Limón

Digital Marketing Strategy

Laura From

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Executive Summary

Limón is a young company on its way to become the **best rental clothing provider** of Finland. It aims to **create value** for its customer by offering easy to wear fashion products provided by **effortless customer experience**. And all this with lower emissions as it takes part in the **circular economy** trend offering a more **sustainable** way to consume **fashion**.

The main goals of the digital marketing strategy:
- grow **brand awareness**
- place Limón as part of the consumer's **evoked set**
- grow annual business by 25%

Future suggestions to maximise performance:
- further increase the use of **data driven** and **automated marketing**
- increase use of **AI** and establish use of **AR** to enhance the **customer experience**
- set up a **virtual influencer**, based on data, to create even better targeted content

The strategy will be **evaluated** on a quarterly basis utilising **metrics** from, for example, the Meta Business manager and Google Analytics and **adjusted** accordingly if necessary. With these actions and by following the digital marketing strategy, we believe we will reach our goal of becoming the best rental clothing provider.

Our Team

Tea
Mertaniemi

Laura
From

Agenda

1.Company & market analysis

Limón

Is the big sister whose clothes you so desperately want to borrow - except this time you won't have steal. Limón is a Helsinki based **clothing rental shop** established in 2019. Limón operates in online channels offering you fashionable everyday wear with lower emissions. We want you to feel good in our clothes and have fun with us.
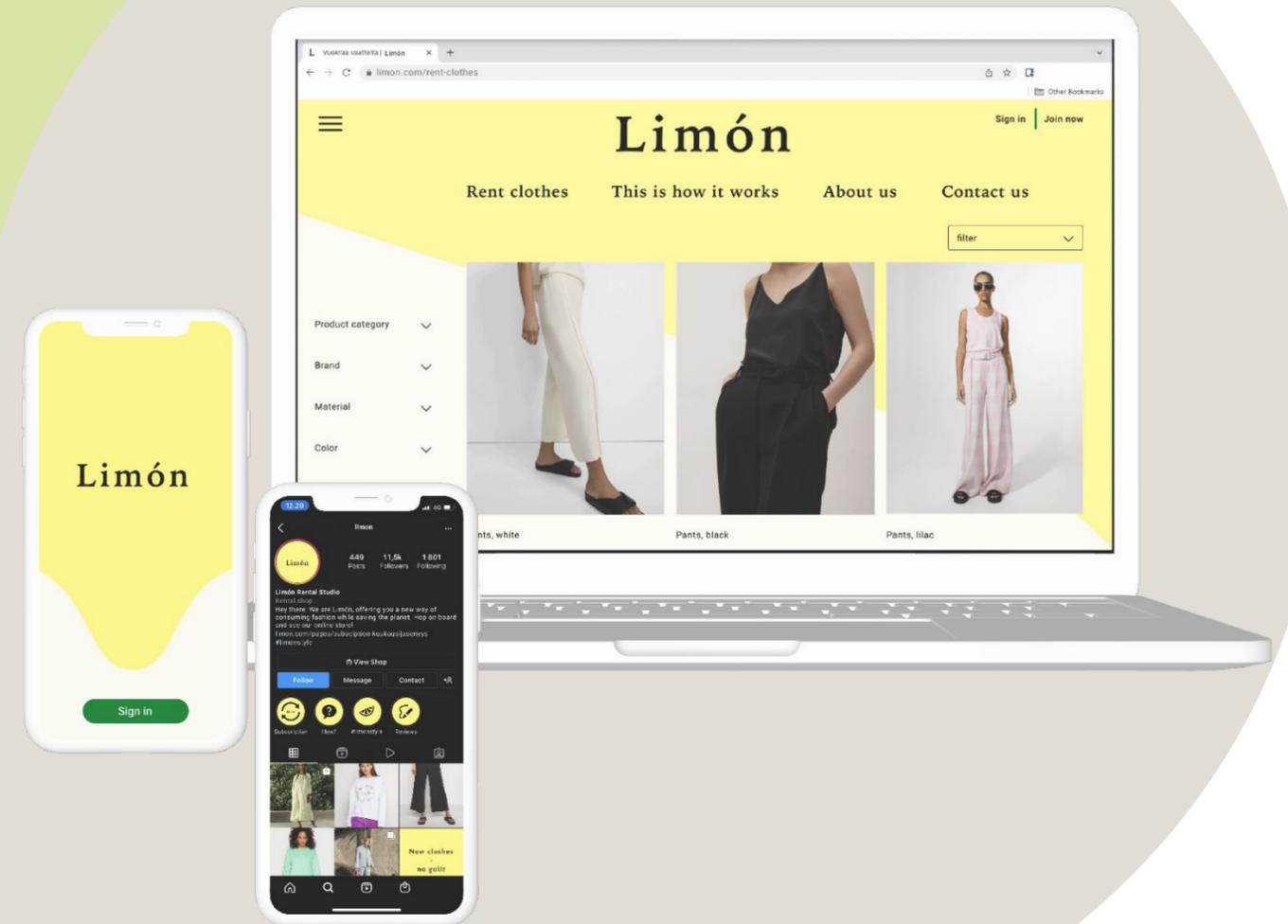
Vision.

Be the best rental clothing provider in Finland of everyday wear offering real inspiration for its customers.

Mission.

Create value to Limón's customers by offering easily combinable fashion products and effortless customer experience.

Market Analysis

Competitors can roughly be divided into three groups

01

Other clothing rental stores

In the time of sustainable consumption clothing rental is an upcoming topic. There are some straight competitors in the business working both online and from stores in Finland. Many focus on quality and high-end clothes with prices at the higher end of the scope.

Companies like: Ateljé, Vaatepuu

02

Second hand shops

Buying second hand can also be seen as competition. Second hand clothes are also considered more sustainable and drive some of the same values as Limón stands for. However it might be hard to find the special pieces between all the junk. Since Limón is an online player the focus in competition is online.

Companies like: Zadaa, Tise

03

Traditional clothing retailers

Competitors are the clothing retailers and brands that Limón offers. A customer has the choice to choose to either buy the item or rent it for a shorter period of time. The needs are a little bit different but are relevant especially for clothes that you need for certain occasions but won't wear all the time.

