
- [2] MBA. (not mentioned) Corporate Environment Analysis. <https://wiki.mbalib.com/wiki/%E4%BC%81%E4%B8%9A%E7%8E%AF%E5%A2%83%E5%88%86%E6%9E%90>
- [3] Li Yangfang. (2019). Enterprise macro-environment analysis and countermeasure exploration. *Time Report* (05), 150-151.
- [4] Hua AP. (1983) Enterprises from 'simple production type' to 'production management type' the inevitable trend of development. 004(2). 33-34.
- [5] Sun LY& Liu W. (2016) From 'Western Discourse' to 'Local Concern' —The triple variations of Corporate Social Responsibility Theory and its enlightenment in China. 005(6). 104-109.
- [6] Lulelemon 2022, Lululemon, viewed 5 January 2023, <https://shop.lululemon.com/>
- [7] Adidas 2023, Adidas, viewed 5 January 2023, <https://www.adidas.com/us/>
- [8] Underarmour 2023, Underarmour, viewed 5 January 2023, <https://www.underarmour.com/en-us/>