





# Setting up a **Tailoring Business** in Nigeria





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# CHAPTER 1

# Introduction

Overview of the Fashion Industry in Nigeria The Broadness of the Nigerian Market Tailoring in Nigeria



#### 1.0 – Overview of the Fashion Industry in Nigeria

Fashion has been from the beginning of man's existence. Humans had to make clothes for themselves, so they used leaves and animal skin as the raw material for their garments. With these, they covered their nakedness and protected their bodies from harsh weather. However, in the early 1900s, synthetic fiber was produced through the cracking process in crude oil production. With this new introduction of crude oil into the economy, fashion developed to the use of synthetic fiber for clothing material. Crude oil had many by-products beyond kerosene, aviation fuel, and more. Many fabrics emerged from the cracking of petroleum, like nylon and polyester.

The fashion industry in Nigeria plays an important role culturally and contributes to the economy of the country. Casual wear is commonly worn however, there are formal and traditional styles that are worn depending on the occasion.

Globally, the fashion industry is worth 3.3 trillion dollars and according to the African Development Bank, the fashion industry in the Sub-Saharan fashion market is worth \$31 billion and Nigeria accounts for 15% of the \$31 billion. Nigeria's fashion has been reported to have arisen in size and sophistication. National Bureau of Statistics (NBS) reports that the industry has grown by 17% since 2010, and this is because





demand for fashion items keep increasing as the population increase and more fashion trends are rolled out regularly. Also, fashion programs, events, and initiatives such as Lagos Fashion Week have been helpful for fashion brands and have contributed to the growth of the industry.

Region	Number
Global	\$3.3 trillion
Sub-Saharan Africa	\$31 billion
Nigeria	\$4.7 billion

Several countries within the African continent have taken the lead role in garment production. Countries like Kenya, Ethiopia, and South Africa (Lesotho) have fantastic industrial parks.

Garment importers from Eastern Nigeria dominate the Nigerian fashion sector. They supply East and West Africa with many items made in Aba - from footwear to clothing. The other line of the industry involves importing finished garments largely from Asia, China, Thailand, Hong Kong, Vietnam, and India. Traders from Eastern Nigeria run the fashion value chain. Fashion entrepreneurs, like tailors, control a small percentage of the industry. Nigeria's rating on the Global Index for Fashion is less than 1%, which is quite negligible. Irrespective of this, some Nigerians have established major fashion brands on the world stage. Nigeria is lagging behind its counterparts in the aspects of ready-to-wear and mass production, and this presents a great opportunity. Changing this narrative requires that entrepreneurs position themselves by venturing into the ready-to-wear and mass production terrain; it also necessitates leadership initiative and infrastructure.

The Nigerian Textile industry needs its agricultural value chain to be functional. This implies that farmers plant cotton in large quantities to feed the textile mills and that large oil refineries process their waste into nylon, polyester, and the likes to supply the needs of the local manufacturers.

#### **1.1 – The Broadness of the Nigerian Market**

Tailoring can be categorized under three headings: formal, casual, and industrial wear. Formal wear can further be broken into children's wear, women's wear, and, men's wear. For the children's wear, we have the babies who are between the ages of 0 to 1 year, and then the toddlers of 1 to 3 years. That alone is massive because some of their footwear are made out of clothing material – knitted or sewn. There is a special garment that comes in threes or a set of six that babies wear from 0 to 6 months or 1 year. These are fasteners without zips.



One of the good things about the Nigerian economy is that Nigerians give birth to children in large numbers. So that means anyone who wants to play in the children's clothing space and can match the price from China, would thrive. From ages 1 to 6, when children are in kindergarten or nursery school, they wear different garments, including formal wear, shirts, polos, joggers, knickers, footwear, face caps, sunglasses, etc. This is a tremendous opportunity for tailors to leverage and produce for millions of children in this segment.

Teenage and adult preferences are jeans, corduroy, denim, T-shirts, polos, and face caps. Teenagers purchase formal and dinner attires for their high school proms and graduation ceremonies. School uniforms are also classified as formal clothing, and this is a massive segment of the market because there is a demand for each school term which is three months apart. There is a high demand for white, blue, and cream shirts. They also require Nigerian traditional wear for cultural days and other occasions. In the Southwest, there is the Aso oke often worn for weddings.

The industrial wear segment is untapped. Companies and institutions need coveralls, overalls, and Polo and T-shirts for brand events and promotion. Technical fabrics are required in certain industries, like the oil and gas sector, power generation, and aviation sectors. These areas are not fully tapped for mass production within the Nigerian economy.

#### 1.2 – Tailoring in Nigeria



In Nigeria, the fashion industry offers an expression of the culture and language of the people. Initially, it was limited to big blouses (bubas) and wrappers (iros) which were not given much attention. In the seventies, this took a huge turn, as fashionable Nigerians wore big bubas over short, knee-length iros, and the men wore their dashikis. Over time, the industry has evolved and style has different expressions representing indigenous tribes and languages. For example, if you see an Igbo man dressed, you know instantly that this is an Igbo man, and the same goes for the other tribes like Yoruba, Hausa, Ibibio etc.



Fashion defines culture and happenings in the environment. Nigerian fashion is a language that represents different events and situations. People wear different clothes to depict the reason for occasions. For instance, there are clothes for marriages and the bridal apparel for women in tribes across the nation differs. You will know a woman is getting married just by looking at her dress. When a person wears a dinner gown, you can deduce that they are going to someplace with fine dining.

Nigerians have been able to use fashion to express events and situations they want to represent at any point in time. Major shifts in taste for foreign content to our local fabrics and designs have also encouraged the growth of the industry. In the past, people loved imported items. Today, there is a wide acceptance of locally tailored designs and fabrics.

Contemporary tailors are more creative and industrious, frequently releasing new designs and crafts. There's hardly anything that cannot be sourced for the customer: accessories, shoes and more. This has helped the industry to grow.

#### **Evolving Trends in Nigerian Fashion**

Early in Nigeria's fashion history, the Guinea brocade was in vogue. Nigerians were more into kaftans, boubous, short boubous, long skirts; chinko and furnace embroidery, with their style influenced by Sub-Saharan countries like Mali.

Over time, our local designers came on the stage to revolutionize the industry with Aso oke. Some designers used a lot of Aso oke for wedding dresses and the others used Asoke for ceremonial wear. It came in gowns and jackets, skirts and blouses, mostly for events. After that, other handwoven fabrics like Akwette and Akwaocha surfaced on the fashion scene.

Adire was used more for casual or leisurewear. A couple of local designers exclusively used Adire for their brand's designs and did all sorts with it, popularizing the Adire material. Today, Nigerians have created alternative urban, contemporary fashion and style out of the traditional Adire, Aso oke, Akwaocha, Akwette and Ankara fabrics.

Wax prints originated in Indonesia when Europeans copied their patterns and mass-produced them industrially. They tried to resell it to the Indonesians without success, then turned to Africans who wholeheartedly embraced it. Hence, the wax print, popularly called 'Ankara' cloth came to stay.

#### **Aspects of the Fashion Industry**

The fashion industry comprises different segments:

#### Design

Design in fashion is the art of applying aesthetics, clothing construction and natural beauty to clothing and its accessories. It is influenced by culture and different trends, and has varied over



time and place. «A fashion designer creates clothing, including dresses, suits, pants, skirts, and accessories like shoes and handbags, for consumers. Designers draw inspiration from a wide range of sources, including film and television costumes, street styles, and active sportswear. The design aspect of the fashion industry value chain involves the following categories:

- **a. Textile design and production:** Every clothing item made starts from textile design and production which involve the spinning and weaving of wool, cotton, silk, and other fiber materials (either natural or synthetic fibers) as well as dyes to produce fabrics. There is also an emerging interest in producing fabrics from eco-friendly materials.
- **b. Fashion illustration:** One can specialize in this aspect of fashion design whereby you use the tools of fashion illustration to bring an idea to life, It involves sketching out designs either on paper or on digital gadgets and painting the sketches to give a view of what the final product would look like after production.
- **c. Fabric sourcing:** In fashion design, sourcing the right fabric is very key. This contributes heavily to your final output. A fabric 'sourcer' goes to the market to pick the best fabric in terms of quality and appearance to suit a style.
- **d. Technical designing:** Technical designers explain how the illustration by a fashion illustrator can be sewn into a garment.

