

Zara and pandora recommendations

[Business](#), [Company](#)



Zara case Zara uses a vertically integrated system (VMS): In this system, wholesalers, retailers and distributors work as a unified system. One channel owns the others. They have a corporate VMS system, because Zara has managed to build a system that is controlled from the headquarters and it allows a quick response to decide and solve problems. Inditex, Zara's parent company owns most of the resources to design, produce and distribute.

Recommendations: Instead of doing everything themselves, Zara could train their managers in the local stores to already make quick decisions than to just send many ideas to the main headquarters in Spain and let them decide what is best. So spread the decision making process among their local stores. Zara's vertical integration has many advantages, but there is a drawback for Zara as they focus distributing small batch quantities and do not receive any discounts on manufacturing large quantities. Pandora

Value Chain Analysis describes the activities that take place in a business and relates them to an analysis of the competitive strength of the business. The activities of a business could be grouped under two headings: Primary Activities - those that are directly concerned with creating and delivering a product. - Inbound logistics: All the raw materials are collected from their distributors and in Pandora's case these are the songs from musicians. - Operations: is transforming the raw materials into a finished product and service.

Pandora's software gets smarter through the listener's inputs of likes and dislikes and marks them as unique playlist for that same user. - Outbound logistics: All those activities associated with getting finished goods and services to buyers. Pandora has pushed themusic service into a variety of <https://assignbuster.com/zara-pandora-recommendations/>

channels, including apps for smart phones and tablets as well as through home entertainment systems such as video game players, DVD players and Internet radios. - Marketing & Sales: Essentially an information activity - informing buyers and consumers about products and services (benefits, use, price etc. Pandora informs their listeners firstly through web page, and then music has become more mobile. Pandora has formed strategic partnerships to push their music service into different channels, such as apps for smartphones and tablets, as well as through video game players, DVD players and Internet. Since listening to music goes through the radio, Pandora has also collaborated with new car brands. - Service: All those activities associated with maintaining product performance after the product has been sold. The service plays musical selections of a certain genre based on the user's artist selection.

The user then provides positive or negative feedback for songs chosen by the service, which are taken into account when Pandora selects future songs. Recommendation: The client should have more possibilities to have an opinion on the music instead of likes and dislikes. So after each opinion they have, they get a small questionnaire. Global market The activity of buying or selling goods and services in all the countries of the world, or the value of the goods and services sold. Global marketing is sometimes used to refer to overseas expansion efforts through licensing, franchises, and joint ventures. Zara got stores all over the world.

If the designers design new clothes, it will come in all the stores. Zara does most of the things by themselves, like making their own fabric, produce their own clothes and having their own designers. Recommendation Zara could

create a joint venture with distributors in the markets such as Asia or the US, to produce the products for them. Support Activities, which whilst they are not directly involved in production, may increase effectiveness or efficiency. Procurement: When the raw material is purchased together with other inputs to create value to the product and support the value chain activities.

In the case of Pandora the raw materials purchased are the songs from musicians. -Technologydevelopment: Includes research and development, process automation, and other technology development to support the value chain activity. For Pandora they have an automated software-driven machine that discerns the types of music and places them in genres. - Human Resource Management Using people as a resource to support the value chain. Young analysts analyze the music by a professional musician to analyze and decode them in different genres.

Young analysts sit together with senior analysts to encode the music and add features to differentiate its service. - Firm Infrastructure Includes activities such as finance, strategic planning and control, general management, etc. Pandora is mostly focused on strategic planning ; control, because they have to critically analyze their songs they get delivered from musicians. This takes a lot of time and need be planned strategically. Strategic planning is then linked to general management. Recommendation: Pandora can hire more junior analysts which can be trained to become senior analysts so that the work is divided.