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ФОРМИРОВАНИЕ И РАЗВИТИЕ МАРКЕТИНГОВОЙ СТРАТЕГИИ
ЗАРУБЕЖНОГО БРЕНДА В КИТАЕ (НА ПРИМЕРЕ БРЕНДА ZARA)

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# ABSTRACT

Li Chunfang. Formation and Development of Foreign Brand Marketing Strategy in China: SUSU, 224, 85 p, 4 tables, 4 pictures, references – 41 names.

With the development of society, people have a demand for rapid updates of clothing, and the fast fashion clothing industry has emerged and developed rapidly. As many foreign fast-fashion clothing brands land in China, foreign brands occupy more and more market shares. The internationally renowned fast fashion brand ZARA is a clothing brand belonging to the Spanish INDITEX Group. Its sales only account for 30% of the group's sales, but the benefits it creates account for 70% of the entire group. ZARA has become the fast fashion clothing brand with the highest store efficiency in China's clothing retail industry. From the perspective of marketing strategy, it discusses ZARA's success and shortcomings, as well as some experience and enlightenment for other foreign brands that are willing to enter the Chinese market and develop into fast fashion brands.

This paper takes ZARA as an example to study the marketing strategy of this fast fashion clothing brand. First introduced the relevant theoretical basis of the marketing strategy, and then explained the development status, development environment, and brand characteristics of the ZARA brand in China, conducted a SWOT analysis of the ZARA brand, and then deeply analyzed the deficiencies and deficiencies that need to be improved. The reason is to propose ways to improve the marketing strategy of the ZARA brand in the Chinese market.

Finally, it summarizes the application of ZARA brand marketing strategy in the Chinese market, and helps ZARA and other companies that are willing to enter the Chinese market and develop into fast fashion brands to develop in a healthy and stable manner in the Chinese market.

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# INTRODUCTION

*Research background and significance*

Foreign fast fashion clothing brands are expanding rapidly in China.

China is the most populous country in the world, and its economic growth rate has contributed more and more to the world's economic growth. China has also become the world's largest country in the field of clothing consumption. The clothing market has become bigger and bigger. Since 2001, China after joining the WTO, China has less and less restrictions on the operation of foreign clothing brands. With the deepening of globalization, the transnational operation of foreign clothing brands has become the mainstream of the clothing industry, and the Chinese market has also become a foreign clothing brand where the stage of competition. In this contest, since 2002, some foreign fast fashion clothing such as GAP, Uniqlo, ZARA, VERO MODA, H&M, ONLY, etc. have entered the Chinese market layout. The target areas are mainly first- and second-tier cities, but with the continuous improvement of China's consumption level and the gradual narrowing of the regional economic gap, some foreign fashion brands have begun to accelerate the opening of stores in China's third- and fourth-tier cities. Judging from the number of stores opened by foreign fast fashion brands, the Chinese market has become an important foreign market and new growth point for brands such as ZARA and Uniqlo. With the development of the economy and the growth and expansion of the middle class, more and more consumers have continuously improved their purchasing power, and their consumption needs and consumption concepts have also been constantly changed. The promotion of individuality, trend and fashion has increasingly become the goal pursued by consumers. And the arrival of these foreign brands, with their fashionable, affordable products and thoughtful and high-quality services, quickly established a dominant position in the Chinese market and received support and enthusiasm from consumers. The recognition of fashion brands has reached a high level.

As a leader in the fast fashion industry, ZARA has been a model of imitation and learning by the outside world for many years, and there are many studies on ZARA. These include the SPA model-the inheritance and development of the specialty retailer of private label Apparel, the segmentation of the fashion market-the establishment of a sense of fast fashion, an efficient logistics and distribution system, etc., for ZARA's The research has formed a more systematic and comprehensive system. [1] For ZARA China, it is also the focus of domestic research, including store location, logistics center establishment, fashion buyer training and many other aspects. It provides many good suggestions for local and other foreign fast fashion companies. The paper research focuses on the development of the ZARA brand and its marketing strategy. It is an exploration and research on the development of fast fashion development models in the new era within the academic scope, and is beneficial to the theoretical guidance of the future development of similar foreign companies. In a practical sense, this paper will carefully analyze the performance of ZARA in recent years based on previous scholars' research on ZARA, combined with the current Chinese national conditions, and in-depth study the characteristics of ZARA's marketing strategy in China, and provide help for the development of ZARA in China. The reform of ZARA's marketing strategy can not only provide a good reference for the development of other fast fashion clothing brands, but also help it occupy more market shares in the Chinese market.

*Research method*

The literature research method is through consulting books and related ZARA and marketing strategy research literature at home and abroad, screening and sorting out the collected literature materials, finding out the relevant content of this research, and making a summary, laying a theoretical foundation for the writing of thesis.

The case analysis method is the main analysis method of this paper. The development and application of fast fashion need to be proved by cases, so as to realize the combination of theory and practice. The paper mainly analyzes and studies the success and

shortcomings of ZARA's marketing strategy in China, which is representative of foreign fast fashion clothing brands and fast fashion brands, and on this basis, proposes ZARA's marketing strategy reform in the Chinese market. And the use of new marketing strategies.

*Research tasks and paper structure*

The main research task of this paper is to study the marketing strategies of ZARA fast fashion clothing brands in the Chinese market on the basis of understanding what is brand marketing strategy, what is the method of brand marketing strategy, and what is the classification of brand marketing strategy. Problems, and analyze the causes of these problems, and then propose innovative marketing strategies to solve the existing problems, and provide experience and reference for other fast fashion brands that are interested in entering the Chinese market, and finally apply the newly proposed marketing strategies The ZARA brand, which exists in the Chinese market, helps it expand its market share in the Chinese market and continue its healthy and stable development.

The structure of the paper is mainly divided into three chapters. The content of the first chapter is the introduction of the main theoretical basis related to the theme of the thesis, that is, the related theoretical explanation of the brand marketing strategy, mainly including the definition of brand marketing strategy, the method of brand marketing strategy, The classification of brand marketing strategies and the effect of brand marketing strategies on brand development. The second chapter is mainly about the analysis of ZARA brand marketing strategy in the Chinese market. Mainly include the introduction of the ZARA brand, the development status of the ZARA brand in the Chinese market, the macro-environment analysis of the ZARA brand marketing strategy in the Chinese market, and the use of PEST to conduct the macro-environment from the four aspects of political law, social economy, cultural environment and technological development. Analysis and SWOT analysis of the ZARA brand. Based on the SWOT method, discuss ZARA's strategic resources and capabilities in the Chinese market, and conduct a systematic analysis of product technology research and development, logistics,

product positioning and marketing, market environment, company human resources and financial conditions. And put forward specific problems. The main content of the third chapter is the application of ZARA brand marketing strategy in the Chinese market. The first is the problem and reason analysis of the original brand marketing strategy. Then, based on the discovered marketing strategy problems, targeted improvement methods are proposed to solve the existing problems. Finally, the proposed new marketing strategy is applied to the actual Chinese market to provide a practical basis for the development of the ZARA brand and provide a reference for the development of other foreign fast fashion brands.

# 1 INTRODUCTION TO BRAND MARKETING STRATEGY

## 1.1 Definition of brand marketing strategy

Brand definition

Brands come with the development of commodity economy. Scholars mainly have the following views on the connotation of brands:

The word brand is derived from the Old Norwegian word "brand", which means "branded". [2] In ancient times, when people indicated the identity of the owner, they often imprinted cattle and other livestock. The identity of the producer was to leave a mark on tools such as axes, sickles, and wooden barrels. Fingerprints on the pottery, these are the most primitive forms of expression of the brand. In addition, some scholars said that the totem that the ancients worshipped was the origin of the brand. [3] However, this origin is actually a trademark of Kittel society that originated in medieval Europe because it is an institutional brand of modern commercial activities.

In the modern consumer society, the ubiquitous manifestation of commercial signs is brand, so it has been studied by many scholars. For scholars, the current primary task is to put forward a reasonable definition of brand. Due to the continuous development of social practices and people's awareness, the definition of brands has become more diversified. David Ogilvy stated that "the brand's attributes, name, packaging, price, history, reputation, advertising style, etc., are rationally combined to obtain the main body of the brand, which also gives the brand a more complex symbolic form." [4] However, SchultZ did not agree with Ogilvy's point of view, and put forward opposing opinions. His understanding of brand characteristics is duality, which is mainly reflected in the The recognition of both parties can bring positive effects to both in terms of value." [5] Lynn Arp (1999) believes that the meaning of brand is "the nucleus in the economy", and said that although the brand can represent product names, logos and other marks, it is more important to agree with consumers. "Contract" which is reflected in both "commitment"

and "trust".[6] Dunn's concept is that the brand is a promise to consumers, which can be dealt with in people's hearts, not only in people's subjective feelings, but also in listening, speaking, reading, and writing. The position is revealed. As consumers' experience reviews, impressions and psychological expectations, brands are of great significance to consumers. They can convey attributes, interests, beliefs and values to consumers, while at the same time generating differentiation, promoting complexity reduction and realizing decision-making, etc. process. [7]

The American Marketing Association (AMA) defines a brand as a name, proper noun, mark, symbol, or a collection of the above elements, the purpose is to distinguish the seller's own goods and services from these of other competitors. According to this definition, as long as a company creates a name, logo, or product symbol that is different from that of its competitors, it also creates a brand.

American marketing expert Philip Kotler puts forward: "Brand is an intangible concept. [8] In order to facilitate understanding, brands are often equated with tangible marketing communication elements such as logos, symbols, and advertisements, but brands are far more than these. Brand should be a promise, a product, service or company, and your all-round perception. It occupies a unique position in the minds of consumers, and it conveys characteristics, interests, and beliefs to consumers and value to help consumers understand the differences and simplify the decision-making process." According to Kotler, brand is a multi-faceted perception. In order for an enterprise to gain the greatest competitive advantage, all its activities must be coordinated and integrated. The establishment of a brand is not just as simple as creating awareness for the company or promise to customers, but a process of establishing the soul of the enterprise and spreading it to all consumers so that consumers can truly obtain all the values promised by the brand.

Philip Kotler's definition of brand is more practical and guiding for companies that are committed to building a strong brand. It points out that superior brands can give

companies a competitive advantage in the market, not because brand-name products have nice names or unique logos, but companies with brands can say and do, and promises can be fulfilled, thus gaining consumers' attention trust. It clearly reminds business operators that famous brands are not created by advertising bombardment, but must work hard in all aspects of enterprise research and development, production, sales and service. Otherwise, the bright and beautiful enterprises will only be short-lived. The research on ZARA's brand marketing strategy in China is also based on this brand concept.

The role of the brand

By analyzing the two brand definitions given by the American Marketing Association and Philip Kotler, it can be seen that the former defines the brand from the perspective of corporate marketing and expresses the external manifestation of the brand; the latter explains it from the perspective of the brand audience Brand expresses the connotation of brand value. But both show that brands play an important role both for consumers and for companies,  as shown in Table 1.1.

Table 1.1 – The role of brands

| For companies | For customers |
|---|---|
| Easy to track identification | Identify the manufacturer or place of |
| A sign of meeting customer needs | origin of the product |
| Carrying product unique association | Reduce buying risk |
| Sources of differentiated competitive advantage | Reduce search costs |
| The source of huge profits | Product/service quality agreement |
| | Expression of personality and emotion |
| | Quality assurance |

Definition of brand marketing strategy

Brand marketing strategy refers to the process in which a company takes brand differentiation as its overall strategic goal and creates value to meet demand. In today's

increasingly homogeneous products, the basic attributes of products are no longer the key to a company's core competitiveness. How to drive consumers to purchase products is to establish brand reputation and cultivate consumer awareness and loyalty to the brand, In order to obtain consumers' sustained purchasing power. Maintain the tenacious vitality of the brand. Brand marketing strategy is different from traditional marketing concepts. The marketing activities carried out by enterprises are all around the brand rather than the product itself. Companies should use the core value of the brand to map the brand's intangible assets to consumer psychology. Make consumers recognize from the heart and form brand loyalty. Well-known brand marketing expert Weng Xiangdong believes that the key point of brand marketing is to find a brand with a differentiated personality that can deeply infect the core brand value of consumers. Differentiated marketing is the internal driving force. It allows consumers to clearly and clearly identify and remember the personality of the brand.

1.2 The approach of brand marketing strategy

The approach of brand marketing strategy mainly includes brand positioning, brand recognition, brand image establishment and brand promotion.

1.2.1 Brand Positioning

Brand positioning mainly refers to the brand image shaping activities carried out by companies on specific target markets and consumer groups. In other words, it refers to finding an appropriate position for the brand in the market to make its products meet certain demands of consumers, and then to consumers Occupy a special place in the heart. Brand positioning is the core of an enterprise's brand marketing activities, and successful positioning is a necessary condition for successful brand management. When a company locates a brand, it must first think about what consumers think, and start positioning from the internal needs of consumers. It is not only positioning the product, but the purpose of

positioning is to seek a fit between the characteristics of the brand and the emotional needs of potential consumers. Put the product into the hearts of consumers, so that once the target consumer group has consumer demand or when faced with a dazzling array of brands, it can associate with the brand and produce purchase behavior. Therefore, brand positioning also plays an important role in obtaining a large number of loyal consumers. If a company wants to gain an advantage in market competition, its brand positioning must be precise and differentiated. Distinctive products will attract consumers' attention. Similarly, highly differentiated positioning will be deeply imprinted on consumers' minds, making it easy for consumers to distinguish the brand from other brands. Once a brand is established and loyal customers are acquired through positioning, it will be extremely competitive in the market. The brand positioning of a company must also subdivide, select and position the target market. This is very important. This method can enable the brand to penetrate the market and expand its market share.

1.2.2 Brand Recognition

The concept of brand identity is relatively new. It is a proprietary association of a certain brand created by brand marketers. The main feature of this kind of legend is that it can promote the formation of a good impression of the brand in the minds of consumers, and is superior to other competitors in terms of product quality, label, and brand. Brand identity can not only interpret the inherent advantages of the brand, but also imply the brand's commitment to consumers. In layman's terms, brand identity means that brand owners expect to leave good ideas and expectations in the minds of consumers. The development situation of a brand The role of brand identity in it cannot be ignored, and brand identity mainly consolidates the brand's impression among consumers by reflecting the core value, ultimate goal, and meaning of the product. Brand recognition mainly includes three aspects: core recognition, brand essence, and brand broadening recognition. These three aspects have played a very good role in promoting and guiding the future

development direction, meaning and purpose of the brand. Chinese brand expert Weng Xiangdong pointed out: Brand recognition is mainly about how to realize the most essential content of the brand in comprehensive activities such as products and sales systems to distinguish the brand associations of other products. The main idea of this sentence is to believe that brand recognition is the behavior of the holder, and the purpose is to establish the difference and superiority of the brand through the process of brand sales and communication. This shows that brand identity plays an extremely important role in the entire process of brand investment to sales. If a company wants to build its brand into a strong brand, it is bound to have a clear and in-depth brand identity, and meet the functional and emotional needs of consumers through the brand value displayed, thereby establishing a relationship between the brand and the consumers.

