

Best Practices of Clothing Businesses in Talavera, Nueva Ecija, A Foundation for Strategic Business Advancement

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Abstract— This study primarily aimed to determine the best practices of clothing businesses to use it as a foundation of strategic business advancements. Moreover, the frequency with which the business's best practices are tracked, which best practices are the most targeted of the apparel firms to be retained, and how does best practices can be used as strategic business advancement. The respondents of the study is the owners of clothing businesses in Talavera, Nueva Ecija. Data were collected and analyzed using a quantitative approach and utilizing a descriptive research design. Unveiling best practices of clothing businesses as a foundation for strategic business advancement through statistical analysis: frequency and percentage, and weighted means analyzing the data in terms of identifying the most to the least important performance indicators of the businesses among all of the variables. Based on the survey conducted on clothing businesses in Talavera, Nueva Ecija, several best practices emerge across different areas of business operations. These practices are categorized into three main sections, section one being the Business Profile and Legal Requirements, followed by the tracking of indicators in terms of Product, Place, Promotion, and Price, and Key Performance Indicators (KPIs) covering finance, marketing, production, technical, and distribution aspects. The research study delved into identifying the core best practices of clothing businesses, serving as a strategic guide for their advancement. Through meticulous analysis, several key findings emerged. Firstly, prioritizing product factors, such as maintaining optimal stock levels and maximizing customer satisfaction, was deemed essential for driving sales and fostering loyalty. Additionally, selecting the right store location was crucial for visibility and accessibility, directly impacting footfall and sales. Vigilance towards competitors and demographic shifts was highlighted as essential for maintaining relevance. Understanding the relationship between marketing spend and customer acquisition proved pivotal for optimizing budgets and achieving a higher ROI. Strategic analysis of profit margins across clothing items emerged as crucial for maximizing profitability and revenue. Creating a positive customer experience, investing in employee training, and implementing effective inventory management practices were also identified as critical success factors. In essence, these findings underscored the holistic approach needed for sustainable growth in the clothing business, emphasizing the importance of product management, marketing strategies, customer experience, and operational efficiency.

Keywords— Best Practices; Clothing Business; Key Performance Indicators; Strategic Business Advancement

I. INTRODUCTION

Nestled in the heart of Nueva Ecija, Talavera is a town known for its depth of cultural richness. Talavera's economy has changed significantly in the last several years, with an emphasis on the apparel industry's critical role in the town's overall prosperity. Talavera's local textile businesses operate in a dynamic and competitive market as the apparel industry changes. Acknowledging the necessity for strategic

insights tailored to Talavera's unique setting, this study attempts to uncover key success indicators through best practices with an emphasis on revealing tactics and possibilities that lead to strategic business advancement.

A clothing business involves designing, producing, or retailing apparel and accessories. It can range from retailing clothes in stores to operating an online boutique catering to various fashion needs. The industry is run by many people

and craftspeople involved in clothes manufacturing, such as embroiders, tailors, seamstresses, etc. The industry is supported by fashion professionals, including models, hair stylists, model agents, make-up artists, photographers, and other non-fashion service providers, making up a larger ecosystem.

The clothing industry is fast-evolving with changing fashion trends and consumer demands. The internet has broadened the scope of starting a clothing brand, allowing business owners to reach target audiences across boundaries.

The purpose of this study is to provide a strategic basis for local companies and stakeholders by identifying these distinct best practices. The insights obtained herein are intended to go beyond standard business advice, giving practical information to aid decision-making processes. Finally, the purpose of this research is not only to understand the Genetics of successful clothing enterprises in Talavera, but also to provide the foundation for strategic plan that support development and resilience in this distinctive region's ever-changing economic landscape.

As Quismondo et al. (2020) pointed out, best practices in the business domain aim to provide individuals with specific direction by combining research findings with real-world experience in their advancement. By combining research and practical experience, this synthesis highlights the roots of these practices and highlights how important it is for professionals to have a thorough framework to help them navigate the complicated details of their sectors.

Statement of the Problem

This study aims to identify key success indicators of clothing businesses in Talavera and how they could serve as a foundation for strategic business advancement. Specifically, the study aims to determine the answers to the following questions:

1. How may the business profile of clothing businesses be describe in terms of;

- 1.1 Type of Business Ownership
- 1.2 Capitalization
- 1.3 Source of Capitalization
- 1.4 Years of Operation
- 1.5 No. of Employees
- 1.6 Monthly Income
- 1.7 Legal Requirements
- 1.8 Tax Obligations

2. How the business indicators strategy be tracked through 4P's of Marketing Mix in terms of;

- 2.1 Product

2.2 Place

2.3 Promotion

2.4 Price

3. What are the key performance indicators of clothing businesses in Talavera in terms of;

3.1 Finance

3.2 Marketing

3.3 Production

3.4 Technical

3.5 Distribution

4. Formulation of business plan strategy for advancement based on the findings of the study.

SCOPE AND DELIMITATION

This study focuses on identifying best practices in clothing businesses and using them as a basis for strategic business advancement. Clothing business owners in Talavera, Nueva Ecija, were the primary respondents. The researchers collected the necessary data using survey questionnaires.

