

Strategic analysis zara

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



Brand Positioning

Zara's size is at 1.3% of Singapore apparel industry, 6th place after other brands like Mango, Guess, Esprit, Raoul and Giordano.

Vision

“ ZARA is committed to satisfying the desires of our customers. As a result we pledge to continuously innovate our business to improve your experience. We promise to provide new designs made from quality materials that are affordable”

Mission Statement

“ Through Zara’s business model, we aim to contribute to the sustainable development of society and that of the environment with which we interact.”

Target Market & Price

Zara sells apparel, footwear and accessories for women, men and children. Product lines were segmented into these three categories, with further segmentation within the women’s line as it was considered the strongest out of the three, with an overwhelming majority of women in the target market (78%).

Zara’s consumers are young, value conscious and highly sensitive to the latest fashion trends in the industry. An advantage that the brand has over conventional retailers is that they do not define and segment their target market by ages resulting in designs and styles that can reach a broader market.

Zara offers cutting edge fashion at affordable prices by following the most up-to-date fashion trends and identifying consumers' demand, and quickly getting the latest designs into stores.

Background

About ZARA

Zara is a flagship brand of the Spanish retail group, Inditex group. Inditex is the world's largest fashion group, which owns other fashion brands such as Pull & Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Zara Home, Lefties and Uterqüe. It was founded in 1975 by Amancio Ortega, when he decided to expand his factory in Arteixo by opening a store in La Coruña. Zara has expanded since and currently operates a total of 1, 671 stores in continents such as Europe, America, Africa, Asia and Oceania, of which 333 of them are in Spain.

In the Beginning

Founded by Amancio Ortega in 1975, Zara opened its first store in downtown La Coruña, Galicia, Spain. Its first store carried low-priced lookalike products of popular, higher-end fashion brands. The store proved to be a success in the early 1980s, and Ortega began opening more Zara stores throughout Spain.

Global Expansion

It was only in 1988, Zara decided to venture into the international market. This was spurred by Portuguese youths crossing the border into Spain to shop in Zara. Hence, Zara responded by opening its first store in Oporto, Portugal. The expansion strategy proved to be a success. Subsequently, new stores popped up in New York (1989) and Paris (1990), the fashion capitals of

the world. Since then, more stores have opened globally to a standing of 1,671 stores. Zara Company has become an icon for Spanish fashion.

Financials

The Inditex group currently boasts revenue of 13.79 billion euros (2012), with profits standing strong at 1.932 billion Zara swot analysis