THE INFLUENCE OF THE INTERACTIONS BETWEEN CRAFT AND THEIR MERCHANDISE OFFICES ON THE SAMPLING PROCESS

- A Case study of Craft

Master of Science in Textile Management with Specialization in Textile Value Chain Management
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Abstract

Introduction: Craft, a Swedish sport textile company, uses synergies of its parent company New Wave Group through common merchandise offices in Vietnam and China. As the relationship to the merchandise office creates a complex situation, the two research questions were elaborated of how the interactions in terms of information flow and collaboration influence the flow of the sampling process and how the situation could be improved.

Methodology: A qualitative case study design gives a deep insight in the specific situation of Craft. Information is gathered through company visits, a survey, internal documents and open interviews.

Conclusion: The information flow influences the sampling process, in terms of late information, word-by-word translations and mismatches in terms of educations. This causes not-proper decision-making. The collaboration is mainly evaluated as satisfying. Adapting Christopher’s (2000) agility concept to Craft’s situation, issues as supplier relations, information sharing and the de-coupling point can be addressed. Practically joint product development, free information flow is important. Further collaboration within the supplier choice, more frequent and longer visits from both sides could improve the situation, as well as long-term-employments.
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<th>Full Form</th>
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<tr>
<td>DCM</td>
<td>Demand chain management</td>
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<tr>
<td>e.g.</td>
<td>For example (exempli gratia)</td>
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<td>MOQ</td>
<td>Minimum order quantity</td>
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<td>NWG</td>
<td>New Wave Group</td>
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<td>NWS</td>
<td>New Wave Sports Group</td>
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<td>PDM System</td>
<td>Product data management System</td>
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<td>PP sample</td>
<td>Preproduction sample</td>
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<td>SCM</td>
<td>Supply chain management</td>
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<td>VOC</td>
<td>Voice of customer</td>
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1 Introduction

The thesis starts by shortly introducing the company Craft, to which the research contributes. The problem descriptions builds up from the general sampling related problems for Craft to the influence by collaboration and information flow on the supply chain and ends in the research questions and the related purpose of this research.

1.1 Background

Craft is a Swedish sport textile company with a long history in functional underwear, today providing base-layer, mid-layer and outer layer in the categories cross-country and alpine skiing, bike and run. The focus for Craft lays on functionality, combining a perfect fit, enhanced fabrics and an edgy design. All styles are embedded in a three-layer-system in order to provide perfect microclimate for the sportsmen (Craft, 2014). The company belongs to New Wave Group (NWG) which designs, acquires and develops brands and products. The group achieves advantages for the various companies through coordinating design, purchasing, marketing, distribution and warehousing (NWG, 2012). Craft belongs to the Category sport & leisure under the brand New Wave Sports Group (NWS) as well as other brands such as Seger, Clique, Umbro and Speedo (NWS, 2014).

While focusing on partnerships with top athletes in the four core sports, the employees of Craft themselves test the products and do sports on a daily basis. Craft has high quality requirements regarding the functionality of their sport textiles. Most of the knowledge comes from the collaboration with professional athletes. Craft studied the movement patterns, compression as well as the body’s heat zones in order to create a high quality product. All the various aspects should be integrated into an edgy design, combining colors and pattern. This leads to the point that innovation and product development is essential for Craft. As one of the parts of the process, the sampling represents a special importance for the company, ensuring that the products meet the high quality standards (Craft, 2014).

As Cooper (2013) mentions in his article constant feedback is necessary in a product development process. He calls it spiral development in terms of a fluid and constantly changing development process. A first prototype should be produced as soon as possible and presented to key customers in order to build in the feedback for the next prototype. The textile industry includes this practice in the product development process, reviewing prototypes constantly and improving them, as Hedén and McAndrew (2005) explain in their book Modefabriken. The monitoring of the quality of the products is related to the company’s requirements. While reviewing a product it is focused on aspects such as performance, workmanship, measurements, make as well as fitting. The product
evolves during this process. The prototype development time can vary between a couple of days and a couple of weeks (Hedén & McAndrew, 2005).

1.2 Problem description

During the two-year master studies in textile management with specialization in textile value chain management the author did an internship in Craft’s product development department in the context of a mandatory field study. The aim of the field study was to achieve practical experience, but also to conduct research at the topic of sampling for Craft. During that time an overview of the sampling process at Craft and the related issues were gained. The results were an overview of the sampling process at Craft and are explained in the following chapter as internal information from the company. The research led to several aspects influencing the sampling, in which one gained the author’s attention for a further research: The relationship between the merchandise offices in China and Vietnam and the head office of Craft in Borås.

Craft uses the so-called Spiral development mentioned by Cooper (2013), which represents a common practice in the textile industry. Sampling of products ensures the high quality, containing several prototypes before the final version of a garment can be produced. However the internship showed that there are certain unreliabilities in the sampling process. The process contains long lead-times, which causes high costs. The reasons for that can be found in different areas. Due to outsourced production including the pattern-making process for new products, Craft has few or no control over the process. The globality of textile supply chains in general and the globality of Craft’s supply chain create a complex network for the company. The process includes a broad variety of members with different cultural backgrounds. With the main production in Asia and the merchandise offices in China and Vietnam there are different cultures involved with different mindsets and languages. As some of the problems are either on their way to be solved, such as the outsourced pattern-making or hardly possible to face, such as the cultural differences, this research focuses on the relation between the merchandisers, who stand between the employees in Borås and the suppliers in Asia. These have various tasks, including the supplier choice and translation of the documentation and instructions. This middleman can cause a loss of information, because there is one member more in the supply chain. However the merchandisers are needed to communicate with the suppliers and their knowledge of the country in which Craft produces (Craft, 2013/2014).

Hedén and McAndrew (2005) define supply chain management (SCM) as the theory of how to manage, operate and develop the activities and processes that are included in an added value chain from the producer to the end-consumer. One concept in that is created by Christopher (2000) who mentions in his article that companies operating in volatile markets such as the textile market need to have a certain agility in their supply chains in order to survive and succeed. Agility
represents flexibility and meeting real-time demand. Christopher (2000) as well as Hedén and McAndrew (2005) mention that today competition is no longer between single companies, but between whole supply chains. Companies, which are able to organize and manage the whole supply chain efficiently, will succeed in the end. Both sources talk about process integration as working together across company boundaries with key partners. The focus on processes rather than on departments and companies is based on a free flow of information. The members need to show transparency in order to build up trust throughout the supply chain (Christopher, 2000; Hedén & McAndrew, 2005). Craft is integrated in a long supply chain. Since it belongs to the NWG, the company has the advantage to use synergies of this group and create purchase advantages through common merchandise offices. However during the field study there were complains about collaboration and information flow between Craft in Borås and the merchandise office in China and Vietnam. These aspects could be related to the language but also to the documentation, the collaboration between the members and the transparency in the supplier choice. While having different business purposes and different mindsets, these two members do not always work together closely.

1.3 Research question
- How do the interactions, in terms of information flow and collaboration, between the Craft head office in Borås and the merchandise offices in China and Vietnam influence the flow of the sampling process?
- Are there possibilities of how to improve the situation in order to gain more control over the sampling process?

1.4 Purpose
This research is conducted with the aim of a practical contribution for Craft. While interviewing the supply chain members as well as reviewing some documentation of former product development it should be analyzed how the interactions between the Craft head office in Borås and the merchandise offices in China and Vietnam is influencing the sampling process with a focus on information flow and collaboration. Further it should be analyzed whether the situation can be improved, based on the findings.

1.5 Delimitations
The former field study was conducted in order to display the current state of Craft’s product development. The following thesis is focusing on one part of the current situation and how it influences the sampling. Therefore 3D modeling is not the focus of the research, even though it will be an important topic in the future of textile sampling and can solve some of Craft’s problems.
2 The company Craft

This chapter introduces the company. It starts with outlining the general structure of the NWG, continues with the history of Craft and ends with explaining their sampling process, based on a former field study of the author. The chapter is the base of the research and gives the reader a glimpse on the company and its background.

2.1 The NWG

The NWG is a decentralized organization with about 2100 employees. In 2013 they had sales of SEK 4,047 Mio and a profit of SEK 187.1 Mio. 42 different brands belong to the NWG and are separated into the three different segments Sports & Leisure, Corporate Promo and Gifts & Home Furnishings. Craft operates in the category Sport & Leisure summed up under the NWS, which had sales of SEK 1,929 Mio and a profit of SEK 154.8 Mio in 2013. Figure 1 shows that the category of Sport & Leisure created 48% of the turnover of 2013 in the whole NWG. Within this category there are twelve wholly owned brands in 14 countries as well as two licensed brands. Craft operates with 82% in the retail market with products for the end-consumer. 18% of the turnover is generated in the promo wear market.
in which they offer products for sport teams or clubs, with the possibility to adapt these to the requirements of the team (NWG, 2013).

There is a group management within the three operating segments, coordinating operations and taking responsibilities. However a high degree of independence and self-determination is given to the different company managements. The organization aims for complete integration in the whole supply chain in order to create a competitive advantage. Therefore the organization tries partly to coordinate design, purchasing, marketing, warehousing and distribution of its product range for the brands, depending on the segment and products. The design and development process of the Corporate Promo segment is coordinated. However the brands in the other two categories Sports & Leisure and Gifts & Home Furnishing have their own development and design activities, since the products in these categories are evaluated as fashion sensitive. The total order volume of the organization surpasses most of its competitors. Therefore there are collaborations within purchase and production in all segments using common merchandise or buying offices. Additional to Sweden there are buying offices in Bangladesh, China, India and Vietnam managing about 350 different suppliers. Craft works with the two merchandise offices in Vietnam and China. Due to the major order volume in Asia, the economies of scale can be used while coordinating logistics as well (NWG, 2013). Craft works with about 40 suppliers, in which 25 are from China, eleven from Europe and four from Vietnam (Craft, 2013/2014). Two of these suppliers are owned by the NWG, the rest are external suppliers (NWG, 2012).

2.2 History of Craft

Borås in Sweden evolved from a city of weavers and peddlers and the Swedish textile industry can be traced back to the home weaving in this area. Related to this background Anders Bengtsson discovered in 1973 underwear in a new material, released from a factory nearby. He was searching for a sport specific textile and weighted his underwear before and after a sport sessions. He discovered that this textile stored less moisture than underwear made out of wool or cotton. The new textile transported the moisture without absorbing it, which created a perfect microclimate close to the skin to enhance the performance.

In history as well as today the collaboration with top athletes represents a crucial point to Craft. Hereby the company assures high quality and functionality of the textiles and can also show the products in public. Back then Anders Bengtsson started further testing of the new material with the Swedish cross-country ski team. Later on many famous sportsmen should follow (Craft, 2013/2014).

The developed products were marked under the Eiser Group between 1974 and 1976. A group of marketing employees and managers decided on the new name Craft of Sweden, for the reason that it can have several meanings, including
crafsmanship. First products sold well. A crisis in the Swedish textile industry in the late 1970s caused problems for lots of textile companies. Manufacturing went mostly abroad and Eiser Group was taken over by the Statsföretaget (Craft, 2013/2014).

In the 1980s Craft of Sweden went on with its collaboration with famous sportsmen and had huge success with the famous skier Ingemar Stenmark displaying the Craft textiles to the world. However Eiser Group started to crack after Statsföretaget started to close down some subsidiaries. Even though the products still sold well the financial situation changed for the worse. The bank wanted to pull out and the company went bankrupt (Craft, 2013/2014).

The brand could survive and in 1996 Torsten Jansson acquired the brand and renamed it into Craft of Scandinavia as a part of the NWS. All the turbulences caused Craft of Scandinavia losing its credibility. Even though the products were always produced for sports and outdoor, the attempts of the past to make Craft of Scandinavia a fashion brand made the brand image fuzzier. Jens Peterson became new managing director including a new team to reconstruct the company with the aim of restoring the belief in the brand. The strategy has never changed. A number of athletes were chosen to gain attention and the focus laid on functional clothes and the three-layer system in the categories cross-country skiing, run and bike. Through success with athletes and sponsoring Vasaloppet, Craft of Scandinavia gained back credibility and got accepted by the consumers again. In autumn 2003 the company got a new logo and a complete new professional impression, calling itself Craft. The sales boomed and the reconstruction finally paid off. Alpine was added to the core sports (Craft, 2013/2014).

2.3 Sampling at Craft

Due to the focus on high quality the sampling in the product development is crucial to Craft. The general sampling process is described focusing on the supply chain in Asia. The information was gathered during the internship. The following sums up the results of the field study report by the author and can be seen as an introduction to the topic.

Craft works together with suppliers in Europe and Asia. In Europe, Craft is mainly focusing on base-layer, which mostly consists of carry-over products with few developments. There are products which should be on-stock all the time and therefore a constant product flow is important. Short lead-times can be assured through the supply chain within Europe. Here Craft works directly with the suppliers. The outsourced production in Asia has the biggest order volume and most of the product development is conducted through this supply chain. Products, which are produced here, can be ordered just once per season, therefore longer lead-times are acceptable. Therefore Craft works with
merchandise offices, located in China and Vietnam, the employees do not work directly with the suppliers, but they have daily contact to the merchandisers. Since most of the development is conducted through the Asian supply chain, the field study focused on this part (Craft, 2013/2014).

Figure 2 shows the sampling process how it is conducted at Craft from the design of a product to the bulk production through the Asian supply chain. The design process with inspiration trips and sketches starts two years in advance of sales. The data about new styles is put together in a so-called tech-pack and entered into the Product data management (PDM) system (Craft, 2013/2014).
The development process is separated into three different main types of samples: the development samples (Figure 2, green), the master samples as well as the salesman samples (Figure 2, red) and the Pre-production samples (PP samples) (Figure 2, purple). Photo samples (Figure 2, orange) are ordered for marketing reasons in between (Craft, 2013/2014).

For the development samples the merchandisers send the instructions, so-called tech-packs to an appropriate supplier. The suppliers make the pattern, produce the samples and send them back to the merchandise office, from where the various samples are collected and sent back to Borås. The samples are reviewed in Borås. A fitting takes place with the technical designers and a model, depending on the sample round also with the design managers and the category leaders. The garment is tried on, the model gives a feedback and an optical review takes place. During this, changes are pinned with needles if needed and pictures are taken. Comments are written about the changes and entered into the PDM system. The information as well as the pictures are sent to the merchandisers who give the next order to the suppliers. A next round of samples are produced and sent back. This phase takes about four months. However, some fittings are replaced by travels to China (Craft, 2013/2014).

The first master samples have to be delivered until the international sales meeting. Here all styles are introduced to the international distributors. Based on a forecast created by these clients and discussion during the meetings, the collection is reviewed again and some styles are rejected. The chosen master samples are reviewed and ordered again, which are the same as the salesman samples. These salesman samples are sent directly to the distributors. The master samples are reviewed until they are ready (Craft, 2013/2014).

Before the bulk production final samples are ordered, the so called PP samples. The samples are the final production version. However, these samples are reviewed and can be ordered again as well. The dead lines of these are the different buying rounds, depending on the production location and the selling point of the product. This phase can be finished within two months. However it can also take seven months due to the different deadlines. In the whole development process together there are about three to seven samples sent back and forth until a style is ready for the bulk production (Craft, 2013/2014).

Craft sales its products through distributors in the different countries with a make-to-order approach. The distributors sell the products with the salesmen samples to different retailers. Craft has entry products e.g. underwear, second layer or running gear which can be sold through big department stores. Here consultation by a salesperson is not needed. The more complicated products are sold through specialized shops, e.g. bike wear in special bike shop or cross-country skiing wear, since the products should be sold with consultation by a salesperson with specific knowledge. Further Craft has online stores. In the future
Issues
As mentioned above Craft is using outsourced production in Asia and Europe. This also includes the pattern-making process for new products. The information is sent to a supplier via the merchandise offices and the supplier makes the pattern and produces the samples. As marked in Figure 2 this is a black box as Craft just gives the input as information and sees the output as the sample, without having control over the process in-between. Especially when changing the supplier, which used to happen sometimes, this method causes problems, due to the fact that Craft does not own the patterns. However in January 2014 a new pattern-maker started her job at Craft in Borås. Craft plans to make a pattern library of all styles, in order to own them and provide them to the suppliers for the production (Craft, 2013/2014).

Another issue is the variety of fabrics used by the company. At the beginning a new sample is not necessarily produced in the right fabric due to minimum order quantities (MOQ) or late decisions on the fabrics. The samples are then produced in a similar fabric. Each textile has a certain look and reacts differently. If the samples are then finally produced in the right fabric, the sampling takes a step back. However this is a common practice in the textile industry. Craft has high quality requirements and wants its products be perfect for each purpose. The purpose of the different products can vary and therefore many different fabrics are required (Craft, 2013/2014).

