

# A Study on the Challenges Faced by Exporting Leather Products in Tirupur City

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**Abstract:** Examining the difficulties the leather sector faces while exporting its goods to foreign markets is the goal of this study. Although the global leather market is quite profitable, it faces a number of challenges that make exporting less effective. Regulatory compliance, supply chain and logistical concerns, economic considerations, and market competition are some of the major themes that are the subject of this study. The impact of various national requirements for quality certificates, environmental norms, and international trade laws is examined in this paper. The intricacies of shipping, customs clearance, and transportation expenses that frequently cause export delays are also examined. The impact of economic variables on the profitability and competitiveness of leather exports is also investigated, including currency changes, tariffs, and geopolitical instability. Additionally, the report explores how the industry's capacity to successfully reach consumers around the world is hampered by cultural boundaries, challenges entering new markets, and the underutilization of modern marketing techniques like social media. By tackling these issues, the study offers companies advice and insights to strengthen their export plans, increase their market share internationally, and promote long-term success in the leather sector.

**Keywords:** leather industry, environmental standards, export, supply chain.

## 1. Introduction

The total amount of leather produced in the nation is significantly influenced by the Tamil Nadu leather industry. The performance of the Indian leather sector as a whole is significantly impacted by changes in Tamil Nadu. Even though the southern region is doing significantly better than the northern and eastern regions, there are still some urgent problems that require careful consideration, analysis, and resolution. The purpose of this essay is to examine current problems in the Tamil Nadu leather industry and identify their root causes. The drop in demand for leather goods, the challenge of cutting costs, the delicate industrial environment, shifting consumer preferences, and the lack of government assistance are the five primary themes that have been recognized.

## 2. Objective of the Study

- To analyse the challenges faced by leather exporters in Tirupur.

- To examine the role of leather industries in the growth of our economy.
- Exporting leather products comes with various challenges, including trade barriers, quality standards, competition, and environmental concerns.

## 3. Statement of the Problem

The Indian leather sector has many obstacles that limit its export performance, not withstanding its potential. Regulatory compliance, high production costs, environmental issues, and competition from synthetic alternatives are some of these difficulties. Resolving these problems is essential to maintaining growth and improving competitiveness internationally. The Indian leather sector faces many obstacles that impair its ability to export.

## 4. Review of the Literature

DK Nageswara Rao (2023). The future demand for leather and leather products could be greatly met by the leather industries in nations like Ethiopia that have a substantial supply of raw materials. Even though the industry's design capacity is exceeded by the level of raw material output, the lack of raw materials has become a significant limitation for the sector. Thus, the goal of this study was to examine the entire raw material supply chain, from the place of production to the tannery limits, and show how the process impacts raw material availability, quality, and cost.

Miriam Appiah-Brempong, Helen MK Essandoh (2020). Beginning in the prehistoric era, tanning techniques were used to turn animal hides and skins into leather. Thus, artisanal leather production benefits rural livelihoods. However, the absence of cutting-edge technologies to boost productivity has hindered this sector's growth. As a result, this paper describes the different methods and materials used in Ghanaian traditional leather production as well as the scientific concepts that underlie each procedure.

Mohammad Hasan, Mohd Yousuf Javed (2020). The total amount of leather produced in the nation is significantly influenced by the Tamil Nadu leather industry. The performance of the Indian leather sector as a whole is significantly impacted by changes in Tamil Nadu. Even though

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the southern region is doing significantly better than the northern and eastern regions, there are still some urgent problems that require careful consideration, analysis, and resolution. The purpose of this essay is to examine current problems in the Tamil Nadu leather industry and identify their root causes. The industry's biggest problem, according to the findings, is cost reduction, particularly when it comes to production and compliance expenses.

A.Sreyan Chatterjee, Pradeepan Ravi (2023). In the Ambur leather cluster in Tamil Nadu, India, employment and working conditions in the leather footwear and leather production industries are the main subjects of this study. It includes officially registered export-oriented factories and tanneries as well as typically small, unregistered tanning businesses with hazy connections to global supply chains.

