

OVERCOMING THE DIFFICULTIES CAUSED BY THE COVID-19 PANDEMIC BY USING ADAPTED MARKETING LOGISTICS IN THE “ZARA” COMPANY

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Review paper
UDC: 687:391+339.1
DOI: 10.5937/tekstind2204063J



Abstract: *The COVID-19 pandemic has changed the way people live on the planet. The global economy suffered the biggest blow. The fashion industry has been forced to implement significant changes in their value chains. The subject of the research carried out in this work is to look at the specifics of marketing logistics activities that companies operating in the fashion industry were forced to implement in order to adapt to the business conditions that arose as a result of the COVID-19 pandemic. The aim of the work is to point out the most important specifics of marketing logistics in the fashion industry in the conditions of the COVID-19 pandemic, using the example of the Zara company, which effectively and quickly implemented numerous adjustments, which enabled it to reduce the negative impact of the crisis event.*

Keywords: COVID-19, pandemic, fashion industry, marketing logistics, Zara.

PREVAZILAŽENJE TEŠKOĆA IZAZVANIH PANDEMIJOM COVID-19 PRIMENOM ADAPTIRANE MARKETING LOGISTIKE U KOMPANIJU “ZARA”

Apstrakt: *Pandemija COVID-19 je promenila način života ljudi na planeti. Najveći udar pretrpela je globalna ekonomija. Modna industrija bila je prinuđena da sprovede značajne izmene u njihovim lancima vrednosti. Predmet istraživanja koje je obavljeno u ovom radu je sagledavanje specifičnosti marketing logističkih aktivnosti koje su kompanije, koje posluju u modnoj industriji, bile primorane da sprovedu u cilju prilagođavanja uslovima poslovanja koji su nastali kao posledica COVID-19 pandemije. Cilj rada je da ukaže na najvažnije specifičnosti marketing logistike u modnoj industriji u uslovima pandemije COVID-19 na primeru kompanije Zara, koja je na delotvoran i brz način sprovedla brojna prilagođavanja, a koja su joj omogućila da umanjí negativan uticaj kriznog događaja.*

Ključne reči: COVID-19, pandemija, modna industrija, marketing logistika, Zara.

1. INTRODUCTION

Marketing logistics represents one of the basic elements that influence the positivity of business in the modern financial age [1]. In order for the business process to ensure an efficient flow of finished products, it is necessary to focus on the wishes and needs of con-

sumers [2]. The innovative approach to the implementation of logistics activities is driven by marketing logistics, unlike traditional approaches to logistics that are based on the supply chain and the companies involved in it [3]. Satisfying the wishes and needs of consumers is the task that has the greatest impact on the success

of companies' operations and their long-term competitiveness [4]. Effective implementation of all activities in the business segments that are related to marketing and logistics is the primary goal of marketing logistics [5]. Marketing logistics is the cause of the positive business of fashion companies, and as such has become an important segment of business management [6]. Without logistics the world stops. By applying marketing logistics in the business process, its functions are realized, i.e. to enable the smooth flow of products, in the appropriate quantity, to the right customers, at the right time, at a specific location [5]. Market business conditions have experienced tectonic changes thanks to the COVID-19 pandemic. The negative effects of the pandemic were particularly pronounced in the textile industry, when production had been decreased, retail facilities were closed, and demand fell [7]. The subject of the research carried out in this paper is to identify the specifics of the marketing logistics activities of companies operating in the fashion industry, during the COVID-19 pandemic. Along with theoretical research related to marketing logistics in the fashion industry, the paper includes a practical analysis of the case study of the company Zara Serbia, which used its marketing logistics in a very effective way to adapt to the changes that took place as a result of the COVID-19 pandemic.

2. BRIEF REVIEW OF MARKETING LOGISTICS

The expansion of the supply chain in the fashion industry is caused by the globalization of business and the rapid technical and technological changes that are continuously taking place [8]. Demandingness and pickiness of consumers today has a very important influence when buying fashion products [9]. The fluidity of changes in the market, as well as changes in consumer behavior, causes a large application of marketing logistics [10]. In the focus of such an application is satisfying the wishes and needs of consumers, instead of the technical elements of logistics processes that take place in companies [11]. Providing support for all activities that the company performs in the field of marketing, the smooth flow of information about products to distributors and the end customer is the basic task of marketing logistics [12]. Satisfying the wishes, demands and needs of consumers is the main reason for the emergence of marketing logistics. Logistics includes all activities that are carried out during the movement of raw materials and parts of products to production, their movement through the production process, transport to the place of storage and delivery to the place where they will be sold or to their consumers [2]. Participants in the supply chain

are all suppliers of the fashion company and all those companies involved in the distribution chain of its products [1]. The highest possible level of efficiency of logistics activities can only be reached if supply chains are based on partnership relations of all participants and their joint efforts to achieve that level [13]. Inbound and outbound logistics are the basic elements of logistics management. In the first case, these are all activities that are carried out until the end of product production, so they are often called production logistics. In the second case, which is better known as marketing logistics, these are all activities aimed at ensuring the efficient transfer of finished products to sales points, i.e. to consumers [7].