#### Manufacturing

The manufacturing value chain is the phase of making the garment into a finished product. Up until the mid-nineteenth century, people handmade clothing individually and specifically for the person wearing it. It wasn't until the invention of the sewing machine by Elias Howe in 1846 that we saw the emergence of mass production throughout the world. The garment production process begins in the textile mills before moving on to sewing shops, where patterns are drawn up, and the garment is cut out and subsequently assembled. It involves:

- **a. Pattern making:** Pattern makers interpret designs and draft out each piece to be sewn together to make a piece of clothing.
- **b. Tailoring:** A tailor is responsible for joining the pieces of fabrics together to make a garment just the way the fashion illustrator and technical designer vision it.
- **c. Accessorising:** One can design to just be in the accessorizing value chain where all that is done is to attach accessories such as beads, chains, and applique to garments.

#### Distribution

The distribution channel refers to how your wholesale goods are distributed into the hands of consumers. This process involves sales representation, showrooms, trade shows, internet stores, brick and mortar stores, direct sales, etc. Managing your distribution effectively



provides a real long-term competitive advantage to your company and lets you connect with your audience in a very meaningful and memorable way. First, you have to decide if you are looking for a wholesale Business to Business (B2B) format or a retail Business to Customer (B2C) format.

In B2B distribution the company works through a distributor which will be in charge of connecting the company's products to the final consumer.

In B2C distribution a company will instead pursue a sell-out approach whereby a company will own and manage proprietary retail locations.

#### Marketing

Once the clothes have been designed and manufactured, they need to be sold. Marketing entails the strategies and processes that guide the movement of the clothes from the manufacturer to the customers. It involves the identification of the target market, where they can be found, their interests and needs, the factors that motivate and influence their buying decisions, and how to sell to them. Marketing operates at both the wholesale and retail levels and it includes ads in newspapers, magazines and in recent times it has evolved to include digital marketing which is highly embraced. However, marketing offline and the use of word-of-mouth works as well.

#### **Advertising and Promotion**

This aspect of the fashion industry deals with promoting your brand and advertising your fashion business to get higher customer engagement. With the immense competition out there, you should ensure that your fashion business has the potential to stand out and remain visible to your target market. It could be paid online ads on social media platforms or billboards in strategic places. Also, fashion modeling shows are aood ways to advertise and promote brands in the fashion industry.

#### **Business Management**

Fashion is a multi-billion-dollar industry, but it takes more than innovative designers and elegant models to make it so. The industry requires people with the ability to drive successful fashion business models and solve a large variety of challenging problems. Fashion management plays a critical role in its success by establishing brand awareness and uncovering new trends.

Business Management in Fashion involves marketing, selling a product, purchasing and managing inventory. It involves the skills and knowledge you need to succeed in all segments of the industry, from concept to consumer.

As the industry grew over the years, Nigerian practitioners have introduced a lot of innovation. Now that the industry is so big and wide with multiple segments, the individual must decide on an area of focus. This is what the fashion industry is about.

# CHAPTER 2

# Getting Started

The Business of Tailoring The Fashion Industry's Value Chain Steps in the Tailoring Process Knowing Your Target Market Defining Your Niche Choosing the Right Marketing Channel Equipment Required for a Tailoring Business Registration and Licensing Requirements Financials



#### 2.0 – The Business of Tailoring

Before you decide to venture into the tailoring business, here is a checklist of things to consider.

#### i. Is Tailoring Right for You?

Before you venture into the tailoring business, decide if it is right for you. Identify your capabilities concerning your desires. Don't go building castles in the air. Find your strengths and build from there. That you love fashion does not mean that you can be a designer. You can just as well work for another designer. You can be someone who stocks other designers' clothes - that is still an aspect of the fashion business. Identify your capabilities, understand the whole fashion value chain, and know where you fit in. Otherwise, you will pack up before you know it. Look at all the aspects. Find your niche and then train yourself before acquiring any equipment.

#### ii. Understudy A Business Owner

Understudy somebody. There is nothing as important as you being the nucleus of your business. If you want to depend on your hired tailors' expertise because you have the money to hire tailors, it will be bad for business. What happens when they disappoint because they always do? Therefore, there is a need for whoever is a designer or a tailor to have some training. Even if it is a 3-month intensive program with an existing business, there's a need for you to understudy a successful business. Have a basic knowledge not only of sewing but of day-to-day business operations. There is nothing wrong with going to learn at the Tejuosho market if you cannot afford to be the protégée of a designer.



Sometimes, you pay to understudy a designer because you must be the nucleus of your business. This is so that once the tailors disappoint you; you can still produce and deliver to your clients.

Learning the business will enable you to decipher tailors who can aid or ruin the business. Some tailors out there are half-baked having undergone apprenticeship for a week or two, and they go about looking for designers just because they want to make money. If given the opportunity, they ruin businesses that hire them. Besides the fact that you pay them salaries, they will frustrate you with poor skills and work ethic. It is safer for you to know your business. Then you can now effectively supervise the tailors and tell them how you want whatever you want. You can also show them how to deliver the best service so that you don't disappoint your customers because everything boils down to making a good profit. Unhappy customers lead to failed businesses.

#### iii. Get Education and Experience

To practice and excel in the profession, get some experience under your belt, at least 7 years. This is to ensure that you can deliver on whatever projects are brought to you. Some people study in fashion schools in the United Kingdom, Italy, France and Asia. It is a 4 to 5-year course to ensure that you are fully trained. After this, you can enroll for short courses to sharpen your edge. A good craftsman has to learn beyond the school or boss that taught him or her the craft. Travel to other places for exposure and seek to understand the technology that will build your productivity.

#### iv. Build a Team

To build a business, you cannot work alone. You need a team. The industry is quite laborious, and sole proprietors working as a one-man squad will wear out. Tailors are usually inundated with orders around the Christmas season and work round the clock. Many mastered the craft without leveraging other people's time and skill through team building. This tells on their personal and business health and after 5 to 10 years, they are out of business.

Sometimes, tailors start too small and frustrate their growth. Before you start, assess the equipment you will need in your operation, and where to source materials locally and internationally.





#### v. Know Your Start-up Capital and Expansion Costs

Sometimes, tailors start too small and frustrate their growth. Before you start, assess the equipment you will need in your operation, and where to source materials locally and internationally. For example, if you want to go into ready-to-wear production, consider equipment like a sewing machine, the office space you will use for the production, the number of staff you are going to hire, and more. Say you want to start a tailoring business which is to go into the production of children's wear. To do this, you either have the skill to do it yourself or you employ tailors that will sew for you. This requires funds for equipment and salaries to build the capacity for your operation because one of the major challenges of the tailoring industry is a lack of capacity to operate. While getting funding to build capacity might be challenging, do not wait to have it all before you start or you may never launch. That is why business success depends on the person, their passion and their vision. You can start by outsourcing, then from there, you grow, before you have your equipment and employ your staff. You don't need so much money to start the business, you just need a sewing machine. A homemade sewing machine can start a business and this can be out of your room, but your dedication to the work is the most important success factor. How far do you want to go in the business? You can start with making samples for yourself, your siblings, relatives, and friends. Let them wear your designs to their events and as your clothes gain visibility, customers will come.



These things will help you stand the test of time. Even if you start out working from the little corridor in your home, set a vision before you graduate into a proper fashion house or a mass-producing garment company. But if all you do is bespoke, then that means you are dealing with the 2% of the Nigerian economy that has ₦500,000 and above in their accounts, and missing out on 98% of the market. More often than not, tailors in the industry provide bespoke to the 98% of the population that has less than half a million in their accounts, and this leads to issues in pricing. For example, if you charge between ₦1500 and ₦5000 for a skirt and blouse that is made of Ankara material, and issues develop in making the dress, that means you may be unable to buy the material and its accessories again. So, the way tailors peg bespoke pricing is poor and needs to be reviewed factoring in contingencies. Bespoke is meant for the rich, and ready-to-wear and mass-produced clothing for the generality. Therefore, when starting, work on your pricing strategy so that you do not get frustrated doing business.





