

Retailers:

Zara: Zara is a clothing retailer that is a leading retailer in the fashion industry. This company has very many strategies that help them maintain their competitive advantage over other similar companies for instance; NEXT, MANGO, H&M and GAP. This company was founded in the year 1963 by Amancio Ortega in Spain. More than 60% of this company is owned by the Ortega family. This company has more than 20,000 branches around this world.

H&M: H&M (Hennes & Maurtitz) is a multinational clothing company which is based in Sweden. This company is widely known for its fashion target towards women, men, teenagers and children. The first store of this company was opened in Sweden in the year 1947

Zara Company can produce and distribute different new designs within a week or two of the new design appearing in a catwalk. This, therefore, gives this firm a competitive advantage over other companies in the textile industry that produces the same kind of products. Such companies are H&M and Gap.

I have many experiences dealing with the websites as a customer so that I have decided to share my experience in this paper about their websites and the difference between the website and in-person shopping and what is my recommendation for the two retailers.

Figure 1. H&M Homepage

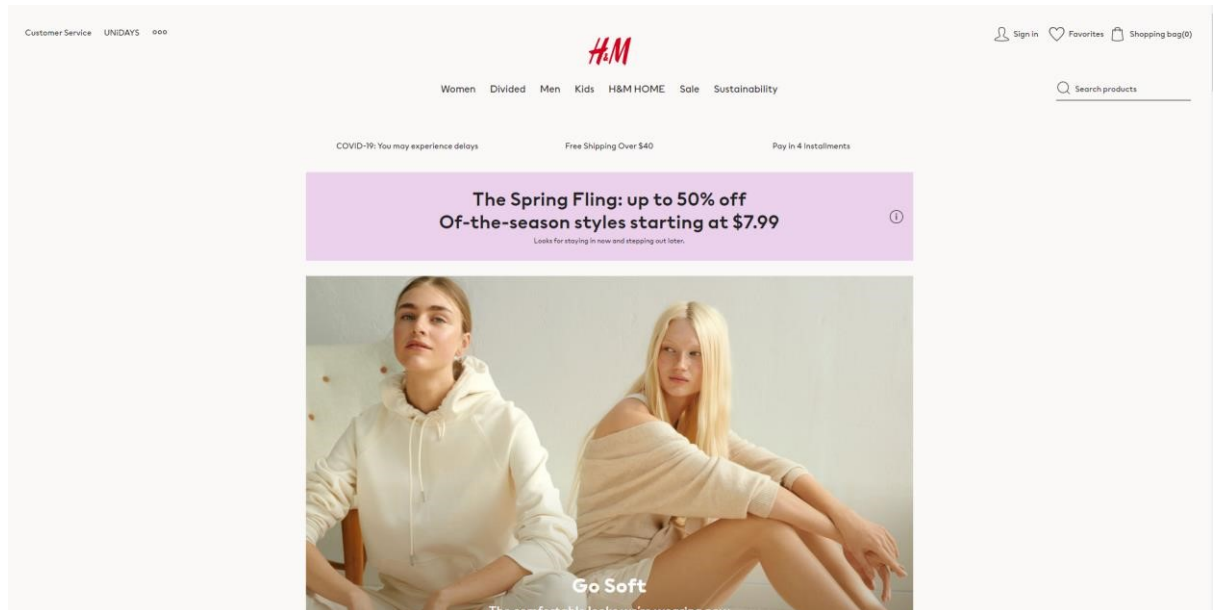
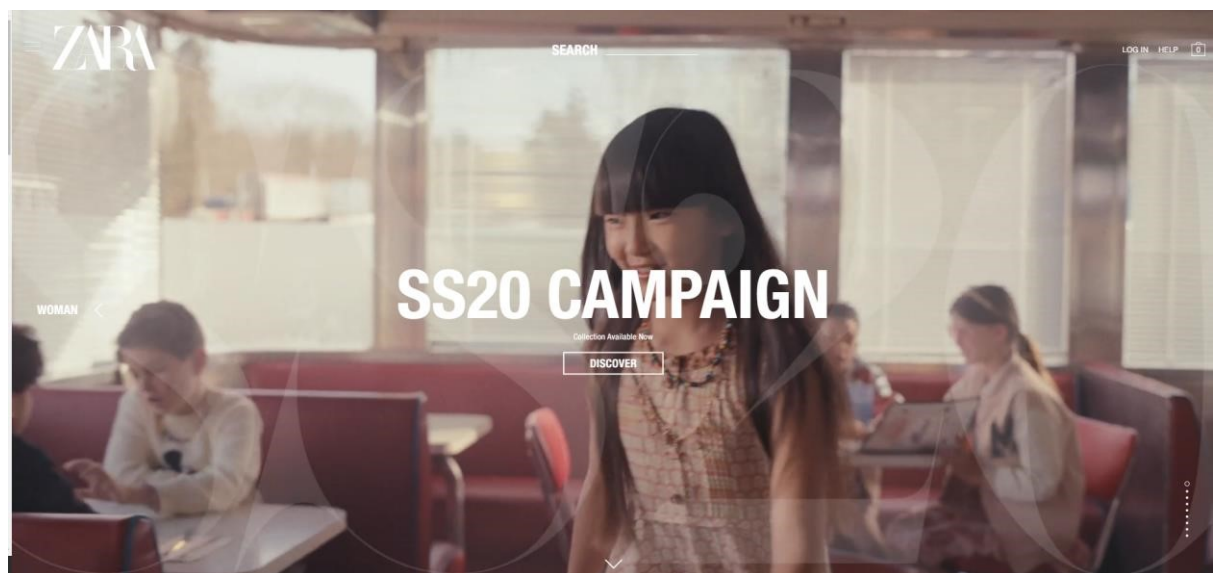


