

Analysis of Skims' Strategic Marketing and Sustainable Growth

Ding Yuan*

The Affiliated High School to Hangzhou Normal University, Hangzhou, 310012, China

Abstract. Skims is a brand that skillfully harnesses the power of social media to build meaningful connections with its customers. This paper explores the marketing strategies employed by Skims within the fashion industry, with a particular focus on the brand's use of celebrity endorsements. The founder, Kim Kardashian, plays a crucial role in creating a captivating mix of international fame and genuine customer engagement. The study delves into how Skims leverages unique marketing approaches to draw in and retain a diverse customer base. By applying the 4P theory—product, pricing, place, and promotion—the paper examines Skims' marketing tactics from various perspectives, offering a comprehensive analysis of its strategies. Additionally, the paper provides two key recommendations for Skims to enhance its long-term sustainability: reducing its reliance on high-profile celebrities and strengthening its commitment to social responsibility and environmental sustainability. These steps are suggested to help the brand achieve more balanced and enduring growth in the competitive fashion industry.

1 Introduction

Consumers who are familiar with the brand and have positive, distinctive, and powerful brand associations in their memory are said to possess customer-based brand equity [1]. Besides, Social media and digital marketing both offer advantages and disadvantages for marketers [2]. Nowadays, more and more celebrities are starting to create their own brands. Depending on their great fame and huge number of fans, they can easily get attraction for their brands. For example, Rihanna's Fenty Beauty, Kim's Skims, and so on. The market research firm EUROMONITOR INTERNATIONAL estimates that the sector will be worth about \$617.2 billion in 2023. It is expected to rise by 9% annually to reach \$670.8 billion by 2024. And the increasing share of star brands in it reflects the strong development of this trend. Granted, the success business of celebrities is not suddenly. First, there is a built-in market for celebrity companies because of their enormous fan base. Second, celebrities may increase brand loyalty and user stickiness by interacting directly with fans on social media and other platforms. Lastly, the star's own style and image may serve as a differentiator for the company, making it stand out in a crowded market. Besides, through integration of personal and commercial branding, celebrities can optimize the impact of their brands while simultaneously solidifying and elevating their public persona and making the brand's success.

* Corresponding author: 202007033150@stu.sdp.edu.cn

Skims founded by Kim Kardashian in 2019 is a shapewear and loungewear brand. Teenage girls are among the numerous individuals who adore Kim Kardashian, the most famous person on the planet [3]. Kim is well-known for her form-fitting, body-hugging ensembles. She has never been embarrassed to acknowledge that she enhances her physique with shapewear. She has been transparent about her love of spandex and her difficulties in obtaining undergarments and shapewear that fit her body type. Kim identified a need in the shapewear market and filled it with Skims. She catered to a varied clientele by offering inclusive products. So, the purpose of the brand is to jam the lack of inclusive shapewear options that suite different body types and skin tones. The brand effortlessly maintains its competitiveness in the fashion business by reflecting its devotion to inclusivity, diversity, and body positivity through this diverse product catalog. It challenges the traditional standard of beauty and embrace more multifaceted and authentic women figures and sets a new standard for diversity in the fashion world. Skims can get such a success can largely due to Kim's personal social influence. Kim Kardashian has millions of followers of social media platforms, and actively shares and promotes Skims content on her social media accounts, which can build a direct connection with consumers. Her own brand has served as the most potent endorsement since the company's founding, drawing a devoted following and extending Skims' reach to new markets. Since Kim is social media queen, she also makes Skims active in Instagram, Twitter, and TikTok, where they will post behind-the-scenes glimpses and interactive posts to bring a sense of exclusivity. Besides, Skims also collaborates with social influencers who will send posts to show products. It is a both timesaving and cost-saving way to advertise. Product introductions are yet another important component of Skims' marketing plan. The drop model technique is employed by Skims as part of their marketing strategy, and their items are in high demand. To build buzz and exclusivity around their items, they issue limited releases and strategic restocks. They employ social media and initiatives to create an online buzz when restricted amounts disappear. People follow the trend and buy because they are afraid of missing out. This paper will focus on the unique marketing strategies used by Skims and emphasis its important status in fashion industry. Through learning these strategies, people can know better about what distinguishes Skims in the congested fashion sector.

