

# Implementing IT Solutions at Zara

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# 1. *About Zara*

# The Organization

Fast fashion clothing retailer  
incorporated in 1975 in Spain

Over 2,500 locations worldwide

Global brand value of \$13.2  
billion

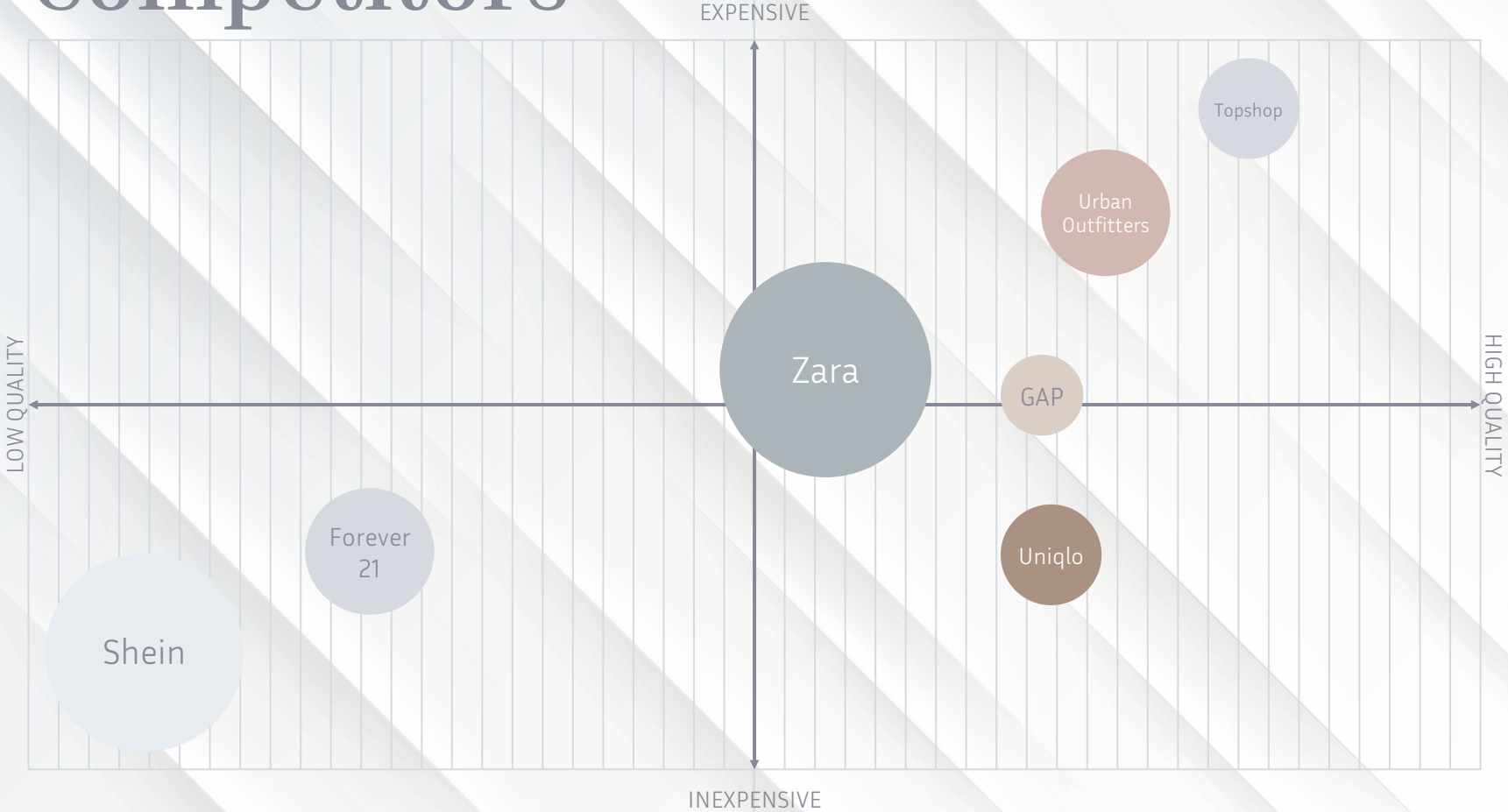
Parent company Inditex net  
profit of \$3.35 billion in 2021



