

# Business survey on MSMEs cluster and CCI cluster in ITALY

Mapping the ecosystems of formal  
and informal innovation providers.

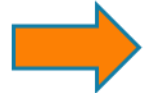
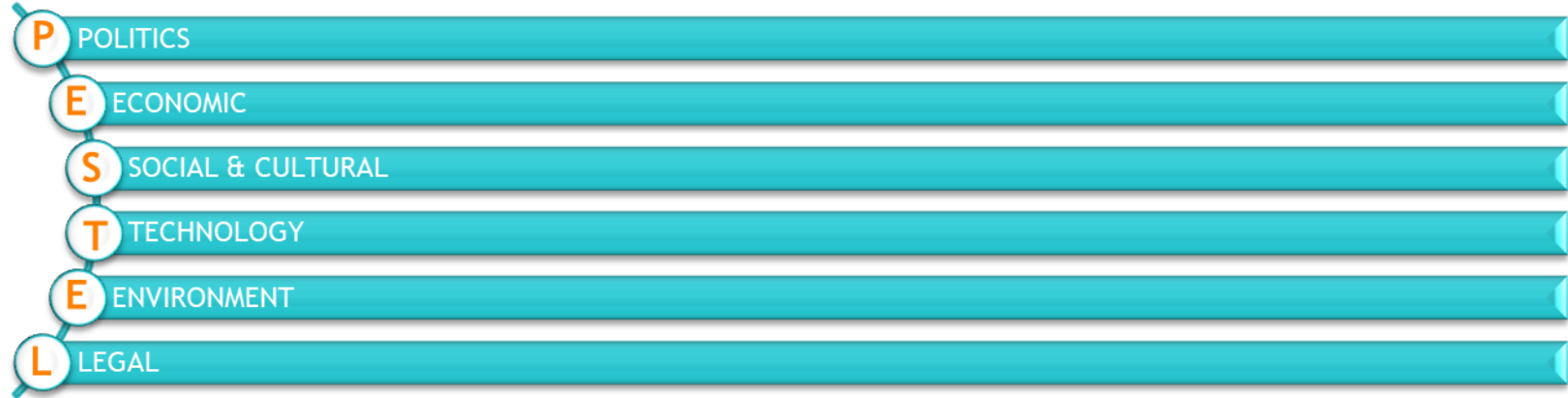
## IDENTIFICATION OF THE TRADITIONAL SECTORS (TEXTILE & CLOTHING, FOOTWEAR AND LEATHER) IN THE MED AREA (TUNISIA, PALESTINE, EGYPT, JORDAN, ITALY AND SPAIN)

### METHODOLOGY

Step 1

Environmental Analysis: identification of factors

SURVEYS FROM  
SMEs & CCI



**RESULT: OPPORTUNITIES AND THREATS**

Step 2

Internal Analysis of the sector

SURVEYS FROM  
SMEs & CCI



**RESULT: STRENGTHS AND WEAKNESSES**

Step 3

SWOT (WEAKNESSES, THREATS, STRENGTHS AND OPPORTUNITIES)



