

Digital Marketing LCMB7010

Assessment 1 - Zara



Student name: Maria Popan

Student Number: 2024734

Lecturer: Hossein Shokri

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Introduction

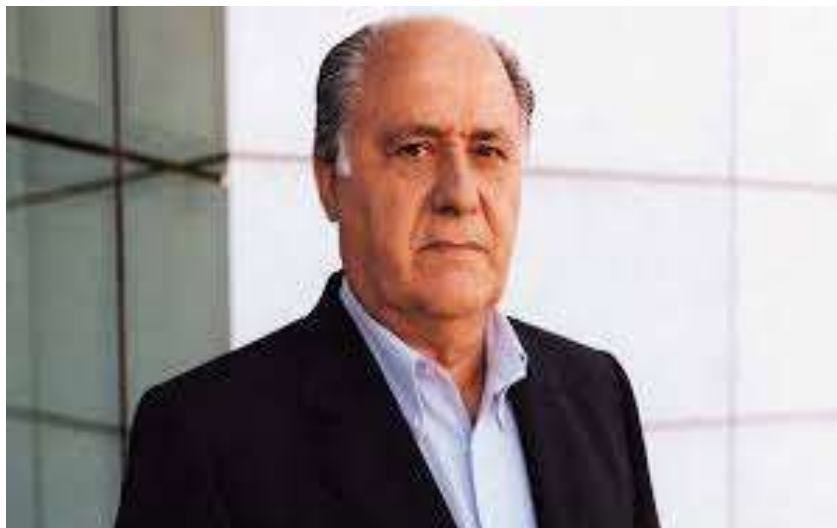
Digital marketing is a 21st-century phenomenon that is incredibly new. Utilizing this particular kind of media, companies may increase sales and profits by promoting their goods and services using database-driven internet distribution channels that connect them with target customers in an appropriate, meaningful, individual, and profitable way. A broad definition of digital marketing cannot be provided because no definition exists. This should, however, be illustrated by using famous examples such as email marketing, online advertisements, pay-per-click (PPC), text messages, instant messages, RSS, blogging, faxing, streaming video, podcasting, and broadcasting. Digital marketing encompasses these specific instances. The stage of digital marketing has arrived where every business has to have a marketer who can increase the promotion of their goods or services as effectively as feasible. Due to the accessibility of the internet, today's businesses utilize this instrument for inexpensive marketing that can be done throughout the day by just sipping coffee from the comfort of their own homes. We may communicate our message to prospective consumers by utilizing digital marketing strategies customized to the client, and many new customers can be attracted using different methods (Viardot & Nylund, 2017).



To put it simply, it is all about a strategy these days—every company employs specific strategies to achieve the top spots in their respective industry, simply put, to win the hearts of their consumers. We will investigate the Zara business as a part of the INDITEX group to discover the maximum amount of information about them, a benchmark, and a successful company. In addition, we will research various marketing techniques and find out why customers love this brand so much.

Company Overview – Zara

Zara is a Spanish apparel company that is one of the biggest in the world.



In 1975, Ignacio Amancio Ortega established Zara, the world's first and largest fast-fashion retailer. In order to keep up with the latest fashion trends, Zara's "fast fashion" focuses on offering goods in a wide range of styles, colors, and forms at low costs. Beyond Zara, Inditex owns Massimo Dutti, Bershka, Oysho, Pull and Bear, Stradivarius, and Uterqüe, as well as other apparel brands. Ladies, gents, and kid's clothing are available at Zara. Zara has 2259 shops in 96 countries. Zara launched HighAF in 2021. Due to the pandemic (COVID-19), ZARA shops briefly shuttered globally due to limitations in early 2020. However, when China lifted its 76-day lockdown in April 2020, ZARA's owner increased shipping to Asia (wikipedia, 2021). Zara is renowned for developing new products in two weeks and putting them in stores

in six months. Spain has 547 stores (including Zara Kids and Zara Home), followed by China with 229, France is 145, Russia is 144, Italy is 144, and in the United Kingdom are 63 stores. In January 2019, the US had 98 stores. Rosalia Mera, the co-founder of Zara with her former spouse Amancio Ortega, died in 2013. She was the world's wealthiest self-made woman at her death, with an estimated \$6.1 billion (Forbes, 2021).



Inditex headquarters

Zara 4p's marketing strategy

We need to look at all aspects of Zara's marketing plan to fully understand it. This brings us to a more conventional form of marketing research known as the 4p's strategy, which encompasses goods, location, pricing, and promotion.

