

# **SAMPLE PROJECT**

**1**



ZARA

The image shows the entrance to a ZARA store. The store's name is displayed in large, illuminated white letters on a dark background above the entrance. The interior of the store is visible, showing clothing racks, mannequins, and customers. A security guard in a dark uniform stands near the entrance. The store is well-lit with recessed ceiling lights.



## ZARA

Presented by-

Gursimran Kaur- 1988

Sampreet Singh-1983

Tarandeep Singh-1979

Manan Arora-1965

Amanpreet Singh-1931





# REPORT - 1

A photograph of a Zara store interior, showing clothing racks and a person in the background, partially obscured by a white hexagonal graphic overlay.

# COMPANY REVIEW

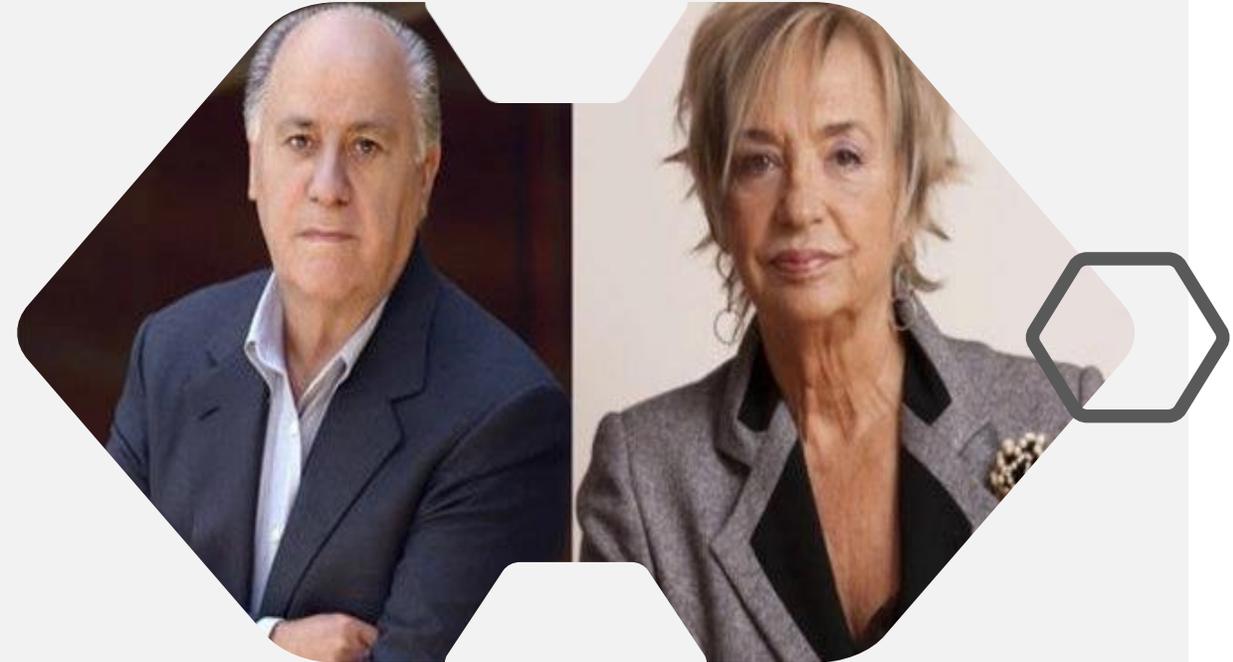
- ❑ Zara was founded in 1975; 46 years ago by Amancio Ortega and Rosalía Mera.
- ❑ It is a Spanish apparel retailer based in Arteixo in Galicia, Spain. The company specializes in fast fashion, and products include clothing, accessories, shoes, swimwear, beauty, and perfumes.
- ❑ It is the largest company in the Inditex group, the world's largest apparel retailer. Zara as of 2017 manages up to 20 clothing collections a year.



