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Impact of Importation on Business performance of the Textile Industries in Nigeria

Impacto de la importación en el rendimiento empresarial de las industrias textiles de Nigeria

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ABSTRACT

This study reviews the impact of importation on business performance of the Nigerian textile industries. The business performance was assessed using some key performance index such as: revenue growth, sales growth, profit level, contribution to Gross Domestic product (GDP), employment rate, and customer satisfaction. This study further brings into the fore the condition of the textile industries in Nigeria. A case analysis and exploratory related approach was employed for data interpretation. Data were collected from the Central bank of Nigeria, the World Bank, National Bureau of Statistics, and other related literature. The findings indicated that the textile industries in Nigeria are declining in their business performance owing to the low patronage from the consumers who are dissatisfied with the quality of their products. The industries are confronted with some challenges and limitations which include: the lack of funds, poor infrastructure, international trade policies, and consumer buying behavior.

Keywords: Impact; Importation; Business Performance; Textile Industries.

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RESUMEN

Este estudio examina el impacto de la importación en el rendimiento empresarial de las industrias textiles nigerianas. El rendimiento empresarial se evaluó utilizando algunos índices de rendimiento clave como: crecimiento de los ingresos, crecimiento de las ventas, nivel de beneficios, contribución al Producto Interior Bruto (PIB), tasa de empleo y satisfacción del cliente. Este estudio pone además de relieve la situación de las industrias textiles en Nigeria. Para la interpretación de los datos se empleó un enfoque relacionado con el análisis de casos y exploratorio. Los datos se recogieron del Banco Central de Nigeria, el Banco Mundial, la Oficina Nacional de Estadística y otra bibliografía relacionada. Los resultados indicaron que las industrias textiles en Nigeria están disminuyendo en su rendimiento empresarial debido al bajo patrocinio de los consumidores que no están satisfechos con la calidad de sus productos. Las industrias se enfrentan a algunos retos y limitaciones que incluyen: la falta de fondos, la mala infraestructura, las políticas comerciales internacionales, y el comportamiento de compra de los consumidores.
Palabras clave: Impacto; Importación; Rendimiento empresarial; Industrias textiles.

1. Background of the study

Manufacturing sector was established in the 1956 year. However, the industry has been affected by structural instability and a propensity for total collapse over the years. Nigeria's textile industry has been affected by inadequate power supply, poor infrastructure, smuggling, policy inconsistency, excessive reliance on petroleum products, and unfavourable import policy among others. Most textile manufacturing firms have shut down in Lagos, Kaduna and Kano, the three cities where the majority of the firms in the industry are concentrated. The few companies in the textile industry that are still operating are tending towards dormancy, producing at less than 40 percent of installed capacity. Current state of Nigerian textile industry is characterised by inconsistent policy, low-capacity utilization, foreign dominance and control, plant closures, mass layoffs, the deconstruction of plants, instability throughout the sector, and devastating social repercussions. This is even though the indigenous textile industry had a thriving presence for more than 10 centuries in numerous Nigerian towns prior to British colonisation (Adejugbe, 2006). Before 1997, when Nigeria signed the World Trade Organization (WTO) Agreement, the textile sector in Nigeria ranked third in Africa, behind South Africa and Egypt, according to an official publication of the textile workers union. With more than a million direct and indirect workers, the mill industry was the second largest employer of labour, behind government sectors. The average capacity utilisation for the sector was above 50%, and there were well over 250 busy factories. According to reports, there was an available market for 250,000 tons of raw cotton. Because a large portion of local cotton and polyester was consumed by the local industry, the much-desired economic backward integration was made possible (NUTGTWN Handbill, 2006). Moreso, before 1997, local textile manufacture accounted for over 70 percent of the total national cloth and garment needs in the country. Many families all over the country depended on income from the industry for their livelihood and for sustenance.

With the consistency in the decline of performance in Nigerian textile industry, an effective way to recuperate the industry is for SME and business owners to import these textiles (finished and raw) materials in order to create employment, improve the nation's economy, and sustain the textile industry. However, among all the prominent challenges declining the outcome of the textile industry over the years, the factors having significant effects on importation of textile material into the country are inconsistencies in international trade policies that have to do with global marketing of textile goods, smuggling of textile goods and unfavourable economic policies. Policies such as placing a ban on importation of foreign wear and value reduction of naira which raised the cost of imported textile materials and accessories have always affected the growth of the industry. Nigerian government is required to consider and reflect on these issues to improve business performance in the textile industry and achieve economic growth in the nation.

Several scholars have carried out studies on business performance in Nigerian textile industry. There are conflicting results about the association between trade liberalisation and performance. Yahya et al. (2013), Kazem and Reza (2012) and Manni and Afzal (2012) claimed a favourable association, while others found a negative one. In particular, the assumption that trade liberalisation enhances the performance of textile sector and economic growth of emerging nations was supported by Yahya et al. (2013), which examined the relationship between trade liberalisation and economic growth in Sub-Saharan Africa. Similar to this, trade liberalisation was found to have a favourable effect on Iran's economic growth. Kazem and Reza, (2012), conducted a study on the subject. In a similar vein, Frensch (2010), discovered that trade liberalisation enables developing nations to successfully implement import-led growth plans, which promotes swift economic expansion. Thu and Lee (2015), have provided evidence in support of this claim, showing that trade liberalisation has a significant positive influence on Vietnam's overall outcome in exports and imports. According to Ali-Hussien, Ahmed, and Yousaf (2012), Sub-Saharan African nations who embraced the trade liberalisation program showed a notable increase in their trade share. This discovery is confirmed in the work of Manni and Afzal (2012), who assessed the impact of trade liberalisation on Bangladesh economy between 1980 and 2010 and found out that the Bangladesh Gross Domestic Product (GDP) increased significantly, after the country's adoption of trade liberalisation policy. El- Wassal's (2012) findings further attest to the statistically significant and positive correlation on trade liberalisation and economic growth in twenty (20) Arab countries from 1995 to 2010. According to Bakare and Fawehinmi (2011), trade liberalisation in Nigerian context has had a noticeable effect on country's non-oil industrial sectors, especially textile industry, since 1986. Contrary to what was shown in previous paragraph, several studies have shown that trade liberalisation has not aided Nigeria's economic expansion (Adewuyi and Akpokodje, 2010; Olaifa et al., 2013; Oluwalye, 2014)

Additionally, several authors have studied how loan availability has impacted the textile industry's business performance. The high cost of capital is a significant element driving up