### 1.2.3 Establish a brand image

Brand image mainly refers to the mental impression left by a certain brand or company to consumers. Its essence is the perception and evaluation of the company or brand by consumers starting from subjective emotions. Its quality is mainly based on consumers' perception and evaluation of the company or brand. Cognition and word-of-mouth reflect, so it is closely related to consumers' cognition, feelings and background. Brand and image are inseparable. On the one hand, the external performance of the brand is the image, and on the other hand, the image can reflect the strength of the brand. Brand image should reflect individuality in its characteristics, and it is the primary starting point for consumer groups to identify and screen brands. The role of brand image is: on the one hand, it can consolidate the brand's positioning, and on the other hand, it can reflect the inherent needs of brand positioning, so the brand image is the embodiment of brand marketing individuation. Brand image includes product name, logo, packaging, etc. Just as the personal image is the face of a person, the brand image of a company is the facade of the company, so companies should pay attention to the shaping of the brand image. Not only

is a good brand image plays an important role in promoting the establishment of consumer loyalty and the enhancement of brand value, but the presentation of brand connotation also requires the support of a good brand image. In order to establish a good brand image, both internal and external aspects must be taken into consideration. Internally, it must reflect the corporate cultural connotation, and externally, it must reflect the brand's performance, logo, and brand reputation in the consumer market.

### 1.2.4 Brand promotion

Brand promotion is an effective way of brand communication. In order for companies to better establish and develop their own brands, further maintain their product brand image, and ultimately be recognized by consumers, brand promotion is very important. In order to create advantageous and distinctive brands, companies need to formulate efficient plans to expand their implementation efforts. The after-sales service of the brand and the response of after-sales consumers are effective ways to help us make market assessments. Uniformity is what brand promotion should have, and every section and detail operation must conform to the principle of consistency. Reflecting the core value of the brand is the focus of brand marketing activities, so companies should strengthen and consolidate their understanding of the core value of the brand, and do not miss any favorable opportunity to reflect it. The core value of the brand in the product identification, development, production, advertising and promotion, and the final sales system should be used as the core idea to dominate the entire process. The ultimate goal of the enterprise is to obtain substantial economic benefits, and the promotion of the corporate brand can achieve the purpose of promoting customer consumption by establishing a good brand image in the hearts of consumers, so as to achieve the purpose of selling products. In order to better obtain brand value and have a strong competitive advantage in market competition, companies must carry out brand promotion and increase brand awareness. Companies should take the core value of the brand as a foothold to promote the brand,

narrow the distance between consumers and the product brand, and further develop the brand's customer base to make it a long-term stable consumer group. The premise for a company to promote its brand: First, improve product quality. High-quality products are one of the important factors for a stable consumer group. Secondly, it is necessary to improve the level of products and services as the benchmark. Service is an important bridge for communication between consumers and enterprises. Only high-level service concepts and service objectives can ensure a stable market space for the brand. Finally, based on the principle of complying with the laws and regulations of the market economy, the legitimate rights and interests of product brands are protected, fair competition, and the company's product market competitive advantage is effectively improved.

## 1.3 Brand Marketing Theory

Brand Image Theory

In the middle of the 20th century, after David Ogilvy put forward the concept of brand image, brand image has received extensive attention from academia. In the 1960s, David Acker put forward the theory of brand image, his view was to regard advertising as a long-term investment in corporate brand image. By the end of the 1970s, scholars introduced psychological perspectives into the understanding of brand image, believing that brand image is an attitude of people towards a brand, and a collection of images and concepts formed psychologically. From the 1990s to the present, the brand image theory has been enriched and developed. Biel (1992) proposed the interactive relationship and mechanism between brand image and brand equity. Keller (1993) believes that the brand image essentially exists in the minds of consumers, and it is reflected through the association of the brand, which is the various perceptions of the brand by consumers. In short, brand image is essentially not only the sublimation and performance of brand positioning, it reflects the inherent requirements of brand positioning, but also the

personality performance of brand marketing. It has a significant impact on brand promotion, brand loyalty establishment and brand equity drive.

Brand Positioning Theory

Brand positioning theory began in the late 1960s. With the concept of positioning proposed by Al Rievs and Jack Trout, they announced the advent of the positioning era. They believed that corporate creativity was no longer the key to victory, and that the product could penetrate into the hearts of customers. Therefore, positioning is regarded as a product or brand that occupies an important position in the minds of consumers so that consumers can remember it. Fu Guoqun (2004) believes that brand positioning is to determine a special position in the minds of consumers, so that consumers can distinguish the brand from other brands. The prerequisite for enterprises to carry out brand marketing is brand positioning.

Brand Extension Theory

Scholars' research on brand extension began in the 1980s. But its further development was in the 1990s. During this period, the study of brand extension entered a new stage. Aaker and Keller (1990) believed that brand extension refers to the application of the original brand name to a new product category. Fu Guoqun (2002) believes that brand extension is to apply successful brands to new products. It is a common strategy used by companies when expanding product lines and an important way to accumulate brand equity. Xie Fengjun and Luo Ming (2006) believe that brand extension is not a blind extension. It must take into account the original brand, marketing strategy, consumers, internal and external market environment and other factors. Brand extension is an important part of brand marketing, which expands the business scope of an enterprise.

Brand Equity Theory

The research on brand equity began in the 1980s. Scholars hold different views on the connotation of brand equity: they are based on the financial perspective and from the corporate perspective on brand equity; based on the market competition perspective, and

from the perspective of competitors. Research based on the perspective of the relationship between consumers and brands, but the current definition based on the perspective of the relationship between consumers and brands is the mainstream of current research, because although this definition mainly studies the issue of brand equity from the perspective of consumers, it also considers The needs of enterprises, competitors and consumers in three aspects. David A. Aaker (1991) believes that brand equity includes five types of components: brand awareness, brand recognition, brand association, brand loyalty and other proprietary assets.

## 1.4 Classification of brand marketing strategies

In recent years, the continuous economic development has promoted the improvement of productivity. The market has changed from a seller's market to a buyer's market. Consumers have the realistic conditions to "shop around". In the increasingly active market environment of consumers, only by brand marketing can gain a competitive advantage. Brand marketing is a manifestation of the comprehensive strength of enterprise management level and marketing level. In this process, it helps enterprises improve the overall level of product quality, management quality, technical quality, and talent quality, and speed up the enterprise technology upgrade and rationalization of product structure. Brand marketing strategy can be summarized into three parts, namely: brand personality strategy, brand communication strategy and brand promotion strategy.

### 1.4.1 Brand personality strategy

Brand personality is the classification and embodiment of the personality of the target consumer group that the brand faces. Specifically, it includes brand concept, packaging design, price, image, target consumer groups, etc. The research on brand personality has been very rich, and the most influential theories are summarized as follows, as shown in Table 1.2.

Table 1.2 – Researchers' Different Research on Brand Personality

| Researcher | Time | Research on brand personality |
| --- | --- | --- |
| Aaker | 1997 | The brand personality is defined as the collection of personalization characteristics that consumers give to the brand, and through factor analysis, the brand personality is summarized into the five dimensions of "innocence, stimulation, competence, education and strength", and a more systematic measurement scale has been developed. |
| Huang Shengbing, Lu Taihong | 2003 | An attempt was made to the localization of brand personality dimensions, and five brand personality dimensions composed of 60 brand personality vocabularies were obtained, and they were named as the Chinese cultural characteristics of "benevolence, wisdom, courage, joy, elegance". |
| Holt | 1995 | Brand personality is closely related to symbolic consumption. When consumers want to express their true self but cannot directly speak out, they can express themselves through their own consumption behavior, such as clothing, transportation, food, etc. to express their sex. |
| Schouten | 1991 | The closer the brand personality is to the personality of consumers or the personality they admire, the easier it is to resonate with consumers, generate a sense of identity, meet consumers' emotional needs, and enhance their desire to buy. |

In the current consumer market, competition for product homogeneity is becoming increasingly fierce. Only by shaping a unique brand personality can the product's lasting differentiation be maintained. As the two most influential brands in the world, Coca-Cola and Pepsi-Cola, if there is no such thing as "forever, American spirit" and "NEXT, infinite desire" to support the brand connotation full of personality, so that consumers only from the name and taste. It is difficult for the two to make a distinction and continue to distinguish these differences. What really matters is the different brand personalities contained in the two products. Consumers recognize and purchase a certain brand to a certain extent to meet their social and self-worth needs, which will become the key to gaining consumer loyalty.

1.4.2 Brand Communication Strategy

The so-called brand communication refers to the process by which companies pass brand-related information to consumers and continue to communicate with them to realize the continuous improvement of brand value. In the process of brand communication, making full use of communication resources has become the key to brand communication, and enhancing brand image is the ultimate goal of brand communication. Before the 1980s, brand communication was in its infancy. Only a few companies, such as Coca-Cola, have begun to promote their brands on a large scale and become well-known brands. Since then, brand communication began to be systematic, from simple brand names and logos to in-depth communication development. Brands such as Marlboro began to break through the brand connotation and became a model of brand promotion. After the 1980s, brand communication began to mature, and the business center of the company began to shift to brand establishment and maintenance. With the enrichment of corporate brand communication practices and the development of information technology, the means of brand communication are becoming more and more diversified. In 1991, Aaker published the monograph "Managing Brand Property Rights",

which pointed out a new direction for brand communication with a complete theory, structure and examples. In China, Yu Mingyang and Shu Yongping (2002) took the lead in introducing the concept of brand communication. They defined brand communication as "a set of operational practices that maximize brand awareness and reputation through various means." Wang Lei (2005) also commented Brand communication has been defined: to transmit brand system information and gain consumer recognition. It can be seen that brand communication is conducive to enhancing brand image and increasing consumer loyalty. In 1993, Professor Don Schultz first proposed the concept of "Integrated Marketing Communication" (IMC). On the one hand, this concept covers all communication activities such as advertising, promotion, public relations, direct sales, CI, packaging, news media, etc., within the scope of marketing activities. On the other hand, it enables companies to deliver unified communication information to customers. Since proposing the concept of integrated marketing communication, Professor Schultz has continuously improved this theory. In 1999, Schultz and Beth Barnes jointly published the "Strategic Brand Communication War". He introduced the concept of integrated brand communication in the book. Caroline Rigg (2006) believes that "the starting point of integrated brand communication is the enterprise, not marketing communication...Integrated brand communication requires the highest level of management, because it integrates strategy, finance, and marketing communication to achieve maximum value. The author believes that all elements including advertising activities, media strategies, public relations activities, word-of-mouth image, terminal display, etc. belong to the category of brand communication. The primary value of integrated brand communication is that it provides a whole-process management to coordinate brand resources, maintain and promote enterprise development.

### 1.4.3 Brand Promotion Strategy

Brand promotion refers to the process by which companies promote consumers' brand recognition through various marketing methods. Brand promotion is established on the basis of marketing. With the development of marketing, promotion strategies can be described as diverse, the most important of which are channel promotion strategies and sales promotion strategies.

(1) Channel promotion strategy

Marketing channels are sometimes called sales channels or circulation channels. In the 1960s, McCarthy first proposed the concept of "channel strategy". It refers to the various activities organized and implemented by the enterprise to make its products enter the target market, including channels, links, places, warehousing and transportation, etc. Philip Kotler (2004) gave a more authoritative definition of marketing channels: the specific path of the transfer of a company's products or services from producers to consumers is marketing channels. For companies, whether to use direct channels or indirect channels, and indirect channels to use several levels of distribution, requires companies to carefully weigh and comprehensively consider their advantages and disadvantages. The advantage of direct channels is that they can get direct contact with end consumers, get the most accurate information feedback, have a strong control over channels, and can adjust their marketing strategies at any time; the disadvantage is that the cost of developing channels is high, and they need to be professional. The marketing teams complete the marketing process independently. The advantage of indirect channels is that they can make full use of the experience of channel partners, save manpower and material resources, and can bring products to the market in the shortest time to maximize economic benefits; the disadvantage is that they lack sufficient control over the channels and are easy to cause The disconnection of the intermediate links of consumer feedback information is not conducive to the formulation of marketing decisions by enterprises.

When companies choose channel members, they can screen the channel members' business scale, cooperation awareness, and service capabilities.

Companies use multiple channels to sell their products. If they are not managed properly, it will lead to channel conflicts. Eliminating channel conflicts is not the ultimate goal of an enterprise, but to manage and guide the channels reasonably and effectively, so as to improve the efficiency of the channels and improve the performance of the enterprise. To do a good job in the formulation of corporate marketing channel strategies, rationally select channel members, clarify the roles and rights of members, and establish an effective communication mechanism between channels.

(2) Promotion strategy

Promotional promotion strategy refers to the marketing strategy that a company uses advertising, sales promotion, public relations, personnel promotion and other publicity methods to arouse consumers' interest and arouse their desire to buy in order to achieve the purpose of expanding sales. With the progress of the times, there are various promotion strategies, and promotion methods are constantly innovating. The researcher summarized the promotion methods, as shown in Table 1.3.

Table 1.3 – Researchers' views on promotion methods

| Researcher | Time | Research viewpoint |
|---|---|---|
| Sehults | 1982 | Coupon, lottery, no increase in volume, special price, point discount, gift, paid gift, return gift, free sample, refund of purchase price. |
| Engel | 1995 | The main promotion strategies used when new products are launched are: discount coupons and sample distribution; for existing products, the commonly used promotion strategies are: bonus gifts and specials. |

| Researcher | Time | Research viewpoint |
|---|---|---|
| Zhao Li Roja | 2008 | Specials, discounts, vouchers, sweepstakes, shipping discounts, volume discounts, tie-in promotions and limited-time snap-ups. |

Consumer perception is an important basis for making purchasing decisions, and different demographic factors will have different effects on consumer perception. Many scholars have done research on this. Research has shown that demographic characteristics of consumers, such as gender, age, education level, and income level, have a significant impact on the effect of online promotion strategies. Therefore, when companies conduct product promotions, they must use different target consumer groups according to different promotional tools. To sum up, there are many kinds of promotion methods, and different consumers have very different reactions to different promotion methods. Promotion has a very good effect on short-term sales of products, and can effectively shorten the purchase cycle of consumers. It is one of the important marketing methods that enterprises can use.

