

Analysis of Zara's Marketing Strategy for the Young Market

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Abstract

Zara, as a world-famous clothing brand, has opened up a "fast fashion" model as its marketing strategy with "more styles, less quantity, lower price, and faster update", and has opened up a path of its own in the clothing industry. This paper will analyze Zara's marketing model and its marketing strategy for young consumers.

Keywords

Zara; Marketing Strategy; "Fast Fashion"; Young People.

1. Zara's Marketing Model

Zara is a famous fashion brand of the Spanish Inditex Group, which has created its own unique path among many fashion brands, offering fashionable clothes at affordable prices to consumers aged 20 to 30 with certain spending power. Traditional fashion brands have few styles, slow updates and lots of inventory. Zara, on the other hand, has created its own marketing strategy with a small amount of variety and high fashionability, and has created a fast fashion model among the traditional top fashion brands and popular fashion brands. It has established a fashionable and affordable image in consumers' minds and is sought after by young consumers.

1.1. Rapid Product Updates

Zara replenishes its shelves twice a week and updates all the clothes in its stores every three weeks, and all stores around the world can be updated in two weeks simultaneously. Zara's new clothes are always updated with the top brands, but the price is less than 1/10 of the top brands, so that the fashion is not high, but really comes into life. Zara can maintain such a fast update frequency because the company has about 400 designers who travel to major fashion shows, integrate the latest fashion symbols and improve them, and soon produce clothes comparable to those of the top fashion brands.

1.2. Emphasis on Store Design

Zara believes that "the store is the best advertisement", and Zara attaches great importance to the size of its stores, often opening large stores with a floor area of more than 10,000 square feet (about 930 square meters), and some oversized stores with a floor area of 2,000 square meters. The location of the store is usually in a busy commercial area. New York's boutique, selected in the Fifth Avenue; Paris's boutique, selected in the Champs-Elysees; Shanghai's boutique, selected in Nanjing Road. Its neighbors are LV, Dior, Chanel and other top brands. Zara as a fashion brand has established a high-end image of the brand in the eyes of consumers. The store furnishings are very different from those of similar fast fashion brands, but instead have similarities with those of top brands: large space, few shelves, and a small number of products on display but many styles. A premium shopping environment is created for consumers. The women's section is dominated by black frames to add a sense of individuality, while a beige backdrop is used to set off the clothes. The window and store furnishings are also not sloppy at all, matching clothing, accessories and bags into a whole shape and selling the same element together to give consumers a great visual impact. It makes customers shopping in Zara as if they are shopping in a mini-mall. Zara's stores are designed with a great sense of

design and become an invisible billboard. It not only increases the attention of customers, but also establishes its high-end positioning to consumers. Every year, Zara spends only 0.3%~0.4% of the total consumption on advertising, while the industry spends on average 3%~4% of the total sales on advertising.

1.3. Emphasis on Store Design

Currently more than 70% of Zara's products are produced at its headquarters in Spain and in neighboring Portugal and Morocco, and then flown to stores around the world. The closer the communication between the headquarters and the supply chain, the more agile the production and delivery can be - Zara can launch new products in four weeks and turn over old products in two weeks. In the 90s, Zara continued to build its logistics infrastructure through massive capital investment, spending heavily on its own cargo planes. Products produced at the headquarters in Spain can be flown to European stores within 36 hours and to stores worldwide within 48 hours, so as to avoid to the greatest extent possible out-of-stock situations when hot items are sold out. The quantity of each delivery will not be large, but small and many: ZARA can deliver to stores 2-6 times a week, and the production and flow speed is comparable to that of fresh food.

2. Diversify to Arouse the Interest of Young Consumers in the Brand

As fast fashion brands are in the doldrums, Zara is adjusting its strategy step by step in order to keep its sales growth and start diversifying to find new profit growth points.

2.1. Break with Tradition and Invite Flow Stars as Brand Spokespersons

Under Zara's parent company Inditex, eight major brands, including Oysho and Massimo Dutti, have almost never had spokespeople in the Chinese market. However in 2018 this tradition was completely broken. Oysho, which focuses on loungewear and lingerie, inducted Li Qin as its Asia-Pacific spokesperson in May last year, followed by high-end brand Massimo Dutti, which found Zhang Junning and Gao Yixiang. Uterqüe announced the appointment of Guo Biting as its ambassador for China in August. In September, Zara announced the appointment of Wu Lei and Zhou Dongyu as brand ambassadors for Greater China. As new generation icons, Zhou Dongyu and Wu Lei have 25.22 million and 28.82 million followers respectively on Sina Weibo.

At the same time, the same clothes of the two spokespersons and the global limited series are on sale on Zara Tmall Super Brand Day. Turning traffic into sales through celebrity-bringing and fan effect has become a mainstream practice for fashion brands, even luxury brands, and for Zara and its parent company Inditex, it is the most important step in advancing e-commerce and celebrity traffic strategy.

2.2. Embrace High Technology and Digitalization

In April 2018, Zara announced the introduction of AR technology in 120 flagship stores worldwide and the official launch of the Zara AR app. In the flagship stores, when consumers scan a specific Zara AR logo with their phones, models will appear on their phone screens. They will walk around and pose, just like creating a mini runway show for consumers. In addition to AR technology, Zara has also introduced robots in 80 stores in the United States to improve the efficiency of "order online, pick up offline". In addition to AR technology, Zara also introduced robots in 80 stores in the United States to improve the efficiency of "order online, pick up offline". In the future, consumers can simply scan the code through the machine to pick up their online orders in the physical stores, saving the time of queuing at the counter. For Zara, embracing high technology and digitalization will be one of the priorities for future development.

2.3. New Retail Flash Stores

In September 2018, Zara's first new retail concept store in China was located in Shanghai Times Square. This is Zara's third concept store in the world after Tokyo, Japan and London, UK, also in the form of a flash store.

Unlike previous Zara stores, this concept store has two floors with LED screens of different sizes installed inside and outside the store, and the store is filled with various high-tech interactive experience devices to create an immersive shopping experience. In terms of design, the brand separates men's, women's and children's clothing in three different art spaces, distinguished by orange, black and metallic silver, and the products are hung and displayed like art installations. At the same time, there is a running metal conveyor belt for displaying various accessories and shoes, which is quite eye-catching. What's more, after consumers finish shopping, they cannot get the products on site and all orders will be delivered through e-commerce channels.

3. Conclusion

Zara's "fast fashion" model is the result of a study of the psychology of young consumers. Zara has attracted a large number of loyal young customers with its trendy clothes, low prices and advanced shopping experience, and has been ranked among the top clothing brands in the world.

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