

# DigiPivot Poland 2025 - Final Case Study

ZARA

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# Customer Context

## Client Background

- Business Model  
Instant fashion with fast-rotating styles, full control over design, production, and distribution.
- Marketing Strategy  
Delivering latest trends faster and more affordably than competitors.
- Omnichannel Strength  
Seamless online and in-store experience (BOPIS, app integration, easy returns)

## Industry Trends

- E-commerce Growth: US and Canada apparel sales growing at 4-5% CAGR, reaching \$224B by 2025.
- Major brands are adopting hybrid retail strategies (integrating online and offline) as a response to pandemic-era shifts and competition from online-only players
- Social & Influencer Commerce: High influence from Instagram, TikTok, YouTube.
- Sustainability: Increased demand for eco-friendly and ethically sourced clothing.
- Competitors: H&M, Shein, ASOS, Uniqlo, Forever 21.

## Target Customer

- Age Group: Gen Z & Millennials (18-40), focus on 21-30.
- Gender: 65-70% women, 30-35% men (growing segment)
- Psychographics: Fashion-conscious, tech-savvy, eco-aware
- Preferences: Mobile-first and omnichannel shopping
- Categories: Women's Dresses, Men's Outerwear, Accessories and Sustainable Fashion

## Marketing Objective

- Goal: Reach 5M users monthly and drive \$20M in annual online sales and 10x ROAS
- KPI: Brand Impression (CPM), CTR, CPC, CR, ROI, CPA

## Channels & Campaigns

- Google Search Ads
- Google Shopping Ads
- PMax
- Display Network
- Demand Gen
- YouTube Ads

# Media & Campaign Planning - Media Strategy

Channel	Description	Role in Funnel Channel	Budget Allocation	KPI
Google Search Ads	I will capture users actively searching for Zara products (branded searches "Zara women's clothing") and fashion-related items (non-branded searches like "cute summer dresses online"). Separate campaigns for Women's and Men's product lines will use responsive search ads (RSAs) and tailored landing pages to maximise relevance and conversions. In addition, utilise ad extensions (sitelinks, price extensions, discounts, free delivery) for higher engagement and stronger CTR.	Lower-funnel	\$600,000 (30%)	CTR: Optimise through relevant ad copy, responsive search ads (RSAs), and ad extensions. CPC: Managed through automated bidding (Target ROAS, Maximise conversions). CR (Conversion Rate): Improved via tailored landing pages matching search intent. CPA/ROI: Optimise towards profitable incremental sales and track revenue impact.
Google Shopping Ads	Product specific ads to capture immediate buying intent. Showcase products visually with pricing and ratings directly within search results. Optimise product feed with titles ("Zara floral midi dress"), competitive prices, and high-quality images. Prioritise women's apparel due to high demand, supplemented by key men's products.	Mid-to-lower funnel	\$300,000 (15%)	CTR: Driven by compelling visuals, product titles, competitive pricing, and product ratings. CPC: Monitored closely to maintain efficiency (average \$0.79 in clothing retail). CR: Optimised through accurate, appealing product feed information.
PMax	Use Google's AI to drive incremental sales across Search, Display, YouTube, Gmail, Maps. PMax dynamically identifies high-value audiences, optimises towards conversions (target ROAS 800%-1000%).	Full-funnel	\$400,000 (20%)	CPA/ROI: Primary goal is optimising budget to maximise profitable conversions. CR: Enhanced by AI-driven targeting and dynamic creative assets. CTR/CPC: Indirectly optimised via Google's automated algorithm adjustments.
Display Network	Broad brand awareness and retargeting. Prospect new users via affinity (Fashionistas, Value Shoppers) and in market audiences (Women's Apparel, Men's Apparel), with contextual targeting on fashion-related sites. Use dynamic retargeting ads for site visitors and cart abandoners.	Upper-to mid funnel	\$200,000 (10%)	Brand Impression (CPM): Core metric to measure reach and frequency of awareness-building campaigns. CTR: Directly measured to assess ad engagement effectiveness (expected 0.5%). CPA: Key for retargeting campaigns to ensure cost-effective conversions. ROI: Evaluated through view-through conversions and post-engagement sales attribution.
Demand Gen (Discovery)	Native style ads appearing on Google, Gmail, and YouTube feeds to drive product desire. Ads will showcase new arrivals, fashion lookbooks ("5 Fall Looks from Zara"), or user-generated content style imagery. Target custom segments based on competitor searches ("H&M", "ASOS") and visitor similarity.	Mid-funnel	\$200,000 (10%)	CTR: Crucial metric measuring user engagement with native-style Discovery ads (aiming for 1%+). Brand Impression (CPM): Monitored closely to manage costs of mid-funnel brand exposure. ROI/CPA: Assisted conversions tracked to assess indirect sales impact
YouTube Ads	Mass brand reach, storytelling, and awareness. Skippable in-stream ads, YouTube Shorts, and YouTube for Action campaigns to build affinity, demonstrate aspirational lifestyle visuals, and retarget engaged visitors. Strong emphasis on engaging content and early brand placement.	Upper-to mid funnel	\$300,000 (15%)	Brand Impression (CPM): Critical for mass reach and brand-building campaigns. CTR/VTR (View-Through Rate): Evaluate engagement and ad resonance (target 20-30%). CPV (Cost per View): Optimised to manage efficient budget spend (\$0.05 target). ROI: Assessed via brand lift metrics (ad recall) and subsequent conversion activity.