ZARA

Products

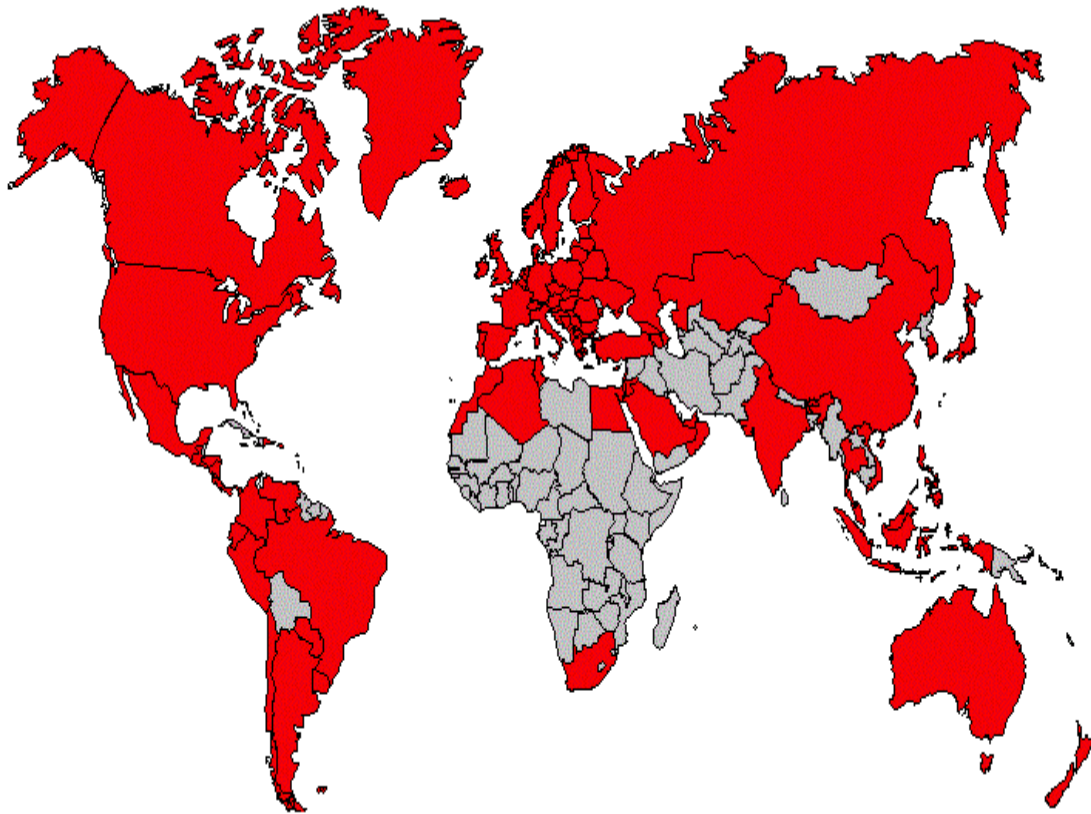


ZARA



Product - This is clearly essential since it is what the business has to offer the end user. The selection, design, packaging, features, quality, brand, and customer service will all be crucial. Zara is an "instant fashion" retailer, identifying new trends and delivering them to stores quickly and affordably. This explains the brand's fast growth. The brand's products are trendy, but they differ by area. Zara conducts extensive study before releasing each product to guarantee it is culturally appropriate. In a nutshell, Zara goods include cutting-edge trends, trendy designs, reasonable pricing, and a global appeal.

Place



Place - This refers to how you get a product to a location where the consumer can get it. It may include distribution, delivery, retail locations, download, and logistics. Zara has almost 3000 stores worldwide, but its vertical integration is extraordinary. Zara does everything about her design, manufacturing, and distribution. Customers will have the same atmosphere and experience everywhere as a result of this. With place, a business can create and manage its distribution route. The place also allows producers to get their goods closer to prospective consumers . The interior decor of the shop is modern, luxurious, and primarily white. Online sales have been carefully controlled and are only available in a few select countries at this time. A long-term growth strategy is developed for the company, and it seems to be succeeding, as Zara has established itself as the world's leading fashion retailer.

Price



Price - We may think of it as the amount of loss a client must suffer to get something. It always makes the consumer question if it is worth it. It may contain the retail price, a discount or bonus offer, payment options, credit conditions. Zara's pricing strategy targets the average customer seeking trendy clothing at an affordable price. As a consequence, the company's pricing must likewise be competitive. Zara's low prices drew a wide variety of consumers. Zara, on the other hand, is not cheap. So its pricing is cheaper than Hugo Boss or Uniqlo. Prices vary greatly depending on location and intended market. Zara can keep its pricing strategy by cutting development and delivery costs. As a result, the company gains market share, especially among millennials. Zara's products are worth the price. Many people think it is expensive

because it is good. So when Zara creates a new design and sells it at a lower price, people still buy it because they associate good quality with a high price, leading to brand growth. (Mazaira A., 2003).

Promotion



Promotion is the act of conveying the worth of one's goods to consumers. Direct marketing, personal selling, and sales promotion, advertising, public relations, sponsorship, sales calls, brochures, emails, and so on are all examples. Compared to other fashion stores, Zara spends relatively little on promotional efforts. It just does not promote itself strongly enough. Nonetheless, it has a marketing emphasis. Zara thrives on new store openings and recommendations from other customers. Zara's direct marketing strategy focuses on providing an enjoyable experience, an exclusive product, a reasonable price, and an easily recognizable quality. The careful attention to detail in the showrooms is seen in this strategy. It is entirely accurate and exquisite. Every shop manager may contact their Spanish colleagues immediately. Zara can create a strong brand image by concentrating on the company's fundamental values. Zara has successfully utilized social media platforms for marketing.

The Zara brand strategy

Brand strategy is the process of positioning an offer in the minds of consumers to create a sense of advantage. Moreover, strategy is implementing the organization's vision, purpose, and goals. In other words, everything the business does must represent the brand's identity, particularly actions affecting the customer. A company's brand and equity should be understood before developing a branding strategy (Arnold, 1992).

In 2019, Interbrand ranked Zara 29th among the world's biggest global brands. Its core values are beauty, clarity, usability, and sustainability. Incorporating changing fashion trends into Zara's designs has been credited with its success. Zara recognized an opportunity in the sector that few other businesses had. This was done to remain current with trends while providing high-quality and affordable clothing lines. The business keeps an eye on global fashion trends. It creates new designs based on current trends and gets them to stores in two weeks. Most other fashion firms would take six months or more to launch new designs and collections. Zara's competitive edge is its ability to launch new collections based on current trends quickly. It quickly became a famous brand, especially among fashionistas. The company's founder, Amancio Ortega, is renowned for his ideas on clothes as a perishable commodity. Rather than keeping clothes in cupboards, he advises people to enjoy them briefly before discarding them. The brand is often referred to as creating "freshly baked clothes" that endure just a few months. Zara "bakes" new styles by focusing on three areas:

1. *Shorter lead time (and more fashionable clothing):* As a result, Zara can guarantee that its shops have a steady supply of clothes in which consumers are interested, such as a current fashion trend, a sudden fad, a hot item in the news, or a collection from a world-famous designer. Zara consistently offers its

customers what they want at any given time, as opposed to trying to anticipate what they will buy many months ahead.