1.5 The role of brand marketing strategy for brands

For an enterprise, a brand is not only a product or service logo, but also an important intangible asset that reflects the overall strength and management level of the enterprise. Brand marketing strategies play an important role in business wars that cannot be ignored. Brand marketing is not only an enterprise's own development needs but also an activity carried out by an enterprise to cater to the needs of consumers. It is of great significance to both enterprises and consumers.

First, brand marketing is conducive to enhancing corporate image and improving corporate economic efficiency. The promotion of a brand is equivalent to the face of a

company. A strong brand image will give consumers a beautiful and deep impression. When consumers want to buy goods, they will naturally think of this brand. If a company wants to use some favorable marketing strategies to increase its popularity and reputation, it needs to start with some marketing methods that can reflect and deduce the core value of the product. Only when marketing activities attract consumers will consumers take the initiative to buy. Therefore, companies can use brand marketing, an advanced marketing method, to increase market demand and expand product production, which can greatly improve the economic benefits of the company.

Second, brand marketing promotes continuous technological innovation of enterprises. With the increasingly fierce market competition, consumers' demand for product quality and performance has greatly increased. Only by continuous research and development of new products and categories can companies consolidate their position in the minds of consumers. And a good brand strategy not only helps to promote technological innovation, but also guides the original products to make improvements and upgrades.

Third, brand marketing encourages companies to continuously improve management. The brand advantage generated by brand marketing is accumulated over a long period of time. If a company wants to show consumers a good brand image, it takes a long time to practice technology and service. Therefore, the implementation of brand marketing will drive the company's management system and system. There is no doubt that the improvement of the company will promote the better development of the enterprise.

Fourth, brand marketing is conducive to catering to the needs of consumers. First of all, for consumers, a good brand is the basic condition for a company to establish a good reputation, and it is a promise of the company. Based on the trust in the brand, consumers have increased their confidence in buying and shortened the time for purchasing decisions. Secondly, in today's increasingly homogeneous products, consumers are no longer satisfied with material pursuits but pay more attention to the spiritual level, hoping to demonstrate their personality and identity through another way, and the brand meets their

psychological needs. Finally, a good brand is an intangible asset of an enterprise, and a good brand depends on a good reputation. The maintenance of a good reputation of an enterprise guarantees the maximization of the interests of consumers.

Summary of Chapter One

The chapter one is about the main theories of brand marketing strategies. There are the four approach brand marketing strategies: brand position, brand recognition, establish a brand image, Brand promotion. And the classification of brand marketing strategy. Finally, is about the role of brand marketing for brands. Brand marketing strategy is conductive to enhancing corporate image and improving corporate economic efficiency. Brand marketing strategy promotes continuous technological innovation of enterprises. Finally, brand marketing strategy encourages companies to continuously improve management.

# 2 MARKETING ANALYSIS OF ZARA BRAND IN THE CHINESE MARKET

## 2.1 ZARA brand profile

ZARA is a famous Spanish brand and one of the world's four major fashion chain institutions. ZARA's ability is that it is the only fashion company in the world that can deliver produced clothing to more than 850 stores worldwide within 15 days.

ZARA is a brand under the Inditex Group. Inditex is the number one clothing retailer in Spain and number one in the world, with more than 2,000 branches in 52 countries around the world.

ZARA company is located in La Cruz, Spain, has 270,000 employees, sells 9 million pieces of clothing annually, and has more than 2,000 stores in more than 50 countries around the world. At the same time, ZARA can quickly produce and sell apparel products in less than two weeks. Therefore, it has been regarded as the top spot in the fast fashion industry in the clothing industry. It adopts a fast, agile, multi-category, small-scale, and large-terminal competitive strategy strategically.

## 2.2 The development status of ZARA brand in China

In 2007, the first ZARA brand chain store opened in Hong Kong, marking the beginning of ZARA's formal entry into China. ZARA brand quickly won the favor of consumers with its fashionable, energetic, innovative design and relatively affordable sales strategy. Since 2007, ZARA stores have entered a stage of substantial expansion. In 2018, the number of stores reached 190, surpassing the Chinese fast fashion giant Metersbonwe. In the domestic market, ZARA far surpasses international competitors such as H&M, GAP, Uniqlo, etc. in sales scale, and also far away from domestic emerging fast-fashion companies such as Metersbonwe and Osley.

ZARA China has become the largest single overseas market after Spain. The number of stores and sales far exceed those of other parts of the world. The global person in charge of the ZARA brand will regularly go to the Chinese market for promotion. In addition, company executives also pay special attention to contact with the Chinese government. Since 2013, the chairman of the group Pablo has visited China every year and met with Shanghai and Beijing in 2014 and 2015 respectively. Since 2011, in order to better manage multiple stores, ZARA has divided nearly 200 stores across the country into four districts: East, West, South, and North. Regional responsibilities are located in Beijing, Shanghai, Chengdu and Guangzhou, and the headquarter is located in Shanghai. The management of each region is relatively independent, which promotes healthy competition between regions. However, Shanghai is still responsible for human resources and finance. Not only the management is more standardized, but the cost is also effectively controlled. Taking into account the large domestic area and scattered stores, Zhengzhou Airport opened a logistics warehouse of more than 5,000 square meters in August 2017, becoming China's third regional transit warehouse after Beijing and Shanghai, radiating north and east China. Effectively improve the logistics speed, while better controlling costs. As of 2017, in addition to Xinjiang, Tibet, Gansu, Qinghai and other provinces without ZARA stores, the basic provincial capitals and first-tier cities ZARA have been deployed. The layout and sales of ZARA in the domestic market show a clear agglomeration effect. From the perspective of store distribution area, nearly 50% of ZARA stores are concentrated in Beijing, Shanghai, Guangdong, and Sichuan, and the remaining 20 provinces and cities account for 50%. In terms of sales statistics, sales in Beijing and Shanghai accounted for more of Waifu's total sales than Waifu's total sales, and the cumulative sales of the top 10 stores exceeded 80% of the national sales. Among them, the sales of a single store in Xidan Joy City in Beijing even exceeded the total sales of the two stores in Hebei and Henan.

After experiencing the initial leapfrog development into the Chinese market, ZARA began to reduce the speed of opening stores and reduce the number of stores in the mall. Beginning in 2016, ZARA began to plan to close some stores with poor sales and canceled part of its management team in Shenyang. In addition, the company began to adjust its organizational structure in the second half of 2017, transforming the previous store-centric work method into a function-centric work method. Develop multiple sets of management software to assist the company in carrying out internal control at the same time. Most of the work is done by the system, and human operations are minimized. At the same time, with the changes in Chinese consumers' shopping habits and the increasing popularity of mobile smart terminals, ZARA is also constantly changing its marketing strategies and methods. Take the lead in opening ZARA shopping electronic channels in Taiwan and Hong Kong. At present, the ZARA brand has spread all over the country. Realized Alipay and WeChat payment, which effectively promoted product sales. Since 2015, ZARA has officially entered the T mall. In the first hour of Double Eleven that year, sales exceeded 100 million. So far, ZARA has paid more attention to online sales. While cooperating with third-party platforms, we constantly optimize online platforms and consciously guide some customers to consume online. Due to the epidemic in 2020, online businesses have developed rapidly. The development of e-commerce has become the next step of ZARA.

From 2019 to 2020, after ZARA suffered a severe impact from the epidemic in the Chinese market, e-commerce and online channels became the focus of ZARA's transformation, slowing down the pace of new stores in the Mainland, and even closing the first flagship store in Chengdu in China. In China, where e-commerce is developed, ZARA expects to continue to invest in 2020-2022. It will make efforts to sell online and upgrade its online and offline integrated store platform. In China, where the Internet is developed, online shopping can help ZARA attract more customers. Customers located

in second- and third-tier cities without physical stores can also make purchases by express delivery.
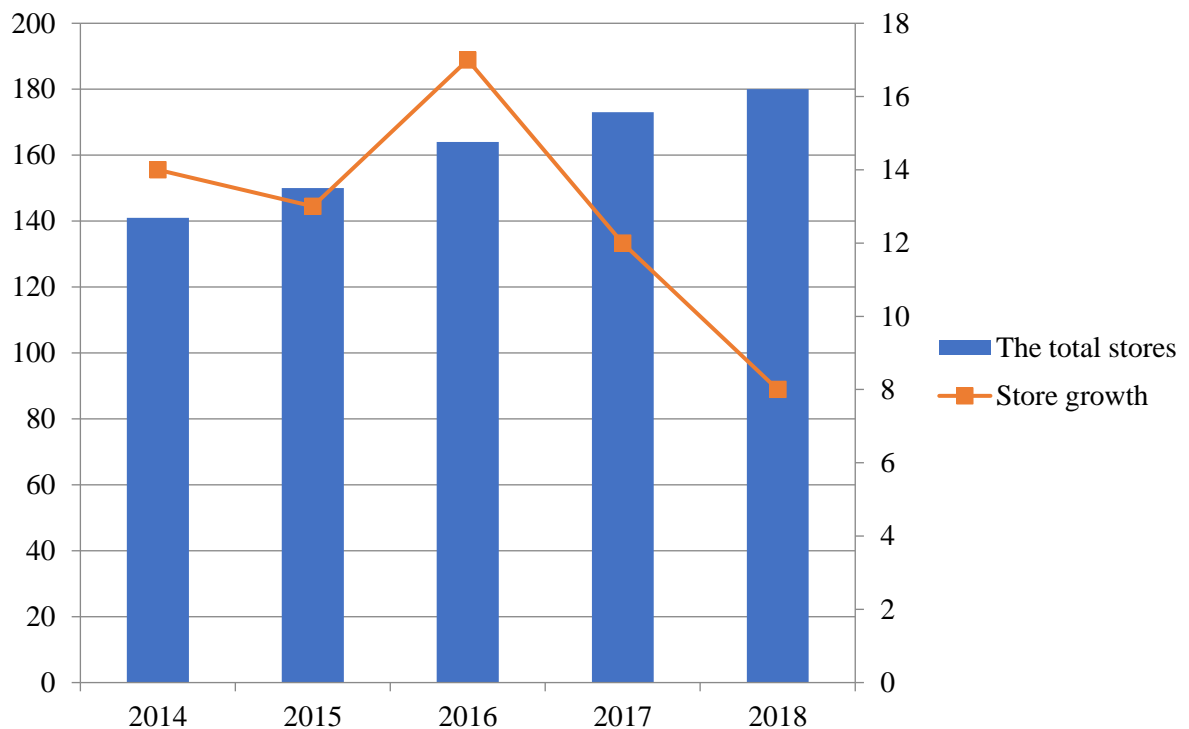


Picture 2.1 – From 2014 to 2018, the total number of Zara stores in China and the number of new stores (Data source "INDITEX Group official website, http://www.inditex.cn/")

2.3 Analysis of marketing macroenvironment of ZARA brand (PEST analysis)

2.3.1 Political and legal environment analysis

As the economy continues to develop, consumers' spending power has been greatly improved, and the average annual consumption growth rate of 9% has been higher than the GDP growth rate over the same period. Clothes are not only used to keep out the cold, but also the pursuit of fashion. China's economy is gradually entering the "new normal". From the perspective of consumer demand, China's consumption in the past has obvious characteristics of imitation. In 2018, the stage of imitation consumption basically ended. Individualized and diversified consumption has gradually become the mainstream.

Consumption continues to promote economic development, playing an active role. The consumer economy has become an important element in promoting the development of the national economy and driving GDP growth at this stage. ZARA's personalized, diversified products and designs and lower prices will inevitably benefit from the development of the consumer economy.
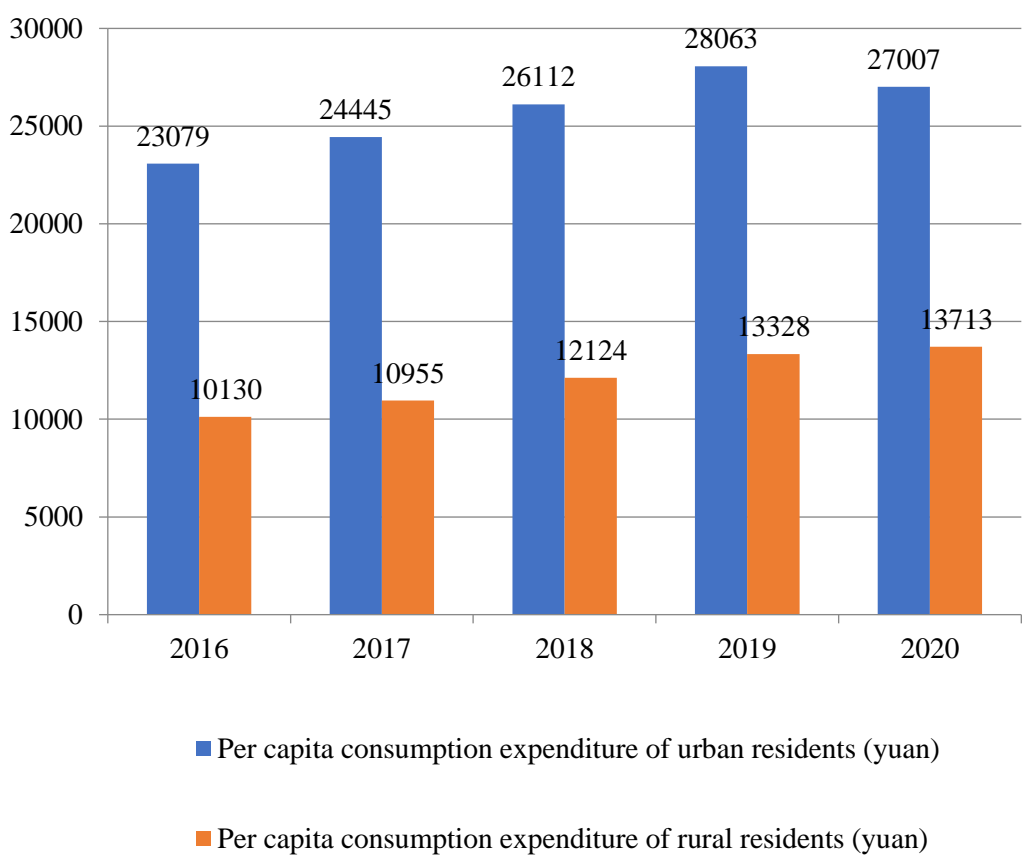


Picture 2.2 – Per capita consumption expenditure of residents (Data source "National Bureau of Statistics of China")

In October 2016, the General Office of the State Council issued the "Consumer Product Standards and Quality Improvement Plan (2016-2020)", proposing that the apparel and apparel industry should adapt to the development needs of individual consumption, fashion consumption, quality consumption, and brand consumption, and expand individual customization and scale. Customization and high-end customization industry win the consumer market with precise design, precise production, and precise

service. Shan Li, director of the Beijing-Tianjin-Hebei Cooperative Development Office of the Textile Industry Association, believes that traditional clothing consumption corresponds to the large-scale industrial production of clothing, and thousands of pieces of the same style of clothing are quickly produced on the assembly line. Now the "Planning" advocates that the consumption of personalized fashion clothing corresponds to small-batch, multi-frequency flexible production, and one style may be ten or twenty pieces. The upgrading of China's garment industry and the digestion of huge excess capacity will mainly rely on this flexible production method in the future. ZARA's production model and product positioning fully meet the development requirements of the national "Plan". Redesign, diversification and flexible production, and the orientation of industrial policies have become a booster for ZARA's development in China.