**5. Research Methodology**

- *Research design:* Descriptive research
- *Area of the Study:* Tirupur
- *Sampling technique:* Simple random sampling
- *Data collection:* Primary data
- *Sample size:* 80
- *Tools used for analysis:* Simple Percentage Analysis, Chi – Square, Ranking Method.

**6. Scope of the Study**

- This study's coverage on the difficulties in exporting leather goods includes a thorough analysis of numerous elements that affect the leather export sector.
- The intricacies of regulatory compliance will be examined, with particular attention paid to quality standards, international trade laws, and market-specific environmental rules.

**7. Data Analysis & Interpretation**

Table 1

	Years	Valid Percent
Valid	Less than 2 years	20.0
	2-5 years	28.7
	6-10 years	30.0
	More than 10 years	21.3
	Total	100.0

*Interpretation:*

20% are under two years old, and 30.0% are between six and ten years old, according to the above table. A broad middle ground of moderate to long-term engagement is indicated by the fact that the majority of the population (58.7%) has been involved for two to ten years.

Most of the respondents are 6-10 years (30.0%).



Fig. 1.

Table 2  
Chi-Square tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.202 <sup>a</sup>	9	.616
Likelihood Ratio	7.580	9	.577
Linear-by-Linear Association	.202	1	.653
N of Valid Cases	80		

*Interpretation:*

According to the foregoing, there is no significant linear correlation between the variables, as indicated by the p-value (0.653), which is once more greater than 0.05. There is no linear relationship, which is the null hypothesis.

*A. Ranking Analysis*

*Interpretation:*

According to the leather industry, waste disposal restrictions make the process of making leather more difficult (3.14).

*B. Findings*

1) *Simple Percentage Method*

- At 30.0%, Europe is the most represented.
- Of the population, 35.0% prioritize clothing, making it the most desired category.
- With 16.3% preference, footwear is the least popular.

2) *Chi-Square*

- There is no significant linear correlation between the variables, as indicated by the p-value (0.653), which is higher than 0.05.
- Consequently, the null hypothesis—that there is no linear relationship—is correct.

*C. Ranking Analysis*

- With a mean ranking of 3.14, waste disposal laws are regarded as the most difficult aspect of the leather manufacturing process.
- With a mean ranking of 3.14, social media marketing is underutilized in the Indian leather sector.

Table 3

Sustainability & environmental concerns	Mean Rank
Eco friendly and sustainable leather products	2.94
Increase production	2.92
Waste disposal regulations make leather manufacturing more challenging	3.14
There is a growing demand for vegan or synthetic alternatives to leather	2.95
Adopting sustainable leather production methods can improve exports	3.03

#### D. Suggestions

##### 1) Simple Percentage Method

- Use the 30% of people with 6–10 years of experience for leadership and knowledge-sharing positions.
- Create focused tactics to keep the majority (58.7%) engaged over the next two to ten years.

##### 2) Chi-Square Tests

- Reassess the variables to determine whether the link may be explained by other factors.
- To investigate non-linear correlations, take into account different models or tests.

#### E. Ranking Analysis

- To overcome the difficulties caused by disposal laws, make an investment in waste management systems.
- Use more environmentally friendly procedures to meet legal requirements and ease industrial challenges.
- Investigate cutting-edge technology to enhance waste management and lessen the impact on the environment.
- To reach more people, spend more money on social media marketing.

### 8. Conclusion

When it comes to exporting its goods to international

markets, the leather sector has many challenges. Navigating the complexity of regulatory compliance is one of the key obstacles, since exporters find it challenging to maintain consistent adherence due to regionally disparate environmental and quality standards. The scenario is further made worse by logistical problems including expensive shipping, hold-ups, and difficulties with customs. The sector also faces fierce rivalry from other countries that produce leather as well as the growing demand for synthetic substitutes, all of which have an effect on pricing and market placement. While limited use of digital marketing tools, such social media and online branding, limits the industry's capacity to interact with a wider global audience, cultural differences and entry obstacles make it difficult to connect with varied customer groups. Adopting technology innovations, improving supply chain effectiveness, and maintaining regulatory compliance to expedite the export process should be the leather industry's top priorities in order to overcome these obstacles.

### References

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