

Effects and Repercussions of the COVID-19 Virus on the Fashion and Textile Industry

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Summary:

Covid-19 pandemic struck the world suddenly and in an unprecedented way in terms of the speed of its spread worldwide, the inability to remedy consequences, and severity strength of the effects resulting from the pandemic, to enter the world in an attempt to control the spread through a series of closures that ranged between a complete to partial closure, as well as the duration of closure, whether complete or partial differed from one country to another.

The shadows of the pandemic's effects have widened, not only on the health level, but on the industrial level and therefore the economic one as a result of the closures and disruption of global supply and supply chains, with the stagnation of the buying and selling movement, in addition to the transformation of a large sector of work sectors to work from home through modern technological solutions that pushed countries for a faster and more comprehensive digital transformation.

Fashion in clothing is an art based on science, design and application, and its change is only an indication of social, political, economic and health changes, and it is one of the foundations of the development of society as a pillar of its progress. The image of clothes or textile materials, as it is considered the window from which we can look at the personality of the individual and expresses his entity. Covid-19 pandemic has changed fashion trends in clothes based on the change in the world, for fashion houses to focus on the upper pieces and emphasize the highlighting of the brand in the upper part that appears across the screens, face masks have become an integral part of the basic accessories, and the psychological influences were reflected to determine trends for the distinctive colors of fashion during this period.

Textile and clothing industry was one of the industries that were most affected after the transfer from the repercussions of the Covid-19 pandemic in terms of focusing on textile products used in the field of protection and protective and precautionary measures from the manufacture of medical masks, as well as focusing on the use of materials that withstand the effect of disinfectants and temperatures during washing, as well as textile machinery manufacturing and trading market have been affected.

Among the most important effects of the pandemic on the industrial sector in Egypt are the following:

(Negative) The slowdown in the activity of the industrial sector, the decline in local and international demand, and the suffering of some factories from the lack of production

requirements imported from abroad, especially from China, the rise in the prices of production requirements for some industries, the decline in investments in the industrial sector, and the suspension of investment plans due to the uncertainty that accompanied the pandemic. In addition, laying off part of the employment or reducing salaries and closing some factories. As for (positive) effect, it is the tendency to rely on local industries to meet production requirements, and to focus on deepening local industrialization of strategic industries.

Key words:

Textiles, Fashion, Textile industry and fashion trends, COVID-19 pandemic

Research problem:

The violent tremor that the world has been subjected to as a result of the pandemic since the end of 2019 has led to the reformulation and arrangement of strategies, goals and future plans for countries at all levels, so we had to address research, study and analysis of the effects and repercussions of the pandemic on the textiles, clothing and fashion sector in particular.

Research aims:

Shedding light on the reality of the textile, clothing and fashion industry before and after the pandemic, to reach the lessons learned in order to formulate future plans to overcome the negatives that emerged as a result of the pandemic.

Search limits:

Time limits: The pandemic period was between 2019 and 2021 AD.

Research Methodology:

An inductive survey approach to some local and international reports and articles on the pandemic and its effects.

Analytical approach in studying those reports and their results.

1-Introduction

The ready-made garments industry has been subjected to a severe shock, not only at the local level, but at the global level as well, given the international reports of the United Nations Conference on Trade and Development (UNCTAD), as well the Egyptian textile and ready-made garments industry was negatively affected by the Corona crisis. Textiles and ready-made clothing are at the top of the sectors affected by Corona, so today the world has witnessed new and dangerous changes at the same time due to the spread of the Corona virus, which worked to make the world go through a real crisis in various fields. It was found that the garment industry is the most affected economic sector after the tourism sector, and many production requirements are imported from abroad, specifically fabrics, dyes and fish yarn, and here the industry can be greatly affected by external changes, as China is the largest country from which Egypt imports fabrics with a share of 50% India is followed by 11%, while the United States is the largest importing country from Egypt with a 44% share. The Corona virus has thrown more obstacles to the ready-made garment industry around the world due to its connection to the

phenomenon of globalization, in light of its dependence in many countries on Chinese production inputs, and for this the spread of the epidemic in China first disrupted global supply chains with disruption of air, sea and land freight traffic. Which highlights the concept of the domino effect, meaning that the fall of China in the Corona pandemic led to the fall of the rest of the global supply chains.