Companies like: Marimekko, Levi's, Arket, COS

Positioning

Key differences and competitive advantage:

- assortment is always available online → easy to know what we offer and what is up for grabs at the time

- reasonable pricing with clothes for everyday wear but also some for more special occasions

- less risk compared to buying as you are only committing for a fixed period of time

- clothing bundles of 1-3 pieces

Age target group old

Everyday clothes

Special occasion

YAATEPUU

The Ateljé

Limón

ZADAA

Age target group young
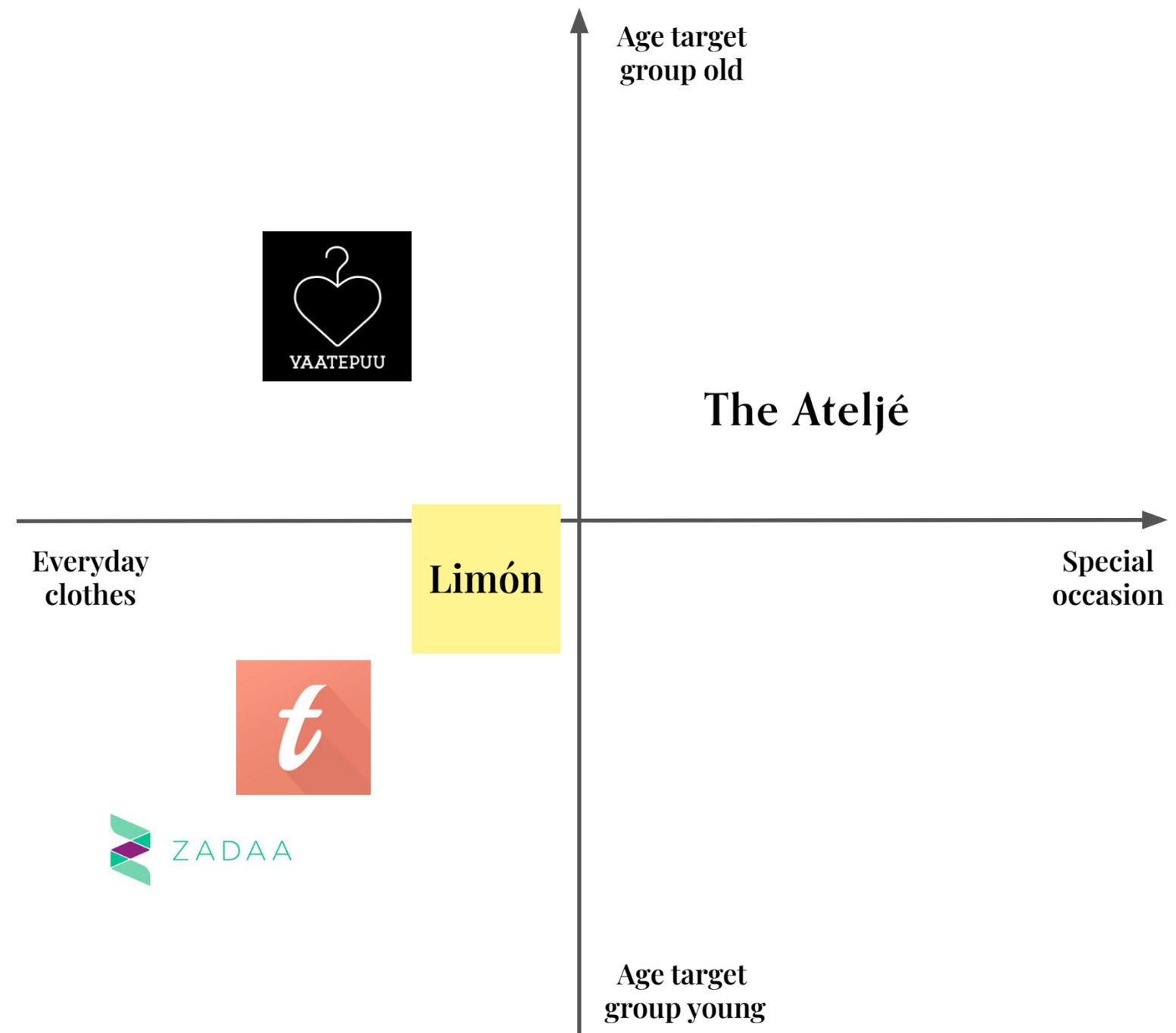
Target market

Customer Segmentation

Demographics:
- Women
- 20-40 year olds
- medium to high income level

Geographics:
- Living in Finland

Psychographics:
- Interested in sustainability and circular economy
- Interested in fashion
- Active lifestyle of meeting friends and working outside the home
- Active on social media

Behavioural:
- Conscious spending
- New visitors as well as returning visitors & customers

Consumer Persona

SUSTAINABLE TREND-FOLLOWER

Demographics & Geographics:
- 28 year old woman
- Lives in Espoo
- Degree in economics
- Works in accounting

Office and free time:
- Is active on instagram and likes to scroll through TikTok
- Weekdays going to the office and weekends out seeing friends at smaller dinner parties or bigger festivities
- Makes most of her shopping online

Interests and values:
- Core value of sustainability in consumption
- Likes to follow trends and update outfits regularly
- Looking for easy solutions to solve outfits for different occasions

SWOT Analysis

Strengths
- Competitive pricing
- Offering reaches larger target audience
- Part of a constantly growing market trend: circular economy
- Can be easily combined with trends such as capsule wardrobe

