Fig 1

Calvin Klein

Social and Digital Campaign Rationale

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EXECUTIVE SUMMARY

The scope of this report is to provide a social and digital marketing solution to Calvin Klein, who are missing out on potential sales that could be made as a result of barriers between their online and offline channels. The solution will be the launch of a mobile app that will improve the level of accessibility to customers as well as provide them with a seamless experience.

The social and digital marketing portfolio includes a thorough analysis of the internal and external business environment. Social and technological factors are perhaps the most important with generation Z adopting healthier lifestyles creating scope for the athleisure market as well as emerging technologies such as VR and AR that can provide customers with a seamless social and digital experience. These external factors along with Calvin Klein's USP in providing a digital first and socially powered marketing experience for customers created the idea for the campaign rationale in developing a mobile app. The report studies generation Z's desire for personalised experience that affects the way they behave and interact with a brand, thus Calvin Klein can benefit from providing this experience through their in-app features to increase brand egagement.

The solution aims to eliminate barriers between online and offline channels with beacon technology implemented within the app that allows customers to check if products are in-store. Innovative functions such as tracking customers' online journey will provide customers a personalised experience by providing them with recommended products. SMART objectives as stated below will allow Calvin Klein to identify what exactly they want to acheive through the app and KPI's will be used to measure and monitor the objectives.

SMART objectives:
- Increase conversion rate by 8% in 5 months.
- Increase in-app customer satisfaction by 10% in the next 8 months.

Overall, the mobile app considers the desires of the generation Z and acts as a bridge that connects online and offline channels, in order to provide a personalised and seamless experience.

Fig 2

2

CONTENTS

Fig 3

COMPANY BACKGROUND

Company Name: Calvin Klein inc.

Type: Globally operating profit company

Legal entity: Public company

Founded: 1968

Size of company

Turnover: 39% of PVH income at $8.9bn (Stoller and Touryalai, 2018)

Number of employees: Over 10,000 employees annually (Pvh, 2020)

Range of products and services:
Menswear, Womenswear, Childrenswear
Footwear
Accessories (Eyewear, watches, jewellery)
Leather goods
Beauty and fragrance

Customer base: B2C – Target customer are men and women between the ages of 15-40 who are interested in fashion and willing to pay premium prices

Main competitors: Hugo boss, Donna Karan (DKNY), Giorgio Armani, Ralph Lauren, Tommy Hilfiger, Guess
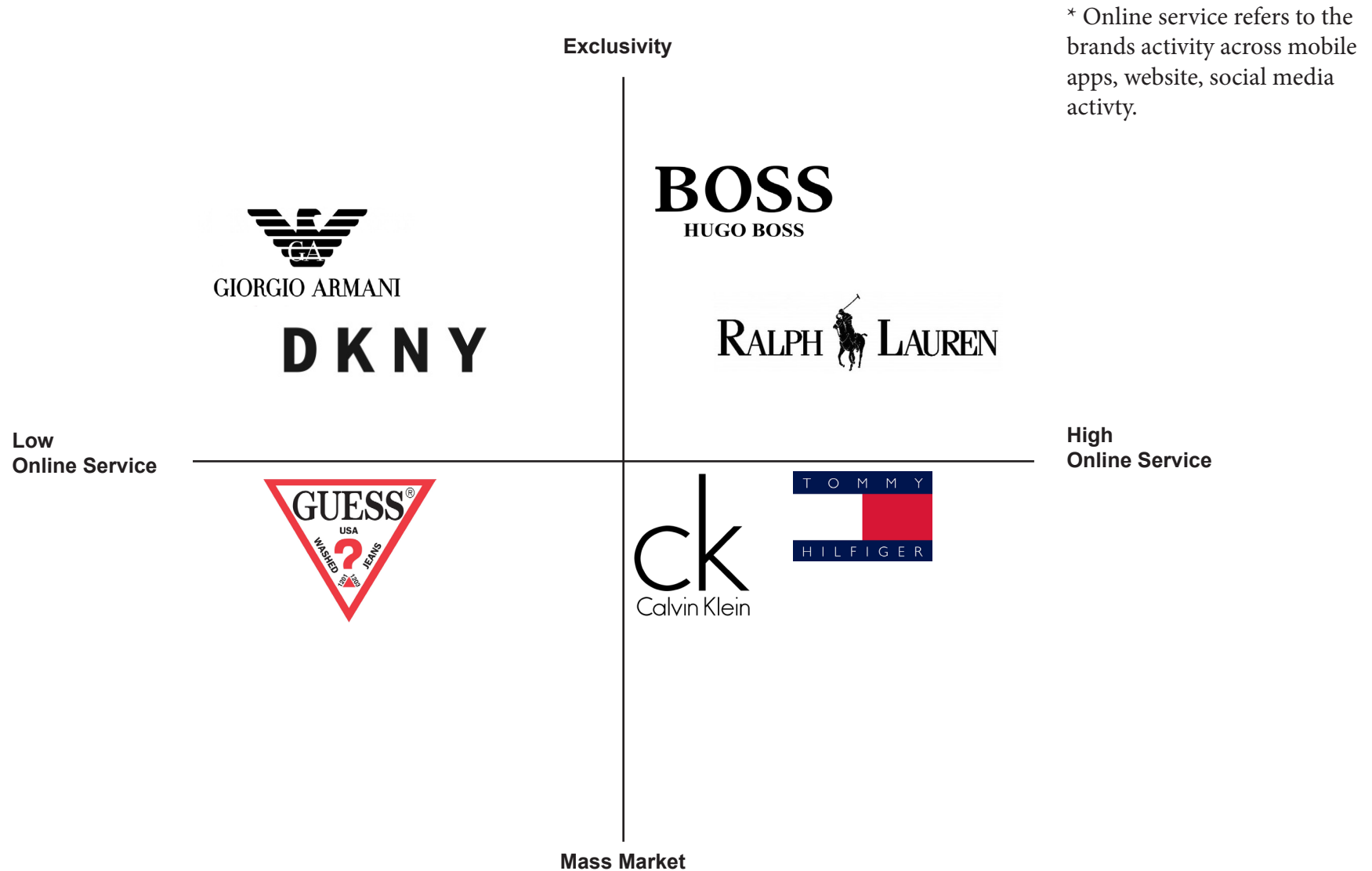
COMPETITOR ANALYSIS

