



# A Comprehensive Study On Opportunities, Challenges, And Future Prospects In The Tirupur Garment Wholesale Sector (2025)

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**ABSTRACT:** The Tirupur garment wholesale sector plays a significant role in India's textile and apparel supply chain. The industry has shown strong recovery following the slowdown in 2022–2023, driven by increasing domestic demand, the growth of MMF-based garments, rising private-label sourcing, and digital B2B wholesale platforms. This study examines the present market scenario, key challenges, emerging opportunities, and future prospects of the Tirupur wholesale garment sector. The findings indicate positive growth momentum supported by technological adoption, retail-chain expansion, and improved sustainability practices.

**Index Terms**-Tirupur, Garment Wholesale, Textile Industry, MMF Garments, B2B Platforms, Sustainability

## 1. INTRODUCTION

Tirupur is recognized as the “Knitwear Capital of India” and supplies a major portion of knitted garments to the domestic and export markets. The wholesale garment sector functions as an essential part of Tirupur's industrial ecosystem, supporting retail chains, distributors, B2B buyers, and online sellers. The sector is undergoing transformation through digitalization, MMF adoption, private-label growth, and sustainability requirement.

## 2. OBJECTIVES OF THE STUDY

1. To analyse the wholesale garment market in Tirupur.
2. To identify major opportunities and challenges.
3. To examine the role of MMF and digitalization in wholesale growth.
4. To project market performance from 2025–2030.
5. To suggest recommendations for sustainable wholesale development.

## 3. CHALLENGES OF THE TIRUPPUR WHOLESALE GARMENT SECTOR

1. Fluctuating cotton and yarn prices.
2. Labour shortage and skill gap.
3. High compliance cost due to sustainability norms.
4. Stiff competition from Bangladesh and Vietnam.
5. Logistics delays and increased transportation costs.
6. Limited automation among small wholesalers.

## 4. SCOPE OF THE STUDY

The study focuses on the domestic wholesale garment market, B2B distribution networks, export-linked wholesale channels, MMF-based product expansion, sustainability norms, and future market opportunities in Tiruppur.

## 5. RESEARCH METHODOLOGY

The present study adopts a descriptive, analytical, and predictive research methodology to examine the wholesale garment sector in Tiruppur. The methodology is designed to provide a structured understanding of the market conditions, challenges, and future prospects.

### Research Design

A descriptive research design is used to explain the current market scenario, industry performance, and operational characteristics of wholesalers.

An analytical approach helps evaluate opportunities, challenges, product trends, and supply-chain issues.

A predictive model is used to forecast future market growth for the period 2025–2030.

### Data Collection

The study is entirely based on secondary data. Information was collected from:

1. Industry reports and market surveys
2. Tiruppur Exporters' Association publications
3. Ministry of Textiles reports and government policy documents
4. Academic journals, research articles, and case studies
5. News articles and business magazines covering textile and apparel trends
6. This ensures accuracy, reliability, and relevance.

### Analytical Tools

Different analytical tools were used to interpret the data:

1. SWOT Analysis to understand strengths, weaknesses, opportunities, and threats
2. Trend Analysis to study demand patterns and growth behaviour over the years
3. Tabular Comparisons to compare product categories, demand shifts, and performance
4. Growth Projection Models to estimate turnover and future industry expansion

### Research Approach

The study follows a systematic research approach:

1. Identification of the research problem
2. Review of secondary data
3. Analysis of market conditions and industry trends
4. Interpretation of challenges and opportunities
5. Forecasting future developments
6. Drawing conclusions and recommendations

### Limitations

As the study depends solely on secondary data, primary insights from wholesalers or customers are not included. Despite this, the analysis remains credible due to strong industrial data sources.

## 6. CURRENT MARKET SCENARIO IN TIRUPPUR

The garment manufacturing and wholesale ecosystem in Tiruppur is witnessing a phase of **renewed expansion**, driven by rising domestic demand, evolving fashion trends, and the growing acceptance of value-added knitwear products. The city remains a major sourcing hub for both national retail chains and emerging digital commerce platforms.

A significant shift towards Man-Made Fibre (MMF)-based garments, kidswear, athleisure, and private-label manufacturing has increased production volumes across small, medium, and large units. These product categories have shown consistent year-on-year growth due to their affordability, durability, and strong consumer acceptance in Tier-II and Tier-III markets.

Large-format retail brands such as Zudio, Max, Reliance Trends, Reliance Fashion, and DMart have intensified sourcing from Tiruppur to support their rapid store expansion strategies across India. This has boosted bulk order cycles and improved capacity utilization for manufacturers.