Figure 2. Zara Homepage



Retail shop and local store comparisons:

I believe that the experience of shopping online for clothes is easier than purchasing clothes from the local store. The website provides a variety of clothes and models that can attract the customer and keep jumping from one page to another to find a good price. Also,

since Zara and H&M are competitors, they always try to provide new designs with the lowest price. So that the user can create two accounts and search for the same design or similar on each website to find the lower price. However, that does not occur in the local store since the customer should move from store to another and that will be inconvenient especially if the distance between the two stores is far or they are not in one shopping mall.

Furthermore, shopping in the retail store is better in the instance of trying clothes and touching the texture. For a person trying to find what suits him the best, he needs to go to the local store so that he can touch the clothes texture and go to changing room to pick up the best design that fits him. Also, to make it easier for him to select the proper size, take photos and show his friends and families before they buy. This option is not available in the online store.

According to my experience, the best practice includes selecting many designs online, if the design was like an old one, I would buy it directly online since I will know already the texture and size. If not, I will select the designs and then go to the local store to try them.

Making an order on both websites goes with the same steps, once the customer find the requested product, he adds it to the basket, sign in and checks out, the following are the steps review:

- 1- Selecting the product: Zara and H&M have the same selection criteria in the menu, however, H&M having an additional tab called “sales” which makes it easier for the customer to pick up the lowest price.
- 2- Checkout: Check out on both websites that have the option for the user to check us as a guest which is convenient for those who do not like to register an account.
It is also saving time for some users.

Furthermore, both websites have customer support, in H&M it is called customer support and it is evident in the upper left corner while in Zara it is a bit hidden in the bottom of the website and called Help. Overall H&M shows better navigation to customer support especially they show their support is operating 7/24, they also have chat support, call, and even social media support which is excellent.

Overall, despite the Zara website is more interactive, I would enjoy purchasing online clothes from H&M more than Zara online store. And defiantly I recommend checking the designs online before making the purchases in the local store to save time.

Figure 3. H&M support options:

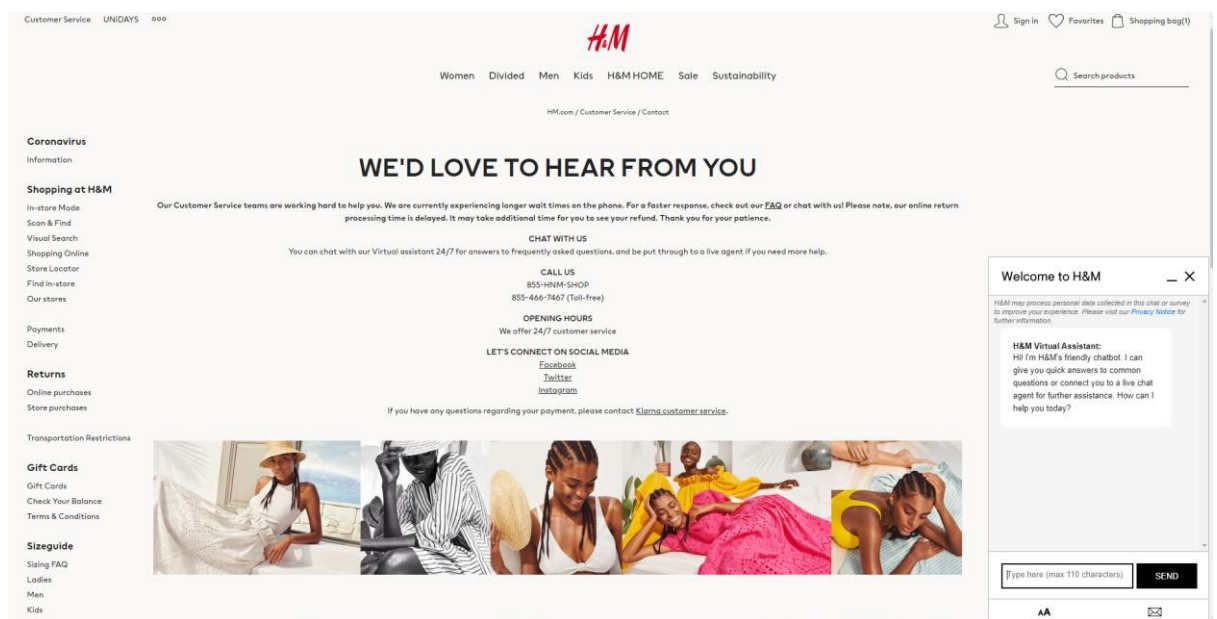
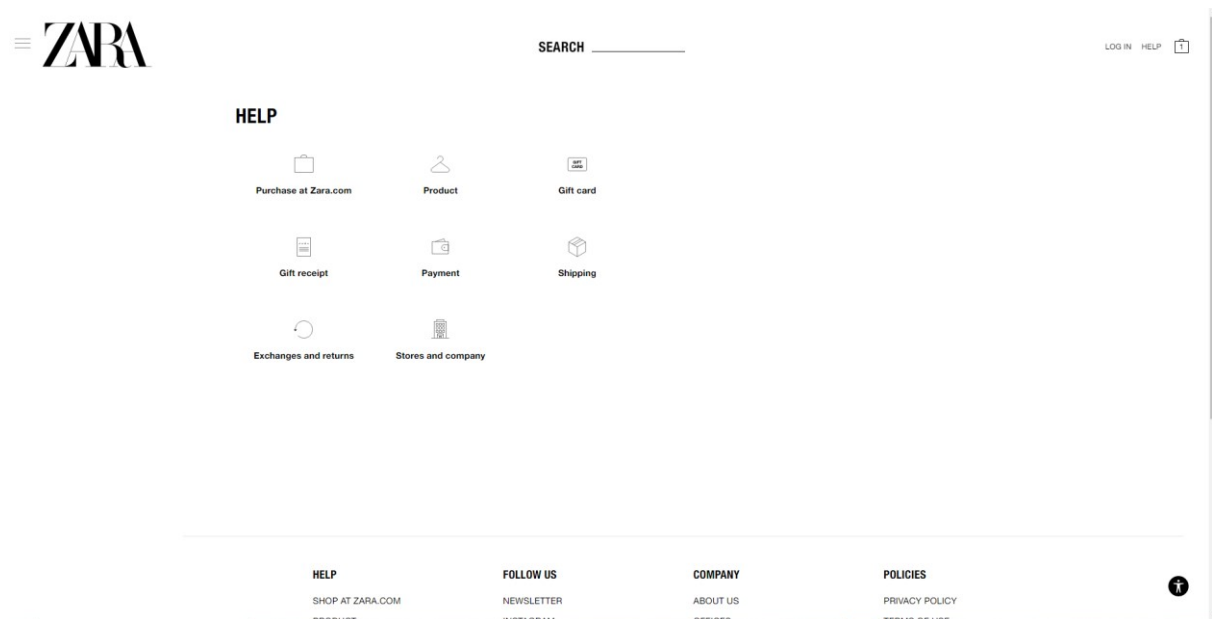