* Online service refers to the brands activity across mobile apps, website, social media activty.

Fig 4

SITUATION ANALYSIS

- INTERNAL ENVIORNMENT ANALYSIS

Calvin Klein employ a digital first and socially powered marketing experience for customers which helps strengthen brand image and values as well as improve their USP and brand loyalty.

Calvin Klein's Competitive Advantage:

Calvin Klein's competitive advantage is that they market products both domestically and internationally at different price points, through multiple distribution channels and to different consumer groups (Pvh.com 2020). Furthermore, Calvin Klein remains competitive by constantly developing their social and digital marketing thus allowing them to reach out to a wide customer target base.

Value proposition:

Calvin Klein aims to go forward on creative consistency and continue-consumer-centric marketing to drive sales, while also building personalized relationships and tailoring the overall consumer experience through highly specialized teams (Pvh.com 2020).

" "

Defying the boundaries of self-expression

Strengths	Weaknesses
• Global online presence: Distribution online through pure play digital commerce retailers and official Calvin Klein digital commerce sites available in over 35 countries (Pvh. com 2020). • High online traffic: Website traffic and sales volume via Calvinklein.com has been steadily increasing worldwide (Bohannon 2020). • Digital marketing campaigns: Increase in consumer engagement by delivering immersive brand experiences such as through #MY-CALVINS.	• They do not have an app: It is anticipated to launch a large number of store-front apps because consumers are more like-ly to order and become repeat visitors using storefront apps (Euromonitor 2018). • Controversial advertisements: Calvin Klein has been criticised for its controver-sial advertisements such as sexualisation. In re-gard to targeting young customers, this may put them off.
Opportunities	Threats
• Growth in mobile demand: Mobile is driving global retail, with 2019 being its most prosperous year to date – with even more growth to come in 2020 (Skeldon 2020). • Omnichannel marketing: Introducing multichannel to expand reach to cus-tomer as well as monitor behaviour at the same time. E.g. Mobile Apps	• Increasingly competitive market: Increasing competition particularly as Calvin Klein is operating in a global market. • Changes in consumer spending: As a global brand, it is important to monitor con-sumer sending changes worldwide.

