

Marketing mix

Sociology, Communication



The first objective for Zara is to continue their expansion in countries like Switzerland, Italy, and Czech Republic and also on other continents: Latin America and Asia. A second objective is to continue their stores' growth in the countries where already exists in order to consolidate its position and increase its market share. By the accomplishment of the two objectives Zara is looking to create enduring profitable growth. ?? 2. 2 Strategies??

I will start with the product market penetration used by Zara and more precisely with the product line stretching (one of the tactics allowed by the product market penetration) and we can see in OUR MISSION STATEMENT ENVIRONMENTAL POLICY Through Zara's business model, we aim to contribute to the sustainable development of society and that of the environment with which we interacts. The company's commitment to the environment is included in Inditex Group's Corporate Responsibility Statement, published on our website: [www. inditex. com.](http://www.inditex.com)

The following are some of the objectives and actions included in the framework of the group's environmental commitment and have a direct impact on our shops and customers: AT THE STORE

- We save energy.
- The eco-friendly shop.
- We produce less waste, and recycle.
- Our commitment extends to all our staff.
- An environmentally aware team.

We save energy. The eco-friendly store.? We are implementing an eco-friendly management model in our shops in order to reduce energy consumption by 20%, introducing sustainability and efficiency criteria.

This management model sets out measures to be applied to all processes, including the design of the shop itself, the lighting, heating and cooling systems and the possibility of recycling furniture and decoration. We produce less waste and recycle. Recycling hangers and alarms, which are picked up from our shops and processed into other plastic elements, is an example of our waste management policy. Millions of hangers and alarms are processed each year and both the cardboard and plastic used for packaging are also recycled. Our commitment extends to all our staff.

Increased awareness among our team members.? We hold In-company awareness campaigns and specific multimedia-based training programmes to educate our staff in sustainable practices, such as limiting energy consumption, using sustainable transport and modifying behaviour patterns.

- We use ecological fabrics.
- Organic cotton.
- We manufacture PVC-free footwear.

We use ecological fabrics. Organic cotton. Zara supports organic farming and makes some of its garments out of organic cotton (100% cotton, completely free of pesticides, chemicals and bleach).

They have specific labels and are easy to spot in our shops. We produce PVC-free footwear. No petroleum derivatives or non-biodegradable materials are used in the production of our footwear (PVC free). IN TRANSPORT We use

biodiesel fuel.? Zara's fleet of lorries, which transport more than 200 million items of clothing a year, use 5% biodiesel fuel. This allows us to reduce our CO2 emissions by 500 tons. Zara's Marketing Strategy Posted on September 16, 2011 by Conrad Chan The fashion company Zara has a marketing strategy that is quite unique. Zara only spends about 0. % of their revenue on promotion. This would be the reason Zara does not appear on television or poster advertisements. Zara focuses heavily on their product, place and pricing as opposed to promotion. Zara rarely advertises any store sales or have sales promotions other than sale items unlike other retailers. It is also interesting to note that Zara never places their brand or logo on their products. In contrast to local retailers like J2 Clothing, Zara's sales associates do not need to focus on personal selling. Their customer service within the store is rather weak.

It is their innovative products and affordable pricing that keeps customers returning to their store. Their products seemingly advertises itself. In addition, Zara has remarkable logistics and they are able to get a product from design to the shelf in just two weeks. With such efficiency, they are able to produce thousands of new designs a year. In fact, Zara produces new products every week as said on their website. Zara is known for their fast fashion, which means popular products may disappear off the shelf within days, forcing customers to constantly check for new items.

Zara also markets it's brand through rapid expansion. With more than 1, 500 stores around the world in over 70 countries, they open around 150 new stores every year. With the brand becoming world renown, the company is also focusing on sustainable marketing by opening stores which consume

30% less energy compared to the average conventional store. The new stores also save 50% of water consumption and maintains their CO2 emissions below 150 tons a year. It is no wonder a Louis Vuitton spokesperson described Zara as “possibly the most innovative and devastating retailer in the world”.

Zara's Success Strategy for Dummies Zara, or more precisely its parent company Inditex, has become the world's largest retailer. Here is how they did it in 3 steps! But first, just a few impressive numbers... * Annual sales: €13.8 billion (? 11.2 billion) * Garments produced in one year: 840 million * 5,900 stores in 85 countries * Zara has become a renowned fashion phenomenon with its ability to provide stylish interpretations of catwalk trends at a reasonable price and at exceptional speed. So how do they do it?

STEP ONE: Find out what customers want

It all starts with the store staff... “What if this dress was a little shorter? Would you like this jumper in another colour? What if we added zippers at the ankles? ”... These are questions you often hear at Zara. This is because Zara's store staff has been trained to find out what you want. Store managers are really motivated to do this because as much as 70% of their salaries can come from commissions. When the day is over and the store is closed, the staff turns into a sort of investigation unit, searching for clues in the pile of unsold items that customers tried on.

They look for any evidence of colour, style and fabric trends. Geeky computer stuff... Then, armed with Digital Assistants, they store their report on a very intelligent information system and combine it with the hard data captured at the cash register. Zara's Headquarters in Spain can then access

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this information to find out current trends in what customers want. STEP TWO: Offer what customers want Designing... From their Headquarters in La Coruna (Spain), designers and product developers look at all the data collected from the stores to create clothes we have shown interest for.

By the way, they design over 30, 000 items a year versus only 4, 000 by H; M... WOW! Zara has often been accused of copying high-end brands, but always got away with it because they always change their design just enough to escape copyright laws. Producing... The average time for a Zara concept to go from idea to appearance in store is 15 days, while it takes H; M about 3 to 5 months! This is because Inditex runs a vertical supply chain, which means that it possesses its own manufacturing and distribution capabilities.

A Dolce; Gabbana dress photographed on fashion week takes months to arrive on the shop floor, but Zara manages to produce something awfully similar in just a couple of weeks! How infuriating for designers?! By making roughly 40% of its own fabric and purchasing most of its dyes from its own subsidiaries, Zara gains a lot of flexibility and saves a lot of time. It actually dyes its cloth in its own factories as late as possible so it can react more quickly to any trend shift that might occur mid season. ? STEP THREE: Attracting customers

Frequent and limited production... Zara stores receive deliveries of new clothes twice a week. This constant arrival of new, limited-run items encourages us to visit Zara much more often and has created an urgency to buy. I definitely feel this. If I see a jacket I really like from Zara, I know I have to buy it now, or it will probably be gone by next week. No advertising... it's

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all about location! You will never see a Zara flashy campaign, that's because Inditex doesn't advertise. In fact, it barely even has a marketing department!

As Mark Tungate describes it, " The secret to Zara's appeal is that, although shopping there is cheap, it doesn't feel cheap". This phenomenon is due to Inditex's heavy investments on the beauty and historical appeal of its stores. It wants its stores to look and feel like a luxury shop. Zara will place its store very close to luxury brands, targeting each city's smartest shopping areas, and then buy a grand, modern and spacious store. In fact, Zara bought the most expensive building ever sold in Manhattan: 666, 5th Avenue for the modest sum of \$324 million!