Figure 4. Zara support page



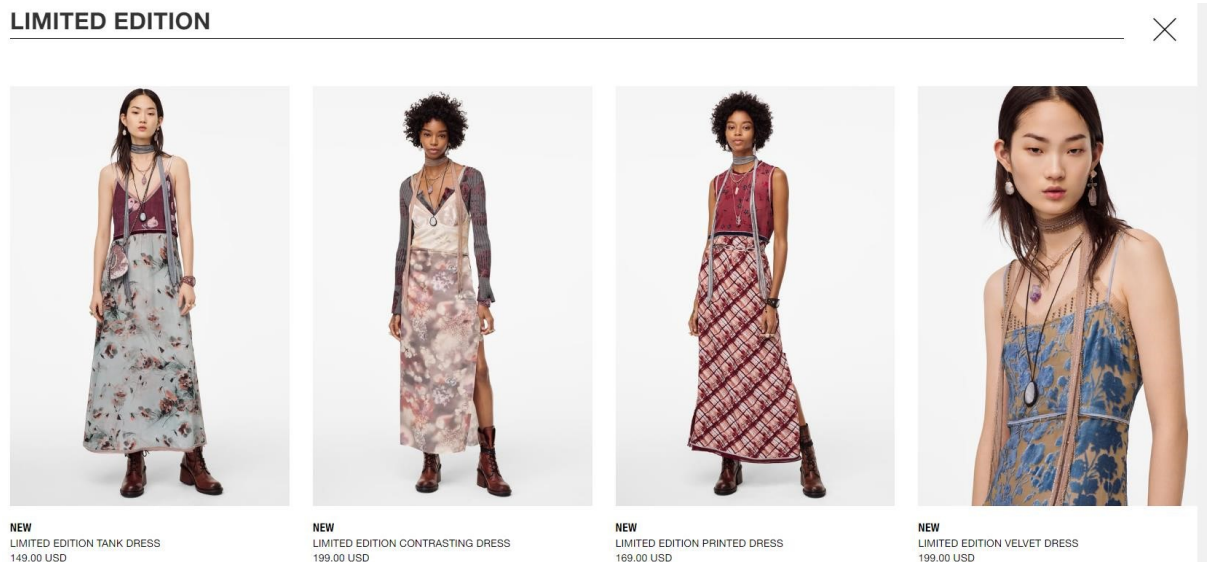
Advantages and Disadvantages Advantages:

The first advantage is the price or to be more precise “price hunt”, as mentioned previously H&M has a tab called sales, which means anytime people can go there and check what are the products on sales and check if it suits them. Also, both Zara and H&M could sign up for newsletters so that they can send the latest updates concerning the designs and the latest prices and discount campaigns.

Second, the products, on the online stores, the products are almost always available, with different colors and sizes. These products might not be available in the local store because of the supply and demand concepts from a local store to another. However, this situation can be avoided while shipping online. Moreover, Zara can have a special tab for Limited Edition,

customers can grab the limited editions from the online store before they disappear from the local store.

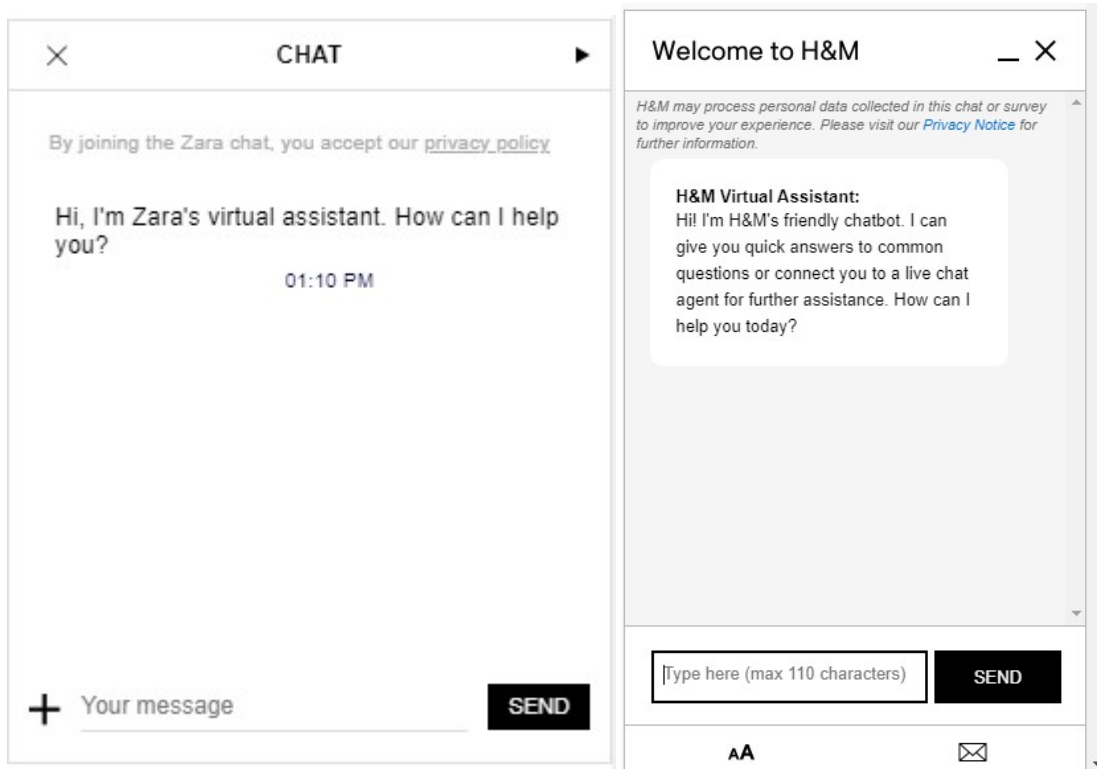
Figure 5. Showing limited edition collection on Zara