## 2.1 – The Fashion Industry's Value Chain

#### Production of Raw Materials from Agriculture

The fashion industry starts from the raw material from which clothes are made, to the design, creation and distribution of the finished product. If you do not want to be a tailor behind a sewing machine, you can be:

- i. A farmer out in the fields growing organic plants that will yield cotton or silk, and cotton grows in 26 out of the 36 states in Nigeria. A ton of cotton is currently sold at \$1702.00 per ton, and in a hectare, which is about 15 plots, you can harvest between 2 to 4 tons per hectare. Therefore, you do not need to sit behind the machine. You can start from the farming angle and then sell to companies in Nigeria, or you may export to either the US or Mexico. They appreciate Nigerian cotton better in that clime.
- ii. The mulberry silk is grown in some parts of Ekiti State and 160 villages around Ekiti. There, you can groom silk cocoons and that's called sericulture. It sells for very good money. So, you don't need to be behind a sewing machine or modelling a dress to do that.
- iii. Other areas of raw material production include grooming livestock for their fur. To import these animals, you require the right licenses from the Ministry of Agriculture and the quarantine at the airport so that you can grow wool locally and sell them in bales to those that require them.'
- iv. You can process pineapple leaves into yarns for making fabrics. The same thing applies to the orange pulp and grape skin.
- v. We now have some garments called wine leather. They make them from the seed stock and the pulp of grapes.
- vi. There are career opportunities in organic dye production because most of the synthetic dyes commonly used are bad for the human skin causing cancer. Roots, stems and leaves of plants can produce these things.
- vii. Buttons can be produced from seashells, which are available in large quantities at the beach. Cow horns and bones which can be sourced from the local abattoir can also be used for producing buttons.

#### **Sourcing Raw Material from Recycled Products**

With the world clamoring for sustainability and cleaner environments, there are opportunities in the production of polyester, that's PET (Polyterephthalate). Polyester is made from plastics and it is one of those materials that are durable. You can go into recycling pet bottles around and turn them into yarn. This requires some capital investment but is quite exciting to explore. Rayon, spandex, acrylic and nylon can be sourced from crude oil waste.



#### **Production of Accessories**

People match their clothes with accessories like anklets, belts, bangles, bracelets and brooches, which are expensive to manufacture, so you can start small while thinking big. Accessories vary from pendants to neckties, wallets, sashes, rings, socks, sunglasses, and umbrellas. There are also opportunities with fewer players producing materials such as zips, the tailor's chalk, hemming gum, the nylon used in packaging garments, hook and eye, threads, French curve, the collarbone, the inner lining, either the fusible or the non-fusible.

Only two companies make 50% of revenue from zips in the world -YKK of Japan and SGS of China, raking in \$15 billion annually on zip production. They are the major firms doing this, so those that are new to the industry can also consider that.



#### Manufacturer's Representative

Why restrict yourself to just cutting and sewing when you can be a manufacturer's representative here in Africa? Original Equipment Manufacturers (OEM) need middlemen as suppliers and distributors of their products. Therefore, you can develop yourself technically to go into the supply or maintenance of those machines here in Africa.

#### Software Design

Technology has disrupted virtually all industries in the world, and it does not exclude fashion. Software design presents an opportunity to enhance production and creativity and that's where the pattern design software comes in. Those who are in UX/UI, that's the user interface and user experience experts are enablers of creativity in the industry leveraging technology. You can gain these skills and offer your services to the sector.



#### **Pattern Making**

You can become a pattern maker that specializes in producing patterns for different organizations and individuals for bespoke or commercial purposes. Pattern makers create the designs and have them translated by tailors.

#### Cutters

These people flawlessly cut your patterns to precision. This requires investing in some cutting machines that are not too expensive and that industry is developing around Tejuosho in Yaba, Lagos. All they do is cut for you. They don't sew. So, you can see that you can outsource cutting to cutters.

#### Sewing and Embroidery

There are several sewing hubs in Ogba, Lagos Island and Yaba, where there are large clusters of people who offer their sewing services. Then, there are people in those hubs that embellish clothes with stones, beads and crystals. That's all they do after you are done with your sewing. They embellish and some do embroidery. Embroidery can be done manually, or using the phonics machine or with the computerized monogramming machine.

# 2.2 – Steps in the Tailoring Process

A business may choose to sell clothing off the rack. This starts with conceiving an idea of what items you want to put on the rack, and then you need to sketch what you want to produce and translate your sketches into the finished goods. To do this, you must map your design, the fabric for the design and all the elements to go with the fabric, such as the threading, zip and the logo. After you have done this, you shop for these items. The next process is cutting. You may need a professional cutter if you don't know how to cut, somebody who understands the sketch because you must have a sketch. Everything goes in line with the sketch.

The cutting is a critical part of tailoring and if you don't get the cut right, the outfit or product is destroyed at the beginning. So you need a cutter who understands the sketch and understands how to take the right measurement because the measurement is also very important. If the measurements are not right, the cutter won't get it right. In this industry, many designers don't know how to take the right measurements and then fitting the client becomes too hectic, but if you know how to take the right measurement, then you don't need too many fittings. The client comes in once and fits with minor alterations.

Get the measurement right, cut the fabric and then go into the production room where the machines are and sew. When you are done, put them on the rack, take excellent pictures and then advertise to give your products exposure.



#### Here are the steps listed:



#### 2.3 – Knowing Your Target Market

Now that you have decided to be a tailor, who will you be serving? The first thing to decide on is your target market. What specialized service are you going to give to your audience? You must define your value offering in your specific segment.

If you want to sew for children, what type of children? In Nigeria, there are two income classes, the rich and the poor. However, the poor man strives to look like the rich and that presents an opportunity for tailors to make money. Those who cannot afford bespoke clothing go the extra mile to appear like those who can afford them. Often, chauffeurs, or drivers, as we call them, want to look good because of the places they take their bosses to. Therefore, they would not mind cutting down on expenses in other areas to invest in a wardrobe that makes them look good and similar to their 'oga's'. Tailors in the fashion space must be able to capitalize on this. In defining this target audience, a good question to ask would be: How many drivers are within reach who want to look as good as the boss? Then you can provide a product or service that meets their needs because they are in hundreds of thousands. If you cannot target the bosses because their taste is quite above your level and you cannot get the kind of fabric they need or penetrate their circles, then you can work with the low end of the strata and they will pay you willingly.

The other area where you can play is the industrial segment. Virtually all organizations now produce promotional items. Annually, associations, political parties, primary and secondary schools order T-shirts and polos to reflect their group initiatives. With 10 or 20 schools on your client list, you know there will be a market for you around their events, like graduations and reunions. You can segment the market and target them appropriately. Students of



tertiary institutions between the ages of 16–30 wear sweatshirts and hoodies come rain or sunshine. This is another segment that new entrants can target for the tailoring business.

Asoebi solutions are big now as people want their wear to look different by differentiating them with embellishments, cut and style. Women will pay anything to look good, especially when it is value for money. You can look at the different segments of the fashion industry and choose your focus area. It is only after this definition that the actual business starts.

With a defined target audience, you can think of where and how to get your audience's attention. This is where you engage in advertising and marketing to get your audience to notice what you have for them. No matter how good you are, without getting in front of the right audience, your business has not started because serving a niche market is the major aspect of the business.

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That is why some tailors may have been 40 years in the business but have not recorded any significant business growth. They watch others grow and expand and they wonder how those people are doing it. It is because the growing brand has thought through its target audience and the value it wants to provide, and stays focused on that audience. You cannot serve the entire Nigerian population and do it distinctly. Business is not all about creativity. You must know how to sell what you create. So, note these points for successful marketing to your target market.

- Be creative
- Know how to sell what you create
- Seek to satisfy your audience

This is the business aspect of tailoring. As you grow your audience, keep innovating in your designs and delivery. Everything must go hand in hand. Defining your target market means understanding your capabilities and focusing on what you can handle





#### 2.4 – Defining Your Niche

If you want to do wedding gowns, it goes beyond just liking wedding gowns. Wedding gowns are very special outfits and anyone you make must be the masterpiece of the day for the client who is going to wear it. So are you ready to dedicate yourself to making sure that it is as perfect as possible because it will be the cynosure of all eyes?

This means you must understand the importance of colour and how fabrics fall so that you can make the most use of them. You must know the right fabrics that will work for the style your client wants. Are you ready to put all the stones and accessories that are going to be on the wedding dress? If you can do all that, then you can specialize in wedding dresses, but if you know you can't and your capability is making simple dresses, please focus on that. However, as simple as they may be, they must fit well, sit well, and suit the occasion.

Whether you are making complex wedding dresses or simple dresses it is important to understand fabrics because some customers can come with silk and say they want to make a jacket with it. If you don't know your fabrics, you will agree to sew them but the truth is that you can't make jackets with silk. It will not look good. Knowing your fabrics to achieve the best results is vital. Do not take on what you cannot do.