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manufacturing costs in Nigeria's textile sector. According to Odior (2013), access to low-cost finance can boost the productivity of Nigerian manufacturing enterprises, including the textile sector. When compared to lending rates in developed and emerging economies, commercial banks and other financial institutions' rates in Nigeria are often relatively high. In Nigeria, high loan rates raise the cost of money, which in turn drives up the cost of products and services. Due to the lack of significant investments required to boost productivity, this would lower productivity in the textile industry (COMESA, 2009; Odior, 2013). Nigerian textiles have a limited chance of entering international markets due to low performance (Eneji et al., 2012). Therefore, it is suggested that African governments offer export firms low-cost financing and other incentives to boost their competitiveness in the global market. According to Marafa (2011), Nigerian handcrafted textiles contain unique motifs that are derived from traditional objects and have aesthetically pleasant patterns, shapes, and colours that can be sewed into fashionable styles needed in fashion. Due to fierce competition from imported textiles, this may help locally produced handcrafted textiles establish an admirable reputation on a national and international level, Hansen (2004) concluded that strong policies should be implemented to limit the importation of old garments in order for African nations to experience economic growth. Slotterback (2007) asserted that those involved in the industry have also referred to the development of used imported clothes as a benefit. Used imported clothes offers affordability for persons with limited purchasing power, in addition to employment in trade, distribution, repair, restyling, and washing. According to Raballand and Mjekiqi (2010), 75 percent of container loads of illegal textiles are believed to be travelling to Nigeria; this works out to $5 billion annually and accounts for huge level of Nigeria's overall imports from around the world. Because domestic companies pay several taxes and customs duties, there is unjust competition because imported materials are less expensive than locally produced fabrics (Diogu et al., 2014).

Some studies also showed the importation of textile products from China into Nigeria and its effects on the textile sector. The domination of China in the global textile trade has accelerated the rate of growth in the textile industry. China is leading in exportation (Lall and Albaladejo, 2004). Large imports of textiles from China are strongly linked to recent downfall of the Nigerian textile industry (Renne, 2015). The sector has been severely affected by these imports, which has caused it to decline. Two categories of reports from writers that result from interpretive narratives can be identified. Western neoliberal experts make up the first group (Widdershoven, 2004; Lyman, 2005; Smith, 2005; Eisenman and Kurlantzick, 2006; Norberg, 2006). The scholars believed that China would likely rule the world, and particularly the continent of Africa. However, Chinese interaction with Africa is frequently referred to as "the new rush for Africa," "voracious," "insatiable appetite," "ravenous," etc., while Chinese collaboration with Europe and America is seen as "investment," "job production," and "development" for similar reasons (Mawdsley, 2008). All dimensions of China's efforts in Africa have drawn criticism from Western political and media opinion; in response, the Chinese have defended their actions vehemently. The second group of experts, which also included Eisenman and Kurlantzick, (2006) and Sautman, (2007), acknowledged that China is now more than ever providing economic growth and beneficial experiences to the less developed economies. These academics used words like "development," "partnership," and "cooperation" to define Sino-African relations (Lafargue, 2005; Leonard, 2006). Although these approaches have contributed towards improving the performance and growth in textile industry, yet, little attention has been given to how importation can improve performance in the industry. Importation being a major pathway to international trade and investments could have a substantial role to play in stabilising the textile industry. Therefore, we will be researching the effect of importation on improving the business performance of the textile industry in Nigeria.

Objectives of the study

The purpose of this study is to examine importation and its effect on business achievement of textile industries in Nigeria.

- To evaluate the prevailing challenges affecting business performance of textile industry in Nigeria.
- To assess the effect of international trade policies on business performance in Nigerian textile industry.
- To determine the role of consumer buying behaviour on business performance, in Nigerian textile industry.
- To assess the prominent challenges affecting importation of textile materials into Nigeria

Literature Review

The Textile Industry in Nigeria

From 1956, good number of Nigerian textile factories were founded, and by 2001, the country had over 250 textile businesses that processed cotton by spinning, weaving, bleaching, dyeing, printing, and finishing (Akewushola, 2015). At first, the textile sector did extremely well and withstood the pressure of competition from imported fabrics (Diogu et al., 2014). The 1980s economic downturn gave rise to the industry's problems, which were worsened by globalization, which allowed foreign multinational textile manufacturing companies to dominate the Nigerian textile market (Afigbo and Okeke, 1985). Between domestic textile products and foreign fabrics, the competition became intense. Nigerians' perspective of products made in Nigeria and the high cost of manufacturing due to substandard facilities undermined the position of local businesses, which resulted in the closure of numerous textile mills (Folorunso, 2013; Ogunnaike, 2010). The phase of industrial development, which ran from 1960s to the mid-1970s, was known as the early years of independence and was intended to turn the country's rich raw materials into manufactured commodities. The single most important factor driving the expansion of the textile industry in the nation was encouraging traders to change their business models and become manufacturers. By 1980, there were 112 factories producing spinning, weaving, and clothing. If not for the obstacles encountered by the Structural Adjustment Programmes in the middle of the 1980s, the domestic manufacturing sector may have flourished. It is undisputed that textile industry could provide economic growth for Nigeria's development when the proper policies are put in place.

The textile industry overtook the government as second-largest employer of labour in 1985 with direct 250,000 public employees, millions of cotton farmers, suppliers, and traders work in these mills (Aremu, 2005). The following years saw a fall in direct employment to 175,233 in 1990, 83,000 in 2000, and 21,000 in 2010, respectively. In the middle of the 1980s, the industry's contribution to employment and value addition was estimated at 20%. In 1983, the leading industry, which accounted for 19% of all employment in the consumer commodities sector, was textile and weaving garments.

Beverage food, and tobacco industries follow the textile sector (Brandell, 1991). More economic liberalization in Nigeria damages the manufacturing sectors which lowers the level of income and employment. Government spending has been rapidly declining, which has steadily lowered overall demand in the economy. It has caused the economy's industrial capability to be seriously underutilized. With a population growth rate of 2.1% annually, the gross domestic product barely climbed by 1.3%.The manufacturing sub-sector saw the largest decrease of 8.1%, falling from 0.5% of the GDP in 1991 to barely 0.9% now. The overall industrial production index fell by 5.1%. (CBN, 2000). The local textile industry experienced recurrent output decline or complete closure because of cheaper imported textile dumping, according to central bank of Nigeria's annual statement for 1999 (CBN, 2000).

The prevalence of consumer items that need little assembling, poor value-added production due to a significant reliance on input imports, and the predominance of failing state-owned firms all contributed to diminishing growth rates. Country's economic performance was generally below an average, according to fiscal narratives for the year 2000 (OPS, 2001). Manufacturing activities continue to be restricted by long-standing barriers, as a result sector was still plagued by the debilitating consequences of prior policy errors and excessive competitive pressures brought on by the nation's economic liberalization policies.