# Global Presence



# Competitors

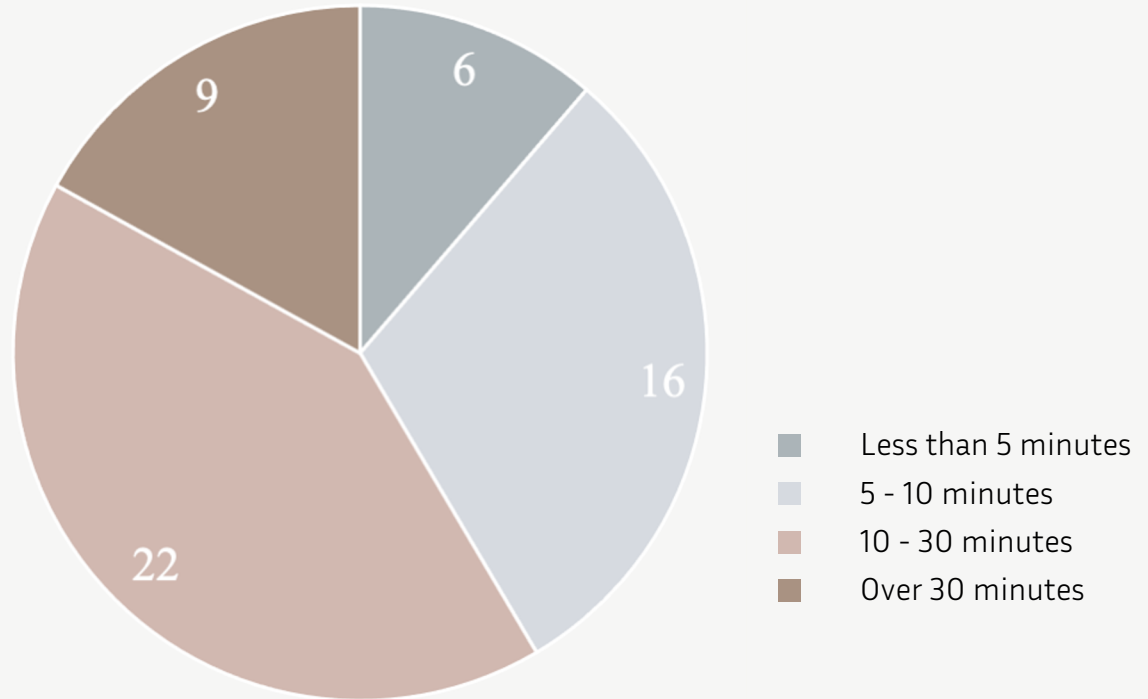


## 2. The Inefficiencies

# Checkout Wait Times

Almost half (42%) of participants waited 10 - 30 minutes to check out

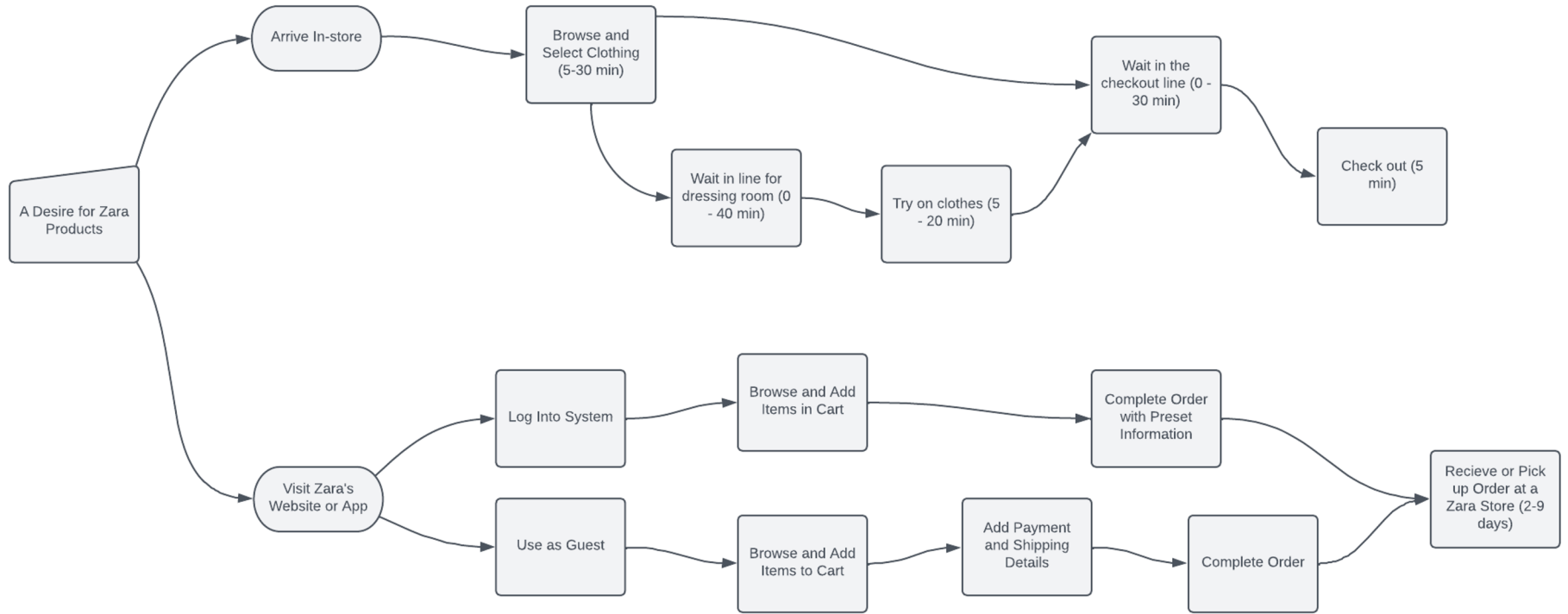
9 of 53 participants (17%) waited over 30 minutes to check out