The textile industry works with global supply chains. Each step can be in a different country. The different cultures can cause problems. The English knowledge of the members varies and often the merchandisers have to translate the tech-packs or comments into the local language for the suppliers, because they may not speak English. Additionally it is common in some cultures to not ask too many questions. Therefore some samples are produced as understood and not necessarily as meant. Different mindsets can cause problems as well. At the main office of Craft all employees are involved in sports. They either go running, e.g. alone or together in lunch breaks, go biking or do cross-country skiing. All this makes them understand the purpose of the textiles they develop. However it is not given that all supply chain members are as involved in sports as the employees in Borås. The sport culture in the different countries varies. These different mindsets and understandings of the purpose of a textile can cause different interpretations of sketches, patterns or instructions (Craft, 2013/2014).

The merchandisers who are in-between the office in Borås and the suppliers, are choosing the suppliers and translating for the employees of the headquarters of Craft. These middlemen, even though they can cause a loss of information, are needed due to their knowledge regarding the country and the language and the
direct contact with the suppliers. The employees in Borås claim, that they have no influence on the choice. Even though there is a list of suppliers, it is neither updated nor complete. With this the decision is completely moved to the merchandisers. Especially with the background of having outsourced pattern-making, the supplier choice seems to be even more important. It happens that suppliers change, even during the sampling process, due to lower prices, technology issues or order volume changes. The change influences the sampling, especially if the supplier owns the pattern and is not willing to give it to Craft (Craft, 2013/2014).
3  Theory

This chapter starts with introducing supply and demand chain management and its different concepts. Further on the textile supply chain is introduced which is evaluated as a time-sensitive one. A concept introduced for this kind of supply chain, as agility and flexibility is introduced based on the research of Christopher (2000). At last the general role of a merchandise office is explained, including related issues to communication skills and supplier choice.

3.1  Supply and demand chain management

Harrison and van Hoek (2008) explain that supply or demand chain management (SCM, DCM) can be seen as concepts in logistics. Since the first appearance until today there are several definitions of SCM and none of it can be seen as the only one.

![Figure 3: Logistics (Harrison & van Hoek, 2008, p. 1)](image)

In Figure 3 Harrison and van Hoek (2008) explain that supply chain networks are based on logistics, containing three main factors: material flow, information flow and the time it takes to respond to the demand. The aim is to extend the focal firm across suppliers and end-customers with the purpose of meeting the customer needs. Here supply chain is defined as “[...] a network of partners who collectively convert a basic commodity (upstream) into a finished product (downstream) that is valued by end-customers, and who manage returns at each stage.” (Harrison & van Hoek, 2008, p. 7). Each partner is responsible to add value to the product. SCM means planning and controlling all the processes, which are needed from the raw material production to the purchase of the product by the customer and the recycling of it. While in the past competitive advantages were just carried out through hard objectives such as quality, time and price, today it is more about a supply chain advantage. Harrison and van Hoek (2008) describe a supply chain network as a system in which the members are linked with each other and therefore the overall performance is a combination of the performance
of the individual partners. Hedén and McAndrew (2005) define supply chain management as the theory of how to manage, operate and develop the activities and processes that are included in an added value chain from the producer to the end-consumer.

3.1.1 The textile supply chain
Hedén and McAndrew (2005) explain the fashion and textile supply chain as a global one with production and members all over the continents. The chain stretches from the cotton field to the ready-made garment, which can take between six months and one and a half years. Figure 4 shows that the authors divide the textile supply chain into three main segments (Hedén & McAndrew, 2005).

![Figure 4: Textile supply chain segmentation (Hedén & McAndrew, 2005)](image)

The manufacturer segment includes the producers of raw material, yarns and garments. In the wholesale segment tasks are included such as the product development, design, purchase, sales, marketing, distribution, trading and import. The retail segment offers the products to the consumer. Historically all these segments were independent from each other. Today there are integrations and collaborations between these segments, creating supply chains with interdependent members (Hedén & McAndrew, 2005). The authors Dash and Nalam (2012) simplified the textile supply chain while dividing it similar into retailer, manufacturer and fabric supplier. The retailer sells the products to the customer. The manufacturer produces the garments, in some cases they are manufactured by subcontractors according to instructions. The fabric supplier produces the textile fabric. It is a linear supply chain in which the retailer places an order according to trends in the market if the inventory goes down. The manufacturer places an order at the fabric supplier who delivers the fabric. The manufacturer produces the product and delivers it to the retailer. However in reality the textile supply chain is way more complex and risks cannot be avoided due to the high number of organizations participating in this supply chain (Dash & Nalam, 2012).

3.1.2 The agile supply chain
Christopher, as one of the leaders in developing new thinking in logistics and management, contributed to theory and practice in that field. He created the concept of agile supply chains (Christopher, 2014). Christopher (2000) argues in one of his publications that today companies find themselves in highly volatile, unpredictable markets and slow-moving logistic chains are representing a risk. It is
mentioned that the key to success to survive in these markets is agility. He defines agility as the ability to meet the real-time demand. Time is a competitive advantage. However not just speed but also flexibility is important here. This flexibility has to embrace the organizational structures, information systems, logistics, processes and mindsets. Christopher (2000) uses the term leanness as doing more with less and deleting non-value-adding activities and refers to it as a reason for not being agile. Agility means to meet the customers demand more rapidly.

Figure 5: Agile or Lean (Christopher, 2000, p. 39)

Figure 5 shows the different applications for agile or lean supply chains. For high volume and low variety products a lean supply chain is fitting. Christopher (2000) refers here to a more forecast-based production. If a company has a product with high variety but low volume a more agile supply chain is crucial to meet the changing demands and to create a more demand-based production. The authors Harrison and van Hoek (2008) refer with the lean approach to a relatively stable and predictable demand and low product variety. In situations with volatile demand and a high product variety an agile approach is the more suitable one. As a key difference Harrison and van Hoek (2008) see that in the lean approach the companies are trying to place orders upstream for products with a regular flow. An agile approach however is about being concerned about having enough capacity in order to produce quickly to meet a demand, which is difficult to forecast (Harrison & van Hoek, 2008). Companies with a mixed portfolio of products, which have different demand predictabilities, can have a mixture of both which Christopher (2000) calls hybrid supply chain. Fisher (1997) as one of the first also divided products into two categories, which relate to agile and lean. He refers to them as innovative and functional. Functional products have a predictable demand, a long life-cycle and a low variety and therefore they need an efficient supply chain with the lowest possible costs. An innovative product has
an unpredictable demand, a short life-cycle and a high variety. Matching for that is a market-responsive-supply chain with flexibility to respond to a changing demand (Fisher, 1997). A functional product can be related to the lean supply chain mentioned by Christopher (2000), the innovative product can be provided through the agile supply chain by Christopher (2000).

The authors Gattorna (Gattorna, 2010) as well as Ericsson (Ericsson, 2011a; Ericsson, 2011b) go even further and created the concept of demand chain management (DCM). Therefore that a product can be functional and innovative at the same time, both authors relate a fitting supply chain of a product to the different buying behaviors of a customer. For the authors one product can have several supply chain in order to meet the different demands (Gattorna, 2010; Ericsson, 2011a; Ericsson, 2011b).

Christopher (2000) explains in his article some key points to achieve agility in a supply chain. He talks about the quality of supplier relations, information sharing and the role of the de-coupling point. One key to success are the supplier relations, for the reason, that the in-bound supplier lead-times mainly limit the ability to respond quickly to customer demands. Furthermore new product development times can be reduced drastically if the suppliers are involved in the process. In order to achieve good relations the number of suppliers needs to be limited to a few strategic ones. Facing the risk of single sourcing, a network of a few key suppliers is important. Here the production and deliveries need to be synchronized. The members need to be connected through multiple collaborative working relationships across the organizations. Christopher (2000) calls that process integration which can include joint product development and common systems. This system is more and more important in times where companies focus on their core competencies and outsource the rest. The members rely more and more on each other so a new type of relationships is essential (Christopher, 2000).

In this Parker (2000) investigated the perceived benefits and risks, as well as which factors increase the success of interfirm collaboration in the new product development process. She comes to the conclusion that most firms feel that the collaboration increases the speed of the product development. Furthermore the collaboration deepened the understanding of customer needs; therefore the products are developed more towards customer’s real demand. As one of the risks the respondents agreed on that the possibility of leaking company information is higher while sharing. Transparency, trust, honesty and openness are important factors to find a balance for sharing enough and not too much information. The need for commitment from both partners and an early involvement of suppliers is important as well. The respondents also agree on higher efficiency through collaboration and that it does not cost more or takes longer. Even though the complexity rises through another party included in the process, the respondents were not that concerned about the control over the
process. “Collaboration implies communication and consultation between two parties and it is felt that this co-operative process provides positive direction and control to the development process.” (Parker, 2000, p. 258). However many participants also showed a high level of frustration as well. Parker (2000) recommended that a company should examine the risks and analyze the possibilities before using collaborative development. She mentions the importance of the consideration of the social aspects within the collaboration (Parker, 2000).

Christopher’s (2000) concept is also based on a high level of information sharing. Through the whole supply chain the real demand needs to be clearly visible in order to have a demand-driven supply chain. The Voice of customer (VOC) has to be built in. The mistrust needs to be put away in order have a free flow of information in both directions and to build a virtual supply chain. The members need to be able to act upon the same data through shared information systems. A key point is transparency. The members need to collaborate and trust each other (Christopher, 2000).

The visibility of real demand through the whole supply chain is a problem because there are multiple levels of inventory at the different steps. Therefore most of the production is forecast-driven. The de-coupling point describes the point where the real demand penetrates upstream the supply chain, meaning the point at which the customer places an order or gives information regarding demand pattern. This point can include the material but also the information as feedback and can reduce obsolete inventory. Postponement is the delay of the final configuration towards the customer’s need as far as the real demand is visible, represents one of the possibilities to move the de-coupling point (Christopher, 2000).

Hedén and McAndrew (2005) describe the textile industry as a very time-sensitive and volatile industry containing lots of dead-lines where speed is a competitive advantage. The real lead-times of the processes do not always meet the agreed ones. However it is necessary to have an effective control and a good planning. They mention that there are various concepts of how to succeed in this volatile market. As one of the first objectives of SCM the increase of profitability through reducing costs is stated. However today more goals, such as the effective planning and control of the material as well as product and information flow are important as well. Hedén and McAndrew (2005) mention that sharing information is one of the key aspects and can decrease uncertainty in supply chains as well as create conditions for long-term relationships with key partners. Cooperation with other supply chain members across company boundaries and including key partners as early as possible can save time and bring new impulses. Information and work flow can run more smoothly while sharing information. It also may mean that duplication work can be eliminated due to better collaboration. One evaluates the
effectiveness of SCM as the increasing of profitability and competitiveness. Through the focus on whole supply chains the responsibility for one company does not stop after it has left the factory. All members care until a product has reached the end-consumer and please him or her (Hedén & McAndrew, 2005).

3.2 Role of the merchandise office
The term merchandiser and merchandise office is used widely. In this thesis a merchandise office can also be referred to as the buying office. Depending on the company the responsibilities vary. For the definition of this job for this thesis it is related to the following tasks:

- Benchmarking different suppliers, choice of fitting supplier for a specific product, sourcing for new suppliers and factory visits (Hedén & McAndrew, 2005)
- Communicating with suppliers, e.g. price negotiations, quality discussions (Hedén & McAndrew, 2005; So-mui & Mead, 2000)
- Translation of instructions, comments and other communication (Hedén & McAndrew, 2005; So-mui & Mead, 2000)
- Following-up on orders (So-mui & Mead, 2000)
- Quality checks and fittings while product development (Chan & Taylor, 2009)

3.2.1 Supplier choice
One of the tasks of the merchandise office is to choose the manufacturer. Hedén and McAndrew (2005) relate some aspects to the supplier choice in their book. It is stated that it is important to choose the right supplier. Many product developing brand suppliers are linked to a high number of garment manufacturers and they use a huge amount of suppliers for the same type of products. Hedén and McAndrew (2005) argue that through single-sourcing a company could become too dependent. If a big order volume is placed on one supplier, the company becomes very dependent on this supplier. Therefore it is safer to spread the purchase to a higher number of manufacturers. One order of one product can be split to different suppliers, if e.g. the volume is too big or if different markets should be provided. On the other hand a relationship should be aspired in order to collaborate and aim a good common result. Key suppliers can play an important role in the supply chain and a good relationship to them can create a competitive advantage compared to other companies. The merchandise office has to delegate the different styles to different suppliers, depending on availability, quality, technology availability, pricing and order quantity. While choosing the suppliers the product costing, including currency, freight, insurance and such is calculated (Hedén & McAndrew, 2005).
3.2.2 Communication skills

Hedén and McAndrew (2005) discuss that the employees in the merchandise offices need to communicate in both directions of the supply chain. On one hand they need to talk to the suppliers and manufacturers for the garments and fabrics, on the other hand they need to talk to the focal company or brand in order to meet their requirements. It is explained that good communication capacities are most important while working in the textile world. Most of the employees need to talk to other supply chain members from all over the world. Most of the time the conversations contain important information whether it is in a technical, commercial, administrative context or about product specifications, orders or agreements. Understanding or typing errors are easy made and can have huge impact on the product or the supply chain flow (Hedén & McAndrew, 2005).

Hedén and McAndrew (2005) say that related to product instructions it is important to have easy and comprehensible comments, especially because they are needed along the whole supply chain and in various countries, including suppliers and merchandise offices. The supply chain contains a wide variety of languages, cultures and mindsets. Some employees such as e.g. seamstresses at the supplier’s factories may not speak English. Due to that instructions need to be translated on a regular basis, which can easily lead to misunderstandings. Additionally the different mindsets, e.g. in terms of asking questions, can create problems. Therefore easy and comprehensible comments are needed to show the other members a clear picture of what is wanted (Hedén & McAndrew, 2005).

The authors So-mui and Mead (2000) analyze also the communication needs of merchandisers in the textile and clothing industry. The merchandisers need to communicate with buyers who place orders; suppliers of fabrics, yarn and accessories and manufacturer, involved in the production of the garments. All these supply chain members are situated in different countries and therefore English is the international business language. Compared to spoken English the written English is used far more often. The main purpose of the communication consisted of following up on orders, update order status or clarifying order queries. Furthermore negotiating and setting claims are important in that context. The research shows that the merchandisers themselves have a main concern about grammatical accuracy, while their supervisors are more concerned about correctness of content, the use of an appropriate tone and miscommunication. The supervisors seem to be satisfied with the merchandisers until they have to use it in a more demanding context. The analysis of authentic texts reveals that there are several obstacles as well, e.g. incomplete sentences, wrong paragraphing and grammatical accuracy. As a conclusion the results are seen as an alert for the extensive use of English in that position. The merchandisers need to talk to people in various countries who may not be native English speakers, like themselves (So-mui & Mead, 2000).
3.2.3 Quality checks

Chan and Taylor (2009) say that another daily task of the merchandise offices is to do quality checks, fittings and measurement checks of samples in the product development process. The employees need to do a first fitting and review of the incoming samples in order to reject them or forward them to the brand. The authors see a need for an adaption of the training for merchandisers in Hong Kong. The industry changed from production to offering sourcing services. Here merchandisers are needed. The companies recruit fresh graduated students without knowledge and develop them through in-house training. These merchandisers need multiple languages and an intellectual ability. The article described the topics measurement techniques including measurement points, techniques for different positions as well as basic measurements including definition of measurements as the two most important topics for a trainee. Furthermore the basic concepts of garment constructions including knowledge about human figure and mechanism of creating shapes are crucial to the merchandise trainees in order to understand clothing measurements (Chan & Taylor, 2009).
4 Methodology

This chapter explains the methodology used in this thesis, starting with introducing the qualitative research approach and the case study design. To get an overview the structure of the study is presented and the different methods of data collection are introduced, such as survey, in-depth interviews and former developments. Later the credibility of the research is examined shortly.

4.1 Scientific approach – qualitative research

This research contains a practical contribution for the sport textile company Craft. The supply chain interactions between the headquarters of Craft in Borås and the merchandise offices in China and Vietnam are analyzed whether they influence the sampling process in terms of information flow and collaboration and whether there are solutions with which they can get more control over their sampling process. To fulfill this purpose a qualitative study is chosen, therefore this kind of method gives the possibility to receive answers in a detailed manner and that there is space for interpretation (Bryman, 2012). Stake (1995) explains that qualitative researchers seek for patterns and expected complex relations between less defined variables and take therefore a more personal role. In this research an abductive reasoning is used. While using abduction the findings are based on perspectives of the social world and meanings of participants (Bryman, 2012).

