



TATA GROUP

EST 2016

ZUDIO

EXPLORING MARKET DYNAMICS

GROUP 5

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EST. 2016

COMPANY OVERVIEW

Zudio, a fast-fashion retailer known for its affordable yet trendy apparel, has rapidly grown in India's tier 2 and tier 3 cities.

In recent years (post 2020), Zudio has expanded rapidly, with over 668 stores* in 274 cities across India as of February 2025. The brand has been able to effectively compete in the market with local and global brands in the value retail segment.

(*Official Zudio Store Locator data)

The Zudio logo consists of the word "zudio" in a bold, lowercase, sans-serif font. The letters are white with black outlines, set against a dark, textured background that appears to be a close-up of foliage or leaves.



OUR HISTORY

2016-2020

ESTABLISHMENT AND EARLY EXPANSION

Launched in 2016, Zudio aimed to provide affordable, trendy apparel across India. The first independent Zudio store opened in the fiscal year 2018 (FY18), marking the brand's initial foray into standalone retail.

2021-Now

EXPONENTIAL GROWTH & JOURNEY AHEAD

The brand's revenue surged to ₹32.6 billion (approximately \$391 million), accounting for 42% of Trent's total revenue in FY 2023-24



Executive Summary

Unlocking Zudio's Potential in the US Fashion Market

Objective:

Assess Zudio's market positioning relative to key competitors and develop strategic recommendations for U.S. market entry.

Key Insights:

Zudio has strong affordability and trend-focused fast fashion positioning in India. Competitive landscape analysis highlights potential positioning gaps and opportunities. Strategic recommendations focus on differentiation, pricing, and expansion.