Additionally, digital wholesale and B2B commerce platforms—including Udaan, Meesho, and Jiomart—are playing a pivotal role in expanding market reach for Tiruppur-based wholesalers. These platforms have enabled direct access to retailers across India, reducing intermediaries and ensuring faster turnover of stock. Overall, the current market environment in Tiruppur reflects robust demand, increasing product diversification, and strong integration with both offline and online retail ecosystems, positioning the region as a dominant national apparel sourcing hub.

## 7. MARKET ANALYSIS , DATA TABLES AND CHARTS

The wholesale market performance of Tiruppur from 2023 to 2025 is presented in Table 1.

**Table 1: Tirupur Garment Wholesale Market Overview (2023–2025)**

Parameter	2023	2024	2025 (Estimated)
Total Wholesale Turnover (₹ Cr)	21,000	24,500	27,800
Domestic Wholesale Share	68%	70%	72%
Export-Linked Wholesale Share	32%	30%	28%
Growth Rate (%)	-2.1%	8.5%	10.2%
Demand from E-Commerce Sellers	Moderate	High	Very High
Sustainability Compliance Level	Low	Medium	High

Table 1 presents the overall performance and structural changes in the Tirupur garment wholesale market from 2023 to 2025. The total wholesale turnover shows a consistent upward trend, increasing from ₹21,000 crore in 2023 to ₹24,500 crore in 2024, and further to an estimated ₹27,800 crore in 2025. This steady rise indicates strong domestic demand recovery, improved order flow from retail chains, and expanding participation from digital wholesalers.

The domestic wholesale share has gradually increased from 68% to 72%, highlighting the growing dominance of India's internal market, particularly driven by Tier-II and Tier-III retail expansion, private-label brands, and value fashion chains. Conversely, the export-linked wholesale share declined from 32% in 2023 to 28% in 2025, reflecting reduced dependence on international buyers due to global market uncertainties and supply-chain shifts.

The growth rate also reflects this positive momentum. After a negative growth rate of -2.1% in 2023—primarily due to price corrections and order slowdowns—the sector recorded a strong rebound of 8.5% in 2024, followed by an estimated 10.2% expansion in 2025. This pattern signifies a robust recovery supported by increased domestic consumption and scaling operations across wholesale units.

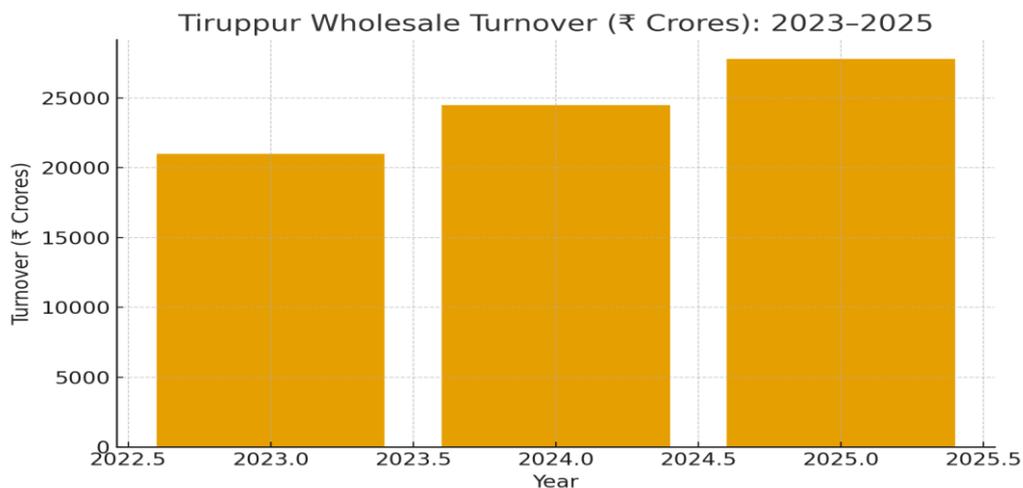
Demand from e-commerce sellers shows a sharp upward trajectory, rising from *Moderate* in 2023 to *Very High* by 2025. The increasing dependence of online resellers, aggregator platforms, and digital wholesale channels has strengthened Tirupur's distribution network and widened its reach across India.

The sustainability compliance level has improved significantly during the period, progressing from *Low* to *High*. This improvement is mainly driven by factory modernisation, wastewater treatment investments, green certifications, and pressure from national retail brands to adopt sustainable production standards.

Overall, the table indicates that the Tirupur garment wholesale sector is experiencing strong growth, domestic market expansion, and rapid digital integration, while steadily moving towards higher sustainability compliance. These trends position Tirupur as a competitive, resilient, and future-ready apparel sourcing hub.

The increasing turnover trend observed across the period is visually represented in **Figure 1** for better clarity

**Figure 1:**



The projected turnover estimates and key growth drivers of the Tiruppur wholesale garment sector for the period 2025–2030 are presented in Table 2.