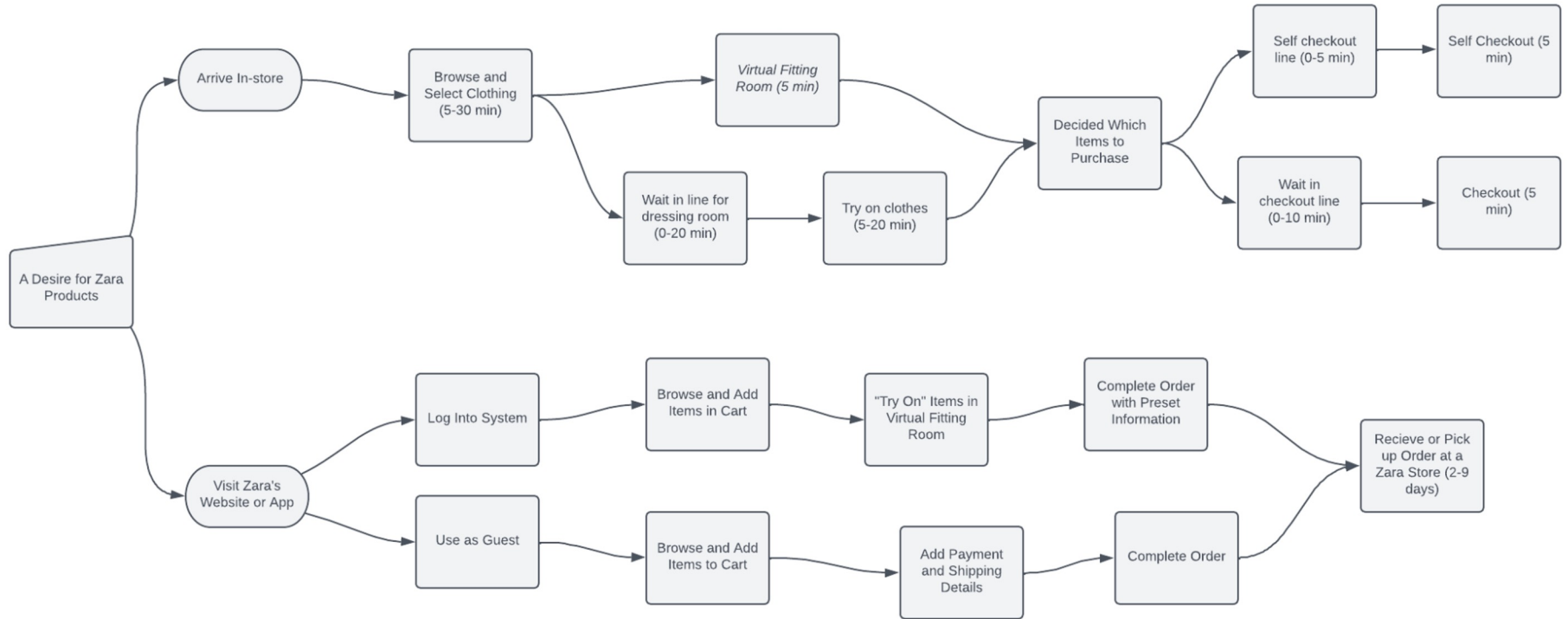
# 3. Proposed Solution



# Current Process



# Proposed Revision



# 4. Specific Technology

# Augmented Reality Fitting Rooms



# Key Technological Components

## Smart Mirrors

Displays digital “reflection”, embedded with RFID tags and cameras.

## RFID Readers & Tags

Retrieve details on clothing items, including sizes, colors, and material.

## Cameras

Collect visual information to be transformed into a 3D avatar.

