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Chair of Sustainable Strategies for Business Leaders

Motivations for reshoring in the Italian Fashion Industry: an empirical investigation

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1. Introduction

The decision of where to locate manufacturing operations is a highly debated topic in international business and supply chain management (Jain et al., 2016). Offshoring strategies, often coupled with outsourcing decisions, have been a common approach to reduce costs and transfer risks and responsibilities to offshore subsidiaries and suppliers in the past (Manuj & Mentzer, 2008). However, recent evidence suggests a reversal of this trend, with some manufacturing companies bringing back their offshored production to their home countries (Fratocchi et al., 2014). This phenomenon, known as reshoring, has gained interest among scholars and managers alike, with a growing number of studies and consulting reports exploring this topic.

Over time, global supply chains have been extended over longer distances and become increasingly complex. Now pandemic, climate, infrastructure, and geopolitical disruptions are challenging the underlying rationale for globalization – including the value of offshoring. A convergence of forces in recent years has exposed serious weaknesses in global value chains: Covid-related factory and port lockdowns have stalled production and backlogged orders, Russia's invasion of Ukraine, intensifying US and EU competition with China, Iran nuclear tensions, and a growing package of global sanctions highlight to many countries the strategic costs of interdependence to national sovereignty. For companies, it points to the value of a more diversified manufacturing and supply base despite an apparent trade-off in efficiency. Add to this longer-term climate change impacts, from more frequent catastrophic weather events to incremental temperature and sea-level rise. Sustainability and net-zero imperatives will affect product costs for firms, their upstream suppliers, and downstream users, with the potential for cascading effects as less sustainable products become less economically justifiable. These trends in combination with more complex and leaner global supply chains converge to increase the likelihood of sudden, "black swan" disruption events and have elevated resilience as a supply chain priority across geographies and sectors (Lakner et al., 2022). According to Kearney's latest research (2023) on CEOs' strategic agendas, 96% of respondents are at least evaluating the potential of relocating their production facilities, and most have already decided to relocate or have already relocated, to broadly improve resilience and sustainability, and manage tariff, sanctions, or other compliance risks.

Nevertheless, research on reshoring is still relatively new compared to the vast body of literature on offshoring. Consequently, there is a pressing necessity to conduct further in-depth investigations into this phenomenon, to make valuable contributions to the body of scientific research. This urgency arises due to the limited number of empirical studies currently available, stressing the need for a more comprehensive and rigorous examination. Part of the extant literature directs its attention towards examining the motivations driving reshoring activities. However, there is a lack of analysis on the relationship between industry type and the motivations prompting companies to relocate their manufacturing operations. In particular, it is needed to understand the strength of the reshoring drivers based on the features of the industry in which the firm operates (Lampón & González-Benito, 2020; Barbieri et al., 2018).

Consequently, this study aims at deeply investigating the motivations that pushed Italian firms to pursue reshoring strategy, and at verifying if they are industry related. We have decided to focus our work on the fashion industry, as data show that in recent years companies belonging to this industry are rethinking their manufacturing location strategies, since supply chain disruptions, such as demand volatility, logistics jams and rising costs have made fast, flexible sourcing a top priority for them. This need has been demonstrated by the findings of a McKinsey survey that interviewed some companies' CPOs in 2021, by revealing that half the fashion companies interviewed have embarked on organizational transformations by reshuffling their sourcing-country mix, focusing on reshoring, to secure the supply chain. In particular, 71% of surveyed CPOs plan to increase their nearshoring share by 2025.

In order to achieve the objective presented above, we have formulated three research questions interested in understanding (i) from what reasons Italian fashion companies are driven to reshore, (ii) which are the main correlations between different motivations, and ultimately, (iii) providing a comparison with other industries regarding the importance given to the reshoring motivations. To pursue the research goals, three empirical analyses have been developed by exploring a sample of 95 Italian firms.

To address the first research question, we have computed the proportions of fashion companies that adopted reshoring for a particular motivation, to identify the most cited ones. The findings show that the "Made in Italy" effect is the primary motivation for reshoring for Italian companies in the fashion industry, and to higher the quality and Italian know-how are the second and third most important motivations. On the contrary, supply chain disruption, logistics costs, delivery time, distances between production and assembling or R&D, and sustainability, are not key reasons why fashion firms adopt a reshoring strategy in Italy.

To answer the second research question, we have conducted a correlation analysis, through the Pearson correlation test, to examine potential relationships among various motivations for reshoring within the fashion industry. It has resulted that "Made in Italy" effect, higher the quality and Italian know-how are positively correlated, indicating that companies aim to enhance customer perceived value by leveraging the reputation of Italian craftsmanship and attention to detail. The motivations related to cost-efficiency, such as supply chain disruption, increased costs in the host country, logistics costs, and raw material costs, are also positively correlated. Similarly, motivations for reducing delivery time, gaining higher control, and minimizing distances between production and assembly/R&D are correlated. Moreover, when companies are concerned about increasing sustainability, they are also worried about the increase in the host country's costs, logistics and raw material costs, as well as bringing the "know-how" back to Italy to promote cultural heritage and reduce carbon footprint. On the other hand, it has resulted a negative correlation between Italian know-how, increased costs in host country and supply chain disruption, and between higher the quality and increased costs in host country.

Finally, we performed a proportion test to respond to the third research question. This test has been applied to compare the frequencies of each motivation between two distinct groups: the fashion industry and the non-fashion industry. The findings highlight that the "Made in Italy" effect is more important for the fashion industry compared to others, and that product/process innovation is more relevant for other industries than

fashion, confirming that reshoring motivations are not industry-related, but that in the case of fashion industry, special emphasis is given to Made in Italy, as it is related to craftsmanship, quality, and tradition that characterizes this industry in Italy.
Therefore, this study contributes to the theoretical framework by providing findings on the connection between the fashion industry and motivations for reshoring, specifically in the Italian context, also offering a comparison with other industries.

This research is organized as follows: in Section 2, the existent literature on the topic is reviewed, and the research questions to be addressed are formulated. Section 3 presents the methodology, including data collection process and description, and the analysis developed to answer the questions. In Section 4, the empirical results are reported, while Section 5 is dedicated to the discussion of the results. Finally, in Section 6 conclusions, including theoretical contributions, managerial implications, limitations, and suggestions for future research, are presented.

2. Literature Review

2.1 Reshoring strategy

Reshoring strategy involves the returning of the production and manufacturing of goods to the company's original country. It is fundamentally a location decision (Ellram et al., 2013; Gray et al., 2013), and can be defined as the reversion of a previous offshoring decision (i.e., a second step choice) (Fratocchi et al., 2014), thereby "bringing manufacturing back home" (Gray et al., 2013), thus involving the relocation of production to the company's home country (back-reshoring) or home region (near-reshoring). The reshoring of activities is growing in practice and there is an imperative for academic research (Fratocchi et al., 2014).

Fratocchi et al. (2014) pointed out that research in reshoring is characterized by the lack of a shared definition, of a full understanding of the extent and causes of the phenomenon, and of a model that may help predict its future trends within the overall process and manufacturing internationalization. A certain number of definitions of "what" reshoring is can be found in the literature.

Some scholars suggest that while reshoring is essentially a manufacturing location decision, it can assume different forms. Defined as a location decision only, Gray et al. (2013) identified the following four possible manifestations or types of reshoring that clarify the seemingly different interpretations of what reshoring is: (a) *in-house reshoring*, in which a firm fulfills demand in its local market by relocating manufacturing activities being performed in wholly owned offshore facilities back to wholly owned domestic facilities; (b) *reshoring for outsourcing*, in which a firm fulfills demand in its local market by relocating manufacturing activities being performed in wholly owned offshore facilities back to domestic suppliers; (c) *reshoring for insourcing*, in which a firm fulfills demand in its local market by relocating manufacturing activities being performed by offshore suppliers back to wholly owned domestic facilities; and (d) *outsourced reshoring*, in which a firm fulfills demand in its local market by relocating manufacturing activities being performed by offshore suppliers back to domestic suppliers.

More recently, Bals et al. (2016) and Foerstl et al. (2016) enlarged this classification to include the cooperation alternative (e.g. joint ventures, strategic partnerships and long-term contracts) among the governance modes, thus identifying six alternatives, including the four previously proposed by Gray et al. (2013). Zhai et al. (2016) suggested differentiating reshoring decisions according to the target markets for products manufactured offshore; more specifically, they consider the following alternatives: home market, host market and regions around the home market.

2.2 Reshoring motivations

Reshoring is a relatively new trend, Kearney's latest CEOs survey (2023) indicates that 96% of CEOs are, at a minimum, evaluating the potential to reshore their operations, an increase from 78% in 2022, with most of them already having decided to reshore, or already reshored. Much of this activity is, directly and indirectly, consumer-driven with US consumers becoming far more comfortable with paying a premium price for

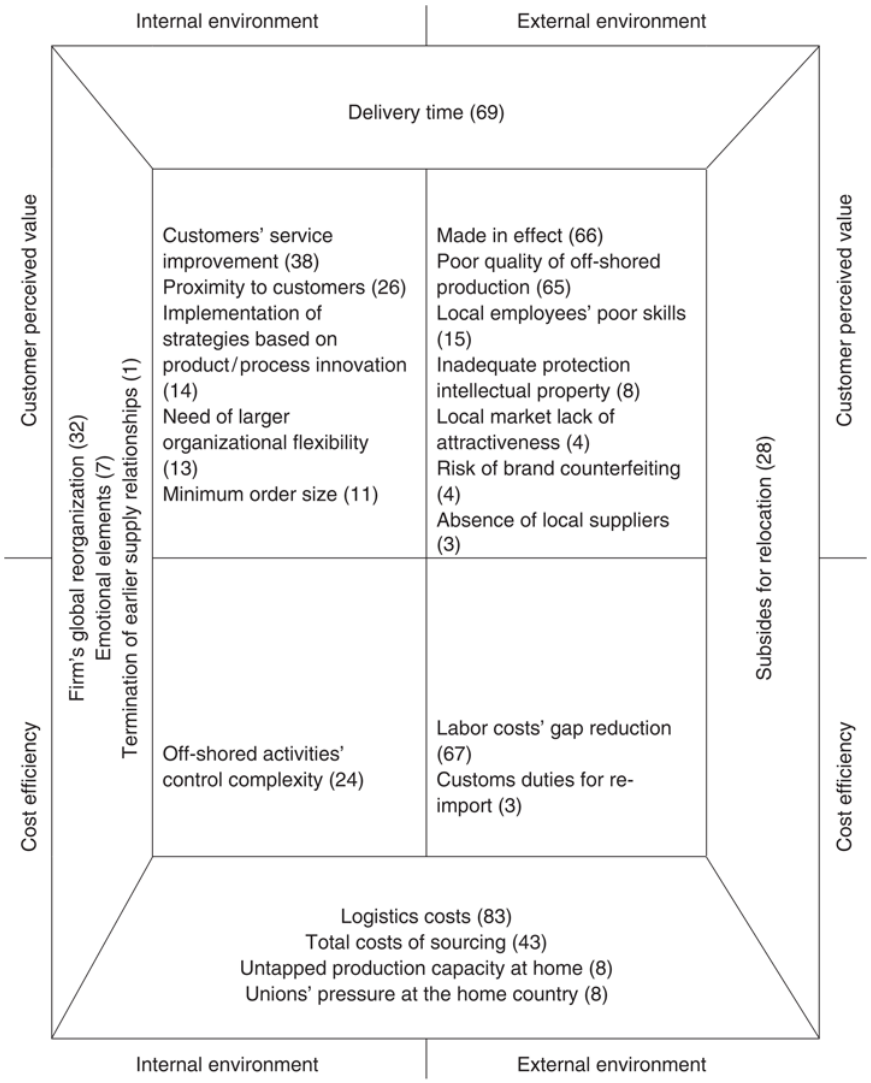
American-made products and increasingly concerned about companies' ESG stances, reducing carbon emissions, and countering human rights violations. Other factors boosting reshoring include new policies from government, and access to increasingly more affordable automation.

There is an extensive body of literature that examines the factors that influence manufacturing location decisions, with an emphasis on the reasons behind offshoring. However, in the last decade, numerous scholars have identified motivations for reshoring; but the interpretations of these motivations are often lacking in clear theoretical grounding, and many studies on this topic are merely descriptive.

Given the large number of motivations found in the extant literature, frameworks to classify and analyse them are clearly needed; with this in mind, distinct approaches were developed. According to Barbieri et al. (2018), the majority of scholars proposed grouping motivations into homogeneous categories, such as costs, quality and risks (Ellram et al., 2013; Zhai et al., 2016).

Zhai et al. (2016) investigated the industry distribution of reshoring companies and motivations for reshoring, based on 139 reshoring cases of American manufacturing companies from China, from the beginning of 2009 to the half of 2015. The results show that quality, instead of rising labour costs, is the primary single factor urging the relocation. Cost, as a group of factors is still the most important motivation for reshoring. The analysis shows that the companies reshored their business operations in different industries for the same motivations.

