

ZUDIO: RETAILING LESSONS FROM INDIAN ZARA

In: *TRANSFORMATIONS IN MANAGEMENT: UNLOCKING THE RECENT PERSPECTIVES AND DRIFTS*, edited by Dr.M.Mahadev , Dr.Lakshmi P . Xplore Publications. ISBN: 978-81-963834-0-4. © 2026 Xplore Publications. All rights reserved.

ZUDIO: RETAILING LESSONS FROM INDIAN ZARA

NIHARIKA TAK, SYED YOUSUF

IFIM College, Bengaluru

Abstract

Dr.VIDHYA PILLAI

Associate Professor, IFIM College, Bengaluru

Fast fashion has revolutionized the retail industry by offering affordable and trendy clothing to consumers. Among the notable fast fashion brands, ZUDIO has emerged as a popular retail brand that caters to the needs of fashion-conscious consumers. This research paper aims to investigate the key factors behind the success of ZUDIO retailing by analysing its business model, marketing strategies, and supply chain management. Moreover, the company's effective marketing strategies, including social media marketing and celebrity endorsements, have helped it to create brand awareness and engage with its target audience. The study also highlights the challenges faced by ZUDIO, including the need for sustainable practices and ethical sourcing. Overall, this case study contributes to the understanding of the fast fashion industry and the key factors behind the success of ZUDIO retailing. This case study can be useful for industry practitioners, academics, and policymakers who seek to understand the dynamics of the fast fashion industry and develop effective strategies for sustainable and ethical retailing practices.

Keywords: Retail, Business, Clothing, Zudio, Marketing

Introduction

The textile and apparel industry is one of the key sectors of the Indian economy, which generates the majority of India's foreign exchange profits and employs over 38 million people. It contributes 4% to GDP (gross domestic product), 20% to industrial output, and a little over 30% to export revenues. The increase in disposable income, frequent changes in fashion trends, affordability (many firms now provide clothing at affordable costs, which wasn't the case previously), and other factors are all contributing to the apparel industry's explosive growth. As a subsidiary chain of the Trent brands, Zudio opened its first location in Bengaluru (India) in 2016. It is now one of the country's most rapidly expanding reputable fashion and apparel stores. They sell clothing, ethnic wear, loungewear, shoes, and additional items for men, women, and children. Because of their effective marketing strategies, franchising system, and sophisticated outlets providing best-in-class service to their customer, they have a significant presence with more than 230 locations spread throughout 57 different cities. Some of the products that the Zudio franchise offers at its outlet are Beauty Products, apparel, Ethnic Wear, Lounger Wear, and Footwear. With the extra benefit of providing clothing and accessories since 1998, the franchise has been able to significantly increase its market share in this industry.

Rise of Zudio

Zudio has experienced strong growth and is still gaining market share in the value fashion sector. Given its scalable business approach (one-third the size of Westside format) and great acceptability in Tier II/III cities with a sharp price point assortment (ASP | 500), it has become Trent's new growth engine. Zudio is a fast-fashion brand under the umbrella of the Tata Group's retail arm, Trent Limited. It was launched in 2016, with its first store in Coimbatore, India. Since then, the brand has expanded rapidly, with over 175 stores across India in just five years. Zudio's rise can be attributed to its affordable pricing, trendy and versatile collection, and wide range of sizes catering to all age groups. It has become a go-to shopping destination for people looking for affordable fashion without compromising on quality and style. Additionally, Zudio's digital presence has helped the brand reach a wider audience. Its online store offers a seamless shopping experience with a variety of payment options, easy returns, and free shipping. Overall, Zudio's rise in the retail industry is a result of its focus on customer satisfaction, innovative marketing strategies, and a commitment to providing affordable fashion to everyone.