2. *Reduced quantities (through fake scarcity):* Zara lowers its exposure to that style and generates artificial scarcity by limiting the amount produced for a specific style. As with all fashion goods (particularly luxury), the less readily available an object is, the more desired it becomes. Another advantage of manufacturing in smaller numbers is that if a style does not get momentum and has poor sales, there is no significant amount to dispose of. Zara only offers two time-limited deals a year rather than continuous markdowns, and it lowers a relatively tiny percentage of its goods, about half of what its rivals do, which is a fantastic accomplishment.
3. *More styles:* Rather than increasing each design's quantity, Zara creates a more significant number of styles, about 12,000 each year. Even if a design sells out fast, other styles are always available to fill the void. This results in more options and a greater likelihood of getting it right with the customer.



Zara has a maximum shelf life of four weeks for its designs to be displayed in stores. By getting consumers to visit the brand's physical locations often, this strategy encourages them to purchase items from the store in a particular style or trend, as long as they are on time. This additional feature updates ranges and styles continuously, encouraging customers to return. Zara has developed a successful formula for fashion selling, as shown in the following sections (Okumus, 2003).

Digital Marketing

Digital marketing encompasses all efforts made by a company to communicate, promote, and sell its products or services through the internet and any marketing operations conducted electronically (Kotler & Armstrong, 2015). Digital marketing, according to, is the use of technology by companies to develop marketing operations to understand better and meet their customers' needs (Chaffey & Smith, 2013). It is based on traditional marketing ideas and utilizes the digital environment's opportunities and challenges (Shirisha, 2018). In brief, digital marketing aims to engage consumers and enable them to connect with the business via digital tools and platforms (Jeevan, 2015).

If we want to advertise our goods on social media platforms such as those used by celebrities and athletes (such as Facebook and Instagram), we should consider using one of the many available. Companies often pay these platforms monthly to promote their content. As an illustration: RM30 (about 5.45 pounds) is required by the organization to promote a post on Facebook for ten days (Facebook, 2021). Companies will often allocate a portion of their digital marketing budget to social media promotion, with the remainder allocated to other forms of marketing such as print. ZARA is a high-end fashion company that promotes its products on Facebook and other social media platforms. Zara does not promote traditionally. A television

commercial, print ad, billboard, or internet banner is unlikely to be seen during this campaign. It is not a Zara ad, but it could have been. However, it remains the most successful Spanish brand, with its owner Amancio Ortega as Europe's richest man and the world's third-richest. It is a shocking remark in a sector like the fashion industry, where there are fights to vie for the finest advertising spots available across all media platforms. Advertisers fight to show us their stunning prime-time perfume commercials, rent the giant advertising banners available in each city, and dedicate whole pages to brand adverts in fashion publications.

Everyone knows Zara "copies" high-end models, but that is not entirely true. It "copies" major businesses' trends and gets them to market quickly. His Just in Time production is to thank. It is essential to invest in effective marketing strategies. Zara has several logistical and commercial advantages.



Because it is based on actual orders, this Japanese method increases production while lowering administration costs and stock storage losses. While other textile companies take 3 to 6 months to introduce new collections, Zara introduces fresh trends to the market in only 15 days, creating consumer dependency.

Like some other marketing and promotion methods for an Apple brand, Zara's investments go to stores. Its stores are next to luxury brands like Louis Vuitton, Armani, and Gucci, giving them an air of exclusivity, despite their apparel costs ranging from 2 to 50 €. The most luxurious structures in Dubai, a 6-story tower in downtown Tokyo

and many shops on Oxford Street. Some of the city's most iconic, historical, or essential landmarks.



Marketing idea lost in the age of new technologies and online shops is the foundation of Zara's marketing and advertising approach. Walking up, entering, and purchasing is one of the most effective ways to attract customers. The first stage is done — shops in the city's finest locations — now it is time to get them inside. Windows play an essential part in the collection display. A portion of streets and numerous windows tested various window decorations and created many variants, while other sections such as neuromarketing scoured the marketplace to locate the most refined product.. Zara changes its store displays every two weeks and adds two more during the summer and winter sales. That is about 150,000 store windows each year. Mirror neurons are used extensively while designing the brand's store displays. On top of that, consumers' mirror neurons lead them to come practically subconsciously into stores that create and put new trendy clothes.

Zara's Facebook page features images of their most recent collections and visual material in the form of lookbook-style photographs. Additionally, their clothing speaks

ZARA

for them and generates the most incredible amount of interaction in terms of likes and shares (Unmetric, 2021).