II. RESEARCH METHODOLOGY

The study utilized a quantitative descriptive method to identify best practices for strategic business advancement in clothing businesses in Talavera, Nueva Ecija. Conducted in this rapidly growing municipality, the research involved twenty clothing shop owners selected through simple random sampling. Data was gathered using a survey questionnaire with three sections: business profile, tracking business indicators, and key performance indicators (KPIs). The data analysis employed frequency counts, percentages, and weighted means to classify and interpret findings. Ethical considerations included ensuring participant consent, maintaining confidentiality, and avoiding biased or misleading information. The study aimed to offer insights for strategic planning and enhancing business practices in the local clothing industry.

III. RESULTS AND DISCUSSION

This chapter presents the findings, analysis, and interpretation of data gathered, whose main objective is to determine the best practices of clothing businesses in Talavera, Nueva Ecija, a foundation for strategic business advancement.

1. Business Profile

Table 1.1 Type of Business Ownership

TYPE OF BUSINESS OWNERSHIP	FREQUENCY	PERCENTAGE
Sole Proprietorship	19	95%
Partnership	1	5%
Corporation	0	0%
Limited Liability Company	0	0%
Franchise	0	0%
Others	0	0%
TOTAL:	20	100%

Table 1.1 presents the type of business ownership. The majority of the respondents were "sole proprietor" with a frequency of 19, which equates to 95% of the respondents, and the least was "partnership" with a frequency of 1 or 5% of the respondents. It can be noted that from the 20 respondents in the clothing businesses in Talavera, Nueva Ecija, the most significant number of respondents in the business ownership bracket was "sole proprietors".

According to Abkowitz and Roulac (2015) There is significant importance of business profile analysis in such way that it provides insights on how an entrepreneur can understand their own strengths and weaknesses as well as those of their competitors, which helps to inform strategic decision-making.

Table 1.2 Capitalization

CAPITALIZATION	FREQUENCY	PERCENTAGE
Php. 50,000 or below	11	55%
Php. 50,000 to 100,000	7	35%
Php. 100,000 to 150,000	1	5%
Php. 150, 000 to 200, 000	0	0%
Php. 200, 000 or more	1	5%
TOTAL:	20	100%

Table 1.2 presents the amount of capitalization of the clothing business. The majority of the respondents used "Php.50,000 or below," with a frequency of 11, which equates to 55% of the respondents, while "Php.50,000 to Php.100,000" respondents had the least with a frequency of 7 or 35% and the most least used a capital of "Php100,000 to Php.150,000 and Php.200,000 or more" with both the frequency of 1 that equates to 5% each for both. It shows that the greatest number of 11 among 20 respondents of clothing businesses in Talavera, Nueva Ecija used only Php.50,000 or below as capitalization.

Table 1.3 Capitalization

SOURCE OF CAPITALIZATION	FREQUENCY	PERCENTAGE
Personal Savings	17	85%
Bank Loans	2	10%
Venture Capital	0	0%
Investors	1	5%
TOTAL:	20	100%

Table 1.3 presents the source of capitalization of the respondents. Most of the respondent's capital were from "Personal Savings" with a frequency of 17, equating to 85%, while the respondents who used "Bank Loans" as source of capitalization were second the least with frequency of 2 or 10% of the respondents and the most least was through "Investors" with frequency of 1 and percentage of 5%. It shows that the greatest number of the 20 respondents of clothing businesses in Talavera, Nueva Ecija's source of capitalization was from Personal Savings.

According to Robinson (2024). Borrowers from credit, such those who use bank loans upon putting up a small business face more difficult borrowing conditions than those who avoid of debt, which is a primary motivating factor to use personal savings as a primary choice in funding their respective businesses.

Table 1.4 Years of Operation

YEARS OF OPERATION	FREQUENCY	PERCENTAGE
Less than 1 Month to 1 Year	8	40%
1 to 3 Years	5	25%
3 to 5 Years	2	10%
5 to 10 Years	1	5%
Over 10 years	4	20%
TOTAL:	20	100%

Table 1.4 presents the years of operation of the clothing businesses. Majority of respondents in the sample have been in operation for “less than 1 month to 1 year” with 40% falling into this category with the frequency of 8 respondents, least equates to 25% with the frequency of 5 respondents which operates for “1 to 2 years”, while only a small proportion of frequency of 2 among respondents which is 10%, have been operational for “3 to 5 years”, similarly, a mere 5% have been operational for “5 to 10 years” which equates 1 respondent only, the remaining 20% out of 100% equates to the 4 respondents who was in operation for “Over 10 years”.

According to Sethuraman (2014) The number of years of a business in its operation draws an empirical evidence that a business years of operation influences its success and longevity, which shows an impact on how a firm age on its performance.

