

PANEL 2. REFLECTION OF GLOBAL BUSINESS TRENDS IN THE ECONOMY OF THE REPUBLIC OF BELARUS

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TRENDS AND CURRENT STATE OF THE BELARUSIAN CLOTHING MARKET

The Belarusian clothing market is a vibrant and evolving landscape that reflects the dynamic interplay of various factors influencing consumer preferences and business operations. With the rise of numerous companies specializing in diverse styles and characteristics of clothing, competition has intensified, challenging brands to maintain their market positions. To navigate this complex environment effectively, it is crucial to analyze the underlying political, economic, social, technological, legal, and environmental influences shaping the sector. A PESTLE analysis serves as a valuable tool for companies seeking to understand these factors, enabling them to devise strategies that align with current trends and future developments.

The Belarusian government plays an active role in supporting domestic clothing manufacturers through various initiatives. In particular, state support includes targeted lending, tax benefits for small businesses, and grants [1]. These measures aim to stimulate the growth and development of local companies, enhancing their competitiveness in domestic and foreign markets. Companies, in turn, need to be aware of available opportunities and actively use state programs to expand their production capacities and improve product quality.

Government initiatives in organizing exhibitions and fairs, especially international ones, create significant opportunities for clothing manufacturers. Such events provide a platform for showcasing products, attracting new partners and customers, and establishing business connections. Participation in exhibitions helps increase brand recognition, develop new sales markets, and strengthen positions in existing ones.

The introduction of sanctions and restrictions on the import of textiles into Belarus has a significant impact on local clothing manufacturers. Such measures can limit access to high-quality and diverse fabrics, which, in turn, affects the range and quality of the final products. Under sanctions, companies need to look for alternative sources of fabric supplies from countries not subject to sanctions, such as Turkey and China. This requires additional planning and logistical work, as well as establishing reliable partnerships with foreign suppliers. Furthermore, companies may consider developing domestic fabric production and cooperating with Russian suppliers to reduce dependence on external supplies and increase business resilience.

Regular legislative changes concerning the activities of individual entrepreneurs require constant monitoring and adaptation by businesses. New requirements may include

changes in tax policy, licensing rules, and product certification. Product safety requirements are continuously tightening, and clothing manufacturers must keep track of these changes. This includes meeting quality standards, safety of materials, and production processes. Companies need to invest in quality control systems, conduct regular product checks, and adapt production processes to new standards.

Economic factors have a significant impact on brand formation and development. Belarusian consumers are increasingly interested in products from local manufacturers. This is associated with rising patriotism and trust in the quality of Belarusian goods. Companies should use this in their marketing strategies by emphasizing the country of origin and highlighting the advantages of their products.

Alongside positive trends, there are also unfavorable economic factors that may negatively affect brand development. These include a decline in consumer purchasing power. The analytical company GFK compiled a ranking of European countries by purchasing power in 2023, placing Belarus among the three countries with the lowest purchasing power [2]. As a result, consumers may reduce spending on clothing or choose more affordable options. To overcome this challenge successfully, companies need to develop flexible pricing policies, expand their product range to attract different market segments, and optimize their costs. Additional strategies may include conducting promotions, sales, and discounts, which increase turnover and help retain loyal customers.

Rising raw material and logistics costs increase production expenses and affect the final product price. Companies need to conduct regular market analysis, optimize supply chains, and create sufficient raw material reserves to minimize this negative effect and avoid cash gaps. Long-term contracts with reliable suppliers help stabilize prices and ensure uninterrupted supplies. Under sanctions, it is particularly important to consider alternative raw material sources and optimize logistical processes to reduce costs and the risks of contract non-fulfillment.

Thus, the Belarusian clothing market presents both opportunities and challenges for local manufacturers. Government support initiatives, participation in exhibitions, and the need to adapt to sanctions and legislative changes are critical elements that companies must navigate to survive. By getting use of state programs, exploring alternative fabric sources, and investing in quality control measures, businesses can enhance their resilience and responsiveness to market demands. Furthermore, staying informed about economic trends and consumer preferences will be essential for brand development and growth. As the market continues to evolve, a proactive approach that embraces change and fosters innovation will be key to success in the Belarusian clothing industry.

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