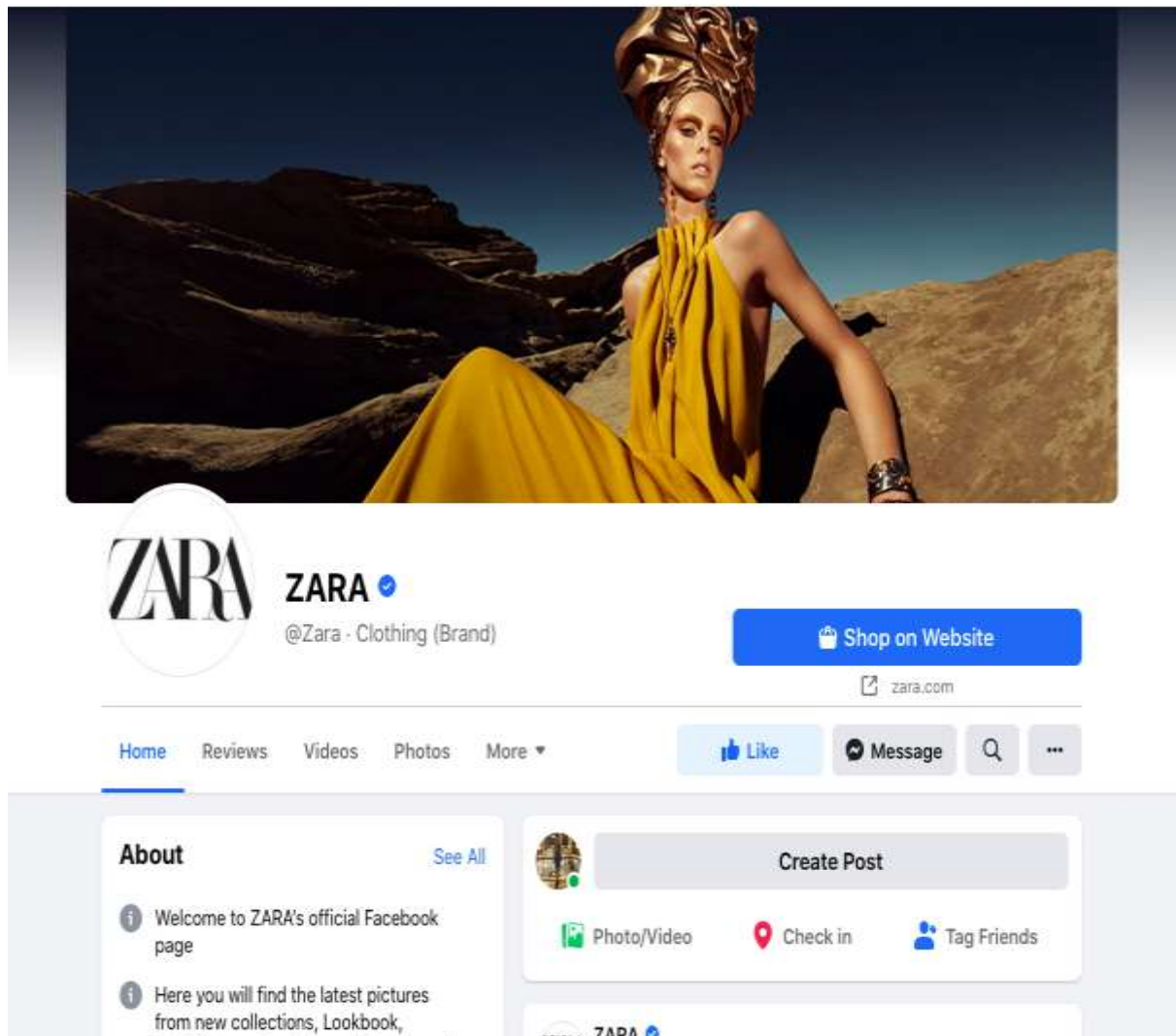


Figure 1: Facebook Page – Zara (Facebook, 2021)

Zara's Facebook page is mainly dedicated to showcasing the brand's most current designs. A lookbook-style photoshoot provides the visual material. As is not unexpected, their clothing does the most of the talking and creates the most incredible amount of interaction in terms of likes and shares on social media platforms.

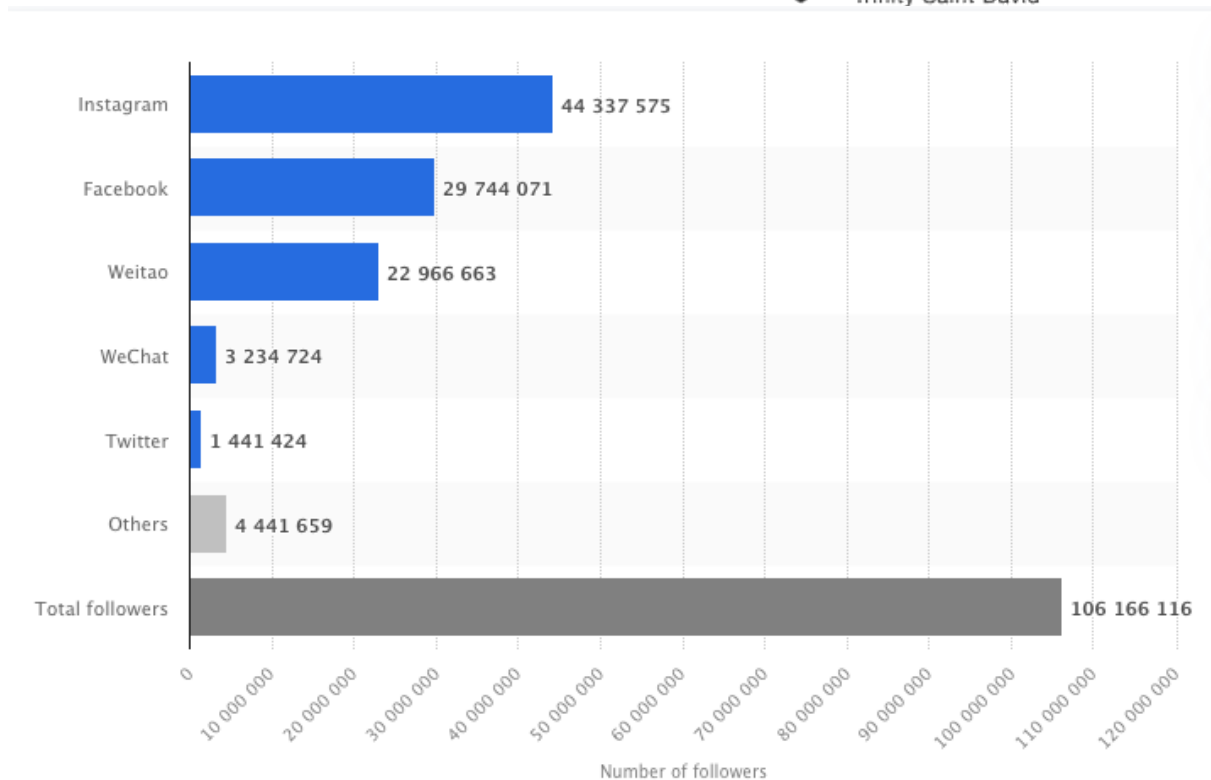


Figure 2: Number of followers of Zara in 2020, by social network (Statista, 2021)