Some tailors have found some uncommon ways to use fabrics like:

- They know how to use Aso oke differently. They make classy, moderately done, well-fitted outfits with Aso oke and you can see the beauty of the fabric.
- Some other young designers focus on corsets and they can make them look glamorous. They enjoy it and are ready to work that way.
- Some are into strictly jersey production and sale. They use jerseys to do all sorts of leisurewear.
- Some others focus on the print and they put stones and sequins on them; so, no matter how simple the dress is, they will accessorize it.

As a tailor, just be sure of what you can do and make sure you dedicate time to do it. There's a space for you in the market if you focus.

#### Have a Social Media Account

These days, customer interaction has gone virtual with the proliferation of the internet and the COVID-19 pandemic. Customers are purchasing items online. You need to have a social media account for visibility. Model your work on social media and tag people. Tag friends, celebrities, and anybody you want to see what you are doing. If your designs are innovative and catchy, they will attract customers.

#### Positioning

How do you position your audience to notice you? Your brand name sets the tone for your positioning and inspires recognition among your customers. Some brands call themselves luxury brands, and with this in mind, they project luxury from the way they take their pictures and advertise, to the way their stores are set up, their workspace and their packaging. Everything has to be in place and the price is on the high end of the market. This way, the right audience will notice them.

When you visit a social media page and there's a shirt on there for the price of N40,000, you will not waste your time liking the post or sending the company a direct message if you are not their target audience. You won't try to negotiate a price of N5000 or N6000 for the shirt. The people that want to buy it will pay for the shirt. Many people focus on likes on Instagram and retweets, but that is not the market. Focus on impressions. Are people seeing your posts and engaging with your content? They may not retweet for you or like your stuff, but they are engaging. They are seeing what you are doing. Keep creating great content and posting consistently. Don't give up because many people now prefer to place their orders online and get them delivered to their location.

Focus on those you want to serve, and when you do, find a way to reach them. For example, if your goal is sewing clothes for children, look for a way to reach mothers because it's the mothers that usually buy these clothes for their children. You must know your market and this



will enable you to focus on the right target audience. Even within that audience, everybody is not also for you, there is the low, middle and high class. The question then is, which class of people do you want to service? That is what you must ask yourself. This will enable you to do the marketing that will attract your target audience.

### 2.5 – Choosing the Right Marketing Channel

There are many marketing channels to choose from particularly, with the evolution of the digital age, you can reach people beyond your physical location. However, you must know what works for you based on where you are, your target market segment and your marketing budget. Here are some marketing channel options:

#### Word of Mouth Referrals

This works with satisfied customers, giving credibility to your work. Putting your best creativity into your work will get people interested in knowing where they got their clothes. Do good work. People trust your brand when they hear good things about it from their network. It often works like magic because someone has already put in a good word for you testifying of your competence.

#### **Online Platforms**

This is great for a ready stock of clothing, imported or locally made ready-to-wear apparel. You can upload images and videos of your stock to your social media platforms like Instagram, Twitter and WhatsApp, and engage with your customers online. You can also do sponsored adverts on Facebook and Instagram. You can partner with a good logistics brand to help you get your goods to your customers both locally and internationally.

#### **Billboard Adverts**

This can be pricey, but you can invest in this if you have the money to do so.

#### **Point of Sale Adverts**

When people come to locations where you have placed your handbills and brochures, they can view your value offering and try your services. This also costs a bit of money.

#### **Television Commercials**

This is expensive as well, but certain brands can afford it and leverage this medium. A small fashion brand would have to consider investing in creating quality content and a good time slot. Television ads get good exposure, but when they are badly done they could hurt the brand's reputation. Secondly, if your advert is shown at prime time viewing, it could get good mileage, but not everyone watching is your target audience. These are some factors to consider with TV commercials.





#### **Fashion Shows**

Showcase your products at fashion shows. Take pictures, curate videos and put them up on your social media pages.

#### **Press Interviews**

There are fashion writers that visit events and feature designers in their blogs or magazines. They will be happy to grant you press interviews. You may approach them on your own to talk about yourself and show them samples of what you do. If they find you engaging enough, they may give you free publicity.



#### **Dressing Celebrities**

Styling outfits for celebrities can be a barter for publicity to their audience, and they give you the credit on their social media pages. This can give a tailor mileage and great exposure. If it fits well, everybody wants to know who made it and when people buy expensive fabrics, they want to be sure that they give it to someone who has been tried and tested. Certain fabrics are delicate to handle and few people have mastery of them. Nigerians like it when you are dressing celebrities and if you're not good, nobody would wear your designs.



#### **Roadside Locations**

Some tailors prefer to locate their shops by the roadside in places where there's high traffic, so people can see what they do. Physical marketing promotion includes setting up speakers to play loud music and drawing attention to yourself. You can also have people helping to distribute your handbills on days of such promotional activity.

#### Hanging Out With Your Target Audience

After identifying your target market, go to places and events where they are most likely to be seen. Locate your physical store in places where they live and work. As they come to you, give them excellent customer service and they will refer you to their network by default. Also, research their psyche, how they think, and what they like, so you can suit your service to fit their taste and needs.

# 2.6 – Equipment Required for a Tailoring Business

Having adequate equipment for your tailoring business increases your efficiency and eases your production process. Identify the necessary equipment for your production line and focus on buying those that enhance your capacity to professionally respond to your customers. Starting as a tailor, the basic equipment you need are the following:



Straight Sewing Machine (Manual or Industrial)



Overlocking Machine



Pressing Iron





Generator: To back up epileptic power supply



However, if you want to start on a large scale, some other equipment you may need as you expand your business include:

- Embroidery Machine: For embroidering caftans and other fabrics
- Buttonhole Machine: For fixing buttonholes
- Cutting Machine: For those who mass produce clothing
- Steamer
- Saddle Stitch Machine
- Stoning Machine
- Button Hemmer
- Chain Stitch Machine
- Fabric Shears
- Body Form
- Zip Inserter: For inserting zips
- Monogram/Phonics Machine

#### **Equipment for Starting in Jeans Production**

To produce jeans as made in Asia, Europe and America, you need five different machines. However, you can start with one if you are just entering the industry, but it won't look like jeans because it will lack the technical details. A new entrant can buy:

- A straight sewing machine and an overlocking machine.
- As you grow, you will need the bottom hemmer, which gives the jeans the stonewash effect.
- A straight sewing machine and an overlocking machine.
- As you grow, you will need the bottom hemmer, which gives the jeans the stonewash effect.
- There's a **belt loop machine** for where the belts will go through. There's another for inserting the waistband itself.
- Then there's the **Chain Stitch Machine:** When you look at your jeans on the inside and the outside, you may see two or three needles sewn in there, as well as a closed-end seam lapper. The chain stitch machine does the seam lapper.
- For the zips on jeans trousers, you need a **zip inserting machine**. Even though you can insert a zip with a regular sewing machine, the zip inserting machine gives a flawless finish.

#### Equipment for T-shirts, Joggers and Sweatshirt Production

Producers need to study where the trends are going in Europe, America and Asia so that they can provide such goods and garments to people locally. Branded polos and T-shirts have come to stay in Nigeria. Sometimes, people do not want homogenous products, they want custom-made items made to their individual/company's taste to match their brand colours.



#### To start this business, you need:

- 1. Five threads and four-thread overlocking machines.
- 2. A straight sewing machine.
- 3. A buttonhole machine.
- 4. A cover stitch machine.
- 5. Fusing machine for the collar.

In the early days, you may tack the buttons using your hands, but if the volume goes to like 500 to 1000 T-shirts, you may need 10 workers who focus on tacking buttons. If your funds are adequate, you can get a button tacking machine.

### **Equipment for Shirt Production**

With shirt making, you may design the shirt with software. This implies that you will need

- A computer, either a laptop or a desktop with relevant features.
- Then you need a plotter that's a large format printer so that, irrespective of the sizes, you can print out your designs.

Five different machines are required in shirt making, but a beginner can start with just the straight sewing machine. But if you are looking at volumes, maybe in an hour you want to produce 200 shirts. No matter how good you are, you can only produce one shirt in 60 minutes, and that means you've had years of experience.

Now, if you are producing one in an hour, you can only produce 8 within 8 hours. And if you are working alone and you have an order for 100 T-shirts, how long will that take? In the early stages, do your research, which is called knowledge capital. Be knowledgeable enough to forecast that though you are starting with a straight sewing machine, you must know the equipment you need for the next phase of your business because a straight sewing machine depends on the skill of that tailor. If your tailor is not skillful, it may take him 2 hours to make a shirt.