Business Model

The Indian conglomerate Tata Group owns the apparel retail brand ZUDIO. The business model of ZUDIO is focused on offering affordable fashion clothing and accessories to its customers. Here are some key aspects of the ZUDIO business model which focuses on Continued emphasis on aspirational fissionability, Scale-up exciting exclusive brands, Ensuring faster store opening to scale up to reach, Focussing on the speed of delivering the

latest fashion each week and Building omnichannel presence. The basic model of Zudio's business strategy is to provide consumers in India with fashionable clothing that is both inexpensive and on-trend. Young middle-class people, who make up 60% of the population in India, are constantly on the lookout for high-quality, trendy items at reasonable rates. Zudio recognized this gap and entered the market directly by providing high-quality, affordable fashionable goods. They have prices that range from 99 to 999. Furthermore, Zudio prioritizes high-volume sales over great profit margins. The business has numerous locations all over India and depends on a rapid product turnover to stay profitable. Zudio can create big revenue and keep its reputation as an economical fashion brand by offering a lot of items at reduced pricing. Zudio does not use any celebrity or model posters in its commercials and does not spend any money on them. They merely rely on word-of-mouth marketing to promote their goods. They were able to save a tonne of money because of this.

Retail Marketing Mix

The retail marketing mix of Zudio includes the following elements:

Product: Men, women, and children can choose from a variety of stylish clothes and accessories at Zudio. The product line consists of footwear, activewear, ethnic wear, casual wear, formal attire, and accessories including jewelry, belts, and purses. For men, women, and children, ZUDIO has a huge selection of apparel and accessories. Ethnic wear, casual wear, formal dress, and party attire are all included in the product line

Price: Zudio's pricing strategy is to offer affordable clothing and accessories for customers of all income levels. The prices are competitive and range from low to mid-range. Zudio offers discounts and promotional offers from time to time to attract customers. Most of its products are priced below Rs. 1000. This pricing strategy makes ZUDIO's products accessible to a wide range of customers

Place: Zudio has a strong retail presence in India with over 50 stores in different cities. The stores are in popular shopping malls and high streets to attract many customers. Zudio also has an online store that offers convenient shopping for customers. ZUDIO has a robust supply chain management system in place that ensures the timely delivery of products to stores. The company works with a network of suppliers and manufacturers to source its products.

Promotion: Zudio uses a mix of advertising, sales promotion, and public relations to promote its products. The brand uses print and digital media to advertise its products. Zudio also offers discounts and promotional offers to attract customers. The brand also participates in events and sponsorships to build brand awareness. It promotes its products using a combination of traditional and digital marketing channels. The brand regularly advertises in print media and uses social media platforms to engage with customers

People: Zudio's employees are well-trained to provide a high level of customer service. They are knowledgeable about the products and offer personalized recommendations to customers. **Customer Service:** Zudio has a simple and efficient process for buying and returning products. Customers can buy products in-store or online and can return them within a specified period if they are not satisfied. ZUDIO places a strong emphasis on customer service, with well-trained staff that is available to assist customers with their queries and purchases.

Presentation: Zudio's stores have a modern and trendy look and feel that reflects the brand's fashion-forward approach. The products are displayed in an attractive and organized manner, making it easy for customers to browse and shop. ZUDIO stores are designed to provide a comfortable and convenient shopping experience to customers. The stores are well-lit, spacious, and have well-organized sections for different product categories.

Challenges

Zudio Retailing, like any other retail business, faces several challenges. Here are some of the major challenges faced by Zudio Retailing:

Competition: Zudio Retailing faces intense competition from other retail brands, both online and offline. To stay competitive, Zudio Retailing needs to constantly innovate, offer unique products and experiences, and maintain competitive pricing.

Changing Consumer Behaviour: Customer behavior is evolving continually, and Zudio Retailing must adjust with it to stay relevant. For example, with the increasing popularity of online shopping, Zudio Retailing needs to provide a seamless online shopping experience to attract and retain customers.

Inventory Management: Retailing requires efficient inventory management, and Zudio Retailing is no exception. Overstocking or understocking can have a significant impact on the business. Zudio Retailing needs to optimize inventory levels to ensure products are always available for customers.

Store Operations: Managing store operations can be a complex task for a retail business. Zudio Retailing needs to ensure that its stores are well-maintained, staffed with knowledgeable employees and that customers have a positive shopping experience.