Weaknesses
- Challenging to meet the taste requirements of a large target audience
- Customers might resist the monthly subscription plan, which adds uncertainty on future cash flows
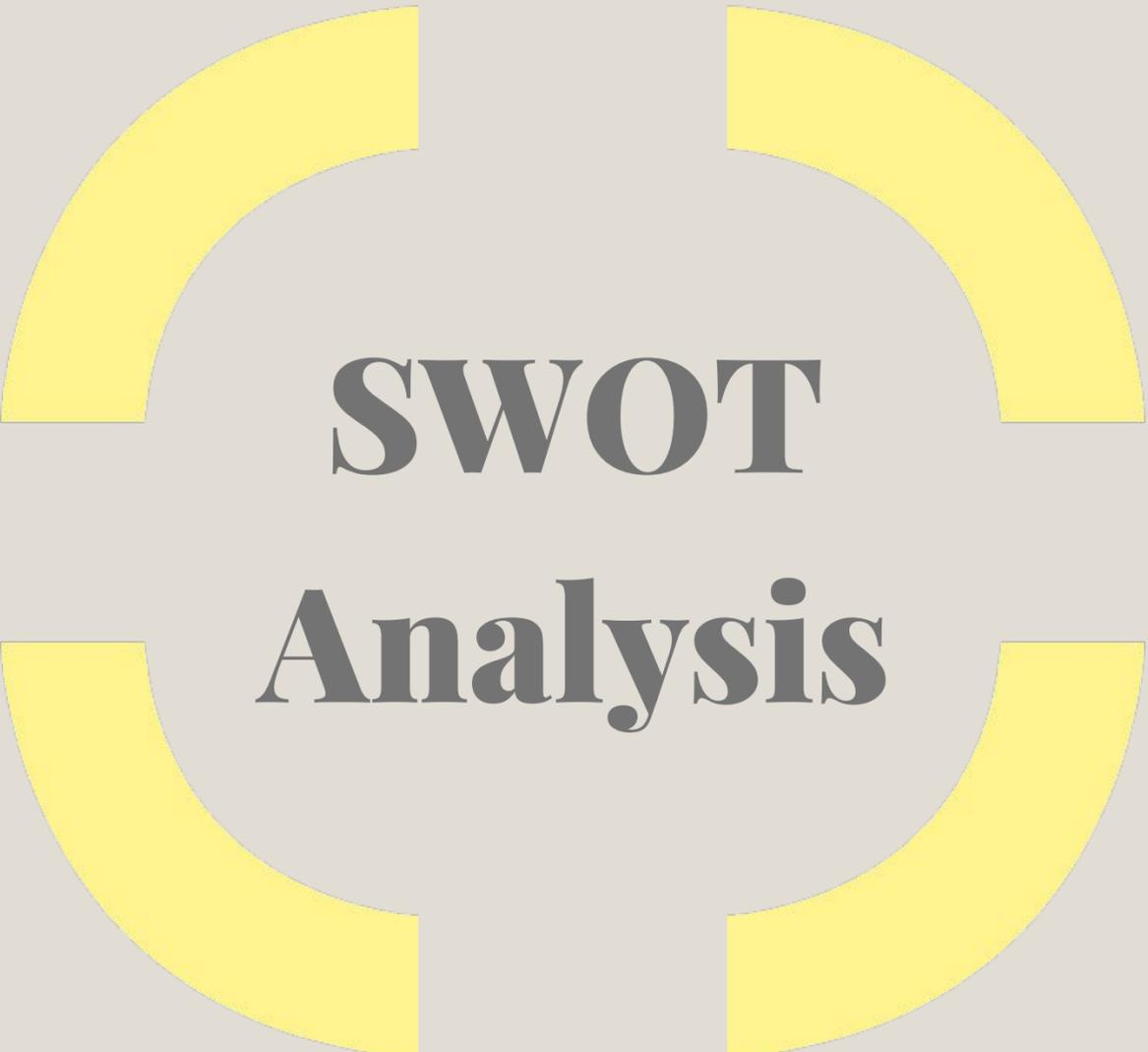
Opportunities
- Scaling opportunities in the future by having brands as subcontractors which reduces the financial risk
- Target market can be expanded to different ages and genders as well

Threats
- Fashion brands could easily create similar services with already existing large pools of committed consumers
- Fashion market is highly competitive

2. Digital marketing strategy

Why digital marketing matters?
The consumption of traditional media occurred in defined blocks of time, but nowadays consumers can consume almost any content, that media produces and delivers, anywhere and anytime on their mobile devices.
(Lee & Cho, 2020)

Goals & Objectives

Short-term:
- More traffic to online channels
- More users for the service
- Grow social media engagement and amount of followers

+

Long-term:
- Increase customer value to gain long lasting customer relationships
- Grow business by 25 % on an annual level

=

Brand awareness
&
Limón as part of the **evoked set**

Metrics:

- Google analytics
- Conversion rate
- Engagement, impressions and reach

- ROI
- Revenue growth rate

Digital Marketing Scope of Limón

| SEO & SEM	Social Media	Influencer Marketing	Email Marketing
Reach & Activate	Reach, Engage & Activate	Reach & Engage	Activate & Nurture

SEO

For optimal visibility in Google searches

Search engine optimization with **aim to drive traffic to our online channels** like our webshop pages

- mapping out target keywords with help of Google Trends
- find the keywords for us that we start boosting on our site as well as in marketing messages
  - examples: Vaatelainaamo building category together with competitors and reaching right target market

Webshop optimization

- create metadata for product pages for Google search
- Make sure all products and product pictures are named correctly to help us show up in relevant search results
  - offer people looking for certain clothes or brands the option to rent it rather than buy it
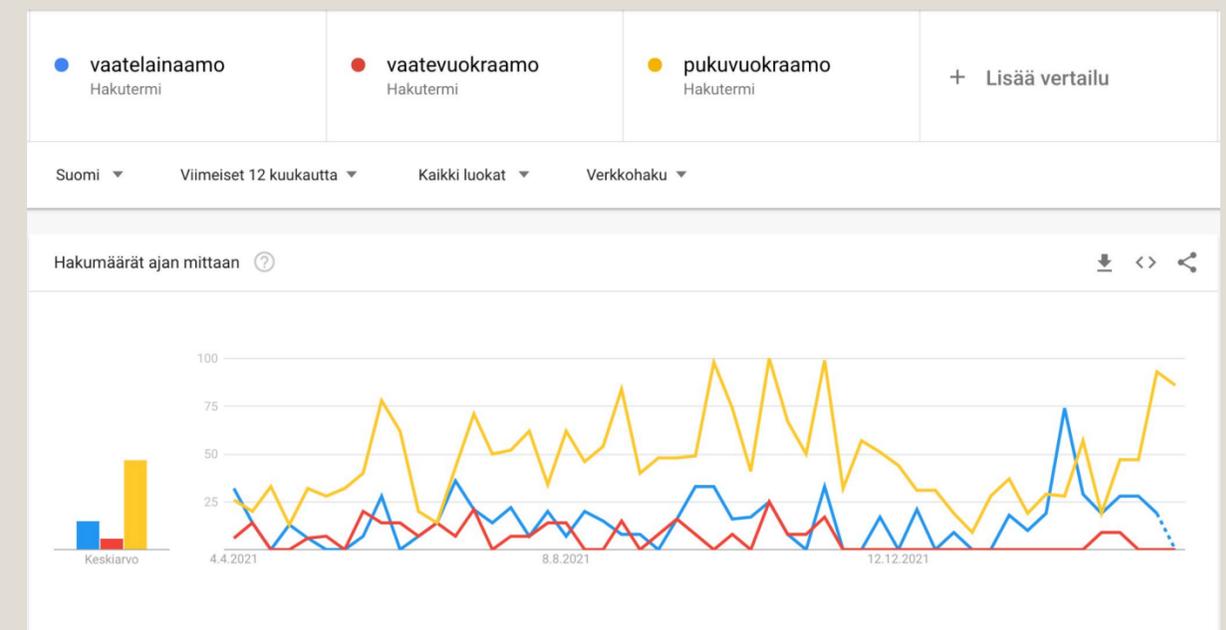
SEM