2- Scientific Observation

Fashion is linked to human beings, and its importance in our lives is due to the fact that it is one of the most important components of culture related to the human being and his ideas.

Customers' tendencies and trends have taken the trend towards comfort and protection, affected by the Covid 19 pandemic and its repercussions.

Fashion arises as a reaction to reality, and given what the world is going through from the Covid-19 pandemic, which led the world and life to a new direction led by technology and forced digital transformation, where working from home has become an option if not essential in some cases, which has greatly affected fashion trends and elements in clothes to become more suitable for video chats and work from home, following the nature of contemporary human relations with technology, where the focus on the upper body was noted in the fashion weeks in Milan and London. Analyzing the fashion for the year 20-21, we find that the most important feature that distinguishes it is the focus on the upper part that appears on the screens, as it turns out, the sales contraction in general amid job insecurity, health concerns, loss of the pleasure of buying in general, and the significant drop in sales of women's bags and shoes with the tendency to design loafers, while comfort and luxury in the home became the basis of the new designs.

We also find that face masks have become an indispensable accessory, and brands have produced unique designs, and overnight became the final touch for many fashion lines, where the concept of protective fashion became a specific, clear and desirable trend.

We also find that the pandemic has cast a shadow even on the colors used to dominate the following colors in the spring and summer of 2021: Metallic Silver, Yellow, orange baby blue and white.

Fabrics used:

By studying the matter, it was found that the emerging Covid-19 virus pandemic is from the family of viruses that have a fatty membrane and is affected by biological extermination factors on surfaces (fabrics and textiles) using chemical disinfectants, as the virus may remain active on the surface of the contaminated fabric for up to 9 days average at a temperature ranging between 15-20 degrees Celsius, while the time in which the virus remains active increases if the temperature drops to 4 degrees Celsius, while the degree of infection decreases if the temperature rises to between 30-40 degrees Celsius.

Therefore, it has become necessary to use fabrics and textiles in fashion and clothing that have the ability to withstand temperatures and chemicals required for disinfection and sterilization in order to protect against the virus.

The reality of the Egyptian industry when the Covid-19 pandemic began:

There are many indicators that reflect the reality of the Egyptian industry before the outbreak of the pandemic, and the most important of these indicators are the following:

1- About 21% of industrial facilities work in the manufacture of spinning, textiles, ready-made clothes and leather.

2- Industrial production is concentrated in the field of spinning, weaving, clothing and leather by 10%.

The impact and repercussions of the Covid-19 pandemic on the textile and ready-made garments industry:

Egypt witnessed a sharp decline in its textile and clothing exports between January and August 2020 compared to the same period in 2019. The industry lost 23% of its export volume in terms of value in the first eight months of 2020. The decline between March (when major declines started to occur) and August was about 30%-40%. Europe's imports of Egyptian textiles and clothing have been affected more than the United States, and some American buyers have shifted some of their orders from the Far East to Egypt to diversify their supply risks.

Cotton:

The cancellation of orders initially led to a reduction in standard cotton prices by almost a third at the height of the pandemic, to reach 2100 EGP pound per quintal, but quickly returned during 2021 to reach 5630 EGP pound per quintal. The decline in demand, and a contraction in supply due to the suspension of some companies will compensate for some decrease in demand, and this is evidenced by the recovery in cotton prices despite expectations of a sharp decline.

In the second quarter of 2020, it was expected that cotton prices would be affected, and it was expected that the yarn production would decrease by 12-15%, and the decline occurred as expected, however, prices have since risen to pre-Covid 19 levels.

Synthetic fibers:

It was also expected that the price of synthetic fibers would rise significantly, and it was possible that the increase in the prices of synthetic fibers would have an impact on almost all product categories (home and apparel, and loungewear). This forecast was based on an increase in the demand for medical textiles (masks, gowns, etc.) as well as a general shift towards home and sportswear that use mostly synthetic fibers, and blends. Production of synthetic fibers had returned to pre-Covid 19 levels which led to a decrease in the prices of synthetic fibers.

Machines:

If factories stop working completely or partially, this leads to the influx of used machines into the market, which affects the sales of new machines.

Findings, discussion and recommendations:

The damage to the industrial sector in the world began with the disruption of direct supply chains for production inputs (15), after the closure process in China, which is considered the world's factory, which contributes more than 20% of the trade in industrial production requirements according to data in 2019 compared to only 4% in 2002.