4.2 Research design

A case study design makes it possible to do a detailed and intensive analysis of one single case as e.g. a single community, a single family or a single organization (Bryman, 2012). “The case is a specific, a complex, functioning thing.” (Stake, 1995, p. 2). This research design represents a method to explain and understand a complex phenomenon, while having few limits for the approaches of how to collect relative data. Bryman (2012) argues that this research design is mostly related to qualitative research, as it often includes in-depth interviews and surveys. Stake (1995) refers to a case study as a method to catch the complexity of a single case. For this research the case study design is used, for the reason that this research should have an explicit contribution to Craft as one particular organization. Further the single sub-process of the interaction between the headquarters of Craft and their merchandise offices in Vietnam and China, embedded in the sampling process, is analyzed.
4.3 Structure of study

Figure 6: Structure of study

Figure 6 shows the structure of the research. The research started with the field study at Craft. The related report contains various aspects influencing the sampling at Craft. Based on this report one aspect is chosen: the relationship between the headquarters of Craft in Borås and the merchandise offices in China and Vietnam. This aspect is chosen because it is the most relevant to the author and most likely to be able to be changed. During the literature review it is detected that there is not much research about issues related to process or the sampling in general. Articles related to that topic mainly deal with the success or fail of a product development. This shows that there is a research gap and that there are no general solutions for Craft which could be applied to their sampling process. Resulting from that gap the research question is formulated.

Related to the topic, literature is chosen. In order to get a first overview about the relation a first survey is sent out to the employees as well. Based on this some key points are filtered as a base for the in-depth interviews with some related employees. Parallel documents of past developments are chosen in order to analyse the documentation of the developments. Later on the outcomes are
summed up in the results chapter and analyzed further more. In the analysis chapter the results are summed up under the categories information flow and collaboration and brought together with the theory. Additionally the second research questions is answered during that chapter, while embedding Craft into the agility concept of Christopher (2000). The discussion chapter describes than practical solutions for the observed problems. These are based on the authors own ideas and logical implications from the findings. During the analysis and the discussion further literature is reviewed in order to complete the theory chapter and cover all occuring aspects. Finally the conclusion answers the two research questions, limits and evaluates the research as well as gives a further outlook over new research topics in that field.

4.4 Data collection

The aim of a case study is to get a detailed, intensive insight in a case (Bryman, 2012). Various methods can be used and the number is merely limited to get an extensive insight in the topic. Therefore different qualitative methods are chosen to collect the relevant data for this case. The methods are literature review, company visits, survey, interviews and analysis of internal data. However Stake (1995) argues that there is no particual moment when the data collection starts. First impressions, backgrounding, informal data are all a part of the process. The researchers have the privilege to chose what they think is worth of attention, but they also have to make conclusions related to these choices which are meaningful to the reader (Stake, 1995).

4.4.1 Literature review

Bryman (2012) argues that reviewing the existing literature is the base in order to capture the current research state and relate later on to the already existing theory. The theory of this research contains the prior case study of Craft. The results of that case study represent the base for this research. Further there is theory about supply chain management, agile supply chains, textile supply chains and content related to the role of the merchandise office. The literature is found mainly through the University of Borås library data base and http://scholar.google.com/.

The information about Craft is mainly gained from the internetpages of Craft (Craft, 2014), NWG (NWG, 2012; NWG, 2013) and NWS (NWS, 2014). Furthermore internal data is used, received during the field study. Explicit an internal publication about Craft’s history and the Workbook Autumn/Winter 2013, which includes the whole collection of that season and information about the three layer principle, are used.

4.4.2 Company visit

As mentioned before a field study at Craft was conducted beforehand. A ten weeks internship between the 11th of November 2013 and the 17th of January 2014 is the base of the research and gave access to the case and the related units.
Later on the company is visited several times, talking to employees, observing processes and participating in meetings. These visits create first-hand knowledge about internal processes and are some kind of observation in a not public place. The author acts as a partially participating observer, working during the observation at the organisation (Bryman, 2012). However as Bryman (2012) also argues, the observations do not have to be the main source for the research. The other data collection methods are more important to the study. The company visits make the author familiar with the interviewee’s and their environment which is necessary to be able to interpret the results as Bryman (2012) also explains. The knowledge gained during these visits help to understand the situation at Craft and can fill up the information received during interviews.

4.4.3 First survey

Even though Stake (1995) states that qualitative case study rarely has a survey with the same questions asked of each respondent, he also mentions, that it is not uncommon to do a survey to gain an overview of who is worth interviewing later on. Bryman (2012) mentions that sampling in a qualitative research context tends to be a purposive sampling type. Here the units, which are selected are in a direct context of the research question. The research background and questions indicate which units should be sampled in order to answer it. The aim of purposive sampling is to sample strategic so that the results are relevant to the research (Bryman, 2012).

In this research the purposive sampling is used. Due to the aspect, that the research context within Craft and the sampling process is clear. Therefore the units are chosen within this context. The questions and units are chosen from the beginning. Therefore that it is planned to gain further knowledge in interviews. The self-compilation survey is sent out to all employees in the design and product department at the head office of Craft in Borås as well as to the merchandise offices in China and Vietnam. As many related people as possible are covered. As Stake (1995) argues, the purpose of this survey is also to get a first overview over the sampling and get a direction for the interviews. However, since the lack of time not all employees answered the survey. Through discussions during the visit it becomes clear, that some participants such as the technical designers at the headquarters of Craft are very relevant to the topic. Therefore they do not answer the survey. They directly are chosen to participate in an interview later on.

4.4.4 Interviews

Bryman (2012, p. 469) refers to the interview as “[...] probably the most widely employed method in qualitative research.” Even though interviewing, transcription and analysis is time consuming, the method of data collection is flexible and attractive for collecting qualitative data (Bryman, 2012). Stake (1995) argues that each interviewee is likely to have had a unique experience. So it is worth asking deeper than a survey allows. Bryman (2012) also says that in
qualitative interviewing the interviewee’s point of view is in focus. Further he explains that in this kind of qualitative interview the general approach can be either unstructured or semi-structured. For the unstructured type the focus is more on the interviewee’s point of view than on maximize the reliability of the study. Within this method it is possible to ask occurring questions. The direction of each interview can change in the course of the conversation. The semi-structured method contains a list of questions, related to as an interview guide. Both types are extreme ones, Bryman (2012) explains that each method is either closer to one or the other.

For this research relatively unstructured interviews are used. The interviews are made in a conversational style. This method gives the possibility to explain the research purpose to the interviewee and let them speak freely about their experience. With this approach the interviewee is able to speak about the topics he or she evaluates as important. Based on the prior research, questions are asked related to the key words

- merchandise office,
- collaboration,
- sampling,
- information sharing,
- documentation.

This allows to pick up on important topics and to ask questions related to the interviewee’s position, since not every participant is related to the sampling process in the same way. While taking the interviewee’s environment into account, the interviews with the employees in Borås take place in person. However since the merchandisers are situated in Asia, the interview were made through Skype. Bryman (2012) suggests that general questions should be asked in order to gain background information, which is important to interpret the answers later on. However most of the participants already worked with or had contact with the interviewer. Therefore the mood can be open, the interviewer and participant are familiar with each other and background information is gained through company visits and internal information during the work.

Employees are chosen for the interviews as the following:

- The new pattern-maker Christina Yinjun Li. Even though she is new at Craft at the point of the research, she is from Shanghai, China and worked as a merchandiser, even for a supplier of Craft and together with some of the merchandisers working for Craft today. She was chosen because she can give a general insight in the process and talk about her experience.
- The four technical designers situated in Borås in pair of two; Eva Johansson & Camilla Westlund as well as Ann-Kristin Bruhn & Monica Kruse. They have the most contact to the technicians at the merchandise
offices in China and Vietnam. They write comments, review the samples and do fittings.

- The category leader for training-wear Laura Tapia. She has been with Craft for some time and spent six months in Shanghai, China recently, working in the merchandise office and visiting factories in order to develop the new training-wear category which should be introduced in the next year. She has first-hand knowledge about the daily work at the headquarters in Borås and the merchandise office in China.

As suggested by Bryman (2012) the interviews are recorded and transcripted afterwards using a phone during the face-to-face interviews and a computer program to record the Skype calls with the external offices. It is stated that it is not just important what is said but also how it is said. Therefore the recording gave the possibility to transcript the whole conversation (Bryman, 2012).

### 4.4.5 Former developments

When it comes to sampling, Bryman (2012) argues that not just people can be units to be sampled. For things such as documents purposive sampling can be used as well. Stake (1995) explains that studying documents follows the same thinking as an interview or observation. While analyzing, the purpose should be in mind but the researcher should also have an open eye for unexpected aspects (Stake, 1995).

Considering this, documents of former developments are chosen with the purpose to analyze the aspect of documentation. Five former development documentations are analyzed. The number is limited but it is evaluated as suitable, therefore that the findings of the analysis of these documents should support the results of the interviews. The related documents to the products are extracted from the PDM system and the comments and the progress analyzed. The documents are from products from the last finished season autumn / winter 2013 in order to get the current state. Further all of the developments are handled through one of the related merchandise offices. Additionally different categories are chosen in order to get a broad overview in the whole process. During the analysis aspects such as specific comments or time of demanded changes are referred to.

### 4.5 Data analysis methods

Stake (1995) states that again there is no particular moment when data analysis begins. It goes back and forth while researching, even though it is given a certain time-period in the process. He defines analysis as taking the observations and impressions, using the parts which occur important to the researcher and making sense to them while putting them together again in a different way. Regarding interpretation Stake (1995) explains categorical aggregation as creating categories in which the researcher can put the findings and observations to make it understandable. Stake (1995) explains that seeking for meaning often means
seeking for patterns or consistency. Patterns can sometimes be found immediately while reviewing the data or after coding and aggregating. Important meaning to in incident comes while finding at again and again. Bryman (2012) refers to this method as coding, meaning reviewing the documents and giving them labels when something appears to be important to the research topic. He as well explains it with taking the information apart, categorizing it, making connections between the different categories and finally select the labels which are important to the research (Bryman, 2012). Dilger (2000) explains that the empirical data and findings are constantly related to the theoretical concepts. The information should not just be displayed but also be sorted into a pattern (Dilger, 2000).

The findings and observations of this research are reviewed and looked through repetitively in order to make sense to the supply chain interactions at Craft. Repetitions of behavior give more meaning to a specific incident. The data is written together in the results chapter and put apart after reading the transcriptions of the interviews. In the analysis the findings are put together to different categories related to the research questions under the categories of information sharing and collaboration. These categories are then brought together with the theory.

4.6 Credibility of the research
Even though Bryman (2012) explains reliability and validity are more a concern of quantitative research, this chapter should confirm the credibility of the conducted research. The credibility is about the trustworthiness of the collected and interpreted data. It can be argued that the data or findings are generated in a conscientious way. It is recorded and described in a detailed manner what is experienced and perceived. The theories and literature are chosen within the topic and only literature was chosen which is evaluated as high qualitative. The literature is mainly chosen from the University of Borås internet library base, also through the internet database http://scholar.google.com/.

Regarding reliability Bryman (2012, p. 390) refers to it as “the degree to which a study can be replicated.”. In this context it can be argued that the method is described in a clear way and can be repeated. However Bryman mentions that this point can be difficult, since social circumstances cannot be “frozen”. Therefore it is hard to repeat the study and come to the exact outcome. It is essential that another researcher would conduct the research in the same situation (Bryman, 2012). For this research this means that if the study should be repeated, the researcher needs to stay at the company as well, in order to experience similar situations. Conclusions and results are based on understanding the environment at the headquarters of Craft. Therefore in order to replicate the study it would be necessary to understand the circumstances as well.
To internal validity Bryman (2012, p. 390) refers “whether there is a good match between researchers’ observations and the theoretical ideas they develop.”. The internal validity of qualitative research in general and therefore of this research can be evaluated as strong. The researcher has the possibility to analyze a certain social situation or phenomenon over a long time period. This gives the possibility to ensure the congruence between concepts and observations (Bryman, 2012). For this research the case of Craft could be analyzed and observed for a long time. Patterns became clear during the observation period.

Bryman (2012) refers to the aspect of external validity the generalizability of a research. This aspect may be the main critics for the case study design. In the textile industry sourcing through a buying or merchandise office, which belongs to the company, is situated in Asia and employs locals is a common practice (Hedén & McAndrew, 2005). Craft does that as well. Therefore it can be argued that other companies face similar issues as Craft does and that this case can be representative for a few other textile companies. However to Craft has occurred a problem which is influenced by many different aspects that come together to create this particular situation. Therefore it has to be said that it is hardly possible to generalize the findings of this study. In order to fulfill the purpose of this particular study it is not necessary to generalize the findings. As Stake (1995) argues the case does not have to be representative, since the purpose is not to understand other but this one particular case. Therefore the external validity may not be an important aspect while evaluating the research.
5 Results

In this chapter the results are presented, starting by summing up the answers of the survey. Later on the interviews with the pattern-maker, the technical designers, the category leader training-wear and the merchandise offices in China and Vietnam are presented, consisting of answers regarding the topic of collaboration and communication. Finally the findings of past product developments are outlined.

5.1 Summary of the survey

The survey answers come from the product development department in Borås and the two merchandise offices in Vietnam and China. The detailed results can be found in Appendix I. Participants had positions as category leader, assortment manager, designer, merchandiser and technical designer. Within the sampling process they conducted various tasks. The technical designers were responsible for reviewing and measuring samples as well as writing all comments in the PDM system. The category leaders and assortment managers are responsible for the administrative tasks such as organizing order sheets, sample flow, information flow, time schedules and deadlines. Further they are also responsible for fabric and price concerns. Designers create sketches and the specifications. They also update this information and comment the design aspects of a sample in the PDM system. The designers, technical designers and category leaders communicate with the merchandise offices regularly regarding their different tasks as fit, make, fabric, design and colors. The technicians communicate mainly with each other between the different offices. The designers and category leader talk to the merchandisers responsible for their category or the fabric merchandisers. All these employees participate in fittings. For the external offices, follow-up during development phase, checking samples and communication with the factories are main tasks. They push the suppliers and talk to them regarding the quality of the samples.

Mentioned issues are:

- Responsibilities and organization
- Sample quality, making of seams and garments
- Not-considered comments by the suppliers and suppliers do not follow Craft’s specifications as carefully as wanted
- Lead-times of first and follow-up samples
- Timing in general (access to fitting models or concerned people)
- Delayed and wrong deliveries
- Not-updated information

Some designers see related problems in responsibilities and organization. Also mentioned by one designer is the problem regarding making of seams and the garments. She also talks about not considered comments by the suppliers, which
is also mentioned by a category leader, as well as that the producers do not follow Craft’s specifications as carefully as wanted. All participants mentioned lead-times of first and follow-up samples a problematic as well as timing in general. As a reason for that the access to fitting models and the concerned people is mentioned by a category leader. The external offices mention delayed and wrong deliveries and not-updated information as problems.

Related to the external offices:

- Communication (by email)
- Easy to miss out an e-mail or information (no link in PDM system)
- Delays (information about these too late)
- Missing communication about e.g. rejected samples (from merchandise side) or purpose of a specific garments (from brand side)
- Samples are first sent to merchandise office

As issues regarding the link to external offices, communication is mentioned. Communicate by email can be difficult. Also one designer mentions that it is easy to miss out an email or information due to a missing link to the PDM system or a reminder. Delays are also a problem mentioned by several participants. Another one is that the information about these delays comes too late. This leads to more problems in the salesmen sample or bulk production, which is explained by a category leader and a designer. Further missing communication is mentioned as well, e.g. about rejected samples from the merchandise office side or about the purpose of a garment from Borås side. Also problematic is the aspect that samples are first sent to the merchandise office instead of directly to Borås and the pattern-making. The external offices mention scheduling, lead-times and sample quality as problems as well as forgetting to do prior discussed changes in the PDM system.

Related to cultural differences:

- English level
- Misunderstandings
- Different eye of garments
- Merchandise office takes the specifications literal without interpretation
- Make samples towards the written texts and do not take sketches into account
- Suppliers do not cooperate enough

When it comes to cultural differences communication again is mentioned as a problem. As a reason for problems the English level and misunderstandings are mentioned by many participants. A designer talks about the different eye for a garment. The merchandise offices take the specifications literal without interpreting it. They also make samples towards the written texts and do not consider the sketches enough. Another designer answers, that it is important to
be clear in the descriptions and instruction, so the employees at the merchandise office do not decide on their own. The buying offices answers that they do not have problems with external offices. Just one participant mentions, that sometimes the suppliers do not cooperate enough.