The National Development and Reform Commission issued a notice on the implementation of the "Government Approved Investment Project Catalog (2016)" related to foreign investment, requiring all levels and departments to strictly implement the State Council's spirit of deepening the reform of the investment system. Intensify foreign investment management services, intensify efforts to streamline administration, delegate power, and combine decentralization. Through continuous optimization of corporate services, foreign investment will be simplified in accordance with requirements for approval and filing procedures. Development and reform, environmental protection, public security, industry and commerce, social security and other departments must actively cooperate to create a good environment for foreign investment. In order to promote investment promotion, the National Development and Reform Commission continues to improve and standardize the online approval and supervision platform for investment projects, directly incorporate foreign investment projects of corresponding amounts into the platform for management, clarify policy guidelines for the approval and filing of foreign investment projects, and disclose the handling status in a timely manner. The measures have effectively promoted foreign investment and entry. Moreover, the

clothing sales industry belongs to the category of the tertiary industry. ZARA's investment and development in China can not only provide help for the local residents in employment, but also contribute taxation to the regional government. Therefore, under the current social stability and sound rule of law environment, ZARA's Development ushered in good opportunities.

2.3.2 Economic environment analysis

As the pace of China's reform and opening up continues to expand, import tariffs and tax rebates to certain industries continue to increase. These major policies have effectively reduced ZARA's operating costs, and cost reduction means that ZARA's market profitability has been improved. In particular, my country's GDP growth rate has remained stable in recent years. Compared with Western countries, my country's economic growth rate has been stable and residents' income has continued to increase. The government's vigorous supply-driven reforms and industrial structure upgrading and transformation have also made significant progress. Economic benefits have been effectively improved through the consumption pattern of residents, and the rapid development of ZARA in China has also been supported.

As my country's economic and social development enters a new normal, optimizing the supply of products, satisfying the ever-evolving consumer demand, and continuously reducing the cost of enterprise logistics to stimulate consumer demand, provide impetus for maintaining stable and rapid economic development. At present, my country's economic operation has maintained a steady development trend, the layout of industrial institutions has been gradually optimized, and the initial effects of upgrading and transformation have been prominent. According to data released by the National Bureau of Statistics, China's economic growth rate was 6.1% in 2019, and the GDP reached 1,015,986.2 billion yuan in 2020. This is also a relatively high rate worldwide, especially the adjustment of China's economic and industrial structure and social development. The

initial effect is that the industrial structure is more reasonable, and the service industry is more important in the national economy. Consumption contributes nearly 2/3 to economic development. The development of the clothing industry means that it can provide residents with more consumption opportunities. As a traditional industry, the clothing industry has many years of history and accumulation. In 2019, the retail sales of clothing, shoes and hats and knitted products above designated size in my country reached 13517 billion yuan, an increase of 2.9% year-on-year. The development of the entire clothing industry can be said to be full of vitality. The development of the clothing industry and residents' consumer demand for clothing are closely related to the social environment. Various factors such as residents' income, consumption habits, and product supply will affect the development of enterprises. At present, people's requirements for clothing and wearing products continue to increase. Brand awareness, clothing design styles, product culture, and concepts are all important factors in marketing product sales. In addition, consumption level and consumption structure are also important factors affecting the sales of the clothing industry. In 2019, the per capita consumption expenditure of domestic urban residents achieved 27007 yuan, and the increase in consumption power also promoted the development of the clothing industry. In addition, as people's living standards continue to improve, clothing sales usher in new opportunities, and the development of e-commerce has also brought new business opportunities. People use online shopping, e-commerce and other shopping methods to shop, which promotes the production and sales of electronic products.

### 2.3.3 Social and cultural environment analysis

The continuous deepening of global exchanges and the impact of multiculturalism have more obvious influence on fast fashion represented by ZARA. With the advent of the era of globalization, cultural integration and development and innovation are inevitable. With "post-90s" and "post-00s" becoming the main consumer. Their cognition

of personality and self-style is different from that of their parents, and they pay more attention to how to express themselves and show their personality. The consumption values of these consumer groups are more avant-garde, and the characteristics of fashion freedom are in line with ZARA's brand positioning and product culture. As the leader of current fashion products, ZARA can effectively integrate its product culture with the development of the times. Among the major consumer groups in China in 2020, the post-90s, post-80s, and post-00s have the largest number, accounting for 17.3%, 15.7% and 12.6% respectively. New consumer groups present new consumption characteristics. This generation of young people who have received much attention is a generation of netizens who have grown up with the diversified Internet. They pursue individuality, are willing to try various new things, pay attention to quality, and are willing to spend money for everything they like within the scope of their ability. At the same time, they have a strong sense of health and a spiritual culture of health preservation. This is the target consumer customer of ZARA. According to the data of the sixth census, the number of post-80s to post-00s in China has exceeded 600 million, accounting for 45.6% of the total population. Among them, the middle class has a higher income level and the post-90s generation has a strong consumption potential. Become the main force in the Chinese consumer market and create a new storm between the middle class and the Z generation in the consumer market. How to understand this generation of young people and how to grasp the hearts of young people has become an important condition for gaining a favorable position in the market. Like other developed countries, China is gradually entering the "M" society, and consumption habits are also changing accordingly. When buying goods for the middle and lower classes, ZARA opened shops in prime locations, adjacent to luxury goods, and the shops were glamorous. With the concept of "less, more, low price", ZARA quickly responds to fashion and meets the needs of consumers. This part is the psychology of consumer groups. China is a multi-ethnic country, and each ethnic group has different living habits and clothing, but China is also a country with not particularly strong religious

beliefs. According to statistics from the National Bureau of Statistics, the cumulative number of religious believers in China does not exceed 100 million. No taboo also reduces the trouble of ZARA development. Diversified cultures and habits provide the possibility for the diversification of clothing, and also provide an opportunity for the development of fast fashion clothing.

From the discounted statistics chart (picture 2.3), it can be found that from 2016 to 2020, China's population has been increasing year by year. By 2020, China's population has exceeded 1.4 billion, and China has become the world's largest consumer market. This provides a good consumption basis for ZARA's market share in China.
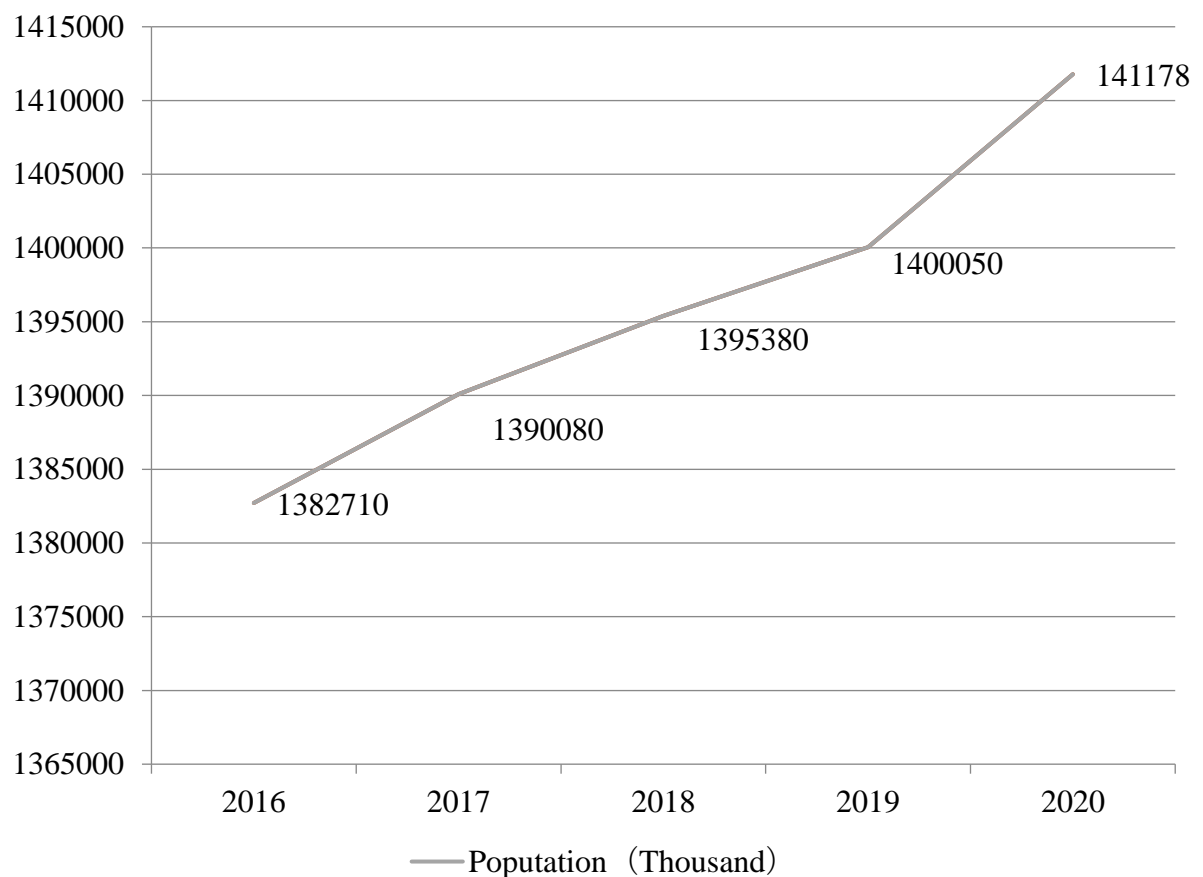


Picture 2.3 – China's total population from 2016-2020 (The data comes from the "National Bureau of Statistics of China")

ZARA has risen at an alarming rate in the fashion apparel industry. In 2005, it quickly ranked among the world's 100 most valuable brands, and left behind the big names in

fashion such as ARMANI. "Learning from history, we can know the rise and fall." The history of the rise and fall of great brands in different economic eras tells us that the rise of a great brand often lies in the high degree of compatibility between its brand spirit and the overall spirit of the times and deep consumer needs.

2.3.4 Technical environment analysis

At present, science and technology are advancing by leaps and bounds, and the knowledge economy is beginning to take shape. As a field of innovation in the new century, science and technology have significant developments, providing opportunities for ZARA companies to develop new products. With the development of electronic technology, especially the Internet, and the application of e-commerce, ZARA companies are improving Product quality, lower production costs, and broaden marketing channels provide new ways. In addition, the use of environmentally-friendly technologies and environmentally-friendly materials also bring opportunities for the apparel industry, especially for large-scale chain enterprises such as ZARA. The impact of Internet technology on ZARA is conceptual, and the "iterative" thinking has a profound impact on ZARA. Iteration is an iterative feedback process; the purpose is to approach the desired goal or result. Each repetition of the process is called an "iteration", and the result of each iteration will be used as the initial value of the next iteration. In Internet technology, due to the fast-running speed of computers, iteration is often used for program debugging and other activities.

ZARA's clothing is designed, sold and fed back based on this process. Designers design clothes according to fashion trends, then produce them, and then sell them. The general clothing company ends here, but ZARA does not. This is just the beginning of the next product. Store employees will use wireless devices such as PDAs in their hands to feedback sales data, customer preferences, including style, color, and size information to the head office every day, and the head office readjusts based on these feedbacks.

Complete design, re-production, sales and continuous feedback. Through continuous improvement of this Internet thinking model, ZARA has maximized its advantages of "small quantity, variety, and low price".

ZARA China's official website has been in operation for many years. It was previously limited to technology and the usage rate was not high. However, as consumers continue to pay attention to online shopping, online sales have become a new growth point for ZARA. Beginning in 2015, ZARA established a special department responsible for online sales and continuously upgraded its own website. After that, it officially entered the T-mall Mall and participated in the "Double Eleven" event that year. Its sales exceeded one hour in the first hour of the event. Billion. Beginning in 2016, ".CN" shelves have been reserved in all physical store warehouses as the place where customers place orders from mobile terminals immediately. In 2017, ZARA successively reached agreements with Ali-pay and WeChat Pay to accept customers' in-store scan code payments. Nowadays, clothing and accessories pay more attention to health. Many brands use "green" materials, including selected dyes, bleach-free technology, low formaldehyde, and metal elements for sterilization. The application of ergonomics has also been very popular. Data analysis using ergonomics has found that the average height has increased and the bust circumference has increased. This has a great impact on the products sold, and the products need to be adjusted accordingly. Therefore, ZARA will produce a variety of new styles and functional clothing every year to meet the needs of most people and comply with the principles of environmental protection and sustainability.

In 2019, on July 16, Pablo Isla, chairman and CEO of the Spanish fast fashion giant Inditex Group, Zara's parent company, announced at the shareholders meeting that it will continue to promote the sustainable development strategy. The plan will fully implement "sustainable fashion" in 2025.

Pablo Isla said: "Sustainable development is a difficult task. It requires everyone in Inditex to participate in it, and it needs to unite all suppliers. We hope that Inditex can become a leader in sustainable development in the industry."