# Media & Campaign Planning - Campaign Structure

Column1	Seasonal Focus	Q description	Product Category	Channels	Total Ads Q Spending
Q1 (January-March)	Post-holiday, Winter Sale, Spring Launch	Focus on conversion-driven campaigns during Zara's Winter Sale period and gradually ramp up brand-building as Spring collections arrive. Always-on Search and Shopping campaigns will capture sale-driven traffic and new arrivals. YouTube starts as an awareness driver, while Display remarketing reminds site visitors to complete purchases. PMax provides additional full-funnel coverage to capture interest and optimise towards high-intent actions.	<u>Women's Categories:</u> - Outerwear (coats, puffer jackets) - Spring Dresses (floral, midi, shirt dresses) - Sustainable Basics (organic cotton tops, denim) <u>Men's Categories:</u> - Winter Jackets & Parkas - Smart Casual Shirts - Men's Knitwear	Search (Sale intent), Shopping (Winter promos), YouTube (always-on), Display (remarketing), PMax (coverage)	20%
Q2 (April-June)	Spring fashion, Wedding & Travel Season, Summer Launch	This is a high-demand quarter featuring spring eventwear, travel fashion, and the summer drop. Shopping campaigns will push seasonal and new items with strong visuals and pricing. Search will capture non-branded category demand (e.g. "wedding guest dresses"). YouTube and Display build affinity through storytelling. Demand Gen is leveraged with fashion lookbooks and editorial-style. PMax supports re-engagement and scales conversions efficiently	<u>Women's Categories:</u> - Occasion Dresses (wedding guest, prom, graduation) - Summer Co-ords & Linen Sets - Accessories (sunglasses, handbags, jewelry) <u>Men's Categories:</u> - Linen Shirts & Summer Shorts - Casual Blazers - Men's Footwear (espadrilles, loafers)	Shopping (conversion focus and new arrivals), Search (demand capture), YouTube (brand push), Display (prospecting), Demand Gen (style/lookbooks), PMax (re-engagement)	25%
Q3 (July-September)	Mid-year Sale, Fall Launch, "Back-to-School"	After a slower July, budget ramps up for Fall and back-to-school style refreshes. Zara will promote both summer clearance and new Fall arrivals. Continue always-on Search and Shopping with category targeting (e.g. fall coats, men's jackets). YouTube showcases early Fall trends. Demand gen pushes seasonal lookbooks. PMax drives return traffic and uncovers conversion-ready audiences. Display remarketing supports shopping cart abandonment retargeting	<u>Women's Categories:</u> - Fall Dresses (long sleeve, dark tones) - Blazers & Layered Basics - Denim (wide-leg, straight fit) <u>Men's Categories:</u> - Fall Outerwear (bombers, trench coats) - Cargo Pants & Tailored Trousers - Polos & Layered T-Shirts	Search (always-on), Shopping (conversion focus and new arrivals), YouTube (brand push), Demand Gen (Fall fashion), PMax (re-engagement), Display (retargeting)	20%
Q4 (October - December)	Holiday Shopping, Black Friday, Gifting Season	This is the peak retail season. Heavy use of Search and Shopping to dominate sale-related and gifting queries (e.g. "Zara gift ideas", "party dresses"). YouTube delivers mass reach with festive video ads. Display highlights time-sensitive deals and reminders. Demand Gen showcases gift guides, occasionwear carousels, and retargets window shoppers. PMax handles omnichannel optimization, capitalizing on high purchase intent to push final revenue targets.	<u>Women's Categories:</u> - Partywear (sequin, velvet, satin dresses) - Giftable Accessories (scarves, handbags, perfumes) - Premium Coats & Boots <u>Men's Categories:</u> - Knitwear & Sweaters - Dress Shirts & Fragrances (giftable essentials) - Puffer Jackets & Boots	Search (intent peak), Shopping (gifting deals), YouTube (mass reach), PMax (high-volume retargeting), Display (sale promos), Demand Gen (gift guides/lookbooks)	35%

