



ZARA

“REFLECTIVE REVOLUTION”

A PROPOSAL FOR A SUCCESSFUL AND INNOVATIVE IMPLEMENTATION OF AR/AI TECHNOLOGY THAT TARGETS
ZARA'S MAIN COMPANY VALUES OF CUSTOMER FOCUS AND INNOVATION.

MARKETING STRATEGY
2025 FASHION SCHOLARSHIP FUND CASE STUDY

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EXECUTIVE SUMMARY

Zara is a global clothing retailer founded in 1994. A Crouña, Spain. Zara has swiftly impacted the fashion industry due to their understanding of changing/emerging fashion trends while maintaining an expeditious response to them. Zara's mission statement has always been "To give to consumers what they want, and get it to them faster than anyone else."

Zara has kept the idea of a minimalist marketing approach at the heart of their brand, leveraging the value of their physical store locations as the success of their marketing instead.

Within the fashion industry we have seen brands utilize AI/AR technology in many different ways like AR Virtual Try-Ons, AI Brand Campaigns, The Fashion Metaverse, etc. Zara currently uses Data Driven AI incorporated through their brand channels as a way to provide analytics that help them better understand and connect to the customer. In terms of ZARA's competitive landscape, H&M, GAP, and Mango are some of Zara's most direct competitors, holding product and price as their biggest competitive factors as well as having an advantage in their use of creative AR/AI

For this campaign, Zara aims to target their pre-existing target consumer of 18-40 year old women and men who desire innovative and immersive ways to try on clothing quickly/efficiently while also being eased with personalized styling recommendations.

I have come up with a one-year strategy through the lens of our campaign "ZARA: Reflective Resolution". Promoted through influencer events and social media promotions, I plan to create an AR Virtual Try-On Mirror and an AI Stylist in order to target company goals of customer focus and innovation.

I plan to specifically obtain KPI's like increasing in-store foot traffic, social media and app download engagement, and sales while ultimately creating a decrease in return-rate and ensuring customer satisfaction through surveys/feedback. I plan to push these KPIs through the channels of the brick-and-mortar stores, e-commerce website, Zara App, and social media channels. To measure the success of this campaign, we will use pre-existing Data Driven AI, QR codes, specific hashtags, and more.

ZARA'S HISTORY AND CURRENT MARKETING COMMUNICATIONS

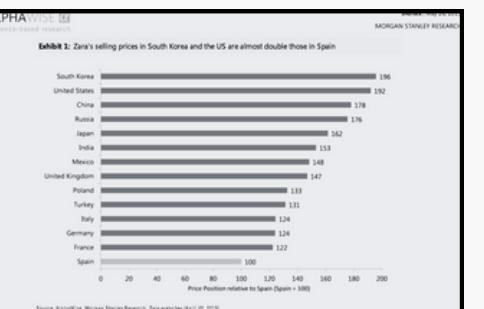
Zara is one of these biggest dominators within the fashion industry. The company was founded by Amancio Ortega Gaona in 1975. The brand opened its first and original location in A Coruña, Spain and gained attention by the Spanish consumer for the next 8 years. After opening 9 locations in the biggest cities in Spain, Zara's success would later lead to a global empire. Zara has for years kept the same brand promise which was speed and efficiency as Ortega proclaimed that the way to be successful within the space of fashion is to understand changing/emerging fashion trends and have a fast response to them. Zara offers to consumers quick and new designs at an affordable cost. The brand specializes in clothing, accessories, fragrance, beauty, and home decor.

PRODUCT

Zara is all about giving to consumers clothing that is of the latest fashion trends while still being affordable. Due to this fast fashion business model, Zara is able to efficiently/effectively give consumers the latest styles constantly. Zara does recognize that different fashion consumers in the world need different things which is why they design and tailor their products for specific regions and their cultures. Because Zara strives for speed and affordability within their product, this particular product strategy allows for people all around the world globally to feel included without the brand having to go back on any of their promises to consumers. Another thing that Zara does is use Data Driven AI in order to aid in their understanding/prediction of consumer behaviors.

PRICE

Zara's pricing strategy is highly focused on targeting price conscious consumers and providing them with the latest fashion trends that they desire. Keeping affordability at the forefront of their brand, Zara is able to use their pricing strategy to in turn reach a larger audience as well as keep consumers wanting to consistently buy products from the brand. Similar to their product strategy, Zara tailors their pricing around the location and demographic of their consumers. This pricing strategy depicts their central focus on the consumer and their willingness to show flexibility as they understand that each region offers up different consumer demographics and needs.



PLACE

One of Zara's most successful marketing strategies is their storefront locations. ZARA offers close to 3000 storefront locations in about 96 countries. They aim to place their storefront locations in areas that have lots of foot-traffic which pulls consumers in. These high-traffic areas ensure that Zara will get high visibility and reach their target audience.



PROMOTION

Zara does not really place any of their brands marketing in the hands of promotion. They spend about 0.3% of their marketing budget on traditional advertising like billboards, magazine ads, Television commercials, and etc. They instead use the heart of their brand which is their consumers and storefront locations as their word of mouth for the company. In addition to these factors, Zara also focuses on digital marketing which allows for their social media to also create promotion for the brand.

S.W.O.T ANALYSIS

STRENGTHS

- Brand Storytelling: Using themes and stories to connect to their audience
- Data Driven Marketing: Using AI and data to market to their consumer as well and predict consumer behavior
- Global Presence
- Low Marketing Cost: Using only 0.3% of their budget

WEAKNESSES

- Lack of Constancy in Social Media
- Store Placement: Placing stores in high-end area may push away potential new customers
- Target Market

OPPORTUNITIES

- Possible Increase of Traditional Advertising
- Influencer Brand Ambassadors: Using well known influencers to bring in a new audience of consumers
- Creating a Virtual Try on feature in store and through mobile app
- Creating an AI Stylist feature which helps consumers piece together ZARA's collections based on consumer's personal desires

THREATS

- Outside Brand Threats: H&M
- Behind in Virtual Try on feature
- Released a controversial advertising campaign on social media during a crucial time in the world.