Pablo Isla said that by 2025, Inditex will achieve 100% sustainability of raw materials, when all raw materials are organic, sustainable or recyclable cotton, linen and polyester fibers. At the same time, the proportion of renewable energy used in group activities (including stores, logistics centers and offices) will increase to 80% in 2025. Prior to this, Inditex plans to gradually achieve comprehensive sustainable development from seven aspects: green buildings, energy-efficient stores, raw materials, green packaging, environmentally friendly clothing, old clothes recycling, and waste recycling. The specific deployment is as follows:

Green building: In 2019, all office buildings and offices of the Inditex Group will meet the highest green building certification standards;

High-efficiency and energy-saving stores: In 2019, all stores of Inditex's brand Zara will meet high-efficiency and energy-saving standards; in 2020, all of its brand stores will meet high-efficiency energy-saving standards;

Raw materials: By 2023, organic cotton, flax, polyester fibers and viscose fibers will account for 90% of the group's total raw material purchases. At the same time, with the improvement of the supply chain, viscose fiber will be 100% sustainable;

Green packaging: Inditex Group's brands such as Zara, Zara Home, Massimo Dutti, Uterqüe have begun to reduce the use of plastic shopping bags. In 2018, the proportion of plastic bags used by Inditex Group accounted for only 18% of the total number of shopping bags. It is planned that by 2020, all brands under the Inditex Group will no longer use plastic bags. Disposable plastic products will be completely eliminated by 2023;

"Join Life" environmentally friendly clothing series: "Join Life" series uses more sustainable raw materials, such as organic cotton, recyclable polyester fiber and Tencel

fiber, and preferentially adopts water-rich and energy-friendly Type craft. In 2018, the garment output of the "Join Life" series increased by 85% year-on-year to 136 million pieces. Inditex expects that in 2019, the production of "Join Life" series of clothing will increase by 110%, accounting for 25% of the group's total clothing, and strive to achieve that by 2020, one out of every four garments for sale will meet the sustainable development strategy standards;

Used clothes recycling: Inditex's used clothes recycling program has covered 24 countries and regions around the world, and 1382 used clothes recycling bins have been installed. Inditex has opened home used clothes recycling services in several cities in Spain and China, and has cooperated with the charity organization Caritas Hong Kong to install 2000 used clothes recycling bins on the streets of Spain. At present, the used clothes recycling program has collected a total of 34,000 tons of shoes and clothing accessories; Inditex plans to expand household used clothes recycling services to Paris, London and New York by September 2019; by 2020, all Inditex stores will be equipped with used clothes. Clothing recycling bins; At the same time, Inditex is also cooperating with the Massachusetts Institute of Technology to invest 4 million US dollars to solve the difficulties and challenges faced by operations and sustainable development, and to improve the cleaning technology of clothing fiber recycling;

Waste recycling and reuse: At present, Inditex Group has recycled or reused 88% of the waste generated by the group headquarters, logistics platforms and stores. By 2023, Inditex will achieve 100% waste recycling or reuse. In addition, the group will also recycle all materials used in packaging distribution and garment hanging operations (mainly FSC-certified cartons, recycled and recyclable plastics, alarms and hangers) to achieve reuse or recycling within the supply chain.

## 2.4 SWOT analysis of ZARA brand

### 2.4.1 Method of SWOT analysis

In marketing，SWOT analysis is a quite useful analysis method. This theory is put forward by an American management professor. SWOT analysis is carried out according the internal status quo of the company and external environment, in order to find out the strength, weakness. In this method, S stand for the company's advantage, W for disadvantage or weakness; O stands for opportunities and T for threats. So, S and W are internal elements, O and T are external environment. According to the concept of complete competitive strategy, strategy should be the dynamic integration of what a company is able to do (that is the company's internal strength and weakness) and what a company is possible to do (the environmental opportunity and threat). In SWOT analysis, investigator will list all the elements according to importance or the roles they play and then build SWOT matrix. The factors that have direct links with the company's development, that are important, compelling, and far-going elements are listed in the top while the left will be at the bottom. Managers will make marketing plans or competitive strategies according to SWOT matrix. With the help of SWOT analysis, the companies will lie emphasis on the areas where they their strength and opportunities lie.

### 2.4.2 Strengths

(1) Effective SPA business model

In order to better occupy the Chinese apparel market, ZARA adopted the ABC reform, that is, the company monitors the process of the production of the product throughout the entire process, so the concept of the SPA model emerged. ZARA uses the SPA model to implement effective supervision, enabling the company to control the entire production process of the product by itself, without having to pay extra commissions. ZARA monitors the whole process by itself, can control customer feedback in time, and

understand customer needs in a timely manner based on customer feedback, so as to make adjustments in order to further occupy the apparel market. Some of these tasks are outsourced to other companies in order to save their own manpower and material resources.

The content of ZARA's planning link includes purchasing materials, product formulation and so on. First, in order for the manufacturer of ZARA to develop better products, the company will have professional R&D personnel to visit the world in advance, collect fashion information from all over the world, and summarize the fashion information, and the professionals will design suitable products based on the collected materials,  fashion products of the moment. Then the design department of the company will have a meeting with other departments, and the main content of the meeting will be around the specific issues of the company's product production. The R&D center can use the design specified in the meeting as a basis, and constantly improve some problematic areas in the process of producing products, and then produce qualified products. Second, the purchasing department of the company is responsible for the procurement of raw materials. In order to purchase suitable raw materials, the purchaser will conduct on-site inspections and communicate face-to-face with the materials. This will enable the company and the material supplier to establish effective communication bridges. At the same time, the company has a stable supply of goods.

In the production process, in order to avoid the occurrence of excessive production costs, ZARA does not set up production sites in its own country, but outsources this part of the business to clothing manufacturers in other countries. These countries have lower population costs and can effectively reduce products. the cost of. In order to ensure the quality of the products it produces; the company will assign some technical personnel to the production sites in other places to guide the work of the employees. In order to make factory employees more comfortable in the process of producing products, the company regularly holds a series of professional technical seminars to cultivate the professional

knowledge of these employees. The company will assign a production supervision manager whose job responsibility is to solve various problems in the manufacturing plant in a timely manner. Therefore, consumer feedback will be reported to the headquarters by professionals in a timely manner, and the headquarters will attach great importance to it and provide solutions as soon as possible. In the sales link, ZARA warehouse will regularly send the products to the store. During this process, it is necessary to maintain an orderly state to avoid some mistakes. In order to ensure sufficient quantity of goods, the inventory management department avoids some unexpected situations. The department will always monitor the inventory status, make the inventory status scientific and reasonable, there will be no over or under conditions, and to a certain extent, it can effectively avoid the problem of rising costs. In addition, the inventory management department will also be involved in some other businesses. For example, once the clothing sales performance is not completed, the department also has the right to reduce the price of the store, hold some promotional activities to improve sales performance, if the company completes annual sales, inventory. The management department will also allow the store's product prices to rise based on sales performance. The inventory information system also has an advanced function. It analyzes consumer preferences based on sales performance, and distinguishes which products are suitable for which types of people according to the system settings. This information will be fed back to the core design department of the enterprise by relevant departments. In order to meet the needs of customers, designers will continue to improve their designs and produce products that meet customers' ideals. The production department can also decide whether to continue to produce this product based on the analysis results, and the purchasing department can also decide whether or not. Need to continue to purchase the raw materials.

(2) Excellent innovation and design capabilities

Our country's economy is developing rapidly, and our country is in the information age. People can collect all kinds of information on the Internet. This information contains

many aspects, such as nature, culture, technology, etc., and people can learn about the latest fashion in time through the Internet. Trends, the frequency of fashion clothing and new generations is relatively fast. In order to occupy the clothing market as soon as possible, a company needs to continuously improve its own products and produce products that others cannot manufacture, so that the company can occupy a part of the clothing market. The naming of the ZARA brand is enough to show the "ambition" of the brand to succeed. The core part of rapid sales is that companies use the shortest time to produce products that are most suitable for customers, and then suppliers provide the products to consumers. In addition, one of the reasons why ZARA can quickly occupy the international clothing market is that the brand can keep abreast of trends in a timely manner, so as to design products that conform to the customer's style. For example, ZARA produces down jackets of various colors every winter to meet customer groups of different skin colors. The styles of these down jackets are also different, and each color has many styles, so that customers can choose own product according to their own specific conditions.

In addition, in order to make its products unique, ZARA continuously cooperates with other "darlings" in the fashion industry to design more innovative products, so that the brand has a place in the fashion industry. For example, ZARA cooperated with the famous British design team LEE to produce patterned clothes. In order to be able to select unique production materials to produce unique clothing, ZARA will continue to visit various places to conduct investigations to achieve its goals. ZARA's product positioning is to keep up with fashion trends. It does not pay attention to comfort. For example, the brand's shoes are very good-looking, but they are a little uncomfortable to wear, and the soles are usually hard. ZARA is able to succeed because it attaches importance to the research and development link that other clothing manufacturers have not paid attention to. ZARA uses high technology to continuously optimize its products. Make the brand's products unique. In order to be able to produce all kinds of clothes, ZARA pays special attention to the

research and development of fabrics, because different styles of clothes require different fabrics. ZARA and well-known Spanish technology companies have jointly developed new fabrics. These new fabrics are not available to other clothing manufacturers. This enables ZARA to use these fabrics to produce clothing products exclusive to its own brand. The monopoly of raw materials makes consumers only buy products of this brand. ZARA's R&D department is even more daring to think and do, hoping to develop clothes that can be changed according to customers' body shapes.

(3) Good quality and low price

The reason why consumers buy ZARA clothing is because of its high quality and low price. The main reason for the low price of ZARA brand products is the effective cost control. In the survey, when asked "why did you choose ZARA clothing", the survey results are as follows.

According to consumer surveys, most people (76%) said that they buy ZARA brand clothing because of its high quality and low price. This shows that consumers are more aware of the quality and price concessions of the ZARA brand.

First, ZARA took full advantage of my country's low labor costs and set up production sites in China. China's per capita productivity is higher than that of Spain. Due to the large population base and sufficient labor market, the average labor cost is relatively low, which can be effectively controlled. The production cost of the product. Moreover, the prices of the same fabrics in my country and Spain are different. Under normal circumstances, it is more cost-effective to purchase fabrics in my country. ZARA has set up nearly 100 production sites in China. Due to the rapid development of my country's economy, my country's labor costs are no longer cheap. ZARA has turned its attention to some poor countries in Southeast Asia, hoping to set up production sites in these countries to effectively save production costs.
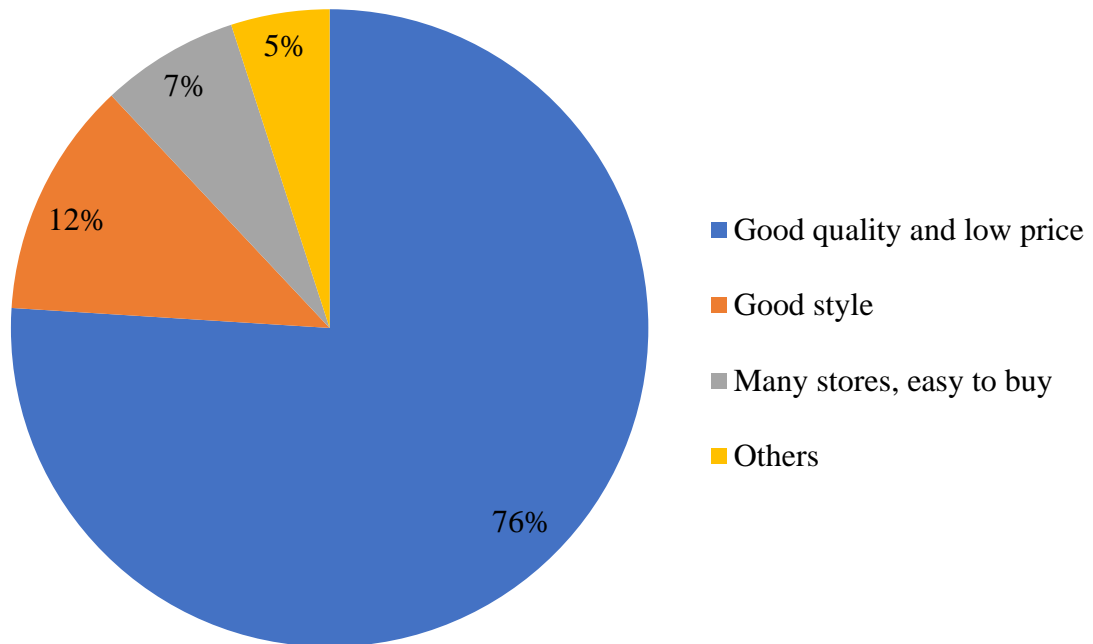
Picture 2.4 – Reasons for buying ZARA brand clothing

Second, ZARA will use some of the more common materials to produce garments, which will make customers feel no sense of distance and prone to buying behavior. Because the same fabric is used repeatedly, the production cost is also effectively reduced to a certain extent.

2.4.3 Weaknesses

(1) Internet marketing grows slowly

The advancement of Internet technology and the development of e-commerce have changed the lifestyles and consumption patterns of residents. A large number of enterprises have begun to enter the Internet and carry out online marketing. This makes the competition in the Dizi business very fierce. Although ZARA has also carried out online marketing, compared with the clothing companies of the enterprise, firstly, the time

is late and no competitive advantage has been formed; secondly, the methods of e-commerce marketing of various clothing brands are similar, and there is no significant difference. Therefore, when all clothing companies are when carrying out network marketing, it is equivalent to just having the right marketing channel without forming a core competitive advantage. Therefore, in the face of strong competition from many clothing brands, ZARA network marketing has grown slowly.

(2) The cost remains high

While ZARA has occupied most of the Chinese apparel market in a short period of time, some problems have slowly appeared. Among the many problems, the most critical problem is the rising cost of the brand. China's land area is firmly ranked third in the world, and ZARA has a free delivery service. China has a vast land area. This kind of delivery service undoubtedly caused the cost of the brand to rise. Moreover, the brand's adjusted prices are all marked in Euros, which undoubtedly increases the brand's production costs invisibly.

Secondly, my country's energy costs are no longer cheap. Because ZARA has many stores, it consumes a lot of energy daily, which increases its own operating costs. Especially in some shops in prosperous areas, most of these stores are equipped with some decorative items such as colored lights, which will consume electricity to a large extent. Colleagues' store rental and other expenses are also very huge, which makes ZARA's use cost high all the time.

(3) Employees lack a sense of belonging

The reason why ZARA can occupy the Chinese apparel market is because it can quickly grasp fashion trends. In order to achieve this goal, store employees need to work diligently to complete their work and always pay attention to the timely update of store furnishings. Therefore, the work intensity and workload of the employees are huge, and some employees choose to resign if they cannot bear such workload.

At the same time, after the employees have finished their work, there is no adjustment in the lounge, which has caused many employees to be unable to improve their work efficiency. For this reason, employees lack a sense of belonging to the company, resulting in a higher turnover rate of employees. In addition, the fundamental purpose of employees' work is to obtain income, but ZARA's salary system has problems. The company has adopted a unified salary standard without considering the geographical location. ZARA has stores in different cities. The work intensity in some first-tier cities is relatively high, while the work intensity in other third- and fourth-tier cities is not so high, but the salary is the same, and the same salary has different purchasing power in different cities. This directly leads to a higher turnover rate of employees.

2.4.4 Opportunities

(1) The rapid development of e-commerce

In addition, my country's e-commerce is developing rapidly, and the pattern of e-commerce has basically taken shape. Therefore, ZARA's network marketing mainly relies on several major e-commerce platforms. But now almost all clothing brands are carrying out network marketing, so network marketing is not a marketing channel owned by ZARA alone, and the competition in network marketing is very fierce. In fact, ZARA's network marketing started relatively late and there are many competitors. , The lack of stamina of network marketing makes the process of ZARA's network marketing relatively slow.