Imported textiles dominated Nigerian market. Nigeria imported an estimated 1.7 billion USD worth of textile imports in total, majority passed through porous borders. These factors prevented the local manufacturers from attaining a significant competitive advantage (NUTGWTN, 2005). The Nigerian textile sector's overall performance is in a critical state, from 79.7 percent in 1976 to an all-time low of 48.0 percent in 2005, average capacity utilisation rates decreased (CBN, 2005). More than 160 textile businesses have shut down by 2008.

Less than 20% of the available capacity was thought to be being used, and only 18,000 people were employed across ten factories.

Over two million Nigerians, according to Senator Walid Jibrin, lost their means of subsistence as a result of the industry's problems, including dealers, contractors, cotton farmers, and textile employees (Muhammad, 2011). Out of the roughly 200 textile units that were once in operation, there were less than forty in Nigeria as of 2010. (Aremu, 2015). The towns where the factories were located experienced tremendous pain as a result of the closures. NUT-GTWN claims that more than a million people, including traders and cotton farmers, who depend on the industry for their livelihoods, were negatively impacted.

Challenges affecting performance in textile industry

The Nigerian economy is suffering from a lack of access to a reliable supply of energy and other infrastructure. This is damaging the economy's MSMEs' pace of output growth and affecting the capacity utilisation in businesses of all types and sizes. Regular power outages can negatively impact output levels and business productivity and efficiency, especially for MSMEs that lack the resources to self-generate electricity. Up until the middle of the 1980s, Nigeria, the second-largest economy in Africa, had a thriving textile sector. Prior to 1985, Nigeria's exports of manufactured goods, including textile products, were notable. A 67 percent yearly growth rate was seen in the textile industry. In 1985, 25% of its workforce worked in the manufacturing industry (NTMA, 2009). The Nigerian textile industry's inability to compete is primarily the result of its inability to create goods at cheaper rates. Although a variety of local and international policy initiatives has played a role in the current state of the textile sector, policy neglect is the primary reason for its downfall. The sector has been in decline due to neoliberal policies, trade agreement shift, insufficient infrastructure for supply of electricity and water, and decreased cotton production.

Trade liberalisation and business performance in the Nigerian Textile Industry

The mechanism by which countries export and import commodities, services, and capital is known as international trade. It is the exchange of products and services between nations. A world economy where prices, or supply and demand, influence and are influenced by international events resulted from this form of trading. For instance, a political shift in Nigeria may raise labour costs, which would raise production costs for an American oil business with a Nigerian base and, in turn, raise the price that customers must pay to purchase fuel at all nearby stations. On the other hand, you would have to pay less for your petroleum products if the cost of labour dropped.

Global trade provides consumers and nations the chance to experience products and services that are not really available in their own countries. Global market offers the opportunity to buy most thing like; food, clothing, petroleum goods, accessories, oil, jewelry, wine,

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stocks, money, and water. Trade also occurs in bank, consultation, tourism, and transportation services. Product purchased from the global market is an import, whereas product supplied is an export.

Empirically, trade openness is defined as the degree to which a certain country imposes trade regulations and limitations on its trading partners abroad (Fujii, 2019). It is anticipated to boost performance of the textile industry. The literature has identified a number of ways that trade openness might enhance the performance of the textile sector. These channels included gaining access to more affordable and advanced technologies, achieving economies of scale for textile industry businesses, and opening up new markets.

Ullah et al, (2020), who looked into impact of trade openness on the profitability of the textile industry in Pakistan, conducted one of the researches that tried to connect open trade with the performance of the textile sector. The results showed that the profitability of the companies in the textile industry was unaffected by trade openness. The current study takes a different tack by focusing on the performance of the textile industry as a whole rather than just the performance of the individual textile enterprises. Furthermore, He (2020) investigated how Chinese imports affected African textile exports. The study focused on 14 textile subsectors spread throughout 53 African republics. Interest-generating years were 1990 to 2017. According to the data, Chinese imports had a beneficial impact on African textile exports from 1990 to 2008. However, from 2009 to 2017, imports had a negative impact on African textile exports. He (2020) then, suggested that the imports from China b e increased competitiveness in the textile industry during the first phase, which increased overall productivity and the exporting of African textile exports.

As Chinese textile imports became a more affordable option, the textile industry eventually saw a significant fall in production. Umoh and Effiong, (2013) did study on the impact of open trade on Kenya's manufacturing sector performance in the context of Africa. The investigation made use of the ARDL model. The time frame was 1970 to 2008. The results showed that manufacturing production was favourably benefited by trade openness. To improve the performance of the industry, it was determined that more open trade regimes needed to be the main focus. It was also suggested that lowering trade restrictions would be the best course of action to take in order to boost industrial performance. Okeowo and Aregbeshola, (2018) did finding on impact of trade openness on the business performance of the textile sector in Nigeria. The timeseries data analysis used ranges from 1986 to 2015. The time frame was after the nation adopted trade liberalization. The Autoregressive Distributed Lagged model was employed. The results showed that the performance of the textile industry would drop as trade openness increased. The implication is that open trade causes the productivity of the textile sector to decrease. Evidently, during the era of trade liberalization, the textile industry did poorly.

Tariff measures on textile industry performance

Tariffs are customs paid on imports that benefit local manufacturers while also providing the government with a source of income (WTO, 2015). Since tariffs are the most direct of all measures and typically have data available, they are used most frequently to assess trade restrictions. The impact of tariffs on the importing of raw materials and the exportation of textiles and clothes was examined in depth by Setyorini and Budiono, (2020). The United States market was the study's primary emphasis. Data from textile exporters to the USA were gathered for the study while gravity model of trade was applied for conduct of analysis. The results showed that there is a decrease in textile exports to the USA market when tariffs are raised. The findings showed that the tariffs, especially for those not subject to a specific tariff rate, were a burden for the nations exporting textiles to the USA. Tariffs limited the export of textiles to the USA in this way. The current study, however, is more concerned with the performance of the textile business than actual textiles export. In the US, Seyoum, (2010) looked into how the textile and apparel industry affected both the developed and underdeveloped nations' economies. The impacts of the removal of tariffs on exports from developing nations to the USA were highlighted. Focus was also placed on how the reduction of tariffs will affect China's textile exports, which are the largest in the world. The research showed that China and India, the two major participants in the textile business, would gain the most from the removal of tariffs. According to the study, most emerging nations lack the ability to extend their production systems in order to provide new markets in the liberalized world. Because China and India have a competitive edge in the market, initiatives to eliminate tariffs are advantageous to them. The current study takes a new tack by analysing the tariff measures on Kenyan textile exports and how they affect business performance of the textile industry in the nation. The effect of customs taxes on the financial performance of Kenyan textile and apparel firms was examined by Bukachi, Gitonga and Kosgei, (2020). The study used primary data and an explanatory research design. The senior management of the firms were contacted for the information. According to Bukachi, Gitonga and Kosgei, (2020), 64% of the difference in the financial performance of the textile enterprises was caused by customs taxes.