Among the theories on reshoring motivations, it is worth mentioning the study led by Fratocchi et al. (2016) that developed a framework, shown in Figure 1, for analysing reshoring motivations and they used it to conduct empirical research in different countries, verifying which kinds of motivations are prevalent. The framework was built upon the collection of motivations cited in the literature and the findings were obtained through the analysis of various cases. The framework classifies reshoring motivations based on two dimensions: the firm's strategic goal and the level of analysis. The strategic goal dimension includes either increasing customer-perceived value or improving cost-efficiency. The level of analysis dimension considers whether the concern is internal to the company or relates to the external environment. The analysis shows that a vast array of single drivers of reshoring can be extracted from extant literature, however, the interpretative framework highlights four main typologies of reshoring motivations, allowing for a sounder comprehension of why the phenomenon happens. The investigation also provides a comparison between the relative importance of these motivations, resulting in revealing that value-driven and country-specific motivations prevail over efficiency-driven and firm-specific ones.



Note: The number of cases which reported each motivation is highlighted within brackets

Figure 1*: Motivations for reshoring strategy: an interpretative framework (Fratocchi et al., 2016)*

Moreover, Fel & Griette (2017) conducted a study among 215 French firms in 2016, including 197 of them sourcing manufactured goods from China, to better understand the reasons for near-reshoring. They found that almost half of the companies sourcing in China chose over the past few years to near-reshore the supply of certain products initially purchased in China, and 10% plan to do so soon. The authors determine the main motivations for near-reshoring and show that companies having reshored are very satisfied in terms of product quality, responsiveness between order and delivery, and in terms of the total cost of ownership. More than half of the respondents think that the initial decision to offshore in China was justified, but it appears that change in commercial and financial terms with China is the first motivation explaining the reshoring movement from this country. Moreover, change in corporate strategy (upgrading, implementation of a CSR policy, which means dealing with more environmentally and socially responsible suppliers, implementation of "lean management", which means supplying from closer suppliers, etc.) is the second motivation for reshoring from China.

The reconfiguration of a company's supply chain strategy through the implementation of reshoring practices is not only motivated by cost reduction. Firms are starting to reconsider their manufacturing location decisions and their potential impact on value creation for customers, as well as their market position and overall competitive advantage. Indeed, according to an in-depth examination of the literature in the field (Barbieri et al., 2018), the decision to reshore is becoming more closely linked to its expected impact on customer value, which can be even more significant than efficiency reasons. From a customer-value perspective, the demand for higher levels of product quality than those provided by offshore production is increasingly what drives the relocation of industrial activities (Dachs et al., 2019). In particular, it has been suggested that customer perceptions of product quality will be higher after reshoring and that this effect may be also related to the "Made-in" or country-of-origin effect (Fratocchi et al., 2016).

A further examination has been developed to compare the motivations for reshoring among firms originating from different countries (Barbieri & Fratocchi, 2017). The research reveals that the most cited motivation by Italian companies that have implemented manufacturing reshoring strategies is the "Made-in" effect. In contrast, companies from Nordic countries highlighted the poor quality of outsourced work, European companies the long time it takes to receive goods, and North American companies the high logistics costs. Applying the theoretical framework proposed by Fratocchi et al. (2016), they show that in the different European aggregates, the focus is mainly on drivers related to the value perceived by the customer, while for North American firms, economic considerations prevail mainly.

More recently, there has been an increasing interest in exploring more deeply the motivations for reshoring, which has led several studies to analyse alternative factors beyond just cost reduction and customer-value increase. In particular, sustainability and innovation have emerged as critical factors to consider in the decision-making process of reshoring (Sudnick, 2020; Ancarani et al., 2019). Therefore, scholars have sought to investigate how these alternative motivations may impact firms' supply chain strategies and their competitiveness in the market.

Fratocchi & Di Stefano (2019) conducted research through an explorative approach to investigate "how" reshoring decisions are taken and implemented, and the findings show that environmental and social sustainability issues are increasingly acquiring certain relevance for the academic debate and managerial decisions. However, the analysis of selected literature and empirical evidence shows that neither scholars, nor firms' managers and entrepreneurs considered the environmental and social pillars of sustainability as the most relevant in terms of back-shoring drivers/motivations, outcome/benefit and/or barrier/enabler.

As for the topic of innovation, a link can be established between Industry 4.0, product innovation and re-shoring, as creating and reinforcing ecosystems can provide leverage for attracting manufacturing currently based offshore and providing a base for future technology development (Ancarani et al., 2019). As recent studies show, apart from the search for brand recognition tied to country-of-origin effects, the need to connect to advanced innovation ecosystems characterises backshoring from China (Ancarani et al., 2021).

2.3 Industry influence on reshoring motivations

As previously mentioned, drivers and motivations for reshoring have been widely explored in the existing literature, however, some authors suggested to further explore the role of the industry in the reshoring scenario.

The relationships between some features of the industries and reshoring have been analysed in recent literature, as emerges from Lampón & Lopéz (2021). In particular, Kinkel (2014) pointed out that firms in industries characterised by high complexity and extreme product customisation had a (comparatively) greater propensity to backshore. Martinez-Mora & Merino (2014) propose that backshoring motivations for outsourced and offshored greenfield backshoring can differ and may be industry related. However, this is not empirically confirmed, and no clear-cut distinction of motivation can be made. Fratocchi et al. (2016) noted that backshoring decisions implemented by Western companies are more frequent in industries that have been investing more in contract manufacturing, such as clothing and footwear, electronics, mechanical and furniture and home furnishing (UNCTAD, 2013). Firms belonging to other industries (e.g. pharmaceuticals) showed a lower frequency of such strategic decisions. The authors, for instance, explained this finding as the relatively greater irreversibility of location choices, due to the high investments required by some industries.

Moreover, Lampón & Lopéz (2021) conducted an analysis to explore the influence of the industry technology intensity on the drivers of manufacturing reshoring and found that drivers of backshoring are conditioned by the technology intensity of the industries. In industries with low-technology intensity, backshoring is a cost-oriented strategy and the drivers are linked to internal process optimisation and external factors related to labour and logistics costs in the host location. In industries with high-technology intensity, backshoring is mainly an innovation-oriented strategy and the key drivers are those related to the internal innovation capacity for improvement of the technological level of manufacturing processes.

Barbieri et al. (2018) stated that concerning the industry, the literature has clearly shown that reshoring strategies have been implemented in a broad set of manufacturing sectors; as such, reshoring is potentially of interest to a very large number of companies. However, the scarcity of quantitative research prevents any conclusive outcome regarding how industry-specific characteristics may impact the firm's propensity to reshore.

Authors, when proposing future research, explicitly point out the need to understand the strength of the reshoring drivers based on the features of the industry the firm operates into (Lampón & González-Benito, 2020), and that industry characteristics should be accounted for when studying the causality between drivers and reshoring outcome (Foerstl et al., 2016).

Moreover, it has been identified as a prominent research direction, the development and test of propositions linking the different typologies of reshoring motivations to company characteristics, including the governance modes (insourcing vs outsourcing), the firm size, the industry, the home and host countries, and the product/production process characteristics (Fratocchi et al., 2016).

2.4 Reshoring in the fashion industry

The literature examination conducted in this study reveals a lack of empirical research on the relationship between the industry - in which the firm that has reshored operates - and the different motivations for the reshoring decision. Therefore, the objective of this study is to pursue this research direction by giving prominence to reshoring in the fashion industry. The first step towards this goal is to undertake a further exploration of the theoretical advancements that have investigated the motivations driving fashion companies to relocate their manufacturing activities to their home country.

During the last two decades, or so, lead firms in apparel value chains have adopted a strategy of offshore outsourcing of the manufacturing process to a global network of suppliers (Pickles et al., 2015). Although this trend is likely to continue, the operational challenges and increasing costs in global supply chain management have prompted some firms to reconfigure their value chain activities, including facility relocation or changing supply bases back to their home country (Ancarani et al., 2015).

In recent years, supply chain disruptions, such as demand volatility, logistics jams and rising costs, have made fast, flexible sourcing a top priority for fashion companies. The results of a survey developed by McKinsey in 2021, drawing on the reflections of Chief Procurement Officers (CPOs) at 38 international brands and retailers, reveal that half the companies interviewed have embarked on organizational transformations by revamping their sourcing and design processes, together with their ways of working and their commercial priorities. These challenges are increasingly pushing fashion companies to adopt new strategies, and one of the trends observed is the reshuffling of the sourcing-country mix, focusing on reshoring, and particularly nearshoring, to secure the supply chain.

In Italy, reshoring is limited to a small set of industries compared to other geographical areas, and the fashion-related industries (apparel, textile, footwear, leather goods, and accessories) constitute the prevailing ones. This peculiarity could be explained on the basis of our country's high specialization in this production sector (Barbieri & Fratocchi, 2017).

This study aims to examine Italian firms operating in the fashion industry, since it has demonstrated a greater inclination towards the reshoring strategy than other ones in recent years, as noted by Barbieri & Fratocchi (2017). Moreover, there is still a considerable lack in literature regarding the theorised bond between the fashion industry and underlying patterns for reshoring, signalling a scarcity of empirical evidence.

To achieve this objective, the initial point that this analysis aims to investigate is whether any shared motivations drive Italian fashion industry firms to pursue reshoring, as well as to identify the main drivers behind this phenomenon. Accordingly, it was developed the following research question:

RQ1: What are the main motivations pushing Italian firms in the fashion industry to reshore?

According to Brun (2008) reshoring is an important strategic decision made by firms to establish and capitalize on the use of "country of origin" as a competitive base, especially in the fashion industry where consumers' increasing awareness of irresponsible sourcing decisions from MNE's is becoming an issue. Some UK high-

end apparel firms (e.g. Barbour, Burberry, and Mulberry) have reshored part of their key production processes to re-establish product authenticity/country of origin in response to a growing demand for British-made fashion. The brand appeal of "Made in Britain" or Britishness is a highly valuable marker of authenticity, superior quality, and an indicator of tradition in luxury fashion (Robinson & Hsieh, 2016).
From the analysis of Italian reshoring cases, emerges that the "Made-in" effect is the most important driver of reshoring (Barbieri & Fratocchi, 2017), and from research conducted by Fratocchi et al. (2016) the "Made-in" effect is the fourth most important motivation of reshoring decisions in their sample, confirming country of origin factors as particularly relevant in those industries (e.g. fashion, footwear) in which perceived quality plays a central role in consumer choices, and is more and more influenced by the real production location, especially for high-end segments.

The literature explored so far concurs that "Made-in" effect is a primary motivation for reshoring in the fashion industry. However, other theories suggest that the relocation decision may be influenced by additional factors.
The fashion market is characterized by four elements: short life cycles, high volatility, low predictability, and high impulse purchasing. The combined effect of these pressures provides a challenge to logistics management. Traditional ways of responding to customer demand have been forecast-based, with the resultant risk of overstocked or understocked situations. The growing tendency to source products and materials off-shore has led in many cases to significantly longer lead times. The delays and variability caused by internal processes at both ends of the chain, as well as the import/export procedures in between, result in longer "pipelines" with more inventory in them with the consequent risks of obsolescence (Christopher et al., 2004).
A domestic manufacturing strategy offers the benefit of shorter lead times, resulting from the reduced requirements for communication and transportation. This advantage may be a key reason why apparel firms pursue this strategy, especially given the unpredictability of demand.

To provide a more detailed analysis, the present research seeks to examine the presence of correlated motivations that drive fashion firms to reshore. This objective resulted in the formulation of the following research question:

RQ2: What is the correlation among the motivations that pushed Italian firms in the fashion industry to reshore?

An organization adopts reshoring strategy for multiple parallel reasons, and there might be a correlation among these drivers, implying a relationship between different motivations. As proposed by Fratocchi et al. (2016)'s framework, motivations are classified into efficiency driven and perceived-value driven categories. Motivations belonging to these two groups can be interrelated, and an organization might choose the reshoring strategy because of two or more motivations belonging to the same category.
Moreover, it has been shown that some firms reshore because they recognise the benefits of co-location of design/R&D and manufacturing and its impact on innovation. Thus, it has been shown a correlation between innovation, quality, and R&D/manufacturing location (Fratocchi et al., 2015). The relationship between

innovation and quality is also demonstrated by Ancarani et al. (2019) that highlight that the adoption of new technologies by firms that compete on quality is more likely when they are involved in product innovation.

As previously mentioned, while the majority of recorded cases of reshoring in Italy originate from the fashion industry, other sectors have also adopted this practice, and it is interesting to investigate the differences in the motivations that prompted companies in different sectors to reshore, since there is a lack of empirical evidence. Therefore, the study attempts to draw a comparison between the fashion industry and other sectors in terms of reshoring motivations, in order to determine whether there exists a correlation between industry type and motivations, and to verify whether the drivers are industry-specific. Accordingly, the following research question was elaborated:

RQ3: Are the motivations for reshoring more important for Italian firms in the fashion industry than in other industries?

As previously mentioned, the underlying factors driving the decision to bring back previously outsourced or offshored manufacturing operations, may vary depending on the industry type (Martinez-Mora & Merino, 2014).