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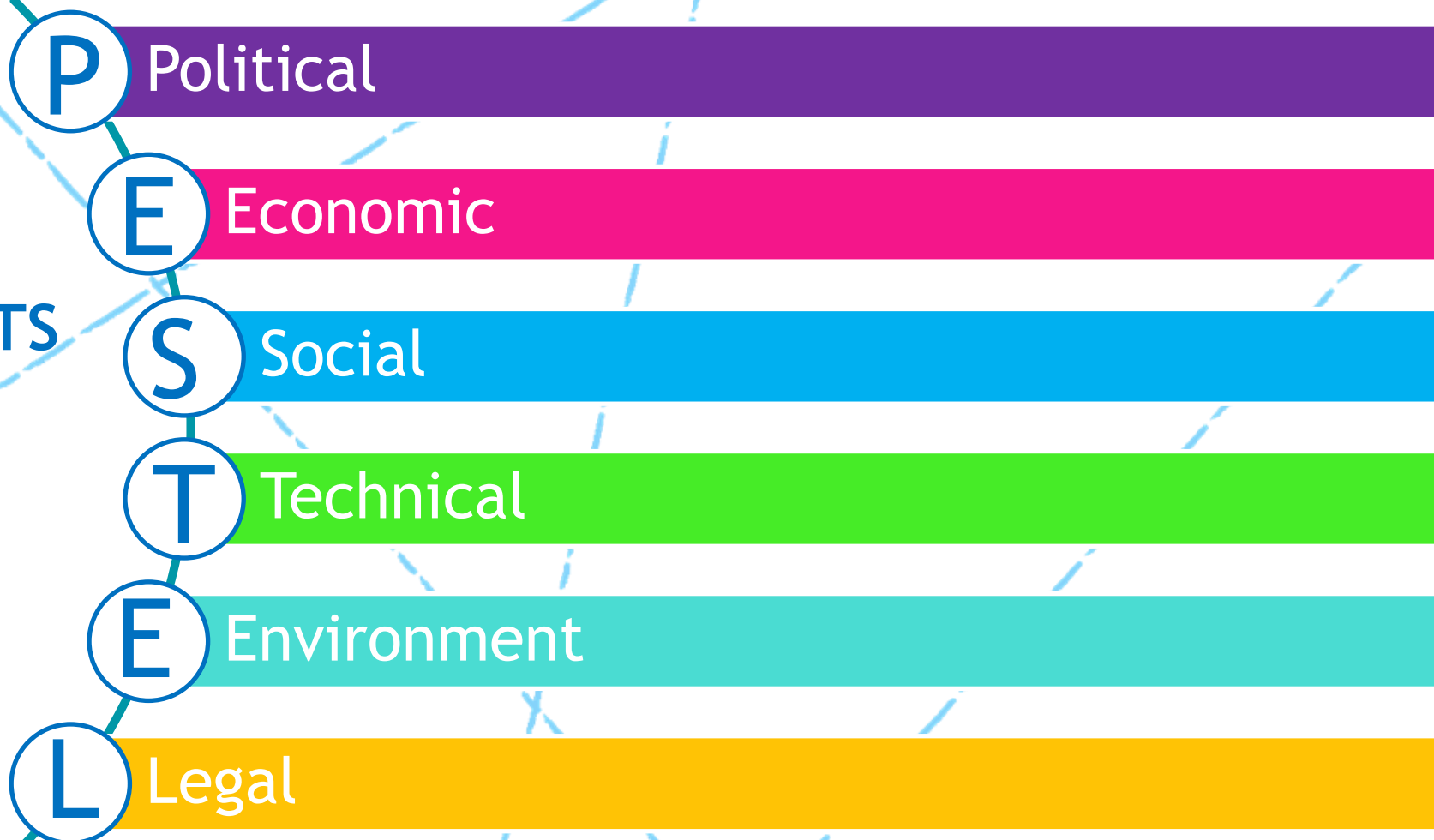


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Step 1

Environmental Analysis: identification of factors






EXTERNAL ELEMENTS  
WHICH AFFECT  
TRADITIONAL  
SECTORS

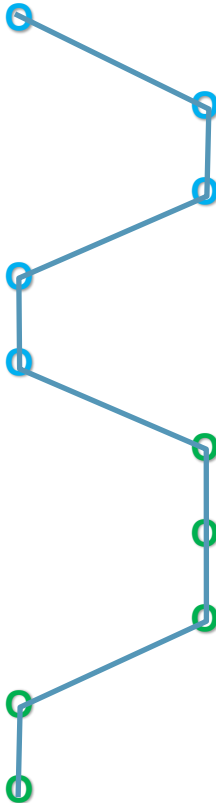


*\*Evaluation obtained through the interviews carried out*

FACTORS	DETAILS	IMPACT				
		Very negative 	Negative 	Indifferent 	Positive 	Very positive 
Political	political support					
	emergency interventions aimed at safeguarding professionalism and employment and facilitating restructuring processes					
	Medium-term strategic interventions for circularity, creative innovation, digitization and recovery of sectoral competitiveness					
	Long-term strategic and structural interventions for promotion, training and retraining of human resources					
	solid and articulated investment policy					
Economic	Reduced access to investment					
	Price unstability / bulging cost of raw materials and increasing difficulties of accessing supplies from abroad countries					
	Reduced access to funding					
	Increased unemployment					
	drop in overall industrial production					
	need for the reshoring of production					

