

# Analysis on the Marketing Strategy of Fast Fashion Brand Zara Based on 4c Theory

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**Abstract:** Fast fashion brands with “fast, fashion, affordable” three magic weapons to seize the market opportunities, opened up by the global consumer popular emerging clothing market. Although China's fast fashion clothing enterprises are aware of this market opportunity, there is still a big gap in marketing strategy compared with foreign fast fashion. In view of this, this paper takes ZARA, a typical representative of fast fashion brand, as an example, analyzes ZARA's marketing strategy with 4C marketing theory, summarizes the reasons for ZARA's success, and puts forward some useful Suggestions for China's clothing enterprises, hoping to provide some enlightenment and help for the development of China's fast fashion clothing industry.

## 1. Introduction

ZARA was founded in 1975 by Amancio Ortega, founder of the Spanish INDITEX group. As of October 31, 2019, ZARA is the number one clothing brand in Spain and the top three in the world. The design of ZARA keeps up with the trend, but the price is very low compared with those fashionable big brands. It is a High Fashion that can be affordable for the common people, and it is pursued by the young people who pursue the global ball fashion trend. In 2006, ZARA began to enter the Chinese market, successively opening chain stores all over the country. Two years later, ZARA has 123 stores in more than 50 cities in 21 provinces. On September 5, 2012, ZARA officially entered Taobao and started online sales.

## 2. Concept Definition and Theoretical Explanation

### 2.1 Definition of Fast Fashion

Fast Fashion was originated in Europe at the end of the 20th century. It is a clothing sales mode that quickly captures the fashion by imitating the design of big brands, and then introduces the clothing styles that keep up with the trend and update quickly, and sells to consumers at a lower price. Fast fashion features can be summarized as “fast, fashionable, affordable”. Fast means that fast fashion brands respond quickly to fashion trends. It takes only 2 weeks for the entire lead time of clothing from design, production and distribution to store delivery and sales, and the fashion style is updated very quickly.

### 2.2 4C Marketing Theory

The Marketing Theory of 4Cs, also known as “4C marketing theory”, was put forward by professor R.F Lauterborn (1993), an American marketing expert, in 1990. It is the 4C theory corresponding to the 4P of traditional marketing. Guided by consumer demand, it redefined the four basic elements of the marketing mix: Customer, Cost, Convenience, and Communication. The theory holds that satisfying customer demand and improving customer satisfaction are the top priorities, followed by reducing customer purchase costs, providing convenience to customers in the purchase process as much as possible, and finally implementing effective marketing communication with consumers as the center.

### **3. Marketing Strategy Analysis of Zara in Theory 4c**

#### **3.1 Meet Customer Needs**

##### **3.1.1 Imitate the Big Brands and Follow the Fashion Trend**

In order to meet the target customers' pursuit of fashion trends, ZARA chooses to imitate the design of international brands in clothing design. At the same time, we will learn the preference of consumers according to the feedback information and sales data of customers, and then improve the products. This strategy allows ZARA to quickly design and produce clothing that meets the needs of consumers to keep up with fashion trends by quickly following the fashion trends of major brands.

##### **3.1.2 A Small Number of Items, Creating a Sense of Scarcity**

ZARA's clothing not only has high fashion degree, but also has the ability to launch as many as 20,000 styles every year, on average, more than 30 kinds of rich and varied product update ability every day. Unlike other clothing retailers, ZARA produces certain styles in small quantities, and even when they are popular, they sell them in limited quantities. ZARA makes use of the product strategy of creating a sense of scarcity with a small number of items to meet consumers' personalized needs for diversified and unique clothing products.

##### **3.1.3 Civilian Price, Popular Fashion**

The main target customers of ZARA are young consumers who are keen on fashion but have limited consumption capacity, and their income is not enough to afford luxury brands. They are willing to pay for fashion, but are relatively sensitive to price. In order to meet the needs of these consumers, ZARA adheres to the price strategy of "affordable fashion". Its prices range from tens of yuan to thousands of yuan, allowing consumers to wear designer clothes for less than a tenth of the cost of luxury brands.

#### **3.2 Reduce Customer Cost**

##### **3.2.1 Reduce Design Cost**

ZARA's design comes from the sharp capture and unique interpretation of fashion trends. Its design is not completely based on originality, but not completely copied. ZARA designers draw inspiration from major fashion shows, celebrity wear, and street fashion, and combine it with the cost consumers are willing to pay to eliminate some overpriced design elements. This kind of diversification absorbs the latest fashion elements and combines with the consumer consumption level to make a choice effectively reduces the design cost.

##### **3.2.2 Reduce Procurement and Production Costs**

ZARA sources its raw materials from two parts, one made by a subsidiary of Inditex and the other supplied by external suppliers. This can not only shorten the transportation time of raw materials, to solve the problem of raw materials cannot be supplied in time, but also can flexibly produce products according to market demand, reduce the dependence on raw material suppliers, production in an active position, thereby saving costs.