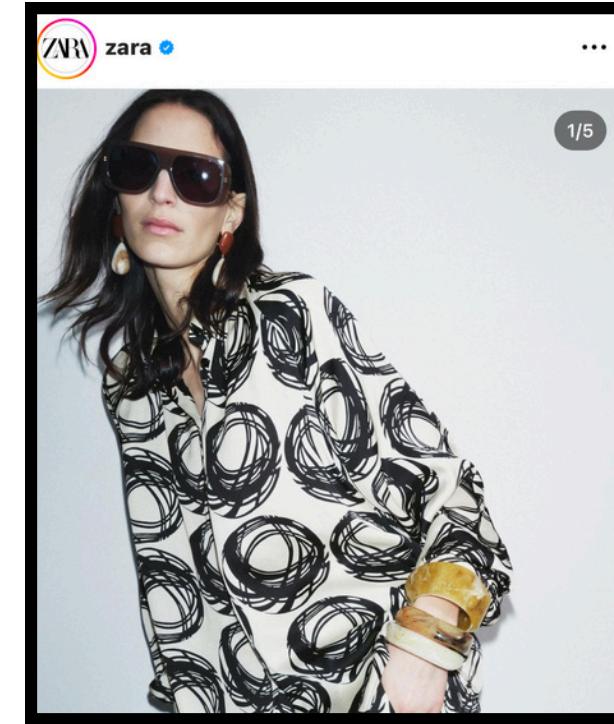
CURRENT TRADITIONAL AND DIGITAL MARKETING CHANNELS



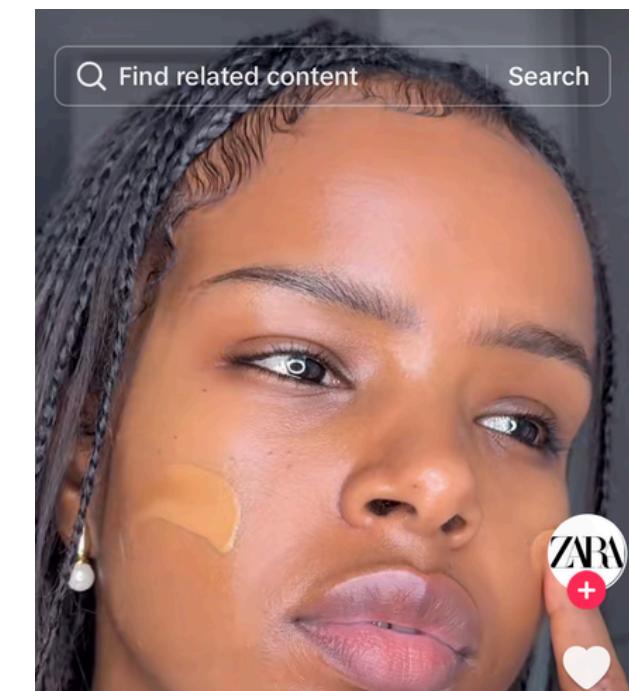
Zara's Current Traditional Advertising Channels is very minimal as it doesn't align with how they desire to market their brand.



The few they have used includes billboards and occasional print ads in VOGUE.



Zara's Current Digital Advertising Channels are a lot more prominent than the Traditional Channels. These channels include Facebook, Instagram, Twitter(X) TikTok, Youtube, Online Marketing, and Email .



While these channels are prominent they due lack consistency. What you see on one channel you might not see on another and certain sectors of their brand seem more apparent on certain platforms.



TECH TRENDS IN AI/AR

General Use:

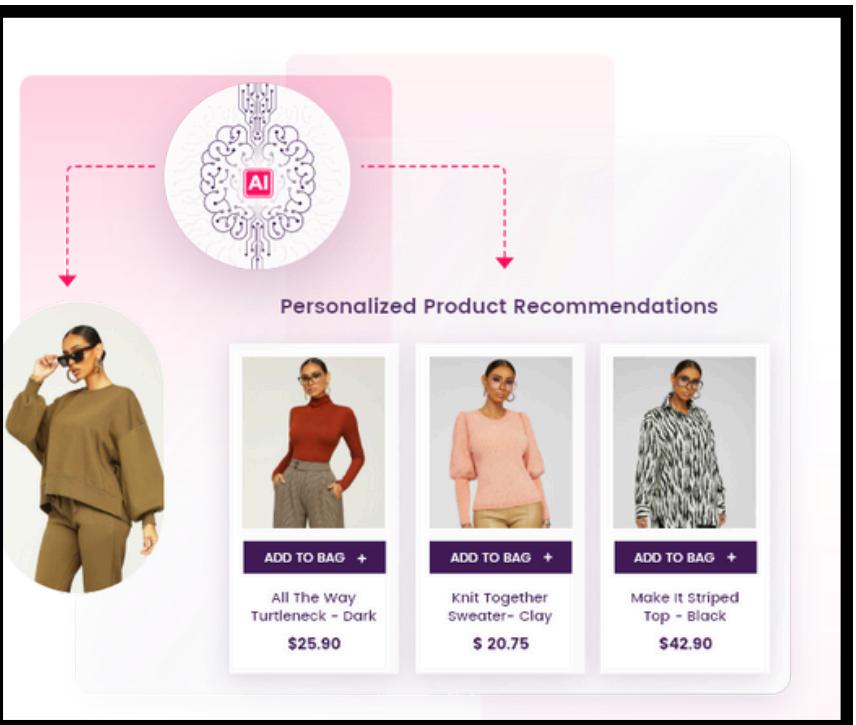
- AI Data Analytics
- AI Personalized Suggestions
- AI Powered Chatbots
- AR Immersive Experiences
- AI Campaigning



Netflix using AI Personalized Recommendations

Fashion Use:

- AI Data Driven Marketing
 - Analyzing/Predicting Consumer Behaviors
 - Forecasting New Trends
 - Help Minimize Returns
- AI Personalized Product Recommendation/Suggestions
- AI Chatbots
- AR Virtual Try Ons
- Fashion Metaverse
 - Virtual Runway Shows (Hanifa 2020)
 - Personalized Clothing
 - Immersive Shopping Experience
- AI Brand Campaigning



Fashion Brand Mockup using AI Personalized Recommendation

TECH TRENDS IN AI/AR THAT ZARA WILL UTILIZE



Since Zara is already very successful in their AI Data Driven Marketing, we will plan to implement ideas that Zara hasn't gained in their skill set yet. This includes..

- AI Stylist: This feature will coexist within the AR Mirrors and will help consumers put together new and stylish outfits. This feature will allow consumers to be styled by AI in order to one, cut back on spending time trying to search for the perfect outfit and two, ensure that consumers can discover more of Zara selection.
- AR Virtual Mirror Try On: Due to Zara's, congested and long wait times for fitting rooms, this AR Virtual Try On Mirror will be a in-store feature that will allow consumers to be able to go to a mirror, scan the barcode of the clothing item that they have and that item will then reflect on the digital mirror. The mirror will take into consideration height and weight in order to accurately depict the fit of the clothing to the consumer.

DIRECT COMPETITION: H&M

PRODUCT

Apparel, Footwear, Beauty, Accessories, Home Decor for Women, Men, and Kids. H&M offers a broader range of products which includes lots of fashion basics. They have even made an effort to create a line of sustainable products. They also have done collaborations with high-end designers like Versace, Balmain, Marni, and so many more which allows the worlds of luxury and fast fashion to mesh.

PRICE

H&M's price range is significantly lower in comparison to Zara's. They also seem to appeal to Zara's youthful price conscious target audience. H&M's effort to offer affordable and sustainable products also enhances their target market.

AI/AR TEACH

H&M uses AI to strengthen their existing marketing and business strategies. Through AI, H&M is able to understand their consumers as well as their brand. They use AI to analyze consumer behavior, analyze trends, tailor clothing specifically for their target consumer, analyze customer returns and receipts, and analyze loyalty membership data.

- They have even leveraged their AI in a way that helps the brand reduce waste and make more sustainable decisions.

MARKETING CHANNELS

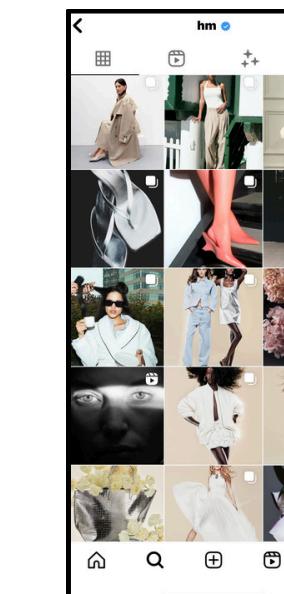
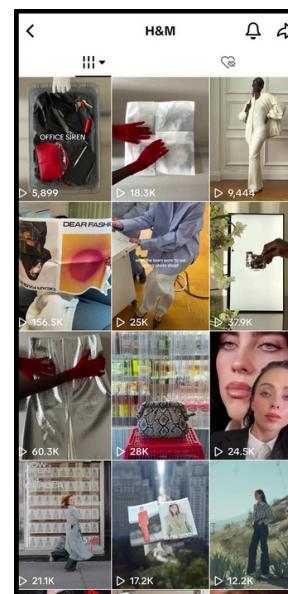
TRADITIONAL

- Print Ads
- TV Commercials
- Billboards



DIGITAL

- Facebook= 41M
- Instagram= 38.3M
- Twitter(X)= 7.7M



AESTHETIC

- High Fashion Look
- Fun
- Appeals To Youthful Audience
- Not Very Cohesive



INDIRECT COMPETITION: TOMMY HILFIGER

PRODUCT

Apparel, Footwear, and Accessories, for Women, Men, and Kids. Specialty in Denim, Undergarments, and More.