- The above splits the budget into distinct channels, but we will maintain flexibility. For example, if Performance Max is significantly outperforming others in ROAS, we might shift more budget to it mid-year. Conversely, if we see that YouTube is delivering extremely cheap reach and we haven't yet hit our 5 million user goal, we could allocate a bit more to YouTube in key months

Total Ads Q Spending is part of Budget Allocation, e.g., “



# Media & Campaign Planning - Benchmark & KPI

KPI	Description
Reach & Impressions (CPM)	The goal is to reach over 5 million unique users and generate tens of millions of impressions throughout the campaign. I rely on YouTube and Display Network for upper-funnel reach, with CPM benchmarks of \$4–10 for YouTube and \$12 for Display. Impression delivery and unique reach will be validated via Google Ads and YouTube reports.
CTR	I aim to drive high engagement, targeting 3–5% CTR on Search, 3–4% on Shopping, and at least 0.5% on Display. Discovery campaigns are expected to hit 1%+ CTR due to native formats, while YouTube will focus on VTR with a benchmark of 20–30%. Strong CTRs signal relevance and support lower CPC and CPA downstream
CPC	Aim to maintain an average CPC below \$1.00 across channels. Search CPCs will range from \$0.50–\$1.00, depending on branded vs non-branded queries. Shopping is expected to deliver at \$0.79. Display and Discovery will likely fall between \$0.50–\$0.80, while YouTube CPV should average \$0.05 for efficient video engagement.
CR	Targeting a ≥3% overall conversion rate, with Search and Shopping expected to convert above 5–6% due to strong purchase intent. Display and YouTube may show 1–2% direct CR, but have a critical assisted role in cross-channel conversions. CR will be closely connected to landing page optimisation and match between creative and audience.
CPA	With a goal of \$10 CPA and 10:1 ROAS, I will monitor acquisition cost across all channels. Search and Shopping should deliver the lowest CPAs, PMax will optimise for CPA and ROAS, and YouTube/Display will be assessed via view-through conversions. CPA will be benchmarked against AOV (\$100) to ensure profitability.
ROI	I will articulate ROI in business terms. A \$20M increment on \$2M spend is a 10x return (which is very good). I will ensure that tracking (using Google Analytics, conversion tracking with revenue values, etc.) is properly attributing sales to the campaign. My KPI dashboard will show how each \$1 is contributing to revenue. If any channel is underperforming (say a ROAS of 2), I will try to correct it quickly. Conversely, channels beating the 10x target might get more budget

- All figures are based on US & Canada market reports. Using these, I am able to estimate the price
- Regular reporting will compare these KPIs against the benchmarks: e.g., “Search CPC this month was \$0.90 vs industry \$1.16 – good”, “Overall ROAS is 9.5x vs target 10x – slightly behind, perhaps due to upfront awareness spend, expected to improve in next quarter’s retargeting push” etc. By the end of the campaign, success will be defined by hitting or exceeding \$20 million online revenue and 5 million+ people reached, within the \$2M spend, while also strengthening Zara’s brand equity in US & Canada for sustained future growth.

# Conclusion & Recommendations

Campaign Objective	Target Audience Focus	Media Focus	Recommendations
<ul style="list-style-type: none"><li>Reach 5M monthly users and generate \$20M in incremental online sales across the U.S. and Canada through a full-funnel Google media strategy.</li></ul>	<ul style="list-style-type: none"><li>Primary: Gen Z &amp; Millennials (18–40)</li><li>Gender split: 65–70% Women, 30–35% Men</li><li>Behaviors: Fashion-conscious, mobile-first, influenced by TikTok, YouTube, and value-drive</li></ul>	<ul style="list-style-type: none"><li>Awareness: YouTube, Demand Gen (Discovery) drive mass reach and inspiration for collections</li><li>Consideration: Google Search (branded + non-branded) and Shopping to capture high-intent users</li><li>Conversion &amp; Loyalty: Performance Max, Display, Dynamic Retargeting to drive final conversions, upsell, and remarket</li></ul>	<ul style="list-style-type: none"><li>TikTok-style storytelling using YouTube Shorts and Demand Gen to reach Gen Z with native, short-form content.</li><li>Shift media investment by season, aligning more spending to key cultural moments like weddings, gifting, and back-to-school.</li><li>Reserve 5–10% of the budget for experimental formats — including interactive ads, influencer-led Demand Gen, and new YouTube placements.</li><li>Develop tailored creative for ZARA’s sustainable collections and run them in eco-conscious contexts, like green lifestyle content on YouTube and Display</li></ul>

# Thank you