## Ethernet Cables

Connect smart mirrors to a stable internet source, allow access to information stored in the cloud.

## Distributed Database

AR software will be stored in a database and accessed remotely using cloud computing by each smart mirror.

## AR Software

Translates information from RFID tags and cameras into the virtual “fitting room”.

# Website Redesign



# Key Technological Components

## Capable Computers

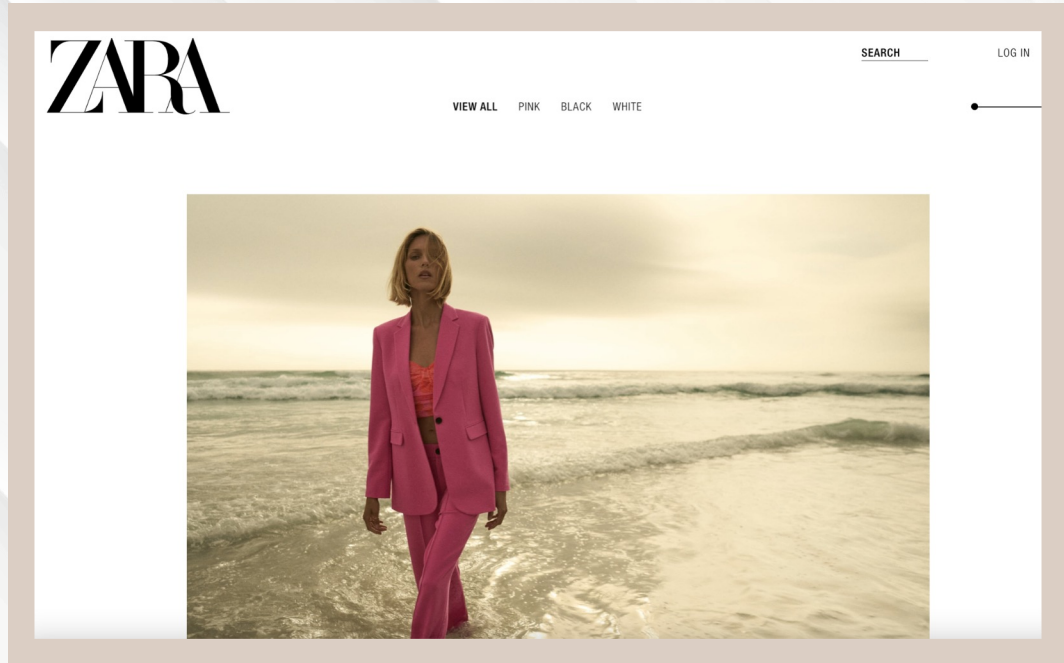
Adequate storage and processing speed (most PCs are sufficient in both categories).