PRICE

Tommy Hilfiger is a luxury brand so with that comes a larger/higher price range for their products.

AI/AR TEACH

In 2023, Tommy Hilfiger partnered with tech company Zero10 to create an AR Virtual Try On experience for consumers.

This experience was held in Berlin, London, and Milan for a limited amount of time. This AR Virtual Mirror let you try on the Tommy X Shawn Classics Reborn Collection so that consumers do not have to wait in lines for fitting rooms or search around for the perfect fit. Consumers classified this experience as a "time saver innovation" and a means of "selling experience" rather than selling actual products .

- Zero10 stated this type of trying on through virtual form is increasing try ons and foot traffic by up to 60%.

Tommy is also planning to create a fashion game that will be released in 2024 titled FashionVerse which will utilize AI to allow players to create avatars, backdrops and props in a community based setting.

- He wanted to do this as a way to bring people together in a community and drive a more immersive experience with fashion.

MARKETING CHANNELS

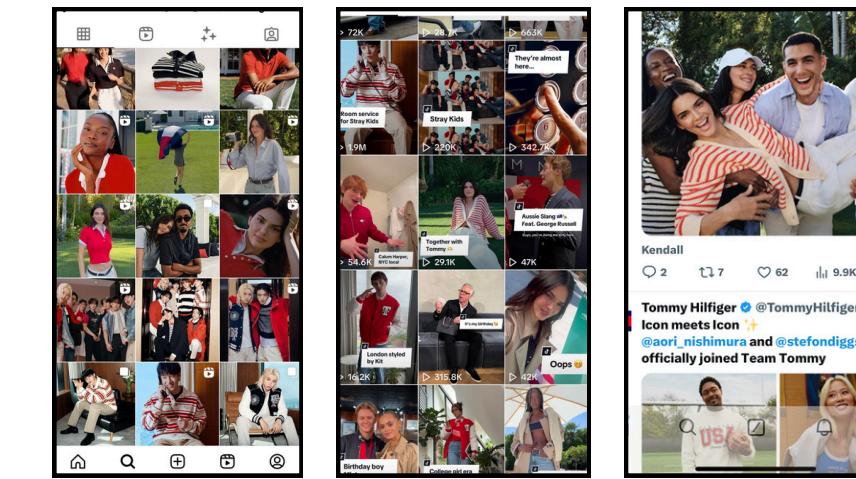
TRADITIONAL

- Print Ads
- TV Commercials
- Billboards
- Posters
- Fashion Shows



DIGITAL

- Instagram= 14.8M
- Facebook= 14M
- Twitter(X)= 1.5M
- TikTok= 650K
- Youtube= 130K
- Email Newsletter

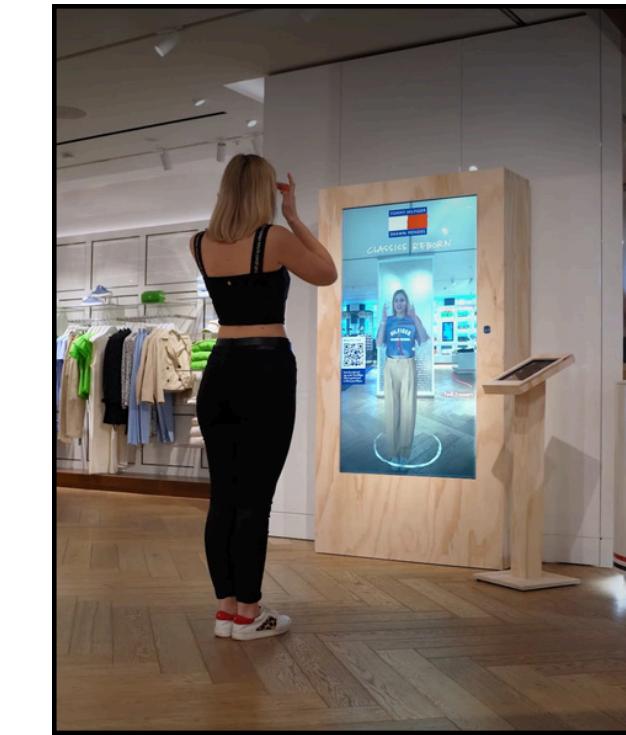


AESTHETIC

- Youthful
- Fun
- Cohesive/Consistent

BENCHMARK

While H&M has the best engagement in terms of competition, they follow a very similar business model like ZARA and are doing the same things with AI that ZARA does. Tommy Hilfiger has great engagement but also has done successful things with AI/AR like their AR Virtual Try On Mirror experience. If Zara followed after some of Tommy Hilfiger's AI/AR techniques, Zara has the opportunity to grow their marketing engagement significantly but especially through the lens of AI/AR technology.



Tommy Hilfiger AR Virtual Try On Mirror

COMPANY GOALS

Mission Statement: " To give to consumers what they want, and get it to them faster than anyone else."

Vision Statement: " To become global leaders in sustainable fashion."

- Zara Join Life Initiative
- Desire to use 100% renewable energy use across their entire operation.
- Desire to net zero emissions across the value chain by 2040

Company Values:

- Agility
- Customer Focus
- Innovation
- Integrity
- Sustainability

Overall Zara wants to:

- Provide consumers with fast and desirable items through innovative channels
- Push towards having a more sustainable brand



MARKETING GOALS

S.

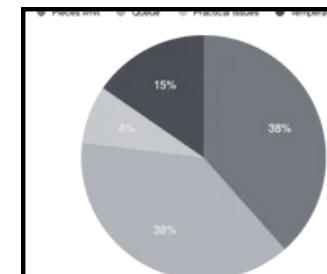
SPECIFIC

- Zara's mission statement is "To give to consumers what they want, and get it to them faster than anyone else" and through this plan, we want to enhance customer focus and innovation through the lens of AI/AR in order to fulfill that mission statement. We took the issues of Zara's long and congestive wait times and lines for fitting rooms and found an innovative way to provide an easy and personalized customer focused experience for our consumers. We specifically want to achieve the idea of the AI Stylist and the AR Virtual Mirror Try On, combining them into one coexisting feature. While the AI Stylist would be embedded into the AR Mirror, we would still leverage the ZARA app to support some of the AI Stylist's personal recommendation features. Zara's

M.

MEASURABLE

- Track engagement through the AR Mirror and AI Stylist to see how many people are engaging with not only the mirror but the app. Also tracking how much in store foot traffic we are gaining after implementing the AR Mirror and AI Stylist.



Graph: Why consumers did not return to ZARA fitting rooms twice

A.

ACHIEVABLE

- Because ZARA is not new to AI or AR technology, the creation/execution of this technology will be seamless making this a successful business venture for Zara.
- Zara did an AR Collection in 2018- Zara Studio Collection in Augmented Reality:
 - 2 week campaign
 - Window displays were completely empty and there were no mannequins in store
 - Through a QR code, consumers could view 12 different scenes
 - Captured on 68 cameras on a 120 square meter stage
 - Featured an in-store and in-app experience
 - After viewing the AR model, consumers were then given the option to purchase the models' look in the app or in the store.
 - AR enabled packaging and promotional materials
- After this campaign they had a new quarter revenue of \$6.6 billion which was a 2% increase in comparison to the previous year of 2017.