##### **3.2.3 Reduce Logistics and Transportation Costs**

ZARA USES different modes of transportation for different sales areas. For products sold in Europe, ZARA's freight contractors ship goods by truck to stores. Because of the low cost and high speed of trucks for short distance transportation. Goods can usually be shipped from a distribution center to any boutique in Europe within 48 hours. For sales regions far away from ZARA's distribution centers in North America and Asia, ZARA does not choose a more economical way of shipping. Instead, ZARA adopts the method of air transportation with high cost and the fastest speed, so as to ensure that products can be sold to consumers at the fastest speed and reduce the waiting cost for consumers to obtain the latest styles. The increase in sales and profits from this

transportation strategy more than makes up for the high cost of air transportation.

### **3.3 Customer Convenience**

#### **3.3.1 Featured Store Furnishings**

ZARA stores are based on consumers' convenience and comfort of shopping. The area of ZARA stores is generally large, exceeding 930 square meters. Spacious shops can fully show each piece of clothing to customers, convenient for customers to choose. ZARA divides its stores into three sections: women's wear, men's wear and children's wear. Different types of clothing will be placed in different areas, so that customers at a glance when buying. This one-stop shopping platform meets the diverse needs of consumers, solves the confusion of customers in matching clothes, and provides great convenience to customers.

#### **3.3.2 Develop Online Channels**

Although physical stores are the main sales channels of ZARA, with the rise of online shopping, ZARA also develops online channels. ZARA USES the network platform to show the latest fashion styles to consumers, and provides professional online consultation, virtual fitting and other services to consumers, thus saving time for customers to go to physical stores to choose. ZARA online sales maintain the same product and price strategy as those sold in physical stores. In this way, consumers can avoid the experience of feeling unfair due to different channels and different prices. ZARA also provides online ordering, in-store pick-up, return and exchange of goods and other after-sales services.

### **3.4 Good at Communicating with Customers**

#### **3.4.1 Train High-Quality Salespersons**

The sales staff in ZARA stores are very friendly and have high professional quality. They will not always follow closely behind customers to sell goods. They will only provide customers with some wear guides and professional advice on clothing washing and nursing when they are in need.

#### **3.4.2 Improve Communication Channels**

ZARA collects customer feedback via phone calls and emails to produce products that meet customer needs. Meanwhile, all ZARA stores must report the daily sales volume and inventory quantity of the stores, and the headquarters will replenish the goods according to the actual situation of each store. Timely feedback of consumers' needs and preferences to headquarters enables ZARA's products to quickly respond to market changes.

#### **3.4.3 Perfect Internal Control System.**

ZARA's internal control system is relatively perfect. The work of store managers and clerks mainly follows the prescribed procedures, and the regional managers have more autonomy. Shop assistant duties: to provide consulting services to customers, help customers shopping, but only when customers have a need to recommend products, give customers full freedom. Responsibilities of the store manager: responsible for the completion of the sales assessment indicators, and at the same time, selective new and to the headquarters of the right to allocate goods. Regional manager responsibilities: each regional manager is in charge of 10 to 60 chain stores. Their main responsibility is to supervise and support the distribution of goods between stores

## **4. The Inspiration of Zara's 4c Marketing Strategy to China's Fast Fashion Clothing Industry**

### **4.1 Meet Consumer Demand**

ZARA has been very successful in improving consumers' consumption experience, which is worthy of learning by Chinese clothing enterprises. ZARA's sales people are good at to collect consumer's preference to garment design and the suggestion, and promptly feedback to design headquarters, designers will be in the next batch of product design is improved and presented to the

consumer with the quickest speed, let the consumer feel can also participate in the design, clothing is tailored for oneself, to meet customers personalized needs.

#### **4.2 Reduce Customer Cost**

Enterprises should fully learn from ZARA's rapid response to information. ZARA has developed an information system that links the entire procurement, design, production, distribution and sales data. Managers can not only monitor the inventory information of raw materials, but also efficiently and quickly manage a wide range of design lists, all kinds of fabrics and decorative accessories and inventory goods, so as to ensure the effective allocation of resources throughout the process from design to production to sales. Therefore, in order to improve the ability to respond quickly to market demand, it is necessary for enterprises to establish an information system to manage the entire production and operation.

#### **4.3 Improve the Quality of Shop Assistants**

Enterprises should attach importance to the recruitment and training of shop assistants, select the staff with higher quality to enter the store, strengthen the comprehensive and systematic training of professional ability of shop assistants, think about what customers think and what customers need in the actual communication process, and take customers as the center to meet customers' consumption needs. In this regard, clothing enterprises in China can refer to ZARA's recruitment and training system for shop assistants, and assess their performance in sales communication, so as to establish a sound training mechanism for shop assistants.

### **5. Conclusion**

Many people usually think that the clothing industry is a traditional industry, but ZARA has insight into the future development trend, and USES modern management and unique marketing strategies to push the clothing industry to a new development model. Its innovation is something that many clothing enterprises can learn from. This paper takes ZARA as a case study, combines the 4C theory with ZARA's marketing strategy, makes a specific analysis of ZARA's strategy, summarizes ZARA's unique marketing strategy, and puts forward some Suggestions for the fast fashion clothing industry in China. It is hoped that this paper will shed some light on the reform and innovation of China's fast fashion clothing industry.

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