



A STUDY ON STRATEGY FOR PROMOTING ZUDIO FRANCHISE WITH REFERENCE TO COIMBATORE CITY

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ABSTRACT

This study explores and develops strategic promotional frameworks for Zudio, a value- fashion retail brand under Trent Limited (a Tata Group company), which has redefined the Indian market through its high-volume, low-margin "fast fashion" model. The research primary focuses on identifying impactful marketing channels—including digital marketing, influencer collaborations, and in-store promotions—to enhance brand visibility and customer retention at the franchise level.

Methodology The researcher adopted a mixed-methods approach (quantitative and qualitative), utilizing a structured questionnaire to collect primary data from 137 respondents in Coimbatore City through convenience sampling. Data analysis was conducted using percentage analysis and Chi-square tests to determine significant relationships between consumer demographics and purchasing behaviour.

Key Findings

Demographics, Consumer Drivers, Marketing Influence, Digital platform, Statistical Significance

INTRODUCTION

Zudio is a fast-growing apparel retail brand owned by Trent Limited, a Tata group company. It has achieved a great deal of popularity in India by offering trendy fashion products at affordable prices, primarily targeting the middle-income group of the population. Zudio has established itself as a strong competitor in the retail industry with its unique pricing strategy. It has achieved great success as a fast-fashion brand.

In the last few years, the retail industry has witnessed a surge in growth due to the increasing urbanization, rising income levels, and changing lifestyles of the Indian population. The retail industry has expanded, and the Indian consumer has become fashion- conscious, looking for fashionable clothing at reasonable prices. The company has achieved great success with its unique strategy of high-volume sales, efficient supply chain management, and strategically located stores.

The franchise model offered by Zudio is predominantly structured as **FOCO (Franchise Owned, Company Operated)**, a setup designed to ensure brand consistency and operational excellence. Under this arrangement, the investor provides the necessary capital and the physical real estate, while the parent company, Trent, manages

everything from staff recruitment and training to supply chain logistics and marketing. This allows the franchisee to benefit from the prestige and operational stability of the Tata ecosystem without needing deep expertise in retail management. It is a capital-intensive partnership that requires a significant footprint—typically between 6,000 and 10,000 square feet—aimed at entrepreneurs looking for a stable, long-term retail asset with a proven track rate of high footfall.

This study is designed to analyse and identify the most appropriate and effective ways of promoting Zudio in Coimbatore city. The research is mainly dedicated to learning about customer needs and evaluating the existing marketing techniques. The research is also committed to identifying and suggesting different and innovative ways of promoting Zudio to increase its growth in the retail market.

OBJECTIVES OF THE STUDY

- To analyze the effectiveness of marketing of and promotional strategies
- To assess the impact of in store promotional strategies
- To evaluate the effectiveness of Zudio digital marketing strategies
- To analyze the role of location and price strategy
- To determine the level of customer satisfaction with overall shopping experience

STATEMENT OF PROBLEM

The primary problem identified in this study centres on the operational and experiential challenges faced by Zudio's customers despite the brand's significant market presence. A major issue is the frequent unavailability of desired sizes and popular fashion products, which becomes particularly acute during peak shopping periods like weekends and festive seasons. This problem is largely a byproduct of Zudio's high-volume, fast-fashion business model, which relies on rapid inventory turnover and limited stock rotation to maintain its hallmark affordability. Furthermore, the overall shopping experience is frequently hindered by overcrowded store environments and long billing queues, making the process inconvenient and time-consuming for shoppers. These frustrations are exacerbated by the absence of an online shopping platform, which prevents customers from checking product availability in advance of a store visit. Such limitations can lead to consumer dissatisfaction and the potential loss of repeat visits, highlighting a critical need for the brand to develop improved inventory management and enhanced customer experience strategies.

RESEARCH METHODOLOGY

A. COLLECTION OF DATA

The source of data includes Primary data and Secondary data sources.

B. SAMPLING SIZE

The sample size selected for this study is 137 responses.

C. AREA OF THE STUDY

The study is conducted within the Coimbatore City.