Table 1.5 No. of Employees

NO. OF EMPLOYEES	FREQUENCY	PERCENTAGE
1 to 5 Employees	20	100%
6 to 10 Employees	0	0%
11 to 15 Employees	0	0%
16 to 20 Employees	0	0%
Over 20 Employees	0	0%
TOTAL:	20	100%

Table 1.5 presents the No. of Employees of the clothing businesses in Talavera, Nueva Ecija. All of the 20 respondent’s workforce or employees were only ranging from “1 to 5 Employees” with a frequency of 20, which equates to 100% of the respondents.

According to Landers et al. (2024) It is not uncommon to see a group of employees congregating in a retail setting, it affects the the customer behavior, Drawing from social impact theory consumers feel more intimidated by groups of employees than lesser or individual employees. These feelings of intimidation lead to lower intentions to approach employees, and, through this, lower purchase intentions.

Table 1.6 Monthly Income

MONTHLY INCOME	FREQUENCY	PERCENTAGE
Php. 50,000 or below	18	90%
Php. 50,000 to 100,000	2	10%
Php. 100,000 to 150,000	0	0%
Php. 150, 000 to 200,000	0	0%
Php. 200, 000 or more	0	0%
TOTAL:	20	100%

Table 1.6 presents the Monthly Income of the clothing businesses in Talavera, Nueva Ecija. Most of the respondents have an monthly income of “Php.50,000 or below” with a frequency of 18, which equates to 90% of the respondents, and the least was “Php.50,000 to Php.100,000” with a frequency of 2 or 10% of the respondents. It shows that from the 20 respondents in Talavera, Nueva Ecija, the greatest number of respondents in the clothing businesses annual income is “Php.50,000 or below”

Based on the article written in CPBRD (Congressional Policy and Budget Research Department) House of Representatives Congress of the Philippines (2024) FF2020-19: MSMES IN THE PHILIPPINES. Micro, small and medium enterprises (MSMEs) are considered the backbone of many economies in the world including the Philippines. Accounting for 99.5% of the total number of business establishments in the country, the Department of Trade and Industry (DTI) estimated that MSMEs contributed 35.7% of the total value-added or gross domestic product in 2018. MSMEs generated 5.7 million jobs or 63.2% of the total employment in 2018. Collectively, MSMEs are those with employee size of less than 200 and with asset size of below P100 million.

Table 1.7 Legal Requirements

LEGAL REQUIREMENTS	FREQUENC Y	PERCENTAG E
DTI or SEC Registration Form.	13	65%
Community Tax Registered	12	60%

Public Liability Insurance	11	55%
Environmental Permit	12	60%
Barangay Clearance	11	55%
BIR Registered	15	75%
Sanitary Permit	12	60%
Mayor’s Business Permit	18	90%
Zoning Clearance	11	55%
Fire Permit	12	60%
Occupancy Permit	14	70%
Land Title or Contract of lease	14	70%

Table 1.7 presents the legal requirements survey conducted among respondents operating clothing businesses which revealed a comprehensive overview of the regulatory landscape they navigate. Respondents reported varying degrees of compliance. Notably, the frequency distribution of responses ranged from a low of 11 to a high of 18, reflecting the spectrum of regulatory adherence among respondents. A significant majority of respondents, constituting 65%, indicated compliance with the “Department of Trade and Industry (DTI)” or “Securities and Exchange Commission (SEC) registration”. This reflects a widespread understanding of the importance of formal business registration among clothing entrepreneurs with the frequency of 13, similarly, a substantial proportion of respondents, totalling 75%, reported registration with the “Bureau of Internal Revenue (BIR)”. Compliance with tax obligations is crucial for legal and financial integrity, and the high percentage suggests a commendable level of tax awareness among respondents with frequency of 15, while the “Mayor’s Business Permit” emerged as the most widely fulfilled requirement, with an overwhelming 90% of respondents indicating compliance. This indicates a strong regulatory culture within the surveyed business community, with the majority recognizing the necessity of obtaining the requisite permits from local authorities equates to frequency of 19 respondents, 60% of respondents reported compliance with both “Community Tax Registration” and “Environmental Permit requirements” which signify a substantial majority of respondents meeting these regulatory obligations with both has the frequency of 12 as same as also complying on having “Fire Permit”, the least was other requirements such as “Barangay Clearance”,

Table 2.1 Product

“Public Liability Insurance”, and “Zoning Clearance” which hovered around the 55% compliance range that equates to the frequency of 11 out of the three.

According to Holmes and Salvino (2016) It is significant to have proper contracts in business operations, it emphasizing the importance of clear and enforceable contractual agreements. In addition to business formation and contractual matters, legal framework and requirements must be met. Moreover, the authors discuss the regulatory environment in which businesses operate, covering areas such as health and safety standards, environmental regulations, taxation laws, and industry-specific compliance requirements. They underscore the importance of understanding and complying with these legal mandates to mitigate risks and ensure long-term sustainability.

Table 1.8 Tax Obligation

TAX OBLIGATION	FREQUENCY	PERCENTAGE
Php. 50,000 or below	20	100%
Php. 50,000 to 100,000	0	0%
Php. 100,000 to 150,000	0	0%
Php. 150, 000 to 200, 000	0	0%
Php. 200, 000 or more	0	0%
TOTAL	20	100%

Table 1.8 indicates a basis of a result that 100% of the respondents are in compliance with “Tax Obligation of Php.50,000 or below” that equates to frequency of 20 among all of the 20 respondents.

