Zara marketing plan

Art & Culture, Music



New collection Launch | Marketing Plan 22.

10. 2009 1 SITUATION ANALYSIS Zara Brand Wheel Fashionable clothes Varied assortment Trendy colors Feminine cuts Fashionable product lines for moderate costs Customer-? centered business Runway trends adapted for the streets Brand Essence Fashion-? oriented woman Trendy in every situaFon Feeling good about looking good Fashion -? friendly Feminine Hot and trendy High-Street Fashion The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research 5 Keys of the Zara Business Model Store Teams Customer Logis4csDesign/ Produc4on The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research 5 Keys of the Zara Business Model Customer " Main driving force behind the Zara brand. "Star%ng point for all Zara ac%vi%es Customer Lead role in: •? Store design •? Produc%on •? Logis%cs •? Team The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research s The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research 5 Keys of the Zara Business Model Store Store "Mee4ng" oint between the customer and the Zara fashion o? er. " 1, 520 stores collect informa%on regarding customer demands.

New products introduced twice a week. Top loca%ons – 17 visits / year / customer Me%culously designed shop windows Maximum aJen%on to interior & exterior architechtual design Appropriate coordina%on of garments Excellent customer care The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer

Research 5 Keys of the Zara Business Model Design & ProducFon "
Inspira4on comes from the street, music, art ... but above all, the store. "
Proximity of roduc%on facili%es Immediate reac%on to trends. Con%nuous work for all teams. Managers – teams – customer demand – forms, designs, fabrics, compliments Design/ Produc4on 1, 186 suppliers, 200 desginers The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research 5 Keys of the Zara Business Model LogisFcs " Highly frequent and constant distribu4on permiKng the o? er to be constantly renewed. " 697 million garments distributed 5, 000 employees at logis%cs centers Logis4cs Designed with maximum ? exibility. Customer oriented.

24h – receiving order to store elivery (Europe) Designed to absorb growth for next years. 18% annual discount rates. The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research 5 Keys of the Zara Business Model Teams "Teams with vast sales knowledge geared to towards the customer." 89, 112 professionals Customer oriented. Make the stores a pleasant environment.

Apply corporate, social & environmental responsibility in day-? to-? day work.

Teams The Zara Brand IndustryAnalysis Product Development Consumer

Analysis Market Analysis Market & Consumer Research Zara's Performance

159 store openings in 2008 Brand Value: \$ 8, 609 M 1, 530 stores 4 new

countries in 2008 Sales € 6, 824 Million ZARA 73 countries The Zara Brand

Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research 14 The Industry High street fashion brand Industry trends Democra%za%on of luxury Inclusiveness Street trends Designer houses Key success factors Di? eren%a%on & individualism New fashion consumer The Zara Brand Industry Analysis Product Development ConsumerAnalysis Market Analysis Market & Consumer Research Customer Focused Product Development Saturated industry Need to increase brand value Responding to current industry trends Iden%fying the need for the product in the market A full-? shaped body is a beau4ful body The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Customer Focused Product Development Market entry barriers Design challenges Saturated industry Need to increase brand value Responding to current industry trends Iden %fying the need for the product in the market Exis%ng customer eac%ons " Fat is not fashionable" Challenges Opportuni> es The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Consumer Analysis Today's fashion consumer: More choice, more educated, more savvy & demanding "New breed of shoppers" Loyalty, variety, freshness The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Fashion Consumer Behavior Analysis Interest Gives pleasure & enjoyment Means of self-? expression Involvement Emo%ons Behavior The Zara Brand Industry Analysis ProductDevelopment Consumer Analysis Market Analysis Market & Consumer Research Fashion Consumer Behavior Analysis Interest Hedonics Involvement Purchasing experience Fun, fantasy,

social or emo%onal gra%? ca%on Emo%ons Behavior Impulse buying The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Fashion Consumer Behavior Analysis Interest Hedonics Involvement Importance: •? Consumers alach meaning to their clothes •? Role of fashion in society Drivers: •? Individual mo%ves •? Projec%ng a desired self-? image Linked to personal values & needs: •? Express and communicate value •? Values guide consumer behavior •? Types of values: personal, economic, aesthe%c Emo%ons Behavior The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Fashion Consumer Behavior Analysis Interest Hedonics Involvement Posi%ve vs. nega%ve •? Shorter decision %mes •? More impulse buying •? A feeling of being unconstrained •? Desire to reward oneself How to generate posi%ve emo %ons? •? Use the retail environment to posi%vely in? uence moods: •? suitable layouts, •? colors, •? e? ec%ve sales personnel, •? emo%onally pliking atmosphere Impulse buying Emo%ons Behavior The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Fashion Consumer Behavior Analysis Interest Hedonics Involvement Impulse buying •? Fashion oriented: strongly oriented to fashion involvement: providing sensory or experien%al cues of fashion products.

•? Created by the symbolic interac4ons of the product & the consumer emo4onal experiences Emo%ons •? Need to understand impulse buying behavior for fashion products from an experien4al perspec4ve = guidance in developing strategies BehaviorThe Zara Brand Industry Analysis Product

Development Consumer Analysis Market Analysis Market & Consumer Research Plus Size Consumer Analysis 1 in 3 women are unhappy with the way clothes? t them 14 happy 12 8 16 10 18 6 22 20 24 unhappy The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Plus Size Consumer Behavior Alribute Plus size product Psychosocial consequence Feel more aacFve Func%onal consequence Cut ?[ng the body shape Values Self-? esteem Self esteem: important moFvaFon driver for consumpFon Consumers tend to assign their own eanings to clothes. Clothing: over consumer behavior The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Market Analysis 120 Market Share 15% PeFte 60% 25% Plus Size Normal 100 80 60 40 20 0 76 100 Size 2006 2012 Segment growth: 40% increase by 2014. Only 5% of retail space is dedicated to the +size products The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Market & Consumer Research Types of CompeFtors 1 2 3 4 Dedicated Ranges Extension of Size Ranges Designer Bou%ques E-? commerce The Zara Brand IndustryAnalysis Product Development Consumer Analysis Market Analysis Market & Consumer Research New Line PosiFoning High Fashion Zara Torrid H&M BouFques Low Price High Price M&S Charming Shoppers 1 2 Dedicated Ranges Extension of Size Ranges Designer Bou%ques E-? commerce Market & Consumer Research Junonia 3 4 Low Fashion The Zara Brand Industry Analysis Product Development Consumer Analysis Market Analysis Di? erenFaFon Brand awareness Brand loyalty New in this segments More experienced compe %tors Lack of e-? commerce Size & growth High fashion for modest prices

Strengths Weaknesses The Zara Brand IndustryAnalysis Product

Development Consumer Analysis Market Analysis Market & Consumer

Research Zara vs.

CompeFtors Zara 1, 000 new styles / month 200 designers Higher cost of product development is more than adequately compensated by higher realized margins Strategy: reacFve, not predicFve CompeFtors 3-? 5 months: develop the ideas into physical samples Sales budgets & stock plans developed one year ahead of the targeted styles Few weeks / months to procure fabrics, have them approved by the retailer – produce a number of samples – put samples in producFon The Zara Brand Product development Industry Analysis