Additionally, a unit increase in customs charges improved the performance of the textile companies. Customs duties thus has key roles in improving performance of businesses in the textile and garment sector. According to the authors, Kenya's textile and garment businesses have grown thanks to import levies on fabric and clothing. Notably, because it was expensive to import, the domestic textile and garment business expanded once customs taxes were implemented (Bukachi et al., 2020). As a result, with the rise in demand, the textile companies were able to increase their production levels to meet the needs of these markets, which improved their financial performance.

Bukachi et al. (2020) did not specify how the application of custom tariffs affected the export of textile and clothing, though. By analyzing the effects of textile tariff measures on the performance of the textile sector, the current study closes this gap.

Foreign Direct investments on Textile Industry Performance

Foreign direct investment refers to long-term investments made by foreigners in companies that are based in other nations. Investment inflows, whether from domestic or international sources, are crucial to the prosperity of a nation. FDI addresses a need in the least developed nations by giving them access to skilled labour, cutting-edge technology, and global markets.

However, the host country's emerging industries frequently experience the negative effects of foreign direct investment. Kenya should therefore emphasize the benefits of FDI by removing its drawbacks. The study looked at the research on the relationship between FDI and the performance of the textile sector. Notably, Sun and Anwar, (2017) examined how FDI affected the performance of Chinese textile manufacturers. The Meltz firm heterogeneity model was employed in the study. The particular emphasis was on how FDI impacts how textile companies make money in domestic and international markets. The Chinese textile industry performed better when FDI was present. As a result, the textile companies saw a rise in revenue due to the increase in FDI. It contends that inflows of foreign direct investment constitute a beneficial externality of trade liberalization under an outward-oriented trade regime. As a result, the study questions FDI's use as a stand-in for trade liberalization, which is not the case with Sun and Anwar, (2017). In their 2017 study, Konara and Wei looked at how FDI affected the growth of domestic businesses in Sri Lanka. The World Bank provided survey data and industrial data for the study. The results showed that FDI had both favourable and unfavourable spill-over effects on Sri Lankan domestic businesses. In terms of the favourable benefits, FDI is essential to enhancing the competitiveness of domestic businesses. Local businesses are forced to enhance their manufacturing methods in order to maintain and grow their market share due to competition from FDI companies. However, due to their technological capabilities and attention to research and development, FDI enterprises typically produce more. Additionally, because they are more focused on exports, they have a tendency to outperform local companies in terms of market share, generating higher profits. In order to learn how to enhance their performance and grow their market share, local businesses might benchmark in FDI projects, according to Konara and Wei's, (2017) argument. Additionally, Adarov and Stehrer, (2019) did evaluation on how FDI affects the textile and apparel industries in European nations.

The study relied on secondary studies for the period between 2000 and 2014. The findings indicated that FDI inflows contribute to the growth of the textile and clothing industries in Europe (Adarov and Stehrer, 2019). FDI is key in enhancing the competitiveness of the textile firms in the global markets. FDI also contributes to capital accumulation among firms in this sector. The divergence with the present study is that focus is only on the textile industry in Kenya. Mirugi, (2017) looked into what foreign direct investment has to offer textile industry in Kenya. The study was a survey of 17 textile and apparel firms in Kenya. The research utilised a questionnaire in gathering data from the employees in these firms.

According to the findings, tax incentives were a major driver of FDI in the textile and apparel industries. Additionally, Mirugi, (2017) discovered that the presence of a supportive regulatory and legal environment helped the textile industry draw FDI inflows. The cost of doing business in the textile industry was, however, dramatically exacerbated by obstacles including exchange rate volatility and soaring inflation rates.

Consumer buying pattern and the Textile Industry

Any business's operations must be centred on the customer; if it is unable to offer products and services that meet customers' requirements and desires, it has lost its primary purpose for being in a setting of competition, it will not endure. Through the use of their purchasing power, consumers evaluate the success of businesses and influence their futures. The word "consumer behaviour" has been examined by numerous authors from a variety of angles. Everyone seems to agree that it is a mirage. The study of consumer behaviour refers to the action taken of people who are involved in using and getting economic goods and services, as well as the decision-making processes that influence these actions.

Consumer behaviour, as described by Achumba, (1996) refers to the actions people take in connection with the actual or potential usage of goods from the market, including goods, services, information, and ideas. Consumer behaviour, as performed by buyers, consumers, and those who affect the purchase, are all purchases-related actions, considerations, and influences that take place before, during, and after the actual purchase. The term given above includes influences on customers as well as others. The factors that affect consumers are divided into two categories: (a) Psychological forces, and (b) Environmental forces. Attitude, learning, perception, personality, and self-concept make up the psychological forces. On the other hand, the environmental factors that affect customers include family, culture, social class, group influence, and the economy. Situations, socialization, education, advertising, and pricing relationships. Actually, the purpose of studying consumer behaviour is to determine (a)Why do consumers act in particular ways?; (b) How do customers discover new products?; and (c) How can perceptions and views of consumers be changed?.

Manufacturers can better satisfy the demands of the consumer segments they try to reach by understanding consumer behaviour. However, because consumer behaviour cannot be verified or tested by scientific means, it is exceedingly challenging to analyse and comprehend. Deductive reasoning or judgment drawn from prior experience of repeated presentation of a certain product has been the sole alternative or method frequently adopted by behavioural scientists. According to many authors, consumer behaviour refers to how people behave during the exchange process. The exchange procedure serves as the basis for this definition. It does not take into account the pre-exchange activity. Moreover, consumer behavior involves actions taken by people directly involved in the acquisition and use of goods and services, as well as the decision-making processes that lead to these actions.

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Consumer behaviour was defined by Loudon, (1982) as an action people engage in when evaluating, obtaining, and using economic goods and services. This definition did not significantly contribute to the prior ones in terms of information. However, it appears that the definition provided by Williams, (1982) is widely accepted. According to his definition, consumer behaviour includes "all purchase-related behaviours, considerations, and influences that take place before, during, and following the actual transaction as carried out by purchasers and consumers of goods and services, as well as those factors that influence the transaction." All of the arguments raised by the other authors are included in this most recent definition, which also includes impacts on the customer. The American Marketing Association's definition, however, tends to condense all of the others. The dynamic nature of consumer behaviour suggests that one shouldn't anticipate the same marketing plan to be successful consistently across all products, markets, and industries while establishing marketing strategies. The interplay between the effect, cognition, behaviour, and environmental events is the second crucial factor emphasized in the description of consumer behaviour. This indicates that in order to comprehend consumers and create superior marketing strategies, it is necessary to comprehend their thoughts (cognition), feelings (affect), actions (behaviour), and the items and settings (environmental events) that effect these feelings, actions, and thoughts. The third aspect of consumer behaviour that is emphasized in the concept is that it involves human exchanges.