The transformation of the traditional physical distribution of fashion products, which occurred due to the inability to respond to the demands of contemporary fashion markets, influenced the emergence of marketing logistics [14]. For marketing logistics, the most important are consumer requirements, on the basis of which products are created and all activities within the value chain are defined, including the procurement of raw materials and materials necessary for the production of products that will be challenging for customers and for which they will decide to purchase [6].

Marketing logistics includes all activities related to the planning, implementation and control of physical flows of raw materials and products, as well as all the information related to these flows, during the entire production and distribution process, which the company carries out in order to satisfy consumer demands and achieve profit [3]. The task of marketing logistics is to ensure that fashion companies offer their consumers exactly the products they are interested in buying [15].

Marketing logistics is often mistakenly equated with physical distribution, which represents the flow through which a product passes from the company that produced it to the consumer [17]. Namely, marketing logistics includes all processes related to the handling of products and their transfer from the place where they are produced to the place where they are sold, that is, used [4].

The importance of marketing logistics in the fashion industry refers to those activities that should lead to an increase in sales and participation of the company in the markets where it operates [18]. Knowing that business costs are one of the basic and most important sources of competitive advantages in the contemporary markets of fashion products, it is one of the goals of marketing logistics to define cost rationalization and identify sources that enable higher levels

of efficiency for all companies involved in the value chain [19]. The business function, which was created as a result of the integration of marketing and logistics, represents marketing logistics. The task of marketing logistics is to ensure the successful delivery of the company's products. Everything that follows the activity of a company represents marketing logistics [20]. The focus of marketing logistics is to satisfy the wishes and needs of consumers, so that they are motivated to decide to buy the company's products, and not one of its competitors [17]. Marketing logistics should provide quick company responses to market changes and changes in consumer preferences and their requirements [1]. In addition, marketing logistics must ensure high levels of consumer satisfaction and the quality of all segments of the product distribution and sales process [6]. Of course, it is extremely important for marketing logistics to have good cooperation with all companies participating in its value chain and to provide the prerequisites that are necessary to ensure the lowest possible business costs [15], while the appropriate level of quality of products and services provided to consumers should be achieved. during their purchase and use [10].

3. IMPACT OF THE PANDEMIC COVID-19 ON MARKETING LOGISTICS

Modern business conditions are characterized by numerous changes that are very turbulent and fast and often unpredictable [20]. The intensity of business changes that occurred in almost all parts of the world and in all segments of human societies due to the emergence of the COVID-19 pandemic is the main characteristic of this global crisis [21]. COVID-19 has also led to changes in consumer behavior when purchasing, as well as factors that have an impact on the decision-making process on purchasing products or services [22]. In addition to the victims and the impact on people's health around the planet, the global economy suffered the biggest blow. One of the most significant consequences of the pandemic is reflected in the fact that consumers put a significantly greater emphasis on the basic elements of shopping compared to the period before the pandemic [23].

The most important goal of marketing logistics during crisis situations is the prevention of negative consequences that may arise in the company or its value chain, in their elimination or reduction [14]. Crisis situations, such as the COVID-19 pandemic, pose numerous challenges to companies operating in the fashion industry, which require them to implement comprehensive and rapid changes within the marketing logistics system [13]. The COVID-19 pandemic led

to a major global crisis, which resulted in major and rapid changes in all segments of society and the lifestyles of individuals [21]. The negative effects of COVID-19 are expressed in all business segments, with the fashion industry being one of the industries most affected by them [24].

Significant negative impact of the COVID-19 pandemic it also affected global clothing supply chains. Global brands and retailers canceled orders from their suppliers and contributed to this and decisions by the governments of many countries to restrict travel and gatherings. As a result, many factories clothing companies stopped production and fired or temporarily suspended their workers [20].