Third, delivery, when purchasing online, the products are being delivered for free. Therefore, the local store is time-consuming compared to the online shop. Also, there is no minimum price for shipping.

Fourth, I would say the available, Zara and H&M are operating 24 hours per 7 days, even their customer service support is reachable 24 hours per 7 days. Despite the fact, this is now shown on Zara's website, but their chat support is all time available while trying to buy products. Therefore, it is quite easy for any user to simply access the website and purchase the product and play at any time. But for the local store, that won't be possible because not all local stores operate 24 hours per 7 days. Also, that would be a huge assist in case of having clothes in special editions, it may run from the local stores, but it would remain online.

Figure 6. Zara and H&M 24/7 chat support



Fifth, online marketing plug-in, since Zara and H&M are online websites. A person can use any discount codes online or even use some special plug-in such as “honey application” it searches for the best coupon code and apply it directly on the website. Therefore, the customer can combine the discounts using this method, the first discount which is from the store itself, and the second discount which is from the coupon. For example, if a product costs 20\$ and it became on the sales for only 18\$, a customer can go buy it and use the coupons from the “honey” application and it will add him more discount.

Figure 7. discount coupon applied for 1.2\$.

ADD A DISCOUNT CODE

ADD

✓ The discount has been applied
to your shopping bag.

[Remove](#)

Log in to use your member offers!

LOGIN

Order value	\$ 5.99
Discount	-\$ 1.20
Shipping	FREE
Total	\$ 4.79

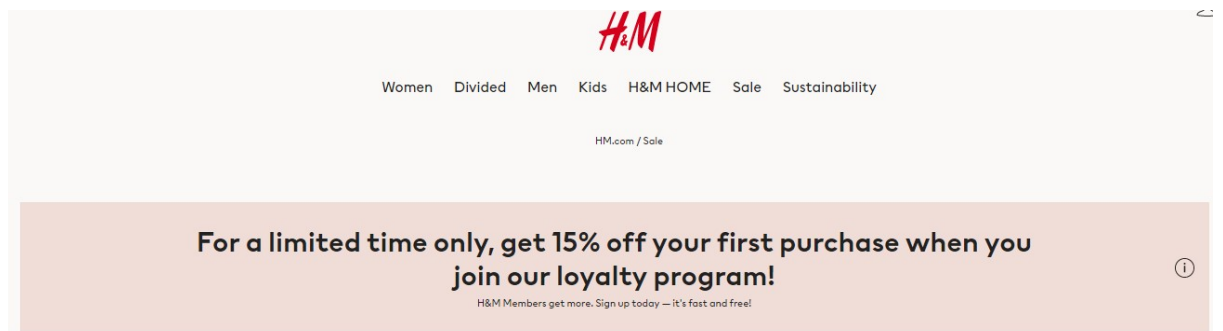
CONTINUE TO CHECKOUT

The estimated tax will be confirmed once you added your
shipping address in checkout.

30-day returns. Read more about our [return and refund
policy](#).

Sixth: loyalty program, this program on H&M offers 15% on the first purchase and then the customer can enjoy the points accumulated each time they buy from their favorite store.

Figure 8. H&M loyalty program dashboard.