For optimal visibility in Google searches

Search engine marketing with **aim to drive traffic to our online channels as well as conversion**

Search engine marketing

- Google Shopping campaigns
  - product pictures with aim to drive customers to website and make orders
- Keyword marketing three ways:
  - Relevant keywords that describe our business like "Vaatelainaamo"
  - Other keywords that are similar to our business and getting lots of hits like "pukuvuokraamo" or "second hand" with a way to offer alternative way to shop
  - Need based search words on what people are looking for like "housupuku"
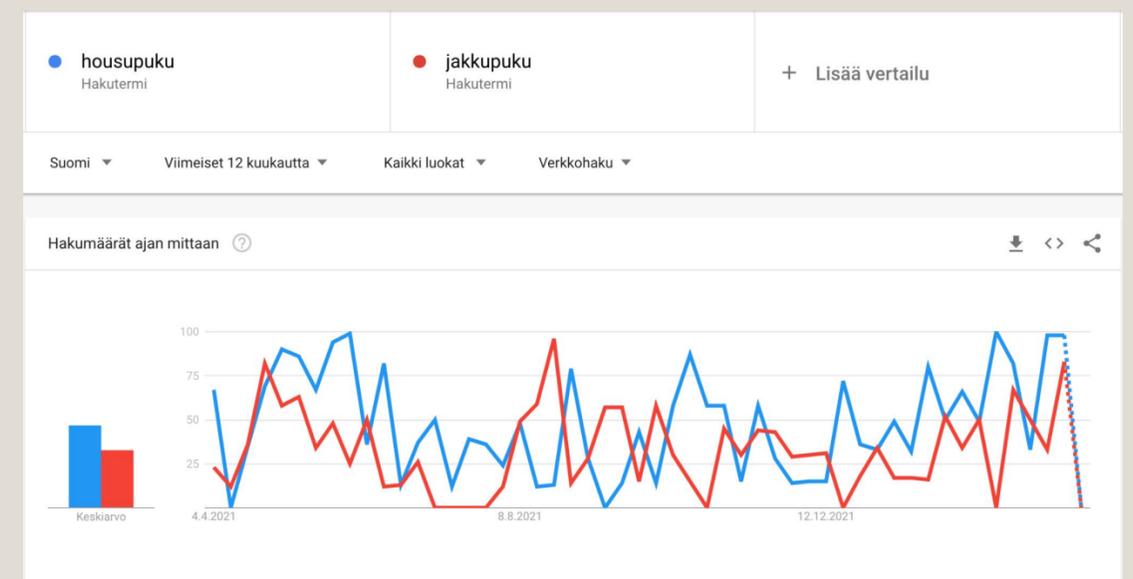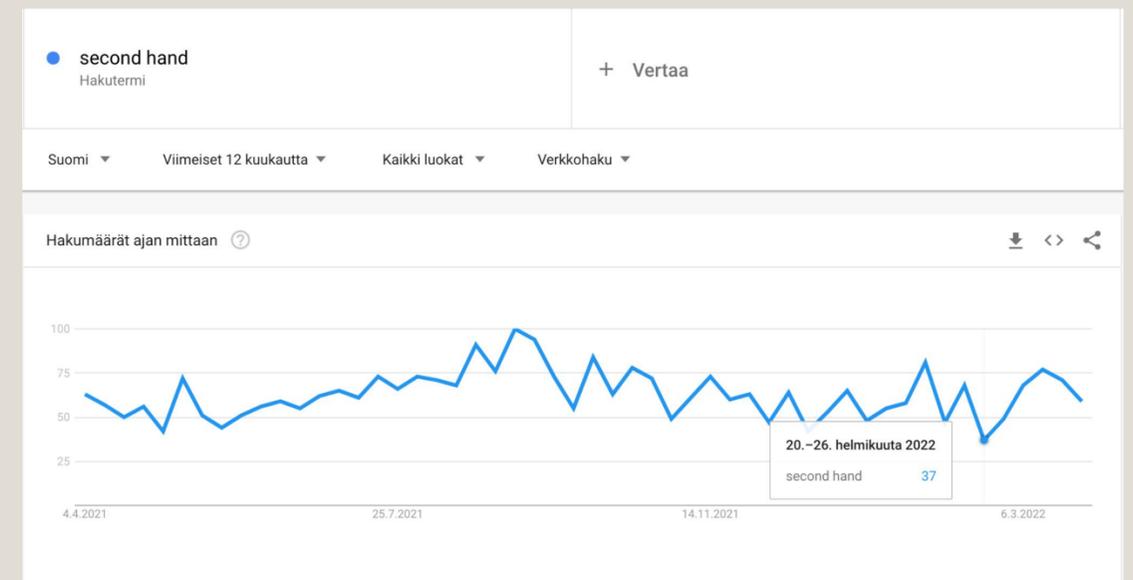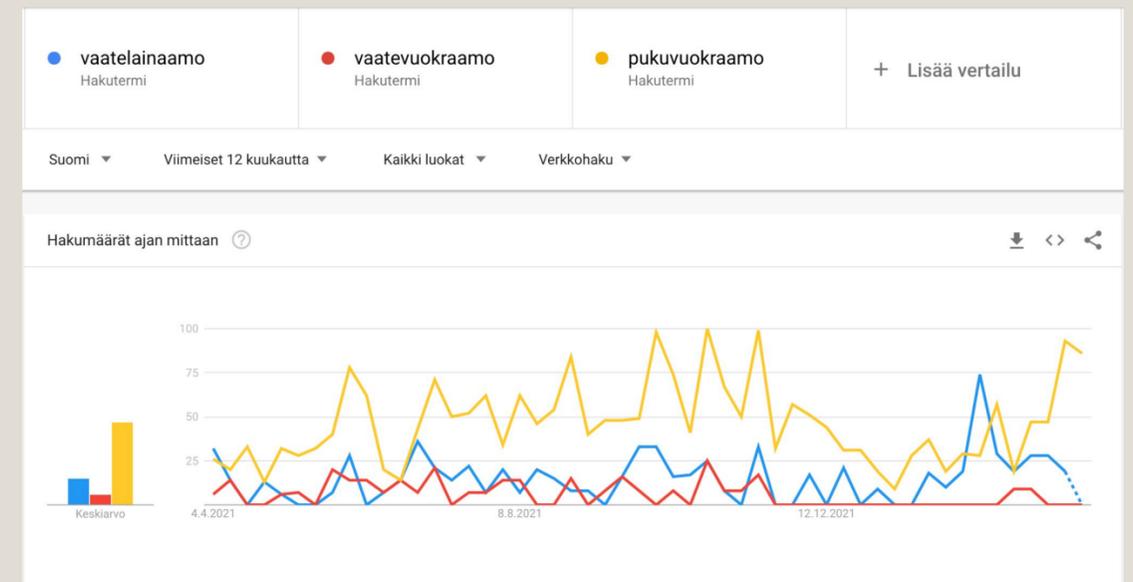
Digital customer experience