Related to documentation:

- Tags are not filled out the right way
- Different PDM systems
- PDM system is too complex
- Comments difficult to understand
- Not updated information

Documentation is stated as a part of the issues at the sampling process. It is mentioned that tags are not filled out the right way or that there is not enough information, mentioned by a category leader as well as a designer. A designer further explains that the different PDM systems of Borås and the buying office can cause confusion as well and that the PDM system in general is complex and the responsibilities for the different data is not always clear. One designer says that the buying office does not always follow the comments and that it is not clear why they do not do it. Contrary to those replies, one participant from Vietnam answers that the comments are sometimes difficult to understand, because they are not explicit enough. This leads to interpretation of the comments or checking back. Vietnam answers that measurement lists, specifications and sketches are not always updated according to comments or communication.

5.2 Summary of the interviews

This chapter sums up the interviews made with the different participants such as the pattern maker Christina Yinjun Li, the four technical designers from the headquarters, the category leader for training-wear Laura Tapia and two representatives for the merchandise offices in Vietnam and China.

5.2.1 Interview with the pattern-maker

The interview with Cristina Yinjun Li, as the new pattern-maker starting in January 2014, took place on the 3rd of March 2014. The detailed interview can be found in Appendix II. In the context of a new sourcing strategy of Craft, she starts to build up a pattern library in order to own the patterns for the season spring / summer 2015 for the reason that the company should become more independent from the suppliers. Cristina is originally from Shanghai, but lived in Sweden for about five years. She has an education in fashion design in Shanghai and fashion management in Borås. She speaks Chinese, English and Swedish and worked together with two of the merchandisers, who are now working at Craft’s merchandise office in Shanghai, China.
In her interview Li explains that the buying offices in Asia normally belong to foreign companies. Back in Shanghai she was a merchandiser. She even worked for a supplier of Craft for some time in the past. Cristina experienced that she normally got all information from Craft. Back then there was only the office in Vietnam, through which she communicated with the head office in Borås. She experienced that Craft is compared to other brands one of the most complicated companies, due to the variety of styles and categories.

Li’s task was to translate the instruction from English to Chinese. Additionally she accounted the consumption of the fabric, including the information from the pattern-makers of the consumption per piece. However Li explains that her task was different from what the merchandisers of Craft do today. She thinks that the accounting part is passed over to the suppliers today, since they make the patterns. Today the buying office decides which fabric maker and supplier to use and they negotiate the business part with them. Regarding the structure, the four technicians in Borås work together with the technicians in China. The merchandisers are in charge of the brands.

When it comes to the translation task Li explains that there are problems sometimes. In her generation not all merchandisers have a textile background. Some study English as their major. These merchandisers translate more word-by-word. The technicians on the other hand do not focus on English. They study sewing-techniques or pattern-making. So they understand each other but there is confusion. Li explains that she was not good at English. She worked as a merchandiser and learned English during the work; therefore that she learned Japanese for her education. She further evaluates the technicians and merchandisers responsible for Craft today as quite good in English.

5.2.2 Interview with the technical designers

Two interviews took place with the four technical designers in groups of two on the 15th of January 2014. The detailed interviews can be found in Appendix III and IV. The participants were Eva Johansson & Camilla Westlund as well as Ann-Kristin Bruhn & Monica Kruse.

The tasks of the technical designers are to check samples regarding make and measurements, do fittings during which they sometimes take pictures and write comments regarding the samples in the PDM system as well as to draw pictures of details and changes if necessary. Further they have the contact with the technicians in Asia or the suppliers in Europe directly. The merchandise offices transfer information to the suppliers. If some of these have questions they come back to the merchandise office, where they check back with the technicians in Borås.

They see related problems in time-scheduling and lead-times of the samples. The merchandise office collects the samples before sending them back to Borås, which
results in a complicated schedule. Sometimes too many samples arrive, while in other times there are not samples at all. Bruhn and Kruse mention that it could be good to be clearer from the beginning. Earlier decisions on fabrics, trims and styles can help to reduce the number of samples.

Johansson and Westlund mention, that the communication with the merchandise office is okay. Also that it is better today since the merchandisers check back if they do not understand something. However Bruhn and Kruse explain, that they still do not ask back always. Further they say that they do not have the same eye as they have themselves. However Johansson and Westlund further explain that it is easier since the technicians were in Borås and joined for fittings. With the visits they got to know each other and the cultural differences became less.

The English level in writing is okay. However there are some issues when it comes to oral communication. Bruhn and Kruse mention that this may be related to the language or missing education. The employees at the merchandise offices have to translate the instructions into Chinese for the suppliers and communicate with them. When it comes to the comments, the merchandisers seem to understand them.

Bruhn and Kruse explain further that another problem with the merchandise office is that lately they change the technicians very often. Before, the technicians were just responsible for Craft and had long-term relationships with the technicians in Borås. This lowered the differences in handling the processes. Today the technicians are responsible for several brands in the NWG and they are changing quite fast. In this context it is hard to cooperate. The English level of the new technicians does not seem to be high enough; therefore they do not come to visit. They do not get the specific value of Craft due to multi-brand-responsibility. There is a need to explain them the purpose of a specific garment, so they can understand the requirements. It is mentioned that this may be also related to the different dedications to sport and the different sport cultures.

One problem with the different cultures is mentioned as the suppliers always want to do everything Craft asks for. They confirm a request, even though they are not possible to fulfill it. It is mentioned that they are not realistic enough when it comes to that. If they recognize that it is not possible, they communicate to Craft too late. This causes problems in the further development or production process. However the situation is better today than before and always depending on the person with who they communicate. This also influences whether they collaborate or not. Some recommend solutions or have different ideas which is appreciated. However the technicians say that confrontation is not their way to deal with things.

Some problems occur regarding workmanship or not considered comments and changes, which they relate to the supplier choice. They mention that the suppliers
either do not have enough time or they do not understand them. It is suggested that the merchandise office should have checked whether the changes are made before sending them back to Borås. Rejected samples could be reproduced, but the technical designers believe, that the merchandise office does not have enough time.

All technicians say that they do not have influence on the supplier choice. It is possible for the technicians to suggest a supplier in the line list, but the merchandisers finally decide. It is wished by the technicians in Borås to have more influence on the choice of suppliers or at least have more insight therefore that they know that some suppliers produce bad quality. Johansson and Westlund further explain that a change of suppliers imposed by the merchandisers can cause problems in Borås, further the sampling starts all over again. They think that owning the pattern will improve the situation. A proper decision making is suggested by all technicians. Fewer suppliers would be good when just considering the developing and the production. It would help to have better relationships with the suppliers. However due to pricing, capacity and not being too dependent due to single-sourcing, fewer suppliers are hardly possible as it is evaluated by the technicians.

5.2.3 Interview with the category leader training-wear
On the 10th of March 2014 the interview with Laura Tapia took place. She is the category Leader for training wear, which is a category which should be introduced in spring / summer 2015. The detailed interview can be found in Appendix V.

Tapia’s stay in Shanghai
Tapia stayed in the merchandise office in China for six months. During that time she worked together with the merchandisers to reduce the fabrics, supported also from the category leaders in Borås. All fabrics were checked and whether there is an option to reduce the number of different fabrics. She also spent two to three days per week in the factories in order to learn about the processes there. She joined quality controls, developed bags and did her normal work as a category leader. She also was sourcing for base-layer suppliers, therefore that the production should be shifted to Asia.

In order to improve the workflow and communication between China and Sweden she had a lot of meetings. Tapia went with the employees there through the workflow in order to double check and see where the merchandise office comes into the process. She also suggested when the employees there should push for specifications in order to get the development done. The employees were able to ask questions. She mentions that they have a lot of questions but they hesitate to ask them, because they are proud by nature. She explained that the communication got better after a time during her stay. Further Tapia explained to the employees, which samples are okay and which are not; therefore that all samples are checked by the merchandisers and technicians. They reject some
samples and let them reproduce before they send them to Borås. However Tapia mentions that they send bad samples to Borås since the merchandisers do not always have the textile knowledge. Together with the technicians in Sweden and China she set a standard list with photos of what is rejected and what can be sent to Borås. Hence double work can be avoided.

**Workflow**

Regarding the structure, there are merchandisers responsible for a certain category. Also there are two fabric buyers, one for woven and one for knitted fabric. Further there were two to three technicians responsible for Craft before. Today there are technical designers for all brands of NWG. Tapia mentions that the situation is harder now since the workload is higher. Hence the merchandisers take the measurements of the samples. These do not always have a textile background; therefore the measurements were not always accurate at the beginning. They got training but it took some time to learn.

**Suppliers**

Tapia explains that most of the employees in Borås have no influence on the suppliers. However she also says that she has influence on it. Since she visited China and got to know all the suppliers, she puts the wanted supplier in the line list. She explains the importance of having more influence on the choice, therefore that it happened that a supplier was chosen just because the production was cheap. However the quality was bad and the employees in Borås would rather put the extra money in the quality to choose another supplier. The employees can wish for a supplier and another category leader does that as well. Mainly because they want products from the same product family being produced at the same supplier, therefore that the appearance, quality and make should be the same in the end. However she also mentions that all employees in Borås need to give this information to China. Otherwise the merchandisers choose for each product alone. The employees take for granted that the other certain information, but they need to understand the different situations and give as much information as possible. Tapia says that nobody knows the product as good as the employees from the headquarters do, so they have to share as much information as possible.

Tapia explains further that they wish to work with fewer suppliers and they also tried to cut down the number. However she also explains that after checking the supplier lists, they are not so many. Craft has many different styles, which are very different in the production as well. It is hardly possible to let the different products be produced at the same supplier. The volumes can be very different as well. Some suppliers, such as the big suppliers, just want high volume orders. Other suppliers, which are specialized on a specific style or technique, do not have the capacities for high volumes. In order to find a supplier who produces the smaller volumes, the merchandisers try to place these orders together with high-
volume orders. Through that the producers take the small quantity production as well. However some of the high volume suppliers do not have the right techniques. Another issue is the distribution of the products. Craft does not have one central warehouse. All orders are directly sent to the distributors in the countries, which makes it more complicated for the suppliers. Not all suppliers want to work like this. Therefore they do not want to work with Craft. Tapia relates to the supplier choice as a “puzzle” which the merchandisers have to solve. They need to trust them with the choice, therefore that they have the knowledge.

Further visits
In order to improve the collaboration between the other employees, Tapia mentions that longer stays up to six months for everybody would be good. Even though not everybody is able to go there for such a long time, it would be helpful to stay for one or two months. It would bring the people together, since both parties think in different ways and the cultures are very different. Another solution could be that always one Swedish person stays in China, either completely or they change regularly between different employees from the headquarters from different positions. This person could link the two cultures and help China to understand all the different tasks, the employees in Borås are doing. Further it could help decrease misunderstandings. Even though right now the CEO of NWG China is Swedish, he deals with managerial aspects of the company. He is not working with product details.

Tapia explains that the Chinese people are really proud and that they do not ask because of that. They are afraid to do something wrong and that they are not good enough. With getting to know each other, trust is built up and the employees learn how to deal with each other. She further explains that two of the employees from China were visiting Borås last year. However they just stayed for two weeks and were only participating in fittings. One or two technicians visit Borås once or twice a year as well. Tapia mentions that it would help if the Chinese employees would stay longer in Sweden as well. They have lot of questions they do not ask. If the parties trust each other after a while the Chinese start to ask these questions.

Further she mentions that stays during the sampling process should be longer. Now just the first sample is reviewed in China. The follow-up again is via e-mail. The stay should be prolonged so the employees from Borås can see the second sample as well. Further mock-ups (most difficult part of style, e.g. detail, zipper) can be produced in the factory and adjusted by the Craft employees locally and in-time. She suggests that this takes about one month. If the samples are adjusted in direct contact with the factory, the communication would be easier and direct, explanations would be easier and misunderstandings less. This can lead to the aspect that no more samples would be needed. The employees also can push the
merchandisers during their stay; therefore that they have a lot to do and miss out some parts sometimes.

Tapia explains that there is a big difference in the sport culture between Sweden and China. In China, e.g. they to Thai-Chi or go for walks. However they do not exercise and sweat as Swedes do. Therefore that they are not familiar with the kind of sports Craft provides products for, the Chinese do not understand all styles and their purpose. Communication towards this kind of information is needed in order to bring all supply chain members on the same track. Just technical information may not be enough. This is a common problem; the employees from the headquarters take for granted that the merchandise offices know all specific aspects. China also thinks that the employees in Borås have all important information.

**English Level**

Tapia explains that the Craft group at the merchandise office is okay in English. Even though some of the technicians are not that good in English, they have the possibility to take English courses. She says that the written English is good, but when it comes to oral English some problems occur. Some things need to be explained several times and the English needs to be simplified. Due to the proud of the Chinese they answer with yes when the employees in Borås ask a question, even though they did not understand it. Later on, this stands out and the problem needs to be addressed again. However Tapia explained that through her stay she learned her way around this problem by asking questions in a different way, also in order to create a base for questions for the Chinese employees. However Tapia herself took Mandarin lessons in order to be able to communicate during her daily life during her stay in China. She explained that they start learning English in school now. However up to now, most people are not able to speak English. Bigger cities may be different, but for factories she always needed translators.

5.2.4 **Interview with the merchandise offices in China and Vietnam**

The interview with Holly Zhao, working as a merchandiser at the merchandise office in China took place on the 13th of March 2014 via Skype. The detailed interviews can be found in Appendix VI. The interview with Pham Thi Thanh Tuyen, who works as a merchandiser at the merchandise office in Vietnam took place on the 12th of March 2014. The detailed interviews can be found in Appendix VII.

It is explained that at the merchandise office in China there are three technicians, four merchandisers and two fabric merchandisers. The technicians are mainly responsible for Craft but for about 20% they work for other brands in the NWG as well. In Vietnam work two merchandisers and one technician. Here the situation is the same. The merchandiser works just with Craft, the technician is also responsible for other brands.
The main task of the merchandisers is the contact to the suppliers. They hand over the instructions at the beginning, follow-up on samples and orders regarding comments from Borås. Further they check appearance and fabric of the samples and hand the samples over to the technicians. These are responsible for fit and measurements. The technicians reject samples and discuss with the technical designers in Borås regarding the product or comments. They also communicate with the suppliers regarding make of the samples.

Regarding receiving all necessary information both offices mention that normally all information is on time. Sometimes the information is not complete and it needs to be checked double. In Vietnam they recognize that often during vacations in Sweden. Zhao from China mentions that this happens often at the beginning stage of the developing process. Back details and specifications are not how they finally will be and late updates prolong the developing phase. She wishes to get these changes earlier; therefore that styles could be approved earlier and the production phase could start sooner as well. Both interviewees wish to have more information on time regarding trims and details but mainly regarding the fabric. It is mentioned that after communication, decisions are not transferred to the PDM system and some information is not updated.

The merchandisers explain that the supplier choice is based on sample quality and prices of samples from different suppliers. Sometimes these different samples are sent to Borås so they also can decide on a supplier, which happens mainly for new product developments. Zhao says that normally the merchandisers choose, which is communicated to Borås through comments and costing sheets. Tuyen mentions that they mostly discuss with the employees in Borås which supplier is good for which product; therefore that some suppliers may be good for one but not for the other category. There are only four suppliers in Vietnam with which Craft is working currently. While developing new samples there is always discussion about the choice of supplier and whether it is possible to place the order at a new supplier.

Tuyen thinks that the communication between the two offices is good. Normally there are discussions about which solution is best in order to make a good sample. There are follow-ups for deliveries and afterwards discussions. The merchandise offices say that they do not have problems understanding comments, even though they have to double-check sometimes. Tuyen from Vietnam explains that since the technicians in Borås are there for a long time they know each other and have no problems to understand the comments. In order to communicate better and get to know each other visits can be an option. Zhao explains that longer stays of the employees from Borås would make the communication easier. The merchandiser from Vietnam explains that visits would make it be easier to ask questions and have discussion in person. However Tuyen also explains that their office in Vietnam, with the low order volume and supplier
number, is probably not big enough to demand a Swedish person staying constantly at their office.

5.3 Summary of the findings of the former developments

In order to get an overview about the documentation of the sampling process five different former product developments from the season autumn / winter 2013 were chosen and the related documents were extracted from the PDM system. The analyzed products were running tights, an alpine jacket, bike tights, a cross-country skiing vest and tights. The samples took five, six or ten sample rounds until they were developed and ready for the bulk production. Regarding the measurements some deviations were out of tolerance. Changes were made back-and-forth and some changes were made during the master sample phase or even later. Mainly at the beginning, if the measurements were out of the tolerance, but the sample was fitting, the new measurements were accepted. Related to the measurements some comments mention that the supplier should follow the measurements more carefully.

