Fasion brand-zara

Business, Company



Title: Examine the underlying factors in the current success of a well-known fashion brand of your choice and assess the extent to which the brand's success looks set to continue. Word counts: 1218 This essay will introduce a well-known fashion brand, ZARA, and illustrate the underlying factors in the current success of its company. Meanwhile, it will also evaluate ZARA's prospective development and provide possible strategic suggestions.

Established in 1963, Inditex group is one of the largest fashion retailers, welcoming customers at its eight store formats -Zara, Pull & Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Zara Home and Uterque - boasting 5. 618 stores in 84 markets across the world, and operating in textile design, manufacturing and distribution. Figure shows that the subordinate brand of Inditex group, Zara, contributed two thirds of the Group turnover (Annual Report, 2011) and continued to develop in a flourishing tendency.

Meanwhile, it has been developed in a mushroomed tendency across the world within a short period of time since 1975. ZARA places the customer in the central position of its marketing management and its entire business model, which consists of attractive design follow the fashion trend, manufacturing in a relatively high quality, distribution in an effective way and sales with a worldwide distribution network. (http://www. zara. com/webapp/wcs/stores/servlet/category/cn/en/zara-I2011/11112/Company).

Zara is aiming to democratize its unique concept by offering the latest fashion in relatively high quality at affordable prices. What differentiates Zara's business model from that of its competitors which lead to success is the turnaround time, and the store as a source of information. Zara's vertical integration of design, just-in-time manufacturing, delivery and sales, flexible https://assignbuster.com/fasion-brand-zara/ structure, low inventory rule, quick response policy and advanced informationtechnologyenable a quick response to customer's changing demands (Castellano, 1993).

To sum up, there are three main factors to ensure the success of ZARA, which are offering the latest fashion items at fair prices, rapidly putting items into market and employing test orders to ensure risk reduction, and realizing a three dimensional development. Firstly, most designers of ZARA are such young people who have the unique creativity, discerning insight, sharp fashion mind with dye-in-the-wood of