# HISTORY

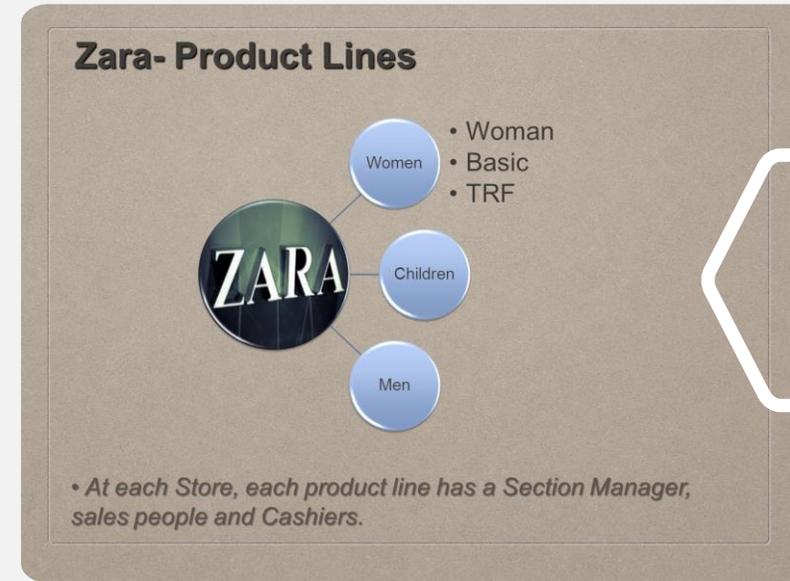


- ❖ Amancio Ortega opened the first Zara store in 1975 in central A Coruña, Galicia, Spain. Ortega initially named the store Zorba after the classic film Zorba the Greek, but after learning there was a bar with the same name two blocks away, they rearranged the letters molded for the sign to "Zara".
- ❖ It is believed extra "a" came from an additional set of letters that had been made for the company. The first store featured low-priced lookalike products of popular, higher-end clothing fashions.
- ❖ Ortega opened additional stores throughout Spain. During the 1980s, Ortega changed the design, manufacturing, and distribution process to reduce lead times and react to new trends in a quicker way, which he called "instant fashions".
- ❖ The improvements included the use of information technologies and using groups of designers instead of individuals.



# PRODUCTS

- Zara stores have men's and women's clothing as well as children's clothing (Zara Kids).
- Zara Home designs are located in European stores. Zara's products are supplied based on consumer trends. Its highly responsive supply chain ships new products to stores twice a week.
- After products are designed, they take ten to fifteen days to reach the stores. All of the clothing is processed through the distribution center in Spain.
- New items are inspected, sorted, tagged, and loaded into trucks. In most cases, the clothing is delivered within 48 hours. Zara produces over 450 million items per year.



# MARKETING STRATEGY



## Customer Profiling

A typical Zara customer is a person who is up to date with the latest developments in the fashion industry and wants fashionable, trendy and unique outfits at affordable prices.

The customer can be a man, a woman, a teenager or even a child who is interested in being up-to-date. As Zara has its origins in Spanish fashion and is primarily and European fashion brand, the customers of Zara also are also heavily influenced and moved by European fashion.

## Segmentation Strategy

The segmentation strategy employed by the fashion retailer Zara is based on the typical demographics of the customers like gender, age and psychographics.

However aside from this the company also targets customer is based on their sense of fashion and style e.g., contemporary, trendy, classic, grunge, Latino etc. Zara blends the ethnicity of the brand as well as its target market in its product offering which match a variety of tastes and settings.





## ❑ Targeting Strategy

Inditex with its brand Zara has targeted a wide gap in the retail market. The company targets customers that are interested in high fashion want to be inline with the latest fashion trends but are not able to afford clothes and accessories from the couture and high-end boutiques.

In order to target the market, Zara strategy launches its outlets in high profile locations and provides customers with a turnover time of 4-5 weeks for its new collections made available at a fraction of the couture cost.

## ❑ Positioning Strategy

The main objective for positioning the Zara brand in a market as mentioned by the company is to ‘democratize fashion’. The company aims to provide its customers with trendy and high fashion products at lower prices to accommodate their requirements.

As a result the marketing strategy that is employed by Inditex for Zara is to open stores and outlets that provide the Zara experience at high profile locations to set the image of the brand as being trendy, hip, high fashion and accessible.