Some technicians gave suggestions towards the make of the product and for some samples the employees from Borås wrote „Don’t hesitate to ask if you have any questions, I will be glad to help you.“ and repeated the sentence several times. The technicians in Borås agreed mainly with merchandise office during the samples. However for one sample the technicians from the merchandise office and from Borås had different measurements. In some cases the head office sent pictures of details. However they were not considered. It was produced towards comments.

For the PP sample, which should be produced as it will later be in the bulk production, some samples were still not in the final form. Fabrics were replacements or hangtags were missing. For problematic parts mock-ups were ordered in order to get the sample approved as seen in Figure 7.
In one master sample a comment says: “It is important that these styles (jacket/vest) have the same design, when it comes to seams and all details like pocket position, logoplacement, construction of pockets and so on. This is important since it is different patternmakers for each style”. Another comment states: “the 6 dots logo at lower left leg is not placed straight. Please follow the comments made for 1902270. The hand pkt zippers look different than on the jacket and vest (1902263 & 1902265). Please follow the sample of 1902263 and make the pkt zips the same”. The products should look the same in a product family.
6 Analysis

At the beginning of this chapter a figure of the information and work flow explains the situation at Craft. The further results are explained by putting them together in the different categories as information flow and collaboration. These categories are related to the theory.

6.1 Information and work flow at Craft

The following Figure 8 shows the work and information flow during the sampling with a focus on the merchandise offices in China and Vietnam. The figure is based on information taken from interviews and the survey, as well as experienced during the company visits.

The technicians in Asia talk mainly with the technicians in Borås. The designers and category leaders are responsible for their categories and the fabrics and talk therefore mainly to the merchandisers or fabric merchandisers in Asia. Figure 8 shows that the information flows from the office in Borås to the merchandise offices. The data contains information about new styles, approximate quantities of these, specifications and instructions, as far as already decided. Additionally fabric swatches are sent to China or Vietnam. With this information the merchandisers start to benchmark several suppliers, normally about five different suppliers in China. If new suppliers are tested whether they could be used for a certain style, the technicians and the merchandisers visit these factories. The merchandisers are responsible for the administrative part; the technicians have the knowledge about technology, make and quality. It is important that new suppliers do not just have the technology and machines for a certain style; they also have to have the knowledge. The technicians discuss with the suppliers how to make the sample, in order to make it suitable for Craft.

China has two fabric merchandisers, one for woven and one for knitted fabrics. These get the fabric swatches and the related information in order to source for suppliers for these fabrics. After receiving fabric swatches from the fabric suppliers, they test the material and send it back to Borås. There it is decided on a fabric and on a supplier.

The merchandisers have about ten days for finding a supplier and about ten more days for getting samples from these. Merchandisers and technicians check the samples. However since there was an organizational change at the merchandise office in China, the technicians are responsible for several brands. The workload for them increased and therefore the task of measuring the samples was transferred to the merchandisers. They got training for that task.
It is decided on a supplier, based on the price, which has to fit to the price range Craft wants to sell in and based on the quality of the samples. If they have decided on one supplier the sample is sent to Borås. If there are similar samples, more than one sample is sent and the technicians at the headquarters can decide on a supplier.
After the review of the samples, the comments are sent back to the merchandise offices. The merchandisers translate the comments and send them to the suppliers. They also have price negotiations with them and push them in order to achieve the best solution for Craft. The technicians have contact with the suppliers in the context of make, pattern and fitting. They help them to manufacture in the way Craft wants to have the samples. The next samples are checked again at the merchandise office. The merchandisers check the measurement; the technicians are responsible for fitting and make. Some samples, which quality is too bad, are rejected and not sent to Borås. The comments regarding the fittings go back to Borås as well as the accepted samples. There they are reviewed again and there is discussion about the results between the merchandise office and Borås. This sampling process is repeated until the sample is approved for the bulk production.

China has the highest order volume and is with four merchandisers, two fabric merchandisers and three technicians, who are responsible for several NWG brands the major merchandise office. Contrary to that Vietnam is smaller with two merchandisers and one technician, who is also responsible for other NWG brands. Right now they are just working with four different suppliers in Vietnam. Due to that Vietnam does not benchmark as many different suppliers as China does. Further they do not have their own fabric merchandisers. The work has to be done by the normal merchandisers if it occurs.

6.2 Problems

After analyzing the results several issues are found which are related to the interactions between the merchandise offices and the employees in Borås in terms of information flow including cultural and language aspects as well as collaboration and responsibilities.

6.2.1 Information flow

Until important information has reached the supplier it has passed various people. Additionally most information is translated to the local language. The information is transferred mainly through e-mail or the PDM-system, sometimes via Skype or phone calls.

6.2.1.1 Late information and responsibilities

Late or not up-to-date information from both sides seem to be an issue. It was mentioned several times. Even though the external offices explain, that they get all important information they need, they also say that it is not always on-time or complete. Decisions on fabrics or details of styles are made late. Therefore first samples can be quite unlike than what was imagined. The past developments also show that the communication, even though the comments are written in an easy way, some changes and information such as measurement adjustments comes quite late. Measurement adaption came partly during the master-sample phase and was made back and forth. In this phase normally the samples should be in the
state as they will be in the end. Also related to that, another occurred issue is that some products which are belonging to the same product family should be produced at the same supplier. The products should have the same look later on. This information is not always given to the merchandisers at all or sometimes too late, therefore the employees in Borås assume that the merchandisers know. The past development showed that in two cases this affiliation was announced during the master sample phase. A reason for these issues can be responsibility aspects.

After discussions towards changes in styles, colors or fabrics either internal or with the external offices, it is not always clear who has to change the data in the PDM system. This leads to a not-up-to-date PDM system, mentioned by the interviewees of the external offices and some employees of the headquarters. Late information also comes from the other side. Delays are one problem; the communication about these another one. Even though the suppliers want to make everything happen, they are not always possible to do so. If the samples are delayed the schedule cannot be followed as wanted. Additionally the employees in Borås receive the information about the delays too late. This leads to postponements in the schedule and problems in the salesmen sample or bulk production.

6.2.1.2 English Level, Translation, Education and Knowledge

An important part in the information flow is the communication in English. So-mui and Mead (2000) who analyzed the English communication needs of merchandisers in the textile industry also emphasized the importance of English in this job. The communication of the merchandisers goes in both directions supplier- and brand-side. They also state that the written English is more important and used compared to the spoken English. Chan and Taylor (2009) also refer to the need of multiple languages and intellectual ability in the position of a merchandiser. During the interviews it is told that regarding the education of the merchandisers and the technicians in the Asian offices, the educations differentiate quite a lot from each other. The merchandisers study English or management as their mayor, but not necessarily textile specific. The technicians study textile related majors, such as pattern maker, but not necessarily in English. With these different educations the employees need to learn either the textile aspects or English after starting their jobs.

Some comments seem not to be considered by suppliers, as mentioned. This can be related to different aspects. One may be that all comments and instructions need to be translated by the merchandisers. Translations can lead to a loss of information. Here again as So-mui and Mead (2000) explain good English knowledge is needed as it is used extensively. The translation word-by-word without the adequate textile background causes misunderstandings. Chan and Taylor (2009) talk about the need of merchandisers due to industry change from production to sourcing service. The companies prefer fresh graduated students
and educate them through in-house training. However it is mentioned that the Craft team at the merchandise offices today is good in written English, but they seem to have problems with their oral English. This is mentioned as one reason, why they do not want to visit Craft in Sweden. Anyway in general the communication via e-mail is difficult. A lot of writing back-and-forth is necessary in order to decide on things. Doing this in a language which is not the mother tongue complicates the situation.

Also related to the education aspect, it was mentioned that the merchandisers took over the task of measuring the samples. Now that the structure was changed, the workload of the technicians became too high. Therefore the merchandisers needed to be trained, since they did not have the background in textile. At the beginning, this led to wrong results. Chan and Taylor (2009) also talk about the measurement checks as a daily task in the sample inspection for the merchandisers. The authors analyzed training for this measurement checks. Included in the training should be measurement points, techniques for measurement positions, definitions of measurements as well as basic concepts of garment construction including knowledge about human figure.

The samples are first checked by the merchandise offices and then sent to Borås. Some samples are rejected. However sometimes samples arrive in Borås which are not good enough and should have been rejected. Another sample needs to be ordered and time gets lost. The results show that to the merchandisers and technicians the quality requirements are not always clear. On one hand this can be related to lack of information. The category leader of training-wear made a list of quality requirements of Craft including pictures with the merchandisers and the help of the employees in Borås during her stay. On the other hand this can be related to the missing textile background of the merchandisers.

6.2.2 Collaboration
Craft is embedded in the NWG which claims to use synergies in the fields of design & development, purchase & production and logistics & warehouse. However the field of design & development is managed by each company in the category of sport & leisure, therefore that the products in that category are evaluated as too fashionable. The buying offices also belong to the NWG and should therefore be able to work closely with Craft.

The results show that the collaboration became better than before and is evaluated as okay today. Even though the culture in Asia is not to ask questions, today they partly do, as they have ideas on their own and discuss with the employees in Borås about the different opinions. The employees of the external offices can tell their own opinions which is appreciated by Borås, therefore that they know the suppliers. The merchandisers also evaluate the collaboration as okay. Even though the technicians in the external offices change a lot, the merchandisers have known the employees in Borås for a long time.
However the today existing multi-responsibility of the technicians, initiated through the structure change leads to problems in terms of collaboration. It is difficult for the technicians to get the specific value of Craft and transfer it to the suppliers. It is also hard for the employees in Borås to work with constantly changing people. With the different cultural background it is important to get to know and understand each other.

6.2.2.1 Choice of suppliers and make

Hedén and McAndrew (2005) refer to the supplier choice as an important one. There are many options between single-sourcing and a high number of producers for just one product. All aspects have their advantages and disadvantages. In terms of collaboration, there should be a number of key suppliers. It is not possible to have a close relationship with too many suppliers, while having single-sourcing makes the company too dependent. As mentioned by some interviewees there are suppliers who have problems with make. The past developments also showed that suppliers do not always follow the instructions and measurements as carefully as they should. It is often mentioned in the comments that the supplier needs to follow the measurements more carefully. The suppliers do not seem to be as accurate as they should. This can be related to different things. As mentioned above it can be related to translation. It also can be ascribed to the supplier choice. The employees in Borås do not have influence on the choice or insight, even though they can suggest a supplier. Here it seems that the collaboration is not that good. The merchandisers choose the supplier with the cheapest price, who can still assure an adequate quality. However with the background of unclear quality requirements, having the whole responsibilities on the merchandisers, this may lead to a questionable supplier choice. If the merchandisers choose a supplier who produces bad quality and the supplier is changed later, the sample process starts all over again.

6.3 Agile or lean supply chain

Hedén and McAndrw (2005) relate to the textile supply chain as a global one. They as well as Dash and Nalam (2012) describe the supply chain in a more linear way from raw-material to the ready-made garment, including members from all over the world. However they also say that in reality the textile supply chain is way more complex and risky due to the high number of participants. Harrison and van Hoek (2008, p. 7) define the supply chain as “…a network of partners […]”. The brand Craft finds itself in a complex supply chain from fabric suppliers to manufacturers over merchandisers through the own company to the end-consumer.

Christopher (2000) as well as Fisher (1997) divide into two concepts of supply chains in order to succeed on the market. On one hand there is the lean supply chain, on the other hand the agile supply chain. Craft in general operates in the textile market, to which Hedén and McAndrew (2005) refer to as a volatile,
unpredictable and time-sensitive one. Here flexibility is necessary. Christopher (2000) mentions agility as one concept for these unpredictable markets. Additionally Craft is a company which operates in very different categories from running to bike, cross-country and alpine. Even though the company embedded in the NWG can surpass some competitors in terms of total order volume, the different categories and specific products of Craft make it difficult to forecast proper. In the end the quantities are quite low per product. Further it is hard to produce at just one manufacturer, therefore that different techniques and know-how is needed for the different products and categories. Referring to Harrison and van Hoek (2008) who see lean supply chains for products with a regular flow, Craft’s products are changing too fast. These aspects show that Craft does not have the possibility to produce in high order volumes. As illustrated in Figure 9 Craft’s product portfolio has a high-variety and low volumes. Here the products are more innovative (Fisher, 1997) a more agile supply chain is needed (Christopher, 2000).

![Figure 9: Craft Agile or Lean](image)

In order to adapt the supply chain further as Gattorna (2010) and Ericsson (2011a; 2011b) do, it has to be said that the customer range of Craft is wide. Distributors sell the products through different channels. They sell entry products as underwear packages or base layers to department stores. There, a wide customer base can be provided with Craft products. Here the products may be more functional as Fisher (1997) would say, however the order volume is still not that high and these products are not produced via the supply chain focused on in that thesis. Products such as bike wear or cross-country products are sold through specialized shops, therefore that consulting may be needed while buying and that these products meet the demand of specialized customers. These products are innovative and have low order volumes. Craft has different supply chains for their different products. Production wise they produce their more functional products.
in east Europe for a constant product flow and the high variety, innovative products in Asia, therefore that they are only ordered once per season and the production in Europe with this low order volumes would not be possible price-wise. Sales-wise the products are distributed through different supply chains such as big department stores, specialized shops as well as internet-shops. Therefore it can be said that the supply chains are partly related and adapted to the different buying behavior of Craft’s costumer.

6.3.1 Supplier relations
In agility Christopher (2000) integrates flexibility, which has to embrace organizational structures, information systems, logistics, processes and mindsets. He mentions different aspect as a key to success; as one of them supplier relations. A base for close supplier relations is a limited number to a few strategic ones.

The research showed that Craft works with a high number of different, mainly external suppliers. Employees mentioned that the available supplier list was not updated nor were they sure whether it was complete. There is no collaboration with the suppliers and the employees mention that they have no influence on the supplier choice. These aspects show that the relationship to the suppliers, to which Craft communicates through the merchandisers, is loose. It was tried to cut down the number of suppliers. However it was not possible in the context of the different styles and categories Craft addresses. Good relationships to the existing suppliers through the merchandise offices are crucial, even though the employees in Borås mention that they do not have insight in the supplier choice. The relationship aspect mentioned by (2000) can therefore be more adapted to the relationships to the merchandisers. These have to have a good relationship to the suppliers themselves.

6.3.2 Information sharing
This concept of process integration and collaboration is based on a high level of information sharing. Especially while having a demand-driven supply chain as Craft has, the demand needs to be visible throughout the whole supply chain. Trust is the base for a free flow of information in both directions. Transparency is important as well. Parker (2000) also mentions transparency, trust, honesty and openness as key points for shared information. Hedén and McAndrew (2005) also see the free information flow as an important part while dealing with volatility and uncertainty. Sharing information is the base for long-term relationships with key partners and including the partners as early as possible saves time and brings new impulses. Craft shares all information with their merchandise offices which is included in the PDM system. Further discussions help to transfer information to the other party. However some information is not given to the other party with the simple reason, that one assumes that the other party already has this information. This aspect for example occurs when it comes to information about
the purpose of a style. The sport culture in Sweden and in Asia is very different. It is explained that in China the people do not exercise and sweat as the Swedes do. Therefore it can be hard for them to understand the exact purpose of a sport textile. This makes the communication about the garments difficult. The Asian merchandisers take comments literal and interpret them different. It is needed to explain the purpose of a garment in detail, in order to make the merchandisers understand the garment exactly. For the Swedish employees the styles are logical and clear. Therefore they further assume that the other employees know the exact purpose as well.

Christopher (2000) explains that the Voice of Customer (VOC) needs to be built in the whole supply chain. Chan and Taylor (2009) also mention the building in of the VOC as a central idea of a product development technique. The information from the customer needs to be visible throughout the whole development process. Craft addresses this point. After the collection is outlined including sketches and product information, an advisory board meeting takes place. Here the most important distributors of the countries (Sweden, Norway, Germany, Benelux, North America) see the collection and give their feedback. They discuss about the products, styles and colors. Afterwards the collection is cut down to the final collection, styles are adapted towards the discussions at this meeting and the first samples are ordered.