According to Lampón and Lopéz (2021) statement, there exists a correlation between the factors that prompt companies to consider reshoring and the characteristics of the industry in which they operate. Specifically, the drivers of backshoring are influenced by the level of technological intensity in a given industry. In industries characterized by low technological intensity, the decision to reshore is largely driven by cost considerations, with a focus on optimizing internal processes and minimizing labour and logistics costs in the host location. In contrast, in high technological intensity industries, the primary motivation for backshoring is centred around innovation.

Finally, Fratocchi et al. (2016) have observed that country of origin factors that drive companies to reshore are particularly relevant in those industries in which perceived quality plays a central role in consumer choices and, it is increasingly influenced by the production location.

3. Methodology

3.1 Data collection and description

In order to address the research questions, it has been created a dataset consisting of 95 reshoring cases of Italian firms, based on data collected during February and March 2023.

The data collection process started by extracting a series of articles from Italian newspapers, both national and local publications, spanning from 2017 to 2022. A software was used to select these articles based on the presence of the terms "reshoring", "backshoring", and "nearshoring" in their content.

Subsequently, an in-depth examination of these collected articles has been conducted with the aim of investigating cases of reshoring among Italian companies and clarifying the underlying motivations that prompted the adoption of this strategy. Although all articles contained the term "reshoring", only a limited number of them provided relevant insights into company cases. As a result, a substantial part of the research effort involved the evaluation and elimination of articles that were not in line with the desired objectives.

Following the screening of the articles, a total of 82 reshoring cases of Italian companies have been identified. Furthermore, the research has been augmented by the inclusion of 13 additional cases sourced from the dataset developed by the European Reshoring Monitor, a Eurofound research project undertaken between 2015 and 2018. As a result, the dataset includes a total of 95 cases of Italian companies involved in reshoring activities in the period between 2007 and 2022.

For each identified case, extensive analysis has been conducted to explore the motivations that pushed the company to reshore, as documented within the articles. These motivations have been organized in different columns of an Excel table, in which it has been used a binary coding system, where the value "1" indicates that a particular motivation influenced the company's decision to pursue reshoring, while the value "0" indicates the absence of that reason.

This process has been repeated for each case examined, resulting in the selection of 14 prevailing motivations, which appeared repeatedly in several cases, thus highlighting their importance in the reshoring decision. Finally, we have constructed a dataset consisting of 95 rows, representing the firms identified, 14 columns corresponding to the reshoring motivations, and at the intersection between each row and column, cells containing "0" or "1", depending on the specific case.

The 14 reshoring motivations that have been identified are the following:

- **Motivation 1**: *"Made in Italy" effect* - Italian companies opting for reshoring can take advantage of the "Made in Italy" label, which has a positive impact on consumer perception and brand value. The association of the brand with Italian tradition and craftsmanship enhances the value attributed to the brand and reinforces positive consumer sentiment.

- **Motivation 2**: *Increased costs in host country* - Some companies have made the strategic decision to relocate their operations to Italy because of rising costs in the host country to which they had previously transferred. These rising costs include various factors, such as logistics and raw material costs.

- **Motivation 3**: *Product/Process innovation/Industry 4.0* - Several companies have demonstrated a propensity to return to Italy as a means of implementing innovative strategies. This includes initiatives such as the establishment of new plants within the country, as well as the automation of processes or the introduction of new technologies and product innovations.

- **Motivation 4**: *Supply chain disruption* - A significant motivation for reshoring is to mitigate supply chain disruptions, mainly resulting from the fragmentation of the supply chain over several territories. Relocation of production facilitates the development of a more resilient supply chain by improving flexibility, coordination, and responsiveness to unforeseen events, thus reducing associated risks.

- **Motivation 5**: *To bring the "know-how" back to Italy* - Another key driver for reshoring decisions is the intention to reintegrate valuable know-how back into Italy. This includes the whole set of Italian technical and production skills, which had previously been transferred abroad, as a result of delocalization.

- **Motivation 6:** *Italian know-how* - Some companies have chosen to reshore their operations in Italy in order to leverage and capitalize on locally available know-how, i.e. Italian technical and production skills.

- **Motivation 7**: *To increase sustainability* - Some reshoring decisions are driven by the objective of enhancing sustainability. By shortening supply chains, companies can reduce CO_2 emissions associated with transport, long-distance shipping and production processes that are not directly under their control.

- **Motivation 8**: *To higher the quality* - Many companies choose to relocate because of the lower quality of the products manufactured abroad. This allows them to exercise greater control over quality and raise their standards.

- **Motivation 9**: *Increased logistics costs* - A relevant factor influencing the decision to relocate for many firms is the increase in logistics costs, in particular transportation expenses, that include fuel prices, shipping costs, customs duties and taxes. These costs tend to rise with increasing distances in the supply chain.

- **Motivation 10**: *To have higher control* - Certain companies pursue relocation strategies to achieve greater control over their overall production processes, including materials, suppliers, quality and the ability to adapt production more effectively to meet consumer demands. Such control is often difficult to achieve when operations are carried out in foreign countries.

- **Motivation 11**: *Increased raw material costs* - Recent global developments, including the pandemic and geopolitical events, have caused a significant rise in the prices of raw materials. While raw material cost

savings were among the main drivers for the offshoring decision, companies are now choosing to return to their home country to mitigate the risks associated with price fluctuations.

- **Motivation 12**: *Independence from other countries* - Companies are pushed to repatriate their activities to avoid dependency on foreign countries. This motivation is particularly important to reduce risks from unpredicted events, such as pandemics and conflicts, which have shown the potential to disrupt entire nations.

- **Motivation 13**: *To reduce distances between production and assembling/R&D* - A significant factor driving relocation decisions is the desire to minimize distances between production facilities, product assembly and R&D units. The proximity of these units reduces negative impacts on final quality, time efficiency and innovation.

- **Motivation 14:** *Delivery time* - Delocalized production and distant suppliers may cause delays in delivery times. Therefore, some companies opt for reshoring to maintain closer proximity to end consumers, ensuring quality service and meeting demands for fast shipments.

Furthermore, the 95 companies analysed have been grouped in 13 industries: *Automotive, Consumer Goods, Electronics, Energy, Engineering/Mechanical, Fashion, Financial Services, Food and Beverage, Furniture, Medical and Healthcare, Textile, ICT,* and *Other* (including *Beauty and Cosmetics, Chemical, Glass, Logistics, Metallurgical, Pharmaceutical* and *Sport,* that present only one case each). **Table 1** shows the quantity of identified reshoring cases for each industry presented.

Industry	# Reshoring cases
Automotive	4
Consumer Goods	3
Electronics	6
Energy	5
Engineering/Mechanical	16
Fashion	32
Financial Services	2
Food and Beverage	2
Furniture	5
ICT	4
Medical and Healthcare	3
Textile	6
Other	7
Total	**95**

Table 1: *Number of Italian reshoring cases by industry in the sample analysed*

The largest number of reshoring cases of Italian companies from 2007 to 2022, collected in this dataset, has been recorded in the Fashion industry (#32), and in the Engineering/Mechanical industry (#16). Following,

there are Textile (#6) and Electronics (#6), Energy (#5) and Furniture (#5), Automotive (#4) and ICT (#4), Consumer Goods (#3) and Medical and Healthcare (#3), Financial Services (#2) and Food and Beverage (#2), and, finally, Others (#7), which groups 7 cases in different industries.

The prevalence of cases found in the Fashion industry confirms the analysis of Barbieri & Fratocchi (2017) and justifies this research's aim on investigating reshoring in that industry.

3.2 Data analysis

Following the construction of the dataset, three distinct quantitative analyses have been developed to answer the research questions. The first two analyses focus exclusively on the fashion industry-related cases, consisting of 32 companies. Accordingly, the dataset has been filtered to include only relevant data on fashion industry firms.

The first research question has been investigated through an analysis performed by counting the number of fashion companies reporting a certain motivation, compared to the total number of cases. This count has been conducted for all 14 motivations included in the dataset, with the aim of identifying the most cited motivations by fashion companies when implementing reshoring strategy.
Subsequently, percentages have been computed for each motivation, reflecting the proportion of fashion companies that adopted reshoring for a particular reason. Then, the results have been represented graphically using a Pareto diagram, which is based on the 80/20 principle, stating that about 20% of the causes account for 80% of the effects.

In order to address the second research question, a correlation analysis has been conducted to examine potential relationships among various motivations for reshoring within the fashion industry. Specifically, the Pearson correlation test has been used to assess the strength and direction of linear relationships between continuous variables.
Pearson's correlation coefficient ranges from "-1" to "+1", with a value of "-1" indicating perfect negative correlation (i.e., as one variable increases, the other decreases), a value of "+1" indicating perfect positive correlation (i.e., as one variable increases, the other also increases), and a value of "0" denoting no correlation between the variables. It is assumed that the variables follow a normal distribution and exhibit a linear relationship.
By calculating the mean and standard deviation for all the motivations considered and determining the Pearson correlation coefficients, a correlation matrix has been generated. This matrix provides insight into the extent and significance of correlations among different motivations, helping to determine whether significant correlations exist and to what extent they manifest.

Finally, the analysis to respond to the third research question involved the performance of a proportion test, which has been used to compare two proportions and verify whether they differ significantly. This test has been applied to compare the frequencies of each motivation between two distinct groups: the fashion industry

and the non-fashion industry. Specifically, all companies within the dataset belonging to industries other than fashion, have been grouped into the "non-fashion" group, accounting for a total of 63 cases. Afterwards, the frequencies of each motivation within both groups and their respective proportions have been calculated and it has been assessed for each motivation whether the disparity in proportions between the two groups could be considered statistically significant. The analysis aims to test if there are significant differences in the prevalence of motivations for reshoring between fashion and non-fashion firms.

4. Empirical Results

4.1 Main motivations for reshoring in the Italian fashion industry

The analysis to answer the first research question has produced the results shown in **Table 2**, represented in a Pareto diagram, as it has been previously anticipated.

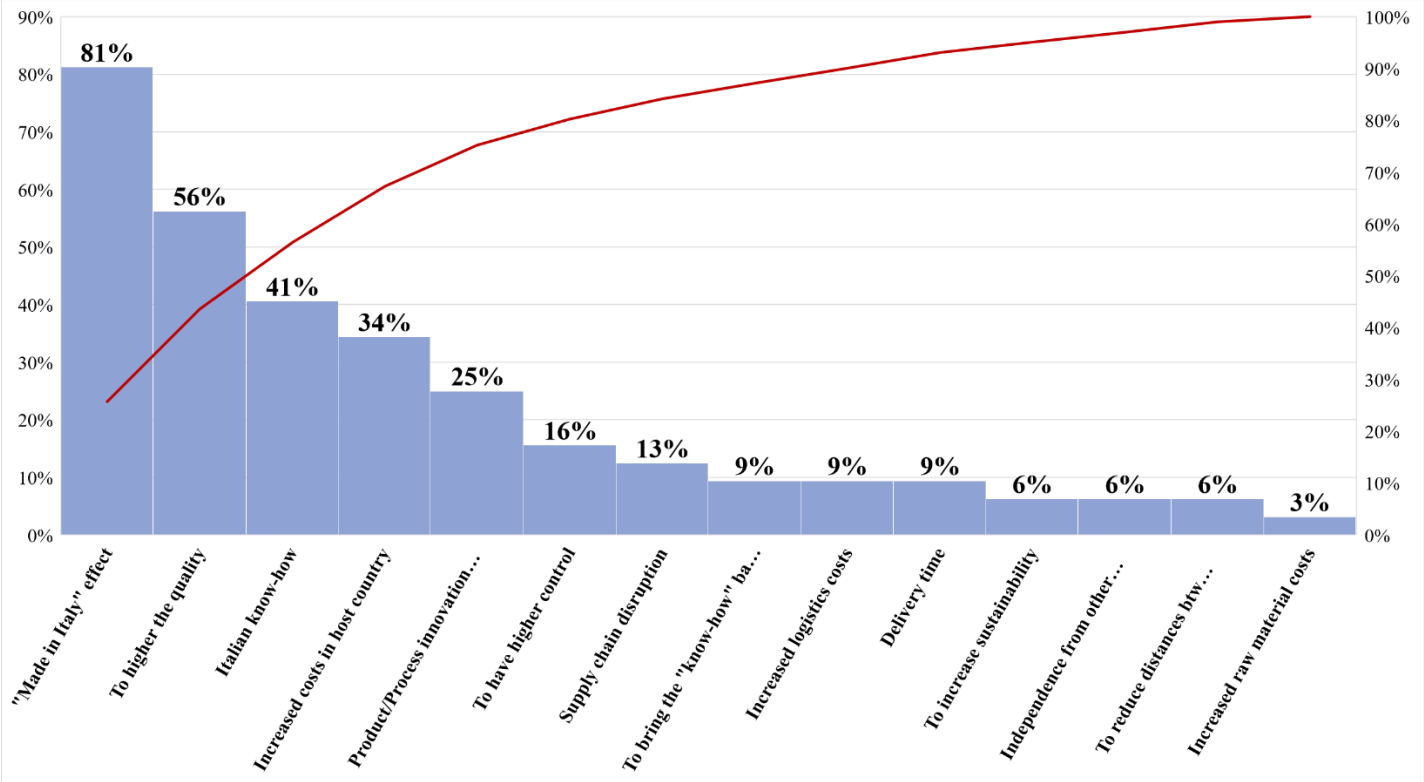


***Table 2**: Research question 1 - What are the main motivations pushing Italian firms in the fashion industry to reshore?*

The diagram exhibits that the 81% of the Italian fashion companies included in the dataset, have pursued reshoring for the "Made in Italy effect", which thus emerges as the main motivation, and can be considered the main driver for reshoring in the Italian fashion industry, being clearly the most considered by the companies that opt for the reshoring strategy compared to other reasons. The Pareto diagram is based on the 80/20 principle, indeed, in this case, it represents that about 20% of the motivations are considered by 80% of the companies, as can be observed from the curve in the graph.