To maximise the **customer value** we want to offer as pleasant customer experience as possible. We offer our customers multiple digital channels from a traditional online store to an Instagram webshop.

In case the customer needs any assistance, we have our AI supported **virtual assistant** ready to help 24/7 in all of the three phases: pre-transaction/purchase, transaction/purchase, and post-transaction/purchase (Hoyer et al., 2020). If the AI fails to deliver the desired result, the chatbot will automatically send the information to people of Limón who will handle the situation within 1-2 business days.

All the **data** gained from the customer interaction on the website, ecommerce platform and with the virtual assistant will be used for further **development** of the digital marketing and the online channels of Limon.
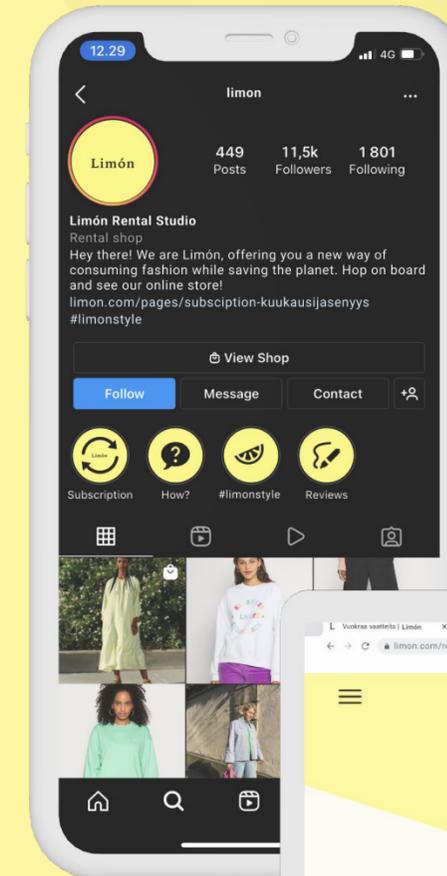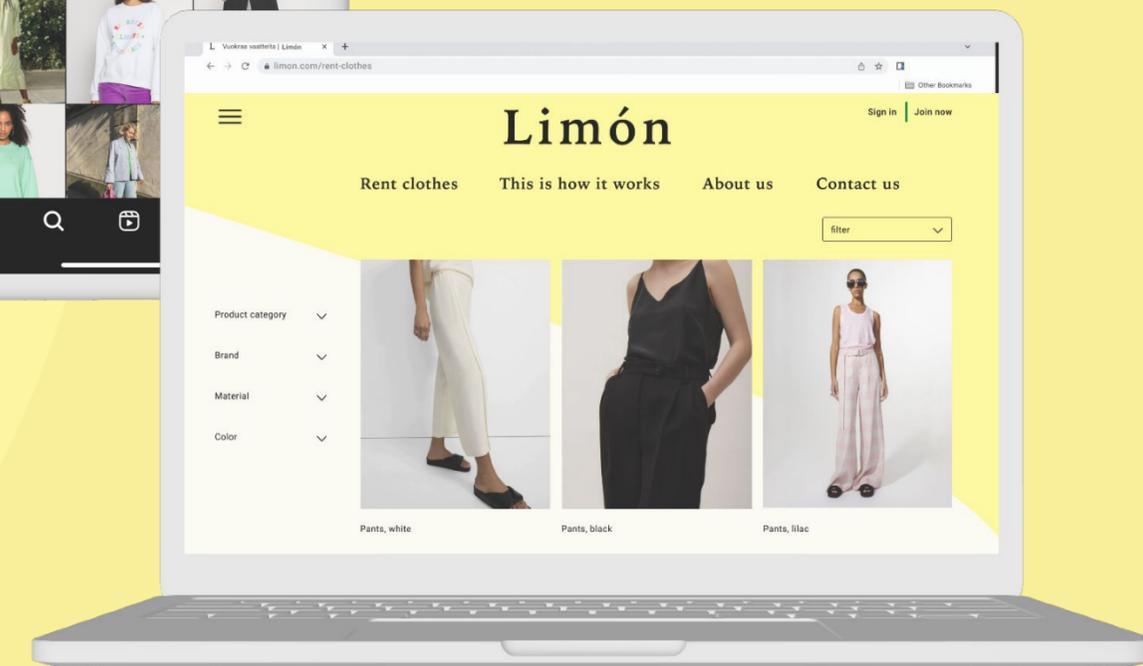
Social media channel choices

Main channels: Instagram (11.5 k followers) and Tik Tok for e-commerce, brand content, influencer marketing and paid advertising