Logistics: Logistics and supply chain management are critical for any retail business. Zudio Retailing needs to ensure that products are delivered to stores on time and that the logistics network is efficient to avoid delays and reduce costs.

Economic Environment: The economic environment can have a significant impact on retail businesses. Fluctuations in the economy can affect consumer spending patterns and

impact Zudio Retailing's sales. To mitigate this risk, Zudio Retailing needs to have a solid business

plan and contingency measures in place.

Overall, Zudio Retailing needs to remain vigilant and adaptable to overcome these challenges and maintain its position in the retail industry.

Road ahead

ZUDIO is an Indian fast fashion brand that operates under the umbrella of the Landmark Group. As with any retail brand, the road ahead for ZUDIO will depend on various factors such as changing consumer preferences, competition, economic conditions, and technological advancements. Here are some potential areas of focus for ZUDIO to continue to grow and succeed:

Expanding the product line: ZUDIO can continue to expand its product line to cater to a wider audience. The brand can introduce new collections and categories such as activewear, loungewear, and accessories.

Improving the online presence: With the rise of e-commerce, ZUDIO must have a strong online presence. The brand can invest in its website and mobile app to provide a seamless and convenient shopping experience for customers.

Increasing the store network: ZUDIO can consider expanding its store network to reach a wider audience. The brand can focus on opening stores in tier 2 and tier 3 cities, which are rapidly growing markets.

Sustainability: Today consumers are becoming more aware of how rapid fashion affects the environment. ZUDIO can focus on introducing sustainable practices and products to appeal to these consumers.

Personalization: Personalization can be a game-changer for retailers. ZUDIO can leverage technology to personalize the shopping experience for customers, such as by recommending products based on their preferences and purchase history.

Digital marketing: ZUDIO can take advantage of social media and other online marketing tools to expand its audience and raise its brand's visibility.

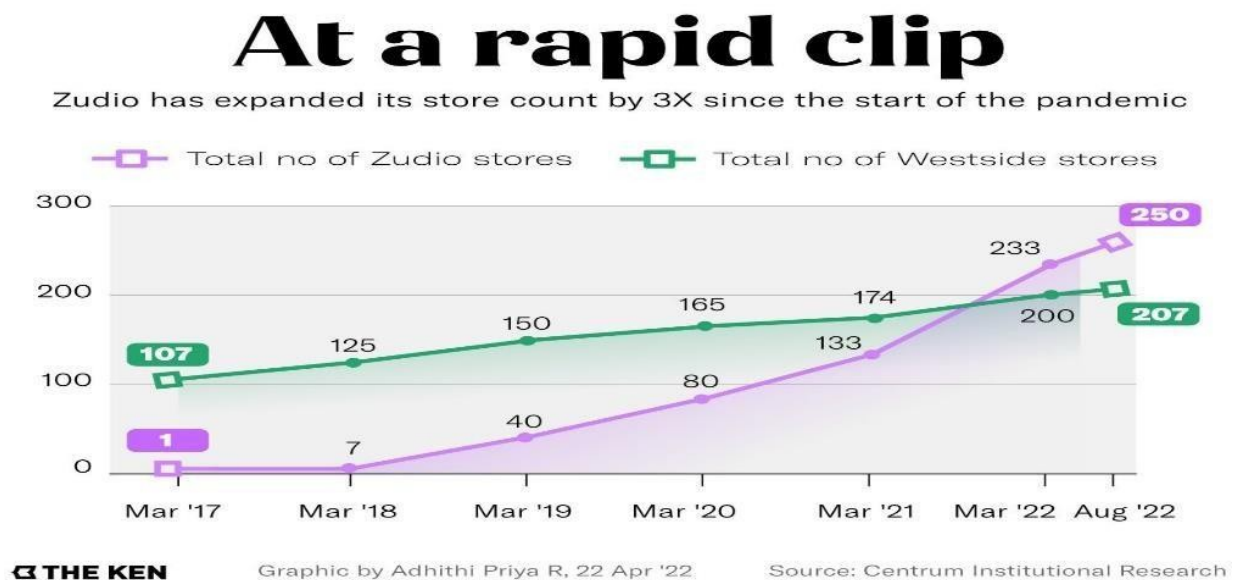
Overall, ZUDIO has a strong foundation and can continue to grow and succeed by focusing on these areas and staying ahead of the curve in the ever-changing retail industry.