Zara has approximately 46 million followers on Instagram, around 1.4 million on Twitter, 3.2 million on WeChat, and about 3.7 million on VK, which is a prominent site in Russia (Statista, 2021).

If a business is prepared to promote a post on social media, where viewers may be prospective customers, it is elementary to generate exposure for the brand. As a result, social media is essential for public relations since it allows us to market our goods quickly and even purchase things with a single click.

Customer Behaviour

Consumer Behavior Theories emerged from psychological research in the early twentieth century and were formalized in 1968. In recent decades, a significant and growing area of consumer behavior research has developed. In order to create

marketing strategies, marketers need to understand their target market and customer group. As a result, consumer behavior theories have been rapidly applied to different areas worldwide. Although no one theory can completely fit all circumstances, each must be tailored to a particular market. Customer behaviour refers to various consumers' mental and psychological responses while purchasing or paying for a product. In order to boost the sales of their goods and make their items more popular among consumers in the market, businesses must first grasp this concept. One individual can be both the user and the buyer of a thing; for instance, children are often both users and purchasers in toys but are seldom both. Similarly, while buying a present, the payer/buyer is not the recipient. This demonstrates that the mentalities of users and buyers may vary and that a company's goods can be successful in the market provided it has a thorough knowledge of customer/consumer behaviour (Parvatiyar, 2001).



Evangelism has evolved into promotion, and every location has become a new location, putting the consumer first. Customers are everything to Zara, and they are the reason she exists. The product is no longer king. Customer experience now outweighs goods in the new retail environment. Zara is aware. While Zara sells high-quality products at low prices, it also sells a unique shopping experience that

encourages repeat visits from loyal customers. In a highly curated product environment, with limited availability and constantly changing trends, the fast-fashion experience formula works. The faster and easier a consumer can explore and discover hidden treasures, the better. Personal commerce occurs everywhere consumers are, not only where the brand is physically present. The new retail distribution strategy aims to provide brand experiences and goods when and when customers want them. Zara does it. Zara has invested a lot of time, money, and resources into creating a seamless online-offline approach.



By using this technology and mobile connection, a consumer may view goods not available in the store. Its store location strategy is also problematic. It has 2,213 stores worldwide and 39 online markets. Most of their regular clients frequent the flagship shops. Zara dares to shut failing stores, expand into new areas, and develop existing brands (Zara Home, Massimo Dutti). Zara utilizes customer feedback to improve products and services. Equal opportunity, work-life balance, and professional development are essential to Zara. Zara builds engaged workers who engage customers. In addition, about 60% of Inditex workers are 30 or younger, matching the target demographic. That customer then becomes the Chief Customer Officer, influencing all aspects of the company. Consumers, not businesses, dominate

nowadays. Zara involves her clients in decision-making. That is Zara. A key component of Zara's present success is its product creation process that heavily includes customer feedback. An exciting story shows how Zara creates products based on consumer input. No pink scarves were available when Miko went into a Zara store in Tokyo in 2015. Toronto, San Francisco, and Frankfurt customers also wanted pink scarves but were denied. Within a week, every Zara store worldwide had pink scarves available. Five hundred thousand items were delivered and sold in three days. Affordably stylish clothing was the goal of the Zara brand. An advantage over competitors is the brand's ability to enable customers to co-design. Many fashion trends emerge unexpectedly.



For Zara's global success, no one can establish trends better than consumers. With dedicated customers in mind, Zara's meaningful experience and values tap into the potential of frequent buyers to help promote its goods. The business recruits customers and turns them into brand ambassadors who spread the brand instead of raising marketing expenses (0.3% of sales).

About The SEO

SEO stands for "search engine optimization." It is the method of getting visitors through search engines' "free," "organic," "editorial," or "natural" results and increasing your site's exposure in Google, Bing, and other search engines. The more visible sites are

in search results, the more likely they will attract new and existing customers. Considering that SEO is a dynamic process continually evolving to get better outcomes, it was looked at to improve its digital exposure. In this sense, it manipulates a website's attributes to enhance its search engine ranking (Zelkowitz, 2010).