The infection and disruption in supply chains has spread, and thus the difficulty and cost of obtaining imported industrial production requirements has increased in all countries of the world. On the other hand, there has been a decline in demand due to the state of anticipation and delay in purchasing that dominated consumers and investors at the same time. This included

the decline in industrial activity. All regions and countries of the world, and the decline of industrial activity reached its peak in the month of April, and reached the point of exceeding the stage of the Great Depression in the nineties of the last century, and the most important general effects of this pandemic on the industrial sector can be summarized in the following points:

- 1- The slowdown in the activity of the industrial sector due to closures and precautionary measures, and due to the decline in domestic and international demand, and due to the disruption of global supply chains to which Egyptian industries are linked.
- 2- Some factories suffer from a shortage of production requirements imported from abroad, especially from China, and the high prices of production requirements for some industries.
- 3- The decline in investments in the industrial sector, and the suspension of investment plans due to the uncertainty that accompanied the pandemic.
- 4- Many manufacturers were forced to lay off workers, reduce their salaries, or even close the facility due to the cancellation of orders and the inability to fill the deficit in expenses in exchange for income under these bad conditions and the end of which is unknown, as the following were done:

A- 50% of manufacturers made salary cuts, 80% of companies cut wages and salaries by 25%.
B - 65% of companies had to reduce working hours due to the drop in demand.

C- 56% of companies suffered from canceling more than 50% of their applications, with 60% of companies being late in receiving their payments for a period of up to two months.

D- 40% of the companies shifted part of their focus to the local market.

E- Most companies, 76%, expected for work and demand rates to return to pre-Covid levels within one to two years.

The most important positive effects of the Covid-19 pandemic on textile industry in Egypt:

- 1- The increase in factory requests to change activity due to changes in demand in both local and foreign markets, and most of these were in the ready-made garment industry, a large number of which were converted to the manufacture of medical masks, to meet the increased demand for them after government decisions, with the application of the decision to wear masks compulsory in public areas, and preventing entering factories and establishments without them, by creating a great opportunity for Egyptian industries to produce an alternative to products imported from abroad in working to close production circles for Egyptian industries internally whenever possible.
- 2- Local industries depend on the production requirements supplied by local supply chains, which ensures the stability and growth of these industries, and contributes to reducing imports and being affected by external shocks, and contributes to reducing transportation and storage costs.
- 3- Focusing on deepening the strategic Egyptian industries that have priority for consumption and local manufacturing.

Expectations and future of the textile and clothing industry in Egypt after the COVID-19 pandemic:

Impact on the short term:

The impact on the Egyptian market in the short term is as follows (2):

- 1- Continuing low levels of demand for export products during 2021 with a possible return to 2019 levels by the end of the year.
- 2- Increasing pressure on prices and time limits by importers.
- 3- The loss of some American and European buyers who stopped working.
- 4- Some increase in the volume of orders from customers who are already importing from Egypt.
- 5- Failure to deliver raw materials and accessories.

Impact on the medium term (2-5 years):

- The medium term holds brighter prospects for Egypt as markets stabilize after the peak of the pandemic, demand will begin to gradually rise. Moreover, European and American buyers will start shifting more of their supply from Asia to closer manufacturing destinations, with Egypt being uniquely positioned to acquire some of those transferred businesses

In addition, Asian manufacturers will begin to consider moving their factories closer to consuming markets, again placing Egypt as one of the leading potential places to attract FDI in this sector. If Egypt is able to provide the appropriate infrastructure, investment incentives and create a favorable environment for foreign direct investment such as: Cutting government red tape, making industrial land available, labor training, short and long-term financing, etc., the country can witness a significant increase in its exports of products of textiles and clothing.

Recommendations:

- 1- Conducting more researches related to the Covid-19 virus pandemic in spreading the culture of health awareness among society and textile factory owners in particular.
- 2- Paying attention to spreading health awareness and ways to prevent the emerging corona virus "19-COVID" among the categories of society through various media, such as radio, television and newspapers, to provide a healthy environment that limits the spread of the virus.
- 3- Designing guidance programs for the development of the role of the head of the family in confronting and protecting her family from diseases and epidemics through the audio, print and visual media.
- 4- Work to enhance the role of women and provide them with means of assistance and support their effective role in society and the family to confront the Covid-19 virus "19-COVID" and limit its spread to avoid the social and economic effects of this epidemic through the National Council for Women.