In the fashion industry, operating companies were forced to find ways that would allow them to adapt to the new conditions in the environments in which they operate in the shortest possible time and to the greatest extent possible [25]. The companies highlighted the adaptation of their business activities to the changed conditions on the market, the protection of the health of employees and consumers and the implementation of activities that were supposed to enable an effective response to the crisis that suddenly appeared and had unprecedented consequences [26].

Measures to reduce the effects of the pandemic COVID-19, such as home isolation, led to the creation of many companies and stores, which had the effect of reducing textile production and greatly reducing the overall demand for textile products. Like as a result, the consumption of clothes and shoes per inhabitant in in 2020 it was reduced compared to 2019, while, on the other hand, consumption of household textiles increased only slightly [20].

The changes in the markets brought about by the COVID-19 pandemic have had an extremely large impact on the way marketing logistics companies function [27]. Significant changes, which occurred as a result of the COVID-19 pandemic, also exist in the behavior of consumers, which are directed towards taking care of survival and meeting basic obligations [16]. Research conducted by the consulting company McKinsey & Company in March 2020 among 979 people from the USA, clearly and unequivocally indicates extremely large changes in consumer behavior and attitudes, which occurred as a result of the COVID-19 pandemic. Almost two-thirds of the research participants, 64% of them, answered that during the month preceding the research they had a feeling of depression, anxiety or both feelings. More than one third of the respondents, 39% of them, stated that they would no longer be able to pay their due obligations within a month of losing

their job. The respondents' answers lead to the conclusion that consumers, during the pandemic, single out the products and services necessary to satisfy the basic needs of life, whereby they have a significantly harder time deciding to buy fashion products, which are not classified as must-buys [28].

Before the start of the COVID-19 pandemic, there was a trend of globalization of business activities in the fashion industry, which was supposed to ensure the lowest possible production costs, which companies used as one of the main sources of their competitive advantages in the markets where they operated [27]. Business in the fashion industry had a global character, with most companies shifting their production to underdeveloped countries in Asia, where labor costs were at their lowest [21]. The COVID-19 pandemic made it impossible to efficiently transport from Asia to Europe and North America, which represented the most important markets for the sale of fashion products, thus significantly endangering the marketing logistics systems and supply chains of companies [16].

The COVID-19 pandemic has created a feeling of threat to their lives and health among consumers, which resulted in their emphasis on meeting primary needs, i.e. on ensuring safety [22]. Companies operating in the fashion industry had to adapt to these changes in a very short period of time and provide their consumers with a safe purchase that will not endanger their health [23]. Fashion companies are shifting the emphasis in their activities in the field of marketing logistics to online sales channels, through which consumers are given the opportunity to buy without establishing physical contact with sellers or other persons, thereby reducing the possibility of contracting the COVID-19 virus and its spread [29].

As a result of the pandemic, the problems that arose pointed out the shortcomings of the approach based on suppliers and production, which was located at large physical distances in relation to the company's most important markets [16]. A significant problem in the business models of a large number of companies engaged in the production of fashion products was the significant distances between certain segments of their business, such as locations where raw materials are procured, production, warehouses of finished products, markets where sales are carried out, etc. [25]. The COVID-19 pandemic has placed before companies the imperative to create changes to their marketing logistics systems, which will enable them to quickly and efficiently adapt to the changes that are taking place [23].

Numerous companies, as the fastest and most efficient way to solve the problems caused by the

pandemic, tried to introduce alternative partners in all segments of their supply chains and marketing logistics [30]. For companies operating in the fashion industry, the main challenge they face when adapting their supply chains to new conditions is to create an optimal relationship between the degree to which they are ready to accept exposure to risks and the degree of flexibility of their operational activities [17]. Some fashion companies managed to reduce the negative consequences that the COVID-19 pandemic had on their business [25]. A large number of companies that used this approach faced problems in situations where alternative partners also ran into problems that were a consequence of the pandemic [22].

The approach with the introduction of alternative partners in the supply chains and marketing logistics of fashion companies proved to be effective in situations where the emphasis was placed on risk reduction, which was most often done by choosing alternative partners located on other continents, compared to the primary one, or in parts of the world, in which the effects of the pandemic were not expressed to a large extent [31]. The introduction of new insufficiently verified partners is associated with increased risk levels as well as higher costs. Despite the fact that this approach can have negative consequences on the marketing logistics of companies operating in the fashion industry, due to the specificity of this activity and the changes that have taken place, in most cases it has led to positive effects [21].