Fig 5

6

SITUATION ANALYSIS
- EXTERNAL ENVIORNMENT ANALYSIS

Political	The average EU tariffs for imported clothes is 11.5%, however as a result of brexit there would be reduced tariffs which reduces prices of clothing. This may have a positive impact on foreign brands such as Calvin Klein as it is an opportunity for an increase in sales which lead to revenue growth.
Economic	The global economy is facing a confluence of risks, which could severely disrupt economic activity and inflict significant damage on long-term development prospects (Economic analysis and Policy division 2019).
Social	Changing preferences and trends are important factors to consider. For example, financially cautious Gen Z are approaching exercise and mindful practices as a way of life, rather than a lifestyle choice or status symbol (WGSN 2019). This highlights scope for the athleisure market in targeting the gen Z cohort.
Technological	Omni-channel retail to give consumers opportunity to purchase seamlessly. Impact of emerging technologies – building AR or VR component as a means to strengthen brand engagement and assist customers through shopping experience.
Legal	Human rights issues and laws Trade policy regulating trade in specific regions Health and safety regulations within workplace
Environmental	It is also estimated £140 million worth of clothing goes into landfill each year. As a whole in the UK, the average lifetime for a garment of clothing is estimated as 2.2 years. Extending the active life of clothing by nine months can significantly reduce its environmental impact (WRAP 2020).

Fig 6

International business and economic market drivers within lifestyle brands:

Instead of a single touchpoint for consumers, the trend in retail over the past few years has been to widen the net that brands use to catch leads and convert them (Forbes 2018).

Retailers are also utilising consumer-centric initiatives such as online wish lists, virtual shopping baskets and curated gift lists (WGSN insider 2019). This way brands can build on consumer interaction with the brand through a seamless shopping experience.

Customer audits:

Size and potential of target customer or market: Millennials are Calvin Klein's main target market and are between the ages of 25 and 42. They are the largest living generation with approximately 1.8 billion millennials in the world (Tilford 2018). Millennials are one of the most powerful buying groups in today's consumer market with their purchasing power projected to reach $1.4 trillion in 2020 (Law 2020).

Sector trends: Growing up in the digital age, they also have a unique set of characteristics that set them apart from previous generations, which makes them easier to identify and reach (Mintel 2018). There has also been a global increase in Millennials participating in sport and fitness related activities.

Effectiveness of current social and digital marketing activities:

Effective emotional branding through digital campaigns such as "I Speak My Truth In #MYCALVINS Campaign". The campaign featured the most influential voices of today dressed in the latest Calvin Klein products, telling their own stories (Pvh.com 2020). The campaign focused on youth-minded consumers and delivered high engagement metrics through participation on social media channels, particularly Instagram.

Calvin Klein was the official fashion sponsor for Coachella in 2019, where the #MYCALVINS HOUSE campaign took place - a socially driven activation of the festival grounds that was a surreal representation of the brands spring campaign. Festivalgoers were invited to shop a curated selection of Calvin Klein's products and an interactive element was the opportunity to partake in branded photo moments (Pvh.com 2020). This led to increased sales as buyer awareness was high.

CAMPAIGN RATIONALE

- CREATE AN APP -

Calvin Klein are missing out on potential sales that could be made through the convenience of a mobile App. Despite Calvin Klein already having a website that can be accessed via mobile, an App would be more convenient in providing customers with a seamless and personalised experience. It is anticipated to launch a large number of storefront apps because consumers are more likely to order and become repeat visitors using storefront apps (Euromonitor 2018). Moreover, considering the constantly evolving digital world, it is important for Calvin Klein to expand their social and digital activities across different channels in order to remain competitive. The market penetration of digital channels is growing rapidly (Ryan D. Jones C. 2012), suggesting scope for Calvin Klein to expand their channels to target more customers.

Mobile apps also focus on real-time relationships between brands and consumers, thus an opportunity for Calvin Klein to strengthen relationships with their customers. Bellman et al. (2011) employed an experimental design to confirm that the use of branded apps has positive persuasive impact, increasing brand interest (Zhao and Balagué, 2015). In-app offers and promotions through apps can keep customers engaged and therefore boost customers interaction.

Social and Digital Marketing Component:

The app will mirror the official Calvin Klein website, however it will be easier for customers to navigate through their mobile phone. The service will satisfy customers needs through notifications of offers, trends, the latest products and events, leading to repeat purchases over time thus increasing profit. The SDM component also aims to attract customers to visit in-store through notifications of in-store events. It will also allow customers an effective in-store experience by allowing them to view products in-store via their app. Moreover, in-app features such as promotions of campaigns will be included to boost customer engagement throughout customers' shopping experience.