According to Orbitax Philippines (2024). The corporate tax rate is 20% (reduced from 30% effective 1 July 2020) for micro, small and medium enterprises (MSMEs), including domestic corporations with taxable income up to PHP 5 million and total assets (excluding land) up to PHP 100 million.

Moreover, According to Milanez 2017 the role of businesses in the tax system. In addition to being taxed directly, businesses act as withholding agents and remitters of tax on behalf of others. Businesses play an important role in the tax system, both as taxpayers and as remitters of tax.

2. Tracking Business Indicators through 4P’s of Marketing Mix

2.1 PRODUCT	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Maintaining optimal stock levels and understanding product popularity is critical for effective inventory management.	3.5	Very Important
2. Ensuring high customer satisfaction with product quality and variety is essential for building brand loyalty and retaining customers.	3.6	Very Important
3. Tracking the sales performance of different product lines provides valuable insights for strategic decision-making and maximizing revenue.	3.4	Important
4. Efficient inventory management, including monitoring stock levels and product popularity, directly impacts operational efficiency and customer satisfaction.	3.55	Very Important
5. Customer feedback on product quality and variety helps identify areas for improvement and innovation, driving long-term success in the market.	3.5	Very Important

Table 2.1 indicates the perceived importance of various aspects related to product management and customer satisfaction. “Maintaining optimal stock levels and understanding product popularity” This aspect received a weighted mean score of 3.5, indicating that respondents find it "Very Important." It underscores the critical nature of effective inventory management for businesses, highlighting the significance of staying informed about product demand and stock levels to meet customer needs efficiently. “Ensuring high customer satisfaction with product quality and variety” With a weighted mean score of 3.6, respondents consider this aspect "Very Important." It emphasizes the essential role of product quality and variety in building brand loyalty and retaining customers, indicating that businesses prioritize meeting customer preferences to foster lasting relationships. “Tracking the sales performance of different product lines” This aspect received a weighted mean score of 3.4, indicating that it is considered "Important" by respondents. While not as critical as the previous aspects, it highlights the value of leveraging sales data to inform strategic decision-making and revenue optimization, indicating a recognition of the importance of data-driven insights. “Efficient inventory management” This aspect received a weighted mean score of 3.55, indicating that respondents view it as "Very Important." It emphasizes the direct impact of efficient

inventory management on operational efficiency and customer satisfaction, underscoring the need for businesses to monitor stock levels and product popularity closely to enhance overall performance. “Customer feedback on product quality and variety” With a weighted mean score of 3.5, respondents consider this aspect "Very Important." It underscores the importance of soliciting and leveraging customer feedback to drive continuous improvement and innovation in product offerings, highlighting its role in ensuring long-term success in the market.

Overall, the survey results reveal a consensus among respondents regarding the critical importance of various factors related to product management and customer satisfaction. Businesses are urged to prioritize strategies that optimize inventory management, enhance product quality and variety, leverage sales data for decision-making, and actively seek and incorporate customer feedback to drive sustained success in the market.

According to Salmi et al. (2022) Product-orientation and dependency on the current product portfolio affect the way the companies can transform the business models. Companies need to develop capabilities to sense opportunities, to break away from a linear business culture and restructure the firm resources accordingly.

Table 2.2 Place

2.2 PLACE	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Selecting a strategic store location increases visibility and accessibility, attracting more customers and driving sales.	3.5	Very Important

2. Regularly evaluating the competition and demographic changes in the area ensures your store location remains relevant and appealing to target customers.	3.4	Important
3. Regularly monitoring customer traffic and footfall allows for timely adjustments to marketing strategies and store layout to maximize sales potential.	3.45	Important
4. Implementing effective signage and way finding systems improves navigation and reduces customer frustration, leading to a better experience.	3.45	Very Important
5. Creating a welcoming and visually appealing store environment enhances customer satisfaction and encourages longer dwell times.	3.45	Very Important

Table 2.2 presents the place of the clothing business and indicates its “Strategic store location” Rated as "Very Important" with a weighted mean of 3.5, indicating a consensus among respondents about its critical role in driving sales and attracting customers. “Evaluation of competition and demographics” Considered "Important" (3.4), highlighting the need for businesses to remain relevant and appealing by staying abreast of market dynamics. “Monitoring customer traffic” Rated as "Important" (3.45), emphasizing the significance of adapting marketing strategies and store layout based on real-time data to optimize sales potential. “Effective

signage and way finding” Also deemed "Important" (3.45), indicating the importance of improving navigation and enhancing the customer experience to foster satisfaction and loyalty. Lastly, “Creating a welcoming store environment” Again, rated as "Important" (3.45), underscoring the role of ambiance in customer satisfaction and engagement.

According to Rajbhadari and Acharya (2021) Businesses must utilize location theory, and decision analysis to optimize their geographical position in the realm of business and gain competitive edge in the market.