The second and third most important motivations are "to higher quality", which has been mentioned by the 56%, slightly more than half of the companies in the sample, and to leverage on locally available know-how, "Italian know-how", cited by 41% of them. Therefore, these motivations can be considered quite relevant.

Moreover, the 34% has been pushed to reshore due to the "costs' increase in the host country" where the companies had previously delocalized, and the 25% for making "innovations in the processes or products", also considering the development of Industry 4.0, representing not particularly fundamental reasons.

Motivations that have been mentioned by about the 10-15% of the firms, thus of minor importance for the sample analysed, are “to have higher control” (16%), “supply chain disruption” (13%), “to bring the know-how back to Italy” (9%), “increased logistics costs” (9%), and “delivery time” (9%).

Finally, it has emerged from the results that Italian fashion companies are not interested much in “increasing sustainability” (6%), being “independent from other countries” (6%), “reducing distances between production and assembling/R&D” (6%), and “increase in raw materials costs” (3%).

4.2 Correlation between different motivations in the Italian fashion industry

From the Pearson correlation test, developed to address the second research question, it has emerged that there is a significative correlation among some motivations included in the dataset for the Italian fashion companies, as it is represented in **Table 3**.

Correlation Matrix (Pearson) :

Variables	"Made in Italy" effect	Increased costs in host country	Product/Process innovation/Industry 4.0	Supply chain disruption	To bring the "know-how" back to Italy	Italian know-how	To increase sustainability	To higher the quality	Increased logistics costs	To have higher control	Increased raw material costs	Independence from other countries	To reduce distances between production and assembling/R&D	Delivery time
"Made in Italy" effect	**1**	-0.158	-0.092	0.182	0.155	**0.397****	0.124	**0.383****	-0.120	-0.014	0.086	-0.207	0.124	0.155
Increased costs in host country	-0.158	**1**	0.190	**0.522*****	0.219	**-0.464*****	**0.356****	**-0.422****	**0.444****	-0.130	0.248	0.085	-0.187	-0.233
Product/Process innovation/Industry 4.0	-0.092	0.190	**1**	0.000	0.309*	-0.184	0.149	-0.218	0.062	-0.248	-0.104	-0.149	-0.149	-0.186
Supply chain disruption	0.182	**0.522*****	0.000	**1**	0.203	-0.312*	0.293	-0.048	**0.526*****	-0.163	**0.475*****	-0.098	-0.098	-0.122
To bring the "know-how" back to Italy	0.155	0.219	0.309	0.203	**1**	-0.048	**0.359****	-0.149	0.264	0.157	-0.058	-0.083	**0.359****	0.264
Italian know-how	**0.397****	**-0.464*****	-0.184	-0.313	-0.048	**1**	-0.214	**0.472*****	-0.266	-0.005	-0.149	0.049	0.312*	**0.388****
To increase sustainability	0.124	**0.356****	0.149	0.293	**0.359****	-0.214	**1**	-0.033	**0.359****	-0.111	**0.695*****	-0.067	-0.067	-0.083
To higher the quality	**0.383****	**-0.422****	-0.218	-0.048	-0.149	**0.472*****	-0.033	**1**	-0.149	-0.141	0.158	-0.033	0.228	0.068
Increased logistics costs	-0.120	**0.444****	0.062	**0.526*****	0.264	-0.266	**0.359****	-0.149	**1**	0.157	**0.558*****	-0.083	-0.083	-0.103
To have higher control	-0.014	-0.130	-0.248	-0.163	0.157	-0.005	-0.111	-0.141	0.157	**1**	-0.077	-0.111	0.244	**0.452*****
Increased raw material costs	0.086	0.248	-0.104	**0.475*****	-0.058	-0.149	**0.695*****	0.158	**0.558*****	-0.077	**1**	-0.046	-0.046	-0.058
Independence from other countries	-0.207	0.085	-0.149	-0.098	-0.083	0.049	-0.067	-0.033	-0.083	-0.111	-0.046	**1**	**0.466*****	**0.359****
To reduce distances between production and assembling/R&D	0.124	-0.187	-0.149	-0.098	**0.359****	0.312	-0.067	0.228	-0.083	0.244	-0.046	**0.466*****	**1**	**0.802*****
Delivery time	0.155	-0.233	-0.186	-0.122	0.264	**0.388****	-0.083	0.068	-0.103	**0.452*****	-0.058	**0.359****	**0.802*****	**1**

Values in bold are different from 0 with a significance level alpha=0.05

*** p-value < 0.01 , ** p-value < 0.05 , * p-value < 0.1 , italic values are not significant

Table 3: *Research question 2 - What is the correlation among the motivations that pushed Italian firms in the fashion industry to reshore?*

The results show a significant positive correlation, meaning that the company was driven to opt for reshoring by more motivations jointly, between the motivations "to higher the quality" and "Italian know-how" (coef. = 0.472, *p*-value < 0.01), "to higher the quality" and "Made in Italy effect" (coef. = 0.383, *p*-value < 0.05), and "Italian know-how" and "Made in Italy effect" (coef. = 0.397, *p*-value < 0.05). These correlations are aligned with the company's objective of increasing the perceived value of its products through reshoring.

Moreover, it has emerged that when companies are pushed to reshore for "supply chain disruption", they also consider "increased costs in the host country" (coef. = 0.522, *p*-value < 0.01), "increased logistics costs" (coef. = 0.526, *p*-value < 0.01), and "increased raw material costs" (coef. = 0.475, *p*-value < 0.01). Consequently, there is a positive correlation between "increased raw material costs" and "increased logistics costs" (coef. = 0.558, *p*-value < 0.01), and "increased logistics costs" and "increased costs in host country" (coef. = 0.444, *p*-value < 0.05). In addition, the results highlight that when companies are worried about reducing "delivery time", they also are interested in "to have higher control" (coef. = 0.452, *p*-value < 0.01), "to reduce distances between production and assembling/R&D" (coef. = 0.802, *p*-value < 0.01), "to be independent from other countries" (coef. = 0.359, *p*-value < 0.05). Another positive correlation resulted between "to reduce distances between production and assembling/R&D" and "independence from other countries" (coef. = 0.466, *p*-value < 0.01). This group of correlations can be associated with the aim of the companies at improving cost-efficiency.

Furthermore, it has emerged that companies interested in "increasing sustainability" through reshoring, at the same time consider "increased raw material costs" (coef. = 0.695, *p*-value < 0.01), "increased costs in host country" (coef. = 0.356, *p*-value < 0.05), "to bring the "know-how" back to Italy" (coef. = 0.359, *p*-value < 0.05), and "increased logistics costs" (coef. = 0.359, *p*-value < 0.05).

Finally, there have been found other positive correlations. "To bring the "know-how" back to Italy" resulted positively correlated with "to reduce distances between production and assembling/R&D" (coef. = 0.359, *p*-value < 0.05), and "product/process innovation/Industry 4.0" (coef. = 0.309, *p*-value < 0.1). "Italian know-how" turned out to be positively correlated with "delivery time" (coef. = 0.388, *p*-value < 0.05), and with "to reduce distances between production and assembling/R&D" (coef. = 0.312, *p*-value < 0.1).

Conversely, the following variables have resulted negatively correlated, meaning that when the company was moved by a specific motivation, has not considered the other one as relevant: "Italian know-how" and "increased costs in host country" (coef. = -0.464, *p*-value < 0.01), "to higher the quality and increased costs in host country" (coef. = -0.422, *p*-value < 0.05), and "Italian know-how" and "supply chain disruption" (coef. = -0.312, *p*-value < 0.1).

4.3 Reshoring motivations' comparison between Italian fashion and non-fashion companies

From the proportion test developed to respond to the third research question, it has resulted that there are significant differences (p-value < 0.01) between companies in the fashion and non-fashion industries only for the relevance given to "Made in Italy effect" and "Product/Process innovation/Industry 4.0" motivations, as it is shown in **Table 4**.

Independent-Samples Proportions Tests

Test Type		Difference in Proportions	Asymptotic Standard Error	Z	Significance One-Sided p	Significance Two-Sided p
"Made in Italy" effect = Made	Wald	0.336	0.093	3.601	0.000	0.000
	Wald H0	0.336	0.093	3.149	0.001	**0.002**
Increased costs in host country = 1	Wald	0.026	0.102	0.257	0.399	0.797
	Wald H0	0.026	0.102	0.258	0.398	0.796
Product/Process innovation/Industry 4.0 = 1	Wald	-0.290	0.099	-2.926	0.002	0.003
	Wald H0	-0.290	0.099	-2.687	0.004	**0.007**
Supply chain disruption = 1	Wald	-0.050	0.076	-0.657	0.256	0.511
	Wald H0	-0.050	0.076	-0.627	0.265	0.531
To bring the "know-how" back to Italy = 1	Wald	-0.097	0.071	-1.354	0.088	0.176
	Wald H0	-0.097	0.071	-1.222	0.111	0.222
Italian know-how = 1	Wald	0.057	0.106	0.540	0.294	0.589
	Wald H0	0.057	0.106	0.545	0.293	0.586
To increase sustainability = 1	Wald	-0.064	0.060	-1.076	0.141	0.282
	Wald H0	-0.064	0.060	-0.968	0.167	0.333
To higher the quality = 1	Wald	0.039	0.108	0.358	0.360	0.720
	Wald H0	0.039	0.108	0.357	0.360	0.721
Increased logistics costs = 1	Wald	-0.065	0.069	-0.940	0.174	0.347
	Wald H0	-0.065	0.069	-0.871	0.192	0.384
To have higher control = 1	Wald	0.045	0.075	0.599	0.275	0.549
	Wald H0	0.045	0.075	0.626	0.266	0.531
Increased raw material costs = 1	Wald	-0.048	0.046	-1.049	0.147	0.294
	Wald H0	-0.048	0.046	-0.911	0.181	0.362
Independence from other countries = 1	Wald	-0.112	0.064	-1.747	0.040	0.081
	Wald H0	-0.112	0.064	-1.503	0.066	0.133
To reduce distances between production and assembling/R&D = 1	Wald	-0.112	0.064	-1.747	0.040	0.081
	Wald H0	-0.112	0.064	-1.503	0.066	0.133
Delivery time = 1	Wald	-0.081	0.070	-1.150	0.125	0.250
	Wald H0	-0.081	0.070	-1.051	0.147	0.293

Values in bold are significant

Independent-Samples Proportions Group Statistics

IndustryN		Successes	Trials	Proportion	Asymptotic Standard Error
"Made in Italy" effect = Made	= Fashion	26	32	**0.813**	0.069
	= Non-Fashion	30	63	**0.476**	0.063
Increased costs in host country = 1	= Fashion	11	32	0.344	0.084
	= Non-Fashion	20	63	0.317	0.059
Product/Process innovation/Industry 4.0 = 1	= Fashion	8	32	**0.250**	0.077
	= Non-Fashion	34	63	**0.540**	0.063
Supply chain disruption = 1	= Fashion	4	32	0.125	0.058
	= Non-Fashion	11	63	0.175	0.048
To bring the "know-how" back to Italy = 1	= Fashion	3	32	0.094	0.052
	= Non-Fashion	12	63	0.190	0.049
Italian know-how = 1	= Fashion	13	32	0.406	0.087
	= Non-Fashion	22	63	0.349	0.060
To increase sustainability = 1	= Fashion	2	32	0.063	0.043
	= Non-Fashion	8	63	0.127	0.042
To higher the quality = 1	= Fashion	18	32	0.563	0.088
	= Non-Fashion	33	63	0.524	0.063
Increased logistics costs = 1	= Fashion	3	32	0.094	0.052
	= Non-Fashion	10	63	0.159	0.046
To have higher control = 1	= Fashion	5	32	0.156	0.064
	= Non-Fashion	7	63	0.111	0.040
Increased raw material costs = 1	= Fashion	1	32	0.031	0.031
	= Non-Fashion	5	63	0.079	0.034
Independence from other countries = 1	= Fashion	2	32	0.063	0.043
	= Non-Fashion	11	63	0.175	0.048
To reduce distances between production and assembling/R&D = 1	= Fashion	2	32	0.063	0.043
	= Non-Fashion	11	63	0.175	0.048
Delivery time = 1	= Fashion	3	32	0.094	0.052
	= Non-Fashion	11	63	0.175	0.048

Table 4: *Research question 3 - Are the motivations for reshoring more important for Italian firms in the fashion industry than in other industries?*

In particular, "Made in Italy effect" has resulted more important for fashion companies, having been cited by 81% of the companies in this group, whereas it is important for just the 47% of the firms in other types of industries in the sample.

