

## Understanding Supply Chain Transparency in the Textiles and Apparel Industry: A Systematic Literature Review

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**Introduction and Research Purpose.** Supply chain transparency (SCT) is a frequently discussed broad concept in existing textile and apparel (TA) literature; however, the definition of SCT is inconsistent throughout the literature. Therefore, it is imperative to understand how the core (i.e., transparency) of this concept has been discussed in the existing TA literature. *The purpose of this study* is to epistemologically review the state of the literature on SCT within the arena of TA to conceptualize the definition of SCT and to map the key TA SCT research elements using a systematic literature review (SLR).

**Methodology.** This study adopted Sharma et al. (2020)'s seven-step methodology, including (1) defining the research objectives, (2) deciding the search keywords, (3) inclusion and exclusion criteria, (4) retrieving articles from the search engines/databases, (5) obtaining final search results after the in-depth screening, (6) conducting analysis of the articles and identifying future research agenda, and (7) developing a conceptual framework to map the SLR findings. Figure 1 illustrates the step-by-step processes of this literature search and analysis. This current study selected papers published since 2000. Following the inclusion/exclusion criteria adopted and the in-depth screening process, a total of 111 articles relevant to SCT in the TA industry were selected for inclusion in this review.

**Results and Discussion.** The researchers collaboratively read through the selected 111 articles and systematically synthesized the literature on the subject domain to comprehensively map the academic literature on TA SCT. Figure 2 provides a conceptual framework that illustrates the diversity of the subject domain and maps out the key elements that were addressed in the literature. In the existing literature, *SCT has been defined within the broader frame of traceability* (Doorey, 2011; Egels-Zandén & Hansson, 2016). Some scholars consider SCT similar to traceability, where traceability is defined as the ability to trace a product's flow from the production stage to the complete supply chain and SCT as the disclosure of suppliers' names associated with the production of products (Doorey, 2011; Laudal, 2010). Transparency can be served as a driver of traceability (Garcia-Torres et al., 2019, 2022). *TA SCT practices and strategy* are closely related to apparel buyers' purchasing practices and the nature of the disclosed information, such as disclosing the information related to environmental and social conditions at apparel suppliers' production facilities or only disclosing the suppliers' names (Cramer, 2008; Egels-Zandén et al., 2015). Moreover, the

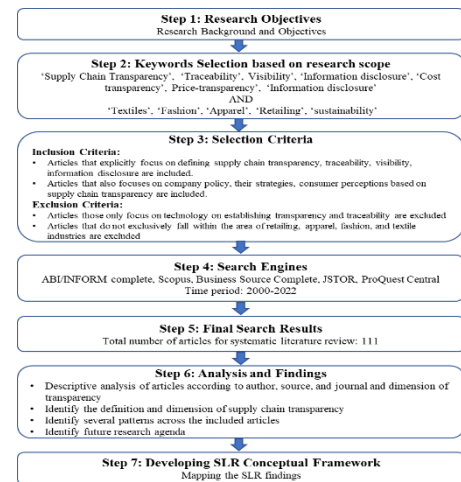


Figure 1 Seven-step methodology

disclosure and tracing of information can be divided into two more dimensions, including corporate information disclosure and disclosure at the supply chain level. Furthermore, SCT can be split into product transparency (social and environmental transparency associated with product flow) and cost transparency (disclosure of the variable costs associated with each component of producing a good) (Figure 2).

SCT requires the understanding between *external and internal stakeholders* based on the disclosed information (Figure 2). As there exists tension and negotiation between apparel corporates and social entities, not all apparel brands equally disclose their internal information. In this regard, apparel firms maintain different *disclosing strategies* (Lamming et al., 2001; Jestratijevic et al., 2022), such as measurable or transparent, ambiguous or translucent, policy only, and secretive. Furthermore, Figure 2 depicts the *drivers, barriers, and risks* of SCT. For example, one of the major barriers and risks is the company's concern for competitive advantage (Doorey, 2011; Sodhi & Tang, 2019). Fashion brands' concern about competitors' knowing their suppliers' names, factory information and use of that knowledge for their advantage is the most reported risk that makes apparel firms resist disclosing supplier information (Doorey, 2011; Sodhi & Tang, 2019). Another barrier is that not all fashion brands have a fair idea about who their suppliers are, as those brands contract out their sourcing decision to other intermediates. There are several functional drivers that motivate those transparency leaders. One of the drivers is companies can establish a cross-sector collaboration to handle the tracing processes throughout the several tiers of suppliers. Such cross-sector collaboration may give a geographical advantage in terms of tracking and tracing processes throughout the supply chain (Garcia-Torres et al., 2019; 2022). Another driver is establishing the brand image (Doorey, 2011). In addition, Figure 2 also highlights the importance of consumer knowledge and the *benefits* of SCT (Bhaduri, 2011; Kang & Hustvedt, 2014a, 2014b).

**Conclusions and Implications.** Based on the SLR, TA SCT can be conceptualized as a combination of the disclosure of information to maintain the quality and accuracy and the transparent understanding of both external and internal stakeholders in the TA supply chain about the company's business operations process. This study conceptualizes TA SCT and identifies the key components of TA SCT from the SLR (Figure 2). Mapping the SLR findings in a unified depiction will help shape the future theoretical and empirical research on TA SCT. It is also useful for TA industry practitioners to understand how to effectively practice TA SCT to benefit them in developing the firm's SCT competence at different levels.



Figure 2 Mapping the SLR results

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