Table 2.3 Promotion

2.3 PROMOTION	WEIGHED MEAN	VERBAL INTERPRETATION
1. Regularly monitoring campaign performance enables timely adjustments to maximize reach and engagement, ensuring marketing efforts remain impactful.	3.25	Important
2. Testing different messaging and creative elements across channels for identifying the most compelling content for target audiences.	3.4	Important
3. Adopting a multi-channel marketing approach ensures broader reach and exposure to diverse audience segments, amplifying brand awareness and customer acquisition opportunities.	3.45	Important
4. Understanding the relationship between promotional spending and customer acquisition enables better budgeting and forecasting for future marketing campaigns.	3.65	Very Important
5. Utilizing analytics tools to assess campaign performance facilitates data-driven decision-making and enhances the overall effectiveness of marketing initiatives.	3.25	Important

Table 2.3 presents the promotion of the clothing business and indicates how important it is when it comes to “Monitoring campaign performance” Rated as "Important" (3.25), highlighting the need for agility in adjusting marketing strategies to maximize impact. “Testing messaging and creative elements” Also rated as "Important"

(3.4), emphasizing the importance of refining content to resonate with target audiences. “Adopting a multi-channel approach” Considered "Important" (3.45), indicating recognition of the value of broadening reach and exposure across diverse audience segments. “Understanding promotional spending” Rated as "Very Important" (3.65),

suggesting a strong emphasis on budgeting and forecasting for future campaigns. "Utilizing analytics tools" Deemed "Important" (3.25), highlighting the role of data-driven decision-making in enhancing marketing effectiveness.

According to Tedsungnon (2020) Clothes sales promotion activities and marketing activities are aimed at making the product acceptable and then the product is liked

by the market. With this sales promotion costs are generally lighter and the results achieved can be done in the short term. Clothing sales promotion using social media Facebook will be available with advertising facilities such as sponsored stories, CPC, Facebook page post ads, pages like Ads. Tendency of clothing sales promotions expect after buying, consumers will have the brand loyalty they bought

Table 2.4 Price

2.4 PRICE	WEIGHED MEAN	VERBAL INTERPRETATION
1. Analyzing profit margins on different clothing items helps identify high-performing products and optimize pricing strategies for maximum profitability.	3.35	Important
2. Comparing price positioning and perceived value against competitors helps identify opportunities to differentiate pricing strategies and enhance customer value perception.	3.25	Important
3. Analyzing the impact of promotional pricing on sales and profitability helps evaluate the effectiveness of discount strategies in driving revenue and customer acquisition.	3.15	Important
4. Understanding and monitoring price elasticity and adjustment of pricing to be made accordingly as strategies.	3.35	Important
5. Utilizing flexible payment options such as via cash, card, money transfer, etc. assess the overall effectiveness of marketing initiatives.	2.85	Important

Table 2.4 presents the price of the clothing business and indicates how important it is when it comes to "Analysis of profit margins" Rated as "Important" (3.35), indicating the importance of optimizing pricing strategies for profitability. "Comparison of price positioning" Also rated as "Important" (3.25), suggesting a need for differentiation to enhance customer value perception. "Analysis of promotional pricing impact" Considered "Important" (3.15), emphasizing the evaluation of discount strategies in driving revenue. "Understanding price elasticity" Rated as "Important" (3.35), indicating a recognition of the need for flexibility in pricing strategies. "Utilizing flexible payment

option": Deemed "Important" (2.85), suggesting a moderate emphasis on diversifying payment methods.

According to Hamdallah, et al (2014) Companies suffer a high level of competence which forces them to use costing systems in order to price their products, by taking into account material, labor and indirect costs. The study suggests that good quality and high effective cost accounting systems and modern techniques should be adopted and implemented.

3. Key Performance Indicators

Table 3.1 Finance

3.1 FINANCE	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Effective management and maximization of revenue ensure the sustainability of the business.	3.4	Important
2. Maintaining high profitability is crucial for the business sustainability.	3.45	Important
3. Emphasis must be placed on managing inventory turnover rate efficiently to ensure that products are sold quickly and efficiently without excessive holding costs.	3.45	Important

4. Placing value on regularly analyzing financial ratios such as liquidity ratios, profitability ratios, and solvency ratios to assess the financial health and performance of the clothing business.	3.5	Important
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Table 3.1 represents finance as a performance indicator in which, “Effective management and maximization of revenue ensures the sustainability of the business obtain the weighted mean of 3.4 which is verbally interpreted as “Important” Second statement is “Maintaining high profitability is crucial for the business sustainability” that obtain the weighted mean of 3.45 which is also verbally interpreted as “important” While, Third statement “Emphasis must be placed on managing inventory turnover rate efficiently to ensure that products are sold quickly and efficiently without excessive holding costs” obtain the weighted mean of 3.45 which is as well as interpreted as “Important” Lastly, Fourth statement “Placing value on regularly analyzing financial ratios such as liquidity ratios, profitability ratios, and solvency ratios to assess the financial health and performance of the clothing

business that obtain the weighted mean of 3.4 which is also interpreted as “Important”.