**Supporting channels:** Snapchat and Facebook for paid advertising
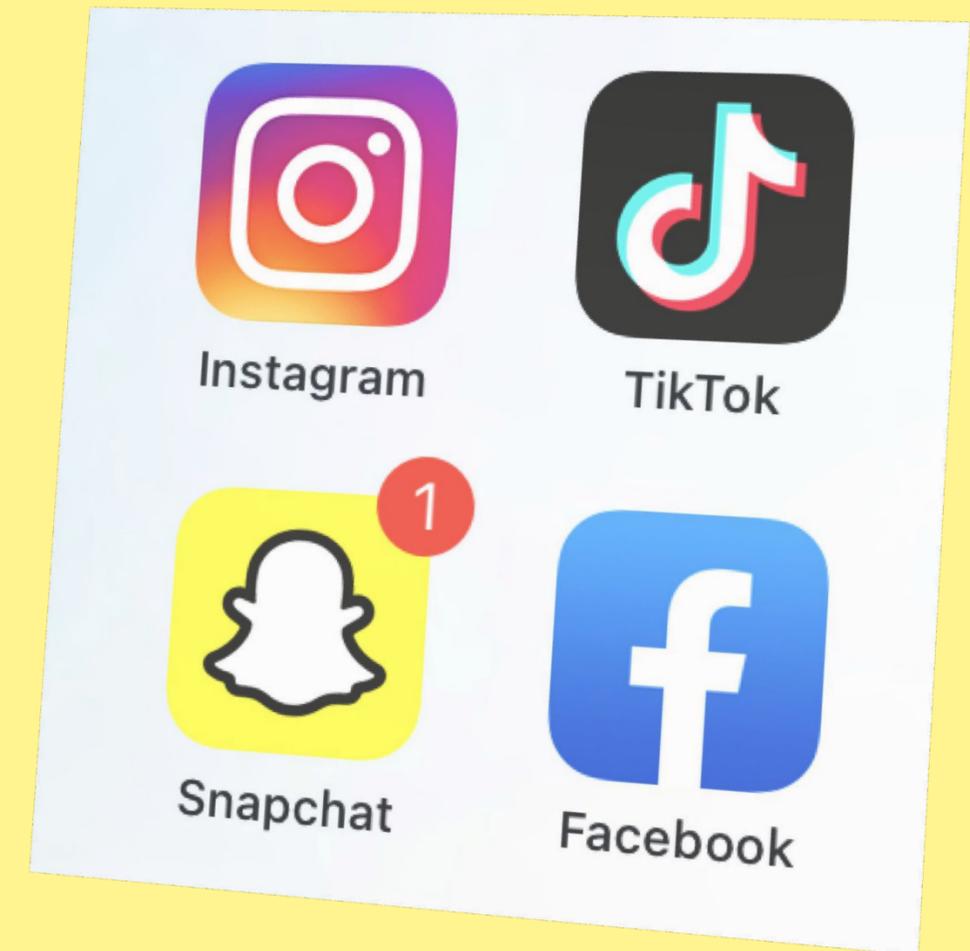
Brand content

Tone of voice: Joyful, friendly & inspirational

Concentrating on our main social media platforms, Instagram and Tik Tok, we will produce content that **entertains, educates or cultivates** our target audience. Aiming to engage with the followers and build an interactive brand community. Brand content:

- aims to naturally **grab the attention** with content that is not traditional advertising messages and doesn't talk about your brand or offering
- Expected effects are emotion and attention leading to audience commitment
- Even in a setting of low attention level, increased the odds of the advertised brands being **included in the consumer's consideration set** and **selected as the preferred brand choice** (Santoso & al., 2020)

An example of brand content is inspiring the followers how to build a capsule wardrobe which Limón's service supports nicely. Another example is commenting actively on Tik Tok, that has been an increasing trend and the reach of the comments is quite high, see picture on the right. Naturally, you need to keep in mind the brand tone of voice as well as risks associated to participating in social media commenting. Limon will keep to lighter topics and won't take part in any hate talk.
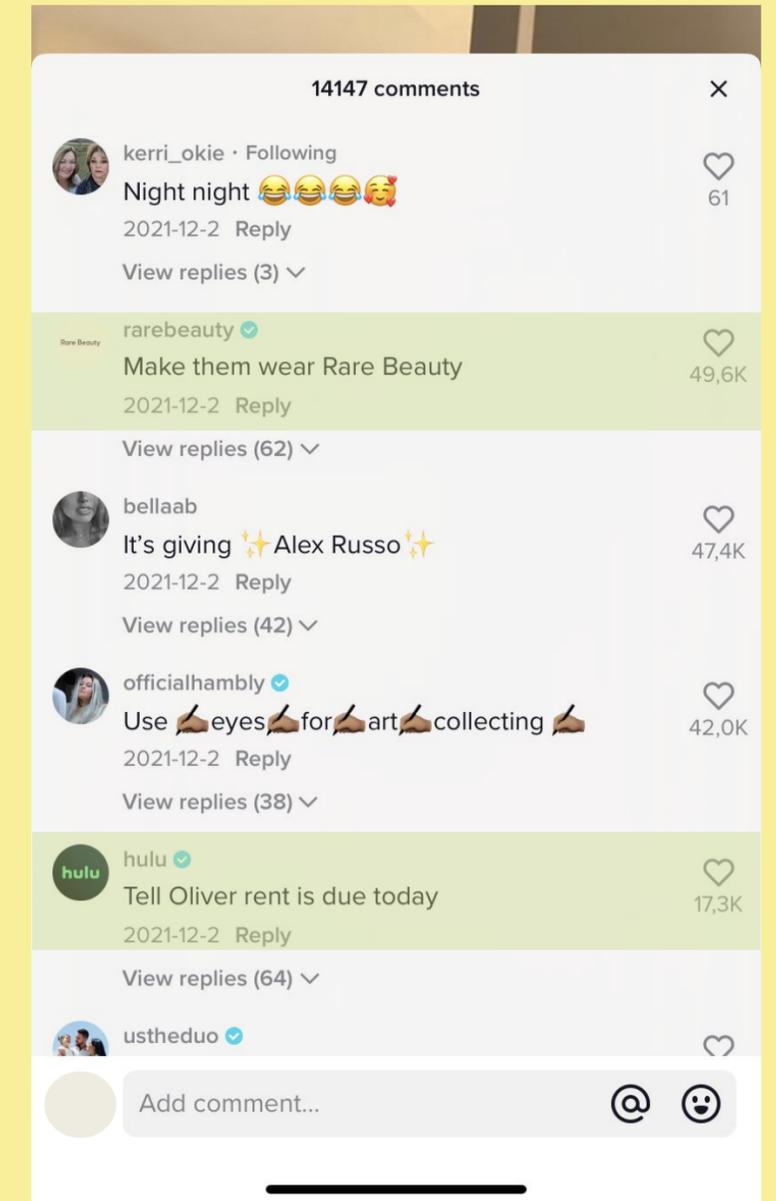
Paid advertising

In addition to the brand content we also have a more traditional tool of paid advertising in use to **drive traffic** to our online stores and to **increase sales.** The interesting part of paid advertising is how you don't actually pay for the media, but you pay for the exposure to your specific target audience.