*\*Evaluation obtained through the interviews carried out*

FACTORS	DETAILS	IMPACT				
		Very negative 	Negative 	Indifferent 	Positive 	Very positive 
Social	increased general awareness and reflection about overall world’s state of health					
	Increased Sensitivity on sustainability issues					
	Online Commerce					
	Social Media and Influencers Economy					
	Product Customization					
Technological	Digitalization, platform economy (e.g. “uberization” of logistics) , 5G connectivity					
	Emergent technologies (Artificial Intelligence, IoT, BlockChain, etc)					
	Process automatization through e.g. Blockchain-enabled authentication systems					
	Social media and internet connectivity					
	E-commerce deployment					





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*\*Evaluation obtained through the interviews carried out*

FACTORS	DETAILS	IMPACT				
		Very negative 	Negative 	Indifferent 	Positive 	Very positive 
Ecological / Environmental	favour the use of used clothes and rags for new kinds of products and clothes, both within the T&C sector and symbiotic ones					
	Eco Certifications: SteP, ISO14001, OEKO-Tex, ECO PASSPORT, MadeInGreen...					
	Increased awareness and socio-environmental pressure from customers					
Legal	Textile Pacts (Memoranda of Understanding) that facilitate cooperation among economic stakeholders for the promotion of the circular economy					
	Laws (e.g. end-of-life and waste disposal legislations) that favor the formation of circular supply chains at EU, National and regional levels					
	Laws favoring Industrial Symbiosis					





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## Step 2

## Internal Analysis of the sector

RESOURCES		CAPABILITIES	
R1	Unadequate technological skills of human resources	C1	Reduced time-to-market
R2	Low positioning in the I4.0 index	C2	Flexibility of production
R3	Prevalence of family business	C3	Brand value of Made in Italy
R4	Low R&D investments	C4	Medium-to-high fashion market
R5	Lack of Open Innovation	C5	Excellent craftsmanship

### Superfluous strenghts

Skilled yet costly labour force.

R3: Recognised family business that is unable to innovate organisational and business models

### Key strenghts

R: Rich cultural heritage

C2: Flexibility of production

C3: Recognised brand and quality

C5: Creativity and craftsmanship

### Irrelevant zone

### Key weaknesses

Obsolete business models

R1: Low technology

R4: Low R&D



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Step 3

SWOT (WEAKNESSES, THREATS, STRENGTHS AND OPPORTUNITIES)





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WEAKNESSES

- Lack of a research center with technical and managerial skills that can serve the T&C District.
- Delay in the digitalization of business & production processes.
- Dispersion of subcontractors that prevents synergies.
- Poor managerial preparation of new entrepreneurial generations.
- Little bargaining force.
- Progressive reduction of employees in the textile & clothing sector.
- Poor communication skills of the product's quality
- Fragmentation and isolation of T&C SMEs.



## THREATS

- Political decision makers do not fully grasp the needs of the T&C sector
- International economic stagnation.
- Cost of raw materials.
- Dependence from abroad for the supply of used clothes and rags (also due to national legislative barriers) which is a primary commodity for Prato
- Customs' protocols too restrictive to export products to some markets.
- Collapse in consumption and decrease in exports.
- Loss of phases in the supply chain due to closures.
- Increase in unemployment and use of social safety nets.
- Poor protection of "made in" by Europe
- Bad reputation of the textile sector considered too polluting.
- Partial interpretation of the meaning of innovation and of the circular economy

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- Phases of the production chain are spread yet close to each other.
- Strategic location of firms.
- Great technical and design competence.
- Tradition and creativity.
- Strong knowledge of production processes.
- Added value of Made in Italy.
- Strong and widespread entrepreneurial spirit.
- Innovative companies have reacted better to the Covid emergency .

STRENGTHS



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- The adoption of quality brands in textile could generate added value
- Reshoring of production and supply chains
- Growth of the internal European market
- With the increased sensitivity on sustainability issues, creation of a recognizable label, which refers to sustainability
- Organization of transport system with Interport and intermodality .
- 5G, IoT, AI, BC experimentations through new R&D projects
- Legislative changes at EU level
- Development of eco / bio-based products and raw materials
- Increased consumer sensitivity towards eco products

OPPORTUNITIES