According to Fei et al.(2023)Cash is of great significance to the production and operation of enterprises. Cash flow has always been regarded as the "blood" of enterprise. Therefore, it is necessary to study the cash flow of clothing enterprises. To add up According to Tracy (2021) To succeed in today's business world, you must understand critical financial information on your internal management. Business Financial Information Secrets is focused on the internal producers and users of financial statements/information (from the inside out). If you don't understand cash flows you fail to understand the lifeline/blood line of a business.

Table 3.2 Marketing

3.2 Marketing	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Minimizing the cost associated with acquiring new customers while maintaining a steady flow of new clientele.	3.45	Important
2. Significance of having focus on increasing the lifetime value of customers by fostering long-term relationships and maximizing their overall value to the business.	3.3	Important
3. Establishing and maintaining strong brand awareness among your target audience is important to enhance brand recognition and attract more customers.	3.4	Important
4. Measuring the return on investment (ROI) of the marketing campaigns to ensure that resources are allocated effectively and generate positive results.	3.4	Important

Table 3.2 represents marketing as a performance indicator in which, “Minimizing the cost associated with acquiring new customers while maintaining a steady flow of new clientele “ that obtain the weighted mean of 3.45 which is verbally interpreted as “Important” Second statement is about “Significance of having focus on increasing the lifetime value of customers by fostering long term relationships and maximizing their overall value to the business “ that obtain the weighted mean of 3.3 which is also verbally interpreted as “Important” while the third statement is “Establishing and maintaining strong brand awareness among your target audience to enhance brand recognition and attract more customers” that obtain the weighted mean of 3.4 which is verbally interpreted as also

“Important” Lastly, fourth statement ,”Measuring the return on investment ROD of the marketing campaigns to ensure that resources are allocated effectively and generate positive results that obtain the weighted mean of 3.4 which is verbally interpreted as “Important”.

According to Kahya and Saraçgil (2015) Marketing strategies employed in apparel industry such as as branding, product positioning, pricing strategies, distribution channels, and promotional tactics, specifically tailors unqiues characteristics of a clothing business which leads to effective marketing practices aiming to enhance competitiveness and market performance.

Table 3.3 Production

3.3 PRODUCTION	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Crucially optimize production processes and streamline operations to maximize output while minimizing resources and time.	3.35	Important
2. Implementation of cost control measures to manage expenses effectively and ensure profitability.	3.6	Very Important
3. Stringent quality control measures are ensured for products to meet high standards of quality and customer expectations.	3.35	Important
4. Minimizing defect rates in the clothing business to reduce waste, improve product quality, and enhance customer satisfaction.	3.75	Very Important

Table 3.3 represents the production as performance indicator of the clothing business in which, “Optimization of production processes” is rated as "Important" with the weighted mean of 3.35, indicating the significance of maximizing output while minimizing resources and time. Moreover “Implementation of cost control measures” was deemed "Very Important" with the weighted mean of 3.6, highlighting the critical importance of managing expenses effectively to ensure profitability, while “Stringent quality control measures” is considered "Important" with the weighted mean of 3.35, emphasizing the need to meet high standards of quality and customer expectations, lastly

“Minimization of defect rates” is rated as high as "Very Important" with the weighted mean of 3.75, underlining the crucial role in reducing waste, improving product quality, and enhancing customer satisfaction.

According to Norum (2018) Sustainable apparel production and consumption must be addressed with an eye toward what needs to be considered as we position the discipline to address emerging issues and to prepare young professionals for the future. Given that apparel production and distribution occurs through a complex, global supply chain before reaching the consumer.

Table 3.4 Technical

3.4 TECHNICAL	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Efficient point-of-sale system that facilitates quick transactions, inventory management, and customer data capture must be applied.	3.6	Very Important
2. Collection and analysis of data on customer preferences, buying behavior, and market trends to make informed business decisions and improve strategic planning.	3.45	Important
3. Utilization of business software solutions such as inventory management systems, accounting software, and customer relationship management (CRM) tools to streamline operations and improve efficiency.	3.35	Important
4. Developing and enhancing employees' technological skills to ensure they are proficient in utilizing digital tools and systems relevant to their roles.	3.6	Very Important

Table 3.4 represents technical as a performance indicator in which, “Efficient point-of-sale system” is rated as "Very Important" with the weighted mean of 3.6, indicating the critical role in facilitating quick transactions, inventory management, and customer data capture, furthermore “Collection and analysis of customer data” is deemed "Important" with the weighted mean of 3.45, emphasizing the importance of informed decision-making and strategic planning based on market insights, moreover, “Utilization of business software solutions” is considered "Important" with the weighted mean of 3.35, highlighting the need to streamline operations and improve efficiency

through technology, lastly “Development of employees' technological skills” was Rated as "Very Important" with the weighted mean of 3.6, emphasizing the significance of ensuring proficiency in utilizing digital tools and systems.