R.

RELEVANT

- As Zara is known for keeping the consumer at the heart of their brand, these AI/AR strategies will undoubtedly enhance their innovation and customer focused company values. This will one, bring to consumers an innovative and immersive way to try on clothing quickly and efficiently, and two, provide consumers with personalized stylist recommendations that create more of a tailored personal shopping experience for consumers to truly enjoy and connect with. This will help Zara as it will boost certain aspects of the brand like sales, overall engagement, brand loyalty, and etc.

T.

TIME-BOUND

- (Q2-Q4)

KPI'S TO MARKETING GOALS

- Increase/Enhance In-Store Foot Traffic

- Channel: Brick-N-Mortar Stores
- Measured: The mirror will be equipped with Data Driven AI to provide Zara with analytics of how many consumers engaged with/used the mirror within a certain time frame.

- Increase App Download/Engagement by 10%

- Channel: Brick-N-Mortar Stores
- Measured: How many people engage with/download the app to finalize purchases from AI Stylists' recommendations and/or pieces tried on in the AR Mirror Try On feature.

- Increase Social Media Engagement 4%

- Increase Comments and Shares by 8%
 - Channel: Instagram, TikTok, Twitter
- Measured: Utilizing links and link click through rate(CTR) shared by social media influencers to see how many consumers are specifically engaging with the digital channel promotions of the AI/AR strategies that Zara is implementing. We will also use the #ZARAREFLECTIVEREVOLUTION to aid in our tracking of social media engagement.

- Increase Sales by 25%

- Channel: Brick-N-Mortar Stores and E-commerce Site
- Measured: How many sales are generated from the AI Stylist and AR Virtual Try On Mirror. Track progress and analytics through mirror's QR code.

- Decrease Return Rate by 10%

- Channel: Brick-N-Mortar Stores and Zara App
- Measurement: Track returns using the Data Driven AI from the Zara Mirrors and the Zara app in order to track how many returns have occurred after utilizing the AR Mirror and AI Stylist.

- Analyze Surveys/Feedback

- Channel: Brick-N-Mortar Stores and Zara App
- Measurement: How many people participate in and or submit the surveys/feedback.

ADVANTAGES OF MARKETING CAMPAIGN

- Consumers will have a more seamless /tailored shopping experience
 - Consumers will be provided with AI Stylist personalized recommendations which allow for consumers to spend less time searching for the right item
 - AR Mirror/AI Stylist will have a separate checkout line
 - Decreases long wait period for checking out
- Consumers will have quicker and easier access to fitting rooms
 - The line and wait time for these fitting rooms will be decreased
- 97% of consumers consider convenience while making a purchase.
 - A consumer who used the AR Virtual Try On Mirror from Tommy Hilfiger classified it as "more than selling products or services, selling experiences".
- Ultimately, consumers are more enticed by convenience and these moments of personalized "experiences" more than anything . This makes ZARA's AI/AR Strategies in alignment with the target consumer that we are going after.

While this target audience is slightly worried about AI, we think that because ZARA is implementing it in a way that benefits the consumer by saving time and creating more of an experience, they will be receptive to these new strategies. And while this audience is always immersed in technology, the tail end of this target consumer age range still balances in other factors outside of tech.

Millennial vs Gen Z Technology: Comparison

How Millennials Use Technology	How Gen Zs Use Technology
Adapted to new technologies	Immersed in technology since birth
Pioneers in shaping online self-expression	Native to online platforms and content creation
A balance between technology and traditional environments	More integrated and tech-driven approaches
More patient for technical glitches	Always expecting seamless digital experiences

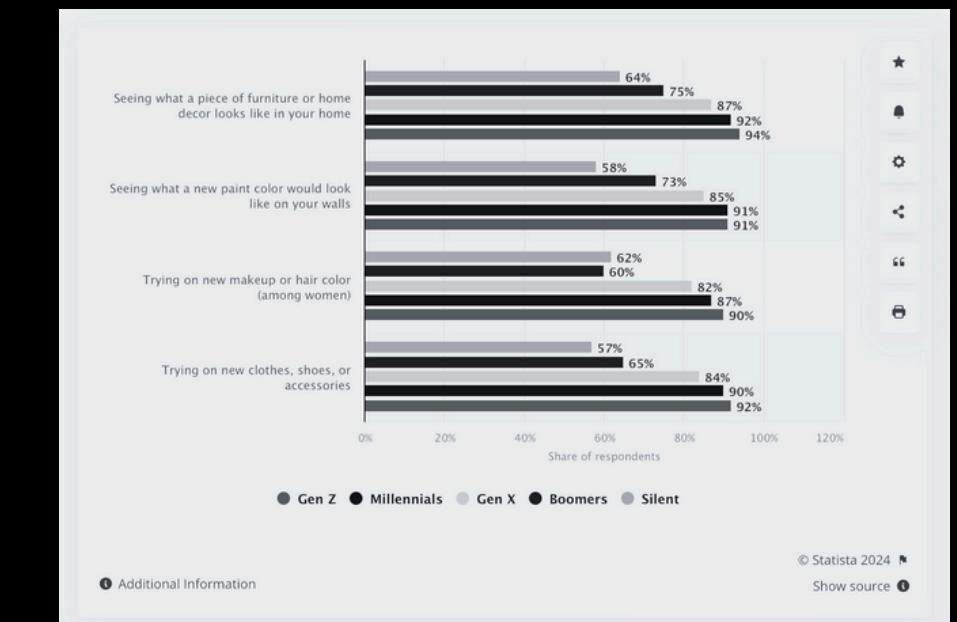
amber

• A Flourish table

CONSUMER PERCEPTION OF TECH

Zara's existing target consumer is 18 - 40 women and men with a moderately high income.

- Fashion conscious
- Desires trendy and valuable items for an affordable price
- Impulsive consumers that make purchases instinctively.
 - We plan to still target this market with this campaign.
- Digitally inclined target audience.
 - A good understanding of technology and how it works
 - Open to new ideas regarding tech.
- Gen Z and Millennials are slightly hesitant to AI (replacing job opportunities), but they do respond to it for everyday task.
 - Both Gen Z (54%) and millennial (58%) respondents chart their willingness to use AI for everyday tasks at more than 50%.
- Extremely receptive to AR Technology
 - According to Statista, Gen Z shoppers were the most interested in augmented reality (AR) shopping experiences, a February 2022 survey showed. Millennial shoppers didn't fall too far behind.