Paid advertising campaigns are done through Meta Business Suite's Business manager to reach Limón's target audience on Instagram and Facebook. Snapchat and Tik Tok advertisements will be created separately on their own platforms. Paid advertising has a more of a transactional perspective on advertising, aiming to **drive traffic** to our online stores and **increase sales**.

An example of a campaign on Meta Business Manager:

      KPI: Traffic / Lead Generation

      Targeting: Broad, 20-40 year old women in Finland

      Metrics to evaluate: CPM (Cost per 1000 impressions)

      As the marketing budget grows, paid advertising could be **outsourced** from a company like **Smartly**.

"The concept of buying 'audience' means that we **do not buy media but buy only the exposure of the target audience** that is likely to respond to an advertisement. ... 'buying audience' is a method of purchasing the exposure of a specific audience, not a media space." Lee & Cho, (2020)

Influencer marketing

Influencer marketing allows Limón to engage with the audience in an **authentic, less direct and noninvasive** way aiming to increase the **Word Of Mouth** phenomenon.

Influencers have the ability to reach the target audience and tell the stories in a more authentic way which helps to grab the attention of consumers in a low level attention environment of social media.

Storytelling is used as a marketing technique in the influencer campaigns, to engage with the audience, inspire them and increase the likelihood that the content will be shared by the users of social media (Arrivé, 2021).

Influencer marketing

In Limón's influencer marketing strategy, more emphasis will be put on micro influencers. Additionally, one macro-influencer is carefully selected by analyzing online **social media buzz and data**, to find the influencer who is expected to **appeal** most to the **target audience** (Lee & Cho, 2020). The macro-influencer has a very large reach which will help us to **legitimate** our young brand as the influencers are often perceived as opinion leaders establishing what are good brands to consume and so on.

On top of that, we will have 6 collaboration with micro influencers. They are perceived by the audience as more **credible** and **authentic** than macro-influencers. They have less followers and tend to be perceived more like a friend, which is why the audience is more committed and **trusts** the influencer's opinion and recommendations more compared to macro influencers (Ehlers, 2021). For these reasons, micro influencers serve often higher **engagement** rates resulting in higher **conversion**, but with less costs than working with a macro-influencer (Shaw, 2021).

Macro-influencers:
- \> 300k followers
- 1 collaboration per quarter
- Very vast reach
- Helps to legitimate the brand

Micro-influencers:
- < 20k followers
- 6 collaborations per quarter
- More targeted content that reaches the target group better
  → higher engagement and conversion rates

Pictures: Instagram @dejiss @theatelje @mmiisas
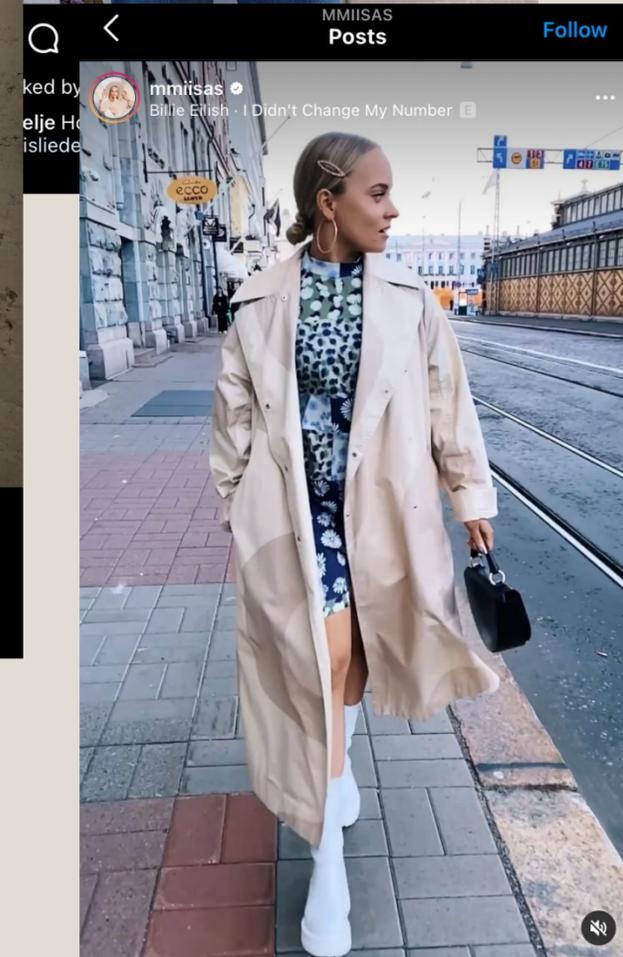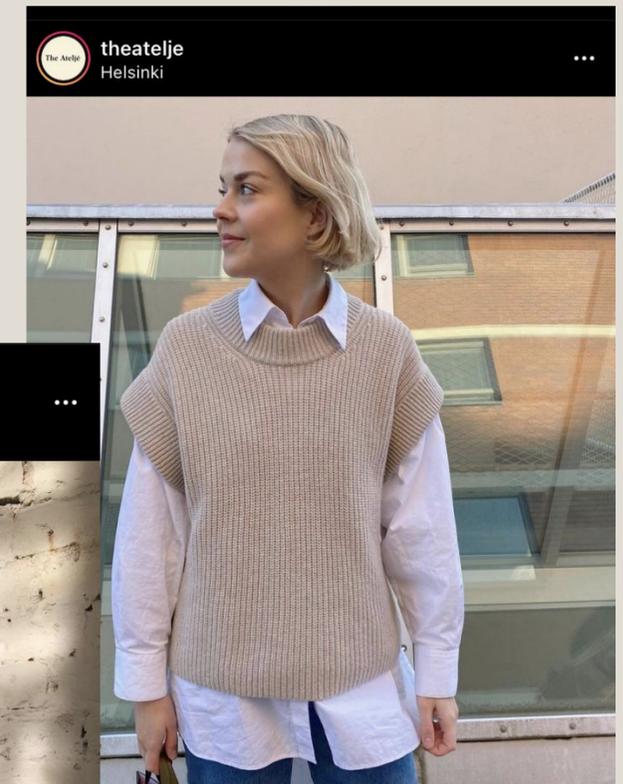
Email Marketing

Partner up with Custobar in order to create better targeted marketing based on data and analytics from customers' engagement with Limón. Goal to get conversion.