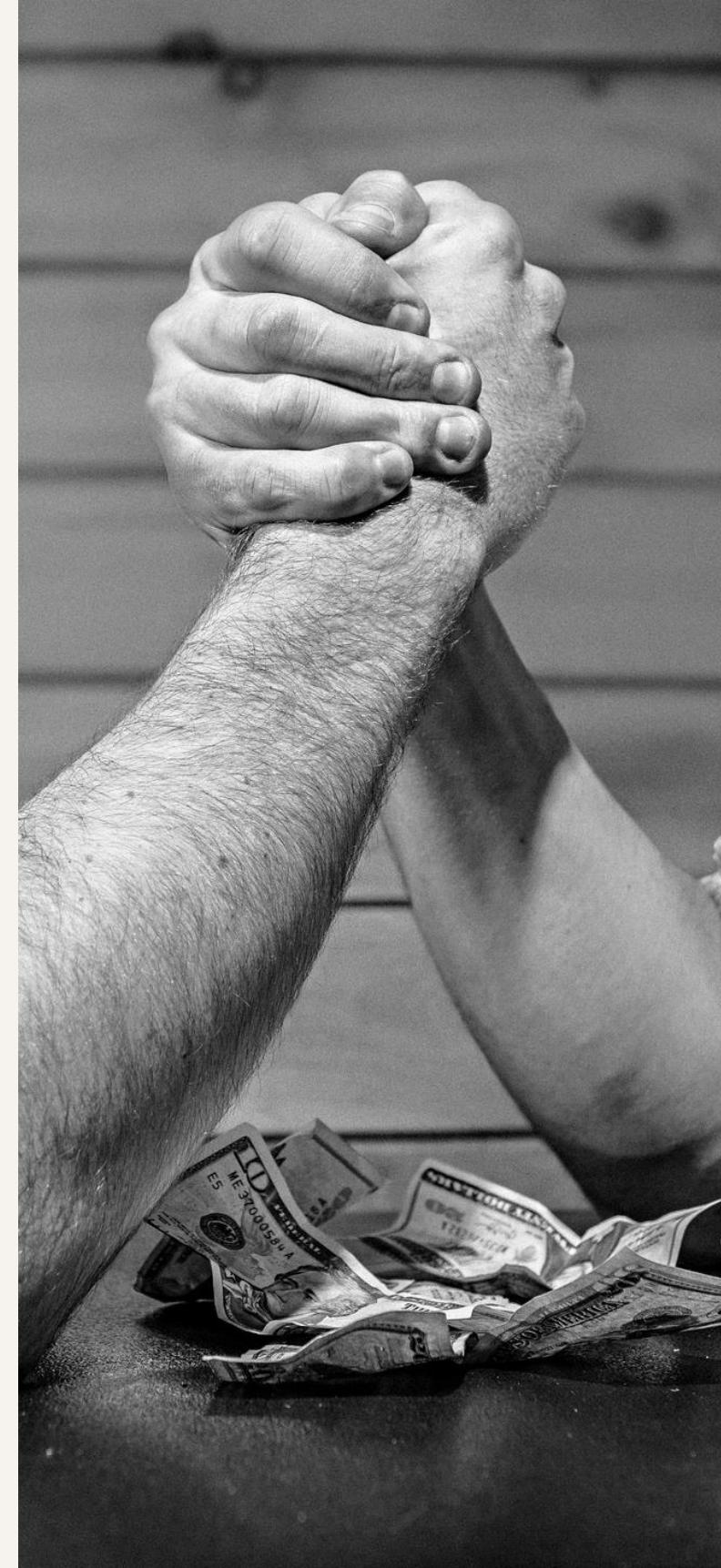
MARKET OVERVIEW

U.S Fashion & Market Landscape

- Consumer preference shift towards affordability, sustainability, and accessibility.
- Dominated by Zara, TJ Maxx, Ross, H&M, and Forever 21.

Market Trends

- Resale & budget-conscious shopping growing.
- Digital transformation in fashion retail.
- Increasing demand for fast-changing fashion cycles.



COMPETITIVE LANDSCAPE

Key Competitors & Their Strengths:

- Zara – Premium fast fashion, strong brand image.
- TJ Maxx – Discount-based value fashion.
- Ross – Off-price retail with variety.
- H&M – Sustainability and affordability balance.
- Forever 21 – Trendy but struggling with branding.

Where Zudio Fits?

Affordable, trendy, fast fashion with a strong physical retail presence (in the current model)

Key Attributes Considered For Analysis



Brand Recognition

Awareness and recall.

Product Quality

Perceived material and design quality.

Easy Returns

Hassle-free shopping experience.

Trending Fashion

Ability to provide latest styles quickly.

Pricing & Affordability

Competitive pricing compared to peers.

DATA COLLECTION METHODOLOGY

Survey Sample

We used Google Forms to collect quantitative and qualitative data in a structured and quantifiable manner.

Data Encoding

GENDER

MALE: 0
FEMALE: 1

PURCHASE FREQUENCY

WEEKLY: 0
MONTHLY: 1
QUARTERLY: 2
RARELY: 3

CHANNEL PREFERENCE

ONLINE 1
OFFLINE (IN-STORE) 2
BOTH EQUIALLY 3

AGE GROUP

<20 0
20-24 1
25-30 2
35+ 3



RESPONDENT PROFILE

Surveyed 31 Students

- **Consumer Demographics:** Most respondents ranged between 20-30 Years, with ~ 60-40 split for Male/Female.

(Sample Question from survey)

- **Perceptual Data:** How consumers perceive Zudio vs. competitors on key attributes.

(Sample Question from survey)

- **Preference Data:** Which brands consumers prefer to shop from.

(Sample Question from survey)