2 Brand introduction

2.1 Brand background

Before establishing Skims, Kim Kardashian tried hard to find a shapewear that is suitable for her skin color. She was upset about the limited selection of shapewear in that time. Therefore, she decided to create a brand that can provide a comprehensive solution for women of all shapes and sizes. Then in 2019, she corporates with Jen and Emme Grede and starts her journey. The initial product lineup included a variety of essentials such as bodysuits, shorts, and bras. A various selection of items from Skims are made to be comfortable all day without sacrificing fashion.

2.2 Skims marketing position

Skims is now worth \$4 billion, according to The New York Times. Its early years were characterized by rapid expansion. With the company's \$1 billion in net sales, the start-up has grown into a retail behemoth, and Kardashian has developed into an astute businesswoman with a keen sense of what trends to follow. Also, originally a line of underwear intended to offer women a more attractive, contoured silhouette, the company has grown into a massive

retailer of clothing with underwear, bras, swimwear, dresses, t-shirts, tanks, loungewear, and pajamas. The hook is inclusive, sexy-meets-cozy apparel that comes in a variety of sizes and skin tones. Because of its adaptability, the brand has become more appealing and has strengthened its place in the fashion industry.

2.3 Compare with competitors

A comparison between Skims and Spanx, its main rival, offers a number of significant advantages. Skims Solution wear designed to provide various options of size, ranging from XXXS/XS to 4X/5X, which are broader than Spanx. Besides, Skims offers customer with more color selections rather than only black, white and nude like Spanx does, which conform to more people's skin tones. Skims also has a certain price advantage comparing to Spanx. Skims' prices range from £28 to £78, while Spanx' s prices range from £35 to £132. However, given the premium materials and cutting-edge designs the business employs, the Skims' products are reasonably priced and economical.

2.4 Main products and target customers

Skim's main product offerings include shapewear, loungewear, underwear, and activewear. The shapewear collection, which highlights and celebrates natural body shapes, continues to be the brand's central offering. While the athletic line mixes fashion and function, the loungewear and underwear lines emphasize comfort and style for daily wear. Skims' target customers are both women and men, those who value body acceptance and strive for the ideal fusion of style and comfort. Their commitment to inclusion implies that a wide range of body types, sizes, and skin tones are intended to be served by their goods.

3 Marketing strategy analysis based on 4P

3.1 Product

First, Skims has rapidly taken over the market because its premium market positioning approach. It has improved the brand's capacity to be premium and competitive. Second, by effectively catering to a wide range of needs and effectively segmenting the market, Skims' product portfolio strategy has greatly increased the brand's market share and customer loyalty. Skims' product line includes shapewear, loungewear, underwear, and activewear. All products focus on inclusivity, so its core shapewear includes nine different colors of nude. What is more, Skims also provide for women with darker skin tones, who frequently have limited options when it comes to selecting makeup or undergarments that match their skin tone. Even though brands have been pushing to be more inclusive in recent years, many are still falling behind. Despite being nearly associated with shapewear, Spanx still offers a small selection of colors. When considering inclusion, in addition to having a wider color range than many companies, Skims also come in a variety of size. Understanding that women of various body types desire to feel and look beautiful in the clothes they wear, Skims sells its products in sizes ranging from XXS to 4X [4]. On the other hand, Victoria's Secret has come under fire for not being inclusive of a wider range of body types, and current issues stem from the exposure of misogynistic cultural practices. Despite recent attempts to broaden its product offering, sales are still significantly lower than they were at their peak [5]. Skims also concentrates on comfort of products. On Nordstorm, a customer commanded that wearing Skims' products in hot summer can help people in good shape and the materials can quickly dry. This commitment to diversity and high-quality materials sets Skims apart from

competitors. One of SKIMS's most notable assets is its innovative "Solution" series, which demonstrates a keen awareness of customer input [6]. This firm constantly improves its offerings, constantly repositions itself, and regularly updates its collections to reflect current social needs and fashion trends [6]. Proactive strategies like this enable SKIMS to accommodate a range of body forms, obstacles, and aesthetic tastes [6].