6.3.3 De-coupling point
Another aspect of agility and flexibility is the de-coupling point, which describes the point where the real demand gets visible throughout the whole supply chain (Christopher, 2000). Craft has a make-to-order approach. There are some forecasts regarding order quantities, based on the main distributors, but there is no actual production based on that forecast. The products are developed and during the international sales meeting all distributors see the collection and order salesman samples. Later they have to order certain products in certain buying windows. Craft has no inventory or risk here. The risk is transferred to the distributors or the stores which buy products on stock. However one problem is that even though the collection is shown to the main distributors at the beginning of the developing phase and it is adapted towards these wishes as far as possible, there are still developed products up to the master sample stage which are cut out after the international sales meeting. Developing not wanted products wastes time, but the number of cut-out products is quite small and the costs are not that high.
7 Discussion

The part above shows a general classification of Crafts supply chain in the agility concept of Christopher (2000), as well as some approaches of how to adapt the supply chain towards the concept. The following chapter consists of practical solutions, which directly address the issues mentioned above and are logical implications.

7.1 Information Flow

7.1.1 Late information

After discussions, the PDM system needs to be updated. The external offices explained that especially during the Swedish summer holidays the information is not always up-to-date. Responsibilities need to be divided clearly so the information is always up-to-date. Additionally it would be easier if decisions on styles come as early as possible. The information regarding product family affiliation needs to be present all the time. This information should be lodged in the PDM system. In one example the products were made at the same producer, but made of the same pattern-maker. If the information would have been there earlier, the same pattern-maker could have made the pattern or the first pattern could be used as a base. Further if at the beginning the merchandise offices get a presentation of the new styles and collection and not just the information regarding each product itself, it would be possible for them to put this information together themselves.

7.1.2 Communication skills

As Hedén and McAndrew (2005) discuss, good communication skills are most important in the textile industry. With a communication mainly held in English, which is not the mother tongue of most members, it is easy to make mistakes. These can have huge impact on the product and the flow. In the practical context this leads to the aspect that the instructions need to be clear, easy and exact. It is important that the merchandisers can understand these. It is mentioned that some comments and e-mails are not written clearly. This can lead to misunderstandings. The product instructions need to comprehensible and direct, especially with the background that they need to be translated later on.

It is mentioned that the Asian culture is not to ask questions. Therefore, that the people are scared that somebody thinks that they are not able to do their jobs. They hesitate to ask; therefore they produce and act as interpreted and not necessarily as wanted. However one interviewee mentions that now that she knows this aspect she can work her way around it. If she asked something and gets a simple yes back as an answer, she sometimes has the feeling the opposite partner did not understand her. In this situation she does not just accept the answer, she asks back to see whether they understood her. This also creates an open environment and can be a solution for the other employees as well. Open
communication may help that the merchandisers and technicians trust the employees of Craft and ask questions back. The documentation of the past developments show, that some technicians in Borås write the sentence “Don’t hesitate to ask if you have any questions, I will be glad to help you.” which can create an open environment and signalize the merchandisers and suppliers to ask back.

7.2 Collaboration

7.2.1 Joint product development

Hedén and McAndrew (2005) mention that while being integrated and focusing on the whole supply chain the responsibilities for one company does not stop after the product has left the factory or responsibility area. The members care for the product until it meets the end-consumer. If the suppliers as well as the merchandisers of Craft are more integrated in the development process, the different members take more responsibility for the product, which can lead to higher quality and shorter lead-times. Parker (2000) also discussed this interfirm collaboration and got the result that most companies could increase the speed of the product development while integrating more parties of the supply chain. However in the end each company needs to analyze the possibilities and risk and take social aspects into consideration. Even though Craft and the merchandise office work together, the supplier base is too wide in order to integrate all of them further into the product development process. Taking into account that Craft now wants to work with their own pattern maker, they more exclude the supplier out of the process. They want to take over the control over the process and gain back key competencies in the product development area.

As a practical solution for that, the merchandisers could be given more responsibilities in the product development process. They do the first check and fitting in China or Vietnam. The employees in Borås check the samples again. Even though the results show that there was a lack of knowledge about the quality requirement, this could be addressed through training and visits in Borås. Agility in terms of process integration and product development across company boundaries can reduce the lead-times. If the merchandisers, with more background knowledge, cannot just do fittings and check some samples, but also accept or reject these on their own, not all samples do need to be sent to Borås. If only the first sample and e.g. the master sample could be sent to the head office, this would reduce lead-times and costs. The merchandisers and technicians can talk directly to the suppliers in order to improve the samples and less translation is necessary. With the background that some employees from Borås visit China for some first samples, the collaboration can support this change. During the stay the employees can brief the employees in China and Vietnam about the new styles, the collection and what is required. However this would include, that the technicians and merchandisers would need more training; also that the
technicians may just be responsible for Craft, in order to focus on the brand. Furthermore social aspects and cultural differences between the different parties need to be taken into account as Parker (2000) also mentioned in her study. Further the training for the merchandisers needs to be profound. As Chan and Taylor (2009) mention not just measurement techniques, but also knowledge about basic pattern construction and the human figure is important. As the quality requirements seem to be not that sure, the list about these needs to be accurate and the merchandisers need to learn more about this topic.

7.2.2 Visits
As mentioned above knowing each other is an important point for improving the collaboration. Understanding each other is important for trust as well as easy and direct communication. The category leader for training wear spent six months in Asia and learned the way things are in China, at the merchandise office and at the suppliers. She suggests expanding these visits. There should be a Swedish person at the (Chinese) office all the time. People from different positions from Borås should spend some months at the offices in Asia. This gives the possibility to learn from each other and to ask questions. However it is not possible for everyone to leave Sweden for such a long time, but a month now and then could help as well. Also the external offices mention that this would be appreciated. It also could help if the Asian employees visit Borås, since both parties think differently, this brings them more together. Today the employees fly to Asia for about two weeks at the beginning of the development phase of a new season. They work together with the office there, visit suppliers and do fittings of the first samples. However it is mentioned that this time period is not long enough. It would be easier if the employees stay for a month. The process from the first and second sample could be done together within this period together with the external offices and the suppliers. Direct communication eases the situation and fast feedback helps erase unnecessary misunderstandings and mistakes. Especially for difficult parts of a garment, mock-ups can be produced and reviewed directly. If something is wrong, it can be changed immediately. With this, the number of further samples can be decreased.

7.2.3 Long-term employment
Educational issues as well as collaboration could be improved if the merchandisers and technicians stay in their positions for a long time as they do in the office in Borås. They learn, do training, get textile or English knowledge and work together with the employees in Borås for a long time. It is answered that the situation today is better than before. The English got better and the visits of each other helped to get to know each other and therefore be able to act in that context. However it was mentioned that the technicians change quite a lot lately. With this background new employees need to learn again in order to overcome that issue.
7.2.4 Supplier choice
While taking the supplier choice into account, it was referred to as a ‘puzzle’ which has to be solved. Not all suppliers want to work with Craft. Additionally the aspect of the product families and their production at one supplier make the situation more difficult. Hedén and McAndrew (2005) also explain that the choice depends on various aspects such as availability, quality, technology, availability, pricing and order quantity. The importance of finding a solution between single-sourcing and too many suppliers is also mentioned by Christopher (2000). He as well talks about the importance of having a few key suppliers in order to have a close relationship. For Craft it was tried to work with fewer suppliers. However if the number of suppliers is related to the different styles Craft produces they are not that many. Not all products can be produced at the same producer and not all suppliers want to work with Craft due to the difficult warehouse and logistic situation. It is further explained in an interview that even though the employees in Borås want to have more influence or fewer suppliers, it is not always possible due to the high variety of styles. Furthermore the merchandisers are the people who know the suppliers and the Chinese or Vietnamese market. They have to give the merchandisers as much information as possible and trust them with their decisions. The only way to improve the choices and base them on profound knowledge is training regarding quality requirements of Craft, measurement techniques and textile knowledge.
8 Conclusion

This chapter answers the two research questions and evaluates the research, methodology and limitations. Finally further research in that field is introduced.

The thesis had the purpose of analyzing the interactions between the offices in Borås and China as well as Vietnam in terms of information flow and collaboration. In general the used theory and the results went together quite well. However there was no direct theory, research or whole concept on the topic of sampling which could have been related or adapted to Craft. Theory came from various fields. In the end the used literature revealed aspects in a supply chain which were found at Craft as well. The situation at Craft for example can be put into the concept of Christopher (2000) and Fisher (1997). The authors represented supply chains related to the different products in order to succeed. This research showed that these concepts as well fit to the situation at Craft.

In theory there is no simple definition of a merchandise office. In reality the merchandise office or buying office can conduct several tasks. However related to the tasks which are done by the merchandise offices of Craft, theory was used. The related theory revealed that the English level, measuring, education and supplier choice are issues. Analyzing the situation at Craft, these could be found there as well. Participants mentioned similar situations and problems. The analyzed aspects could be related to the issues of the sampling process.

In specific the research questions can be answered as the following:

- How do the interactions, in terms of information flow and collaboration, between the Craft head office in Borås and the merchandise offices in China and Vietnam influence the flow of the sampling process?

It can be said that the information flow influences the sampling process negatively. In terms of collaboration, most participants seem to be satisfied, even though improvements could be done.

The thesis provides an overview of the existing aspects which influence the sampling in terms of both aspects. These are related to the current situation such as late and not up-to-date information or education and that synergies are not present during the development process. The relationships to a few key-suppliers, mentioned in the concept of Christopher (2000) are not present at all. If the occurred issues are addressed the flow in the sampling process could be improved. However the situation was evaluated as better than before and the position of the merchandise office in general could not be replaced. If direct contact to the suppliers would be needed, more problems would occur and the existing ones even intensified. The merchandisers and technicians are the link between the headquarters and the suppliers. However the research revealed that some tasks need to be done twice, such as fittings, or samples need to be ordered.
again because of e.g. missing information. These aspects can be addressed practically.

- Are there possibilities of how to improve the situation in order to gain more control over the sampling process?

As a result the thesis provided a general solution based on the concept of agility in supply chains by Christopher (2000). The concepts were adapted to the situation at Craft. Information sharing is a part of this concept and could be directly related to the first research questions. The theory supported the research questions in which the success or flow in the supply chain is related to information sharing and good relations. Additionally the de-coupling point as well as joint product development was adapted to Craft. However further practical solutions are mentioned in order to be adapted directly to improve the situation. Not all these aspects did occur directly in the literature, but they represent logical conclusions to the analyzed problems. The idea of longer or more frequent visits from both sides could solve other problems as well, therefore that it could cause better communication and collaboration.

8.1 Evaluation of the study and limitations

The research was conducted in a responsible way. Even though the results cannot be generalized for a broader company base, they represent answers to the research questions as well as solutions for the currently existing problems at Craft. The information was gathered from sources and people who were directly related to the process and therefore had the knowledge about the related aspects.

The methodology of unstructured interviews was fitting and a good possibility to gather information which helped to answer the research questions. For further research the results can be used as a case study as well. The information gathering was limited to a certain amount of interviewees. More interviews, especially within the merchandise offices could have been done in order to get a broader opinion and overview. It was evaluated that the, for this thesis used, interviewees represent the general opinion at the offices. The former survey also was answered by more participants and for the merchandise offices a group of technicians or merchandisers answered the questions and therefore represent the general opinion at these offices.

The research is limited to the current situation, the related problems and solutions for these. The results if used practically could improve the situation. However adapting 3D technology to the sampling and product development of certain products at Craft, probably would improve the situation end decrease the lead-times even more. 3D technology is a technology in which the garment can be displayed in a 3D form on a display, captured through a camera or created
through a program. Today’s 3D technology provides several solutions for the textile world. Even though not all products can be displayed in a satisfying way, the technology develops fast. Therefore, even though the research contributes directly to Craft, 3D technology, if directly applied, could be even a bigger step forward for Craft.

8.2 Future Research

Even though this research focuses on the relationship between Craft in Borås and the merchandise offices in China and Vietnam, the idea can be widen further. If Craft could figure out a few key suppliers and work out relationships with these, the members would know each other better. This could not just improve the situation during the product development, but also ensure a good quality during the bulk production. Further the concept of joint development can be widen as well and include the suppliers. Research needs to be done in that field, in order to find possibilities and opportunities.

Additionally research can be conducted on how other companies in that field deal with the product development and whether they have similar situations and problems as Craft has. A comparative case study with other similar companies can help to generalize the findings. It can be analyzed whether the suggestions could be introduced there as well.

As already mentioned above, 3D technology already has and will have a huge impact on product development in general and in the textile industry. Companies like Adidas, who operate in the same field as Craft, already use 3D technology throughout many departments of the company, especially in the product development. Even though the soft surface of textiles is still a big challenge, new technologies are introduced and research is done regularly (Azhar Iqbal, 2013). In a future research it can be analyzed which tool is suitable for Craft and whether 3D technology can already be used and in which extend. However, since 3D technology needs to be used by all supply chain members in order to create an advantage, a certain trustworthiness and collaboration within the network is needed as well. Further key partners need to be figured out as well.
Sources


Appendix I – Survey Answers

1. What is your position?

Anett: Category leader
Mattias: Category leader
Caroline: Assortment manager
Li: Other (SMU Coordinator)
Malin: other (Design manager)
Lena: Designer
Åsa: Designer

_CALLIE (China): Merchandiser_

_Merchandiser Vietnam: Merchandiser_

_Technicians Vietnam: Technical designer_

1. What is your task in the sampling process?

Anett: Making sure that we receive the samples that we need and that we comment the samples in time, participating in fitting sessions.

Mattias: Decide about the collection together with my teammates Eva and Malin and comment the samples.

Caroline: I organize the order sheets and handle the workflow.

Li: I need to order samples of all the special styles I make.

Malin: Comment design of the samples.

Lena: I make the specifications/sketches to get the first samples. I check and comment all the samples design/color to our supplier and participate during the fitting.

Åsa: Comment on design and redraw sketches if necessary. Comment on colors of master samples and if the lab-dips need to be improved, hand over the comments to the design assistant who is responsible of lab-dips. Comment on fitting, tech designer will write those comments in quest.

_CALLIE (China): Quality control_
Merchandiser Vietnam: Following up during develop and checking samples, instruct factory how to solve the problems which might occur on development stage, and instruct supplier in using material for sampling.

Technicians Vietnam: Following suppliers during develop and checking sample.

2. Do you see related problems in the sampling process at Craft? If yes, which ones?

Anett: Timing is always critical; sometimes we don’t have access to fitting model when we need it, sometimes difficult for concerned people to participate.

Mattias: Sometimes our producers don’t follow the specification as carefully as we want which needs to ask for more samples which is of course not efficient. When we base the new style on a current style to save time they still have problems until they make a good sample that we can confirm for production.

Caroline: Yes, since we don’t decide over the assortment. The markets are allowed to choose their own assortment

Li: SMU clients often need them quite urgent and it takes often too long to get them here.

Malin: Late samples, not clear when the samples are arriving. Not a clear schedule.

Lena: I think, sometimes, that it’s not very clear who is commenting on what to whom and in what time. To get first samples can take very long time.

Åsa: Common problems are: bumpy flat-locks, tight neck line, shoulder is not on the right spot and wavy seams. Sometimes we have to wait a long time for samples. A lot of time we comment on one sample and supplier does not follow the comments for the next sample. So we have to comment again and again.

Callie (China): No.

Merchandiser Vietnam: Yes. Delay delivery date, wrong material, wrong printing, sample is not fit.

Technicians Vietnam: Yes. Detail sketch and measurement list are not updated as commented.

3. How is your task in the sampling process related to external offices (e.g. China, Vietnam, suppliers)?

Anett: Making sure that we receive the samples that we need and that we comment the samples in time.
Mattias: I join our fittings and say my comments to Eva and Malin that takes them forward. I’m responsible for the prices and fabrics.

Caroline: I just arrange the order sheets and then our buying apartment here in the house takes over.

Li: They send me the samples from their offices.

Malin: Commenting together with technical designer, a lot of communication with them regarding styles.

Lena: To comment the design and colors on each sample and update sketches and design accordingly.

Åsa: I am in contact with the merchandiser of my categories. We send the styles every season and we discus good solution. I am also in contact with tech designer who is responsible of trims and also the person responsible of fabrics in China.

Callie (China): 1. to urge suppliers to push the sample production, 2. to tell the suppliers sample quality problem.

Merchandiser Vietnam: Checking trim card and samples to make sure there is no mistake for samples.

Technicians Vietnam: Instruction and following suppliers during develop the sample.

4. Do you see related problems to that? If yes, which ones?

Anett: Timing is always an issue; communication is another (what is the sample for? Can we use substitute fabric or not? Etc.).

Mattias: It’s take often more time than expected to get a new sample and the updated prices don’t come with our comments. It’s seldom that we got info about if we have time to see another sample without risk delays in the salesmen sample/bulk production.

Caroline: No

Li: Takes more time that supplier should send them to their office (merchandise office) first.

Malin: Some factories are not great on pattern-making.