According to de Queiroz (2014) being familiarized with the benefits of the marketing information system in companies that operate in the retail business. Moreover, according to de Queiroz (2014) being familiarized with the benefits of the marketing information system in companies that operate in the retail business.

Table 3.5 Distribution

3.5 DISTRIBUTION	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Ensure the efficiency and cost-effectiveness of your wholesale distribution channels in reaching retailers and expanding market reach.	3.6	Very Important
2. Ensure the efficiency and cost-effectiveness of your online distribution channels, such as e-commerce platforms and online marketplaces.	3.45	Important
3. Emphasizing the assurance of on-time delivery of orders to customers to enhance satisfaction, build trust, and maintain a positive brand reputation.	3.55	Very Important
4. Implementation of effective inventory management practices to track and synchronize inventory levels across various sales channels, including wholesale, retail, and online.	3.85	Very Important

Table 3.5 represents the distribution as a performance indicator of clothing businesses in which “Efficiency of wholesale distribution channels” is Rated as "Very Important" with the weighted mean of 3.6, underlining the importance of reaching retailers and expanding market reach cost-effectively, more over “Efficiency of online distribution channels” is deemed "Important" with the weighted mean of 3.45, highlighting the significance of leveraging e-commerce platforms and online marketplaces, to add up “Emphasis on on-time delivery” is rated as "Very Important" with the weighted mean of 3.55, emphasizing the importance of customer satisfaction and brand reputation, lastly, “Implementation of effective inventory

management practices” is rated as "Very Important" with the weighted mean of 3.85, underscoring the critical role in tracking and synchronizing inventory levels across various sales channels.

According to Ogunrin (2015) Distribution channels used by a apparel firms must be examined to investigate the association between the channels in use and the firms distribution involvement. In this era of sophisticated computer- and internet-mediated marketing practices, the larger proportion of entrepreneurs in developing economies deploys large marketing practices.

4. Business Strategic Plan

Aspect	Description	Suggestions
Formulation of Business Plan Strategy for Advancement	- Product aspects are identified as most critical to success in Talavera's clothing businesses.	- Focus on product quality, variety, and uniqueness to meet customer needs and preferences effectively.
	- Business strategy is deemed crucial, accounting for 25% of success factors.	- Develop a clear business strategy that aligns with market demands and allows for agile responses to economic and operational challenges.
	- Customer involvement is recognized as important, constituting 15% of success elements.	- Engage customers through interactive experiences, personalized services, and feedback mechanisms to foster loyalty and drive sales.
Challenges Encountered	- Economic issues pose significant challenges, impacting 30% of clothing businesses in Talavera.	- Implement cost-saving measures, negotiate favorable terms with suppliers, and diversify revenue streams to mitigate economic risks.
	- Market and operational challenges also hinder success, representing 15% of obstacles faced.	- Conduct thorough market research, streamline operational processes, and invest in staff training to address these challenges effectively.
	- Financial challenges are prevalent, affecting the sustainability of clothing businesses.	- Seek financial support through loans, grants, or partnerships, and maintain strict budgeting and financial planning to ensure stability and growth.

Resources or Support	- Business environment support is crucial, constituting 50% of success criteria for clothing businesses.	- Collaborate with local authorities, industry associations, and community organizations to create a conducive business environment and access resources.
	- Technological advances and modernization play a significant role, contributing 30% to success factors.	- Invest in modern technologies such as POS systems, e-commerce platforms, and data analytics to enhance operational efficiency and customer experience.
Situational Analysis	- Current stock levels are suboptimal, leading to stockouts.	- Implement inventory management system to track stock levels and demand patterns effectively.
	- Store location lacks visibility and accessibility.	- Consider relocating to a high-traffic area with easy access or invest in marketing efforts to increase awareness of the current location.
	- Marketing efforts lack targeted approach, resulting in inefficient resource allocation.	- Conduct market research to better understand customer demographics and preferences for more targeted marketing campaigns.
Strategic Goals	- Optimize stock levels and sales performance.	- Implement inventory optimization strategies to maintain optimal stock levels and drive sales.
	- Enhance customer satisfaction and loyalty.	- Focus on providing exceptional customer service and building a welcoming in-store atmosphere.
	- Improve profitability through effective pricing strategies.	- Analyze profit margins and adjust pricing strategies accordingly to maximize revenue.
Target Market	- Local residents and commuters in the vicinity.	- Target both residents and commuters through tailored marketing messages and promotions.
	- Demographic: Middle-income families and young professionals.	- Offer products and services that cater to the needs and preferences of the target demographic.
Competitive Advantage	- Unique product offerings and personalized service.	- Emphasize the unique value proposition and differentiate from competitors through exceptional service and product selection.
Marketing Sales and Strategy	- Utilize digital marketing channels to reach a wider audience.	- Invest in online advertising, social media marketing, and email campaigns to increase brand visibility and attract new customers.
Action Plan	Time Frame/Strategies: Implement inventory management system within 3 months.	Persons Involved: Operations Manager, Inventory Manager.
	Budget Allocation: ₱30,000 to 50,000 for software implementation and training.	Timeline: Month 1: Research and select inventory management software. Month 2: Implement software and train staff. Month 3: Full implementation and optimization.
	Time Frame/Strategies: Relocate to a high-traffic area within 6 months.	Persons Involved: CEO, Operations Manager, Real Estate Agent.
	Budget Allocation: ₱50,000 and above for relocation expenses and marketing efforts.	Timeline: Month 1-2: Research potential locations. Month 3-4: Negotiate lease agreements. Month 5-6: Relocation and marketing campaign.
Financial Projections	- Increase in sales revenue by 20% within the first year.	- Improve profit margins by 15% through optimized pricing strategies.