D. TOOLS USED IN THE STUDY

The data collected through questionnaire was first organized in the master table, from which sub table were created for analysis and interpretation, simple statistical tools

- Simple Percentage analysis
- Chi- square analysis

REVIEW OF LITERATURE

1. Kumar and Singh (2024)

Kumar and Singh (2024) conducted a comprehensive study to understand customer perceptions toward Zudio by collecting responses from 300 shoppers belonging to varied income and age groups. The study primarily examined determinants such as pricing strategy, product assortment, store ambience, and perceived merchandise quality. Findings revealed that affordability was the strongest factor influencing purchase decisions, particularly among middle-income consumers and young adults.

2. Sharma and Iyer (2023)

Sharma and Iyer (2023) examined consumer buying behaviour toward Zudio in urban retail markets. The study focused on factors such as promotional strategies, pricing, store layout, and customer service quality. Results indicated that young consumers were particularly attracted to Zudio's fashionable collections offered at budget-friendly prices. Respondents highlighted that the brand successfully balances affordability with contemporary designs, making it appealing to students and early-career professionals.

3. Rao and Mehta (2022)

Rao and Mehta (2022) explored the influence of store ambience and visual merchandising practices on customer satisfaction at Zudio outlets. The research found that organized displays, attractive lighting, and systematic product arrangement positively affected shoppers' purchasing decisions. Customers reported that the easy navigation within stores encouraged longer browsing time and impulse buying. The study also highlighted that visually appealing mannequins and thematic displays enhanced perceived brand image.

OVERVIEW OF THE STUDY

This study aims at analyzing the promotional strategies required for the success of a Zudio franchise, with particular emphasis on the city of Coimbatore. Zudio, a fast-fashion retail brand of Trent Limited, a Tata group company, has achieved a strong brand presence owing to its trendy clothing at affordable prices, primarily targeting the youth, including students and young working professionals. The aim of the study is to evaluate the effectiveness of various marketing and promotional strategies, understand the behavior of the customers, and analyze the overall level of customer satisfaction, thereby increasing the effectiveness of the store.

The research has identified the key problems faced by the customers, including the non-availability of the required size, overcrowding, long billing queues, and the lack of an online facility to check the availability of the products. These have created the need to set the objectives of the study, including the analysis of the marketing strategy, effectiveness of store promotions, the influence of digital marketing, the role of pricing, the influence of store location, and the overall level of customer satisfaction.

SERVICES PROVIDED BY ZUDIO

- **Diverse Product Categories:** Zudio offers a wide array of trendy **clothing (apparel), footwear, accessories, and lifestyle products**, these items are designed in-house as **100% private-label merchandise**, giving the brand full control over design and quality.
- **Affordable Fast Fashion:** A core service of the brand is democratizing fashion by keeping nearly its entire inventory priced **below ₹999**. This "high-volume, low-margin" strategy specifically targets price-sensitive but style-conscious Gen Z and millennial consumers,

- **Enhanced In-Store Experience:** The brand focuses on a consistent, modern shopping environment featuring **open layouts, industrial-chic fixtures, and price- branded displays.**

ANALYSIS AND INTERPRETATION

TABLE 1
TABLE SHOWING INFLUENCE PURCHASE PATTERN

PARTICLUARS	NO OF RESPONDENTS	PERCENTAGE
Effective	59	43.1%
Very effective	49	35.8%
Neutral	25	18.2%
Not effective	4	2.9%
Effective	59	43.1%
Total	137	100%

INTERPRETATION:

Out of 137 respondents, 59 rated it effective, 49 very effective, 25 neutral, and 4 not effective.

TABLE 2
TABLE SHOWING IMPULSE PURCHASING PATTERN OF RESPONDENTS

PARTICLUARS	NO OF RESPONDENTS	PERCENTAGE
Flat percentage discounts	64	46.7%
Buy one get one free offers	50	36.5%
Combo deals	17	12.4%

Price point displays	6	4.4%
Total	137	100%

INTERPRETATION:

Out of 137 respondents, 64 prefer flat discounts, 50 buy-one-get-one offers, 17 combo deals, and 6 price displays.

TABLE 3**TABLE SHOWING CONTENT INFLUENCING PURCHASE DECISION**

PARTICLUARS	NO OF RESPONDENTS	PERCENTAGE
Campaigns	56	40.9%
Influencers	46	33.6%
Zudio page	26	19.0%
Word of mouth	9	6.6%
Total	137	100%

INTERPRETATION:

Out of 137 respondents, 56 are influenced by campaigns, 46 by influencers, 26 by brand page, and 9 by word of mouth.