Lena: That it’s easy to miss to send a mail about all the small changes we do, would be better if it was connected to Quest (PDM) in some way so Quest could tell which styles have been updated lately. Sometimes there are gaps in the communication and that will affect the schedule. I know what I want but it’s hard to explain over mail and when the suppliers are sourcing time passes by.
Åsa: Sometimes we get the information on delays a bit late.

Callie (China): 1. sampling time is too long, 2. sample quality, measurement of products or colors are not acceptable. Suppliers have to make several new samples, 3. Some new suppliers charge for the samples. We have to negotiate with them not to charge this fee

Merchandiser Vietnam: No Comment

Technicians Vietnam: Yes, The sample did not improve as commented or detail sketch.

5. Do you see problems in the communication or cultural differences while working together with external offices (e.g. China, Vietnam, suppliers)? If yes, which ones?

Anett: We seldom receive information when they reject samples from supplier. Sometimes English is not that good and they don’t dare to ask if they do not understand. Sometimes we are not clear enough about main purpose for sample (design, fitting, testing, photo etc.).

Mattias: Yes sometimes, especially if it comes in new people.

Caroline: Communication wise yes, since we seem to not always have the same agenda.

Li: It can be a lot of misunderstandings due to the cultural and also language communication.

Malin: Some is not so good in English.

Lena: Yes, sometimes. Shanghai and Vietnam are very literal and do exactly what the instruction says, which is good in one way. But sometimes, to use the sense and feeling to get a good sample would be good. They sometimes doesn’t look at the sketch as much as the written text and take own initiatives to make the sample look as the sketch.

Åsa: Of course we have different cultures. We have to be very clear in our hand overs them because they don’t want to take own decisions.

Callie (China): Not many problems because I have good sense of cultural differences or communication. But sometimes suppliers do not cooperate or are too offensive. I have to push them or urge them to listen to my advice.

Merchandiser Vietnam: No.

Technicians Vietnam: No.
6. Do you see the documentation as a problem in the sampling process (e.g. comments easy/difficult to understand, PDM system (Quest) easy/difficult to use proper, tags of samples marked right/wrong)? If yes, why?

Anett: Documentation is part of problem.

Mattias: I don’t work in the PDM system myself; I think our samples is pretty good marked but sometimes it could be good to also to mark testing samples with the info in a neck label to avoid that the tag disappear, especially important if you do some field tests.

Caroline: Not that I know of today.

Li: No as long as everything is filled in in the correct way.

Malin: Takes a lot of time. We have different systems. Quests, line list in excel.

Lena: Yes. There are too many places we have to fill in and update when we have to comment something. Very easy to miss one step. Also, the designer and the technical designers work are sometimes floating in to each other so it’s hard to know who made or didn’t make something or if I should do it and what responsibility is on me.

Åsa: Sometimes they don’t follow our comments, it’s not clear why.

Callie (China): Yes. Sometimes comments are difficult to understand because commentators don’t explain clearly or the comments are easily misunderstood. We have to figure it out or ask the commentator again what they mean.

Merchandiser Vietnam: Yes. Measurement list and spec. and sketches sometimes are not updated according comments.

Technicians Vietnam: Yes. Measurement list and spec. sometime is not updated according comments.
Appendix II – Interview with the pattern-maker
Cristina Yinjun Li, pattern-maker.

3rd of March, 2014.

Kristina started her job at the beginning of January 2014 as the first pattern-maker at Craft. The plan is to build up a pattern library, starting with the season spring/summer 2015. She is originally from Shanghai, but lived in Sweden for about five years. She has an education in fashion design in Shanghai and fashion management in Borås. Back in Shanghai she was merchandiser, working for a supplier of Craft for some time. She speaks Chinese, English and Swedish and worked together with two of the merchandisers, who are now working at the merchandise office in Shanghai.

1. **What is the general task of a merchandiser?**

Buying offices belong to the foreign companies. Craft’s buying office is belonging to NWG. It is the same company, but a different department. When I worked for Craft’s supplier in Shanghai I was a merchandiser, but it was totally different to what they do. It is b-2-b today.

2. **How do they work together?**

In Borås there are four different technical designers. In Shanghai they have technicians who are in charge of the technical aspects. Merchandiser is another position. They are in charge of the brands. There is for example a Craft team. The technicians work together. Last December they had 3 technicians. Helen: Bike, XC, Layer 2; Kase: Running, Training, Layer 1; Zuzu (new girl): mainly working wear.

3. **How did you experience your former work with Craft?**

I got all the information from Craft I needed. I was a merchandiser for them. I got all information from the Taiwan office. After 2006 the Shanghai office was established. So the orders came from Shanghai then.

My task was to translate the instruction from English to Chinese. Additionally I needed to account the consumption of the fabric. I asked the pattern-maker (Helen) to give me the consumption per piece. The consumption is depending on the different materials and colors. If same colors or materials with different styles, needed to account together. Craft is one of the most complicated companies, compared to the other, because of the various styles. Right now I think the task is passed over to the suppliers. The merchandisers do not account the consumption anymore, since the suppliers do the patterns. Buying office decides on which fabric maker to use. They negotiate the business part.

4. **Where there problems with the translation?**
Sometimes there were problems. Not all merchandisers have a fashion background or education. Some are just studies English as a major and they do not know anything about garments or technique. They just translate word-by-word, which creates confusion. Normally technicians focus on e.g. sewing technique, pattern-making. So they do not focus on English. Even though they understand each other, there is confusion. Merchandisers of Craft normally have a textile part. My generation learned either one or the other part. My English was not good. I became a merchandiser and learned English afterwards. I studied fashion design and needed to learn Japanese for that. Learned Japanese pattern-making system. There are problems. But the technicians for Craft have a quite good English knowledge.
Appendix III – Interview 1 with the technical designers
Borås
Eva Johansson & Camilla Westlund, technical designer.

1. **What is your position?**

We are Technical Designers, positioned in Borås.

2. **What is your task in the sampling process?**

We make fittings, write comments in PDM, take pictures, make explanatory drawings at pictures regarding fitting, move seams, position of the seams and make changes in sketches made by designers.

3. **Do you see related problems in the sampling process at Craft? If yes, which ones?**

We think it works out quite well. The Time schedule is the main issue, lead-times of samples are too long. Sometimes we have problems with workmanship, e.g. seams. This is related to supplier choice.

4. **How is your task in the sampling process related to external offices (e.g. China, Vietnam)?**

We have the contact with merchandise office in Asia and to the European suppliers directly.

5. **Does the Merchandise office have the patterns or is it involved in the pattern-making process? What is their task?**

Merchandisers are not involved in pattern-making. Just technical designers have something to do with the patterns and sometimes they have paper patterns. The merchandisers just transfer information/instructions to suppliers. If suppliers have questions about instructions, they ask merchandise office, which comes back to the technical designer in Borås, if something is not understood.

6. **Do you see problems in the communication or cultural differences while working together with external offices (e.g. China, Vietnam)? If yes, which ones?**

Communication is okay. Sometimes they ask, because they don’t understand the instructions. It was a lot worse, now it is better.

They understand how the technical designers are thinking, because they have been there and joined for fittings. The English level of some of the new technical
designers not that good. Not that we getting to know each other the cultural differences getting better.

The Problem is that they always want to do everything you say and ask for. They Just say yes all the time, even if it is not possible. If it is not possible they tell too late, but this is better today than a few years ago. They normally communicate too late, but this depends on person you talk to. They really want to make it the way you asked for, so they try and try and try and recognize too late, that it does not work out. Then it is really late to communicate. They are not realistic at the first site, try and see later that it does not work.

Depending on the person they sometimes recommend you others things or they have different ideas, which is appreciated. They were here and got to know Swedish culture – but still, confrontation is not their way to deal with these things.

7. Does the merchandise office translate the instructions often?

Don’t know how often translate instructions into Chinese for suppliers – guess they do it sometimes.

8. Do you see the documentation as a problem in the sampling process (e.g. comments easy/difficult to understand, PDM system (Quest) easy/difficult to use proper, tags of samples marked right/wrong)? If yes, why?

The comments are okay and the merchandisers seem to understand them.

The tags are a problem; are not used correctly as Craft instructs them. They have been updated one year ago; actual version has the supplier number added. Sometimes all information is there – sometimes nothing is there, just article number. Sometimes they don’t use tags. Suppliers who don’t go through the buying office (Europe) sometimes are not using the right tags, not using anything at all – packages come without tags and information.

9. Do you see problems related to the supplier choice?

Owning patterns could be good, so technical designer have more insight and influence on the supplier choice. Right now we have no influence in supplier choice, but if you ask Shanghai they say that Borås has influence on the choice. Shanghai decides which supplier and we cannot comprehend all the decisions. It is possible to write wanted supplier in line list, but in the end Shanghai decides which supplier is chosen. we know that some suppliers are really bad when it comes to making, workmanship, seams, but they are still there. Borås does not decide which suppliers.
One Example: SS14 about 5 samples, fitting was good and finished early enough, but they had always bad seams. After the 5th sample we asked whether the supplier, that produced samples up to now should really make that kind of seams. Then they changed to another supplier and the process started all over again. They should have seen earlier. Merchandisers seem not to know their suppliers well enough.

10. **Would it make sense to you to have fewer suppliers?**

We don’t want to be too dependent on few suppliers, but knowing them would be good. If you just see developing process and production (not pricing, capacity) it would be good to have less suppliers. It would be great to know the suppliers better, what they are good at, what technology etc.
Appendix IV – Interview 2 with the technical designers
Borås
Ann-Kristin Bruhn & Monica Kruse, technical designer.


1. What is your position?

We are technical Designers, positioned in Borås.

2. What is your task in the sampling process?

We Check samples, see if measurements and fit are correct, do comments and we are the last one in the sampling process in-house. We have the contact with merchandisers or technicians in Asia or the suppliers in Europe (Merchandisers or technicians).

3. Do you see related problems in the sampling process at Craft? If yes, which ones?

Sometimes we have problems. For example, they don’t make the changes they should have done and the new samples are coming without changes. They either don’t have time or maybe the suppliers don’t understand the comments. The merchandise office in Asia should have checked whether the changes are made before sending them to Borås – maybe they could refuse samples and let supplier produce a new one, but they don’t have time for that.

4. Do you see problems in the communication or cultural differences while working together with external offices (e.g. China, Vietnam)? If yes, which ones?

They don’t ask if they don’t understand, they don’t understand changes or the demands. They don’t think the same way or have the same eye. There is difference between Vietnam and Shanghai. The English level in writing okay, but oral may have problems. We’re not sure if it is just the language or maybe missing education.

5. Are there problems related to the merchandise office and the technicians there? Does the merchandise office translate the instructions often?

They translate the changes and communicate them to the suppliers, at least this seem to be their main task.

Lately they are changing technicians a lot. Before two technicians were responsible for Craft and they had long-term relationships between technical designers here and there. They knew each other. Today the technicians are
responsible for several brands. They are changing too fast, so there is no change of getting to know each other or coordinate it. Their English level does not seem to be high enough, so they don’t come to visit. They don’t get the specific value of craft due to multi-brand-responsibility and maybe they are not educated enough. There is a need to explain them the purpose of a specific garment, so they can understand the requirements. It would be good if there would be more sporty people who are dedicated to sport and understand the garment

The merchandise office collects the samples and sends them back to Borås together. Sometimes this results in a complicated schedule. Sometimes there are way too many samples, on other days there are no samples at all. So we are always in a hurry.

Sometimes we think the styles should be clearer from the beginning. If the trims, styles and fabrics would be decided from the beginning there could be proper decisions on the samples beforehand.

6. Do you see the documentation as a problem in the sampling process (e.g. comments easy/difficult to understand, PDM system (Quest) easy/difficult to use proper, tags of samples marked right/wrong)? If yes, why?

Until they changed tags, it was okay. Today we have more problems. Normally the merchandise office should fill it in, measure it and so on. But they don’t do it.

7. Do you have influence on the Supplier choice and do you see problems related to that?

We have no influence on supplier choice; Asia decides. They have to choose properly. More influence would be good. For example the change to supplier with a lower price can cause problems in Borås then.
Appendix V – Interview with the category leader training wear
Laura Tapia, category Leader Training wear.
10th of March 2014.

1. **You were in Shanghai. How long did you stay there and what did you do?**

I stayed half a year. I did a lot. I was developing the fabrics together with Emily, or rather we wanted to reduce a lot of fabrics. So we went through all fabrics we had, also from Borås. I got help from the category leaders as well. We checked all fabrics we used, which one we canceled and which ones we could work with one or two options instead of 6.

I was out in the factories a lot. To learn and to check that there were doing all what we wanted them to do during bulk production. I was in the factories for 2 – 3 days a week. The rest of the time I was at the office.

I was with the QCs (Quality control) what they were doing and I was checking samples.

I also developed bags at that time.

I was sourcing base-layer suppliers. We want to produce our Active Xtreme and Seamless in China. Unfortunately they are not as good in the seamless production as for example Turkey or the other European producers. The prices are quite similar at this time, so it doesn’t matter where we are producing. However if we want to export to the US it is easier for them if we product in China, because of taxes and duties.

I was also doing my own work as a category leader.

Then I had a lot of meetings in order to improve the communication between China and Sweden. We went through the work flow with them. They already know it, but they don’t ask us so much. They do it more when you are sitting there. So the communication got a lot better when I was there. They have a lot of questions but they don’t ask us. They are quite proud by nature. I went through the whole work process and we were double checking where they were coming in, also as a help for them to push us when the specification needs to be done by here (Borås). Because sometimes we are late with the samples and we want to know why: is it our fault, their fault or if we can do better in-between. I also told them which samples are okay to send here (Borås) and which are not, because there are a lot of samples which they are sending us, because they don’t know our standards. So we were making the standard list with the technicians from China and from here, of which standard they should follow.
1. **Do they check all samples they get in or do they send some samples directly to Borås?**

No they check them. All samples, master samples, photo samples. Sometimes if we got the first sample here (Borås) they already got one or two samples and they rejected them. So they already know of our standards, but then if it comes to certain flat lock seams, some of the merchandisers do not have the knowledge. So we set a standard list with photos of: this is okay, this is not okay. So they already know rejecting the worst ones.

2. **How are they set up in terms of organization and structure?**

The merchandisers are responsible for a certain category. When I got there, there were 2-3 technicians just in the Craft team. But for my next visit they changed that setup. We have technical designers for all of NWG, which makes it a little bit harder. They have a lot of work. The merchandisers are measuring now. It’s their job. At the beginning some samples were not totally right or accurate. It takes them some time to learn. The merchandiser who was responsible for all the technicians taught them how to do this and how to measure.

3. **Do they have a textile background?**

The merchandisers not all. They have an education to be a merchandiser, but not all in textile. That is what they learn during their job. But e.g. the measuring they learn it. But this is also because they have not as many technicians as before.

4. **Do you know what the daily task of the technicians and the merchandisers is?**

We send our first line list together with the specifications; they get the FOB, the styles, a short brief of what new styles we have. They e.g. got pictures from competitors. They get fabric swatches. They start from here what kind of factory can do a taped seam or a flat lock seam or do we need a factory that only does cut and sew for the basic styles. So they need to check for factories. We need to give them a certain amount per style and to which volume they get up. They push the small quantities through by placing them together with big quantities. If we have a basic shirt, the volumes are very high, but e.g. for a t-shirt in the edge segment you don’t get that high volumes. But you get them through by placing them together with the big volumes. All factories want high volumes and easy styles. That’s the dream. That’s where they start.

Then we have the fabric sourcers, one for woven and one for knitted. So the merchandisers give the textiles to the one it concerns and they start sourcing new fabrics and send it to us. They also need to test it also. So we have merchandisers, fabric sourcers and the technicians.
In that process it takes a while for us to get the first sample. Now e.g. at the 17th of April all the tech-specs need to be done. After that they get about 10 days to do this job. They start sourcing. Then they get about 10 days more to get a first sample. They start by benchmarking five factories e.g. Then they get prices and samples. They check which ones are too high in prices, because they check the FOB in the line list. Then they choose the one which is closest and still keep the good quality. Sometimes they send two samples from different factories to us, so we can decide. Or we would wish them to always do that, but they don’t always do that. So when I was there I could check all these samples together with them. I did the whole process together with them.

Then they should visit the factories more often. That was why I was also there, to push them. Some factories are really far away and they have a lot of administrative work to do also. This is what they do in the first process.

After that they keep on pushing the prices. So when we get the first samples and they are totally off, they need to keep on pushing, visiting them. That’s the way they work all the time.