Disadvantages,

I would say there are few differences when purchasing clothes from these stores and the local store, especially for the first-time user. First, the security, when a customer goes to any local store to purchase a product, he is assured that he will pay with cash or credit card. Thus, those who are not happy to use a credit card, they can use cash instead. While shopping online the user needs to insert his credit card online. Therefore, the user credit card can be a risk if leached online or if the website got hacked.

Second: delivery time and delivery availability. While purchasing products online it varies from location to another and according to the weather and barriers that can delay the delivery. Therefore, if a person needs the product to be delivered immediately to wear it on a special occasion, he either can order the product in enough period or just go to the local store and grab the product.

Third: privacy, buying from online market issues many questions about privacy especially as mentioned some users can create their account on the website. Also, the website will save the user email, name, address and phone number. These data might leak if there will be a cyber-attack involved.

Fourth: missing the real experience. Buying products online make it not possible to touch and feel the real texture of the products. Despite the texture is written, cotton, silk or wool but some people need to feel the touch of the product on their skin and check the real color. Because the products are online so the color online might vary due to screen brightness and quality. Besides, the size may have an issue since there is no changing room online.

Product comparison:

Table 1. Product comparisons summary for a shirt on Zara and H&M.

	Zara	H&M
Perceived Quality	Good quality - cotton shirt	Good quality - cotton shirt
Pricing	49\$ after discount 25	Cheaper: 29\$ after discount 17\$
Suggestive selling	Many promo code and discounts	Many promo codes and discounts and loyalty programs.
Website features	Chat support, forum support, phone support, social media support, multiple payments	Chat support, forum support, phone support, social media support, multiple payments
Design of website	More attractive and more effective	Simple and easy to navigate. It can be better on the homepage.
Ease of website use	Easy	Easy

Figure 9. Shirt from Zara and a similar one on H&M (product)



Regarding the quality, I would say the quality of the product is less the same in both since the material is the same for example 100% cotton, however, overall the prices on H&M are cheaper than in Zara. Below it shows that the prices in H&M compared to Zara.

Figure 10. Prices on H&M for shirts:

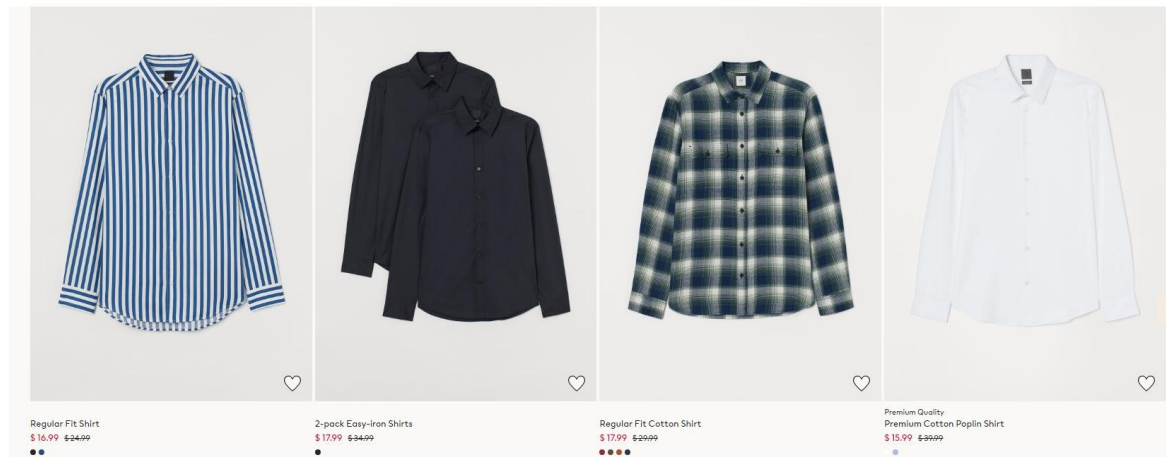
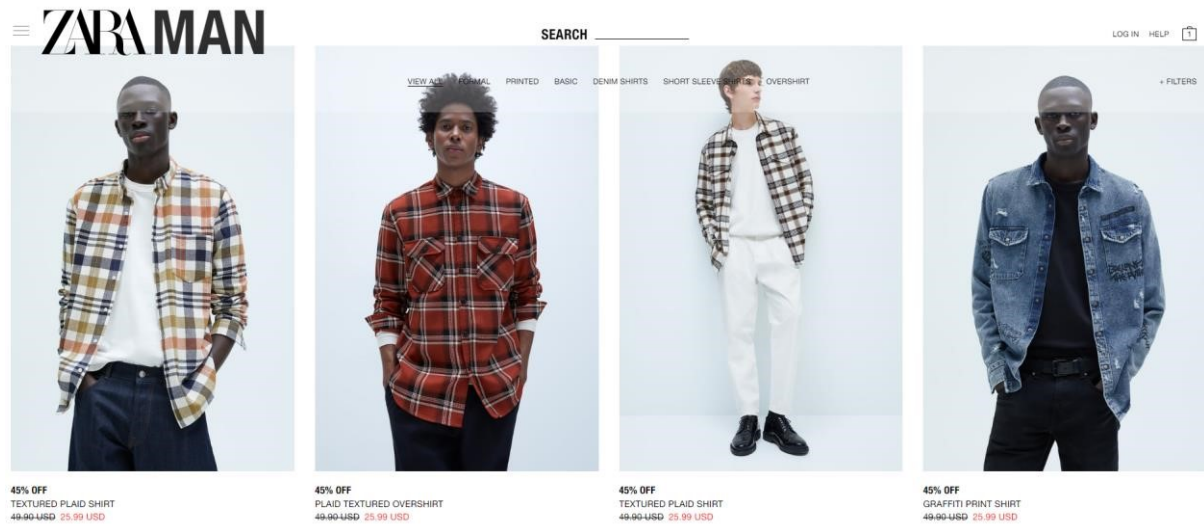