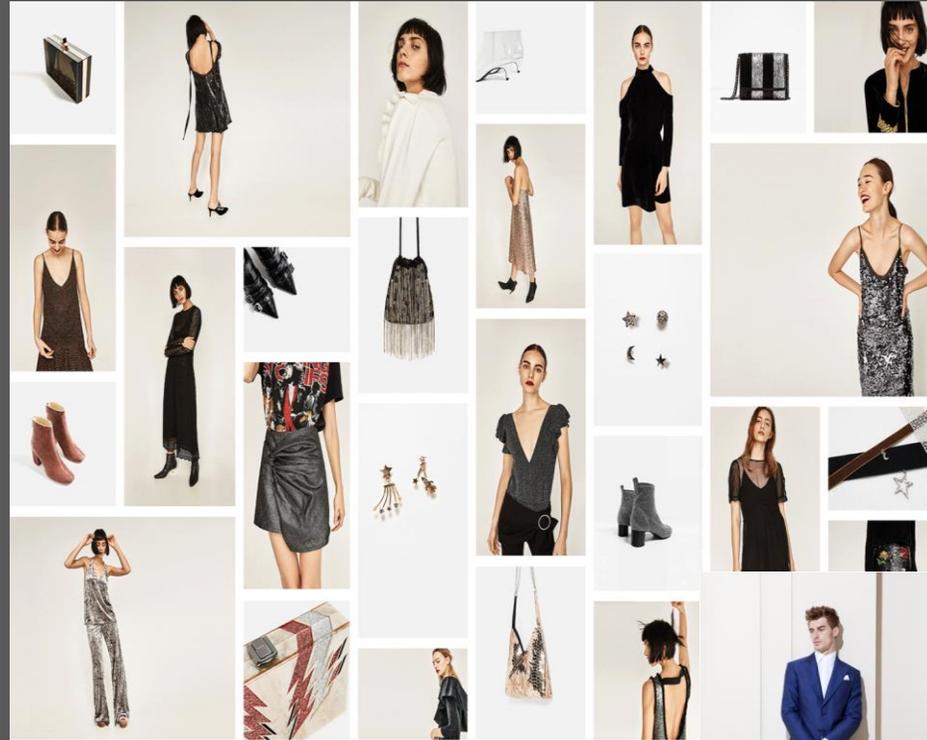
## SWOT Analysis

### ➤ Strengths-

- Unique designs
- Strong presence
- Brand value
- Superb supply chain

### ➤ Weaknesses-

- Generalised collection
- Lack of advertising
- Low safety stock



Zara new LookBook April 2012 First Dutch C. olored Fashion Blogger - Sayenne

### ➤ Opportunities-

- Online E-commerce
- Backing some flagship designs
- Growing market potential
- Market expansion

### ➤ Threats-

- Low advertising
- Competition
- Reach



# COMPETITORS



FOREVER 21

GAP

H&M

MANGO

FASHION **NOVA**

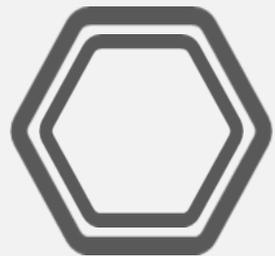
GUCCI



M&S



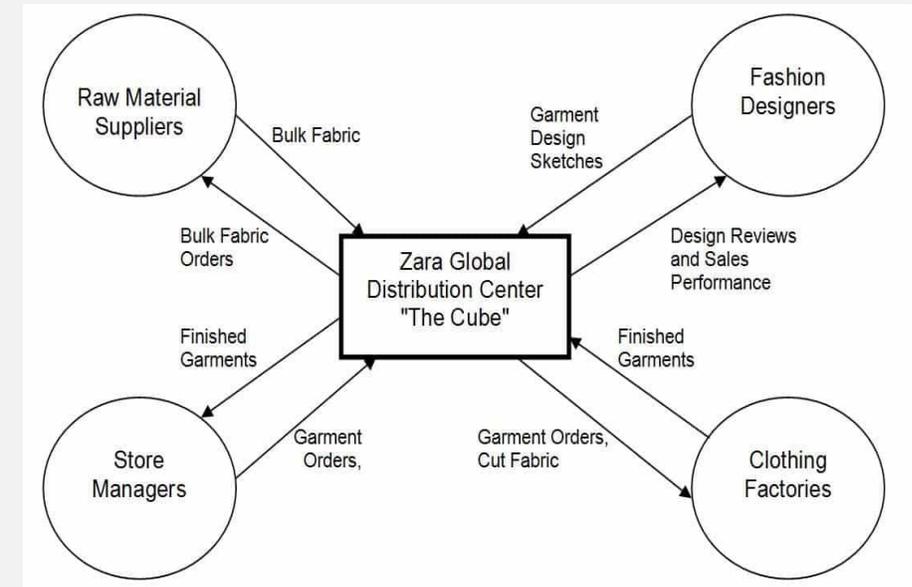
**REPORT-2**



# SUPPLY CHAIN



- ❑ Frequency of customer insights collection: Trend information flows daily into a database at head office, which is used by designers to create new lines and modify existing ones.
- ❑ Standardization of product information: Zara warehouses have standardized product information with common definitions, allowing quick and accurate preparation of designs with clear manufacturing instructions.
- ❑ Product information and inventory management: By effectively managing thousands of fabric, trim and design specifications and their physical inventory, Zara is capable of designing a garment with available stock of required raw materials.
- ❑ Procurement strategy: Around two-thirds of fabrics are undyed and are purchased before designs are finalized so as to obtain savings through demand aggregation.
- ❑ Manufacturing approach: Zara uses a “make and buy” approach – it produces the more fashionable and riskier items (which need testing and piloting) in Spain, and outsources production of more standard designs with more predictable demand to Morocco, Turkey and Asia to reduce production cost.
- ❑ Distribution management: Zara’s state-of-the-art distribution facility functions with minimal human intervention. Optical reading devices sort out and distribute more than 60,000 items of clothing an hour.