On the other hand, the reason for developing or intending to develop an "innovation in the products or processes in relation to Industry 4.0", is considered more relevant for the companies belonging to industries different than fashion, included in the sample considered. Indeed, 54% of these companies have mentioned this motivation in their reshoring case, whereas only the 25% of fashion companies have considered this reason as relevant. These results suggest that, in these two cases, reshoring motivations' relevance can be considered industry-related, and thus could be linked to the specific characteristics and needs of the industry considered.

5. Discussion

The aim of this study, as previously mentioned, is to deeply investigate the motivations that pushed Italian firms to pursue reshoring strategy, and to verify if they are industry-related. In order to achieve this objective, the research is particularly focused on the fashion industry by analysing in-depth what reasons drive companies to reshore, and ultimately, providing a comparison with other industries.

The main findings generated by the first analysis show that "Made in Italy" effect is the primary motivation for reshoring for Italian companies in the fashion industry. This result confirms the evidence presented in other studies, that have analysed companies belonging to different industries, where it has emerged that "Made-in" effect is the most important reshoring driver, in particular for those industries for which perceived value is fundamental in customers' choices. Indeed, the decision to reshore is becoming more closely linked to its expected impact on customer value, which can be even more significant than efficiency reasons. From a customer-value perspective, the demand for higher levels of product quality than those provided by offshored production is increasingly what drives the relocation of industrial activities. Customer perceptions of product quality will be higher after reshoring and this effect may be also related to the "Made-in" or country-of-origin effect (Barbieri & Fratocchi, 2017; Barbieri et al., 2018; Dachs et al., 2019; Fratocchi et al., 2016). Moreover, for fashion companies' consumers, increasing awareness of irresponsible sourcing decisions is becoming an issue (Brun, 2008). It has been previously demonstrated that companies have reshored part of their key production processes to re-establish product authenticity/country of origin in response to a growing demand for fashion made in the country of origin. The production in the home country is a highly valuable marker of authenticity, superior quality, and indicator of tradition in luxury fashion (Robinson & Hsieh, 2016).

This is particularly true for the Italian context where "Made in Italy" is crucial for companies, as it represents their commitment to quality, craftsmanship, unique design, and heritage. It helps them maintain a strong market position, attract customers, and set premium prices for their products.

The findings of this analysis demonstrate that higher the quality and Italian know-how are the second and third most important motivations for reshoring among the group of companies studied, hence, these results are consistent with Zhai et al. (2016), for which quality is the primary single factor urging the relocation, and with the theories on Made in Italy effect, as they are closely related, being higher quality an effect of Made in Italy production and of the availability and usage of Italian techniques and skills.

Therefore, theoretical developments agree that increasing customer perceived value is the most relevant reason for reshoring for companies in the fashion industry, and that this could be increased thanks to the "Made in Italy" label, that consequently increases the real and perceived quality.

Thus, by applying the framework developed by Fratocchi et al. (2016), it is possible to notice that our findings are aligned with their ones, namely that value-driven prevail over efficiency-driven motivations.

On the contrary, the findings highlight that supply chain disruption, logistics costs, delivery time, and distances between production and assembling or R&D, are not key reasons why fashion firms adopt a reshoring strategy.

Therefore, the results fail in supporting theories for which logistics issues and delivery time are key reasons why apparel firms continue to pursue a domestic manufacturing strategy, because it can shorten lead times, being a key advantage for fashion companies, given the unpredictability of demand (Christopher et al., 2004). The reason behind the difference between the empirical and theoretical evidence could be identified in the fact that Christopher et al. (2004)'s research is not based on Italian cases, but it studied the characteristics of the industry in general.

Moreover, the empirical evidence reveals that the increase in host country's costs represents a relevant motivation only for a third of companies, thus, even though it is not shared by the majority of firms, it could be relevant, particularly for those companies who opted for reshoring, since costs are continuing to rise in this period, due to the pandemics and geo-politics developments. This could become a motivation for companies that will adopt this strategy in the coming years. In addition, the results show that the increase in logistics costs is more relevant than the increase in raw material costs, even if both of them have overall resulted to be not very important, but this could be caused by the non-specification of costs by the companies in the sample. According to some theories, cost increase is a primary motivation for reshoring (White & Borchers, 2016; Fel & Griette, 2017; Zhai et al., 2016). However, our results are conflicting with these findings, and this may be attributed to the fact that these studies are not focused on the fashion industry, for which cost increases are not the primary concern.

Our findings also reveal that sustainability, which according to theoretical developments is an important factor that brings advantages for reshoring (Sudnick, 2020), it is not fundamental in reshoring choices for fashion companies, reaffirming the results of Fratocchi & Di Stefano (2019), that have found that neither scholars, nor firms' managers and entrepreneurs considered the environmental and social pillars of sustainability as the most relevant in terms of back-shoring motivations.

Therefore, our analysis contributes to theoretical developments in providing empirical findings that specifically represent the drivers for reshoring in the Italian fashion industry.

The main findings from the second analysis highlight that some motivations are jointly considered by fashion companies when deciding for reshoring.

It has resulted that "Made in Italy" effect, higher the quality and Italian know-how are positively correlated, thus when one increases, the others increase too. They can be referred to the firms' interest in increasing customer perceived value, as Fratocchi et al. (2016) have also outlined in their framework. It is possible to confirm that by relocating in Italy, fashion companies aim at preserving quality standards, craftsmanship and attention to details for which Italian fashion is known, and this is possible by leveraging the Italian know-how, as knowledge and expertise accumulated over generations, traditional craftsmanship techniques, innovative production methods, and specialized skills, that contribute to the overall quality of the products. Moreover, many Italian fashion brands have built their reputation on the image of superior quality associated with the "Made in Italy" label. Reshoring production helps protecting and reinforcing this reputation by aligning manufacturing processes with the brand's values, craftsmanship, and commitment to excellence.

By applying Fratocchi et al. (2016)'s framework, it is also possible to justify that those motivations aiming at improving cost-efficiency are positively correlated. Indeed, it has emerged that when companies are moved by supply chain disruption they consider at the same time the increased costs in the host country, the increased logistics costs and the increased raw material costs. Subsequently, when they give relevance to the increase in host country's costs, they also consider the increase in logistics and raw material costs. Moreover, it has been found that companies are jointly pushed to reshoring for reducing delivery time, for having higher control and for reducing distances between producing and assembling/R&D.

In addition, empirical findings reveal that when fashion companies are concerned about increasing sustainability, they are also worried about the increase in host country's costs, logistics and raw material costs, and about bringing the "know-how" back to Italy. For instance, when production is closer to the source of raw materials or major transportation hubs, it can be reduced the carbon footprint associated with long-distance transportation, thus achieving an advantage in terms of sustainability. Moreover, bringing back the "know-how" to Italy aligns with sustainability principles by valuing and safeguarding the cultural heritage of craftsmanship.

On the other hand, results show a negative correlation between Italian know-how, increased costs in host country and supply chain disruption and between higher the quality and increased costs in host country. This confirms that these motivations are part of different goals, in fact companies that are driven by one are not driven by the others.

Finally, there is no empirical evidence that highlights a correlation between innovation and quality motivations, as theorized by Ancarani et al. (2019) and Fratocchi et al. (2015), that have found that some firms reshore because they recognise the benefits of co-location of design/R&D and manufacturing and its impact on innovation, showing a correlation between innovation, quality, and R&D/manufacturing location. The contrast in the empirical evidence may reside in the fact that their study is not limited on Italian companies, but they consider a series of different countries.

The third analysis provided findings highlighting that "Made in Italy" effect is more important for companies in the fashion industry compared to others, and that product/process innovation is more relevant for companies in other industries than fashion.

The reasons behind the importance of "Made in Italy" for the fashion industry, have been already stated above, however, it is possible to further clarify them. Italian fashion brands have built a strong reputation and heritage over many decades. "Made in Italy" symbolizes the rich history and tradition of Italian fashion, adding prestige and desirability to products, it highlights the unique style and creativity associated with this industry, setting it apart from competitors and appealing to fashion-conscious consumers. It signifies a high level of quality and expertise, which attracts discerning customers who value fine craftsmanship, and it helps Italian fashion companies to differentiate themselves from mass-produced, lower-quality alternatives and position their products as premium offerings.

Conversely, companies that give more importance to product/process innovation when opting for reshoring are not companies in the fashion industry. This confirms that in industries with high technological intensity, backshoring is mainly an innovation-oriented strategy and the key drivers are those related to the internal innovation capacity for improvement of the technological level of manufacturing processes (Lampón & Lopéz, 2021), since the majority of "non-fashion" companies in our sample are part of Engineering/Mechanical, Electronics, Energy, Automotive and ICT industries, characterized by high technological intensity.

Finally, the empirical evidence confirms the findings of Zhai et al. (2016), highlighting that companies have reshored their business operations in different industries for the same motivations, since only 2 out of 14 motivations can be considered industry-related. Accordingly, our work contributes to the theoretical advancement, affirming that reshoring motivations are not industry-related, but that in the case of fashion industry, special emphasis is given to Made in Italy, because it is related to craftsmanship, quality, and tradition that characterizes this industry in Italy.

6. Conclusions

This research aims at investigating the motivations considered by Italian fashion companies when they decide to bring their production facilities back to their home country. This objective has been achieved through the formulation of three research questions aimed at (i) identifying the main motivations driving fashion firms to adopt the strategy of reshoring in Italy, (ii) determining the existence of correlations between different motivations, and (iii) examining whether fashion companies attribute greater importance to motivations than other companies. Three quantitative analyses have been developed to address the research questions, (a) a percentage calculation of fashion companies driven by each motivation, (b) a Pearson correlation test, and (c) a proportion test, respectively. These analyses have been performed on a sample of 95 Italian firms, developed by reviewing a series of articles collected from newspapers.

The main findings of the first analysis show that "Made in Italy" effect is the most important motivation for reshoring for Italian companies in the fashion industry, that higher the quality and Italian know-how are the second and third most important motivations for reshoring among the group of companies studied, and that sustainability advantages are not central in the reshoring decision, confirming the evidence presented in other studies (Barbieri & Fratocchi, 2017; Fratocchi et al., 2016; Zhai et al., 2016; Fratocchi & Di Stefano, 2019). These findings contribute to theoretical developments by providing evidence specifically related to companies operating in the fashion industry, whereas the results of the previous literature were based on an inclusive analysis of different industries.

On the contrary, the findings highlight that supply chain disruption, logistics costs, delivery time, and distances between production and assembling or R&D, are not key reasons why Italian fashion firms adopt a reshoring strategy, contrasting with previous theories, for which logistics issues, lead time and delivery time are key reasons why apparel firms continue to pursue a domestic manufacturing strategy, given the unpredictability of demand (Christopher et al., 2004), thus providing a novel contribution to theory.

Moreover, the results provide new contributions by demonstrating that for the Italian fashion companies cost increase is not the most important factor to consider, opposing previous theories for which the rise of costs is a primary motivation for reshoring (White & Borchers, 2016; Fel & Griette, 2017; Zhai et al., 2016).

The second analysis provides evidence of a positive correlation between "Made in Italy" effect, higher the quality and Italian know-how; between supply chain disruption, costs in the host country, increased logistics costs and increased raw material costs; and between delivery time, higher control and reducing distances between producing and assembling/R&D. This approach makes a contribution to the literature because it has not been done before. It can be associated with Fratocchi et al. (2016)'s framework that grouped motivations into increasing customer perceived-value and improving cost-efficiency.

On the other hand, results provide evidence on the existence of a negative correlation between Italian know-how, increased costs in host country and supply chain disruption and between higher the quality and increased costs in host country. Finally, findings show no empirical evidence of correlation between innovation and quality motivations, resulting in contrast with previous theories (Ancarani et al., 2019; Fratocchi et al., 2015).

The third contribution provide a comparison with other industries, demonstrating that "Made in Italy" effect is more important for the fashion industry compared to others, and that product/process innovation is more relevant for other industries than fashion. This confirms that in industries with high technological intensity, reshoring is mainly an innovation-oriented strategy (Lampón & Lopéz, 2021).
This work also contributes to the theoretical advancement affirming that reshoring motivations are not industry-related (Zhai et al., 2016), but that in the case of the fashion industry, special emphasis is given to Made in Italy, since this industry is associated with Italian craftsmanship, quality and tradition.
Therefore, the theoretical contribution of this research is a compound analysis of multiple aspects specifically related to the fashion industry in Italy, which has not previously been developed by other scholars.

