

Zara fashion at the speed of light

Business



Zara Fashion at the Speed of Light

1. Systems concepts and contingency thinking

The success of Zara in terms of design, production and distribution of fast fashion can be explained by looking into systems concepts and contingency thinking. For example, the concept of interacting or inter-dependence of subsystems arranged to produce a unified system. In Zara, everything is inter-related and inter-dependent. First, the company utilizes a complex just-in-time production and inventory reporting system which ensures that products are made available from the production centre to the logistics centre, and then to distribution stores within 24 hours. Contingency thinking suggests that organizations behave in response to the forces of the environment (Jackson, 2002). Zara is responding to competition with contingency strategies such as bringing new fashions to customers at reasonable prices. The company brings new fashion to its stores within 2 weeks, and keeps updating them regularly. It cuts costs on advertisement to be able to provide reasonable prices for new trends.

2. Adaptation to the Competition

The apparels industry is a highly competitive and evolving industry. There are various competitors including designers, manufacturers, importers and distributors found throughout the world. There are expensive fashion designers such as H&M and Gap, and other small designers in cities, offering low prices. Nike, Forever 21, and American Eagle are also offering a high competition in Canada as they offer trending fashion to high-income teens (Schlossberg, 2015). The number of apparel companies available online is also increasing. Customers have a wide range of producers to choose from. In response, Zara has done well to adapt to the competition through actions <https://assignbuster.com/zara-fashion-at-the-speed-of-light/>

and innovations that keep them abreast with the competition. The company produces fashion that customers have ordered. It receives feedback from customers and then develops new designs to meet the customers' needs.

References List

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Schlossberg, M. (2015). Clothing brands that will dominate the industry. *Business Insider*. Accessed October 16, 2015 from <http://www.businessinsider.com/top-5-apparel-brands-2015-10>.