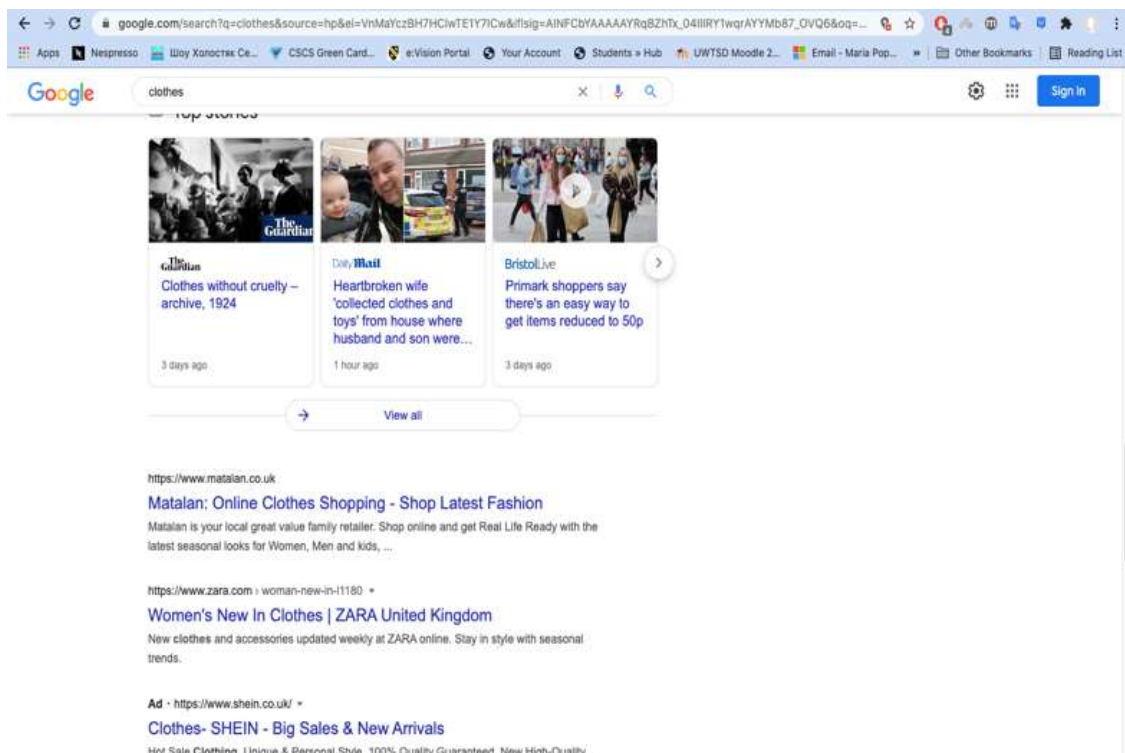
In brief, SEO is a set of methods and changes that help search engines gather, index, and analyse website material (Zilincan, 2015). SEO promotes new visitors, brand recognition, product or service reputation, and sales volume (Chotikitpat, 2015). Effective SEO is essential to online company success (Zhang, 2017). SEO allows and promotes a product or service organically, without using paid advertising, avoiding the obstacles imposed by search engine algorithms, and ensuring it is correctly indexed for its purpose.

SEO studies how search engines work, what people search for, the phrases or keywords used in searches, and which search engines their target audience favors. SEO is done to improve search engine rankings and increase visitors (SERP). These visitors may become customers (Ortiz-Cordova, 2012). A website's objectives may dictate if SEO is the best approach for a particular website. Marketing through search engines is called search engine marketing (SEM). A comparison of SEO and PPC is the easiest way to illustrate the distinction between sponsored and unpaid priority ranking in search results.

A good ROI may be possible with SEO. However, search engines do not charge for organic search traffic, and referrals are not guaranteed. For this reason, a company that relies significantly on search engine traffic may incur significant financial losses if the search engines cease to send visitors. Search engines can alter their algorithms at any time, thereby impacting a website's ranking and causing significant visitor loss. Averaging almost 1.5 changes each day, Google CEO Eric Schmidt claims the company changed over 500 algorithms in 2010. Weaning website owners off search

engine traffic are regarded as a clever commercial strategy. Like web crawler accessibility, user web accessibility is becoming essential for SEO.

Zara uses Internet marketing to teach consumers about the latest trends. These techniques include content development, search engine optimization mailings, and promotional offers. We also note that if we enter the term "clothing" into the Google search box, Zara does not show first but instead follows a few companies such as H&M, Asos, Next, and others. On the other hand, Zara has a powerful SEO that helps it rank on the first page.



Positioning Zara on the google search page

Traffic, Interest and Popularity

Google Trends is a tool that provides an overview of a particular keyword's popularity. Consequently, it is worth comparing Zara's popularity to that of its main rival, H&M. The information is standardized on a scale of 0 to 100. The graph's values do not

reflect absolute search volume statistics. Consequently, they reflect the amount of Zara and H&M searches concerning the total number of Google searches over time.

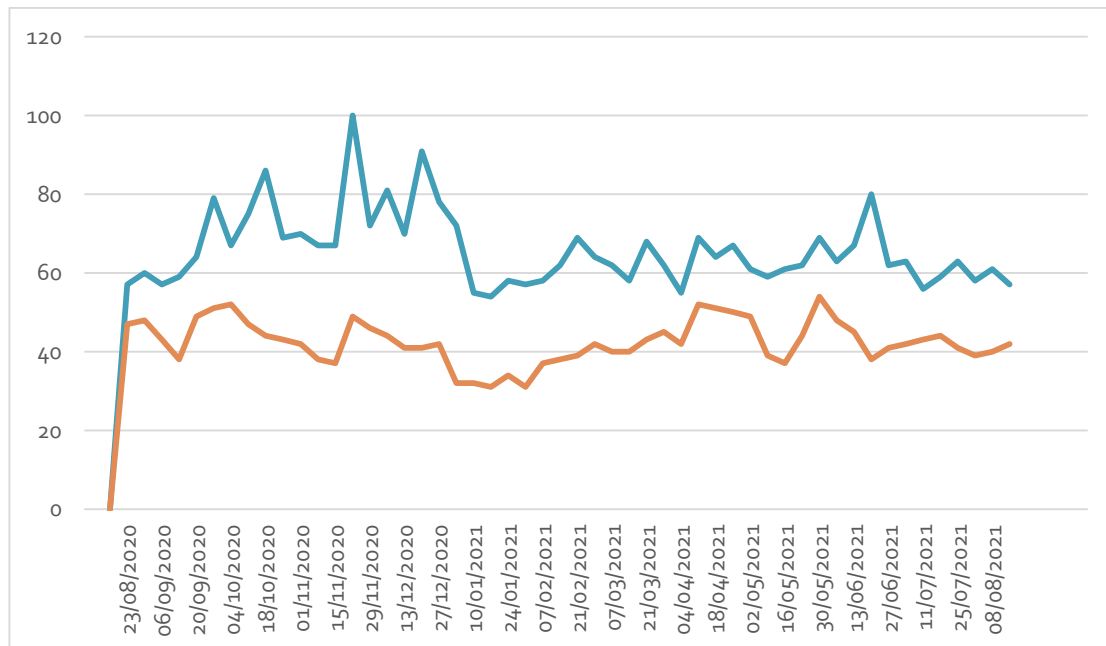


Figure 3: Google Trends For Zara and H&M (Google, 2021)