TARGET CUSTOMER ANALYSIS

- GENERATION Z

Social and digital marketing usage:

Gen Z are individuals aged between 15-24 (Mintel 2019). The social and digital marketing solution will be primarily targeting the generation Z consumer as they are an emerging consumer market for Calvin Klein. They have a specific approach to shopping where they like to discover things online by browsing Instagram or Pinterest and are careful savers that will track prices before purchase (Posner 2015). Implementing these features within the app through notifications of the latest products and trends, will improve customer engagement.

Gen Z value brands that implement personalisation and this effects the way they behave and interact with brands through their shopping experience. Personalized service comes from knowing and understanding each individual customer and helping meet their needs with proactive solutions (Morgan 2019). Calvin Klein can include 1-2-1 customer assistance via their app in order to understand customers needs.

Despite Gen Z being a tech savvy cohort, the majority (67% according to Forbes 2019) prefer to make purchases in-store instead of online. However, they expect a strong omni-channel experience and to consistently experience the brand both in-store and online (Morgan 2019). Therefore, the app will be integrated in-store and online to expand customer touchpoints across their shopping experience and meet their needs.

" DIGITAL NATIVES"

Fig 7

Important customer statistics to consider:

1. "49% of Generation Z are willing to provide their personal data if it means they'll receive a more personalised digital experience over an anonymous one" (Torlini 2019).

2. "Gen-Z only has an attention span of around 8 seconds—shorter than Millennials' 12 seconds—which means being able to communicate messages quickly is important to building connections" (Morgan 2019).

3. "Generation Z spends an average of 3 hours 38 minutes online on smartphones, almost 50 minutes longer than the average Internet user" (Jenkins 2020).

INTEGRATION

- RACE MODEL

A combination of paid and owned will be used to promote the app launch online. Offline promotion will also be used and this is the lead magnet that drives customers to visit stores to further expand the innovative experience. In order to further explain the customer journey, the RACE model is applied below.

Reach the audience through awareness of app

REACH

In order to promote the launch of the app, it is important for Calvin Klein to use paid and owned media as well as offline promotion.

- Offline promotion: Although this is a social and digital marketing campaign, offline promotion such as billboards in tubes are effective in reaching out to a large audience.

- Paid media: Gen Z was found to be most influenced by online advertising, with 52% frequently engaging with companies that place ads online (Adobe, 2020). Therefore, paid social media ads and display ads will be used.

- Owned media: Calvin Klein's official website experiences large traffic, and is the main owned media platform to promote the launch of the app.

Encourage customers to download the app

ACT

The act stage is about encouraging the target audience to interact with the brand. As Gen Z are avid social media users, Calvin Klein can increase brand engagement through interactive features.

- Offline promotion: In-store ads, billboards in tube featuring triggering phrases scuh as "Download the Calvin Klein app to gain 10% of on orders".

- Owned media: Website, Instagram features such as #mycalvinapp that allows customers to browse through looks and have a chance to featured on the main site of the app. Notifications of the latest product drops, offers and in-store events.

Increase conversion rate through personalised experience

CONVERT

Upon the download of the app, customers can view and press a like button of the products they like. This automatically saves the products and allows customers to view it. Calvin Klein will use tracking to detect the preferred products and style of customers and offer "recommended" features. If the customer leaves the app, after 5 minutes a notification of the product will be sent to the customer to remind them of the product. Thus this allows them to meet the Gen Z demand for a personalised experience.

- Beacon Technology: Beacon will be used to track in-store movement of customers and provide customers with targeted information. It will also be used to allow customers to check if a certain product is available in-store, and customers can receive notifications of offers and latest product drops.

Use service rating and features such as #my-calvinapp to maintain long-term relationships

ENGAGE

- Service rating: After customers check out, the service rating will pop up allowing customers to rate their experience.

- Additional features: The app will also provide customers with additional information to keep them engaged, such as updates on campaigns, latest products and offers as well as nearest stores.

- 24/7 customer service: The app includes a 24/7 service where customers can either message or call customer service. This includes tracking orders or requesting refunds.