## COMMUNICATION STRATEGY

- ❖ Zara has used almost a zero advertising and endorsement policy throughout its entire existence, preferring to invest a percentage of its revenues in opening new stores instead.
- ❖ The brand's founder Amancio has never spoken to the media nor has in any way advertised Zara. This is indeed the mark of a truly successful brand where customers appreciate and desire the brand, which is over and above product level benefits but strongly driven by the brand experience.
- ❖ Instead of advertising, Zara uses its store location and store displays as key elements of its marketing strategy. By choosing to be in the most prominent locations in a city, Zara ensures very high customer traffic for its stores. Its window displays, which showcase the most outstanding pieces in the collection, are also a powerful communication tool designed by a specialized team. A lot of time and effort is spent designing the window displays to be artistic and attention grabbing.
- ❖ As a fast fashion retailer, Zara is definitely aware of the power of e-commerce and has built up a successful online presence and high-quality customer experience.



# ZARA's Marketing Objective

Overall Objectives: Increase customer equity

1. Increase consumer satisfaction, decrease dissatisfaction of the plus size consumer.
2. Increase purchase frequency among plus size customers.
3. Continue to grow by extending the Zara fashion brand.
4. Increase brand awareness and favourable attitudes among consumers.

Demographic Target: Aged 18-40, work in big cities/  
pursuing higher- level education/ Mid- Range  
income.

Psychographic Target: interested in fashion trends /  
conscious about the looks / Enjoy Shopping and  
socialising / Hectic lifestyle.



# BUDGET ALLOCATION

## SOCIAL MEDIA (Per Year)

- Snapchat – INR 1,35,050/-
- Instagram – INR 2,00,000/-
- YouTube – INR 3,88,800/-

## TV COMMERCIALS

TIME SLOT	CHANNELS	COST PER YEAR	YEARLY VIEWERSHIP
8-11 PM	STAR PLUS	INR- 2,34,000,00	21,84,000
12-7 PM	COLORS	INR-3,60,000	19,68,000





## ❑ Bill Board Commercials

CITIES	COST PER YEAR	SIZE
BANGLORE	INR-4,80,000	10x15
MUMBAI	INR-8,40,000	15x40
DELHI	INR-10,80,000	20x20
HYDERABAD	INR-5,40,000	40x25





# TOTAL BUDGET

INR- 3,51,10,000/-





# REPORT-3

# BUDGET PLAN

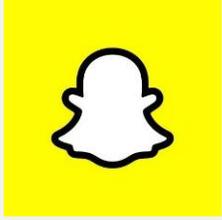
## ➤ SOCIAL MEDIA

The purpose of social media is primarily to build a brand and increase a brand's visibility. With social media becoming more popular, the more a brand is covered across social media and the more times people see it, the more likely they are to be aware of it.

Thus we plan to advertise on the following platforms:-

- SNAPCHAT
- INSTAGRAM
- YOUTUBE





- SNAPCHAT-

Cost of advertising on snapchat is \$5 per day. Therefore cost of advertising for one year is

$$365 \times \$5 = \text{INR } 1,350,50/-$$





- INSTAGRAM-

Cost of advertising on Instagram is \$5-\$10 per day. Therefore cost of advertising for one year is INR 2,00,000/-

The image shows a sponsored Instagram post from ZARA. At the top, there is a black bar with the ZARA logo, the brand name 'zara' with a blue checkmark, and the word 'Sponsored'. Below this is a photograph of a woman with her hair in a bun, wearing a light blue oversized suit jacket and matching wide-leg trousers. She is also wearing a white crop top with 'ZARA' printed on it, a white belt with 'TOMMY HILF' on it, and white lace-up boots. She is standing on stone steps in an urban setting. To the right of the photo, a dark grey box contains the text '"LOVE YOUR CURVES"' in large, white, bold, sans-serif font. At the bottom of the post, there is a dark grey bar with the text 'Shop now' and a white right-pointing chevron icon.



- YOUTUBE-

Cost of advertising on youtube is \$10 per day (30 seconds ad). Therefore cost of advertising for one year is INR 3,88,800/-



## ➤ TV COMMERCIALS

TIME SLOT	CHANNEL	EXPENSES
8-11 PM	STAR PLUS	INR 2,34,000,00/-
12-7 PM	COLORS	INR 3,60,000/-

In Television advertising, we will be running our Ads on Star Plus & Colors.

Time slot for Star plus is 8-11 pm and it will cost us INR 2,34,000,00/- and yearly viewership is 21,84,000.

Time slot for Colors is 12-7 pm and it will cost us INR 3,60,000/- and yearly viewership is 19,68,000.

## BILL BOARD COMMERCIAL



- Our total cost per year for Bill Board Commercial is INR 29,40,000/-
- We will be running our bill board commercial in the following cities-

Bangalore	4,80,000
Mumbai	8,40,000
Delhi	10,80,000
Hyderabad	5,40,000
TOTAL	29,40,000



**THANK YOU**