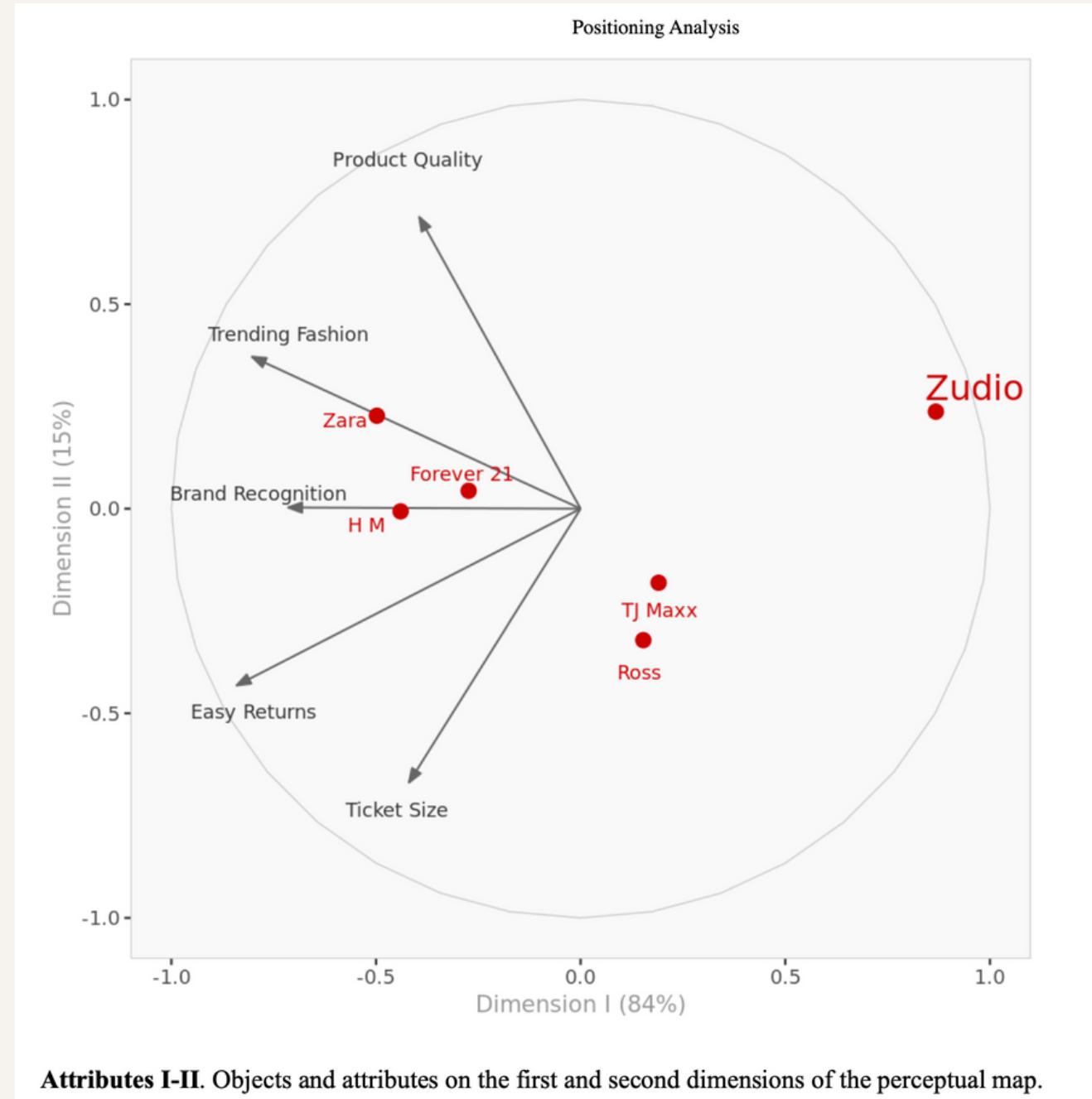


PRINCIPAL COMPONENT ANALYSIS (PCA)

Dimension	Variance explained	Cumulative variance
Dimension 1	83.7%	83.7%
Dimension 2	15.5%	99.2%
Dimension 3	0.6%	99.8%
Dimension 4	0.2%	99.9%
Dimension 5	0.1%	100.0%

- Dimension 1 (83.7% Variance Explained) – Reflects the overall brand strength as perceived by consumers, combining Brand Recognition, Trending Fashion, and Product Quality.
- Dimension 2 (15.5% Variance Explained) – Represents the trade-off between Product Quality and Price/Value (Ticket Size).
- Zudio's Position: Positioned far from competitors, showing a gap in consumer awareness.

PERCEPTUAL DATA ANALYSIS



FINDINGS

- Zudio scores lower in Brand Recognition but ranks better in Affordability.
- Zara & H&M lead in Trending Fashion & Product Quality.
- TJ Maxx & Ross dominate in Easy Returns & Price Sensitivity.