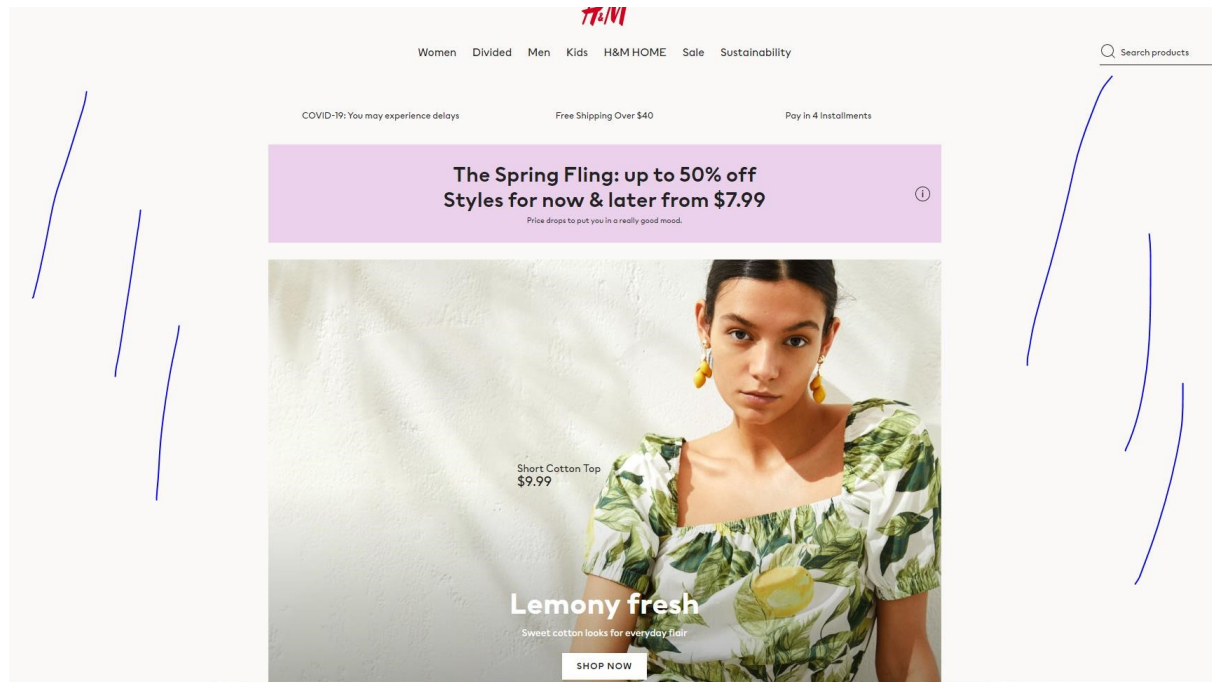
Figure 11. Prices on Zara for shirts



Regarding suggestive selling, there are many discounts offered on H&M than Zara. Also, H&M makes it easier for the user to know where the sales are and hunt them. This option is not available on Zara. The website's features are many, there is Chat support on both websites, that can be accessed 24/7. It supports various issues such as sales time, returns, refund, complains and payment issues. Besides, H&M offers a loyalty program for their customers that can accumulate points overtime to save more money in future orders. Concerning the design, the H&M home page could be improved since there is a lot of empty space in the margin that is not utilized it has an only white color (I have marked them in blue

