

Sample - Zara Case Activity

This is based on the textbook chapter: Zara Fast Fashions from Savvy Systems.

Step 1 - Technology/Application Identification - Complete the grid to identify the technologies used, their function, and who is involved in their use or what process do they contribute to. (Feel free to add rows.)

Technology/Application	Function	Who uses/Process involved
RFID	Tracking inventory across the entire process	Manufacturing dept, distribution, shipping, store management
Personnel Scheduling	Monitors peak customer activity and modifies schedule to ensure enough personnel	Management to control labor cost and ensuring customer service
POS and other devices	Collect customer data on what is selling, what is wanted, and what customer will not buy in fashion	Information is analyzed by management and designers to make collections that are in demand at local stores
Technology at key process points	Collecting data to make smart decisions about process improvement	All employees and management when making decisions

Comments: The technology is seamless and completely integrated across all processes used by the organization

Step 2 - Impact on Organization and Process - Copy the list of technologies/applications in this grid. Have you observed any impact on the organization and/or process. Impact on the organization could be changes in normal job roles (duties, responsibilities, etc), changes in organization structure, or changes in management structure. Impact on process could include changing responsibilities of data collection, automating duties that were once completed by employees or customers, or changes in rules governing the process.

Technology/Application	Organization Impact	Process Impact
RFID	Less time spent on "looking" for things, more time with customer	Inventory management across the organization
Personnel Scheduling	All store personnel benefits from smart scheduling	Customers have high level of service
POS and other devices	Employees must interact with customers to understand them. Employees must have good communication skills.	Data collection assists in guiding management to make smart decisions about what is working and what is needed in the future.
Technology at key process points	Management spends less time evaluating current conditions	Processes are sped up and able to change to quickly

Comments: All employees must have a high data and tech IQ to respond appropriately with the right actions. The employees understand the process from beginning to end.

Step 3 - Connecting to Strategy - Does the organization have a stated technology strategy? Is their approach documented in the business strategy phrases (mission statement or motto? If it is stated, please restate in your own words. If not explicitly expressed, what do you think the strategy is?

Comments: The vertical integration of Zara is key to their technology strategy. The technology is embedded in all processes and data is collected, analyzed, and used to management the processes smarter. From their strategic press release "Traceability of the production supply chain" enabled by RFID and other technologies¹.

Step 4 - Look at competitors in the marketplace. Compare their use of technology to the case company. What is similar? What is different? (Pick one or two that best emphasize similar or dissimilar traits).

Competitor Name	Technology	Similar	Dissimilar
Gap	Non-integrated supply chain - POS, customers	Same industry, similar customers	Poor use of technology, uses push versus pull strategy for inventory; not smart about process
Macy's	Integrated supply chain, Store linked to web inventory	Sell similar clothing; Integrated inventory management	Uses push strategy; lack of customer insight; smart about process after the inventory is in store

Comments: The technology challenge is the investment in the systems at the supplier level, and the suppliers ability to react based on the feedback of the vendor. This is difficult with a push strategy.

Step 5 - What is your evaluation of the case companies use of technology? What would you change?

The overall use of technology is a leader in the marketplace. Given their unique business operating model, it is difficult to copy. I would enhance the use of technology be integrated the web and store inventories, add a customer demand component where garments can be semi-custom made, and add a strong social media usage integrating GIS location based technology and customer alerts. This would assist in a closer customer relationship.

¹ Retrieved from Idex.com - media Annual Meeting Notes 07/19/2016