Prominent factors affecting importation of textile materials into Nigeria

Through the creation of jobs, the production of export goods and foreign exchange, and the growth of the national GDP, the textile sector made a substantial contribution to the stability of the economy. The majority of locally manufactured textiles were marketed in both the Nigerian market and other African nations, particularly the western regions. The federal government adopted a number of steps, including higher exchange rates, the adoption of foreign exchange quotas, and the implementation of high tariffs to limit the imports of international textile items, but all of them failed to preserve the indigenous infant industries (Onas, 2010). Only a few textile manufacturing businesses are now fully operational in Nigeria. This situation has left the nation with a variety of negative impacts, including staff layoffs, high poverty rates, investment loss, and weak tax income collection. Other factors that have been identified as limiting the growth of the textile industry in the literature include the smuggling of restricted foreign textiles into Nigeria, a lack of electricity, the devaluation of the naira and problems with foreign exchange, and a lack of spare parts for the upkeep of industrial machinery and plant (Diogu et al., 2014; Salisu, 2010; Yusuf, 2011). The issue of inadequate power supply and poor maintenance of industrial facilities resulted in high production costs and a decline in the capacity of manufacturing facilities. Due to them, the majority of the significant textile factories were closed between 1985 and 2005. Afigbo and Okeke, (1985) divided some of the contributing factors into external and internal categories. The external factors range from subpar infrastructure, such as insufficient electric power supply, to the effects of globalization, which turned Nigeria into a dumping ground, the perception of local textile fabrics among the poor by those who are made in Nigeria, a lack of modernized equipment, and economic recession (Abernathy et al., 2004; Ogunnaike, 2010). Inadequate or incorrect use of management accounting data for precise decision-making, low shareholder funding and liquidity, and weak corporate governance mechanisms are some of the internal problems.

The following factors hindered the growth of the textile businesses: firstly***, the high cost of production:*** Consistent power outages or subpar voltage generation and transmission have an adverse impact on the operations of textile mills to varied degrees (Abu and Abdullah, 2010). This has resulted in a high cost of operation, which includes paying the salary of the perfect employee, replacing spoilt supplies, damaged equipment, and restarting costs as well as losing output, losing sales, and ultimately losing money. The management must weigh the costs of in-house production against the price of purchasing from an outside provider when selecting whether to make a textile material in-house or outsource it. The choice criteria is to buy when the cost of producing is lower than the cost of buying, and vice versa (Adeniji, 2017); secondly, ***the Manufacturing capacity***: The production capacity of Nigerian textile industries was impacted by insufficient electric power supply, a shortage of spare parts for plant maintenance, or updated equipment. Comparing Nigeria's textile sector to those of other African nations like Egypt, Ghana, Botswana, and South Africa made this clear (Salisu, 2010). There were insufficient production capabilities to satisfy consumer demand and provide the targeted profit; and thirdly***, Product quality control***: Constant layoffs and job insecurity drove a lot of highly skilled technical workers out of the textile industry and into another manufacturing subsector with more stable employment. This led to a difficulty with product quality control (Makinde et al., 2015). As a result, the quality of locally produced textile textiles declined in comparison to those that were imported, which led to their rejection. components, as raw materials, in order to make finished items, in other cases a manufacturing textile company may have an integrated process running from spinning to finishing. In the event that finished items are purchased to satisfy demand, quality criteria such as materials, competence, top management support, and market attention must be taken into account. Making in-house is advised for an organization if strict control is required.

The Theoretical Framework

The study of theory guiding a management's or agent's decisions is known as choice theory (Steele and Stefansson, 2015). To understand how decisions are produced when there are unknown variables and uncertainty in the decision-making environment, decision theory is a multidisciplinary approach. Due to the theory's significance and the contributions of many academic disciplines, it started to develop about the mid time of the 20th century (Hansson, 2005). Decision theory has recently attracted the attention of academics from a variety of fields, including economics, philosophy, statistics, psychology, politics, management, and social sciences (Tversky and Daniel, 1986).

The following three categories of decision making were used to categorize decision theory. The descriptive decision theory looks at how irrational beings decide. The goal of prescriptive decision theory is to provide managers with instructions for making the best decisions feasible in an ambiguous decision-making environment. Decision analysis is the prescriptive approach's practical implementation, and it seeks to identify the best decision-making processes to help managers make better judgments (Slovic et al., 1977). Making decisions in light of a set of values is aided by normative decision theory (Hansson, 2005). Many academics have used the theory of choice to address a variety of decision-related to difficulties (Hansson, 2005; Sobel, 1990; Steele and Stefansson, 2015; Tversky and Daniel, 1986; Weirich, 1985).

According to the theory of constraints, organization management should try to make the best choices possible when faced with quantitative or qualitative restrictions so that the organization can effectively utilize its resources. Performance would improve as a result, and operations would not stop (Goldratt, 2009). The constraints theory, according to Goldratt (2009), is a general management philosophy that believes an organization is constrained in attaining more of its goals with change in limitations. Every organization often has at least one constraint that keeps the lowest level organizational operations from moving forward. To identify the restriction and reorganize the rest of the organization's activities around it, this approach employs a focus process.

The claim is that a firm's purpose would be impossible to attain in the real world if there were no restrictions on it. Textile mill's goal is to create and sell goods, stay in business and outperform industry rivals, turn profit both now and in the future, and consistently reward investors and other stakeholders. Due to the fact that managers must make decisions on various course of action and constraints on daily basis, decision theory and the theory of constraints were pertinent to the current study. Based on premise that the rate of objective achievement by a goal-oriented system is constrained by at least one constant, the study was supported by the theory of constraints.

2. Methodology

This study adopted a qualitative content analysis research method . The data provided detailed information on the Nigerian textile industry's condition and were collected using different sources, such as previous literature on textile industries of both Nigeria and other countries, annual and quarterly reports from central bank of Nigeria, world bank, and national bureau of statistics. Using content analysis, reports of related literature were randomly pulled to serve as evidence and to understand what is happening in recent times in the Nigerian textile industries. The business performance was assessed using some key performance index which includes: revenue growth, sales growth, profit level, contribution to GDP, employment rate, and customer satisfaction.

For the analysis of the data gathered, the study used an exploratory related approach by case method. The approach tends to be right since it's based on qualitative data collection method with secondary data. This study used case analysis to identify the condition of the Nigerian textile industries and the effect of importation on its business performance based on qualitative data collection method and observation research. The analysis emphasized on assessing how international trade policies and consumer buying behaviour influence business performance.

