Context Business Of The Footwear Sector

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Abstract

In the context of globalization, the growing manufacturing sector share in the activity economy of a country, allow demonstrate a higher level of development economic; so the greater the level progress of a country’s industry, which represents a higher level of development economic (Chasqui & Soto, 2016, p. 8). In the which shoe manufacturer _ _ had decreases the year 2019 of 6.9% compared to the year 2018 (ACICAM, 2019), it is for the rest that the present research presents the current context of the footwear sector according to indicators of the sector and also with a field work to know using the explorative methodology, such as feel the sector that should be competitive and how they feel compared to what should be the footwear sector.

Keywords: Footwear Sector, Context business, competitiveness

Introduction

In the last years has been seen as in the shoe case _ decrease obeying the dynamics growing imports, since for the _ the year 2019 was already beginning to be noticed problems in regarding the sales of the footwear industry, since they were registered variations of -6.9% and -2.7% respectively, for which it has affected the job provoking reduction of personnel in the factories, since, it was registered a drop of 7.7% due to the decline in fundamental variables, it is due mainly to the drop in domestic demand, to the decrease in local orders, exports down and down sales projections _ expected (figure 1) (ACICAM, 2019; Inexmoda, 2019).
So same, many businessmen in the sector, manifest his issue plus great is the decrease in demand, which will increase his loss volume up to 19% (ACICAM, 2019). In As for exports, in the last years the footwear sector and its parts they have Dyed decrease year after year, so much so that the year 2019 ended registering exports for 33.3 million dollars, with a drop of 6.8%, compared to exports accounted for in 2018; for other part, regarding exports of footwear _ finished, are you reached USD 27.9 million with a variation of -3.1% in values and a 7.3% drop in quantities, for a total of 1.8 million pairs (ACICAM, 2019; Inexmoda, 2019), as shown below (see figure 2).

![Variation % year-to-date in production, sales and employment in the Footwear industry](image)

**Figure 1.** Variation % year-to-date in production, sales and employment in the Footwear industry. Source: (ACICAM, 2019).

<table>
<thead>
<tr>
<th>Chapter</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Var 19-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Footwear and its parts</td>
<td>40,002,433</td>
<td>35,733,603</td>
<td>33,312,076</td>
<td>-6.8%</td>
</tr>
<tr>
<td>Footwear in US$FOB</td>
<td>30,008,949</td>
<td>28,764,259</td>
<td>27,861,277</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Footwear in No of pairs</td>
<td>2,302,555</td>
<td>1,957,020</td>
<td>1,815,086</td>
<td>-7.3%</td>
</tr>
<tr>
<td>shoe parts</td>
<td>9,993,484</td>
<td>6,969,345</td>
<td>5,450,799</td>
<td>-21.8%</td>
</tr>
<tr>
<td>Total chain of leather and footwear</td>
<td>194,717,402</td>
<td>166,723,893</td>
<td>147,812,524</td>
<td>-11.3%</td>
</tr>
</tbody>
</table>

**Figure 2.** Evolution of exports of footwear and its parts from January to December from 2017 to 2019 in US$FOB Source: Authors, adaptation of (ACICAM, 2019).

Also, this problem has come presenting during the last years as shown by ACICAM; since when it is carried out a projection of these data it is obtained that the exports will be each time less as shown _ in figure 3.
According to the type of study, the methodology is framed in the quantitative, since there will be a review of quantifiable variables, which will be investigated in reliable databases and associations such as ACICAM that generate studies on the sector that will also be complemented with field work. exploratory, to be able to perceive certain affirmations of the sector with respect to the object of study, for which the methodological scope is descriptive and exploratory.

**Analysis of research information**

What for companies Colombian women in the footwear industry have What main footwear sales destinations to Ecuador, the United States and Costa Rica, where, for the year 2019, compared to the year 2018 they had variations of -19%, 30% and -5% respectively; in regarding exports of footwear parts totaled 5.4 million dollars, presenting a drop of 21.8%, as result of the decrease in sales to Ecuador, Belgium and Mexico, the decline in variance values they were given by the decrease in sales to Ecuador, Bolivia, Panama and Venezuela (ACICAM, 2019).

for another part, imports of footwear and its parts they have increased over the last years, in 2019, a value of USD 419.4 million was registered with a variation of 6% compared to 2018, mainly from countries such as China and Vietnam with variations of 9% and -3% respectively (ACICAM, 2019; Inexmoda, 2019). (See figure 4).

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</tr>
</thead>
<tbody>
<tr>
<td>Footwear and its parts</td>
<td>355,341,243</td>
<td>396,212,052</td>
<td>419,463,696</td>
<td>6%</td>
</tr>
<tr>
<td>Footwear in US$CIF</td>
<td>347,935,258</td>
<td>388,030,536</td>
<td>409,938,028</td>
<td>6%</td>
</tr>
<tr>
<td>Footwear in No of pairs</td>
<td>34,075,680</td>
<td>37,903,682</td>
<td>39,958,914</td>
<td>5%</td>
</tr>
<tr>
<td>shoe parts _</td>
<td>7,405,985</td>
<td>8,181,516</td>
<td>9,525,668</td>
<td>16%</td>
</tr>
<tr>
<td>Total chain of leather and footwear</td>
<td>511,844,627</td>
<td>574,339,228</td>
<td>607,318,530</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Figure 4. Evolution of Colombian imports of footwear and its parts from January to December from 2017 to 2019 in US$CIF. Source: Authors, adaptation of (ACICAM, 2019).**

the above described It represents tall threats of what is watching in the sector, towards the company, since it produces unemployment, decrease in sales, in Yeah losses for companies and their reference
groups; what in a projection to the year 2026 is shown what the sector will look affected by footwear imports (Figure 5).