Interest in augmented reality shopping experiences among global consumers as of February 2022, by generation



GEOGRAPHICS

- Country: Global
- City: Big City Areas: Atlanta, New York City, Los Angeles, Miami, Madrid, Barcelona
- Population: Over 1 million people
- Climate: All 4 Seasons



DEMOGRAPHICS

- Age: 18-40 years old
- Gender: 70% Women and 30% Men
- Income: \$80K- \$600K
- Education: At Least High-School Diploma
- Social Status: Middle-Upper Class
- Family: Single or Relationship with 0-2 Children
- Occupation: Corporate Jobs or Creative Careers



PSYCHOGRAPHICS

- Lifestyle: Social Media Enthusiasts with Influencer Lifestyle, Socialites, Corporate Elite or Creative, Minimalist or Maximalist, Very Stylish, Travelers
- Personality: Confident, Fun, Creative, Detailed, Experimental
- Values: Quality, Affordability, Innovation, Personalization, Agility, Convenience
- Attitude: Explicit and Optimistic



BEHAVIORAL

- Purchase: Balance of High End Designer and High Fashion Affordability, Extremely Brand Loyal
- Usage: Versatile, Stylish, Innovative, Unique
- Intent: Looking to share their new clothing finds with hopes of helping fans, subscribers, family members, friends, etc.
- Occasions: Work, Everyday Life, High Class Events, Traveling
- Buyer Stage: Existing Consumers Hoping to Attract New Consumers

VALS:

- Innovators
- Experiencers

CONSUMER PERSONA 1



ALLYIAHSFACE, 29

OCCUPATION: YOUTUBER, CONTENT CREATOR, INFLUENCER, SPEAKER
INCOME: 500K

BIO:

An ultimate beauty, fashion, and youtube icon, Allyiah's Face radiates with artistic and creative energy that is known to have an influence on everyone. With the spotlight constantly on her, she is held at an expectation to be in her most stylish wardrobe at all times. And at these moments where she features her best dressed fashions, she keeps her audience in mind as she wants them to experience the same stylish pieces too.

PERSONALITY:

- Creative and Ambitious
- Fun, Outgoing, Positive
- Smart and Confident
- Detailed and Organized

SHOPPING HABITS:

- Desires some high end designer pieces
- Craves high fashion within affordable products.
 - Keeps audience/fans in mind when purchasing

FAVORITE BRANDS:

Allyiah doesn't have a set of favorite brands as she is open to any and everything. Some places that she commonly shops at are:

Designer:

- Cult Gaia, Bottega, Hanifa, Channel, YSL, Alexander Wang

Other:

- ZARA, H&M, LuluLemon, Skims, Spanx

SOCIAL MEDIA:

- Connects with audience through:
 - Youtube, Instagram, TikTok, and Twitter(X).
 - Beauty, Fashion, Lifestyle Tips, and BTS

LOCATION:

Atlanta, Georgia

SKILLS:

- Storytelling in creative ways through visual media
- Amazing eye for news ideas and opportunities of trends within the beauty and fashion space
- Intentional/thoughtful choices when collaborating through brand partnerships
- Poignant decision-making when it comes to expanding her brand for higher opportunities

FASHION PREFERENCES

- "Elevated Basics"
- Simple but Modern/Chic approach to her fashion palette
- Occasions of high end fashion statement pieces intertwined

CONSUMER PERSONA 2



BIO:

With his effortless charm and astonishing style, Layton Lamell shines with his unique and keen approach to style, making him a fashion mogul to be reckoned with. As a fashion model he's constantly being looked at for tips and tricks on how to style clothing pieces together for a new and refreshing approach to fashion.

PERSONALITY:

- Eccentric and Refined
- Experimental and Eager
- Outgoing and Confident
- Intentional and Wise

SHOPPING HABITS:

- Shops at all kinds of places; high end, thrift stores, small boutiques, etc.
- Always searching for the most special/unique pieces
- Enjoys collecting some unique high end designer pieces while also blending in some affordable high fashion looking pieces.

FAVORITE BRANDS:

- Doesn't have a set of favorite brands as he likes to shop anywhere that has a piece or pieces that catch his eye.

SOCIAL MEDIA:

- Connects with audience through:
 - Instagram
 - BTS content of special events, fashion styling videos, and his modeling campaigns.

LAYTON LAMELL, 23

OCCUPATION: ACTOR, MODEL, FASHION/STYLE INFLUENCER, SOCIAL MEDIA PERSONNEL
INCOME: 100K TO 300K

LOCATION:

New York City, New York

SKILLS:

- Storytelling through modeling and brand collaborations
- Amazing eye for new ideas in fashion and a common inclination to experimenting with style
- Creativity in acting
- Unique approach to creating content through visual media.

FASHION PREFERENCES

- Commonly experiments with the meshing of streetwear and relaxed high fashion.



“REFLECTIVE REVOLUTION” MARKETING STRATEGY

We took the issues of Zara's long and congestive wait times and lines for fitting rooms and found an innovative way to provide an efficient, personalized, and customer focused experience for our consumers.

We specifically want to achieve the idea of the AR Virtual Try On Mirror and AI Stylist, combining them into one coexisting feature. While the AI Stylist would be embedded into the AR Mirror, we would still leverage the Zara app to support some of the AI Stylist's personalized recommendation features. 3 AR Mirrors would be located in a section close to the fitting rooms.

Consumers would take the clothes that have been picked up throughout the store and scan the barcode on the mirror scanner. From there, the mirror would prompt consumers through a body analysis scan allowing for the mirror to depict an accurate and proper fit. Once that is done, Consumers will then see the clothing item(s) reflect on the screen virtually. From there, an AI Stylist feature will pop up promoting consumers to try on other complimenting outfit pieces based on select recommendations provided by the stylist. Depending on what the consumer likes, they will add everything to their personal virtual mirror cart. Once everything is added to the cart a QR code will appear allowing users to scan it making their virtual mirror cart to pop up in their Zara app. They will then have the option to checkout all items in person through the AR Mirror checkout lane or all their items be shipped to their homes through delivery. The other items that the AI Stylist recommends that the consumer put in their cart to purchase in person, will be retrieved by store workers and ready for consumers to pick up immediately.

MARKETING STRATEGY DETAILS

These AR Virtual Try On Mirrors/AI Stylist would be implemented in select stores like:

- Atlanta, GA: (Peachtree Rd: 3.3 Star Rating)
- New York City, NY: (5th Ave #666: 4.1 Star Rating) and (Broadway #222 4.1 Star Rating)
- Los Angeles, CA: (Los Angeles: 4.3 Star Rating)

*These specific store selections were made based upon the number of stores in the area of big cities and Zara's overall store rating on Google.

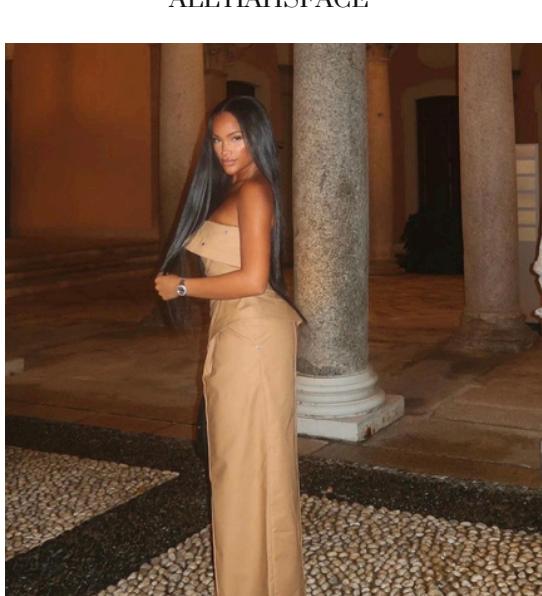


“REFLECTIVE REVOLUTION” INFLUENCER EVENT

Zara will begin to do initial event planning in January of Q1. This includes picking out the specific stores to place the mirror/stylist in to even acquiring the the list of influencers we plan to invite. Since we want to target big cities like Atlanta, New York City, and Los Angeles, we will determine 1-2 stores in each area to place the new mirrors/stylist in. We will then determine specifically what dates in which each location will have their “Reflective Revolution” Influencer Event. Once we determine our target influencers we will then ask them to start briefly telling their audience/following about a special event/collaboration they are doing with Zara without listing revealing details. This will be done to start getting the consumer aware, speculating, and excited for the revealing of the AR Virtual Try On Mirror and AI Stylist.