3. Findings: Prevailing challenges affecting business performance

Global Recession

The world's economic stability is being impacted by the current recession, particularly in developing countries. The global economic downturn is having an influence on the Nigerian manufacturing industry, the textile industry inclusive. Poor growth in economy, the closure of businesses that cannot compete with those that are highly technologically oriented, staff reductions in businesses and government institutions, youth unemployment, financial incapacity, and high cost of living are the issues. The world's economic activity is generally declining. The decline, according to Nayak, (2009), is complicated; some causes that made it worsen were unfavourable environmental policies and declining demand brought on by the economic recession in the developed market.

Insufficient local made raw materials

When considering the creation of a textile industry, the availability of raw materials is a crucial aspect. In Nigeria, the essential raw resources for efficient textile manufacture, such as cotton, silk, dyestuff, and chemicals, are not easily accessible. Where it is available, the quality is poor, insufficient, and does not meet industry standards for commercial quantity (Oloyede, 2014). Despite Nigeria being a major oil-producing country, even petroleum chemical-based items and other synthetic materials that were later introduced and are currently utilized in Nigeria are hard to come by. Country's inability to create raw materials and liberalization policy, boost importation. These factors ultimately defined the extent of Nigeria's reliance on imported textiles and the exportation of locally produced raw materials, which in turn reduced the economic sustainability of the country's textile sector. However, there are numerous drawbacks when raw materials are imported in order to make completed goods. For instance, the cost of such finished goods is consistently high, while the nation's trained labour pool is shrinking, which increases the unemployment rate. Additionally, the nation's socioeconomic situation would suffer. There is little doubt that this will have an impact on how the country develops.

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Manpower Development

In order to fulfill the objective of manpower development, employees were hired in the early years of Nigeria's textile industries and trained on the job. To prevent Nigerians from learning basic operations of the business to the advantage of the colonial masters, only foreigners were often allowed to man those sensitive sectors of the industry (Ahmed, 2014). Researcher's investigation finds that some graduates from Nigerian universities and polytechnics were unemployed or, if they were, had their freedoms restricted and their contact limited to a specific sector of the economy or non-existent. Technically speaking, the current textile business has a complicated setup that requires the utmost caution. Since the majority of its units are autonomous, managing them requires a variety of specialised employees. Included in this are designers, spinners, engineers, technologists, chemists, and marketing specialists, with the entire organisation functioning as a single unit. When these experts are properly employed, it is also necessary for the sector to flourish that they receive sporadic on-the-job training to keep up with the most recent advancements in their particular fields. Unfortunately, because these protections are not available, the industry's performance is being negatively impacted.

Reliance on Foreign Technology

Nigerian textile factories rely significantly on equipment and accessories from abroad, high cost of importing materials and tools, lack of spare parts for replacing damaged or worn-out tools, and bad maintenance culture resulting from lack of understanding of its components, these practices become problematic and expensive to the nation's economy (Ohiorhehuan, 2001). These machines frequently deteriorate with time and use, and the broken ones are frequently recycled to repair the functioning ones. This invariably has an impact on product production and quality, which frequently causes consumers to forego purchasing local textiles in favour of better-quality imports. The technological development of Nigeria needs to be accelerated, with a particular emphasis on the developments required in the industrial sector. In the interim, focus and attention might be placed on the creation of spare parts and the modification of the current machinery in order to advance.

Low product quality and patronage

Many Nigerians are not particularly patriotic when it comes to buying textiles that were created in Nigeria. According to research done among a small group of customers in Nigerian markets, more than 70% of individuals favor imported textiles over those made locally. Consumers have been seen to base their purchasing decisions on price and quality (Ogundele, 2000).

As was already said, the lack of local raw materials, the high cost and inconsistent supply of electricity, the outdated and defective machinery, and brand designs are the main causes of the high cost of manufacturing, which leads to an increase in product pricing. These have also led to low-quality items, particularly when compared to imported ones that have been "smuggled." As a result of all of these factors, smuggling has developed into a "booming industry," which has significantly impacted locally manufactured goods' ability to compete with the inexpensive goods imported illegally. 80 percent of the Ankara in the nation today is smuggled in, and many of them are fake Nigerian goods with Swiss labels. Smuggling, forging, and counterfeiting are therefore commonplace, yet nobody is monitoring the trend. As a result, even if the imported materials are fraudulent and of poor quality, we are unable to compete. To improve performance in the textile industry, the government may decide to publicly and legally support the importation of textile materials. However, it is important to focus on finding ways to cut the cost of producing locally produced textiles so that they can successfully compete with imported textiles on the Nigerian market.

Effects of International trade policies on business performance

Development of Nigerian textile mills is greatly influenced by trade policies. Local industry growth has always been impacted by policies like the relaxation of the import prohibition on textiles from abroad and the devaluation of the naira, which increased the cost of imported raw materials and machinery for the textile sector. According to (UNEP, 2005), the main purpose of trade liberalization under the WTO was to promote national development; this objective has been achieved in nations like: China, India, and Brazil, but has failed in Nigeria due to the way these policies were carried out there. Changes in global trading systems led to market liberalization, the business environment today is extremely competitive and difficult. It is believed that nations with less restrictive trade policies attain higher socioeconomic growth and development compared to those that operate under strict protectionism. Thus, most countries had to reduce their barriers to trade in order to reap the full benefits accompanied by trade liberalisation. High cost of production in Nigerian manufacturing sector has been attributed to social issues such as the poor implementation of fiscal and monetary policies by the government on lending and higher interest rates in the country (Adebiyi and Babtope, 2004; Rasheed, 2010). Deficiencies in macroeconomic policies is another limiting factor for business performance in textile industry. Macroeconomic policy is an instrument through which the government of an economy tries to regulate economic affairs of a country in line with set objectives and this can be in the form of monetary or fiscal policy (Olarinde and Abdullahi, 2014). In terms of the monetary policy affecting the exchange rate, Nigeria always attempted to maintain a very high naira rate, which meant that purchasing dollars was always more affordable than purchasing items locally. When the government unexpectedly ran out of money, they decided to institute a licensing system for the importation of goods into Nigeria. Companies that refused to obtain licenses were unable to import raw materials during that time, which led to a number of their operations ceasing. Nigerian government has used a variety of monetary policy tools throughout the years to control loan costs, loan volumes, loan availability, and most importantly, the performance of commercial banks. According to Agu et al. (2015) monetary policies are used in conjunction with fiscal policies to control expenditure in order to achieve economic goals as; price stability, full employment, poverty reduction, sustainable economic growth, favourable balance of payments, and debt reduction. According to Ogar et al, (2014) the circumstances surrounding fiscal policy have an impact on the economy of enterprises. Government actions such as political and legal processes in the form of regulations and other policies in the nation, such as import restrictions and different taxes, have an impact on both economic and corporate activity. Federal, state, and local governments all require textile businesses to pay a variety of taxes. Most of these fees are paid twice, to several agencies such as the environmental protection agency (EPA) and national environmental standards and regulations enforcement agency (NESRA), who are tasked with carrying out the same mission (LASEPA). Nigeria has a business environment that is unfavourable in terms of productivity and competitiveness, particularly in SME sectors that are still developing, like the textile industry.