AIMS, OBJECTIVES
AND CONTROL METRICS

Aims:	SMART Objectives:	Control - Measuring and monitoring metrics:
Provide customers with a seamless shopping experience by eliminating barries to purchasing online and in-store.	Increase conversion rate by 8% in 5 months.	KPI's: Monitor a 1.6% increase in lead to customer conversion rates per month. Measuring metrics such as tracking customers online navigation to see what they are viewing and purchasing to provide a seamless and personalised experience. Thus, leading to an increase in conversion rates by 8%.
Increase brand engagement via the new app features such as through #mycalvinapp instagram campaign, in order to create a memorable experience for customers.	Increase in-app customer satisfaction by 10% in the next 8 months.	KPI's: Monitor an increase in customer satisfaction by 1.25 per month. Measuring metrics such as customer bounce rate to see how long it takes before they exit the app. Calvin Klein can therefore see if in-app features are effective in increasing customer engagement.

Fig 8

PRIMARY RESEARCH

- WEBSITE MARKETING ANALYSIS

Primary research was conducted through netnographic research. This includes an analysis of Calvin Klein's website marketing strategy in comparison to Ralph Lauren.

Calvin Klein	Ralph Lauren
Strengths: • Clear labels of features so easy to navigate. • Use of brand content to keep customers engaged. • Pop-up newsletter alerts customers of offers available prompting customers to sign up. • Website layout and content support the brands image as a lifestyle brand with tips on leisure and sport styling. • Trending products feature allows customers to be informed of the latest trends whilst shopping. • Information on sizing of certain products like jeans and underwear, allows customers to have a comfortable online experience. Weaknesses • Front page is not enticing as it doesn't include the brands unique services. New customers may not be aware of the additional lifestyle and styling features. • Offline services aren't promoted such as in-store events or latest campaigns that can keep customers involved across different channels.	Strengths • Landing page includes moving ads and key information that captures customers attention. • Website layout is consistent to the brands overall image, and is important in resonating in the mind of the consumer. • Website searches show trending searches so customers are informed of the latest trends • App promotions persuade customers to download and further improve brand experience across multi-channels • Additional features increases brand engagement and reduces bounce rate by keeping customers online for a longer time. • As a lifestyle brand, offers information such as food and inspiration tips to resonate a positive voice in customers' minds. Weaknesses • Newsletter subscription is at the bottom of the page, so customers may miss out on it. • Offers on products aren't visible so customers, particularly new customers may not be aware.

Fig 9

Calvin Klein website marketing strategy:

Calvin Klein use SEM marketing through SEO keywords and paid ads in order to make themselves visible for customers and remain competitive. "Underwear" is one of the SEO keywords most used and is also one of the products that the brand is most known for. This allows Calvin Klein to stand out from their competitors. Paid ads appear alongside searches as well as used to make the official website visible at the top.

Within the website, a pop-up newsletter appears informing customers of offers available once signing up. Customers have the option of either exiting the pop up or signing up and therefore it is an effective method in increasing their awareness. This method may also lead to an increase in conversion rate if customers are interacting with this feature. The higher the conversion rate, the more visitors are carrying out the actions you want them to perform on the site, and the better the site's performance (Ryan 2014).