Then in the first 2 weeks of February of Q1, We start to host the official “Reflective Revolution” Influencer Events. Starting with the Atlanta, GA location, their event would be held on February 2nd. Then, on February 8th, the Los Angeles, CA location would hold their influencer event. Following that we would finishing off with 2 New York City locations hosting their event on February 9th and 12th. During the influencer's time at these events, they would be invited to create video content of themselves interacting with the AR Mirror and AI Stylist that would then be posted to the various digital platforms that they have, immediately after their locations event is over. This influencer promotional content would last from the date of their locations event to the official release date of the AR Virtual Try On Mirror and AI Stylist. Once the official release date arrives these influencers would be no longer expected/or required to post any more promotional content. Zara would then start to post promotional content of the new AR/AI strategies to our digital channels essentially, aligning their promotional period with the same date that the mirror and stylist are released. Then on February 16th, the launch of the campaign “ZARA: Reflective Revolution” The AR Virtual Try on Mirror and AI Stylist would be released to the general public.

EXAMPLES OF TARGET INFLUENCERS



Location: Atlanta, Georgia

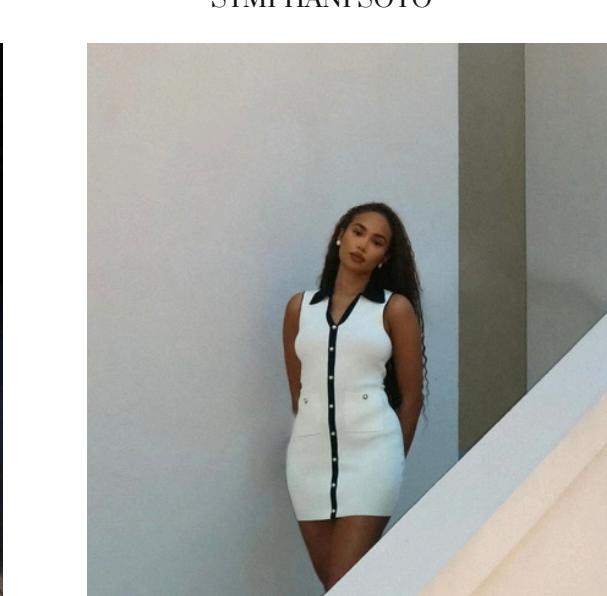
Her understanding and unique approach to the fashion, beauty, and lifestyle world. And her desire to ensure her fans enjoy new and refreshing innovative ideas.

- Youtube: 837K
- Instagram: 527K
- TikTok: 352.1K



Location: New York City, New York

Refreshing and exciting perspective on fashion style. He desires to enjoy a personalized and customer focused experience not only for his sake but his audience.



Location: Los Angeles, California

True understanding of current trends being held within the fashion and beauty space. Enjoys fun and personalized experiences through innovative channels.

SYMPHANI SOTO



- Youtube: 309K
- Instagram: 428K
- TikTok: 93.4K

ONE-YEAR STRATEGIC MARKETING PLAN

Q1

Q2

Q3

Q4

Reflective Revolution Influencer Event:

- This event is our main marketing tactic.
- Bring target influencers from each big city area to the store to build hype and promote the launch of our AR Virtual Try On Mirrors and AI Stylist.
- First 2 Weeks in February in Q1
- Channel: Digital: (Instagram, TikTok, Twitter)

Always On

ZARA AR/AI Strategies Promotion:

- ZARA will produce their own marketing and advertisement for the release of the AR Virtual Try On Mirror And AI Stylist to the general public. This content would come from videos/pictures they acquired from the "Reflective Revolution" Influencer Event and also a detailed depiction of what the new AR/AI strategies are and how exactly they work. This will be explaining what the purpose of the mirrors are and how they work.
 - Zara keeps the consumer at the center of their brand so they will also use a lot of consumer curated content from their interaction with the mirror.
- Starts Last 2 Weeks in February of Q1
- Channel: Digital: (Instagram, TikTok, Twitter)

Always On

Launch of AR Virtual Try ON Mirror and AI Stylist

- Starts Last 2 Weeks in February of Q1
- Channel: In-Store

Polls/Feedback

- Launch polls and feedback surveys to generate an understanding of how well the mirror and stylist are working to produce a better experience in customer focus as well as innovation.
- Starts Last 2 Weeks in February of Q1 and Ends After Q4
- Channel: In-Store or In-App
 - This poll/feedback would be implemented as a part of the checkout process as a way to gain immediate data of the productivity of these AR/AI strategies. Depending on whether the consumer checked out in person or digitally, the brief survey would either be asked by an employee or digitally on their phone. 10% Off Incentive.

ASPECTS ADDRESSING FUTURE BRAND ACTIONS

- **“Reflective Revolution” Influencer Event:** Zara does not currently host any influencer, launch, or promotional events. We are doing this tactic as a way to target personalization and engagement within the brand.
- **AR Virtual Try On Mirror and AI Stylist:** Zaradoes not currently offer any creative AR/AI strategies within their brand. However, they do use AI within their Data Driven Marketing. We created these strategies as we want to ultimately enhance their company values of customer focus and innovation. One area where this supports our on-going brand actions is its working to not only maintain but increase in-store foot traffic.
- **ZARA AR/AI Strategies Promotion:** Zara currently does frequent promotions within their brand. It oftentimes reveals itself in the form of digital channels like Instagram, TikTok, etc. We are continuing to promote the new AR/AI strategies in this same manner as a way to bring pre existing awareness to our new strategies.
- **Polls/Surveys:** Zara does not currently engage their consumers to participate in polls/feedback. We want to do this tactic as its implementation does align with future actions of the brand as they desire to obtain better customer focus and innovation.

BRAND CONNECTION: MARKETING PLANS WITH BRAND DNA

As Zara is known for keeping the consumer at the heart of their brand, these AI/AR strategies will undoubtedly enhance their customer focus and innovation company values. This will one, bring to consumers an innovative and immersive way to try on clothing quickly and efficiently, and two, provide consumers with personalized stylist recommendations that create more of a tailored shopping experience for consumers to truly enjoy/connect with.

IMPACT ON TARGET CONSUMER

Our AR Virtual Try On Mirror and AI Stylist Provide Consumers with:

- Personalization
- Innovation and Interactivity
- Ease
- Efficiency

*Ultimately aligning with Zara's overall mission statement: "To give consumers what they want, and get it to them faster than anyone else."

Overall Impact:

- Consumers will overall have a more seamless /tailored shopping experience. Consumers will have quicker and easier access to fitting rooms, decreasing the line and wait time to try on clothing. Consumers will be provided with AI Stylist personalized recommendations which will ultimately allow for consumers to spend less time searching for the right item. And the AR mirror/AI stylist will have a separate checkout line which will also decrease long wait periods for checking out.