	- Reduce customer acquisition cost by 10% through targeted marketing efforts.	- Decrease operating expenses by 5% through improved inventory management and cost-saving measures.
Metrics and KPI's	- Sales revenue growth rate	- Customer satisfaction scores
	- Customer retention rate	- Average transaction value
	- Inventory turnover ratio	- Customer acquisition cost
Contingency Plan	- If relocation is not feasible, focus on enhancing visibility and accessibility through marketing efforts.	- If inventory management system implementation faces delays, prioritize manual tracking methods temporarily to avoid stockouts.
	- If targeted marketing efforts do not yield desired results, reassess customer preferences through surveys.	- If pricing strategies do not improve profitability, consider revising product mix or renegotiating supplier contracts.

IV. CONCLUSION AND RECOMMENDATION

CONCLUSION

1. Prioritizing product factors is very important, as evidenced by the focus on maintaining optimal stock levels, maximizing customer satisfaction, and closely monitoring sales performance. By addressing these areas, businesses can ensure they offer the right products at the right time, ultimately driving sales and customer loyalty.
2. It is very important to choose the right store location is a make-or-break decision for retailers. A location that's easy to find and get to is key, as it likely attracts more customers. This can directly translate to higher sales. Additionally, keeping an eye on competitors and how the local population is changing is crucial to ensure the store stays attractive to its target audience.
3. Understanding the relationship between marketing spend and customer acquisition is the most critical factor for marketing success. By closely monitoring this Customer Acquisition Cost (CAC), businesses can optimize their marketing budgets and target their resources more effectively, ultimately achieving a greater return on investment (ROI) for their marketing efforts.
4. Strategically analyzing profit margins across various clothing items is essential for maximizing profitability. By closely examining profit margins, businesses can identify high-performing clothing lines and optimize their pricing strategies to ultimately increase overall revenue.
5. Creating a positive experience for customers is crucial for retailers. This includes providing excellent service, actively seeking customer thoughts, and building a welcoming atmosphere in-store. By focusing on these areas, businesses can build customer loyalty, keep them coming back, and ultimately boost sales and profits.

6. Actively gathering customer feedback emerges as the most critical element for building strong customer relationships, according to the data. This likely translates to providing customers with a platform to voice their opinions and feel valued by the business. By prioritizing customer feedback, retailers can gain valuable insights into customer preferences and satisfaction, ultimately allowing them to improve their offerings and strengthen customer loyalty.
7. Prioritizing employee training and development is very important for retail success. By investing in employee training, businesses can equip their staff with the necessary skills and knowledge to deliver exceptional customer service, ultimately enhancing customer satisfaction and driving sales growth.
8. Investing in employee training and development is critical for retail success, as evidenced by the data in this table. This focus on employee training likely translates to a more knowledgeable and skilled staff, which can in turn provide exceptional customer service. By prioritizing employee development, retailers can create a more positive customer experience, ultimately leading to increased customer satisfaction and loyalty.
9. Approach to inventory management is crucial for optimizing stock levels and warehouse space utilization, according to the findings presented in this table. While all the listed factors are considered important, implementing effective inventory management practices is likely to have the most significant impact. By closely monitoring stock levels, analyzing sales trends, and forecasting future demand, businesses can ensure they have the right products in stock at the right time, ultimately minimizing stock outs and storage costs while maximizing sales and profitability.

RECOMMENDATION

1. Focus on maintaining optimal stock levels, maximizing customer satisfaction, and closely monitoring sales performance. Offer the right products at the right time to drive sales and customer loyalty.
2. Select a location with high visibility and easy access to attract more customers. Regularly evaluate competitor activity and demographic changes to ensure the store remains relevant to the target audience.
3. Track and analyze customer acquisition cost (CAC) to optimize marketing budgets and target resources effectively. This will maximize return on investment (ROI) for marketing efforts.
4. Regularly examine profit margins across various products to identify high-performing items. Use this information to optimize pricing strategies and maximize overall revenue.
5. Provide excellent service, actively seek customer feedback, and build a welcoming in-store atmosphere. This fosters customer loyalty, repeat business, and ultimately boosts sales and profits.
6. Equip staff with the skills and knowledge to deliver exceptional customer service. This leads to a more positive customer experience, increased customer satisfaction, and ultimately drives sales growth and loyalty.
7. Closely monitor stock levels, analyze sales trends, and forecast future demand. This ensures having the right products in stock at the right time, minimizing stock outs, storage costs, and maximizing sales and profitability.

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