Automated Email Marketing

Aiming to build long lasting customer relationships. Three types of marketing messages:

- Reminder of shopping basket when items have not been purchased
- Reminder for new order after 2 mos time from a customer's last purchase without new purchases
- Targeted campaigns to different user groups based on the content of their previous orders

Newsletter Email Marketing

Assortment is grouped into categories that help both track and segment customers based on previous order history in the online shop of Limón. Two kinds of email newsletters:

- Targeted campaigns based on purchase behaviour e.g. marketing on workwear or leisure wear depending on customers' rental history
- Season change campaigns for everyone

Annual marketing plan

	Q1			Q2			Q3			Q4		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
SEO	Continuous											
SEM	Campaign			Campaign			Campaign			Campaign		
Paid Social Media		Campaign			Campaign			Campaign			Campaign	
Brand Content	Continuous											
Influencer marketing		Campaign			Campaign			Campaign			Campaign	
Automated Email Marketing	Continuous											
Newsletter Email Marketing	Campaign		Campaign		Campaign			Campaign		Campaign		Campaign

Cost Benefit Analysis

Promotional Activity	Cost (percentage of marketing budget)	Benefit
SEO & SEM	20 %	Driving traffic from new customers to our online channels as well as conversion
Brand Content	Free (except salary)	Building customer relationships and brand image. Reaching both new and returning customers
Paid Social Media Advertising	20 %	Driving traffic to online channels as well as conversion
Influencer Marketing	30 %	More and more people will get brand awareness and WOM
Email Marketing and Automation	30 %	Increased conversion in returning customers and wide reach of existing customers

Implementations for future

- follow up on conversion from ads that are directing to the website to shop
→ allocate more of the budget to the most efficient advertising based on data in both hits and conversion

- Do ABC testing on campaigns to find the most suitable & profitable type for our needs
→ learn what customers get excited about

3. Conclusions & future suggestions

Conclusions
& future suggestions

Further establishing Limón's social media presence through brand content and influencer collaborations will keep growing the **brand awareness** of Limón. In addition to that, by nurturing existing clients and activating them through email and social media marketing, we believe, Limón will reach it target of becoming the **best rental clothing provider of Finland**.

Future suggestions:

- Further increase the use of **data driven** and **automated marketing** across all channels where it is suitable
- Increase use of **AI** and establish use of **AR** to develop the customer experience
- Wild card: set up a **virtual influencer** who is build based on data from Limón's channels as well as other relevant sources. Could be used to create even better targeted content that inspires the audience.
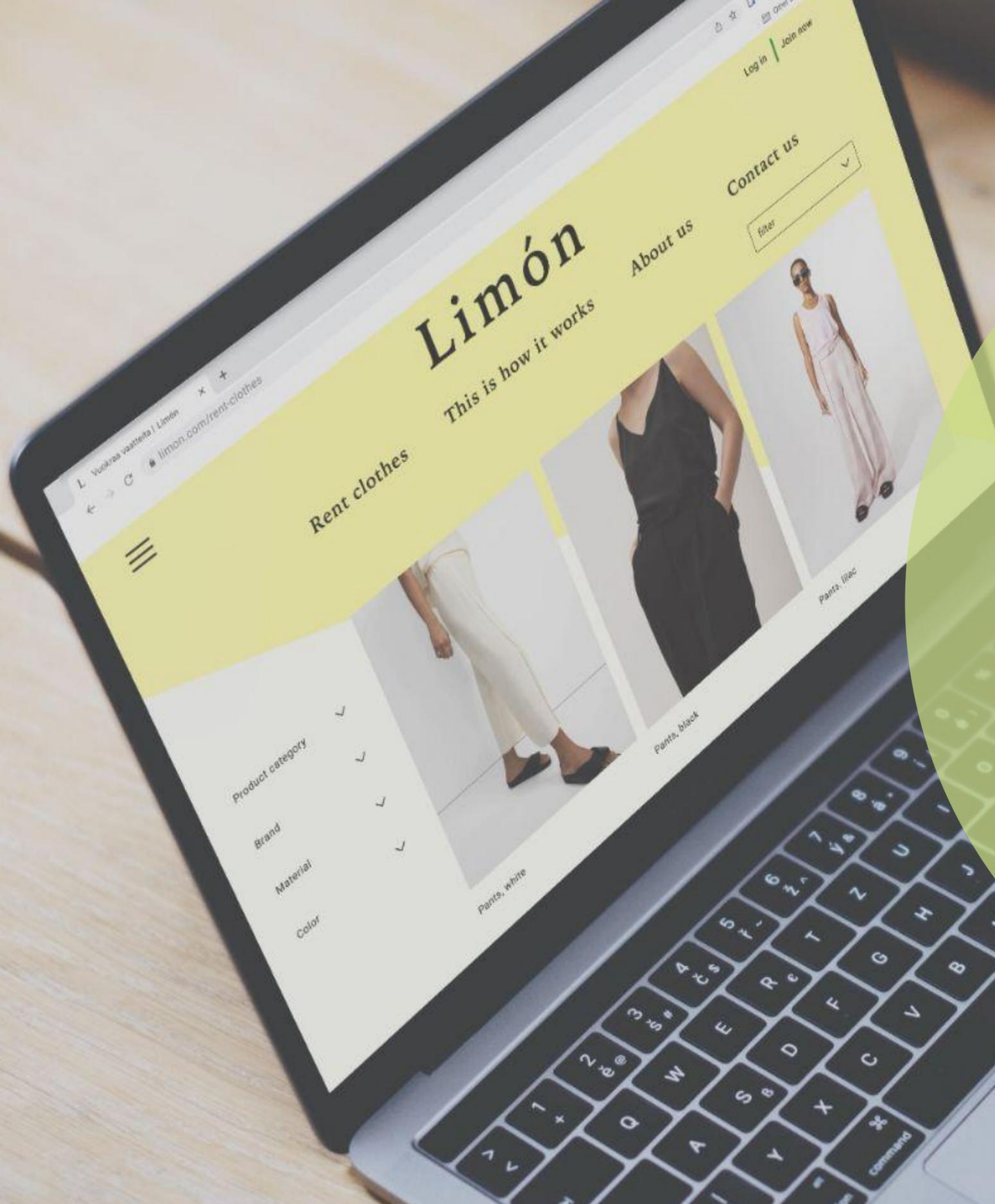
Thank You for listening!

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