The empirical findings enable us to offer practical recommendations and guidance to managers of fashion companies, regarding the implementation of a reshoring strategy.
Companies often adopt the strategy of reshoring when they aim to enhance or maintain the perceived-value of their products or services and safeguard their brand reputation. This is due to the consumer tendency of associating production delocalization, i.e. offshoring, with lower quality and value. Reshoring can help fashion companies strengthen their brand value by leveraging the "Made in Italy" effect associated with the country of origin. They could gain improved quality control, by close monitoring and ensuring adherence to their standards, leading to higher-quality products. In addition to addressing quality concerns, reshoring offers several benefits in terms of cost savings and operational efficiency, enabling firms to respond more quickly to market demands and changing trends. Particularly, in a global scenario where logistics, transportation, and raw material costs are on the rise, bringing production back to the country of origin can lead to significant financial advantages. By shortening supply chains and reducing dependence on distant suppliers, companies can mitigate risks associated with disruptions and fluctuations in global markets.
Therefore, managers in the fashion industry should carefully consider the option of reshoring and evaluate its potential advantages. By embracing this strategy, they cannot only enhance the perceived quality and value of their products but also achieve cost savings and operational improvements that contribute to the overall competitiveness and sustainability of their businesses.

This work presents some limitations that can be considered as opportunities to explore future research in the same field.
Our study analysed a limited sample of 95 companies, restricted to reshoring cases in Italy. The research could be extended to other countries, given some results being in contrast with previous literature focused on different contexts, it would be interesting to carry out a comparison between different countries, to see what are the main motivations that drive fashion companies in different local contexts.
Furthermore, the research is limited to cases belonging to the fashion industry, further narrowing the sample to 32 cases. Although the third part has provided a comparison between industries, this has been done by grouping industries other than fashion into a single group. For this reason, it would be interesting to develop the same analysis focused on other industries, to run a comparison between different industries.

Moreover, our study is based on the analysis of secondary data extracted from newspapers, representing another limitation, since the classification work implies a certain discretion and individual judgement, involving the possibility of underestimation or overestimation of some motivations.

Finally, other future research could be based on the size of the companies, on the period in which they have adopted the reshoring strategy, on changes in economic and sustainability performance, and in consumer perceptions of the company after reshoring.

Overall, addressing these limitations and conducting further research in these areas would enhance the understanding of reshoring motivations and their implications.

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8. Summary

8.1 Introduction

Offshoring strategies, often coupled with outsourcing decisions, have been used to reduce costs and transfer risks and responsibilities to offshore subsidiaries and suppliers (Manuj & Mentzer, 2008). However, recent evidence suggests a reversal of this trend (Fratocchi et al., 2014). Over time, global supply chains have become more complex and extended over longer distances. Now, pandemic, climate, infrastructure, and geopolitical disruptions are challenging the underlying rationale for globalization, including the value of offshoring (Lakner et al., 2022). According to Kearney's latest research, 96% of CEOs interviewed are evaluating the potential of relocating their production facilities.

However, research on reshoring is still relatively new, and there is a pressing necessity to conduct further in-depth investigations into this phenomenon, to make valuable contributions to the body of scientific research. This study aims at deeply investigating the motivations that pushed Italian firms to pursue reshoring strategy, focusing on the fashion industry, since in recent years it has been observed an increasing trend in reshaping supply chain strategies among fashion companies due to demand volatility, logistics jams and rising costs. To achieve the research objective, three empirical analyses have been developed by exploring a sample of 95 Italian firms. In particular, we have developed (i) a calculation of the proportions of fashion companies that adopted reshoring for a particular motivation, to identify the most cited ones; (ii) a correlation analysis, through the Pearson correlation test, to examine potential relationships among various motivations for reshoring within the fashion industry; (iii) proportion test to compare the frequencies of each motivation between two distinct groups: the fashion industry and the non-fashion industry.

The findings show that the "Made in Italy" effect is the primary motivation for reshoring for Italian companies in the fashion industry, followed by higher the quality and leveraging Italian know-how. In addition, the "Made in Italy" effect, is positively correlated with the motivations to higher the quality and Italian know-how. Moreover, when companies are moved by supply chain disruption they consider at the same time the increased costs in the host country, the increased logistics costs and the increased raw material costs. Subsequently, when they give relevance to the increase in the host country's costs, they also consider the increase in logistics and in raw material costs. In addition, companies are jointly pushed to reshoring for reducing delivery time, for having higher control and for reducing distances between producing and assembling/R&D, and when they are concerned about increasing sustainability, they are also worried about the increase in the host country's costs, in logistics and raw material costs, and about bringing the "know-how" back to Italy. Finally, the findings highlight that the "Made in Italy" effect is more important for the fashion industry compared to others, and that product/process innovation is more relevant for other industries than fashion, confirming that only two of the reshoring motivations could be considered industry-related.

This study contributes to the theoretical framework by providing findings on the connection between the fashion industry and motivations for reshoring, specifically in the Italian context, also offering a comparison with other industries.

8.2 Literature Review

Reshoring strategy

Reshoring strategy refers to the process of bringing back the production and manufacturing of goods to the company's original country (Ellram et al., 2013; Gray et al., 2013). It involves reversing a previous offshoring decision and relocating production either to the company's home country (back-reshoring) or its home region (near-reshoring). The reshoring of activities is growing in practice and there is an imperative for academic research (Fratocchi et al., 2014).

However, the field of reshoring research lacks a shared definition and a comprehensive understanding of its extent, causes, and future trends (Fratocchi et al., 2014). Various definitions of reshoring can be found in the literature.

Gray et al. (2013) proposed four manifestations or types of reshoring that help clarify the different interpretations: (a) *in-house reshoring*, where a company relocates manufacturing activities from wholly owned offshore facilities back to wholly owned domestic facilities to meet local market demand; (b) *reshoring for outsourcing*, where a company relocates manufacturing activities from wholly owned offshore facilities back to domestic suppliers to fulfill local market demand; (c) *reshoring for insourcing*, where a company brings manufacturing activities performed by offshore suppliers back to wholly owned domestic facilities to meet local market demand; and (d) *outsourced reshoring*, where a company relocates manufacturing activities performed by offshore suppliers back to domestic suppliers to fulfill local market demand.

Bals et al. (2016) and Foerstl et al. (2016) expanded this classification by including cooperation alternatives such as joint ventures, strategic partnerships, and long-term contracts as additional governance modes, resulting in six alternatives, including the four proposed by Gray et al. (2013). Zhai et al. (2016) suggested differentiating reshoring decisions based on the target markets for offshore-manufactured products, specifically considering the home market, host market, and regions around the home market.

Reshoring motivations

Reshoring has gained momentum in recent years, with CEOs increasingly considering and implementing reshoring strategies. Factors driving this trend include consumer preferences for products made in the country of origin, concerns about ESG practices, carbon emissions, and human rights violations. Additionally, government policies and advancements in affordable automation contribute to reshoring (Kearney, 2023).

While there is extensive literature on manufacturing location decisions and offshoring, research on reshoring motivations is relatively new and often lacks theoretical grounding. Scholars have attempted to classify and analyse these motivations, with some grouping them into categories such as costs, quality, and risks (Barbieri et al., 2018; Ellram et al., 2013; Zhai et al., 2016).

Quality is identified as a primary factor driving reshoring, surpassing rising labor costs, however, cost considerations remain an important motivation for reshoring (Zhai et al., 2016). Fratocchi et al. (2016) developed a framework that classifies reshoring motivations based on the firm's strategic goal and the level

of analysis. Their findings reveal that value-driven and country-specific motivations are more prevalent than efficiency-driven and firm-specific motivations.

Near-reshoring, which involves sourcing from closer suppliers, is also motivated by changes in commercial and financial terms with China, as well as changes in corporate strategy (Fel & Griette, 2017). The decision to reshore is increasingly linked to its impact on customer value and product quality, including the "Made-in" or country-of-origin effect (Barbieri et al., 2018; Fratocchi et al., 2016).

Moreover, motivations for reshoring can vary among firms from different countries. Italian companies often cite the "Made-in" effect, while Nordic companies emphasize poor quality of outsourced work, European companies highlight lengthy delivery times, and North American companies focus on high logistics costs (Barbieri & Fratocchi, 2017). Sustainability and innovation are emerging as critical factors influencing reshoring decisions and supply chain strategies (Ancarani et al., 2019). However, the environmental and social pillars of sustainability are not always considered as the most relevant drivers for reshoring (Fratocchi & Di Stefano, 2019).

Finally, there exists a significant connection between Industry 4.0, product innovation, and reshoring, as creating and reinforcing ecosystems can attract offshored manufacturing and support future technology development (Ancarani et al., 2019). For example, the need to connect to advanced innovation ecosystems is observed in backshoring from China (Ancarani et al., 2021).

Industry influence on reshoring motivations

The role of industry characteristics in reshoring decisions has been discussed in the literature, but scholars suggest to further explore this area. Some studies have found that industries with high complexity and product customization are more likely to engage in reshoring (Kinkel, 2014). Martinez-Mora & Merino (2014) suggest that motivations for backshoring can differ based on industry, but empirical confirmation is lacking. Fratocchi et al. (2016) note that Western companies more frequently implement reshoring decisions in industries that heavily invest in contract manufacturing, such as clothing, footwear, electronics, mechanical, and furniture (UNCTAD, 2013).

Lampón & Lopéz (2021) explore the influence of industry technology intensity on reshoring drivers and find that drivers are conditioned by the technology intensity of the industry. In low-technology intensity industries, backshoring is cost-oriented, with drivers related to internal process optimization and external factors like labor and logistics costs. In high-technology intensity industries, backshoring is primarily an innovation-oriented strategy, driven by internal innovation capacity for improving technological manufacturing processes.

While reshoring strategies have been implemented across various manufacturing sectors, the impact of industry-specific characteristics on the propensity to reshore remains inconclusive due to limited quantitative research (Barbieri et al., 2018). Future research should consider the strength of reshoring drivers based on industry features and account for industry characteristics when studying the causality between drivers and reshoring outcomes (Lampón & González-Benito, 2020; Foerstl et al., 2016).

Additionally, there is a research direction to develop and test propositions linking different types of reshoring motivations to company characteristics, including governance modes (insourcing vs. outsourcing), firm size, industry, home and host countries, and product/production process characteristics (Fratocchi et al., 2016).

Reshoring in the fashion industry

The research literature indicates a lack of empirical research on the relationship between the fashion industry and motivations for reshoring decisions. This study aims to fill this gap by focusing on reshoring in the fashion industry.

While lead firms in the apparel value chains have been outsourcing manufacturing globally, operational challenges and increasing costs have led some firms to reconsider their value chain activities and consider reshoring (Ancarani et al., 2015).

Supply chain disruptions and challenges in the fashion industry, such as demand volatility and rising costs, have prompted fashion companies to adopt new strategies, including reshoring and nearshoring, to secure their supply chains (McKinsey, 2021).

In Italy, reshoring is predominantly observed in fashion-related industries due to the country's specialization in this sector (Barbieri & Fratocchi, 2017). Moreover, there is still a considerable lack in literature regarding the theorised bond between the fashion industry and underlying patterns for reshoring, signalling a scarcity of empirical evidence. Therefore, our initial point of study aims to identify the existence of any shared motivations driving Italian fashion companies to pursue reshoring. Accordingly, it was developed the following research question:

RQ1: What are the main motivations pushing Italian firms in the fashion industry to reshore?

According to previous findings, the "Made-in" effect, which emphasizes product authenticity and country of origin, is a primary motivation for reshoring, especially in those industries (e.g. fashion, footwear) in which perceived quality plays a central role in consumer choices (Robinson & Hsieh, 2016; Fratocchi et al., 2016). The fashion market's characteristics, such as short life cycles, high volatility, and low predictability, present challenges for logistics management, making domestic manufacturing attractive due to shorter lead times and reduced risks of obsolescence (Christopher et al., 2004).

To provide a more detailed analysis, our work seeks to examine the presence of correlated motivations that drive fashion firms to reshore. This objective resulted in the formulation of the following research question:

RQ2: What is the correlation among the motivations that pushed Italian firms in the fashion industry to reshore?

According to the framework proposed by Fratocchi et al. (2016), organizations adopt reshoring strategies due to multiple parallel reasons, and there may exist a correlation among these motivations. Motivations are classified into two categories: efficiency-driven and perceived-value driven. Motivations within these categories can be interrelated, and an organization may choose reshoring based on multiple motivations from

the same category. Furthermore, research conducted by Fratocchi et al. (2015) has shown that some firms reshore because they recognize the benefits of co-locating design, research and development (R&D), and manufacturing, which positively impacts innovation. This study reveals a correlation between innovation, quality, and the location of R&D and manufacturing.

Additionally, our analysis aims at investigating if there are industry-specific drivers. To achieve this objective the motivations for reshoring in the fashion industry are compared to other industries. Accordingly, the following research question was elaborated:

RQ3: Are the motivations for reshoring more important for Italian firms in the fashion industry than in other industries?