Conclusion

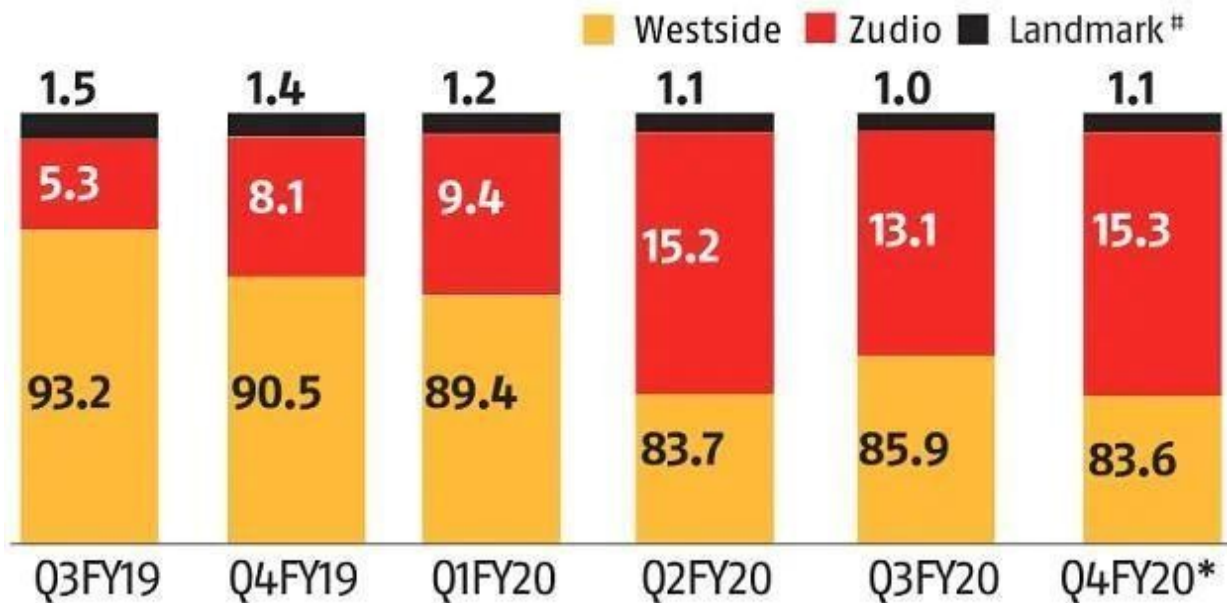
In conclusion, ZUDIO is a successful fast-fashion brand that has revolutionized the retail industry by offering affordable and trendy clothing to customers. The brand's rapid expansion and market share in the value fashion space can be attributed to its scalable business model, innovative marketing strategies, commitment to customer satisfaction, and focus on providing affordable fashion to everyone. Despite its success, ZUDIO faces challenges such as competition, changing consumer behavior, inventory management, and store operations. The study also highlights the need for sustainable practices and ethical sourcing in the fast fashion

industry. The findings of this research paper can be useful for industry practitioners, academics, and policymakers in developing effective strategies for sustainable and ethical retailing practices.

Exhibit 1: A rapid clip on Zudio and its growth



REVENUE MIX: LAST SIX QUARTERS



#Landmark is Trent's books and stationary chain; *estimates
Source: Motilal Oswal/Industry

Exhibit 2: Revenue mix till 2020

References:

1. <https://www.dfupublications.com/news/brand/zudio-drives-trent-s-plans-expansion>
2. https://www.business-standard.com/article/companies/zudio-the-new-engine-driving-retail-giant-trent-s-revenue-growth-120022900036_1.html
3. <https://in.franchisegoal.com/start-a-zudio-franchise-cost-fee-profit/#:~:text=Zudio%20operates%20at%20the%20FOCO,would%20be%20profitable%20to%20franchisees.>