You may start small with one machine, but if you are going to mass produce, you will need different machines.

- The straight sewing machine
- There's one that will do the bottom stand.
- There's another called the fusing machine that's for the collar. At that point, you can use the iron to be ironing the stay on the collar. You will need a fusing machine that glides through the stay on the fabric in seconds.



# **Equipment Required for Suit Production**

There is specialized equipment for those that want to mass-produce suits and they include:

- There's a Welt Production machine that creates the pocket on the lower part of the suit. The machine does this in seconds, but it will take an individual 40 to 60 minutes to produce one.
- Then there's another one that inserts the sleeve. It is also a specialized machine. It will cut it and insert it almost immediately.
- For the lining on the inside of the suit, you require a straight sewing machine and a fusing machine to iron it out automatically within seconds.
- The buttonhole machine is also important in making suits. Good brands out there are the Brother or the Ducab Adler machines.
- The Islet machine creates the buttonaire for the suit lapel.



# Other designs

- For monograms, you will need the monogram machine, either a single head or about 30 heads depending on your capacity, and there's the tabletop monogram machine, Janome. It is available in the local market.
- For embellishments, you can buy the phonics machine for male and female garments, the ones we call Senegalese, either the female kaftan or male kaftan. For the embroidery on it, you can use the monogram machine or the phonics machine depending on the one that you can afford.



• Then we also have the stoning machine, which eases stoning rather than placing the stone on garments one after the other and using the iron. This specialized machine can drop the stones within a few seconds by picking the stones and dropping them almost immediately.

The tailoring business has over 500 machines, which are sourced based on individual requirements. It is advisable to start from a specific area and then grow as demand comes.



### 2.7 – Registration and Licensing Requirements

For entrepreneurs in Nigeria to be taken seriously, they need to register with:

- The Corporate Affairs Commission (CAC): Registering your fashion business is crucial to building a reputable name in the fashion industry, accessing loans and gaining the trust of your customers The first step is choosing a suitable business name that reflects your brand identity and values. You can either register via <u>CAC's website</u> or contact the service of a lawyer to do so on your behalf. Details of how to register with CAC can be found in the Appendix.
- Any tailor looking to evolve into ready-to-wear or mass production needs to register with the Nigerian Textile Manufacturers Association. This is one of the associations in Nigeria that interfaces with the Federal and State governments, the policymakers in the Central Bank of Nigeria (CBN), as well as the multinationals. When you belong to this kind of association, it gives you leverage to lead and also be visible in ready-to-wear for exports or local bidding. The Nigerian Textile Manufacturers Association requires that you pay a membership fee of ¥150,000 per year.



- If you are going to play in the oil and gas sector, you need to register with the Department of Petroleum Resources (DPR); Nigeria Petroleum Exchange (NIPEX), and National Petroleum Investment Management Services (NAPIMS). A yearly subscription to the Department of Petroleum Resources (DPR) costs between ₦25,000 to ₦100,000. Without this, you cannot play in the oil and gas industry as a tailor. Some people produce polo shirts, T-shirts, coveralls, overalls, uniforms, fand lame and fire retardants; and to serve the sector, they need to be registered with these bodies.
- Evidence of tax remittance to the Federal Inland Revenue Service (FIRS) or the Lagos Inland Revenue Service (LIRS) will be required to service banks and other corporate entities.
- Certain blue-chip companies require your PENCOM certificates to show that you pay
  pensions to your employees because there's a level that some companies get to where they
  don't want any of their vendors to have cases with the government or international bodies.
  Therefore, they want to be sure you are doing insurance not only on your equipment but
  on your key staff.
- To provide service for the Lagos State Government, becoming a member of the Lagos State Fashion Designers Association of Nigeria (LASFADAN) is advantageous. They are recognized in the state, so joining them may give you an edge over others. You also need to register with Lagos State Public Procurement Agency (LASPPA) if you want to bid for contracts from the Lagos State government as a fashion entrepreneur. That's also very vital. As of the time this guide was written, membership dues cost N75,000 annually.
- For exports, you should also register with Nigeria Export Promotion Council (NEPC), Industrial Training Fund (ITF), and Nigeria Social Insurance Trust Fund (NSITF).
- Some banks and some corporate bodies require your audited accounts. They want to be sure that you can deal with them because some businesses may run into hundreds of millions. Hence, they want to see your revenue and turnover to be sure that you can play in that space.



It is also important to get licensed by the Standard Organization of Nigeria (SON) especially if you are mass-producing. SON is the sole statutory body that is vested with the responsibility of standardizing and regulating the quality of all products in Nigeria. They will visit your production site before they endorse your standards. Subscription per annum as of March 2022 is pegged at ₦100,000. You can also go for a Mandatory Conformity Assessment Programme (MANCAP) licensing. These give you an edge locally and in international exports. When your brand's systems are verified, they'll put the SON logo on your products. To improve in licensing, you may approach International Standards Organisation (ISO) for training for your production arm if you have one. This costs between



№500,000 – №1,000,000 per annum. The different levels of ISO cater to different things. One has to do with your quality management system to be sure that your system and processes are error-free. For example, people in the production sector should have a Six Sigma process, whereby by the time 1,000,000 units of the same item are produced, the defect rate would be less than 0.04%. The error rate must be negligible, not that out of 1,000,000 units there'd be error rates of 10,000. No, it should be like 4 units in 1,000,000, which by implication shows that your process is so efficient that it is at par with international standards. That's the global certification that can ensure your processes are seamless to deliver quality.

 If you are into fashion training, you need a NABTEB Certification. NABTEB is the National Business and Technical Board. They are the Nigerian body that certifies artisans. Artisans sit for their examination, after which they are certified. With the NABTEB certification, an artisan may be absorbed into the workforce in foreign countries to work as a professional say in Canada, the USA, and Europe. The NABTEB certificate is very necessary for fashion entrepreneurs. The annual membership fee is ₱50,000.

The Lagos State government is collaborating with the United States, African Development Foundation, and United Nations Development Programme for this purpose. Even the Nigerian Armed Forces require the NABTEB certification from tailors that desire to work with them. NABTEB is like the City and Guilds certification. The more we develop in the industry, the more the standards will be in place and certificates of tailors who make substandard clothes will be withdrawn. These registrations and licenses are mostly annual subscriptions.

#### **Cost of Subscriptions**

At the time of writing this business guide, these were the costs of subscriptions for other institutions you might need to be a part of

S/N	INSTITUTION	COSTS PER ANNUM (Ħ)
1	Nigerian Export Promotion Council (NEPC)	25, 000
2	Industrial Training Fund (ITF)	1% of your annual payroll
3	Nigerian Social Investment Fund (NSITF)	Calculated based on the revenue of the staff salary

Cost of registration as of March 2022



The LASPPA will tell you about bids that have to do with your sector. They have a dedicated page where certified vendors can view available business opportunities. For ISO, you pay the money in different phases and you may need a consultant to work with you privately.

The fashion industry is a very porous market, unlike some industries where you have to get certain qualifications to be an operator. The fashion industry is not like that, it is open. You don't need a certificate to start a fashion business. Except that, as you get big, you can decide to go for additional training and gain related certification.

The LASPPA will tell you about bids that have to do with your sector. They have a dedicated page where certified vendors can view available business opportunities.

#### Taxes

As you grow your organization, you will have to pay your income tax and staff taxes. Once you set up shop, many regulatory bodies will come forward with their levies. The levies are usually zoned but sometimes the zoning process might be unclear so do your research as much as possible to avoid multiple payments across different local governments. Some of the identified levies you will need to pay include:

- Taxes LIRS, FIRS <u>http://www.lirs.gov.ng/tax-information/tax-types</u>
- Lagos State Signage and Advertisement Agency (LASAA)- Sign Board <a href="http://www.lasaa">http://www.lasaa</a>. <a href="http://www.lasaa">com/</a>

### 2.8 – Financials

As a newbie, it's okay to start small and then grow your business gradually. The fashion industry is a low barrier entry business and with as little as N341,000 naira you can successfully start-up and grow your business from there. The basic start-up cost you will need excluding rent if you are working from home is captured in the table below.



S/N	EQUIPMENT	COST (Ħ)
1	Straight Sewing Machine	55,000
2	Overlocking Machine	65,000
3	Scissors	1000
4	Iron	10,000
5	Generator	210,000
	TOTAL	341,000

Cost of getting equipment as at March 2022

However, there are over 500 machines within the fashion industry. Below is an outline that reflects some of the costs of the machines if you are starting on a large scale.

