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The Italian Fashion Industry and Re-shoring Strategy: A New Vision for Competitive Advantage

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Abstract:

This research investigates the strategic responses of fashion companies, with particular emphasis on the Italian SMEs, to the challenges posed by globalization. In recent years, a confluence of global disruptions, including the COVID-19 pandemic, environmental catastrophes and geopolitical tensions, has revealed significant vulnerabilities within international supply chains. These disruptions have necessitated a critical reassessment of offshore production models, prompting luxury brands to explore reshoring as a strategic alternative. Reshoring, the practice of relocating production activities back to the country of origin, offers several compelling advantages. These include enhanced oversight of quality control processes, increased supply chain resilience and greater alignment with sustainability imperatives, which have become central to the purchasing decisions of modern eco-conscious consumers. By reducing the geographic distance within value chains and fostering local production ecosystems, reshoring not only ensures operational efficiency but also contributes to the preservation of artisanal craftsmanship, the protection of intellectual property and the reinforcement of competitive advantage in an increasingly volatile market. This study emphasizes the interconnected roles of reshoring and entrepreneurial ecosystems in driving innovation and enabling fashion brands to adapt to a rapidly evolving global landscape. A qualitative research methodology has been adopted, involving interviews with key stakeholders within the Italian fashion industry. The findings shed light on the primary drivers and barriers associated with reshoring strategies. Key drivers include rising demands for sustainability, shifting consumer preferences toward ethical and transparent production and the need for resilience in supply chain operations. Conversely, significant barriers include the economic implications of production costs and the complexities of rebuilding local supply infrastructures. Preliminary results underscore the multifaceted benefits of reshoring. Beyond improving operational efficiency and mitigating supply chain risks, reshoring strengthens the Made-in-Italy brand, an internationally recognized symbol of authenticity, craftsmanship and exclusivity. By prioritizing local production, Italian fashion firms can preserve their cultural heritage while meeting the evolving expectations of global consumers. Ultimately, this research provides critical insights into the role of reshoring and localized entrepreneurial ecosystems as strategic tools for luxury brands to navigate global uncertainty. By leveraging these approaches, brands can sustain long-term competitive advantage and ensure resilience in an increasingly dynamic and unpredictable economic environment.

Keywords:

Reshoring, strategic management, fashion, Made in Italy.