Zara has changed the way the clothing industry works where designing, production and delivery to retailers often takes up to six months. Zara’s unique sales strategy is to create or imitate the latest trends within a short two-week period. The new styles are available on sales floors for no longer than 4 weeks. This encourages consumers to visit their stores more regularly than other high street stores to pick up the latest designs. If a product does not sell, it is withdrawn immediately and discontinued after one week. This approach is central to the marketing mix of the company:

**Product:** The company has its own team of designers who design clothes based on emerging trends in fashion shows, trade shows and from observing people in nightclubs. Store assistants also talk to their customers and pass on their ideas and desires to headquarters.

**Price:** Zara’s marketing is effective because of its high quality clothes at affordable prices and unique response to market demands. Because items move so quickly through Zara stores, customers feel the pressure to buy an item in fear that it may no longer be available the next time they visit. Also because of the rapid turnover of clothes in stores customers tend to visit Zara stores up to 6 times more on average than they do other retail outlets.

**Place of sale:** Zara has over 1,400 retail outlets across the globe but since most of the production still takes place in Spain and some other European countries the company maintains its own efficient supply chain and distribution channel. A fleet of forty trucks distribute clothes to stores twice a week, sometimes up to three times, from Zara’s main manufacturing plant in La Coruña in Spain to the point of sale.

**Promotion:** The company has an aggressive growth objective but from the outset has funded this primarily from revenue rather than from borrowing money from banks. It prefers to invest revenues in opening new stores instead of in advertising, which is an unusual marketing strategy in a fashion industry that often advertises widely on TV and in fashion magazines. Zara stores are strategically located in the busiest commercial areas in each city. It does not carry out publicity campaigns therefore the design and image of their stores are key when it comes to their trade promotion.

Zara demonstrates how the marketing mix of any business will be made up of four main elements.

<table>
<thead>
<tr>
<th>Product</th>
<th>Price</th>
<th>Place</th>
<th>Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>The design and quality of the product and its packaging, and how it compares to rival products</td>
<td>The price at which the product is sold. What competitive and other pricing strategies are used?</td>
<td>The channels of distribution to final consumers where and how the product is sold</td>
<td>Brand name and product image; advertising and other promotions to raise consumer awareness</td>
</tr>
</tbody>
</table>

These are the four main P’s of the marketing mix. Other P’s can include processes, physical environment and people. It is the role of the marketing department to co-ordinate the planning, organization and implementation of the marketing mix across the entire organization.

It is vital each part of the marketing mix is effective and complements the others. For example, there would be no point selling expensive, hand made jewellery in a cheap looking package for sale in supermarkets.