“Marketing lessons learned from successful start-ups in the fashion industry”

As a starter in the fashion industry, usually you don’t have any brand recognition to get you in the door, most often the budget is limited and a lot of times it’s about dealing with potential customers in a completely digital atmosphere. Marketing a start-up can be quite a challenge as brands are dealing with large competition, the need to generate sales opportunities, barrage of digital marketing opportunities, budget, time and human resource limitations. The business has no history yet, estimates are hard to define and, the aim, to a certain extent, is survival (Agrawal, 2017). Especially once it comes to the fashion industry, it is also about establishing a ‘meaning’ and having an added value, not just the products itself. Given these challenges, marketing strategy in a start-up consists most often of identifying a set of priorities, taking decisions and executing them. Very often the intended goals overlap and/or have an equal importance, therefore it’s necessary to establish balance. By saying ‘establishing the right balance’ I mean that it is necessary to assure which are the priorities that require most in-depth focus. For an example, may it be developing brand’s presence in online platforms, establishing retail connections or putting all money in controversial advertising. Especially once it comes to starters, it would often be easy to lose focus on some of the main goals and instead put all efforts into short-term fixes.

What some start-ups often do is look at examples given by big corporations and trying to apply similar tactics to their businesses. In his article “Why big company sales and marketing is wrong for start-ups”, Chris Grannell states that “ambitious start-ups should resist emulating the sales and new marketing practices of established companies if they want to succeed in new markets”. Perhaps this really isn’t the most efficient way to start-off, as the main difference between a start-up and an already established brand is the fact that start-up as a company is designed to scale very quickly. It is this focus on growth and getting noticed, instead of continuously reminding that “we are still here”.

Peter Drucker has said: “whenever you see a successful business, someone once made a courageous decision”. I believe this could also be one of the key reasons why there is no strategic setting or an approach that would guarantee the same kind of an outcome for two different start-ups. Despite that, there surely are lessons that young creatives willing to start a business can learn from others who have already managed to gain some recognition and open a wedge in the industry. By performing in-depth case studies, I have identified four different strategic sets of approaches which have helped different (once) start-up brands to make their first impressions.¹

**Tapping into the Hype**

This particular setting has a lot to do with presence on digital platforms. For example, by recognising that your ideal customer would more likely to be inspired throughout social media than flipping through a magazine. Bypassing ‘traditional marketing’ and going straight to what would become the greatest source of brand awareness - Facebook and Instagram. Consequently, this also involves paying a lot of attention to smart optimisation algorithms and using unique features such as hyper optimisation². Automatisation and optimisation of campaign conversions and KPI’s are at the core of it. It requires to constantly find the perfect balance between brand awareness, engagement and performance driven campaigns. Nevertheless, ability to quickly adapt to every innovation and react to what’s happening on social media is crucial - may in be offering a t-shirt

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¹ As requested by companies which are subject of my research, I have agreed to ensure full anonymity and put all emphasis on their applied marketing practices instead.

² This engine optimises campaigns automatically by shifting budget to the best performing target groups, ads and prevents ad fatigue by ad rotation.
with a catchy slogan, communicating a captivating message through an ‘Instastory’ or holding an open discussion event in a retail environment.

With that in mind, an offline appearance isn't less important. Ensuring full brand resonance everywhere is what works. And yet, it is an equally technology driven goal to provide a seamless experience. Not to be mistaken, even though this particular setting might seem like a quick tool to boom and generate sales, it is the willingness to make a positive impact and to allow consumers to identify with your product that determines durability at the end of the day.

It is definitely a very contemporary set of approaches (e.g. smart optimisation algorithms, influencer marketing scenario), however may as well bring in a few challenges. When reaching a certain level of power, brand would eventually need to, rather quickly, define their identity and find the correct tone of voice to be able to continuously grow.

Rebelling against the industry

As the title itself implies, this setting entails doing something that’s the opposite of the norm or what the consumer would commonly be used to. I will use an example of applying a circular business model and embracing conscious shopping while telling the 'story' in an almost educational narrative. The decision to start such a concept comes from having the determination to tackle some of the uncomfortable topics in the industry, such as the harmful way of producing apparel. Being one of the first in doing something like this automatically helps to trigger media and consumer attention. Long story short - free exposure and publicity is almost assured. It also helps to speak to a very engaged group of people in a truly genuine manner. Subsequently, having a practically committed community around the brand does well. When it comes to the way of communication, it’s more the story ‘behind the brand’ not ‘about the brand’ that gets told. However, most possibly when applying such a business idea, the ultimate goal would either be to revolutionise the field (to eventually reach the ‘mainstream’ level) or to see a much bigger cooperation acquiring the same kind of an idea.