The above shows how to the year 2026 will have an increase of 15.06% of imports in footwear with respect to the year 2020; In addition, the competition international is not done wait to have better technology and innovation in their processes for which they can produce more low prices. shoe industry must prepare for a stage extremely demanding, since the difficulties in production resulting from efforts to contain the Covid 19 epidemic that will join a unprecedented drop in demand (Portuguese Shoes, 2020, p. 13). In the context of the city of Cúcuta, the companies of the sector stand out for have high quality in its products, for being elaborated by hand and diversity of them according to the information collected; in East case, in organizations it is believed that their competitiveness in first instance, marketing followed by the quality of the products, materials and compliance (Figure 6). 100% of these organizations does not perform studies of its competitors and only 20% benchmarking.

What are the key factors of competitiveness in the footwear sector?

- cumplimiento y efectividad
- Calidad de los productos y procesos
- Materiales e insumos (abastecimiento)
- Marketing
- Productividad
- Cadena de valor de los productos

Figure 6. Key factors of competitiveness.
In as for the profile competitive of the companies, it is manifested that in the sector stand out for to be focused in good quality of the products followed by diversification and innovation (Figure 7).
Technological factor.

For companies in the city's footwear sector, they consider that it is an important factor. What ensures 60% of the interviewees (Figure 8):

This is considered very important for business efficiency since it affects directly to their efficiency, as assure the interviewed (Figure 9).
In addition, it ensures that the team of technicians advanced in the process of production of the company does not affect customer satisfaction, since many of them prefer good quality regardless of the level of technology of the production process (Figure 10); these results reflect the quality of footwear manufacturer in the city, that is to say, the trajectory of experience of all the sector in the last years that has been working in a traditional way without including yet machinery that replaces the hand of the shoemakers cucuteños.

Figure 9. Process productive of the company.

And at the same time it is not considered to affect the sales and profit levels of the organizations according to manifest the interviewed (figure 11).

Figure 10. Customer satisfaction.
the strategies commercial for companies include investments in infrastructure and technology, it is for that even though he country it has a large number of tanneries nationals, the quality of the leather marketed does not meet the demands of employers as it is being presenting a high rate of waste caused due to the shortage of new technologies in the leather process, which is why the best pieces are being selling to international markets since they meet international market requirements (Legiscemex, 2017; Pineda & Mendoza, 2018).

for another side, according to Morales Fuquene (2019) the implementation of new technologies in shoe companies allow them to be share of the global market, these technologies They can be manufacturing and information What the digital business oe trade with the arrival of industry 4.0 (p. 1, 2). to your time, this author, highlights that at the level national, the footwear sector have low the levels of adoption of new technologies, tools and modern business models, for which the digital transformation in MSMEs is still found in a stage early and that makes it difficult for companies to be able to compete in the market, for which the adoption of new technology for both manufacturing and digital commerce, can make a big change in the current panorama of MSMEs in the footwear sector (Morales Fuquene, 2019, p. 31).

dthis is a reality that lives all the manufacturing sector and the footwear sector is one of them, since the idea of having machinery and equipment for production given that companies prefer to invest in equipment for the areas administrative, which justifies the why of the waste in the subjects premiums, increasing the costs and lower efficiency (Figure 12)
Also, this area has been the one that the sector more fast has developed in technology as well as purchasing and sales logistics; case contrary to area productive in which is where less machinery and equipment have been implemented in the sector (Figure 13).

Figure 13. Evolution company technology.
Conclusions

Globalization enables the territorial compartmentalization of the process productive, which gives rise to the arrangement of chains value chains, creation of platforms technological which expand the internal organization capabilities of companies, as well as that of its links with suppliers and customers; also brings innovations in the process productive, which determines the pattern of competition conforms globally and the use of Commerce with respect to the purchases and sales of companies, however, as consequence tend towards the incorporation of means for the commercialization and search of markets, in all the countries (Gonzalo, 2016). This is where the new trend world shopping for platforms computing leads entrepreneurs to generate new strategies for the industry manufacturing have their own stores and achieve generate greater profitability in the prices for part of eliminating middlemen towards the end customer. This trend is directed pose a challenge towards the industries manufacturers to generate digital marketing that helps them generate new markets and customers potentials in all the world.

Furthermore, when generating new means for the creation and dissemination of information the countries establish new dynamics economic, cultural and social since they are born new demands based on the behavior of the consumers, which makes the offer of products and services also have constants changes and leads to _ relationship offer-demand that involves the generation of new jobs, forms of production, increased competitiveness and the need of companies for being more productive (Morales Fuquene, 2019, p. 3,4).

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