The technicians visit a factory if they have to choose a new factory, because in the process they need to source a new factory, with which we don’t work with yet. This takes time, too. The technicians are with them then, too. Because they know the details, they have more knowledge about this as the merchandisers, as quality, how to make the seams. E.g. I was with Sophie a lot and she was checking that. E.g. a taped seam you can have the machine but you need to have the knowledge also. It is not enough that we know that they have the machines. We also need to know that they do the seams the right way. So the seams don’t break. When they are checking new factories, the technicians are always with them.

If we go there for first samples, the technicians are with us. We do travel there twice a year. The technicians also work as a translator. They understand our garments. They help us a lot in that way, but the technicians are overloaded with work, since they are now working for the whole NWG. It is hard, but they are still doing their work, but maybe they don’t focus as much as they should on certain styles. Their work is to get the comments, get the specifications and send them to the suppliers and translate of course.

5. What do you think of the number of suppliers? Is it okay, too many, too less? Can you choose the suppliers or do you have insight in the choice the merchandisers do?

We don’t today. I do after I’ve been there. I choose the suppliers, I put the supplier in the line-list, I want for a certain style. We should have that knowledge. Because sometimes it happened, that they have chosen a supplier, because it was
cheap but the quality was bad. So we rather want to put that extra money in the quality and chose another supplier. In my job today I know all the suppliers we’re working with. So if I have a style I already know which supplier I want, because they make it in good quality. We can always wish for a supplier. Anett always does it e.g. She wishes for a supplier when a long tight is produced at a supplier she wants the shorts or capri from the same product family to be produced at the same supplier. But sometimes they don’t do that, because they don’t have that knowledge. So we have to give them that information. That was also something I was working together with them. To place products from the same product family at the same supplier otherwise you get different maybe not the quality but the finish is different.

So that is something we need to work with: Information. We take for granted that they know. We think that they know the style as we know, but we know the styles better than anyone. So we should give more information. This is something you get to know by being there (China). This was something I briefed the team here (Borås) what we should do better and then I went back and told them what they should do better.

6. I asked for a supplier list and I got one from Sofia and one from the buying office, both with the comments, that they are neither up-to-date nor complete.

But there is one girl at the buying office in the economy department who has the right one, because she sees where the paying is going. So she knows with which supplier we are working with today.

And yes we would like to work with not so many suppliers. But when checking that list, there are not that many suppliers. And sometimes you need that amount of suppliers, because some suppliers want big volumes, some suppliers are so small, they cannot do the big volumes. We have a lot of different styles and we have small volumes also. These big giant suppliers, they don’t want to work with us with the small volumes. Sometimes the merchandise office can push them through with putting the big volumes. But sometimes the high volume suppliers don’t have the laser-cut machine or the taping machine. It’s like a puzzle for them to get all the styles through. Our styles are very different if you compare a XC or a bike style. So it is hard to work with the same suppliers for both. The XC suppliers are very good in technical, advanced styles, but they don’t have the amount of workers to do the big volumes. We tried that (cut down number of suppliers) but they (the merchandisers) know the best and we have to trust them in that. But sure we would like to have less suppliers. It is always easier to work in that way, since we are sending the styles to all distributors to the different countries. We don’t have a warehouse in Europe. That would be easier. This is also a problem when we source new suppliers. Not everybody wants to work like that. Because they get one order from Germany, it is sent directly to Germany, they get one
order from France, it is sent directly to France. And if you look e.g. at Nike or Adidas, they have one big warehouse e.g. in Germany and from there it is sent to the different warehouses, distributors or chains in Europe. That’s easier for the suppliers to work that way and to send everything to the same place. That is also one problem when we source new factories, not everybody wants to work that way.

7. **You have been to Shanghai, so you know the technicians and merchandisers there and you worked together with them. Do you think it would be better if the other employees e.g. the technicians would get to know each other better?**

I think it would be better for everybody to go there. Okay maybe it is not possible to stay there for half a year, as I was. And if the air would have been better, I would have probably stayed for a longer time. You learn a lot. I think it would be better if everyone from here at least would stay there one or two months. That would help a lot, because they think in another way. It’s not just the work, it’s the culture, it’s everything around which makes it so different. E.g. they say yes if they mean no and they don’t ask, because they are really proud. They are afraid of doing something wrong. That’s their culture, that’s the way they brought up from when they were kids. It’s hard to change and you learn to work around that if you know that. So you don’t blame that, this is wrong. You ask instead: how can we work that out instead. You learn to work and communicate better, by getting to know the people.

8. **Would it be good if e.g. the technicians from there would come to Sweden?**

Yes, Sophie and Helen were here last year. But they were only here for one week. That’s quite short. During that week we only had fittings. The technicians are here once or twice a year, one or two of them. They are also there when we go there for the sample trips. Yeah I think it would also be good for them if they would be here for a longer time, but I also think it helped when I was there, because when I was sitting there they had a lot of questions also (how do you do that in Sweden? How does it work with this?). After two months they started to rely on me and feel like they can ask me. At the beginning they were a bit suspicious (Are you spying on us? Why are you here?). They are scared that they are not good enough. So after a while they recognized that I really wanted to help them.

9. **How was the English level?**

At the office the merchandisers are okay. Their English is quite good. Some of the technicians, one of them quit because her English was not good, but she was taking English classes. So it’s quite: in the Craft team I think the English is good. In some other teams it’s a little bit like that. But the merchandisers always need to
know English. But e.g. I took Mandarin lessons twice a week when I was there. Because just taking a taxi or cab, they don’t know English. Or in the supermarket they don’t know English. So I think even our generation (there, China) is not good at English. The smaller kids, they are better, they just study English now in school, because that was something they did not before, which they can only choose to do in the university. Now the English knowledge in China is quite bad, but I guess in bigger Cities like Shanghai it’s good and Hong Kong of course since it has been English, everybody knows English. In Beijing they don’t know, and also in factories I always need a technicians as a translator with me.

10. Any other suggestions or problems related to the sampling process?

I think for the sampling process the best thing would be to go there before they start to make the first sample. That’s my suggestion and then to be there and see when they make it, because they can also make the mock-ups (most difficult parts of style) really, really fast. They can sew it really quickly until they make it right. That’s what we do when we are there for the first sample. But we should be there so long that we could see the second sample also. We should not just be there for one or two weeks, see the first sample and go then. We should be there for about a month at a time. That would let us safe even more time. That would be actually the best. That would probably mean that after the second sample we don’t need any more samples. That would be the optimal. Now after the first sample we go back and then we’re back at emailing back and forth and that takes time. You get so much more done when you are there. You can go to the factories and sit there and push the merchandisers. I mean that’s also something I did there, pushing them. Because they have a lot to do and they forget stuff also. They need somebody pushing them all the time. So I think that would be the best to be there as for as long as four weeks, because you go there before the first samples, you do the adjustments when they come and see when the second sample comes. You do the adjustments there, because that’s where they understand it the best. There are always mistakes made and misunderstandings when they get the specifications. I mean that’s natural. We would too if they would send that stuff to us. And also because of the language. So I think that would be optimal if we would be there for the first and second sample.

11. Do you think giving Shanghai more responsibility regarding adjustments would help, if they would understand more the textile, the purpose and specifications?

Yes, that was also one thing, when they always asked me about the styles. The sports culture in China is not the same as here. They do Thai-Chi, they go for walks but they don’t train and sweat as we do. So they don’t understand some styles, why they should be like this. An example is a vest that Anett makes where you can put a camel back in to drink when you go for a run. It should be very tight and they don’t understand that style, because they have never seen it. That was also a
thing I helped them with: Where is it good for, when do you use it? And this is something we (Borås) should be better in. Now all the merchandisers know training wear and what it is because I had a presentation for them (This is the new collections, this is what we want to do) because I think everybody should know it. I explained style by style, what it is used for. That is something that we should think of. Then they would know the styles better. Now we only send the technical specifications and that’s it. They don’t get a presentation. We take for granted, that they should know. And that’s the same way they work towards us: they take for granted many times that we should know. Communication wise I think we always should explain more than we think we should do.

For the sample process otherwise; we are always trying to start earlier, but there are always things happening on the way until the sales meeting. I think for me after being there is to be there for the first and second sample to be more efficient and to save time.

12. Do you think that the new in-house pattern-making will help to improve the situation?

I think that’s really good and that was something I wished for during my time there (China). We should own the patterns, because if we’re sending the tech-packs, the factories always make the patterns and it’s so different from factory to factory. Some are really simple. The factory owns the pattern. It gets really difficult for us. Sometimes even after the first sample we want to change the factory. And if that happens that the first factory already owns the pattern, which means we need to start over from the beginning. Also even after one season and after bulk production if we want to change the supplier for next year, we need to start with the style all over again. Of course by having someone making the pattern it will be so much easier to find a factory and to get a better first sample. That will save us a lot of time. And the communication is more direct and she can participate while fittings. She is already helping a lot while being at the fittings. She sees the pattern in a different way. She also can help with the culture and language. Owning the patterns will be one cost- and time-safer.

13. Would it be good to have a Swede or European there as well, who is more understanding the textile and is more into sport?

I think we should have a Swedish person there for sure, at all times. That would be the best, to have someone who knows Craft as I did when I was there. And for Cristina to be here, even though she will start to travel more when she is ready, but she will always be stationed in Borås. That was something the merchandisers wished for, that after me there is e.g. a category leader, a designer, and so on, so that there is always a Swede around and in different positions.
I think it would be the best solution for the future and also for us to be there for a month when we go there for the sample trips. In 7-10 days you don’t get that much done unfortunately.

But it’s always about communication. If you’re emailing back and forth: their written English is actually really good, but when they speak you see that it is not that good. Sometimes you need to explain stuff three or four times before you see that they understand. You need to simplify your English a lot, even though not for everyone, but for some of them. But that is something you learn also when you’re there. Because they are proud and they don’t want to look like they don’t know their job. That’s their biggest fear, that’s why they don’t ask sometimes, which also means you ask for something and they say yes and then after three weeks you see that she didn’t understand the question from the beginning. This is also something you learn by being there. So this simplifies my work, now when they answer back I ask “but how are you gonna do that work?”. That’s when you see if they understood the question. That’s when they know: now I can ask.

It’s about communication, it’s about us being there more often, it’s about having Cristina (pattern-maker) here (Borås) and for them to be here more often. But it’s also always a question about money there unfortunately and if they are too shy and not sure about their English.

But the culture is really interesting and you get to know that when you are living there, not just working there, by living there, talking to them, going for lunch there. That shows a lot how they work.

Magnus the CEO there is Swedish and his right hand Mark is Chinese. But he is traveling a lot because he is the CEO for the whole NWG Asia. He is not into the detailed stuff. Of course he is visiting a lot of factories, because a lot of factories contact him: we want to work with you. So he does do these visits, but then he is in a lot of meetings. I mean he says also: it’s a struggle, because the culture is so different. So even when he is sometimes there and sees what I experienced too, even if you are there, there are a lot of communication problems, because you are not thinking the same way. But then I think they are having a hard time to ask him. He is still the boss. When I was there I was one of them. That was something that they wished for too, because I was really sad and they were sad as well. They asked: can’t there be a designer for half a year, a technician for half a year, because that would be also good, so different tasks, different positions and way of thinking.
Appendix VI – Interview with the merchandiser China
Holly Zhao, merchandiser in China.

13th of March 2014.

1. How are you built up? How many employees are responsible for Craft?

We have three technicians, four merchandisers and two fabric merchandisers. The technicians are mainly responsible for Craft, but a bit, maybe 20% for other brands as well.

2. What are the main tasks of the merchandisers and technicians?

Technicians: mainly for sample fit responsible, need to check samples for fit and measure them according to comments and specs.

Merchandisers hand over the specs to the factories at the beginning; follow-up on samples and orders; check appearance, fabric, trims of samples when received; pass the samples to technicians in China and Borås with e-mail including the comments; follow-up comments from Borås and hand them over to the suppliers; follow-up on comments of the technicians from Borås, talk to factories during the development period.

3. While working with Borås do you always get all the information you need? Is it on time? Do you wish for more information?

Sometimes they are not completed, but most of the time I think we get all the information on time. Sometimes we need to double check if there is something missing. Especially at the beginning stage of the development sometimes the information is not complete. Sometimes we could need more information regarding details, regarding a trim or fabric at the beginning of a development.

4. Do you think you cooperate? Do you tell the employees your opinion on things? Do you think this is appreciated?

I think maybe when we need to do the specs, to have the back details more accurate and sometimes the specs at the beginning are not what we finally want. We have some updates later, during e-mail or other communication. After this we would wish that they update the specs on time regarding the communication.

5. When it comes to the supplier choice, can the employees in Borås influence it or wish for a supplier?

Yes usually when we choose a supplier, we compare the prices and check the samples from the different suppliers. Sometimes we send different samples to Borås. We tell them what supplier we use. Most of the time we decide on a supplier based on the sample quality and price. When we share the comments
with the technicians or the costing sheets with the category leader, we always mention the supplier.

6. **When it comes to the comments and instructions are they easy for you to understand or are there sometimes misunderstandings?**

Most of the time we don’t have problems to understand the comments, but sometimes we have to double-check and ask for the meaning of the comments.

7. **Would you wish that there is an employee from Borås joining you at your office to give more information about the specific garments? Would it help you if employees from Borås would visit you more often and longer?**

Yeah. I think stayer for a longer time would be much easier for our communication and to understand each other better and the communication between Borås and Shanghai.

8. **Any further suggestions?**

If we could get the changes in the sampling stage earlier, that would be easier. If we could approve the styles earlier we could start the production as early as possible.

9. **Do you think that the new pattern-maker will improve the situation?**

I think so. If you do the patterns, it would make it easier to approve the styles. The pattern could be created in Borås from the beginning. The fit could be better and it could be smoother to get the sample approved.
Appendix VII – Interview with the merchandiser Vietnam
Pham Thi Thanh Tuyen, merchandiser in Vietnam.

12th of March 2014.

1. How are you built up? How many employees are responsible for Craft?
Actually we have two merchandisers and one technician for Craft.

2. Are there just responsible for Craft or also for other brands?
The merchandisers are just responsible for Craft, but the technicians also take care of other brands.

3. What are the main daily tasks of the merchandisers and the technicians?
For merchandisers mainly the contact with suppliers for following-up orders and samples.
For the technicians mainly reject samples, discuss with technicians in Borås about any concern or any question they may want to ask. Also to take care of samples, discuss with the suppliers how to make the samples correctly according to the comments from Borås.

4. When you work with Borås, do you always get the information you need on time? Would you wish for more information?
Normally we can have the information on time, but sometimes when the technicians write the comments we can get them late, but that is not very often. Sometimes, especially during the vacation.

5. Would you wish for more information regarding the garments of their purpose? Would that help you to work properly or find the best supplier?
Actually we receive the sketch from Craft, then it is also the category mentioned, so we know already know the purpose of the garment. But at the beginning, we lack the fabric. So we don’t know what kind of fabric they use in the sample

6. Do you think you collaborate? Do you think you can say your opinion on things? Do you think this is appreciated?
Yes, I think we have a good communication with Borås, because normally we discuss the best solution to make a good sample, making follow-up for delivers and afterwards we discuss and they can cooperate with us and we can find the best solution.

7. When it comes to the supplier choice, do the employees in Borås have influence on that? Can they wish for a supplier?
We can choose the suppliers, but mostly we discuss with Borås, whether this is a good supplier for making this type of product or not. Because some suppliers are good at bike, but not so good at XC. Here in Vietnam we don’t have so many suppliers, so we choose one of our main suppliers. Sometimes when we develop a new sample, we ask Borås, whether they would like to place the sample at an old supplier, who already does this type of garment or if we can book in a new supplier. Usually if we have a new supplier, we have to discuss with Borås.

8. **How many suppliers do you have in Borås?**

Right now we have right have four supplier

9. **When it comes to comments or instructions, are they easy to understand or are there sometimes misunderstandings?**

They have the technicians for a very long time, they are there for two or three years. So normally we can understand the comments.

10. **Would you wish that there would be employees from Borås joining you in Vietnam so you could ask them garment specific questions? Would you wish that the employees would visit you more often and longer?**

If we have a questions, that would be so good, so we can discuss everything in person not long-distance. That would be our wish. But since we don’t have as many suppliers as China. So I don’t know if that’s possible to have one person from Craft staying here in the office.

11. **Any more ideas, problems or considerations regarding the sampling?**

Just I think now that they have the pattern-maker, who can make the paper patterns, this can be good in the future. It can reduce the time to develop the sample. If they develop the style in Borås and send it to the production, the production may see it I not appropriate for the production and they have to change it

So for the future the pattern-maker together with the designer and technicians can develop the perfect or correct sketch from the beginning so this can reduce the time for making the sample. Now we have sample No.1, No.2, No.3 and so on. So maybe one or two samples would be enough and we can go for production.