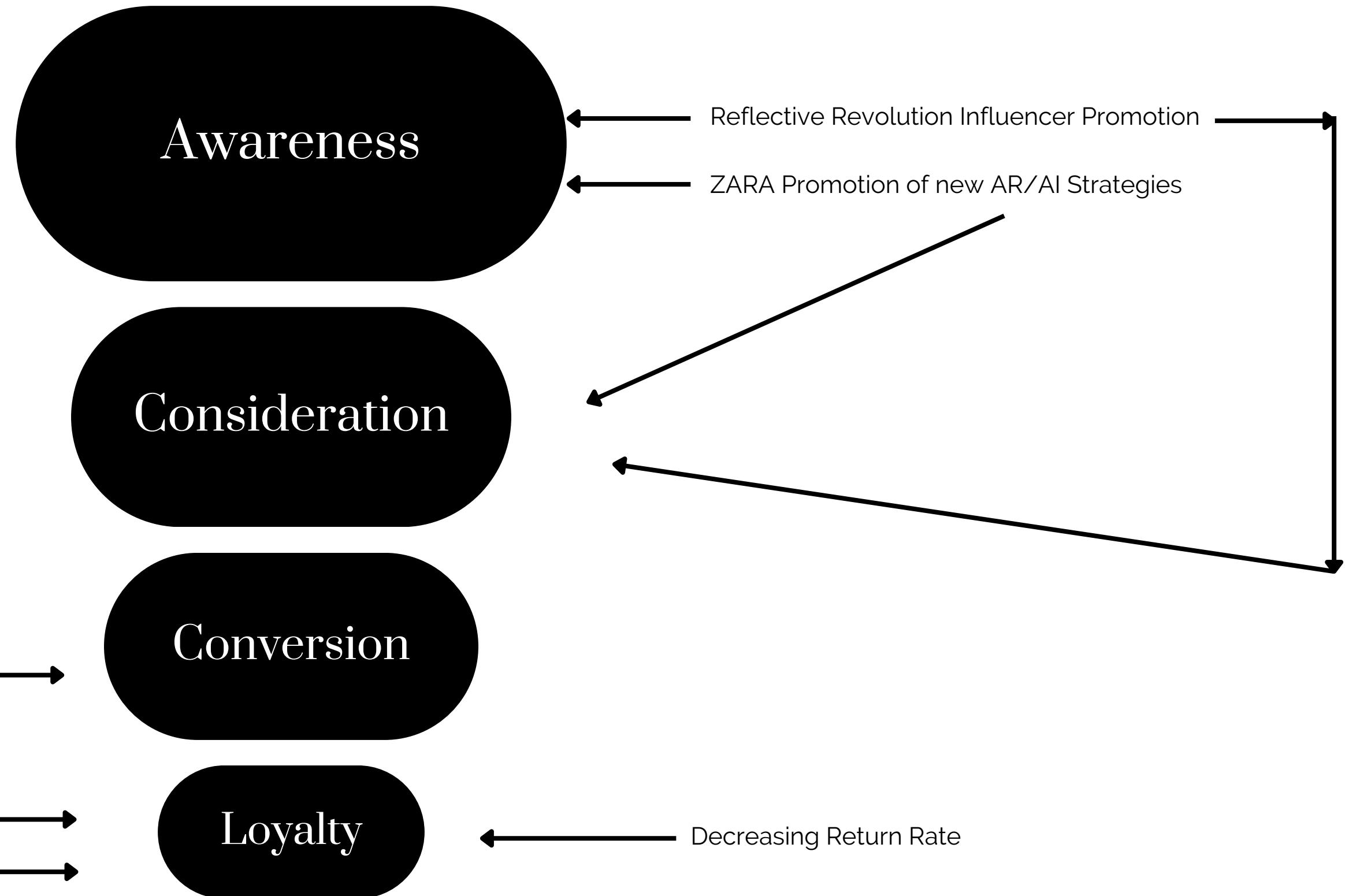


MARKETING FUNNEL

Launch of AR Virtual Try On Mirror and AI Stylist to General Public

Polls/Surveys for Feedback

10% Off Incentive for Completing Survey





Through the use of the AR Virtual Try On Mirror and the AI Stylist, Zara is able to offer to their pre-existing consumers an experience fueled by customer focus and innovation. This strategy allows Zara to boost their social media engagement and ultimate reach to consumers as these AR/AI strategies serve as a means of engaging, personalized, and interactive ways to shop. Zara's mission statement is "To give consumers what they want and get it to them faster than anyone else" and these strategies communicate with Zara consumers that they can offer speed through the aspects of shopping, trying on outfits, and putting together outfits.

KPI'S TO TACTICS AND CUSTOMER PERFORMANCE

Reflective Revolution Influencer Event:

- Increase Social Media Engagement 4%
 - Increase Comments and Shares by 8%
 - Channel: Instagram, TikTok, Twitter
- Customer Performance: With this tactic of the Zara "Reflective Revolution" Influencer Event, we want the consumer to engage with specific content regarding the AR Mirror and AI Stylist as well as leave more comments and share/repost content regarding the new AR and AI strategies.

Launch of AR Virtual Try ON Mirror and AI Stylist:

- Increase/Enhance In-Store Foot Traffic by 15%
 - Channel: Brick-N-Mortar Stores
- Increase App Download/Engagement by 10%
 - Channel: Brick-N-Mortar Stores
- Increase Sales by 25%
 - Channel: Brick-N-Mortar Stores and ZARA App
- Increase Social Media Engagement 4%
 - Increase Comments and Shares by 8%
 - Channel: Instagram, TikTok, Twitter
- Decrease Return Rate by 10%
 - Channel: Brick-N-Mortar Stores and ZARA App
- Customer Performance: With this tactic of the ZARA AR Virtual Try On Mirror and AI Stylist, we want consumers ultimately come into the store and test out the AR Mirror and AI Stylist. This will then not only lead to an increase in downloads of the Zara App but also an increase in overall sales. This also ensures an increase in social media engagement for Zara as consumers will be enticed to comment and share more. These tactics work together as a way to ultimately decrease our return rate as well.

ZARA AR/AI Strategies Promotion:

- Increase Social Media Engagement 4%
 - Increase Comments and Shares by 8%
 - Channel: Instagram, TikTok, Twitter
- Customer Performance: With this tactic of implementing Zara independent promotion of the new AR/AI Strategies we want consumers to engage with/become more aware of our social media platforms. In addition, we also want them to increase their comments and shares on our content of the new AR/AI strategies as well.
- Polls/Feedback
 - Analyze Consumer Surveys/Feedback
 - Channel: Brick-N-Mortar Stores and ZARA App
- Customer Performance: With this tactic of the Zara surveys and feedback, we want to analyze how many consumers engaged with the AR Mirror and AI stylist as well as track our loyalty and retention.



KPI MARKETING FUNNEL

Launch of AR Virtual Try ON Mirror and AI Stylist:

- Increase/Enhance In-Store Foot Traffic by 15%

Measurement: The mirror will be equipped with Data Driven AI to provide Zara with analytics of how many consumers engaged with/used the mirror within a certain time frame.

- Increase App Download/Engagement by 10%

Measurement: How many people engage with/download the app to finalize purchases from AI Stylists' recommendations and/or pieces tried on in the AR Mirror Try On Feature.

- Increase Sales by 25%

Measurement: How many sales are generated from the AI Stylist and AR Virtual Try On Mirror. Track progress and analytics through mirror's QR code.

- Increase Social Media Engagement 4%
 - Increase Comments and Shares by 8%

Measurement: Utilizing links and link click through rate(CTR) shared by social media influencers to see how many consumers are specifically engaging with the digital channel promotions of the AI/AR strategies that Zara is implementing. We will also use the #ZARAREFLECTIVEREVOLUTION to aid in our tracking of social media engagement.

- Decrease Return Rate by 10%

Measurement: Track returns using the Data Driven AI from the Zara Mirrors and the ZARA app in order to track how many returns have occurred after utilizing the AR Mirror and AI Stylist.



Awareness

Reflective Revolution Influencer Promotion

- Increase Social Media Engagement 4%
 - Increase Comments and Shares by 8%

Measurement: Utilizing links and link click through rate(CTR) shared by social media influencers to see how many consumers are specifically engaging with the digital channel promotions of the AI/AR strategies that Zara is implementing.