Collaborating with the ‘big names’

One of the other ways to make sure your name gets heard is to somehow get ‘under the wing’ of another, much bigger brand. It would most likely mean doing something that the ‘big brand’ is currently not offering as they are not willing to take the risk of the possible failure. If you manage to offer a good balance between design uniqueness, product quality and an affordable pricing - that could be just the right starting point. In the researched case, one of the secrets was the previously mentioned ability to find the correct balance and making sure that brand is available in all of the best retail environments worldwide (e.g. Selfridges, Barney’s, etc.). Even if is not the easiest decision to go for, it is the ability to stay committed to a certain resolution as well as having a flexible approach that works. Ultimately, after making the first entry and having the name out there can bring in collaboration offers. For instance, it can translate in a form of a collective limited edition product line. After all, it is a pretty smart move financially as well - shared products, shared expenses.

Unforeseen hobby realisation

This might be one of the most common cases when it comes to the fashion industry. Doing something that you personally like and making it public online can eventually captivate the interest of your ‘followers’. In some way, this kind of a business is likely to rise rather unexpectedly, by collective requests arriving from the attentive clients. Even though it is presumably coming from a very post-modern point of view, I believe that in order to capture audience’s interest and to truly turn it into a business - it requires internal expansion from being a ‘one person company’, which
could most likely be the case. Before we can tackle anything else in depth, perhaps one of the most confronting factors really is the limited cause of a human capital. Hereby, I’d like to refer to what Lee Iacocca has said: “In the end, all business operations can be reduced to three words; people, product and profits. Unless you’ve got a good team, you can’t do much with the other two.” Having said that, a good organisational system within the back-office can be a fundamental stone on the way to prosperity. Therefore, instead of having an ongoing set of priorities to work on, the work behind the brand is much more likely a continuous learning process, a constant trial & error attitude.

In order to summarise and draw a clear framework, I have structured the main outcomes of the above described case studies in four subdivisions: brand strategy, offline sales, digital marketing and growth/success.

1. **Brand strategy**
   Having an already established strategy laid out in steps is hard to follow at a young stage of a brand lifecycle. With the application of trial & error it’s easier to adjust and react simultaneously. Finally, it can help to grow and to reach a certain point of power. As soon as this point is reached, it is only then that working according to a more strategically planned model, therefore setting targets in advance and aiming to meet them really makes sense.

2. **Offline Sales**
   While you’re still in a starters position, doing wholesale to ensure offline presence is the most likely scenario. At the same time, it can be very tough to persuade buyers to purchase your product. Next to this, there are other challenging financial and information factors. The flow of money requires a lot of time and gives more of an economical power to retailers than it does to brands. Retailers also have a firsthand when it comes to retrieving consumer related information. It often doesn't get shared with brands and, if is, can still be inaccurate and is a difficult measure for statistical purposes. And yet, if you can manage to offer a somewhat unique product that someone finds interesting enough to talk about, possibly you can also succeed in attracting retailer attention.

3. **Digital marketing**
   For a start-up to be able to afford a social media/digital marketing analyst role in the team is a far-reaching investment. Today this shows to be one of the highest added values to the back-office of the brand. With current high focus on technology, there’s a much stronger connection between tech-world and fashion marketing than it might appear to be. Applying a tech start-up (offering fashion products) approach could be another way to scale very quickly.

4. **Growth/Success**
   Undeniably, financial prosperity is one of the drivers for companies in order to grow. With that in mind, it can also appear to be one of the key components of what start-up representatives consider as the most favourable result. Unlike my expectation, the main idea of success actually lies in something a little less tangible. Seeing and feeling that a brand has made an impact and set footsteps towards a ‘positive change’ (and there are many speculations of what exactly that could be) seems like the utmost long-term goal and overall mission.

Overall, it is not just one approach or a previously planned strategy that determines a successful entry in the market. It is rather a set of various marketing activities and could ultimately be related to the theory of ‘expeditionary marketing’. It involves analysis of all resources available to the company, out of the box thinking and willingness to take risks. Since we're talking about the fashion industry, all of these elements should also have a little bit of emotionality added. After all, it is very much about doing what feels right and less about planned, mathematical steps. All things considered, it is very difficult to identify suitable marketing approaches or strategic decisions right from the start. As simple as it sounds, my assumption lies in having a courageous organisation idea at the very core - may it be a circular business model, influencer (or tech-related) marketing scenario or having your brand do a collaboration together with Balenciaga.
A conclusive article by Andra Adamovica which is the final product of the original Bachelor’s thesis study “Marketing practices for Start-ups in the fashion industry” at the Amsterdam Fashion Institute.

References used in the article