3.2 Price

The pricing strategy for Skims is inclusive luxury positioning in a highly competitive market. Skims take high-end pricing to establish a high-end brand image and market positioning. And according to a study, premium pricing tactics and client retention are positively and significantly correlated [7]. Skims positions itself in the mid-range to premium, so most shapewear prices range from \$30 to \$80, only more elaborate or specialized items could cost \$100 or more. Comparing its competitors like Spanx, Skims had a better advantage in pricing, providing products of superior quality at reasonable costs. Besides, in an intentional effort to prevent price discrimination based on size or color, they maintain a uniform pricing strategy across all its size and shade offers. Skims also provide some discounts to attract more customers. In addition, they have periodically held brief sales periods for products, which they have promoted on their website and social media platforms, and they have also given members access to discounted rates as perks of membership.

3.3 Place

Skims cleverly leverages the benefits of modern international shipping and internet marketing to provide customers from a variety of geographical locations with easy access to its products. Many direct-to-consumer companies wait a while to enter the brick-and-mortar market before recognizing, years later, that there is greater potential in selling offline. However, Skims began online selling in September 2019. And in February 2020, it began cooperating with Nordstrom and could be founded by customers in 25 Nordstrom stores and on Nordstrom's website. The launch at Nordstrom provided a huge success for Skims which got two billion media impression. Then through fruitful partnerships with well-known department shops like Nordstrom and Saks Fifth Avenue in the US and Selfridges in the UK, Skims has progressively made its way into the physical retail space. Online and offline shops provide customers not only convenience but also price comparison choices, laying the foundation for its success.

3.4 Promotion

Promotion strategy may be the most shining part. First, Skims knows that cooperating with social influencers can promote their products to millions of people. Therefore, influencer marketing has been a useful tool for Skims to expand their audience and establish reputation. Influencers frequently appear in content wearing items from Skims, highlighting the comfort, quality, and inclusivity of the company. By cooperating with influencers, Skims gets a wider range of exposure and expands its customers. The promotion approach employed by Skims is a hybrid one, combining the strong brand recognition gained from celebrity endorsements with the sincere interaction and confidence that result from influencer partnerships. Through this painstaking merging, Skims is now better equipped to manage the complex web of brand loyalty and modern customer trust [6]. Secondly, Market researchers must conduct in-depth studies into customer needs for a new fashion label. They must comprehend the preferences of consumers with regard to styles, colors, design aesthetics, and materials selections. In-depth discussions with internal designers should result from the analysis of this data in order

to forecast and coincide with new trends. It involves identifying the various viewpoints that consumers use to select a brand and developing a customized story for one's products [8]. Therefore, Skims creates a community to share attractive components in order to resonate with their customers. They frequently provide eye-catching images and videos of their products that showcase their inventive textiles and distinctive design elements. Also, in order to naturally include its customers in their marketing activities, Skims promotes user-generated content. And by actively interacting with their audience through direct messages, comments, and tags, the business builds community and increases customer loyalty. Thirdly, Skims uses strategic collaborations to amplify their reach and credibility. Skims and luxury brand Fendi collaborated to create a co-branded range that blends comfort and style. It can help build a good image of the brand. Since collaborating with luxury brands also indicates its own high-end. Besides, Kardashian's personal support strengthens the brand's reputation for elegance and superiority.