## Programming Team

Experienced in digital design and programming languages such as HTML or JavaScript.

## Distributed Database

Stores information on each product, including inventory levels, sizes, and colors.



# Self-Checkout Kiosks





# Key Technological Components

## Interactive Monitors

Display the items being purchased, their prices, and payment methods.

## RFID Readers & Tags

Retrieve details on clothing items, including sizes, colors, and material.

## Receipt Printers

Printers, ink, and paper required to provide customers with physical proof of purchase.

## Ethernet Cables

Connect monitors to access and deliver information in the cloud.

## Distributed Database

Stores information on the products being purchased, inventory levels, and more.

## Card Readers

Should be able to process insert, swipe, and tap methods, as well as Apple Pay and Google Pay.

# 5. Implementation

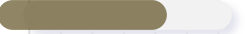
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VIRTUAL FITTING ROOM IMPLEMENTATION PROJECT PHASES

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52

PLANNING

Finalize budget



Assign team roles



Propose timeline

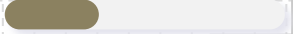


DESIGN

Prioritize strategies



Foundational research



User journey mapping

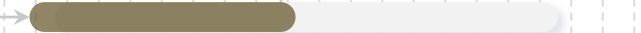


DEVELOPMENT

Feature development



UI Improvements



Process pain point



One-week sprint



TESTING

Usability tests



Improvements

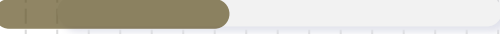


Stakeholder approval

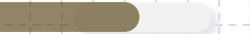


Implementation

Pilot Implementation

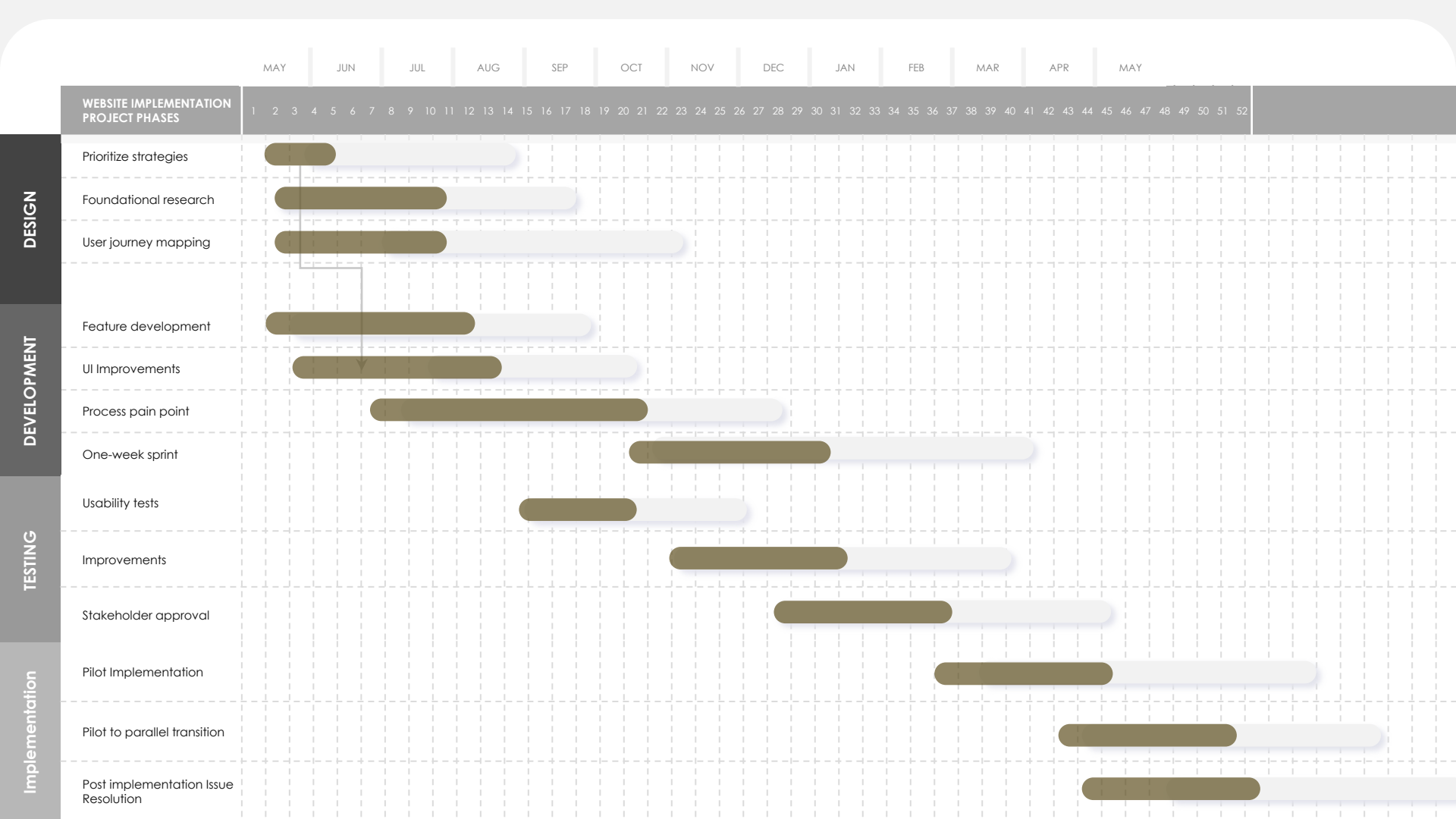


Pilot to parallel transition



Post implementation Issue Resolution





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SELF CHECKOUT KIOSK  
IMPLEMENTATION  
PROJECT PHASES

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52