ZARA AR/AI Strategies Promotion:

- Increase Social Media Engagement 4%
 - Increase Comments and Shares by 8%

Measurement: We will use the #ZARAREFLECTIVEREVOLUTION to aid in our tracking of overall social media engagement.

Consideration

Purchase

Retention

Advocacy

Polls/Feedback

- Analyze Consumer Surveys/Feedback
 - Incentive of 10% for Completing the Survey

Measurement: How many people participate in and/or submit the surveys/feedback.



CONCLUSION



Zara has always held the value of their mission statement: "To give to consumers what they want, and get it to them faster than anyone else" at the heart of their brand. And that is exactly what the "ZARA: Reflective Revolution" Campaign aims to do. This campaign aims to specifically focus on two of Zara most important company values of customer focus and innovation.

ZARA direct competition involves brands of H&M, Gap, and Mango. They all hold weight as being ZAR's competition as they are able to compete strongly within products and price but all these brands do not hold is low means of currently using AI/AR in a creative and innovative way. But Tommy Hilfiger who holds the position of being ZARA's benchmark for this campaign, has utilized prominent strategies of AI/AR features that we not only align with but wish to model. And even our target audience of 18-40 year old women and men crave to experience the customer focus and innovative AR/AI technology in which Tommy Hilfiger offers.

While Zara has utilized data driven AI as a means of understanding their consumers and their behaviors, they held an opportunity to use it creatively. But through the "Reflective Revolution" Campaign, Zara will turn this opportunity into a strength. Through the implementation of the AR Virtual Try-On Mirror and the AI Stylist, consumers will be presented with creative and immersive ways to try on clothing quickly and more efficiently. They also will be presented with the ease of the mirror's extra function of the AI Stylist feature which offers to users personalized styling recommendations. And while these new AR/AI strategies present ZARA with a way to use this technology in a creative manner, it also solves another opportunity of theirs which is long/congestives wait times and lines for fitting rooms. Consumers will overall have a more seamless /tailored shopping experience as they will have quicker and easier access to fitting rooms. This ultimately decreases the line and wait time to try on clothing. Consumers will also be provided with AI Stylist personalized recommendations which will ultimately allow for them to spend less time searching for the perfect outfit.

Through the use of the "Reflective Revolution" Campaign we hope to reach success in many of our marketing goals. Through hosting exciting events to digital promotion, consumers will start to gain awareness of these new AI/AR Strategies. This will also be when the consumers start to consider if they are going to test out the implementation of these strategies. The actual conversion of consumers will occur when ZARA releases the AR Virtual Try-On Mirror and AI Stylist in stores. And we will gain their loyalty through surveys and feedback. We plan to increase in-store foot traffic by 15%, increase app download/engagement by 10%, increase sales by 25%, increase social media engagement by 4%(increase comments and shares by 8%), decrease return rate by 10% and analyze consumer feedback and surveys. We also plan to measure these KPI's through a multitude of ways including pre-existing data driven AI, mirror QR codes, app downloads, links ad link CTR, capturing how many consumers submit feedback, and even hashtags like #ZARAREFLECTIVEREVOLUTION to track social media engagement. And while these goals, KPI's, and measurement all aim to ensure that the consumer's experience is being fueled by personalized and innovative channels, they are also ensuring quick and efficient success for the brand Zara as a whole. This implementation of the "ZARA: Reflective Revolution" Campaign will in addition serve as a foundation for the fashion industry to creatively implement more means of AI/AR technology within business, pushing to a world where fashion and technology coexist in the most poignant way possible.

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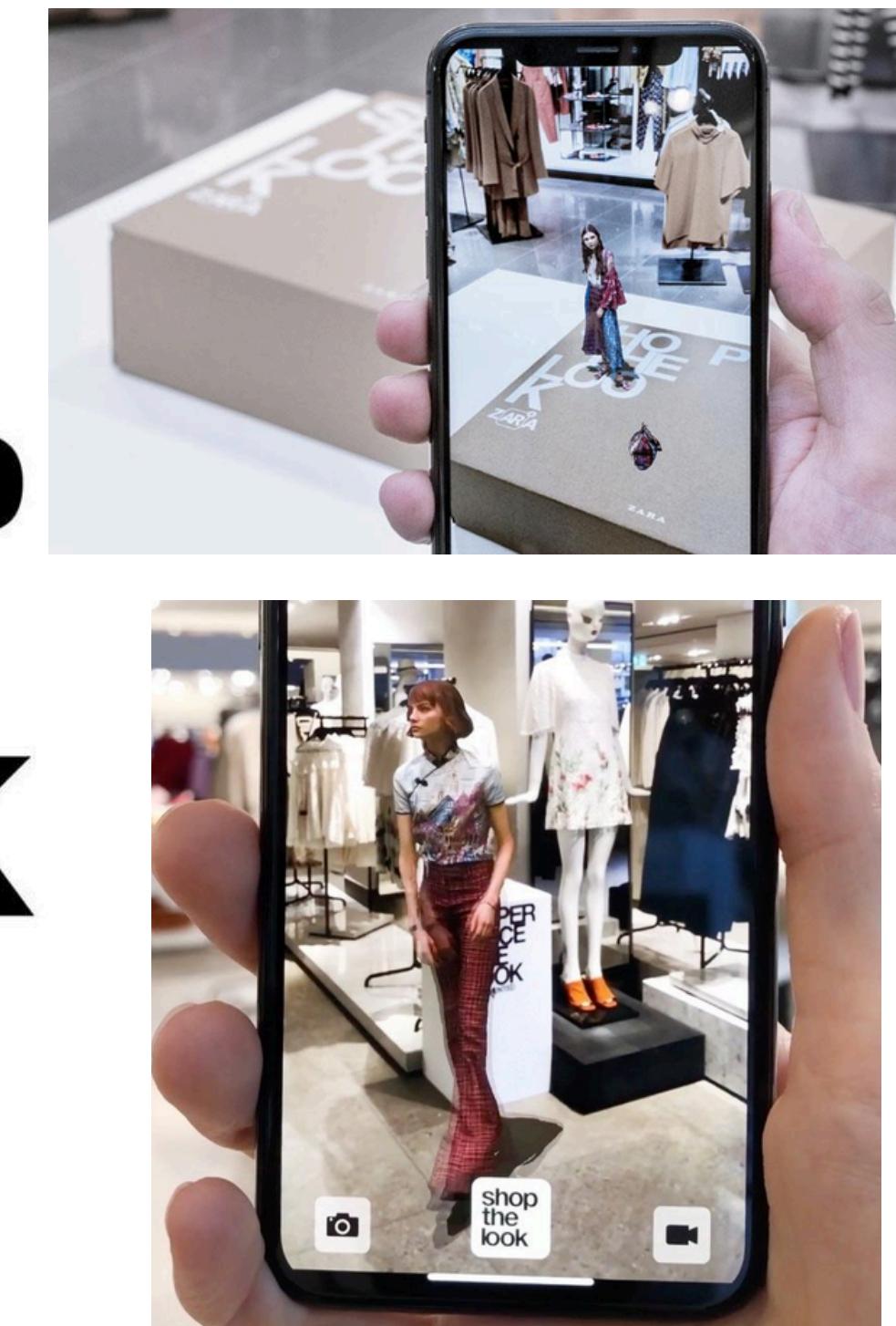
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APPENDIX A: ZARA 2018 AR COLLECTION



APPENDIX B: ZARA VS. H&M PRICE DIFFERENCE