(2) Consumers' increased pursuit of brands

With the continuous development of my country's economic level, the income level of residents has increased significantly, consumers have higher requirements for quality of life, and their pursuit of branded clothing has increased significantly. Cheap, low-brand clothing is no longer loved by consumers. Consumers prefer well-known brand clothing, not only because the quality of brand clothing is better, but brand clothing can better

demonstrate the social status of consumers. Therefore, well-known clothing brands such as ZARA have greater market potential.

2.4.5 Threats

(1) Fierce market competition

China has always been a big country in garment production and export. Especially after the reform and opening up, foreign clothing brands have begun to enter the Chinese market. This makes China's clothing market flooded with various brands, including domestic brands and foreign brands. And well-known clothing brands basically treat China as their main market. Therefore, the competition in China's clothing market is very fierce. Although ZARA is a relatively well-known brand in the world, it has more clothing than ZARA based on brand influence. In many cases, ZARA does not have obvious competitive advantages, which also makes the localization process of ZARA slow.

(2) Cultural differences

ZARA belongs to a foreign brand, so the product design has a heavier Spanish cultural color, so there is a certain difference in the cultural cognition of Chinese residents. This cultural difference reduces the consumer's acceptance of the product. Although domestic clothing experts were hired in the product design, the Spanish style was still largely retained. The two cultures did not combine well in clothing products, which made the progress in our country relatively slow. At the same time, in order to make the generated clothing meet the needs of Chinese consumers, it is necessary to redesign the product and rebuild the factory to put it into production, which also increases the cost.

By using the SWOT model to analyze the marketing situation of ZARA in China, the following SWOT matrix is obtained (Table 2.1).

According to the SWOT matrix, it is aimed at the current problems facing ZARA's marketing in China. ZARA can be improved from four aspects. One is to strengthen cost control. At present, ZARA is facing the problem of high costs. Higher costs reduce the

profits of the enterprise, and the reduction of profits will make it difficult to improve the welfare of employees. Therefore, effective measures need to be taken to control costs.

The second is to establish an effective salary incentive system. As the core asset of the company, employees are related to the success or failure of the company's operation. The unified salary system of ZARA stores cannot stimulate employees' passion for work. The salary system should be adjusted according to the differences in consumption in each city. Establish a salary system that can stimulate employees' enthusiasm for work.

Table 2.1 – ZARA's SWOT matrix

| | S ① Effective SPA business model ② Excellent innovation and design ability ③ Good quality and low price | W ① Slow internet growth ② High cost ③ Employees lack a sense of belonging |
|---|---|---|
| O ① The rapid development of e-commerce ② Consumers' pursuit of brands has increased | S-O strategy ① Increase investment in e-commerce ② Continuously improve the quality of products | W-O strategy ① Control costs ② Establish an effective salary system to enhance employees' passion for work ③ Strengthen capital investment in the field of e-commerce |

|  | S | W |
|---|---|---|
|  | ① Effective SPA business model ② Excellent innovation and design ability ③ Good quality and low price | ① Slow internet growth ② High cost ③ Employees lack a sense of belonging |
| T ① Fierce competition in the market ② Cultural difference | S-T strategy ① Tailor measures to local conditions and produce products that conform to Chinese aesthetics ② Expand marketing channels | W-T strategy ① Strictly control costs ② Optimize the salary system ③ Hire Chinese designers to design products that meet Chinese aesthetics |

The third is to increase investment in the field of e-commerce. The development of mobile Internet has greatly changed consumers' lifestyles. E-commerce is becoming an important way of shopping. However, ZARA's Internet marketing process has been slow and should be increased. Capital investment in Internet marketing to accelerate the process of Internet marketing.

The fourth is to design and produce products that meet the Chinese aesthetics according to local conditions. You can hire Chinese designers to design products, making the products more popular with Chinese people.

Summary of Chapter Two

The chapter two is about the present situation of the example brand – ZARA.

Firstly, it was introduced the brand profile about ZARA and the development in China. I found that the number of ZARA stores increased year by year.

Secondly, I analysis the microenvironment of ZARA brand. I analysis the environment from political, economic, social, technical four part. And it was founded the economy is developing, the population is China is increasing year by year, and the demanded of consumer also increased. What's more, the consumer prefers more specially Clothes design. The government also give some policy support.

Finally, it was made a SWOT analysis about ZARA brand, clarify the development strength, weaknesses, opportunities and threats in China market. It was founded that the threat of development is cultural difference.

# 3 BRAND MARKETING STRATEGY IN THE USAGE OF ZARA BRAND IN THE CHINESE MARKET

## 3.1 Analysis of Problems and Causes of ZARA Brand Marketing

### 3.1.1 Incorrect product market positioning

ZARA clothing is produced in European countries/regions, because a large number of designers come from European countries/regions. Although they draw on the most fashionable design styles in global fashion conferences, they are shipped to stores at the fastest production speed, but the product market positioning is not accurate. It's a big problem they overlooked. They target the mid-to-high-end consumer market with products of average quality, and their pricing is not enough for civilians. Are clothes that suit the figure and aesthetics of Europeans also suitable for the figure and aesthetics of Chinese? All the model wearing renderings of ZARA's official flagship store on the Chinese e-commerce platform are from Europe, and the wearing effect is of little reference to Chinese consumers. The figures and skin tone of the models are quite different. Now that it has entered the Chinese market, the market positioning of its products should conform to the body and aesthetics of the Chinese to attract consumers' desire to buy. On the contrary, if the product positioning is not accurate, even if Chinese consumers like ZARA's design very much, but the size and style are not suitable for them, the desire to buy will be weakened.

### 3.1.2 The overall cost remains high

After ZARA China experienced a blowout expansion, follow-up business problems continued to emerge. The important point is that various comprehensive costs continue to increase. Rent is an important part of the total cost, and ZARA stores are located in the prosperous location of the city. In the past ten years, with the continuous high temperature

of residential real estate, commercial real estate projects have sprung up, and rents have continued to rise. Partial item

Apart from raw materials and labor costs, the project has basically been working for real estate developers since its opening. Efficient logistics will inevitably need to bear high costs, and China's vast land area has exacerbated the increase in these costs. In order to meet the high-efficiency demand, domestic stores often adopt the air freight mode, and the goods will be air freighted from Beijing to Kunming as far as possible, the whole journey is more than 2000 kilometers. In addition, since all ZARA goods are priced in Euros, the replacement of the price tag after arrival in the country is also completed by the logistics company, which increases the logistics cost to a certain extent.

In recent years, domestic energy costs have continued to rise. Although ZARA, as a clothing retail company, does not use much industrial electricity, the daily lighting and air-conditioning equipment in the store accounts for a large cost of the store. Especially in some flagship stores facing the street, floor-to-ceiling windows, giant LED screens, various spotlights, and a wide variety of other electrical appliances all consume a lot of electricity.

### 3.1.3 Employee turnover rate remains high

As a clothing retailer, employee turnover is a common phenomenon, but ZARA's employee turnover rate, especially in stores in first-tier cities, has always maintained a high rate. ZARA has now ranked 120,000 employees in China, but the actual number of employees is only about 12,000, and the employee turnover rate has reached 90%. This phenomenon is particularly prominent in first-tier cities such as Beijing, Shanghai, and Guangdong.

The reasons are as follows:

1. The work intensity of grassroots stores is high. As a leading fast fashion brand, "fast" is one of ZARA's core competitiveness. In order to achieve this goal, grassroots

employees need to continuously and efficiently complete store organization, display adjustment, and product replenishment;

2. Insufficient humanistic care, ZARA stores are generally built in shopping malls or shopping centers with dense crowds. These places are all expensive. In order to achieve better investment returns, more space will inevitably be used as stores or warehouses, thereby reducing the space for employees to rest. Employees cannot rest well after being busy for a long time, and their work enthusiasm and efficiency will inevitably be discounted;

3. The salary system is not reasonable enough. For front-line store employees, ZARA has a clear salary system, but the store's salary system does not consider geographical factors. For the same position and salary, working intensity in Beijing is more intense, but purchasing power is lower, and the intensity of working in other places is much reduced, but purchasing power is higher than Beijing. For employees in functional departments, because they are concentrated in Beijing and Shanghai, they could have set standard salaries based on their positions, like shops, but considering the large number of social recruitments in functional departments, the same posts are paid differently.

4. ZARA's flat organizational structure guarantees the efficient operation of the company, but the other aspect of flatness is the lack of ranks, which will inevitably lead to a lack of career advancement channels for employees and affect their career development.

### 3.1.4 Functional departments need to change the way they work

ZARA China's organizational structure is flat and efficient, but there are also various problems. On the one hand, the division of rights and responsibilities of the company's various departments is not clear enough, and ZARA's work philosophy is an important reason for this problem. ZARA China's various functional departments have always adhered to the principle of serving first-line stores. Based on this concept, the store's

service experience will be relatively better, but the long-term practice of the supremacy of the service concept of the functional departments has led to increased dependence on the store, the powers and responsibilities of each department are not clear enough, and the work planning and forward-looking is weak, but it is weak. To deal with various situations that may occur in the store. On the other hand, flat management is not thorough enough. Under the existing flat organizational structure, a multi-level vertical management system will often appear. When faced with a matter, employees often report to the dual leadership. The regional general manager needs to report, and the department heads and managers also need to report. Although this approach can reduce the probability of errors, it is at the expense of efficiency.

### 3.1.5 Localization process is slow

As a multinational clothing company, ZARA needs to adapt to various environments. ZARA has entered the Chinese market for eleven years and has been working hard to achieve localization, but there are still many areas that need to be improved. Foreign companies have never paid enough attention to government relations, and ZARA is no exception. After repeated fire safety inspections, "3.15" product quality exposure, irregular use of price tags, and unreasonable discounts and promotions, ZARA began to actively carry out various rectifications. Enough attention has been paid to government relations. But so far, ZARA's government relations department has only two people in the country, and they are only responsible for the initial coordination, and they have not carried out government relations work in the actual sense.

In addition, according to the characteristics of local consumers, ZARA's response was not very timely. As a European clothing brand, the size of ZARA clothes is generally too large. Compared with the shorter figure of Asians, ZARA has not launched "XXS" number clothes. For example, European consumers are generally taller and their trouser legs will be quite long, while Chinese consumers are not suitable for the design of trousers.

In addition, European design aesthetics are generally more open, and the top design will be sexier, but Chinese female consumers are generally more conservative and dare not try too sexy clothes. This is also one of the reasons why the sales of ZARA summer dresses in China are not good.

## 3.2 Ways for improving the marketing strategy of ZARA brand in the Chinese market

### 3.2.1 Clear market positioning

If an enterprise wants to develop and grow, it must first clarify its brand positioning so that it can further expand its market share based on this. ZARA should be well aware that the composition of today's Chinese society still presents an "M" shape, and consumers with middle-level spending power still account for the vast majority. Young people in this group have a particularly significant degree of pursuit of fashion, but young people's age and Income level limits their purchasing power. Therefore, ZARA needs to position its brand as "fashionable, affordable and fast", and strive to build a fashion brand that ordinary people can afford, and rely on its own supply chain model, from design, production, transportation and every link of the sales terminal store. Need to comply with ZARA's brand positioning. On this basis, it is also possible to design some products for some high-end consumers to meet the needs of high-level consumers.

In addition, since ZARA companies are geared towards Chinese consumers, the size and aesthetics of the products should be designed to meet the consumer preferences of Chinese consumers as much as possible. For example, most Chinese female consumers are short and small, so for the design of trousers, the trouser legs should not be too long, in line with the height of the Chinese. For another example, the official flagship store on the e-commerce platform can add Asian models, and display clothing with models with Asian bodies and skin colors. The reference effect may be more obvious.

### 3.2.2 Strengthen cost control

After the company has entered a normalized development, it needs more refined management. Establish a culture of cost control from top to bottom. Although ZARA's own production model can realize the control of product quality, it has virtually increased the production cost of the company, and can realize the company's off-site production through the agent processing model, thereby reducing the company's labor cost, logistics, land, resources and other factor costs.

The most important way to control costs is to focus on key departments and implement effective monitoring of key tasks. In ZARA's comprehensive cost, logistics and warehousing fees are the second largest expense after clothing costs. Especially in a market without processing plants like China, logistics and warehousing are even more important. In order to accurately and quickly present the products to the store, ZARA often let the clothing "flight". In addition, domestic airlines, especially cargo airlines, are not perfect and need to coordinate all aspects of the work frequently. There are often problems such as delays in store receipts and loss of goods. China's railways have developed rapidly in recent years, especially high-speed railways, which are already in the forefront of the world. In the domestic market, ZARA can transfer part of air cargo to high-speed rail for processing, which saves costs while guaranteeing ZARA's requirements for "fastness". Energy costs, as another large expenditure, also require real-time monitoring. So far, various monitoring systems can install remote control equipment in the shop's power distribution room to monitor the energy usage of the shop. Power consumption at night and low temperature of air-conditioning are the key points of monitoring. According to the store's additional electricity consumption for 8 hours per night, 15 kilowatt-hours per hour, 30 days a month, 1.3 yuan per kilowatt-hour, calculated by 200 ZARA stores nationwide: 15 kilowatt-hours/hour*8 hours/day*30 days*1.3 yuan/kWh *200=936,000.00 yuan. ZARA stores can save 930,000 electricity bills every

month. Through the monitoring software, it is possible to discover the excess of energy bills in stores in time, remind the stores in time, and reduce costs.

### 3.2.3 Strengthen the construction of human resources

In terms of human resources construction, first of all, humanistic care should be strengthened. As a multinational clothing giant, ZARA has a rigorous working environment that exists in foreign companies. Employees are only contracted employees of the company. All employees need to do is to complete their work. What the company can promise is to pay wages on time. In the short term, both parties will be able to get what they need, but in the long run, employees will become bored with the indifferent working environment. The specific methods for improvement are: for the high-intensity work of store employees and the harsh

ZARA has begun to renovate and upgrade the rest rooms in some stores in Beijing and Shanghai. After the renovation, the staff rest room will be more spacious and comfortable. After 4 hours of hard work, I can have a meal and rest with my colleagues. To this end, ZARA deliberately divided the area from the limited warehouse for transformation. In addition, for employees' special anniversaries, such as birthdays, entry days, etc., send congratulatory emails for condolences and so on. Secondly, ZARA's salary system is not transparent enough, and the salary level for internal promotion is generally lower than that of external recruitment. This approach is conducive to attracting outstanding talents, but it is unfair. Two people do the same job and are treated differently. In addition, ZARA's salary-setting process did not fully consider the differences in price levels between regions in China. For the same salary, employees in second-tier cities are generally stable, but first-tier cities often cannot recruit people or have greater employee mobility. ZARA should formulate a more reasonable salary system based on this. Specifically include: salary is fairer and more transparent, equal pay for equal work or fixed pay according to post, avoiding mutual suspicion to enhance team cohesion. In

addition, considering the price index of different regions, formulate a reasonable salary compensation coefficient to offset the problems caused by different price levels.