A significant number of companies operating in the fashion industry have decided to establish cooperation with partners, where the industries located in their immediate vicinity are promoted, trying to reduce the negative impacts of the pandemic, especially those related to difficult transportation [19]. Using this concept meant putting emphasis on production that was in locations that were close to the most important markets and establishing cooperation with local suppliers [32]. The implementation of these changes also requires the implementation of comprehensive and extremely large changes in all segments of the company's marketing logistics [26]. This way of organizing business has enabled companies to divide business risks that arose as a result of the COVID-19 pandemic among a larger number of carriers, which can reduce the negative consequences of their occurrence [20]. Reduced transport costs stand out as a positive effect of focusing on local partners, while a significant negative consequence is the reduction of positive effects that are a consequence of economies of scale [23].

The changes implemented in marketing logistics must be analyzed by correlating the costs that arise as

a consequence and the effects they will have on the companies' operations, their position on the markets and the ability to meet the changed demands and needs of buyers of fashion products [24]. Significant and comprehensive changes to their supply chains and marketing logistics systems at the very beginning of the COVID-19 pandemic had to be implemented by companies operating in the fashion industry [27]. The aim of the changes was to provide the prerequisites that are necessary for companies to respond appropriately to the crisis situation that has occurred and to enable them to reduce the risks they are exposed to the lowest possible level [21]. The importance of analyzing the environment and the functioning of their marketing logistics was highlighted so that companies operating in the fashion industry could implement the necessary adjustments and changes [33].

As one of the ways to reduce the possible effects of the crisis caused by the COVID-19 pandemic, the creation of alternative scenarios of its development and plans based on which companies will react in the event of the realization of certain scenarios is imposed [34]. It was not possible to predict the onset of the pandemic, which is one of the main problems faced by companies operating in the fashion industry, just as its further course cannot be predicted [16]. COVID-19 also pointed to the importance of creating different types of response plans for companies in crisis situations, which can be extremely useful if one of these situations occurs [23]. Companies that have plans can quickly and efficiently react to crisis situations in the event of a crisis, and in this way they can provide themselves with competitive advantages [27].

4. IMPACT OF THE PANDEMIC COVID-19 ON MARKETING LOGISTICS IN ZARA COMPANY

The negative effects of the COVID-19 pandemic were felt in all areas of business around the world. The intensity of these effects differed significantly among different industries, but the fashion industry stands out as one of the industries in which the negative effects of the pandemic were most pronounced. The intensity of the negative effects of the COVID-19 pandemic was to a large extent a consequence of the fact that in the fashion industry most sales are made in traditional channels, which are most likely to be exposed to reduced sales and the consequences of the crisis [24].

Zara is an example of how a company that operates in the fashion industry, by effectively adjusting its marketing logistics, managed to greatly reduce the

negative consequences of the COVID-19 pandemic on its business [35].

The business model that Zara applied before the start of the COVID-19 pandemic greatly helped the company to adapt its business to the changes that took place in a very efficient way and to reduce the negative consequences that the crisis situation had and still has on its operations. Major changes are coming to logistics. In the future which is created by adaptive marketing logistic in Zara, a customer will order a product and 30 minutes later a drone will drop it off right outside his or her door [36].

The company Zara represents one of the brands that base their business on the efficient implementation of marketing logistics activities and on placing emphasis on the use of information and communication technologies. Zara is an example of how a company that operates in the fashion industry, by effectively adjusting its marketing logistics, managed to greatly reduce the negative consequences of the COVID-19 pandemic on its business [37].

4.1. About ZARA

Zara is an independent company, which operates as a brand of one of the world's largest fashion companies, the Spanish Inditex. In addition to Zara, Inditex's brand portfolio also includes the fashion brands Pull&Bear, Stradivarius, Bershka, Masimo Duttì and Oysho, as well as Zara Home, which sells small household items [38].

Despite the fact that each of the mentioned brands represents an independent company, they all operate within the framework of Inditex, which has the status of an umbrella company, which takes care of the business of all the mentioned companies. Ortega opened his first store in Galicia in 1975, and named it Zara. The company Zara started operating in 1975, when its first store was opened in the Spanish city of La Corunna, where the headquarters of Zara and Inditex are still located today. Zara experienced great success very quickly, which was largely the result of its innovative business model, which enabled it to have significant advantages over its competitors. The success of the business was reflected in flexibility, quick response to market demands and the opening of stores in the busiest locations in big cities. By 1983, the company had opened nine retail stores in the busiest locations in the nine largest cities of Spain [39].