CHI SQUARE ANALYSIS**1. INCOME vs AFFORDABILITY PERCEPTION**

Analysis Table (O,E)

Income \ Perception	Affordable	Neutral	Expensive
Below ₹15k	38.43	17.20	6.33
₹15k–30k	19.25	8.60	3.16
₹30k–50k	14.27	6.37	2.35
Above ₹50k	13.05	5.82	2.14

CHI SQUARE ANALYSIS

O	E	$\chi^2 = (O-E)^2 / E$
45	38.43	1.12
15	17.20	0.28
2	6.33	2.96
20	19.25	0.03
9	8.60	0.02
2	3.16	0.42
12	14.27	0.36
8	6.37	0.42
3	2.35	0.18
8	13.05	1.95
6	5.82	0.01
7	2.14	11.04

Chi-square Value $\chi^2 = \sum (O-E)^2/E$

= 18.79

Hypothesis

- H_0 (Null Hypothesis): There is no significant relationship between income and affordability perception.
- H_1 (Alternative Hypothesis): There is a significant relationship between income and affordability perception.

Degree of Freedom

- Rows = 4 (Income groups)
- Columns = 3 (Perception categories)
- $df = (r - 1) (c - 1) = (4 - 1) (3 - 1) = 3 \times 2 = 6$

Interpretation

- Calculated $\chi^2 \approx 18.79$
- Critical value at 5% level (df = 6) ≈ 12.59 Since $18.79 > 12.59$, the null hypothesis is rejected.

FINDINGS

1. Majority of the respondents are attracted to Zudio primarily because of its affordable pricing strategy, with most products priced below ₹999.
2. Majority of the respondents reported frequent unavailability of desired sizes and popular fashion items, especially during weekends and festive seasons.
3. Majority of the respondents highlighted store ambience and visual merchandising (organized displays, attractive lighting, thematic layouts) as positive factors influencing their shopping experience.
4. Majority of the respondents discovered new collections and promotions through social media platforms, especially

Instagram, which significantly drives store visits.

5. Majority of the respondents indicated that festive discounts and promotional campaigns strongly influence their purchase decisions, though overcrowding during such periods reduces shopping comfort

SUGGESTIONS

- Most of the respondents are satisfied with Zudio's affordable pricing, but they would prefer to see more durable fabric quality and consistent size availability to feel confident about repeat purchases.
- It is recommended that Zudio enhance its digital marketing presence, especially on social media platforms, to strengthen brand awareness among Gen Z and millennials, as many respondents discover new collections online.
- It is recommended that Zudio improve inventory forecasting and distribution, to avoid scenarios where popular sizes and designs are frequently out of stock, which currently frustrates customers and reduces loyalty.
- It is recommended that Zudio introduce loyalty programs or cashback-style rewards, as respondents indicated that consistent pricing is appreciated, but additional incentives would encourage repeat visits.

CONCLUSION

Zudio has successfully redefined the Indian fashion landscape by democratizing trendy, high-volume "fast fashion" through a strategic low-margin model where nearly all inventory is priced under ₹999. The brand's core success is driven by its ability to attract price-sensitive young adults and students who are heavily influenced by social media content and effective in-store visual merchandising. While the study indicates high satisfaction levels—with 75.2% of consumers believing that Zudio's affordability does not compromise product quality—it also identifies significant operational pain points, customer frustration. Ultimately, while Zudio's asset-light and trendy approach has secured its market leadership, its future growth depends on improving inventory management and enhancing the efficiency of the physical shopping experience to maintain long-term consumer loyalty.

REFERENCE

- **Kumar and Singh (2024):** This study of 300 shoppers found that **affordability** is the strongest driver of purchase decisions at Zudio, though it noted that improvements in inventory management are needed.
- **Sharma and Iyer (2023):** Research indicated that young consumers are attracted to the brand's balance of **contemporary designs and budget-friendly pricing**.
- **Rao and Mehta (2022):** This study explored how **store ambience and visual merchandising**, such as organized displays and lighting, positively affect impulse buying.
- **Patel (2023):** Focused on college students, finding that brand recognition is largely driven by **social media exposure and peer recommendations**

WEBSITE

www.zudio.com www.trentlimited.com www.tata.com