The role of consumer buying behaviour on business performance in Nigerian Textile Industry

Consumer behaviour, which is defined as decision-making of people directly involved in getting and using products and services, and how it results in the actual purchase, use, and disposal of goods and services, can have some consequences on business performance that are important to notice. Some underlying elements can be used to explain consumer behaviour toward buying textile products created in Nigeria. Consumers' shopping habits are primarily influenced by how satisfied they were with their past purchases. Eventually, customer happiness will breed loyalty, which will encourage repeat business, improving the performance of the relevant industry. The confirming attitude that customers exhibit when using a certain service or product is referred to as satisfaction.

Customer satisfaction also involves the consumer's imaginative thought process and thoughtful evaluation of how well a company's services or products are currently doing. Uninterrupted satisfaction builds the customer's trust, which encourages loyalty. Customer loyalty can be understood as the customer's agreement to continue their contacts and relationships with a specific company or even a specific service/product. Despite any environmental factors or marketing initiatives that can lead to switching behaviour, with strong commitment to repeatedly purchase or patronize a preferred good or service in the future. A state of willing and constant relationship with preference, patronage, and premium results from customer loyalty.

A loyal client is simply someone who continuously buys from and refers business because their behaviours and emotional dispositions are favourable toward that product, brand, or

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company. This regular and consistent buying will consequently improve the performance of that organization. Findings, however, indicated that consumers are not satisfied with the textile materials produced and as a result have poor patronage and loyalty. This is because of the low quality of products being created due to infrastructure issues, an intermittent power supply, and a lack of cash. These elements are contributing to the textile industry's poor performance.

Due to smuggling and the high cost of production, there is a problem with the limited demand for locally produced fabrics, which has driven up the cost of Made-in-Nigeria Fabrics. Locally produced fabrics lost market share to smuggled fabrics, which are sold at lower prices in markets all around the country due to the increase in price. Additionally, it is believed that pricing differences between locally and internationally produced fabrics have an impact on the buying habits of the typical Nigerian. There is a belief that fabrics created abroad are of higher quality than those made domestically.

Prominent challenges limiting the importation of textile materials to Nigeria

One of the requirements for becoming a WTO member was that nations like Nigeria remove import restrictions like textile import quotas to promote free trade among WTO members. It was found that country's textile industry suffered more from the inconsistent application of import bans than it did from them. The belief that inconsistent import bans and removals of specific textile materials from the list have a negative influence on domestic fabric makers' ability to compete internationally and their ability to conduct business. These discrepancies aided the enormous influx of textile into the markets across the country. The inconsistent application of the import restriction in Nigeria has raised concerns among the country's stakeholders, particularly those working in the manufacturing sector because it has a detrimental impact on their ability to conduct business. However, Oyejide, Ogunkola, and Bankole, (2012) note that the import ban encouraged domestic production of cotton textiles in Nigeria, which between 1981 and 2011 accounted for over 90% of the country's total supply. The uneven banning and removal of some textile fabrics from the import prohibition list, according to several stakeholders, has a negative impact on their ability to conduct business. They observed that these anomalies encouraged a significant rush of textiles into the nation's market, ultimately causing the sector to collapse (Oyejide, Ogunkola and Bankole, 2012). The origins of smuggling in Nigeria and its effects on the textile sector are viewed in several ways. Some participants asserted that although the problem of smuggling had existed on a smaller scale ever since the protectionist era, it had never had a significant impact because the sector enjoyed a competitive edge and the necessary infrastructures were available at low cost. According to research, Nigeria's market became a dumping ground for various fabrics from other nations as a result of open policy. Numerous textile businesses around the nation had to close as a result. According to Langevin, (2012) neighbouring nations bordering Nigeria, such as Republic of Benin, built an illicit import system through which limited textile materials are smuggled into the Nigerian market.as a result of the import ban policy. According to Raballand and Mjekiqi,

(2010) one-sixth of all of Nigeria's imports from around the world or $5,000,000,000 annually are unofficial container loads of textiles that are being smuggled into the country. Because domestic companies pay several taxes and customs duties, there is unfair competition because imported materials are less expensive than locally produced fabrics (Diogu, Nwigwe and Diogu, 2014). By officially legalizing importation, it is possible to eliminate the significant negative impact of smuggling on trade policy, which will lessen the loss experienced by the textile industry. Smuggling increased unemployment rates were seen throughout the nation, but mainly in the Northern and South-Western parts of the country, as a result of the textile industry's loss of its competitive advantage. According to the findings, the Nigerian textile industry once supported roughly 250,000 direct jobs and millions of indirect jobs, but as a result of unfavourable government policies, there are today less than 30,000 direct jobs and less than a million indirect jobs available. Trade is essential for fostering economic growth and job creation.

A nation that is unable to generate long-term sustainability for its population in terms of employment generation runs the risk of continuing economic instability, according to Makinde, Fajuyigbe, and Ajiboye, (2015). One of the biggest challenges to social stability in many nations is unemployment. When compared to her competitors on the continent, Nigeria's unemployment situation is more severe(Asaju, Arome, and Aniyo, 2014). For instance, the unemployment rate in South Africa is currently 25 percent, Ghana had a rate of roughly 14 percent in 2010, and Nigeria had a rate of about 37 percent. Stakeholders are really concerned about how severe unemployment is in the Nigerian textile sector. In the once-booming industry, the challenge of ensuring job security while increasing efficiency has been a topic of discussion in recent years. Despite the fact that some empirical studies imply that trade openness boosts unemployment and jeopardizes job security in many nations. For instance, Olayiwola and Rutaihwa, (2010) discovered that import competition causes a reduction in labour demand using the textile industry in Tanzania as a case study. Furthermore, between 1993 and 1999, the expansion of imports had a detrimental effect on job security in 28 sectors of Poland, according to Morawezynski and Wach, (2004). For instance, Olayiwola and Rutaihwa, (2010) discovered that import competition causes a reduction in labour demand using the textile industry in Tanzania as a case study. Furthermore, between 1993 and 1999, the expansion of imports had a detrimental effect on job security in 28 sectors of Poland, according to Morawezynski and Wach, (2004).