PREFERENCE DATA ANALYSIS



TJ MAXX



H&M



FOREVER 21



ZARA



ROSS



ZUDIO

SEGMENT 1 (45%) – PREMIUM BRAND SHOPPERS

SEGMENT 2 (35%) – BUDGET-CONSCIOUS SHOPPERS

SEGMENT 3 (19%) – TREND-FOCUSED BUT PRICE-SENSITIVE

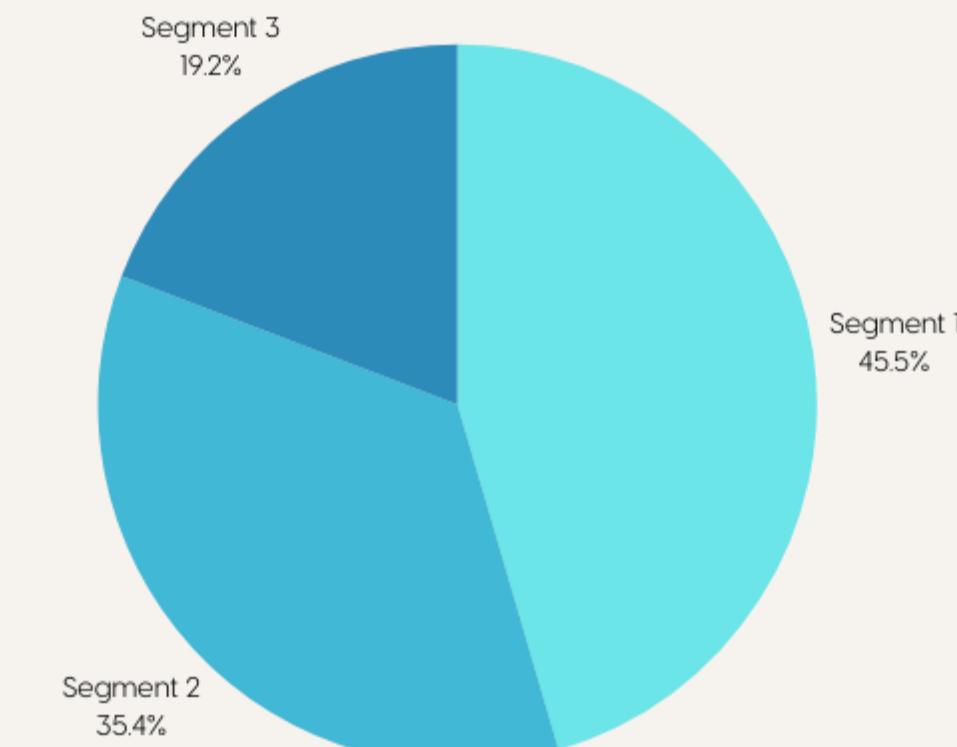
Brands	Average Preference	Segment 1	Segment 2	Segment 3
Zara	4.74	4.81	4.92	3.67
TJ Max	4.29	4.81	4.08	2.33
Ross	3.94	4.81	3.17	3.67
H&M	3.77	4.13	3.25	4.00
Forever 21	3.42	3.25	3.58	3.67
Zudio	2.48	2.06	2.92	3.00

SEGMENTATION ANALYSIS

CONDUCTED K-MEANS CLUSTERING TO IDENTIFY 3 CONSUMER SEGMENTS

Dimension	Dimension I	Dimension II	Dimension III
Segment 1	-0.507	-0.394	0.256
Segment 2	-0.021	-0.213	0.372
Segment 3	-0.007	-0.017	0.644

- Segment 1 (45%) – Prefers premium brands (Zara, H&M).
- Segment 2 (35%) – Budget-conscious shoppers (TJ Maxx, Ross).
- Segment 3 (19%) – Trend-focused but price-sensitive (Zudio & Forever 21 potential shoppers).



SWOT ANALYSIS

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STRENGTHS

Competitive pricing, emerging presence, affordability.

WEAKNESSES

Low brand recognition in the U.S., perception of mass-market brand

OPPORTUNITIES

Cater to the market by filling the existing gaps.

THREATS

Cater to the market by filling the existing gaps.

STRATEGIC RECOMMENDATIONS

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STRENGTHEN BRAND IMAGE

- Invest in influencer marketing & digital advertising.
- Research for creating unique in-store experiences.

EXPAND EFFECTIVELY in the U.S.

- Target key metro areas (e.g., New York, Los Angeles, Miami).
- Start with pop-up stores & Brand collaborations before full fledged expansion.

LEVERAGE COMPETITIVE PRICING

- Offer affordable, stylish collections targeting Gen Z & budget-conscious millennials.
- Limited-time promotions & loyalty programs.



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ACTION PLAN

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SHORT TERM (6-12 Months)

- Launch pilot stores in major U.S. cities.
- Implement aggressive digital marketing campaigns.
- Maintain affordable pricing to sustain budget-conscious customers
- Consumer Research to get a deeper understanding of the market
- Focus on testing market and creating a brand image

LONG TERM (1-3 Years)

- Expand physical retail stores if the initial stores are successful.
- Establish a U.S.-based logistics network for smooth operations.
- Focus on customer retention by utilizing loyalty programs or clothing lines tailored to the US.

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KEY CHALLENGES

U.S. market is highly competitive, requiring significant investment to gain traction.

Zudio is highly successful in India but is not well known by many americans.

Cultural differences between Indian and U.S. markets may affect Zudio's growth in the U.S markets.

Need to conduct extensive market research before starting operations



KEY TAKEAWAYS

- Zudio has a strong opportunity in the U.S. but must overcome low brand awareness.
- Positioning should focus on trendy fashion at affordable pricing.
- Expansion strategy should leverage digital-first marketing and urban store locations.
- Competitive threats exist, but Zudio can differentiate by targeting price-sensitive trendsetters.



THANK YOU