As Calvin Klein is a lifestyle brand, the website supports the brand image by providing engaging content. This includes styling tips of leisure wear using specific Calvin Klein products. By providing these content, Calvin Klein allows the brands image as a lifestyle brand to resonate in the minds of consumers and therefore serves as a competitive advantage. Moreover, even if customers aren't necessarily purchasing anything, the content allows them to remain engaged and return to the website for future purchases.
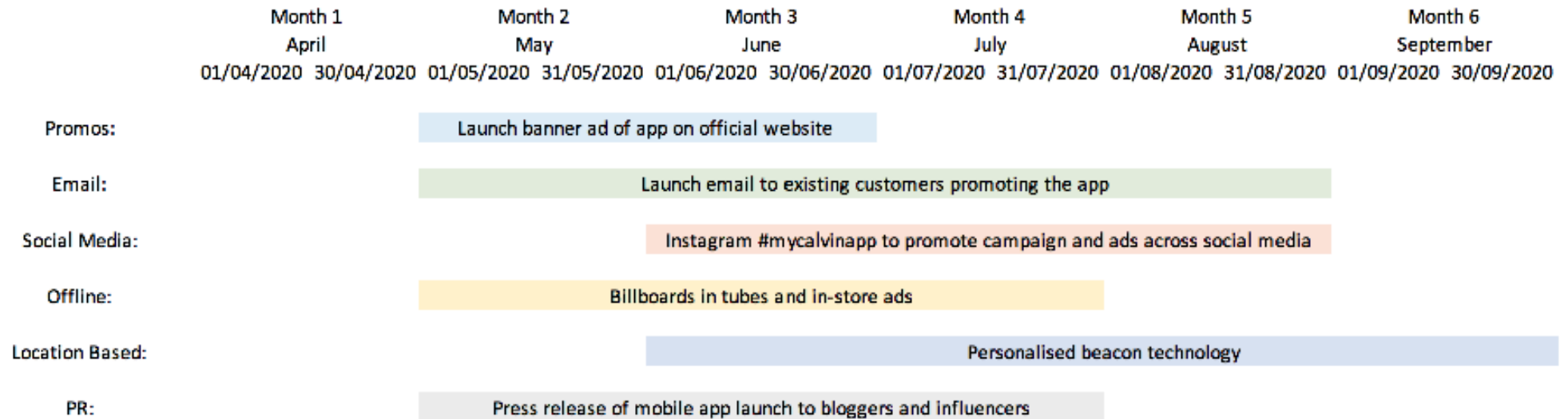
CALENDAR
- GANTT CHART

	Month 1 April 01/04/2020 30/04/2020	Month 2 May 01/05/2020 31/05/2020	Month 3 June 01/06/2020 30/06/2020	Month 4 July 01/07/2020 31/07/2020	Month 5 August 01/08/2020 31/08/2020	Month 6 September 01/09/2020 30/09/2020
Promos:		Launch banner ad of app on official website				
Email:		Launch email to existing customers promoting the app				
Social Media:			Instagram #mycalvinapp to promote campaign and ads across social media			
Offline:		Billboards in tubes and in-store ads				
Location Based:			Personalised beacon technology			
PR:		Press release of mobile app launch to bloggers and influencers				

Fig 10

| Promo's	Email	Social Media	Offline	Location Based	PR
App banner will be launched on the official Calvin Klein website.	Emails promoting the app will be sent out to existing customers with personalised message.	Instagram #my-calvinapp will be launched to promote the campaign. This will be advertised on the app landing page. The app will be promoted through ads across social media.	Billboards in tubes and in-store ads promoting the app.	Personalised beacon technology will be introduced and used to track customers shopping journey. This will be the main component to the omni-channel experience.	Encouraging bloggers and influencers to promote the app and gain publicity.

Fig 11

ARTEFACT

- CREATE AN APP

- App landing page:

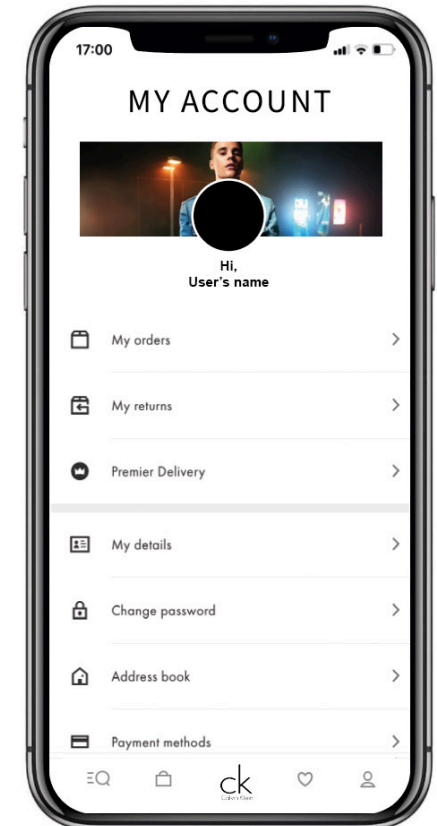 Features latest ads and is constantly updated based on seasons
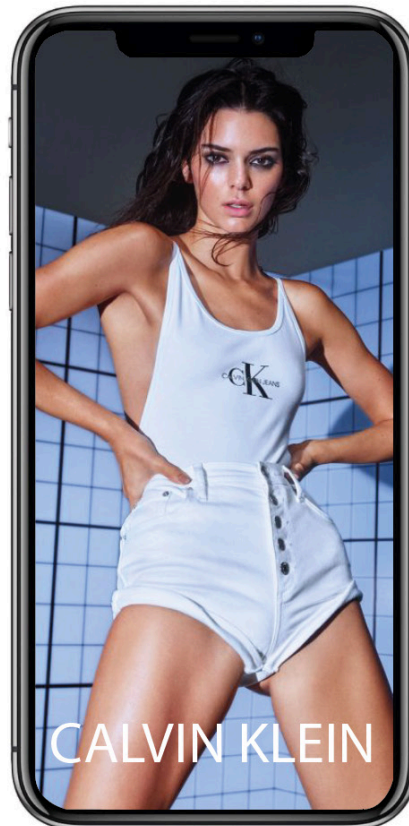
- Main home page:

  Promoting offers, ability to browse products as well as #my-calvinapp campaign promotion

- Account log-in:

  Offers customers 10% off for signing up to app as well as includes additional features such as viewing orders.

ARTEFACT

- CREATE AN APP

- Invite customers in-store: Beacon technology can detect when customers are nearby a store and this automatically sends an alert. The alert is in the form of a message of the in-store event.
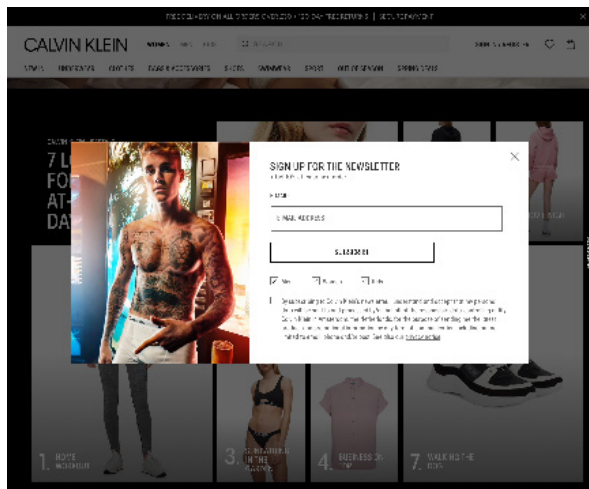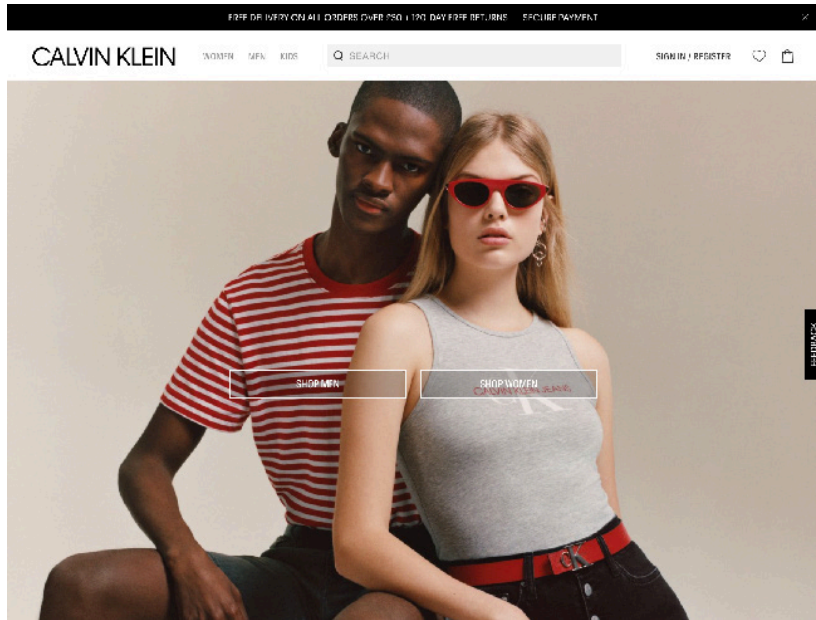
- Rate your experience: Before customers exit the app, an alert pops up which enables customers to rate their service. Users must rate their service to continue, particularly after checking out.
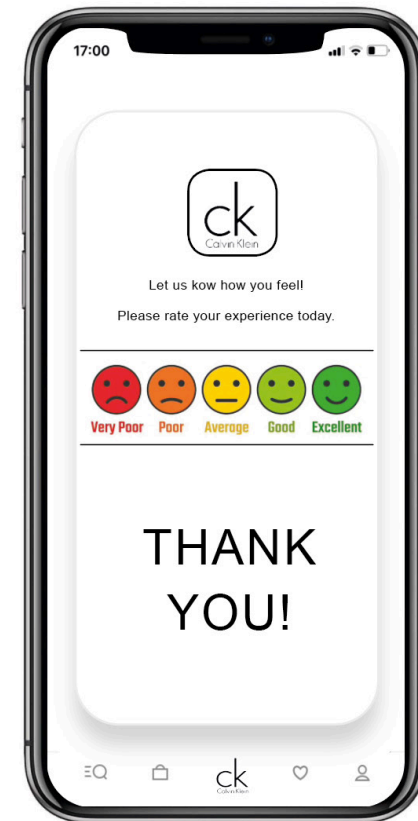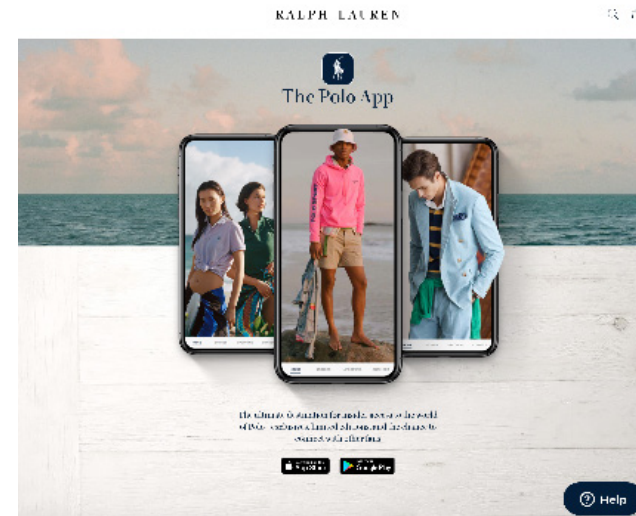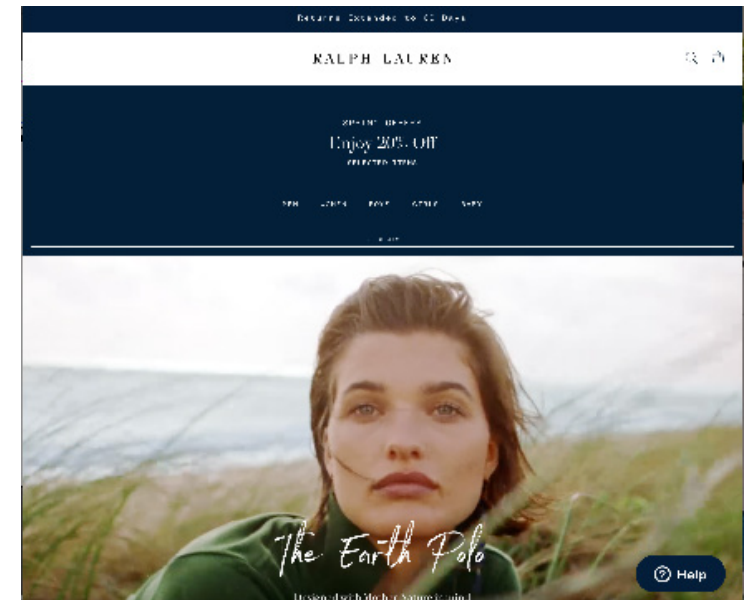
Appendix

Appendix 1: Calvin Klein website screenshots to support primary research

These screenshots are of Ralph Lauren's landing page that represents the brands image as well as an advertismenet of the brand's app.

The screenshots of the website show the landing page and newsletter pop up. The landing page is clear and easy to navigate through.

Appendix 2: Ralph Lauren website screenshots to support primary research

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Fig 4: Author (2020) Market positioning map

Fig 5: Author (2020) SWOT analysis

Fig 6: Author (2020) PESTLE analysis

Fig 7: WGSN (2019) [Photograph] Gen Z: Emerging Wellness Tribes. Available at: https://www-wgsn-com.arts.idm.oclc.org/content/board_viewer/#/84854/page/1 [Accessed 18 April 2020].

Fig 8: Author (2020) Aims, objectives and control metrics

Fig 9: Author (2020) Primary research

Fig 10: Author (2020) GANTT chart

Fig 11: Author (2020) GANTT chart table