Finally, more attention should be paid to job requirements in the recruitment process. It is necessary to fully listen to the opinions of store management in personnel recruitment. The actual needs of the company's stores and job skills requirements are important considerations. The job-oriented definition of talent needs enables employees recruited by the human resources department to meet job needs, instead of blindly pursuing employee education and experience. The company's human resources department should implement the construction of a talent pool as soon as possible, and form a professional team with reasonable tiers for key stores, especially store managers, regional managers, and sales directors of flagship stores in first-tier cities. Every year, the human resources department must carry out training for the management of reserve management, sales and stores, increase the professionalism of employees, and increase the ability of the staff by means of internal rotation of the company and expatriate training.

### 3.2.4 Continue to pay attention to the construction of key departments and streamline the reporting process

As mentioned earlier, ZARA China's steady expansion strategy not only refers to the reduction in the number of newly opened stores or the closure of some poorly-performing stores, but more importantly, the internal reform and steady development of the company, the development of important departments, and the assurance of sales. Since ZARA China does not have a production department, for physical stores, the logistics department is very important; for online sales, the role of the IT department is beyond doubt. The logistics department is responsible for customs declaration, logistics, warehousing and store distribution of ZARA China's goods. So far, the logistics department has basically followed the foreign model of "aircraft + truck" to ensure timeliness as much as possible. However, in recent years, my country has continuously increased its infrastructure

construction. The mileage and frequency of high-speed railways have gradually increased. The construction of high-speed railways in various places is in full swing, the construction of expressway networks has become more and more perfect, and the comprehensive strength of the logistics industry has gradually improved. These factors can provide good basic conditions for the company's cargo transportation. Therefore, the logistics model of "high-speed rail + truck" can be fully considered in the future. In addition, rents in the commercial centers of first-tier cities continue to rise, and the establishment of small distribution centers around the first-tier cities can further improve logistics efficiency. In recent years, China has developed advantages and has achieved world-renowned achievements in the fields of communications and mobile terminals. Online shopping and mobile payments have been well popularized in large and medium cities. The IT department of ZARA China needs to always pay attention to the development of the communication field, and timely integrate with ZARA's existing technology to create a further "fast" fashion. After cooperating with T mall and mobile payment platforms, the focus of IT work should be to ensure that the physical store equipment and network maintenance are not affected, at the same time to strengthen cooperation with various Internet providers, and to deal with problems that may arise between platforms in a timely and efficient manner And risk. In addition, in view of the rapid development of IT, a reasonable and efficient management professional IT outsourcing service provider is also the work that the IT department needs to strengthen.

In addition, the debriefing and reporting process should be as streamlined as possible. There is no need to repeat multiple reports. Use a step-by-step report. For example, the sales status of a day is reported to the store manager from today's responsible sales, the store manager then reports to the sales manager of the China regional department, and the sales manager reports to the headquarters. In this way, the tedious work procedures of repeated reporting are avoided, and everything is in order.

### 3.2.5 Further accelerate the localization process

ZARA's super national treatment as a foreign company has ended. Active participation in government affairs can better help ZARA integrate into the local economy. The super-national treatment of foreign capital refers to the implementation of different taxation systems for domestic and foreign-funded enterprises, and the preferential tax treatment of foreign-funded enterprises to domestic-funded enterprises. This kind of internal and external taxation system generally involves corporate income tax, foreign-invested enterprises and foreign corporate income tax, vehicle and vessel use tax, vehicle and vessel use license tax, urban maintenance and construction tax,

Several taxes (fees) such as land use tax and education surcharge. Since the reform and opening up, in order to better attract foreign investment and develop the economy, my country has given numerous foreign investment policies and preferential taxation. When ZARA first entered China, it just caught the last train of foreign preferential treatment. Under multiple factors such as its own good brand background and super national treatment, it is like dropping a blockbuster in the domestic apparel industry, with a single store with a single-day turnover of more than 1 million. The achievements have made the domestic apparel industry astounding. To this day, the super national treatment policies are no longer enjoyed. In addition, because ZARA has little interaction with local governments, it has often become the target of various inspections and "3.15" exposures in recent years.

China's environmental protection is increasingly being valued by the government and the public. As an international company, ZARA also needs to become a promoter of environmental protection projects. In addition, a large number of ZARA packaging materials can also be incorporated into environmental recycling work, including cartons, plastic packaging, etc. While increasing other incomes of the company, actively participate in environmental protection. The Hope Project is a key national poverty

alleviation project. ZARA can assume more social responsibilities by supporting the Hope Project and at the same time shape a good social image.

In the process of accelerating localized design, it is possible to hire a Chinese designer for the first time to integrate Chinese culture into ZARA's design. Nowadays, the national pride of Chinese consumers is gradually increasing, and they are gradually focusing on the promotion of traditional Chinese culture. If ZARA's design can achieve the combination of Chinese and Western, I believe this is another breakthrough in ZARA's design. For example, the image of traditional Chinese comics and the image of Western Disney princesses and other characters can be integrated into the design of clothing to realize the joint design of the brand, capture the characteristics of contemporary young consumers chasing fashion trends, and expand the market. Another example: the Chinese traditional dress cheongsam is improved to design an improved cheongsam that conforms to the modern aesthetics without losing the traditional charm. In the wave of retro fashion, modern elements are added to realize the combination of ancient and modern, and the combination of Chinese and foreign.

Another important aspect of realizing localization is the production of small-size clothing. It is well known that Chinese female consumers are mainly short and small. In many cases, consumers tend to fancy ZARA's design, but they have to give up buying because of the lack of suitable sizes. Therefore, it is also important to produce clothing that fits the size of Chinese consumers.

Finally, combined with the current development of 5G technology in China, the marketing method can be transformed into a combination of online and offline. Establish a 5G online try-on service on the e-commerce platform, so that consumers in cities without specialty stores can also experience the try-on service. Realize online shopping without leaving home.

## 3.3 The usage of ZARA brand's marketing strategy in the Chinese market for other foreign brands

### 3.3.1 Clear market positioning and quickly respond to the market

There are many brands in the apparel market, and each brand survives because of its uniqueness that can attract consumers. Many foreign fast fashion clothing brands are expanding the market at a rapid rate in my country. With the advantages of "fast fashion": fast, fashionable, and affordable, fast fashion clothing brands are sought after by young people who pursue trends and have a certain income base. Young people between 20 and 35 years old are the target group of ZARA. They are keen on fashion and pursue the popularity of clothing. However, due to limited economic conditions, they cannot afford the price of high-end clothing. ZARA is fashionable and the price is not high, which meets the target consumption and the needs of the group. Other foreign clothing brands should, like ZARA, clarify their market positioning, find a target group consistent with their products, use practical and effective marketing strategies to quickly capture the target market, gain more market share, and improve their market position, deepen consumer brand awareness, and leave a clear concept in consumer awareness. For example, ZARA are fashionable and changeable, Uniqlo are comfortable, dazzling-lasting fragrance and so on. Of course, printing this brand concept into the minds of consumers cannot be done in a short period of time. It requires long-term efforts. From the very beginning, the brand must accurately position its products in the market. According to the goals. The preferences of market consumers, the cultivation of brand culture, the practice of brand culture at all times in daily production and operation activities, and the product design, production, shop decoration, etc., must echo the brand culture. Other foreign clothing brands should implement corresponding marketing strategies according to their brand positioning, but no matter what marketing strategy a company chooses, it must fully analyze the market situation and its own situation, and combine the two. The rapid

development of ZARA in the world is mainly due to its rapid addition of trend elements to its own design clothing, which allows it to always follow the current fashion trends and launch new popular products in other brands. Enter the market first. Fast update can keep up with the pace of fashion. If other foreign clothing brands still cannot shorten the cycle of products from design to market entry, they will not be able to achieve rapid product updates, and they will always be in a disadvantaged position and lose more market share. ZARA's products have been on the market for only 14 days, which caters to market demand well, and other foreign clothing brands should follow it. For other foreign brands, the process from product design to production includes many cumbersome processes, many of which are redundant, which greatly lengthens the production cycle of products and makes product updates less able to keep up with the trend of the times. The reason why a "fast fashion" brand like ZARA can keep up with the trend is mainly because its production process is simple and fast, and its supply chain management is reasonable and effective, which minimizes the cycle from product design to market entry. Other foreign clothing brands should make appropriate adjustments to the production process to promote product upgrading and keep up with the trend of the times.

3.3.2 From the product point of view

3.3.2.1 The sense of scarcity of deliberately manufactured products

Although ZARA gives people the feeling that there will always be a large number of all kinds of clothes in the store, but if you look closely, you will find that compared with retailers such as Uniqlo, ZARA does not produce too much of each garment. There are only 12 pieces in different styles and sizes. If ZARA sells well, it will be replenished at most twice. It will never keep adding orders because it sells well. This is mainly to make it special, so that it will not cause a large area of shirts. The loyalty of incoming customers has declined. When people actually enter the store to choose clothes, they will feel that there are only a few pieces that suit their size. If they don't buy them when they like them,

they will worry that if they don't buy them today, they might not be able to buy them tomorrow. This is an artificial creation. A sense of scarcity, this kind of scarcity will arouse consumers' desire to buy, and consumers will have this idea: if they meet their favorite clothing, if they don't buy it in time, they may be bought by others immediately. The production of other foreign brands of clothing often pays attention to the scale effect, and the production volume is large, and customers rarely feel that it is difficult to buy, and they are not eager to buy, which often leads to the loss of sales.

In terms of pricing, ZARA's product price setting is not done by a single person. Product prices are negotiated and set by a pricing group composed of designers, procurement experts and market experts. ZARA has a variety of information that contains similar products in the market. When pricing the database, it will refer to the market price of similar products to calculate the accurate pricing, and then convert it into the local currency of each country. The price ranges from tens to hundreds of yuan. It is a trade-off between high-end luxury goods and ordinary fashion clothing. Pricing, the prices you give are relatively affordable, in line with the consumption power and demand of the public.

Other foreign brand clothing companies should carefully consider when pricing their products, regularly organize personnel to conduct market research and research, and use the support of information systems to establish a scientific and effective pricing system. It is necessary to correct the relationship between price and profit. Price and profit are not always in direct proportion. Many products are often overpriced and cause low sales. This will cause product backlogs. As a last resort, discount sales can only be carried out. This is not worth the loss. In order to ensure the sales volume of the product, a reasonable price that meets the market demand should be established at the beginning, which not only meets the timely needs of consumers for the product, but also speeds up the return of funds, and ensures the high-speed operation of the enterprise to further expand the scale of reproduction.

### 3.2.2.2 Establish product information and inventory control system

ZARA has formed a product information system and an inventory management system in the course of its operations. With these two systems, products and inventory can be monitored and managed in real time. Finished products, semi-finished products, raw materials, etc. are all under the control of the electronic information system, which facilitates management. Each chain store is in the inventory management system, so that the staff in the store can use the computer to enter the system at any time to inquire about the product information that customers want to buy. Not only can they check whether there is inventory in their store, but also provide customers Find out which store can be purchased nearby or in the same city. If the customer is in urgent need or need, you can also transfer the goods in time for the customer through the inventory system. The information system gives ZARA strong support, which not only facilitates customer purchases, but also helps enterprises achieve better operations. Most other foreign fast fashion clothing brands lack product information systems and inventory control systems. Shop assistants often go to the warehouse to check the inventory in person, which is time-consuming and laborious. If you want to transfer goods from other stores, you usually need to call for consultation. In recent years, with the popularization of information networks, some fast fashion clothing brands have established product information systems and inventory management systems, but there are still many shortcomings. They need to follow ZARA and establish a more powerful and perfect inventory management system and product information system.

### 3.3.3 Starting from customer needs

### 3.3.3.1 Establish customer demand information collection system

ZARA often collects customer information, and in this process has cultivated a strong ability to collect customer needs. ZARA will arrange dedicated employees in each store

to record the needs of customers. After this demand information is recorded, it is regularly transmitted to the headquarters via the Internet. The designers at the headquarters will summarize and analyze the information collected by each store. Combined with daily offline sales, conduct a comprehensive comparative analysis, carry out new designs that meet consumer needs or improve the original products according to customer needs to make them more in line with customer needs and promote sales. Furthermore, ZARA's production process has formed a set of standardized procedures. After designers get fashion inspiration in the show, they can skip the market survey and directly determine the specific details based on the customer demand information in the information database. Including the specific requirements of the production technology under the size and customer needs. At the same time, the ready-made materials and accessories in the warehouse have already been prepared, and they can directly enter the proofing process, and the efficiency is very high. However, most other foreign fast fashion clothing brands do not have a collection of fashion information and customer demand information. They only judge the popularity of clothing based on clothing sales. This makes it impossible to make timely improvements based on customer needs to achieve sales To maximize. At the same time, the garment production process in other foreign countries is relatively cumbersome, and the process from design to production of finished products is very long. Therefore, they need to learn from ZARA and establish a collection system of fashion information and customer demand information to maximize sales.

### 3.3.3.2 Provide quality service and shopping experience

The times are getting more and more advanced, and people's requirements for clothing are becoming more and more diversified. They pursue both uniqueness and fashion. People always hope to buy more fashionable and designed clothing. ZARA advocates frequent communication with consumers and timely follow-up of customer feedback. These actions have also promoted the rapid rise of ZARA. According to the actual needs

of the target consumers, the trendy elements of the fashion show are added to the design to produce the best-selling fashion.

In addition, other foreign clothing brand stores usually do not pay enough attention to the decoration style, the quality of the products is not good, the quality of sales staff is generally not high, and they cannot provide customers with comfortable services. In general, the shopping experience of consumers is not good enough. Clothing brands should start from many aspects to make the consumer shopping environment more comfortable. First of all, we must create a good visual image of the store. In addition, we must strive to cultivate brand culture and improve brand recognition through publicity and other means. We must also customize the training plan for store sales staff and improve the professionalism of sales staff through regular training and the service quality of the clerk. Only when customers get comfortable service and have a good shopping environment can they have a good shopping experience.

