



AMERICAN EAGLE  
OUTFITTERS

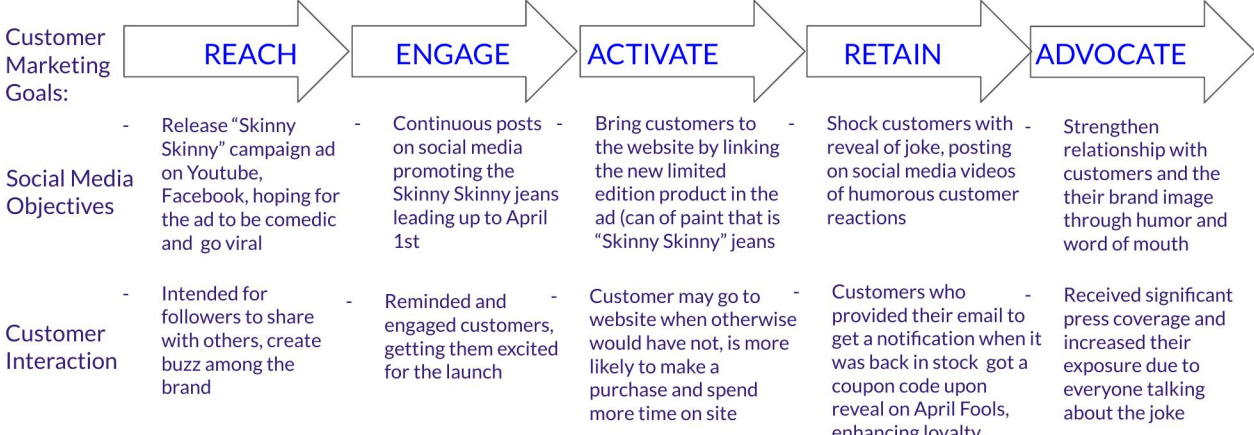
# Case Study

## Skinny Skinny Campaign



### Analysis

**Marketing Objective:** Create a campaign that would go viral, marketing American Eagle's denim in order to stay relevant and retain customers



### Benefits

#### Intrigue

- This campaign has a timeline that highlights multiple steps and uses tension and uniqueness. This will keep customers, new and returning, on the edge of their seat patiently awaiting the email and reveal.

#### Humor

- This campaign has a sharp sense of humor that sets it apart from typical advertisements. Humor can be a great way to break the "corporate" image and reach younger audiences.

#### Reach on Platforms

- A social media campaign can reach across a number of different platforms which leads to more views. To keep the intrigue relevant, the campaign has to keep customers constantly in the loop.

### Risk

#### Main Risk: Defamation of Image

- As mentioned in the case study, the main risk of this campaign is the risque aspect. Though this lends into the humor and younger audiences, the older group might find this distasteful.

#### Supporting Risk: Loss of Customer Loyalty

- With the risk of defamation, the returning customers might not see AEO as a "serious" business that can be relied on. This campaign has the opportunity to intensify and split your customer base up.

#### Supporting Risk: Uphill Battle After

- AEO was made to cater to preteens/teens and if this is taken the wrong way, the battle to regain customers and respect will be hard and will take a long time. AEO has to ask if the positives outweigh the potential consequences.



### Enhancement

- We recommend the following enhancements to increase the probability of the Skinny Skinny jeans promotion being approved
  - Conduct consumer surveys**
    - Create mock product pages and ads to test reactions from target audience
    - Measure interest levels, perceived offensiveness, likelihood to share on social
  - Partner with social media influencers**
    - Send advance samples to fashion/style influencers in target demo
    - Ask them to promote the "launch" of Skinny Skinny jeans to their followers
    - Having influencers involved could make the campaign seem more authentic
  - Gradually reveal more details leading up to April 1st**
    - Slowly share more photos and details about the "jeans" over a few weeks
    - Build anticipation while gauging audience responses online
    - Reveal it as a prank right before April Fools to maximize engagement

### Finances

Number of AEO stores in the United States:	✕	Estimated population per store:	✕	Estimated increase in population per store after campaign	=	Total population store after campaign:
738		300.000/year		1%		22.361.400
Total population store after campaign:	✕	Estimated percentage of people who will purchase jeans	✕	Revenue generated by the sale of 1 pair of the jeans:	=	Total estimated revenue generated from campaign
22.361.400		2%		\$49.95		\$22,339,038.00
Total estimated revenue generated from the campaign	✕	Gross profit margin of AEO from fiscal year 2013:	=	Estimated gross profit generated from the campaign		
\$22,339,038.00		33.7%		\$7,528,255.00		



### Decision: Here we GO!

#### Numbers:

- Profit estimates seem to be very positive without even counting all the online sales that could be generated from the impact of the campaign.
- Although the campaign carries some collateral damage putting at risk the brand's image, it presents many positive potential outcomes increasing brand awareness, sales, engagement and customer entertainment. Furthermore, the humorous aspect of the campaign could break AEO's image of traditional brand and contribute to their goal of increasing popularity amongst Gen Zs.

#### Conditions:

- Partnering with social media influencers: trends show that paid partnerships could be a crucial component of future digital marketing.
- Respect of timing: gradually releasing more details leading up to April 1st will give AEO backup in case of negative feedback. The campaign could be cancelled before final release if the situation gets worse. April Fools' Day gives us the freedom to try a risky move since we could hide behind the fact that it was "only a bad joke."