S/N	EQUIPMENT	COST (Ħ)
1	Straight Sewing Machine (Manual)	55,000
2	Straight Sewing Machine (Industrial)	150,000
3	Overlocking Machine (Manual)	65,000
4	Overlocking Machine (Industrial)	170,000
5	Pressing Iron	10,000
6	Cover Stitch Machine	190,000
7	Saddle Stitch Machine	400,000
8	Button Tacking Machine	180,000
9	Africa Button Hole Machine	740,000
10	Monogram Machine	2,000,000 - 18,000,000
11	Leg Hemmer	240,000
12	Steamer	40,000
13	Phonics Machine	155,000
14	Stoning Machine	100,000
15	Generator	210,000
16	Rent (Depends on the location and space needed)	

Cost of getting equipment as at March 2022



## **Required Costs to Set Up a Tailoring business**

As shown in the previous chapter, the amount you need to set up a tailoring business is relative to the niche you want to play in, and whether you are starting big or small. Depending on your desired scale, if you want to start small, N200, 000 to N300, 000 is sufficient capital. This amount will cover one or two sewing machines, an iron, some pairs of scissors, and other equipment you need. This, however, cannot cover your rent and will mean that you may have to start in your corridor or somewhere in your home.

You may also decide to use your customers' capital to start your business. This way, when you get an order, you must demand a financial deposit before you embark on the project, and you can use this to execute.

# CHAPTER 3

# Setting Up and Managing Your Tailoring Business

Record Keeping and Accounting Human Resource Management Setting Good Prices for Your Products Knowing the Right Advertising Channels for You



### SETTING UP AND MANAGING YOUR TAILORING BUSINESS

### 3.0 – Record Keeping and Accounting

Management is essential to business success. Keeping records enables you to keep track of your customers, manage relationships with them, and track your cash flow. A tailor should keep records. Some of which are:

### i. A Book for Customer Measurements

A good tailor has a record of his/her clients' measurements. You can do this in a hardcover notebook, or an excel sheet on your computer. Currently, there is an app for customer measurements and contacts with restricted access so that shifty tailors on your staff do not run away with your database. You can access these apps on your smartphones and devices, both online and offline.

### ii. Inventory Book

An inventory book captures your stock of fabrics and other materials you use. You can track the usage and reduction of your stock without doing a physical stock check. You can also sync this with an app. The inventory book is useful for reporting to regulatory bodies. For those into ready-to-wear mass production, even SON asks for your inventory book.

### iii. Order Book

Keep a book to record orders from customers. You should also track the cost of making the outfits. If you're doing off the rack, for every collection you have to record



how much you spend on fabrics and accessories. For every collection, there has to be a record for the returns. Sometimes you send the clothes to outlets and shops to help you sell your stock. So keep records of whatever you are sending out so that you can expect your returns from those avenues.

### iv. Sales Book

This is for recording daily sales of clothing and accessories.

### v. Book of Errors

Every tailor, particularly those in mass production, needs to have a book to capture and record when errors are made during production. This should capture the error, its resolution, and the date and time. This ensures that your processes are scientific. Hence, you don't have to keep all that information in your head and your brand can be evaluated.

### vi. Accounting Books

Tracking and managing money are important for business sustainability. That is why keeping accounts is important. You need to track your cash inflows and outflows to know whether your business is making a profit or loss. There are many free apps you can use

to track your revenue and sync with your bank accounts. With this, you can know your performance every month. Sometimes, you may need to work with an accountant, and then employ one in your business after a while. You, the business owner, should be able to read your account statements and understand your business' financials.



### 3.1 – Human Resource Management

While tailoring is hard and laborious, you need to monitor staff attendance and absenteeism, and re-numeration for time put in at work. Having a staff rooster helps to keep track of this. Human resource policies are vital for mitigating staff issues at work.

Designing an organogram for your organization is also important for giving structure to your business. An organogram for a fashion house would have the following roles.

- The CEO/Founder/Main Designer or Consultant
- The Manager/ Head of Operations
- The Production Manager
- The HR/Admin Manager
- A Personal Assistant
- Cashier
- Department/Unit Heads



The departments within a fashion house may include Production, Branding, Finishing, Admin, and Marketing.

The Admin Manager does the paperwork and manages staff attendance and welfare. The Production Manager oversees the production processes working with the tailors; and the finishing unit trims off rough edges, irons the clothing and packages them for delivery.

### Staffing

A fashion business owner should build a team for seamless operations in production. Some staff needed are:

- Pattern makers and cutters
- Tailors
- A Receptionist
- Digitizers who will handle computerized embroidery
- Finishers who cut the threads, check the buttonholes, check and tack the buttons, check the zips, put the islets, and hooks, and remove the pins
- Technician to handle all power issues
- An Accountant
- Marketers to create awareness for your brand locally and internationally
- Social Media Manager to manage your brand's online presence and will post pictures of outfits, take orders online, respond to comments and inform you of trends in the online marketing space

### **Strategies to Mitigate Staff Issues**



As an employer of labor set a monthly production quota for your staff. If this is not met, then you may wish to deduct a percentage of their salaries at the end of the month. Some business owners pay their tailors per outfit produced. Find what works for you and stick with it. However, you can give some incentives when staff works overtime, but the best way to keep them in check is by agreements around their take home. If they know you will cut their salaries, if they don't meet their target, they will work to exceed expectations.

This is because the more outfits they make, the more money they earn, and if they continue to fall below expectations, they can lose their jobs. To get skilled hands, you must train them. Set the standard for your tailors and monitor their output until their work is satisfactory. Fashion trends are continually changing, and as a business owner, you must be abreast of local and international developments so that you can serve your customers accordingly.



### **3.2 – Setting Good Prices for Your Products and Services**

Pricing determines your business's profitability. There are certain factors to consider when pegging a price to your products and services:

- Cost of fabrics and accessories
- Cost of power or electricity
- Cost of human resources
- Cost of overheads like rent, marketing, etc



Some practitioners advise you to multiply your production cost by three to get your pricing. Human resources and accessories cover a fraction, the second pay for overheads and the third fraction pays for your effort.

In other parts of the world, people do not buy new clothes every day, but in Nigeria, there's a wedding every other weekend and people sew new outfits to grace those occasions. They can afford to do that because Nigerian designers and tailors price themselves cheap. Ideally, a fair price for a ceremonial/bespoke outfit should be between \$\\$250,000 to \$\\$300,000 depending on the type of accessories used.

### Other Factors to consider in your pricing strategy:

- If you need to sew an outfit and you need to power your petrol or diesel generator, yet you still charge between ₦1000 to ₦5000, you'd be laboring in vain and your business will be unprofitable.
- Secondly, if you work alone and you need to close your shop to travel outside your office to buy the materials you need then you need to factor the cost of leaving your office in your pricing. When you leave your office and it's closed, that means you can't attend to any other customer, and all you charge your client is between ₦1000 and ₦5000. Then you've made a mess of that business already because you spend nothing less than an hour to two hours going outside your environment and coming back.



- Thirdly, if there are fitting challenges that require you may need to dismantle the garment and sew it all over again. This remake should be factored in the pricing.
- Logistics and Transportation should be factored into the pricing if you need to deliver the clothing to your customer.

With a price of N1000 to N5000, there's no business. Therefore, you should mark up your production cost by 100% to 300%, so that if anything goes wrong, you can still accommodate an extra expense without recording a loss. Industry practitioners who understand the sector and have been to business schools, charge nothing less than N25,000 to N70,000 for the same Ankara their contemporaries charge because they have carefully thought through their running costs and properly priced their creative input. Some people import high-quality, impeccably sewn attires from Asia and England. They sell them at premium prices. When a Nigerian tries to match that standard and underprices the outfit, then he or she is not competitive. That is why those who retail imported clothing items scale faster than tailors who are into locally made ready-to-wear. For the customers, it is no longer just about quality, but about the brand. Finally, your target market segment e.g. students, corporate women, kiddies' party wear etc. largely affects your pricing structure.

In conclusion, the assignment for tailors and those in the fashion business in Nigeria is to pay attention to branding themselves well. Without good branding, you will underprice and undermine your business growth.

### **3.3 – Knowing the Right Advertising Channels for You**

If you do not market your products and services, your sales will be poor. Advertising gives you the right visibility before your target audience and informs them of your value offering. There are a plethora of channels to market your brand. A few are listed below.