Zara's expansion into foreign markets began at the end of the 1980s, with the opening of a retail store in Lisbon in 1988, followed by the opening of stores in Paris and New York over the next two years. From

the very beginning of its operations, Zara has a dominant share in the total value of Inditex's sales, which in 2019 was greater than 70% of the company's total revenues [40].

The good results achieved by Zara also affected the entire fashion market on a global level, with the primary goal of quick reactions to the changes taking place on the market and the introduction of a new category of fashion products, the so-called. fast fashion. The manufacturers of Zara are satisfied when in the online store, next to the product, there is the inscription "Out of stock", because in addition to selling everything, they attract customers to return and create even greater demand. The fact that something is unavailable creates an even greater desire to buy, and additionally motivates workers to work [35].

4.2. Adaptation of marketing logistics to the consequences of Covid 19

Effective functioning of all segments of the value chain and logistics marketing, from the beginning of Zara's operations, represented one of the basic and most important elements that influenced the success of its business [39]. In just a few weeks, Zara manages to offer in its stores products that have appeared in fashion shows. This ability represents one of the basic and most important sources of the company's competitive advantages. Zara uses online stores to power its logistics and distribution capabilities, which it has used to crush its competition. Marketing logistics, which Zara applies, allows it to reduce the process of product development and production to 10 to 20% of the time required by its competitors, which results in a much faster appearance of its new collections compared to the collections of competing companies [40].

The business segment that Zara pays the most attention to is marketing logistics, in order to ensure a quick response to consumer demands and changes that occur in the markets. Rapid changes and the influence of brands are characteristics that the fashion industry should have. Effective marketing logistics allows Zara to offer new collections to consumers before its main competitors, which significantly increases its competitiveness in the market and creates a brand image that defines trends among consumers [35].

One of the activities on which the COVID-19 pandemic had the greatest negative consequences is the fashion industry. The disruptions that took place at the global level after the start of the pandemic greatly affected the business of all companies in the fashion industry, including Zara. The biggest problem that negatively affected all fashion companies, including Zara, was the decrease in sales through traditional

channels, which was a consequence of consumer fear of the possibility of infection and the fact that a large number of countries have restricted or completely banned the operation of this type of retail stores [39].

Zara was a fashion company that managed to adapt its marketing logistics to the new business conditions in the market in the fastest and most efficient way [41]. In Zara, online sales increased compared to previous traditional sales channels. Zara is one of the fashion companies that has put emphasis in its marketing logistics activities on switching to online sales. The quick reaction and good selection of activities carried out within the company's marketing logistics resulted in an increase in online sales, which in April 2020 had almost twice the value compared to April 2019 [42]. Compared to the most important competitors, the constant alignment of marketing logistics with changes in the markets and new trends in this area have enabled the Zara company to adapt more efficiently and quickly to the changes caused by the COVID-19 pandemic. One of the elements that enabled Zara to adapt to changes in a better way was reflected in the structure of the value chain, which was focused on production in Spain and countries in its immediate surroundings (Morocco and Portugal). This way of organizing production greatly influenced the much more efficient adaptation of Zara's marketing logistics to new conditions [37].

During the first three months of the onset of the crisis caused by the COVID-19 pandemic, the entire Inditex group had a loss of 409 million euros, which was significantly lower than the losses of direct competitors Zara and other Inditex brands [42]. Zara managed to achieve significantly smaller losses compared to its most significant competitors, which strengthened the company's positions in markets that were shaken by the crisis, thanks to quick reactions to the changes that occurred as a result of the COVID-19 pandemic. Zara's most important competitors had significant problems in adapting their marketing logistics systems to the new conditions that prevailed on the markets during the initial months of the crisis, because they adhered to sales through traditional channels. Zara is the only company that very quickly managed to adjust its marketing logistics in a way that ensured an efficient and quick transition to online sales channels [43].

Zara's production facilities were much less distant from the facilities of its most significant competitors, which were, as a rule, located in Asia [41]. Zara's significant advantage is the proximity of its production facilities to the main distribution centers and the most important markets, which greatly facilitated its marketing logistics activities. In a short period of time,

Zara managed to adjust its marketing logistics to the situation in the environment. The main element that helped in this was a well-developed network of distribution centers in Spain, from which products are delivered to all parts of the world [44]. In order to eliminate the negative consequences of transportation problems, Zara emphasized the opening of delivery centers for products ordered online in all its retail stores. In this way, through changes in the marketing logistics system, the efficiency of logistics activities increased significantly, while reducing distribution costs and its complexity [35].

