

Informative essay on zara fast fashion giant

[Business](#), [Industries](#)



Using at least one of the company/industry related databases available to you at the Marcus (or some other) Library, as well as the attached articles and case studies, please provide a 5 page assessment of, and proposal for, Ezra as follows: Context: Briefly outline the scope of the company's operations, including # of stores, the countries in which it operates, # of employees, annual volume and its history. Ezra is owned by Inedited AS (Industrial De Dienes Textile AS) headquartered in Artesia La Corona Spain with companies under the name of Ezra are located in the areas sited below.

Inedited sells on a global scale, with 4, 900 shops in about 75 countries under different names such as Ezra, Shoo, Misaims Duty, Pull and Bear, Berserk, Strabismus, Ezra Home, and Torque. Inedited reported that for 2014 sales they made \$22. 76 billion with a one year sales growth. Their net income was \$3. 24 billion which was a one year net income growth. Their total assets were \$18. 72 billion with a market value of \$81. 85 billion. Ezra Spans AS headquartered in Artesia, La Corona Spain is the flagship brand for Inedited AS and is considered the " cheap-chic subsidiary.

Ezra runs about 2, 350 stores in major cities worldwide, as well as, some 165 Ezra Kids shops in 75 countries and 125 shops across Canada, the US, and Mexico. Ezra is considered a chain and sells women's, men's and children's apparel. They also offer plus-size and maternity lines. I didn't locate any information regarding who sells the plus-size and maternity garments and they are not sold online. Ezra began in 1975 and is Indies's main chain and brings in more than two- thirds of its total sales. Ninety-nine percent of Ezra stores are company-owned and other franchises or Joint ventures.

Ezra has a clear focus and vision in the clothing market because they have captured the needs of their customers. They have shortened the conventional supply chain response time from 5-7 months to 2-3 months. Ezra makes about 40% of their raw material. The remaining 60% is outsourced from within Spain, mostly from the La Curran. Designing of clothes at Ezra is done by creative teams of over 300 professionals at the headquarters in La Curran, Spain. After the garments are sewn, the clothes are returned to Sara's facilities for ironing by an assembly line of workers.

Sara's merchandise assortment is great in terms of color, styles and accessories for women, men and children. The clothing sizes are based on European body types which are rustically small than American body types. After this, the clothing items are wrapped in plastic and transported on conveyor belts to a group of giant warehouses. In the warehouse, the customized machines patterned after the equipment used by overnight parcel services, sorts, packs, labels, and allocates clothing items for shipment to Sara's retail stores.

For Sara's retail stores within a 24- hour drive, goods are delivered by truck whereas goods meant for stores beyond 24- hour drive are delivered by cargo jets. On a global average of 17 visits per customer per year. This is higher than the three visits to its competitors. This process prevents any bottlenecks in the vertical integration supply chain. Ezra is constantly communicating with retail managers regarding what their customer's needs are. Such as, what styles are selling, comments customers make about

design features they like or don't like. Sara's inventory supply is small and they make frequent shipments to all their stores.

The quick turnaround of merchandise helps generate revenue, reduce inventory, eliminate debt and keep their customers happy. The competitors rely heavily on end of season sales and "black Friday" sales in order to reduce inventory and eliminate debt. 2. How does Sara's execution of this mix compare to that of a primary intricate competitor. Sara's competitors rely on their products being designed in one location, shipped to a company overseas to make the clothes and shipped to a distribution center where the garments are inspected and then shipped to the various store locations.

The vertical integration in the supply chain definitely creates challenges for the designers, who have to compete with other designers having garments produced by the same manufacturer and factory closes schedules. If products are delayed, the company's risk of not having products in their stores on time. Additional challenges for designers are working one to two years in advance on lines per season. Their stores introduce new products during the four seasons (fall, holiday, winter, spring/summer).

Surplus inventory is stored in their distribution centers and shipped to the stores when they need to restock, fill special orders and complete online orders. Sara's competitors conduct sales in order to deplete their inventory and to prepare for the next season of merchandise. The challenge with this process is that it generally creates overstock in the store's storage room and added pressures to the employees who work in these areas. 3. What do you

believe Ezra does particularly well or poorly? Explain your reasoning.

*Advertising - Prices should compare to online logbook.

Prices are lower in U. S. Although, Ezra is the leader in getting new styles to the customers on a weekly basis, the customers must be aware that you must try on garments because they are based on European sizes which meaner they fit smaller than their competitors. 3.) Explain what is meant by the term " strategic competitive advantage" and identify the way(s) in which Ezra has established one vs.. Its primary competitors; the Data cases can be helpful here.