dashes). But Zara's website is much more interactive, since they use video banners and, they utilize the full screen for the purpose of the best customer experience.

Figure 12. shows the lack of using the spaces on the H&M website.



Check out Processes:

Both websites require creating an account or proceed as a guest. The customer can't use social media accounts such as Facebook to sign in. After adding the product to the shopping cart and check out, the next step is to confirm the payment and the shipping address. I would say the two companies have tried to make the checkout as simple as it is.

The website offers a variety of payment methods to be used to guarantee any customer can pay regardless of the payment method. Also, H&M is offering a payment option called "pay later" in which customers can pay after 30 days or pay in 4 instalments and even monthly.

Figure 13. shows the Pay Later payment method on H&M

PAYMENTS

PAY LATER

Shop now. Pay later. A more flexible way to shop.

Try your items at home, and pay for them later. Your payment will automatically be deducted from your card after 30 days.

You need to be an H&M Member to use our Pay later service with Klarna.

Pay later works everywhere. Shop both online and in stores with the H&M app.

Keep control - purchasing power allows you to keep track of how much you can spend.

All your purchase information is available in '[My Account](#)' both online and in the H&M app.

More information about Pay later and how to use it in stores and online can be found [here](#).

You can find your payment information [here](#).

PAY IN 30

Shop now, pay later. You'll only pay for the items you keep. Your payment will automatically be deducted from your card after 30 days, no additional charge.

PAY IN 4 INSTALLMENTS

Shop now and spread the cost across 4 interest-free installments to be charged every 2 weeks. Every purchase will be evaluated and approved by Klarna. The maximum spend allotted is based on your history with the service. The longer you have been using 'pay in 4' successfully, the more likely you will be able to spend more. A minimum spend of \$35 is required.

MONTHLY FINANCING

Shop now and pay over time with Monthly financing. Minimum purchase of \$50 required. Additional fees may apply. Available online only.

You'll receive further information from Klarna after making your purchase.

Please note, H&M is unable to provide any details if you're not eligible to pay using Pay later services.

If you have any questions regarding your payment, please contact [Klarna customer service](#).

Find out more about Klarna's different services by visiting [klarna.com](#).

Figure 14. shows the available payment method on H&M

CARD PAYMENT

We accept cards with MasterCard, Visa, Discover and American Express symbol.

Keeping your online payments secure is our number one priority. That means you might need to verify your card payment with 3D Secure to complete your transaction. Contact your bank to learn more about 3D Secure authentication.

Encrypted transaction for your safety

H&M guarantees that your details are completely safe with us. All information is sent encrypted to ensure total security of any sensitive information. Read more in our [Privacy Policy](#).

Debit at dispatch of your order

If your card transaction is approved, the amount will be reserved immediately and an order confirmation will be sent to your email address. Your card will be debited when we dispatch your order.

If your card transaction isn't approved, your order will be cancelled. Please contact your bank or card provider if you have any questions about this.

PAYPAL

Pay in just a few steps:

1. Select PayPal as your payment method at the checkout.
2. You'll then be redirected to the PayPal website to proceed with the payment.
3. If you're already a PayPal customer, you can log in with your user details and confirm the payment. If you're new to PayPal, you can create a PayPal account and then confirm the payment.
4. You'll then return to hm.com and your order and payment will be complete!

Figure 15. shows the available payment method on Zara

< HELP

PAYMENT



Visa



Mastercard



American Express



Paypal



JCB



Discover



Gift Card



Apple Pay



Diners Club

Conclusion

Both websites are great when it comes to the products variety, quality, prices and shopping experience on them are quite fun. Despite I do not like the H&M website, I would select H&M over Zara because the prices are cheaper with good quality, they also have options to pay later. I will also recommend combining both local store and online experience unless the customer knows exactly what is going to buy when it comes to size, texture, color and comfy.