Zara is one of the companies that devotes extremely great attention to inventory management in its marketing logistics systems. Good inventory management was one of the most significant sources of the company's competitive advantages and it helped to a great extent that its marketing logistics and all other elements of business effectively adapt to the changes that occurred as a result of the COVID-19 pandemic [42]. Micro transmitters, which are used to monitor products from the moment of their production to the moment of their sale, were the element that helped to adapt to the new situation to an extremely large extent. Zara was the first fashion company to introduce this system, during 2008, which enabled products to be tracked in all warehouses, by automatically activating the transmitter when they enter the warehouse and deactivating it when they leave. This system provided an easy and quick transition to business conditions in which the emphasis is on online sales, given that it enabled real-time information on the availability of products in all warehouses [13].

During April 2020, a huge increase in online sales resulted in a decrease in the available quantities of products in distribution centers. Within just a few weeks, the amount of products was reduced by 10%, which began to affect the efficiency of the marketing logistics system [45].

In the period from the beginning of February to the end of April 2020, the value of unsold products of the Zara company was reduced by 226 million euros [40]. The company H&M, one of the most important competitors of Zara, did not implement changes in its marketing logistics after the start of the pandemic, which resulted in an increase in the value of unsold products, which amounted to more than 3.5 billion euros at the end of April 2020 [42].

The greatest emphasis is placed on the implementation of activities that will increase the participation of online sales in total sales values. After the end of the crisis situation, Zara uses the experiences

gathered during the pandemic as a basis for creating business plans. The advantages of online shopping have been realized by consumers of fashion products during the pandemic, which is why it is expected that this sales channel will continue to record significant growth in the future [31]. The share of online sales channels in the total value of Zara's sales at the end of 2019 was slightly less than 15%. Estimates indicate that at the end of 2022, online sales will account for 25% of the company's total sales value [42].

The largest number of stores that will be closed will belong to the company's other brands, with Zara having the smallest percentage share of closed stores in the total number of stores. Based on the changes implemented by the company during the COVID-19 pandemic and which are still being implemented, Inditex has made a decision to implement comprehensive changes in the marketing logistics of all its brands, which will result in the closure of 1,200 smaller stores by the end of 2022 [35]. The aim of these closures is to ensure the reduction of business costs, while transferring the employees who worked there to jobs related to online sales and delivery of ordered products. Inditex plans to open 450 new facilities by 2025, which will have a multifunctional character, as they will also be used for retail sales and will be distribution centers for products sold through online channels [44].

5. CONCLUSION

At the beginning of the crisis caused by the pandemic, Zara had a better position compared to most of its competitors. The company Zara very effectively took advantage of its marketing logistics, which was based on local production, which largely eliminated the problems faced by its competitors, which were the result of higher levels of complexity of supply chains and longer transportation. Zara very quickly managed to turn physical stores, which had to be closed or had very large reductions in the number of customers, into centers from which the delivery of products purchased through online channels was carried out. The COVID-19 pandemic has led to major disruptions and in all markets has created an economic, logistical and cultural worst-case scenario for fashion. Even a strong rebound in China during the second half of the year was not nearly enough to help the balance sheet. To the greatest extent, the negative consequences of the pandemic were felt by activities that were largely based on traditional forms of retail, such as the fashion industry. The negative effects of the pandemic in the fashion industry were expressed in two ways, through a reduction in sales in traditional channels and by consumers giving up shopping, which was a

consequence of satisfying lower-level needs, primarily those for survival. A particularly negative impact was reflected in the female workforce.

The management of Zara has already introduced an application that will provide consumers with information about the stocks of certain products in stores. Zara is an example of a company that adapted very quickly and efficiently to the changes brought about by the COVID-19 pandemic in the fashion industry. The priority was changes in the behavior of consumers and societies in general, which are estimated to remain in force even after the end of the pandemic. The named company managed to implement the necessary changes within the framework of supply chains and marketing logistics, which enabled it to adequately adapt to the new business conditions. Zara, unlike most of its competitors who targeted the elimination of its short-term consequences, approached the COVID-19 pandemic strategically, in a way that will ensure the most efficient adaptation of its business to the conditions that will prevail after the pandemic. During the second quarter of 2020, the share of clothing purchased online increased from 30% to 77%. A recent report from the Inditex Group marks 2020 as the worst year in the fashion industry, with a 90% drop in profits and a 15% to 30% drop in sales compared to 2019.

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Primljeno/Received on: 27.10.2022.

Revidirano/ Revised on: 30.11.2022.

Prihvaćeno/Accepted on: 1.12. 2022.

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