TESTING

Usability tests



Improvements



Stakeholder approval



Implementation

Pilot Implementation



Pilot to parallel transition



Post implementation Issue Resolution



# Trouble Resolution

Issue Log

No.	Issue Title	Type	Priority	Receipt Date	Orig'tor's Name	Asgn'd To	Response Date	Status	Resolution	Close Date
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										

# 6. Controls in Place

# Key Performance Indicators

## Average Wait Time

The average time it takes for customers to access a dressing room (virtual or traditional) and to check out (self-checkout or traditional). Can be measured periodically by customer survey.



## Customer Engagement & Conversion Rates

Engagement measured by tracking repeat purchases on individual cards or rewards accounts. Conversion rates help Zara identify the % of customers that visit their website and ac



## Return Rates

The number of returns processed as a percentage of total orders placed, segmented by in-store orders and online orders.





# Critical Success Factors



## Testing AR Technology

It is essential that the AR software used in virtual fitting rooms creates an accurate depiction of the clothing on the customer.

## Identifying Customer Preferences

Knowing what customers value when navigating an unfamiliar retail website is essential to creating a successful user interface.

## Communicating Between Departments

Upper management, development teams, project leaders, and local store managers will have to communicate to ensure the smooth execution of the project.

# Conclusion

- Increased Customer Satisfaction
  - Less time waiting in lines
  - Increased customer support from employees
- Higher Net Profits
  - Decrease in shipping costs
  - Less returns due to AR fitting rooms
  - ~6.29% annual net profit

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