Conclusions and Implications

Based on the findings of the study , the following conclusions and implications have been drawn:

The prevailing challenges affecting business performance of textile industry in Nigeria have been linked to global recession, insufficiency of locally made raw materials, manpower development, reliance on foreign rtechnology and the low product quality which contributed to the decline of patronage among consumers.

The global recession triggered the economy to decline, many of the businesses had to stop their operations in view of their failure to compete with those that are highly technologically oriented firms. Reductions on manpower both in the private businesses and government sectors had been effected, and other impinging issues such as youth unemployment, financial incapacity, and high cost of living.

Another challenge to the industry is the insufficiency of locally-made raw materials. The essential raw resources for efficient textile manufacture, such as cotton, silk, dyestuff, and chemicals, are not easily accessible. If ever available, the quality is poor, insufficient, and does not meet industry standards for commercial quantity. Hence, the country's inability to create raw materials would tend to boost importation. These factors ultimately defined the extent of Nigeria's reliance on imported textiles which in turn reduce the economic sustainability of the country's textile sector. However, there are numerous drawbacks when raw materials are imported in order to make completed goods. For instance, the cost of such finished goods is consistently high, while the nation's trained labour pool is shrinking, which increases the unemployment rate. Additionally, the nation's socioeconomic situation would suffer. There is little doubt that this will have an impact on how the country develops.

Manpower Development, is also a challenge to the linen industry in Nigeria. Nigerians are prevented from learning basic operations of the business in favor and to the advantage of foreigners workers who were often allowed to man sensitive sectors within the industry. Technically speaking, the current textile business has a complicated setup that requires the utmost caution. Since the majority of its units are autonomous, managing them requires a variety of specialised employees. Included in this are designers, spinners, engineers, technologists, chemists, and marketing specialists, with the entire organisation functioning as a single unit. When these experts are properly employed, it is also necessary for the sector to flourish that they receive sporadic on-the-job training to keep up with the most recent advancements in their particular fields. Unfortunately, because these protections are not available, the industry's performance is being negatively impacted.

Another challenge that the Nigerian textile industry faced is its significant and heavy realiance on equipment and accessories from abroad, high cost of importing materials and tools, lack of spare parts for replacing damaged or worn-out tools, and bad maintenance culture resulting from lack of understanding of its components, these practices become problematic and expensive to the nation's economy. The technological development of Nigeria needs to be accelerated, with a particular emphasis on the developments required in the industrial sector.

Low product quality and patronage is also one of the challenges that need to be deal upon by the l;inen industry in Nigeria. Review of literatures convinced the authors that many Nigerians are not particularly patriotic when it comes to buying textiles that were created in Nigeria. According to research done among a small group of customers in Nigerian markets, more than 70% of individuals favor imported textiles over those made locally. Consumers have been seen to base their purchasing decisions on price and quality. As was already said, the lack of local raw materials, the high cost and inconsistent supply of electricity, the outdated and defective machinery, and brand designs are the main causes of the high cost of manufacturing, which lead to an increase in product pricing. These have also led to low-quality items, particularly when compared to imported ones. To improve performance in the textile industry, the government may decide to publicly and legally support the importation of textile materials. However, it is important to focus on finding ways to cut the cost of producing locally produced textiles so that they can successfully compete with imported textiles on the Nigerian market.

High cost of production in Nigerian manufacturing sector has been attributed to social issues such as the poor implementation of fiscal and monetary policies by the government on lending and higher interest rates in the country. Deficiencies in macroeconomic policies is another limiting factor for business performance in textile industry.

Consumers' shopping habits are primarily influenced by how satisfied they were with their past purchases. Eventually, customer happiness will breed loyalty, which will encourage repeat business, improving the performance of the relevant industry. The confirming attitude that customers exhibit when using a certain service or product is referred to as satisfaction. Customer satisfaction also involves the consumer's imaginative thought process and thoughtful evaluation of how well a company's services or products are currently doing. Uninterrupted satisfaction builds the customer's trust, which encourages loyalty. Customer loyalty can be understood as the customer's agreement to continue their contacts and relationships with a specific company or even a specific service/product. Despite any environmental factors or marketing initiatives that can lead to switching behaviour, with strong commitment to repeatedly purchase or patronize a preferred good or service in the future. A state of willing and constant relationship with preference, patronage, and premium results from customer loyalty. Findings, however, indicated that consumers are not satisfied with the textile materials produced and as a result have poor patronage and loyalty. This is because of the low quality of products being created due to infrastructure issues, an intermittent power supply, and a lack of cash. These elements are contributing to the textile industry's poor performance.

One of the requirements for becoming a WTO member was that nations like Nigeria remove import restrictions like textile import quotas to promote free trade among WTO members. It was found out, however, that country's textile industry suffered more from the inconsistent application of import bans than it did from them. The uneven banning and removal of some textile fabrics from the import prohibition list, according to several stakeholders, has a negative impact on their ability to conduct business. They observed that these anomalies encouraged a significant rush of textiles into the nation's market, ultimately causing the sector to collapse.

Nigeria's market became a dumping ground for various fabrics from other nations as a result of open policy. Numerous textile businesses around the nation had to close as a result. One-sixth of all of Nigeria's imports from around the world or $5,000,000,000 annually are unofficial container loads of textiles that are being smuggled into the country. Because domestic companies pay several taxes and customs duties, there is unfair competition because imported materials are less expensive than locally produced fabrics (Diogu, Nwigwe and Diogu, 2014). By officially legalizing importation, it is possible to eliminate the significant negative impact of smuggling on trade policy, which will lessen the loss experienced by the textile industry. Smuggling increased unemployment rates were seen throughout the nation, but mainly in the Northern and South-Western parts of the country, as a result of the textile industry's loss of its competitive advantage.

Recommendations

On the bases of the conclusions and implications, the following recommendations are advanced:

The Nigerian government through its legislators should review, and make some amendments, if necessary, the trade policies and reulations concerning the linen industry, taking into consideration the issues regarding the importation of raw materials more specifically for textile production, and putting strong and workable restrictions on smuggling of finished textile products from neighbouring countries.

The players in the idustry must consider the idea of establishing modern equipment and production facilities to improve the product quality for consumers' satisfaction. Local workers should also be exposed to relevant trainings to fully capacitate them and be qualified to handle the sensitive sections of the industry without heavily relying on the foreign workers. This will promote local manpower development and empoyment generation.

Textile industry in Nigeria has its strong economic potential and can help propel the country's socio-economic development. Hence, the government should create a business environment where investors would be encouraged to invest and engage in economic activities along the textile industry. In return, government should also provide incentives and benefits for those who will be involved in the industry.

In order to validate and confirm the findings derived from this study, the authors recommend that the same study be conducted elsewhere, or in countries where linen industries are recognized as the major players in the economy development.

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