Interest in the Zara brand has intensified over time. Given a long period from 2020 to 2021, Figure 1 shows that interest in the Zara and H&M brands is rising rapidly and continuously. On the other hand, starting on November 15, 2020, we may expect considerable interest in Zara, which returns to the previously seen pattern. We can infer that this was a result of the quarry, in which it was not feasible to visit real shops. However, as shown in Figure 1, Zara is more sought after than H&M, a solid brand that has maintained its popularity even through a more difficult time. Increasing attention to these fashion brands on Google may be due to the growing importance of social media and websites used as marketing tools to promote new collections and offer discounts and promotions. Similar searches show terms such as Mango and Bershka, which confirm them as Zara's other competitors besides H&M.

Similarweb.com offers more helpful information regarding a website's popularity, in addition to the information provided above. Through the comparison of the web pages

of zara.com and hm.com, we may make certain conclusions and get some insight into the competitive positions of the Zara and H&M websites, which can be described as follows:

- The global ranking of zara.com traffic in 2021 was variable and is now at 234th position. On the other hand, hm.com is currently in position 244. Rank is calculated by combining unique average daily visitors and page views. This means that H&M is more popular than Zara among internet users because it has more daily visitors and page views;
- Websites have a very heterogeneous audience: they include mainly female users, graduated or with higher education, accessing websites at work, school or at home;
- The geography of the audience is also very similar. Most visitors to zara.com are in



Figure 4: Traffic to Zara by country (Similarweb.com, 2021)

most of the hm.com audience comes from the US (30.6%), followed by



Figure 5: Traffic to H&M by country (Similarweb.com, 2021)

- The connections between hm.com and zara.com are pretty similar. Google.com, Facebook.com, YouTube.com, and other rivals like forever21.com and bershka.com. Because the sample is not typical of the whole population, the data must be utilized with care.

The Target Customer

Targeting involves deciding which market segments to target. Most companies lack the resources, products, or desire to pursue several markets. There are three main targeting strategies: undifferentiated, focused, and differentiated. Choosing a plan requires consideration. Businesses that focus on narrow market niches may miss their sales and profit goals. Those that choose too broad a market niche may not have the resources to service it properly (Claeseens, 2015).

Zara uses a hybrid strategy (differentiation and cost leadership) to beat its competitors by focusing on product quality and design while keeping prices low (Johnson et al., 2005). With a focus on providing a wide variety of goods and designs, Zara's ability to differentiate itself from the competitors in the clothing industry is a crucial factor. Zara has several target audiences. The company's marketing efforts are concentrated on three main clothing segments: women's, men's, and children's. The company tailors its clothing lines and distributes them via a worldwide network of shops (Ghernawat, 2004). Zara's primary target consumers are adults aged 18 to 35.



Zara's customers are classified as middle-class in society, according to the company. The gender fluctuates between men and women since Zara is open to all genders, particularly in their advertising, which uses models of both genders. According to Arif Harbott, Zara keeps their designs "hot," which allows them to target their younger consumers. This enables them to retain their consumers' attention while also competing with nearby rivals like forever21 and H&M. In terms of product variety, they split their offerings into three categories: women's (60%), men's (25%), and children's (15%). (15 percent). On average, what does a Zara customer look like? "Zara customer" is a fashion-crazed individual on the hunt for the next fad to put on. Today's generation of consumers is engaged on social media platforms such as Facebook, Twitter, and Instagram.

Segmentation

Organizations cannot meet the requirements of the whole market. Therefore they must segment to focus on the best customers. The internet market is made up of several different target audiences. "Segmentation is the division of the market into internally homogenous groups, either by features, requirements, or behavior (Claeseens, 2015). Marketing management method segmentation may help companies get a competitive edge. A market segment is a subset of a market with distinct characteristics that distinguish it from other subsets. Market segmentation is the division of a market into separate divisions based on consumer buying motivations and behavior. Segmentation helps businesses create products and services that closely match consumer desires.

Segmentation needs data on a market, its clients, and the rivals vying for their business. Marketers acquire this data via research. So research is vital in segment

development. Data for segmentation analysis come from both internal and external sources. Internal data sources include sales and service records. In some instances, companies lack access to all necessary data. Specialist agencies may provide extra market data. It may also be used to cover information gaps. Businesses doing research may do it in-house or hire a research firm.

Marketing terms like age, interest, gender, purchasing patterns, and lifestyle categorize customers. Customer segmentation enables a business to effectively target particular groups of customers and devote marketing resources to them. Because the target group's customers are similar, it is simpler to group them and offer them a product. Customers are often segmented geographically, demographically, behaviorally, and psychographically.

Zara does not use conventional methods for segmenting its consumers. It divides its consumers by their fashion requirements, focusing on generation X and Y. Affordably fashionable and comfortable clothes are essential to Generation X. In contrast, comfortable clothing is essential to Generation Y. Zara's primary target market is women since it manufactures predominantly for them. Its target demographic is female, as shown by the fact that it devotes twice the area and, in many instances, two floors to female apparel and considerably less to male.