### Industry Associations, Trade shows and Exhibitions

FADAN, the Fashion Designers' Association of Nigeria, is a great association to belong to. There's an annual subscription and you need an existing member to identify/vouch for you as a pre-requisite to join the association. One benefit of joining this association is access to trade shows and exhibitions, which allow you to advertise your products and services to an elite market segment. These shows happen both locally and internationally and can catapult a brand to high-level visibility.



### Social Media

Social media has provided a cheaper and more direct alternative to traditional media, and any serious brand can get before their audience with some consistency using the right marketing platforms. Instagram is a great platform for creatives because of its focus on videos and images. There are other options like WhatsApp, which has WhatsApp for Business, and the status feature that enables an easy display of your products to your contacts without directly selling to them; Facebook, Twitter, Pinterest, LinkedIn and TikTok offer a wide range to choose from. You decide what platform works best for you.

### **Traditional Media**

Newspaper adverts, television and other targeted print media, billboards and branded vehicles, flyers and posters are some traditional ways by which you may draw attention to your business. These methods require some financial investment and, depending on your target audience, you may consider the cost-benefit analysis before you sink your funds into any of these traditional options. What is your projected return on investment for using any of these channels?

The goal of advertising is to get a wider reach of customers and increase your market share and profitability. Any serious business person must consider and plan for advertising and marketing to stimulate growth.

The goal of advertising is to get a wider reach of customers and increase your market share and profitability.

# CHAPTER 4

## Expanding Your Tailoring Business

Expansion Strategies for Your Tailoring Business

Additional Products/Service Offerings to Consider for Your Tailoring Business

Funding Opportunities Available to Startups

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### 4.0 – Expansion Strategies for Your Tailoring Business

Business expansion is all about growing beyond your past and present limits. It means gaining more customers, increasing your revenues, and making better profits. It requires having a clear strategy and putting in the work. Though it is time-intensive, it will be worth your while in the long term. Here are a couple of ways to expand your business.

### 1. Sell More by Upselling New Products to Your Existing Customers

Your existing customers have already purchased a particular product line from you. They are happy doing business with you and already trust your credibility. You can offer them new products that will add value to them. For example, you can upsell a matching pair of earrings to someone purchasing a boubou. The matching accessory will add style and elegance to the outfit and will be value for money for the customer. They'd be happy to pay for it. When a customer has purchased a dinner suit, you could say, "Would you like this pocket square and belt to go with that?" This leads to greater sales.

### 2. Structure and Automate Your Business

Growth is quite impossible without structure. You need to track and manage your expenses and customers. You can't do this manually. There is software out there to help you with structure. Automating your business processes will help you sell even while you sleep, as people can make orders online and your staff makes deliveries from the back end. This leads to increased sales and revenues.





The fashion industry generates about 12% of solid waste. Industry practitioners should start thinking of degradable plants to produce eco-friendly garments that reduce greenhouse gases.

### 3. Open Branches in New Locations

Opening new branches means penetrating the market in new geographical locations. This requires studying the environment to know if your qualified customers are within the area. This also increases your accessibility because existing customers can refer their friends and family in those environs to patronize your business.

### 4. Forge Strategic Partnerships

Identify partners with similar values that you may collaborate with leveraging each other's resources for expansion. There could be investment partners who put their money into your business, enabling you to purchase more equipment and employ more staff while they get a share of your profits or equity in your business. You can also partner with stores internationally to stock and sell your products as part of their merchandise. This opens you up to international markets and exports.

### 5. Diversify Your Offering

Are there new opportunities in the fashion industry? What new or complementary products go with your current niche? Diversifying could help you serve your customers better and create a one-stop shop for all their fashion needs. This leads to business growth.

### 6. Build a High Performing Team

Avoid time traps by building a team that gives your brand the capacity to serve more customers with excellent service. This is a vital key to expansion. This means you have to pay attention to your recruitment and selection process, standardize your processes and train your staff to deliver quality across the board. As excellence gets attention, it leads to more conversions, customers, and profits.



### 4.1 – Additional Products/Service Offering to Consider for Your Tailoring Business

### **Recycling Fabrics**

The fashion industry generates about 12% of solid waste. Industry practitioners should start thinking of degradable plants to produce eco-friendly garments that reduce greenhouse gases. This has started in Europe and they are reducing textile pollution seriously, because tons of billions of clothing, which do not decompose, constantly end up in landfills. It will take over 2000 years for the average clothing to decompose completely.

However, it can be recycled. Adidas has started making footwear from plastics recycled from the ocean. Most of their footwear made in the last 10 years were recycled from plastics. You can recycle fabrics but the cost of setting up the recycling plant is quite high. Clothing brands like Ever lane, H&M, Girlfriend collective, Nike, and Adidas are already recycling so much of their clothing. So rather than trash where it ends up in the landfill, explore recycling.

### **Production of Uniforms**

Yearly, organizations across Nigeria need to purchase uniforms for their staff, students, and workforce. Security outfits, schools, hotels and restaurants, aviation companies, youth camps like the NYSC and more, kit their members with uniforms. Unfortunately, a few tailors are in this line of business. It is an opportunity worth exploring.





### 4.2 – Some Funding Opportunities Available to Startups in the Industry as of March 2022

### 1. Tony Elumelu Entrepreneurship Programme - https://tefconnect.com/

Launched in 2015, this programme sponsored by Tony Elumelu, the CEO of Heirs Holding, empowers young African entrepreneurs annually.

**Eligibility Criteria** 

- You must be a resident of any of the 54 African countries and be legally accepted to work in the country you are applying from which must be African.
- Your business must not be older than 3 years.
- You must have a profitable business idea.

### 2. Lagos State Employment Trust Fund - <a href="https://lsetf.ng/">https://lsetf.ng/</a>

This is an initiative of the Lagos State government to financially empower entrepreneurs in Lagos and provide employment for the residents of Lagos.

**Eligibility Criteria** 

- You must be between the ages 18 and 35
- Your business must be in any of these sectors: health care, entertainment, hospitality and tourism, manufacturing and fashion designing, and construction.

### 3. Bank of Industry (BOI)

This is an initiative by the federal government to financially empower small and large business enterprises to grow. BOI offers loans to interested enterprise owners. To access these loans, you need to visit the nearest BOI offices.

Eligibility Criteria

- Your business must be in Nigeria and must be registered.
- Profitable business ideas should be submitted.
- You must be the right age to apply.

### 4. YouWin Connect Nigeria - <u>https://apply.youwin.org.ng/</u>

YouWin provides funding for young Nigerian entrepreneurs who lack funds to start up a business while also connecting them with industry experts to scale their ideas to profitable businesses. Participants of this programme compete to get the grant

### **Eligibility Criteria**

- You must be a Nigerian between the ages of 18 and 40 years.
- Your business must be located in Nigeria.
- You must be a graduate of a higher institution.
- You must not be a civil servant.



### 5. National Youth Entrepreneurship Empowerment Summit

This is a federal government initiative designed to equip young Nigerian entrepreneurs with the skills and training they need to boost the nation's economy. Eligibility Criteria

- You must be between the ages of 18 to 35 years.
- You must reside in and have a business in Nigeria.
- Your business idea must fall under these categories ICT, fashion design, media and entertainment, filming, and architecture
- You will also need to upload a minute video showcasing your innovative idea on social media

### 6. Global Innovation Fund

Global Innovation Fund supports African entrepreneurs with innovative business ideas. <u>Eligibility Criteria</u>

- You must be a citizen of the African country you reside (applies to Nigerians)
- You must be 18 and above
- You must have outstanding business ideas

### 7. Aspiring Entrepreneurs Programme (AEP) Digital by FATE Foundation and Meta

AEP Digital is sponsored by Meta and in collaboration with FATE Foundation that manage the programme, aspiring entrepreneurs are enrolled into a 6-week training programmes where they will be supported with the necessary skills to start their businesses and build sustainable and profitable businesses. After the programmes, participants compete in a business pitch where the top 3 participant are seated to be awarded grants. Eligibility Criteria

You must be a Nigerian youths

- You must have a certificate or statement of result from an accredited tertiary institution
- You must also submit your Resume/CV and birth certificate

### 8. Orange Corners Nigeria (OCN)

OCN is a free 6-month incubation programme by the Kingdom of the Netherlands in collaboration with FATE Foundation. It is designed to help youth develop their business concept and become successful entrepreneurs, by providing them with the necessary opportunities, skills and access to markets.