As previously mentioned, the underlying factors driving the decision to bring back previously outsourced or offshored manufacturing operations, may vary depending on the industry type (Martinez-Mora & Merino, 2014). The level of technological intensity in an industry influences the drivers of backshoring, with cost considerations being prominent in low-technology intensity industries and innovation being a key motivation in high-technology intensity industries (Lampón & Lopéz, 2021).

To summarize, the fashion industry exhibits a significant inclination towards reshoring, driven by motivations such as the "Made-in" effect, shorter lead times, and the correlation between innovation, quality, and R&D/manufacturing location. The motivations for reshoring in the fashion industry may differ from those in other industries, with industry characteristics playing a role in determining the drivers. This study seeks to empirically confirm or reject the presented theories and to make new contributions.

8.3 Methodology

Data collection and description

To address the research questions, a dataset of 95 reshoring cases of Italian firms was created. The data were collected during February and March 2023. Initially, articles from Italian newspapers, both national and local, spanning from 2017 to 2022, were extracted through a software that selected only articles including the terms "reshoring", "backshoring", and "nearshoring". These articles were then examined in-depth to identify cases of reshoring among Italian companies and understand the underlying motivations behind this strategy.

Although all articles contained the term "reshoring", only a limited number provided relevant insights into company cases. Consequently, a significant effort was made to evaluate and eliminate articles that did not align with the research objectives. After screening, a total of 82 reshoring cases were identified from the collected articles. Additionally, 13 additional cases were included from the dataset developed by the European Reshoring Monitor, a Eurofound research project conducted between 2015 and 2018. As a result, the dataset comprised 95 cases of Italian companies involved in reshoring activities between 2007 and 2022.

For each identified case, extensive analysis was conducted to explore the motivations behind the decision to reshore, as documented within the articles. These motivations were organized in an Excel table, using a binary

coding system where "1" indicates that a particular motivation influenced the reshoring decision, while "0" indicates its absence. This process was repeated for each case, resulting in the identification of 14 prevailing motivations that appeared repeatedly in several cases. The dataset consists of 95 rows representing the identified firms, 14 columns corresponding to the reshoring motivations, and cells containing "0" or "1" at the intersection of each row and column, based on the specific case.

The 14 reshoring motivations identified are as follows:

1. "Made in Italy" effect
2. Increased costs in the host country
3. Product/Process innovation/Industry 4.0
4. Supply chain disruption
5. Bringing back "know-how" to Italy
6. Italian know-how
7. Increased sustainability
8. Higher quality standards
9. Increased logistics costs
10. Greater control over production processes
11. Increased raw material costs
12. Independence from other countries
13. Reduction of distances between production, assembling, and R&D
14. Delivery time

Furthermore, the 95 analysed companies were grouped into 13 industries: Automotive, Consumer Goods, Electronics, Energy, Engineering/Mechanical, Fashion, Financial Services, Food and Beverage, Furniture, Medical and Healthcare, Textile, ICT, and Other (including Beauty and Cosmetics, Chemical, Glass, Logistics, Metallurgical, Pharmaceutical, and Sport). The Fashion industry had the largest number of reshoring cases (#32), followed by Engineering/Mechanical (#16). The prevalence of reshoring cases in the Fashion industry supports the analysis of Barbieri & Fratocchi (2017) and justifies the focus of this research on investigating reshoring in that industry.

Data analysis

Following the construction of the dataset, three quantitative analyses were conducted to address the research questions. The first two analyses focused specifically on the fashion industry, comprising 32 companies. To accomplish this, the dataset was filtered to include only relevant data related to fashion industry firms.

To investigate the first research question, a proportion analysis was performed to determine the number of fashion companies that reported each motivation for reshoring, compared to the total number of cases. This count was carried out for all 14 motivations in the dataset, aiming to identify the most frequently cited

motivations by fashion companies when implementing reshoring strategies. Percentages were then calculated for each motivation, representing the proportion of fashion companies that adopted reshoring for a specific motivation. The results were visually presented using a Pareto diagram, which follows the 80/20 principle, where approximately 20% of the causes account for 80% of the effects.

To address the second research question, a correlation analysis was conducted to explore potential relationships among different motivations for reshoring within the fashion industry. The Pearson correlation test was used to assess the strength and direction of linear relationships between continuous variables. Assuming a normal distribution and a linear relationship between variables, mean and standard deviation were calculated for all motivations, and Pearson correlation coefficients were determined. This correlation matrix provided insights into the extent and significance of correlations among different motivations.

Finally, to answer the third research question, a proportion test was performed to compare the frequencies of each motivation between two distinct groups: the fashion industry and the non-fashion industry. The test aimed to determine whether there were significant differences in the prevalence of motivations for reshoring between fashion and non-fashion firms. The frequencies and proportions of each motivation were calculated for both groups, and it was assessed whether the differences in proportions between the two groups were statistically significant.

8.4 Empirical Results

Main motivations for reshoring in the Italian fashion industry

The analysis to answer the first research question has produced the results shown in **Table 1**, represented in a Pareto diagram, as it has been previously anticipated.

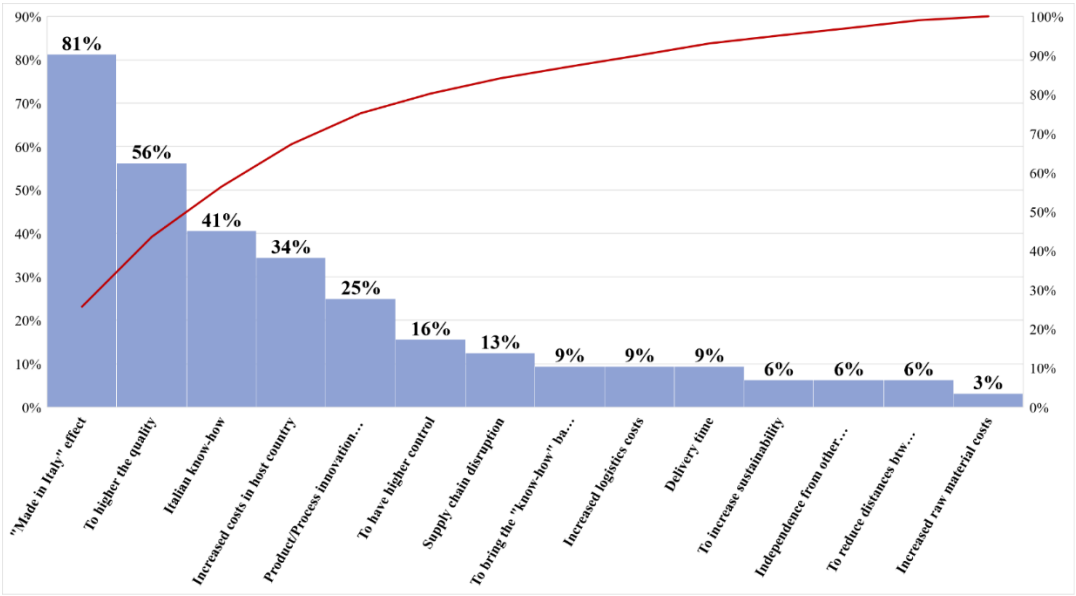

***Table 1**: Research question 1 - What are the main motivations pushing Italian firms in the fashion industry to reshore?*

The diagram exhibits that the 81% of the Italian fashion companies, included in the dataset, have pursued reshoring for the “Made in Italy effect”, which thus emerges as the main motivation, and can be considered the main driver for reshoring in the Italian fashion industry. The second and third most important motivations

are “to higher quality”, which has been mentioned by the 56%, slightly more than half of the companies in the sample, and to leverage on locally available know-how, “Italian know-how”, cited by 41% of them. Therefore, these motivations can be considered quite relevant. Finally, it has emerged from the results that Italian fashion companies are not particularly interested in “increasing sustainability” (6%), in being “independent from other countries” (6%), in “reducing distances between production and assembling/R&D” (6%), and in the “increase in raw materials costs” (3%).

Correlation between different motivations in the Italian fashion industry

From the Pearson correlation test, developed to address the second research question, it has emerged that there is a significative correlation among some motivations included in the dataset for the fashion Italian companies, as it is represented in **Table 2**.

Correlation Matrix (Pearson) :

Variables	"Made in Italy" effect	Increased costs in host country	Product/Process innovation/Industry 4.0	Supply chain disruption	To bring the "know-how" back to Italy	Italian know-how	To increase sustainability	To higher the quality	Increased logistics costs	To have higher control	Increased raw material costs	Independence from other countries	To reduce distances between production and assembling/R&D	Delivery time
"Made in Italy" effect	**1**	-0.158	-0.092	0.182	0.155	**0.397****	0.124	**0.383****	-0.120	-0.014	0.086	-0.207	0.124	0.155
Increased costs in host country	-0.158	**1**	0.190	**0.522*****	0.219	**-0.464*****	**0.356****	**-0.422****	**0.444****	-0.130	0.248	0.085	-0.187	-0.233
Product/Process innovation/Industry 4.0	-0.092	0.190	**1**	0.000	0.309*	-0.184	0.149	-0.218	0.062	-0.248	-0.104	-0.149	-0.149	-0.186
Supply chain disruption	0.182	**0.522*****	0.000	**1**	0.203	-0.312*	0.293	-0.048	**0.526*****	-0.163	**0.475*****	-0.098	-0.098	-0.122
To bring the "know-how" back to Italy	0.155	0.219	0.309	0.203	**1**	-0.048	**0.359****	-0.149	0.264	0.157	-0.058	-0.083	**0.359****	0.264
Italian know-how	**0.397****	**-0.464*****	-0.184	-0.313	-0.048	**1**	-0.214	**0.472*****	-0.266	-0.005	-0.149	0.049	0.312*	**0.388****
To increase sustainability	0.124	**0.356****	0.149	0.293	**0.359****	-0.214	**1**	-0.033	**0.359****	-0.111	**0.695*****	-0.067	-0.067	-0.083
To higher the quality	**0.383****	**-0.422****	-0.218	-0.048	-0.149	**0.472*****	-0.033	**1**	-0.149	-0.141	0.158	-0.033	0.228	0.068
Increased logistics costs	-0.120	**0.444****	0.062	**0.526*****	0.264	-0.266	**0.359****	-0.149	**1**	0.157	**0.558*****	-0.083	-0.083	-0.103
To have higher control	-0.014	-0.130	-0.248	-0.163	0.157	-0.005	-0.111	-0.141	0.157	**1**	-0.077	-0.111	0.244	**0.452*****
Increased raw material costs	0.086	0.248	-0.104	**0.475*****	-0.058	-0.149	**0.695*****	0.158	**0.558*****	-0.077	**1**	-0.046	-0.046	-0.058
Independence from other countries	-0.207	0.085	-0.149	-0.098	-0.083	0.049	-0.067	-0.033	-0.083	-0.111	-0.046	**1**	**0.466*****	**0.359****
To reduce distances between production and assembling/R&D	0.124	-0.187	-0.149	-0.098	**0.359****	0.312	-0.067	0.228	-0.083	0.244	-0.046	**0.466*****	**1**	**0.802*****
Delivery time	0.155	-0.233	-0.186	-0.122	0.264	**0.388****	-0.083	0.068	-0.103	**0.452*****	-0.058	**0.359****	**0.802*****	**1**

Values in bold are different from 0 with a significance level alpha=0.05

*** p-value < 0.01 , ** p-value < 0.05 , * p-value < 0.1 , italic values are not significant

Table 2: *Research question 2 - What is the correlation among the motivations that pushed Italian firms in the fashion industry to reshore?*

The results show a significant positive correlation between the motivations “to higher the quality” and “Italian know-how” (coef. = 0.472, *p*-value < 0.01), “to higher the quality” and “Made in Italy effect” (coef. = 0.383, *p*-value < 0.05), and “Italian know-how” and “Made in Italy effect” (coef. = 0.397, *p*-value < 0.05). These correlations are aligned with the company’s objective of reshoring for increasing the perceived value of its products. Moreover, it has emerged that when companies are pushed to reshore for “supply chain disruption”, they also consider “increased costs in the host country” (coef. = 0.522, *p*-value < 0.01), “increased logistics costs” (coef. = 0.526, *p*-value < 0.01), and “increased raw material costs” (coef. = 0.475, *p*-value < 0.01). Consequently, there is a positive correlation between “increased raw material costs” and “increased logistics costs” (coef. = 0.558, *p*-value < 0.01), and “increased logistics costs” and “increased costs in host country” (coef. = 0.444, *p*-value < 0.05). In addition, the results highlight that when companies are worried about reducing “delivery time”, they also are interested in “having higher control” (coef. = 0.452, *p*-value < 0.01), “reducing distances between production and assembling/R&D” (coef. = 0.802, *p*-value < 0.01), “being independent from other countries” (coef. = 0.359, *p*-value < 0.05). Another positive correlation resulted between “to reduce distances between production and assembling/R&D” and “independence from other countries” (coef. = 0.466, *p*-value < 0.01). This group of correlations can be associated with the aim of the companies at improving cost-efficiency.