The business divides the nation into regions based on climate and culture. Due to the climatic differences, it sells winter clothes in the southern hemisphere and summer clothing in the northern hemisphere. So in India, it stores according to the climate, and in the UK, it stocks according to the prevailing climate with many winters.

Zara's consumer segmentation is the same in India and the UK. The main difference is that it stores clothing according to climate rather than women's fashion sense in the UK and India.

Artificial Intelligence in Digital Marketing

Artificial intelligence (AI) is the computer emulation of human intelligence. Learning (acquiring knowledge and rules for utilizing it), reasoning (using rules to arrive at approximate or definite conclusions), and self-correction are examples. Expert systems, voice recognition, and machine vision are examples of AI. Artificial Intelligence is a method of having a computer, a computer-controlled robot, or software think intelligently. AI may improve the gathering of extensive data daily, which offers many benefits for companies. Expansions in computer power and storage and significant advancements in artificial intelligence have raised expectations. While automation and robots have touched numerous sectors, the retail business has been hit more than expected. Artificial Intelligence (AI)-programmed robots have taken over most occupations that humans cannot do as efficiently or quickly (USM, 2019).



Zara can use artificial intelligence to increase e-commerce sales by better predicting popular product trends. While Pablo Isla claims that all Inditex brands will be online by 2020, the epidemic highlighted the importance of internet shops. During the pandemic this year, Zara had to shut 1200 shops worldwide. From May to July, the business reopened 98 percent of its shops. "A gradual return to normality," says Amancio Ortega. Zara's online sales increased 74% this year as they improved their digital

communications and updated their supply chains to accommodate shipping over in-store inventories. Their designs even included "quarantine trends" like wide trousers, sweaters, and home slippers. Zara's digital responsiveness has helped the company achieve online success this year. This demonstrates the importance of digitization and awareness in 2020. Zara may use artificial intelligence to enhance its trend radar to stay ahead of rivals and new entries into ultra-fast fashion. Cutting-edge technology can identify the most popular product and brand connections, as well as the most appealing designs, colors, and textures. Most importantly, Heuritech's social media picture analysis technology can discover the most excellent influencer styles and predict the newest future trends.

Artificial intelligence can improve demand forecasting and therefore help close the "just-in-time" production loop. 85% of the company's output is done within the current season, not anticipating future trends. Zara can prevent overproduction and become more sustainable by doing so. Customers will be more likely to buy goods if retailers identify their requirements months ahead of time.



Customer service has been improved at Zara by using the BOPIS (Buy Online, Pick-Up in Store) approach. In a Zara shop, customers may purchase online and pick up in

the customer service or checkout line. Customers prefer to shop online before visiting the store, and the lines are long.



Zara wants to automate its BOPIS process to reduce client wait times. AI Robots are the Answer! The store is launching a high-tech BOPIS or "Click and Collect" service to address lengthy queues. Intelligent robots will retrieve goods from automated retail shops' backrooms, speeding up in-store collection. The collection location is open to customers who ordered online. The AI Robot subsequently locates and delivers the necessary order to the customer.

Zara initially tested this technology at a shop near its headquarters in Spain. Zara has also established a digitally upgraded 'Pop-up Store' in a UK retail complex.



The Mall is 2,150 square feet and includes shops for both men and women. Strangely, consumers can only buy online. Online orders may now be picked up at the Westfield Stratford mall in London. Automated store workers help customers with cell phones. Purchases made before 2 p.m. may be picked up that day. For late orders, customers must pick up the next day and pay with Bluetooth credit cards. Unique Zara automation elements include an item suggestion system that works with a mirror. Also, the system recommends additional items that match the selected size and outfit.

In summary, AI and robotics are becoming increasingly common in retail. Retailers utilize AI to increase market demand. Artificial intelligence (AI) has a direct impact on customers, transactions, efficiency, and business. In recent years, the media and businesses have focused heavily on artificial intelligence. It is the perfect moment for retailers to adopt these essential skills due to the abundance of significant data sources (and increasing). Small businesses and large corporations alike may benefit from big data analytics, which allows them to enhance and modernize many areas of their operations. These are just a few of the areas that artificial intelligence may help improve. The use of artificial intelligence by retailers may help them achieve a competitive edge in the marketplace, despite specific difficulties.

Conclusions and Recommendations

To summarise, I can say that Zara is a successful worldwide retailer that has turned itself from a local Spanish brand into a genuinely global brand in less than 30 years of operation. The goal of this essay is to improve our understanding of the business. While conducting the study, a particular emphasis was placed on digital marketing tactics to understand the firm's internationalization process better. Zara is a company that stands out from the crowd. They have achieved success in their goal, and their slogan is to offer the highest-quality goods to their consumers at the most reasonable rates possible. With its unusual strategy of not spending much money on marketing its goods, Zara has had great success. With time, the Zara brand and its goods have garnered a great deal of attention. Customers have faith in Zara's goods and turn to the retailer for the newest fashion trends at all times. As a result of its success, Zara has gained widespread recognition across the globe, posing a significant challenge to its competitors. Zara's product development and customer support approach will become more prevalent in an age of massive data and rapid decision-making. Even yet, adapting to a changing market will be a difficult task for Zara in the future. - It will be interesting to watch how Zara adapts their marketing approach when the "fast fashion" concept is tested in the coming years. Their use of recycled paper and biodegradable plastic to package their goods for consumers contributes to creating a more environmentally friendly atmosphere. Zara has the potential to transform the fashion industry and raise the standard for its rivals. Following this research, a single suggestion is to always be distinct without imitating the most expensive companies. Buyers have already placed their faith in them. Zara should not imitate a premium brand but rather focus on high-quality, one-of-a-kind design models.

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