Eligibility Criteria

- You must be an aspiring entrepreneur from Lagos, Nigeria
- You must between 18-35 years old
- You must have a validated innovative business concept, not more than 2 years old
- Your product or service must respond to a local challenge in Nigeria
- Your product or service must relate to the Sustainable Development Goals

### Note: These Opportunities are also available to migrants



# APPENDIX

Work Book

Glossary of Terms

Detailed Steps to Register with Corporate Affairs Commission (CAC)

Credits

References



### **WORKBOOK**

### **Self-Assessment**

### The Business of Tailoring

1. How do you know tailoring is the right business for you?

2. List some considerations before you venture into tailoring.

### The Fashion Industry's Value Chain

1. List 5 areas in the fashion industry's value chain

2. What areas of the value chain appeal to you?

Setting up a Tailoring Business in Nigeria



### **Self-Assessment**

### **Steps in the Tailoring Process**

1. List the steps in the tailoring process.

### **Knowing Your Target Market**

1. What are the three points you need for successful marketing to your target market?

2. What are some niche segments in the tailoring business in Nigeria?

3. How can you define your niche to differentiate yourself in the market?



### **Self-Assessment**

### **Choosing the Right Marketing Channels**

1. What are important factors to consider when choosing your marketing channels?

2. List some channels that could work for a tailoring business

### **Equipment Required for A Tailoring Business**

1. List the 5 basic equipment a start-up in tailoring needs

2. List 5 other equipment needed as the tailoring business begins to expand



### **Self-Assessment**

### **Registration and Licensing Requirements**

- 1. What license/certification do you need?
  - A. To become a fashion trainer: \_\_\_\_\_

B. For your quality management system: \_\_\_\_\_

C. To ensure your production process is error free: \_\_\_\_\_\_

D. To play in the oil and gas sector: \_\_\_\_\_\_

### **Cost of Subscription**

- 1. State the following subscription costs:
  - A. Nigerian Textile Manufacturer's Association:
  - B. Industrial Training Fund: \_\_\_\_\_\_

C. Standards Organisation of Nigeria: \_\_\_\_\_

### **Financials**

1. What is the basic startup cost required to start a tailoring business?

Setting up a Tailoring Business in Nigeria



### **Self-Assessment**

### **Record Keeping and Accounting**

1. List 5 records a tailor should keep.

### **Human Resource Management**

1. What are some staff needs for a tailoring business?

2. Discuss strategies to mitigate staff issues.



### **Self-Assessment**

### **Setting Good Prices for Your Products and Services**

1. State the 4 factors to consider when pegging a price for your products and services

2. Why is good branding important to your pricing structure?

### Knowing the Right Advertising Channels for You

1. What are the implications of not advertising your business?

2. List 3 advertising channels that are suitable for a tailoring brand.



### **Self-Assessment**

### **Expansion Strategies for Your Tailoring Business**

1. List 4 business expansion strategies for a tailoring brand.

2. How can you upsell more products to existing customers? Discuss with an example?

### Additional Products/Service Offering to Consider for Your Tailoring Business

1. What additional product lines can a tailoring business venture into?

### Funding Opportunities Available to Startups in the Industry as of March 2022

1. List three Funding Opportunities Available to Startups?



### **GLOSSARY OF TERMS**

TERM	DESCRIPTION
Aba	A commercial (trading) city in Abia State in Nigeria
Adire	Tie and dye indigo textile cloth made in Southwestern Nigeria by the Yoruba people
Advertising	Marketing promotion to sell products and services
Aso oke	Handwoven cloth made by the Yoruba people of Southwestern Nigeria
Akwete	Handwoven cloth produced in Iboland by the Akwete people of Abia state in Nigeria
Akwaocha	White handwoven cloth peculiar to the Anioma people of Delta state in Nigeria
Aviation	Having to do with flight and the aircraft industry
Buba	A big blouse worn by Yoruba women
Billboard	Large outdoor board for displaying adverts
Categorize	To place in a group
Cocoon	The silky case spun by the larvae of insects
Contemporary	Living or happening at the same time
Customer	A person who buys products and services from a business
Denim	Hard cotton fabric, typically blue coloured
Embroidery	Fanciful designs embedded in a cloth
Expansion	To widen or become big



TERM	DESCRIPTION
Fasten	To hold in place
Footwear	Protective covering for the feet like shoes and sandals
Garment	An item of clothing
Hectare	A metric unit of square measure
Ibo	A tribe of people in South-Eastern Nigeria
Index	A measurement standard
Indigenous	A native of a place, city, or country
Knit	To weave with wool
Leisure	Free time for enjoyment and rest
Marketing	To promote and sell products and services
Mass	A large number
Massive	Huge
Measurements	Size or length of a thing gotten by the act of measuring
Negligible	Insignificant; small enough to be ignored
Narrative	Story
Polyester	The synthetic resin used to make textile fibre



TERM	DESCRIPTION
Polyterephthalate	The most common thermoplastic polymer resin of the polyester family used in fibres for clothing
Psyche	Thinking, Mind
Practitioner	A professional or person actively involved in an art
Retailers	A person who sells goods in small quantities to the public
Sericulture	Rearing of silkworms to produce silk
Ton	A unit of weight equal to 1,000kg
Tribe	A distinctive close-knit group
Technology	Scientific knowledge and equipment produced because of it
Virtual	Not physically existing but made to appear so by software
Wholesalers	Businesses that sell goods in large quantities, especially to retailers
Zip	A strip of metal used to fasten garments



### **Detailed Steps to Register with Corporate Affairs Commission (CAC)**

You need to register your business name with CAC. Before you adopt a business vehicle e.g. Business Name or Limited Liability, ensure you understand the tax implications and filing requirements for both before you make a selection. To register a business name in Nigeria, take the following steps:

### STEP 1: Choose and reserve a name

Decide on what name to use to register your business then visit the Corporate Affairs Commission (CAC) website <u>https://services.cac.gov.ng/</u> to conduct a public search in the CAC database to be sure that your intended name is not in use nor is there a similar name existing. If the name is available, click on **New Name Reservation**, fill the necessary column, pay the necessary fee and wait for 24hrs for a response from CAC officials. If successful, ensure to print out the **"Approval note"**. CAC will reserve the name for 60 days. During this period, it is expected that you will complete the registration process for your business.

### **STEP 2: Complete the Business Name Registration Forms**

As with step 1 above, this can also be completed online. The information required to be completed includes:

- 1. Approved name of the business
- 2. General nature of the business
- 3. Address of the business
- 4. Name, address, occupation and other details of the proprietors of the business
- 5. Signature of the proprietors

### **STEP 3: Payment of CAC filing fees**

The payment of the fees can be done online or in a bank. The CAC official filing fee for the registration of a business name in Nigeria is N10,000 (Ten Thousand Naira Only). However, where the applicant engages an accredited agent, the agent will also charge a professional fee for the services.

### **STEP 4: Submission of forms**

Once the payment has been approved, you may then submit the forms online, CAC will review your documentation and if all is in order, you will be notified that your application has been approved, and your Business Name Certificate is ready for collection. The entire process should ideally take about 1 to 2 weeks, depending on the workload at the CAC office at the time.



To register a Limited Liability, the steps are a bit different:

### STEP 1: Choose and reserve a Name

Same process as above

### **STEP 2: Register the details of the shareholders:**

Under Nigerian law, a private company must have a minimum of 2 members, and can only have a maximum of 50 members. The founding members must not be – under the age of 18 years old (unless at least 2 other members are over the age of 18), of unsound mind, an undischarged bankrupt, or disqualified by CAMA from being a director.

The information that you will need to present includes:

- The name of the shareholders,
- Residential address,
- Occupation,
- Email address and mobile phone number.
- You will also need to provide a recognized identity document e.g., international passport, driver's license, national identity card etc.

### **STEP 3: Prepare the documentation**

The documents required for the registration of a company include:

- Memorandum and Articles of Association
- Notice of registered address of the business
- List, particulars, and consent of the first directors of the company
- Statement of compliance by legal practitioner

Under the new CAC process, individuals can get all the required documentation from the CAC portal. However, please note that concerning the Memorandum of Association and Articles of Association, the CAC portal only provides templates, and therefore if your line of business requires special documentation, you should consider getting these drafted professionally by a lawyer.

### STEP 4: Payment, submission and pick up

Once you make the relevant payments online (the amount depends on the share capital of your company), you can upload all the documents to finalize your submission. After submission, the CAC will contact you if there are any queries. If there are no queries, the CAC will inform you once the registration is complete, and then you can go to their office to pick up your certificate of incorporation.



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