Furthermore, it has emerged that companies interested in "increasing sustainability" through reshoring, at the same time consider "increased raw material costs" (coef. = 0.695, *p*-value < 0.01), "increased costs in host country" (coef. = 0.356, *p*-value < 0.05), "to bring the "know-how" back to Italy" (coef. = 0.359, *p*-value < 0.05), and "increased logistics costs" (coef. = 0.359, *p*-value < 0.05).

Conversely, the following variables have resulted negatively correlated: "Italian know-how" and "increased costs in host country" (coef. = -0.464, *p*-value < 0.01), "to higher the quality and increased costs in host country" (coef. = -0.422, *p*-value < 0.05), and "Italian know-how" and "supply chain disruption" (coef. = -0.312, *p*-value < 0.1).

Reshoring motivations' comparison between Italian fashion and non-fashion companies

From the proportion test developed to respond to the third research question, it has resulted that there are significant differences (*p*-value < 0.01) between companies in the fashion and non-fashion industries only for the relevance given to "Made in Italy" effect and Product/Process innovation/Industry 4.0 motivations, as is shown in **Table 3**.

Independent-Samples Proportions Tests

Test Type		Difference in Proportions	Asymptotic Standard Error	Z	Significance One-Sided p	Significance Two-Sided p
"Made in Italy" effect = Made	Wald	0.336	0.093	3.601	0.000	0.000
	Wald H0	0.336	0.093	3.149	0.001	**0.002**
Increased costs in host country = 1	Wald	0.026	0.102	0.257	0.399	0.797
	Wald H0	0.026	0.102	0.258	0.398	0.796
Product/Process innovation/Industry 4.0 = 1	Wald	-0.290	0.099	-2.926	0.002	0.003
	Wald H0	-0.290	0.099	-2.687	0.004	**0.007**
Supply chain disruption = 1	Wald	-0.050	0.076	-0.657	0.256	0.511
	Wald H0	-0.050	0.076	-0.627	0.265	0.531
To bring the "know-how" back to Italy = 1	Wald	-0.097	0.071	-1.354	0.088	0.176
	Wald H0	-0.097	0.071	-1.222	0.111	0.222
Italian know-how = 1	Wald	0.057	0.106	0.540	0.294	0.589
	Wald H0	0.057	0.106	0.545	0.293	0.586
To increase sustainability = 1	Wald	-0.064	0.060	-1.076	0.141	0.282
	Wald H0	-0.064	0.060	-0.968	0.167	0.333
To higher the quality = 1	Wald	0.039	0.108	0.358	0.360	0.720
	Wald H0	0.039	0.108	0.357	0.360	0.721
Increased logistics costs = 1	Wald	-0.065	0.069	-0.940	0.174	0.347
	Wald H0	-0.065	0.069	-0.871	0.192	0.384
To have higher control = 1	Wald	0.045	0.075	0.599	0.275	0.549
	Wald H0	0.045	0.075	0.626	0.266	0.531
Increased raw material costs = 1	Wald	-0.048	0.046	-1.049	0.147	0.294
	Wald H0	-0.048	0.046	-0.911	0.181	0.362
Independence from other countries = 1	Wald	-0.112	0.064	-1.747	0.040	0.081
	Wald H0	-0.112	0.064	-1.503	0.066	0.133
To reduce distances between production and assembling/R&D = 1	Wald	-0.112	0.064	-1.747	0.040	0.081
	Wald H0	-0.112	0.064	-1.503	0.066	0.133
Delivery time = 1	Wald	-0.081	0.070	-1.150	0.125	0.250
	Wald H0	-0.081	0.070	-1.051	0.147	0.293

Values in bold are significant

Independent-Samples Proportions Group Statistics

IndustryN		Successes	Trials	Proportion	Asymptotic Standard Error
"Made in Italy" effect = Made	= Fashion	26	32	**0.813**	0.069
	= Non-Fashion	30	63	**0.476**	0.063
Increased costs in host country = 1	= Fashion	11	32	0.344	0.084
	= Non-Fashion	20	63	0.317	0.059
Product/Process innovation/Industry 4.0 = 1	= Fashion	8	32	**0.250**	0.077
	= Non-Fashion	34	63	**0.540**	0.063
Supply chain disruption = 1	= Fashion	4	32	0.125	0.058
	= Non-Fashion	11	63	0.175	0.048
To bring the "know-how" back to Italy = 1	= Fashion	3	32	0.094	0.052
	= Non-Fashion	12	63	0.190	0.049
Italian know-how = 1	= Fashion	13	32	0.406	0.087
	= Non-Fashion	22	63	0.349	0.060
To increase sustainability = 1	= Fashion	2	32	0.063	0.043
	= Non-Fashion	8	63	0.127	0.042
To higher the quality = 1	= Fashion	18	32	0.563	0.088
	= Non-Fashion	33	63	0.524	0.063
Increased logistics costs = 1	= Fashion	3	32	0.094	0.052
	= Non-Fashion	10	63	0.159	0.046
To have higher control = 1	= Fashion	5	32	0.156	0.064
	= Non-Fashion	7	63	0.111	0.040
Increased raw material costs = 1	= Fashion	1	32	0.031	0.031
	= Non-Fashion	5	63	0.079	0.034
Independence from other countries = 1	= Fashion	2	32	0.063	0.043
	= Non-Fashion	11	63	0.175	0.048
To reduce distances between production and assembling/R&D = 1	= Fashion	2	32	0.063	0.043
	= Non-Fashion	11	63	0.175	0.048
Delivery time = 1	= Fashion	3	32	0.094	0.052
	= Non-Fashion	11	63	0.175	0.048

Table 3: *Research question 3 - Are the motivations for reshoring more important for Italian firms in the fashion industry than in other industries/sectors?*

8.5 Discussion

The aim of this study is to investigate the motivations behind Italian firms' decision to pursue reshoring strategies, particularly in the fashion industry, and determine if these motivations are industry-specific. The primary motivation identified is the "Made in Italy" effect, which confirms previous studies indicating that the perceived value associated with the country of origin is a significant driver for reshoring. Italian companies in the fashion industry prioritize reshoring to enhance customer value and product quality, leveraging the association with "Made in Italy" to signify authenticity, superior quality, and tradition in luxury fashion. This aligns with theories emphasizing the importance of increasing customer perceived value in reshoring decisions (Barbieri & Fratocchi, 2017; Barbieri et al., 2018; Dachs et al., 2019; Fratocchi et al., 2016).

The interests in increasing the quality and leveraging on Italian know-how are identified as the second and third most important motivations for reshoring, being consistent with Zhai et al. (2016), for which quality is the primary single factor urging the relocation, and with the theories on Made in Italy effect, as they are closely related, being higher quality an effect of Made in Italy production and of the availability and usage of Italian techniques and skills.

Supply chain disruption, logistics costs, delivery time, and distances between production and R&D are not key reasons for adopting reshoring strategies in the fashion industry, contradicting theories that highlight these factors (Christopher et al., 2004). The increase in host country's costs is found to be a relevant motivation for only a third of companies, potentially becoming more important due to rising costs caused by the pandemic and geopolitical developments. However, the majority of firms do not consider cost increases as the primary concern, conflicting with previous findings, according to which cost increase is a primary motivation for reshoring (White & Borchers, 2016; Fel & Griette, 2017; Zhai et al., 2016). Sustainability is not deemed fundamental in reshoring decisions for fashion companies, consistent with previous research that suggests environmental and social factors are not the primary drivers for reshoring (Fratocchi & Di Stefano, 2019). Overall, this analysis provides empirical evidence of the drivers for reshoring in the Italian fashion industry, contributing to theoretical developments in the field.

The second analysis reveals that certain motivations for reshoring in the fashion industry are interconnected. The "Made in Italy" effect, higher product quality, and Italian know-how are positively correlated, indicating that companies aim to enhance customer perceived value (Fratocchi et al., 2016) by leveraging the reputation of Italian craftsmanship and attention to detail. The motivations related to cost-efficiency, such as supply chain disruption, increased costs in the host country, logistics costs, and raw material costs, are also positively correlated. Similarly, motivations for reducing delivery time, gaining higher control, and minimizing distances between production and assembly/R&D are interrelated. Moreover, when companies prioritize sustainability, they also consider the increase in costs, logistics, and raw materials, as well as bringing back know-how to Italy to promote cultural heritage and reduce carbon footprint. Finally, the empirical evidence does not support the theorized correlation between innovation and quality motivations, as Ancarani et al. (2019) and Fratocchi

et al. (2015) suggest, potentially due to the focus on Italian companies in our analysis compared to studies considering multiple countries.

The third analysis reveals that the "Made in Italy" effect holds greater significance for companies in the fashion industry compared to other industries. Italian fashion brands have established a strong reputation and heritage, and the "Made in Italy" label symbolizes the industry's history, tradition, and unique style. It adds prestige and desirability to products, highlighting the exceptional craftsmanship, quality, and creativity associated with Italian fashion. On the other hand, companies in industries other than fashion prioritize product/process innovation when deciding to reshore. This confirms Lampón & Lopéz (2021)'s theory, by demonstrating that in technology-intensive industries, reshoring is primarily driven by the desire to improve manufacturing processes' technological capabilities. Finally, the empirical evidence aligns with previous findings by Zhai et al. (2016), highlighting that reshoring motivations are generally consistent across industries, with only a few motivations specific to certain sectors. Overall, this research contributes to the understanding that while reshoring motivations are not industry-specific, the fashion industry places special emphasis on the "Made in Italy" factor due to its association with craftsmanship, quality, and tradition.

8.6 Conclusions

This research investigates the motivations behind Italian fashion companies' decision to reshore their production facilities in Italy. Three research questions were formulated to identify these motivations, examine correlations between them, and determine if fashion companies prioritize motivations differently than other industries. The analysis involved a sample of 95 Italian firms based on articles collected from newspapers.

The main findings of the first analysis show that "Made in Italy" effect is the most important motivation for reshoring for Italian companies in the fashion industry, that higher the quality and Italian know-how are the second and third most important motivations for reshoring among the group of companies studied, and that sustainability advantages are not central in the reshoring decision, confirming the evidence presented in other studies (Barbieri & Fratocchi, 2017; Fratocchi et al., 2016; Zhai et al., 2016; Fratocchi & Di Stefano, 2019). These findings contribute to theoretical developments by providing evidence specifically related to companies operating in the fashion industry, whereas the results of the previous literature were based on an inclusive analysis of different industries. Moreover, the findings challenge theories for which logistics issues and lead time drive domestic manufacturing strategies in the apparel industry due to demand unpredictability (Christopher et al., 2004), providing a novel contribution to theory. In addition, the results provide new contributions by demonstrating that for the Italian fashion companies cost increase is not the most important factor to consider, opposing previous theories for which cost increase is a primary motivation for reshoring (White & Borchers, 2016; Fel & Griette, 2017; Zhai et al., 2016).

The second analysis provides evidence of a positive correlation between "Made in Italy" effect, higher the quality and Italian know-how; between supply chain disruption, costs in the host country, increased logistics costs and increased raw material costs; and between delivery time, higher control and reducing distances

between producing and assembling/R&D. This approach makes a contribution to the literature because it has not been done before. It can be associated with Fratocchi et al. (2016)'s framework that grouped motivations into increasing customer perceived value and improving cost-efficiency.
The third contribution highlights that the "Made in Italy" effect is more important in the fashion industry compared to other industries, while product/process innovation holds greater relevance in non-fashion industries. This emphasizes that reshoring in technology-intensive industries primarily focuses on innovation, aligning with Lampón and Lopéz (2021) findings.

The empirical findings of this study provide practical recommendations for managers of fashion companies considering a reshoring strategy. Reshoring can be an effective approach for enhancing or preserving the perceived value of products and protecting brand reputation. Consumers often associate offshoring with lower quality and value, making reshoring a viable option for strengthening brand value through the "Made in Italy" effect. Bringing production back to the home country allows for better quality control and adherence to standards, resulting in higher-quality products. In addition to addressing quality concerns, reshoring offers cost savings and operational efficiency benefits. Rising logistics, transportation, and raw material costs in the global market make it financially advantageous to relocate production facilities closer to the point of sale. Shortening supply chains and reducing reliance on distant suppliers mitigate risks associated with market disruptions and fluctuations.

Finally, this work presents several limitations that present opportunities for future research in the same field. The study's sample size was limited to 95 companies, focusing specifically on reshoring cases in Italy. To broaden the scope and gain comparative insights, future research could expand to include other countries and examine the main motivations driving fashion companies in different local contexts.
Additionally, the research primarily focused on the fashion industry, resulting in a smaller sample size of 32 cases. To provide a more comprehensive analysis, it would be valuable to conduct similar investigations in other industries and compare their reshoring motivations.
Another limitation is that the study relied on secondary data extracted from newspapers. This classification method introduces subjective judgment and discretion, potentially leading to the underestimation or overestimation of certain motivations. Future research could employ different data sources and collection methods to mitigate this limitation.
Furthermore, future studies could explore the impact of company size, the timing of reshoring adoption, changes in economic and sustainability performance after reshoring, and changes in consumer perceptions following reshoring.
Overall, addressing these limitations and conducting further research in these areas would enhance the understanding of reshoring motivations and their implications.