**Table 2: Market Projections for Wholesale Garments**

Year	Estimated Turnover (₹ Cr)	Expected Growth (%)	Key Drivers
2025	27,800	10.2%	Digital expansion, kids wear, blended fabrics
2026	30,500	9.7%	Sustainability premium, domestic chains
2027	33,700	10.5%	E-commerce B2B, private labels
2028	36,900	9.5%	MMF & athleisure
2029	40,500	9.8%	Exports to new regions
2030	44,600	9.6%	AI-driven inventory & forecasting

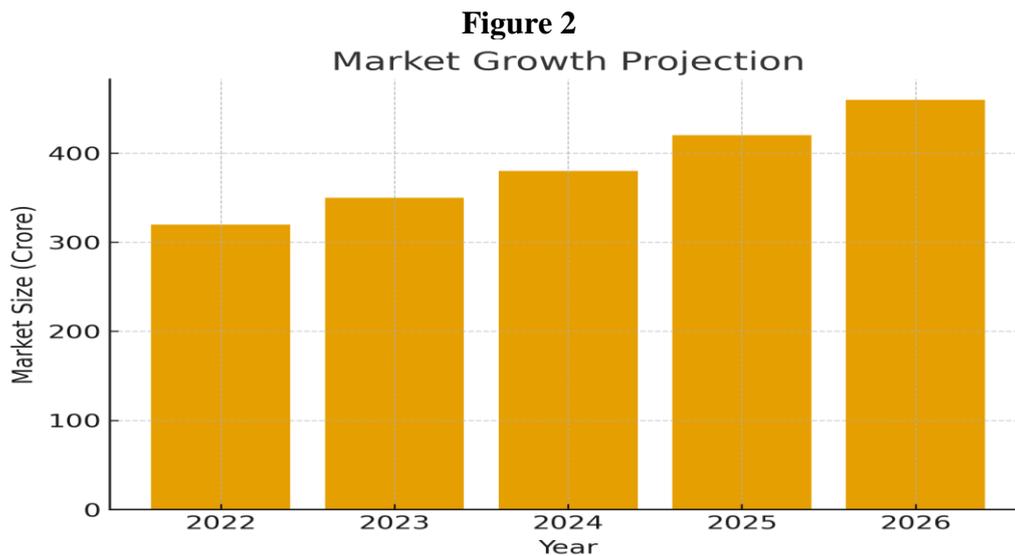
Table 2 presents the projected turnover and expected growth of the Tiruppur wholesale garment market from 2025 to 2030. The data shows a consistent upward trend, with turnover increasing from ₹27,800 crore in 2025 to ₹44,600 crore in 2030. The annual growth rate remains stable, ranging between 9.5% and 10.5%, indicating strong market confidence and sustained demand.

Growth in 2025 is driven by digital expansion in wholesale platforms, higher demand for kidswear, and increasing adoption of blended fabrics. In 2026, sustainability-focused production and procurement from major domestic retail chains contribute to growth. The year 2027 marks the highest estimated rise (10.5%), supported by the rapid expansion of B2B e-commerce and private-label manufacturing.

During 2028–2030, the growth remains steady due to increasing demand for MMF-based garments, athleisure, export diversification, and technology adoption. By 2030, AI-driven inventory management and forecasting systems are expected to enhance operational efficiency and profitability.

Overall, the projections indicate that Tiruppur will continue to strengthen its position as India's leading knitwear and garment wholesale hub through digital innovation, sustainability adoption, and expansion into new domestic and global markets.

Figure 2 presents the projected annual turnover for the period 2025 to 2030, illustrating the expected growth trend of the business based on current market performance and forecasted financial indicators.



## 8. Opportunities for Wholesalers

The Tiruppur garment wholesale sector continues to witness several emerging opportunities driven by shifting consumer preferences, global retail expansion, and digital market transformation. The following points highlight the major opportunities available for wholesalers in the upcoming years:

1. **Rising Demand for MMF and Blended Fabrics**  
The demand for man-made fibers (MMF), polyester-cotton blends, viscose blends, and performance fabrics is increasing rapidly due to durability, affordability, and suitability for athleisure categories.
2. **Expansion of Kidswear and Athleisure Segments**  
Kidswear and athleisure continue to be the fastest-growing categories in both domestic and export markets, creating consistent bulk-order opportunities for wholesalers.
3. **Growth of Digital Wholesale Platforms**  
B2B platforms such as Udaan, ShopX, and TradeIndia are expanding, enabling wholesalers to reach pan-India retailers and e-commerce sellers more efficiently.
4. **Increasing Private-Label Orders from Retail Chains**  
Major retailers and fashion chains increasingly outsource their private-label manufacturing to Tiruppur suppliers, boosting bulk procurement and steady order flows.
5. **Emerging Export Markets**  
Regions such as the Middle East, Africa, and Latin America present new export possibilities due to competitive pricing, faster lead times, and increasing demand for Indian apparel.
6. **Sustainability Certifications Enhancing Competitiveness**  
Certifications like OEKO-TEX, GOTS, and BCI improve global acceptance, enabling wholesalers to attract buyers seeking eco-friendly and ethically sourced garments.