### 3.3.4 Develop new channel strategies and establish efficient distribution and logistics systems

From the perspective of channel strategy, the sales model of other foreign fast fashion apparel companies is often a vertical model where the company finds distributors, and the distributors find agents to represent the products. Profits are exploited layer by layer, and other foreign companies have to change this. In the current situation, the products can be directly and uniformly deployed by themselves, and reduce intermediate costs, implement a flat sales model, and seize more profits by themselves. In addition, online marketing is now a very popular marketing method. Facts have also proved that this marketing channel has received positive responses from consumers. Other foreign fast fashion apparel companies must have the courage to break through traditional channel marketing and actively expand like online marketing. New marketing channels, such as micro marketing, WeChat marketing, experience marketing, etc. Using the huge power of the Internet to

promote their product value and brand culture. Micro marketing mainly refers to marketing on platforms such as WeChat and Weibo. It uses a lower cost but can bring good results. It is a cost-effective marketing method. Brand culture is very different from traditional offline marketing. It advocates the use of interaction between "virtual" and "real" to establish a system involving both with R&D, products, channels, and market elements, as well as brand communication and product promotion. Efficient marketing channels with elements such as, customer relationship, etc., the entire marketing channel is chained. The integration of various parts of the resources in the chain can bring marketing effects to small and broad. Experiential marketing mobilizes consumers' perceptual and rational factors through the means of seeing, listening, using, and participating, thereby establishing a new way of thinking about marketing methods. The company invites target customers to try their own products, allowing them to personally experience the performance of the product, experience the services that the finished product can bring to customers, and make customers identify with their products, like their products, and then purchase products.

ZARA invests very few personnel in the logistics system, which mainly benefits from its efficient distribution, logistics system, and professional distribution equipment. When the garment is made and needs to be transported from the factory to the ZARA cargo distribution center, this process is not carried out through traditional ground transportation. ZARA has established an underground conveyor belt of 20 kilometers long. This process is completed through the underground conveyor belt. Very efficient, the goods arriving at the distribution center are sorted as quickly as possible, and then sent to ZARA chain stores around the world according to demand. ZARA has eliminated the traditional manual sorting method and used the most advanced electronic label identification equipment to identify the labels on the clothing. The number of clothing items identified within one hour can reach 60,000. The accuracy rate is also very high, which shortens the goods. Time spent in the distribution center. The staff will pack the sorted garments in the

first time, and use the most reasonable transportation method to transport them to ensure that the goods arrive on time, in quantity and on request. As for the mode of transportation, ZARA has also made great achievements. The European regions that are close to each other are transported by truck at low cost. When using airplanes for global cargo distribution, although the cost is high, the speed is fast, which makes the product update speed faster, and the increase in transportation costs is far less than the increase in sales profit brought by the rapid update of goods to ZARA is advantageous. With the support of ZARA's efficient logistics system, ZARA chain stores around the world can be opened twice a week. In this regard, other foreign fast-fashion clothing brands often outsource their logistics to express delivery companies. They do not have their own special distribution and logistics systems, resulting in slow product introduction and no guarantee of time. They should establish an efficient distribution and logistics system installed by the enterprise.

3.3.5 Optimize the supply chain and production process

The INDIEX Group to which ZARA belongs has formed a systematic procurement process and has stable and cooperative suppliers. These suppliers provide ZARA with a stable supply of fabrics at relatively low prices, and the fabrics are usually guaranteed to be supplied in the first time, making new garments quickly produce. Moreover, the parent company itself can also process the original grey fabrics and make fabrics that meet the design by itself. The company has strong autonomy and anti-risk capabilities.

More than 80% of ZARA's products are produced by INDITEX Group's own factories or agency factories. 78% of ZARA's supply chain management is in Europe and 22% is in Asia (China accounts for 10% of the total). Among them, the small batch Studio models with the highest requirements for fashion sensitivity are mainly produced in Europe (Studio models, commonly known as designer models, designers need to design hundreds of clothes every day, but each model is produced in small batches, because there are so

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many styles that need to be produced in multiple batches. For the basic models, mass production is required, and the production of the basic models is mainly done in countries with low labor costs such as China. Since most of the supply chain is located in Europe, the products produced can be transported to the next stage of production through an automatic distribution system, which can minimize inventory and reduce costs. The reduction in inventory costs and the increase in production efficiency have kept ZARA's profit margin at a relatively high level, which is above 10%. INDITEX Group's own production activities cover all aspects of model design, fabric dyeing, clothing tailoring, etc. This makes the company's production activities vertical, so ZARA's production is faster and more flexible, and is more conducive to controlling output. Fast fashion clothing brands of other foreign brands usually only design their own clothes, and other links are outsourced to agent factories. They cannot do it by themselves in the process of fabric procurement and clothing production. The risk is high and it is not conducive to the improvement of production efficiency. They need to improve the supply chain to ensure that all links involved in model design, fabric dyeing, clothing tailoring and clothing production are covered to make production more flexible and control output.

Companies of other foreign brands often lack their own independent teams in terms of design, and the design funds are not sufficient. The fabrics are often not made by themselves, but are often processed by factories. This increases the cost and cannot guarantee the quality. In terms of clothing sales and after-sales service, contrary to ZARA's sales and after-sales situation, sales often carry out big promotions, hoping to win by volume, which greatly damages revenue and also greatly reduces brand image. Other foreign brand companies also often not pay attention to after-sales service, resulting in lower customer revisit rates, affecting long-term earnings. Other foreign companies have to take dyeing and tailoring and other high-value-added links in their own hands, and outsource low-value-added links such as sewing, so that they can be targeted and fully maximize added value.

Summary of Chapter Three

The chapter three is according to the present develop problems and give some new brand marketing strategies to the ZARA brand. At the same time provides references to other foreign brands that want to entry to Chinese market.

Firstly, it was pointed out that there is incorrect product marketing position, the overall cost remains high, the product is not localization enough and some other problems.

Secondly, it was given some advice to improve the development of ZARA brand. Such as: Clear the marketing positioning, strengthen the cost control, further accelerate the localization process.

Finally, these strategies also can provide references for the development of other foreign brands in China. Such as establish customer demand information collection system, collect and analysis customers presences, find the target customers. Then they can transform to digital sales. They also need establish efficient distribution and logistics system.

All these strategies are for the sustainable development of the ZARA brand in China and also provide strategic references for other foreign brands that intend to enter the Chinese market.

# CONCLUSION

When studying the formation and development of the Spanish brand ZARA's marketing strategy in China, this article first analyzes the basic development process of ZARA, and analyzes the political, economic, social, and technical environment of sales in China and concludes that the economic environment is better. The technological environment is maturing, the political and legal environment is supported, and the industry development prospects are excellent are the external factors that promote the development of ZARA.

In the internal environment analysis, there are advantages such as good financial profitability, efficient organizational structure, and extensive use of new technologies. At the same time, there are problems such as insufficient cost control, serious loss of personnel, and slow localization process. At the same time, it has also ushered in opportunities for the sustainable development of the national economy, but it is also facing the challenges of increasingly fierce competition in the industry.

Based on the previous analysis, it puts forward the deficiencies and reasons analysis of the ZARA brand in China's marketing strategy, and gives corresponding innovative marketing strategy suggestions. The first is to clarify the product positioning, the second is to strengthen cost control, the third is to strengthen the construction of human resources, the fourth is to continue to focus on the construction of key departments, streamline the reporting process, and the fifth is to speed up the localization process.

In clarifying the product positioning strategy, it helps the company to clarify the target customers for its products. The social structure of China still presents an "M" shape, with the majority of middle-level consumers. Therefore, ZARA needs to position its brand as "fashionable, fast, and preferential", and is committed to creating an affordable fashion brand for every ordinary person. On this basis, a high-end product line can be designed for customers who require more high-end clothing.

In the strategy of strengthening cost control, it helps the company reduce some unnecessary expenditures. In a country with vast land like China, it is necessary to deliver goods to customers, and the logistics cost is high. Therefore, China's high-speed rail transportation can replace air transportation, not only can keep up with the speed, but also reduce transportation costs. In addition, the electricity consumption of the stores also needs to be improved, and remote energy monitoring equipment should be installed to monitor the stores in real time, and control the electricity consumption at night and the low temperature of the air-conditioning. Save unnecessary energy costs. Finally, ZARA is mainly distributed in the city center of the more prosperous and higher-level first-tier cities in China, which also increases the annual rental cost of ZARA. Therefore, ZARA needs to transform online sales and gradually transform physical store sales into digital sales. This not only saves rental costs, but the power of the Internet can also expand brand awareness and influence.

In strengthening the construction of human resources, the company must first strengthen humanistic care, increase employees' sense of belonging, and form a unique corporate culture. ZARA company needs to develop an open, transparent and reasonable salary system to give outstanding talents the opportunity to compete on an equal footing. The company's human resources department should implement the construction of a talent pool as soon as possible, and set up a reasonable level of professional team for key stores, especially store managers, regional managers, and flagship store sales directors in first-tier cities. Every year, the human resources department trains management personnel of reserve management, sales, and stores to improve the professionalism of employees. The ability of employees is improved through internal company rotation and overseas training.

In continuing to focus on the construction of key departments and the strategy of specialized complaint procedures, making good use of the advantages of China Telecom's

mobile terminal field, online shopping and mobile network development have already begun.

ZARA China's IT department needs to make good use of the convenience of technology to establish an online reporting process. The timely transmission, feedback and analysis of information can provide technical support for ZARA to achieve "fast" fashion. The focus of IT work should be to ensure that physical store equipment and network maintenance are not affected, and to strengthen cooperation with Internet providers to deal with possible problems. In addition, in view of the rapid development of IT, a reasonable and efficient management professional IT outsourcing service provider is also the work that the IT department needs to strengthen. Finally, the reporting and reporting process should be simplified as much as possible. No need to repeat the report multiple times. Use step-by-step reports. For example, one day's sales are reported to the store manager from today's responsible sales, the store manager then reports to the sales manager of the China regional department, and the sales manager reports to the headquarters. This avoids the tedious work procedures of repeated reporting, and everything is in order. Improve work efficiency and reduce work pressure.

The strategy of accelerating the process of localization can mainly help companies adapt to the Chinese market more quickly and seize the consumption preferences of Chinese consumers. ZARA company can consider using Chinese designers, the previous designers are all from other countries, but since it wants to sell clothing in China, the design concepts of Chinese designers can often provide the company with new ideas. Chinese designers can incorporate traditional Chinese culture into their clothing design, such as combining traditional Chinese cheongsam with foreign classical puff sleeves to design an improved cheongsam that combines Chinese and Western puff sleeves. This style does not deviate from the original fast fashion design track, but also combines current popular elements. Thirdly, the height of Chinese consumers is generally not as tall as that of consumers in European and American countries. Therefore, ZARA company

can consider making clothes more suitable for Asian figure curves. For example, the length of jeans can be used in the research of Chinese consumers. Then they can determine after average height. Finally, the floor plans of models in online stores are mostly models from European and American countries, and their skin color and body are different from those of Asian consumers. Therefore, the online model pictures are of little significance to Chinese consumers, and they can consider using Chinese models to dress and show on pictures. Such a picture display will have more reference significance.

Finally, based on ZARA's development experience, it provides reference suggestions for other foreign fast fashion brands who wish to enter the Chinese market through market positioning, product offerings, customer needs, sales channels, logistics channels, and production supply chains.

From the perspective of market positioning, if you want to successfully establish a foothold in the Chinese market, you must identify the target customers of your products, quickly occupy the target market, gain more market share, improve market position, and deepen brand awareness. The "fast fashion" brand like ZARA can keep up with the trend mainly because its production process is simple and fast, and its supply chain management is reasonable and effective, which minimizes the cycle from product design to market entry. Other foreign clothing brands should appropriately adjust their production processes, promote product upgrades, and keep up with the trend of the times.

From the perspective of product supply, "the rare thing is more expensive", the less the quantity, the more precious it is. Therefore, the company needs a sense of scarcity of manufactured products. A sense of scarcity often arouses consumers' desire to buy. The production of this product does not depend on the quantity, but on the design of the style. Every consumer wants their clothes to be unique. The second is product pricing. Product pricing is not determined by one person, but by a pricing group composed of designers, procurement experts, and market experts. Other foreign-owned brand apparel companies should carefully consider when setting prices, regularly organize personnel to conduct

market research, and use the support of information systems to establish a scientific and effective pricing system. Random pricing will make consumers disappointed in the brand and reduce consumer loyalty to the brand.

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systems and inventory management systems, but there are still many shortcomings. They need to imitate ZARA and establish a more powerful and complete inventory management system and product information system.

Starting from customer needs, the company needs to establish a customer demand information collection system. By querying online customers' purchase records, purchase frequency, and using big data to analyze consumers' buying preferences, in order to promptly recommend their favorite new styles to consumers. Also use the mail sales method. Through regular e-mail greetings, maintain the relationship with consumers and remind consumers of the new status.

At the same time, details determine success or failure. A good shopping experience may leave repeat customers, and loyal consumers may also introduce new customers. Therefore, the consumer's shopping experience is also very important. Exquisite packaging boxes, good after-sales service, and patient consultation before purchase are all aspects that enhance the consumer's shopping experience.

From the perspective of sales channels, logistics channels, and production supply chains, other foreign fast fashion apparel companies must have the courage to break through traditional channel marketing and actively expand like online marketing. New marketing channels, such as micro marketing, WeChat marketing, experience marketing, etc. Use the great power of the Internet to enhance their product value and brand culture. Micro marketing mainly refers to marketing on platforms such as WeChat and Weibo. It uses a lower cost, but can bring good results. This is a cost-effective marketing method. ZARA abandons the traditional manual sorting method and uses the most advanced electronic tag identification equipment to identify the tags on the clothing. The number of clothing items identified within an hour can reach 60,000. The accuracy rate is very high, and a lot of time is shortened.

The way to improve the speed of logistics is to reasonably establish warehouses across the country to ensure that orders in any region can be shipped nearby.

Companies of other foreign brands often lack their own independent teams in terms of design and lack of design funds. Fabrics are often not made by themselves, but are often processed by factories. Therefore, other foreign brands need to create their own designer teams and place the processing links in labor-rich China, which can reduce designer budgets and reduce production costs.

We usually think that the clothing industry is a traditional industry, but ZARA has insight into the future development trend, using modern management and unique marketing strategies to push the clothing industry to a new development model. Its innovation is what every garment industry needs to learn from. Under the market economy system, customers' demand for clothing changes extremely fast, and "fast fashion" is becoming a trend more and more. ZARA's "fast fashion" is actually the product of a marketing strategy implemented to meet market demand. If other foreign fast fashion clothing brands also want to enter the Chinese market, ZARA's marketing strategy model can provide them with some practical suggestions.

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