4 Suggestion

4.1 Social responsibility and sustainability

Skims would better take social responsibility and take a sustainable road. According to a study about consumers' perceptions of corporate social responsibility, this research supports the idea that corporate social responsibility initiatives can make customers feel good, which increases their empathy and motivates them to support the business [9]. Little information regarding SKIMS's effects on humans, the environment, and animals is provided. Kim Kardashian's brand has the lowest possible grade of "We Avoid" from the ethical brand assessment app Good On You. A scandal involving former employees alleging underpaid overtime, withholding salaries, and no breaks had also surrounded the business. So, they can use alternative materials and proceed recycling programs to build their social environmental-protected image. Besides, they can organize or participate in social responsibility program, such as supporting women's entrepreneurship and education grants. These programs will draw in more ecologically conscientious customers while also enhancing SKIMS' brand image. Both market share and brand loyalty rise as a result.

4.2 Reducing social influencers' reliability

Given the erratic nature of celebrity dynamics, the appeal of celebrity endorsement offers short-term commercial benefits but may not present long-term. According to a paper analysis, influencers frequently have celebrity status, which can harm a brand's reputation if the influencer breaks brand guidelines or behaves in a way that is ethically repugnant [10]. So Skims can increase their engage with customers. Seek for and incorporate consumer input on a proactive basis into the processes of product development and enhancement. Besides, by enhancing its brand narrative and creative design, Skims may increase the brand's independence. Relying less on celebrity endorsements, increasing customer loyalty and enhancing their own brand positioning are beneficial Skims' further development.

5 Conclusion

This study examines the Skims brand's marketing strategy and highlights its unique features in terms of product innovation, pricing strategy, market positioning, and promotional tactics. Simultaneously, the research highlights other significant concerns confronting Skims, such as an excessive dependence on celebrity endorsements like Kim Kardashian and

environmental concerns. To address these issues, the research proposed several recommendations, including reducing rely on collaborating with celebrities, improving brand's own unique positioning. These suggestions can help Skims face current challenges and keep it competitive in the future market. The study's recommendations for enhancing Skims' and related brands' marketing tactics are significant. These pointers can support brands in thriving in a highly competitive marketplace. Simultaneously, the study offers valuable insights into fashion brand marketing strategies by thoroughly examining the achievements and limitations of Skims. The study's drawback, however, is that there is a lack of comprehensive research on particular marketing effects, and the majority of the data came from publicly accessible market data and case studies. Therefore, future research can further expand and validate the conclusions of this study through more thorough fieldwork and quantitative analysis, providing more helpful business recommendations.

References

1. K.L. Keller, Conceptualizing, measuring, and managing customer-based brand equity. *J. Mark.* **57**, 1-22(1993)
2. J.M. Verissimo, M. Borges Tiago, Digital marketing and social media: Why bother? *Bus. Horiz.* **57**, 703-708(2014)
3. A.R. Setiawan, Commodification of the sexuality in Kim Kardashian'' s Instagram Posts. *MAX* 1-4 (2020)
4. Size guides, shapewear, underwear & loungewear. SKIMS, 2024/8/28, [skims.com/pages/size-guides](https://www.skims.com/pages/size-guides).
5. B. Rathore, Chic strategies: Revolutionizing the industry through innovative fashion marketing. *IJNMS* **6**, 23-33 (2019).
6. Y.X. Zhang, Brand strategy impact study of SKIMS and the potential brand Trajectory Post AI Integration. *SHS W C* **185**, 03011(2024)
7. S. Subrahmanyam, S. Arif, Premium pricing strategy and customer retention -an analysis. *Int. J. Early Child. Spec. Educ.* **14**, 03 (2022)
8. C. Campbell, J.R. Farrell, More than meets the eye: The functional components underlying influencer marketing. *Business Horizons*, **63**, 469–479(2020).
9. S.H. Ko, J.Y. Kim, Y. Choi, Consumers' corporate social responsibility perception and anti-consumer awareness: Roles of compassion and corporate social responsibility authenticity in South Korea. *Behav. Sci.* **13**, 622(2023)
10. D.H. Silvera, A. Benedikte, Factors predicting the effectiveness of celebrity endorsement advertisements. *Eur. J. Mark.* **38**, 1509–1526 (2004).