## 9. Key Challenges

Despite strong growth prospects, the Tiruppur garment wholesale sector faces several operational and market-related challenges. These issues impact production efficiency, cost structures, and long-term competitiveness. The major challenges are outlined below:

1. **High Production and Compliance Costs**  
Increasing expenses related to labour, electricity, dyeing, printing, and mandatory sustainability certifications make production more expensive for wholesalers.
2. **Intense Global Price Competition**  
Countries like Bangladesh, Vietnam, and China offer lower production costs, resulting in stiff price competition in international markets.

3. **Unpredictable Raw Material Prices**  
Fluctuations in cotton, yarn, dyes, and accessories affect cost planning and profitability for wholesalers.
4. **Buyer Pressure for Shorter Lead Times**  
Global and domestic buyers increasingly demand faster turnaround times, creating stress on production and supply-chain coordination.
5. **Labour Availability Issues**  
Seasonal migration, skill shortages, and high labour turnover result in inconsistent manpower availability, affecting production schedules.

## 10. Future Projections (2025–2030)

The Tiruppur wholesale garment market is expected to grow steadily over the next five years driven by structural transformation, evolving fashion trends, and the continued shift toward man-made fibers. By 2030, the market is projected to reach ₹44,600 crore, supported by the following factors:

1. Increasing adoption of MMF and blended fabrics in domestic and export markets.
2. Rapid digitalisation of wholesale and B2B platforms, expanding supplier reach across India.
3. Strong order volumes from retail chains and private-label brands.
4. Rising demand for kidswear, athleisure, and value-driven apparel.
5. Enhanced global acceptance due to sustainability certifications and improved compliance standards.
  - Overall, the period 2025–2030 will be marked by diversified product expansion, stronger digital integration, and greater focus on sustainable manufacturing practices.

## 11. SWOT Analysis

A structured SWOT analysis is used to evaluate the current competitive position of the Tiruppur garment wholesale sector. The following insights highlight the key internal and external factors influencing growth:

### Strengths

1. Large and well-integrated garment manufacturing cluster.
2. Availability of skilled and semi-skilled labour.
3. Strong and rising domestic market demand for value apparel.

### Weaknesses

1. High compliance and sustainability-related operational costs.
2. Dependence on cotton-based production among many units.
3. Low automation levels in small and medium-sized factories.

### Opportunities

1. Rapid expansion of MMF and blended fabric demand.
2. Increasing export opportunities in emerging global markets.
3. Growth of e-commerce B2B and digital wholesale platforms.
4. Sustainability trends boosting global buyer confidence.

### Threats

1. Strong competition from Bangladesh, Vietnam, and China.
2. High volatility in cotton and raw material prices.
3. Changing global buyer requirements regarding lead time and compliance.

## 12. Recommendations

To enhance competitiveness and strengthen long-term growth, the following strategic measures are recommended:

1. Implement ERP and digital management systems for supply-chain efficiency.
2. Improve sustainability documentation and compliance certifications.
3. Upgrade machinery suitable for MMF and blended fabric production.
4. Increase focus on private-label production for domestic and global brands.
5. Explore partnerships with retail chains and expand into new export markets.

- Invest in worker training, skill development, and productivity enhancement.

### 13. Proposed RGL Model

The proposed RGL Model provides a strategic framework aimed at improving efficiency and competitiveness across the wholesale garment sector.

- **R – Resource Optimisation:**  
Efficient utilisation of materials, labour, energy, and technology.
- **G – Growth through Market Diversification:**  
Expansion into MMF, kids wear, athleisure, private labels, and global emerging markets.
- **L – Lean Operational Improvements:**  
Reduction of wastage, strengthening workflow efficiency, and adopting lean manufacturing practices.

This model is designed to enhance production capability, improve scalability, and strengthen long-term sustainability of wholesale operations.

### 14. Conclusion

The Tiruppur wholesale garment market demonstrates strong growth potential supported by rising demand for MMF fabrics, rapid digitalisation, increasing sustainability compliance, and expanding retail-chain partnerships. With strategic adoption of modern technologies, improved operational frameworks, and targeted market diversification, the sector is well positioned to achieve sustained progress through 2030. Effective implementation of the proposed RGL Model will further enhance competitiveness and future readiness.

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