

A Review on Sustainable Marketing Strategy for Crocs

Fengshuo Liu^{1,a,*}

¹*Henan Experimental High School, Zhengzhou, 450000, China*

a. marshallgray@usf.edu

**corresponding author*

Abstract: Crocs is an American shoe brand. This study talking about how brand marketing and brand decisions have made Crocs' success, decline, and return to the masses a popular trend again. Nowadays the social economy rapid develop. various products advent more faster, the new things with creativity could always attract people's attention. However, the society trend changed quickly, then all brands need to think about how they could expand their customer base in addition to consolidating their existing customers same as Crocs. To make a sustainable marketing strategy crocs needs to combine their brand history, the market requirement, their brand positioning, and their consumer buying behavior. Therefore, the purpose of this study is to provide a sustainable development plan for Crocs from the author's point of view through the several items of information above. The sustainable development suggestions in this paper include, but are not limited to, clarifying brand positioning and target customer groups, developing e-commerce sales channels, etc.

Keywords: Crocs, market, product

1. Introduction

Crocs is a shoe designer, manufacturer and retailer from Colorado, United States, marketing comfortable shoes for men, women and children under the crocs brand. It is founded in 2002. crocs shoes were originally marketed for sailing and outdoor sports, and later became popular with different consumers because of their comfortable fitting.

From November 2002 crocs began selling its first pair of shoes "Beach", in the next few years the crocs' product line expands to seven major types (molds, flats, boots, flip-flops, heels, lace-ups, loafers), more than 140 shoe types and nearly 100 shoe colors throughout the year. The company's product line expands to seven major types (molds, flats, boots, flip-flops, heels, lace-ups, loafers), more than 140 shoe types and nearly 100 shoe colors throughout the year. Time magazine named Crocs "one of the fifty Worst Inventions. "It then entered a period of low sales, brand losses approaching hundreds of millions of yuan. However, after a series of reforms crocs come back to life again. According to crocs' fiscal 2019 second quarter results, which were announced on August 1, its sales increased 9.4% year over year to \$358 million. Same-store sales at retail increased 11.8 percent, while wholesale channel sales increased 5.2 percent.

1.1. The Reason for the Resurgence

This study indicates that the first reason is because among the same category of brands, Crocs is founded earlier and has a larger customer base. All these laid the foundation for the good effect of

the brand's subsequent innovation and reform. A key strategy of Crocs is to launch Jibbitz accessories products, because of the characteristics of Crocs shoes Jibbitz products can be combined and installed on the Crocs, so that the shoes show uniqueness. Jibbitz is an important jewelry for customers to play their imagination and show their own personality [1]. What's more, Cross-border co-branding gives the brand-new vitality, after experiencing the low period of the brand, crocs found that only by constantly innovating products cannot be abandoned by the trend of the times. Therefore, following the launch of Jibbitz products, crocs also began its road of co-branding. In 2016, when it announced cooperation with designer brand Christopher Kane, it generated more than 10 billion publicity effects. In 2017, crocs launched 10cm platform shoes with Balenciaga, and they obtained more and more praise. Some fashion trend men also began to pay attention to this "old brand". The later cooperations with Chinatown market and VERA Bradley created a lot of topics for crocs. Many co-branded models were almost sold out, which shows that co-branded cooperation occupies an important position in the brand strategy of crocs [2]. After grasping the technology to produce a lightweight, antibacterial foam, developed in a Canadian laboratory in 1999, the founders trademarked Croslite, "a proprietary closed-cell resin ... that gives each pair of shoes the soft, comfortable, lightweight, non-marking and odor-resistant qualities" [3].

Crocs letter to consumers that Croslite "contains no latex, rubber, ethyl mercury, or other known allergens" and explain how the closed cell resin possesses anti-microbial properties so there are no fungicides or anti-bacterial chemicals added to the Croslite material. Together with the stated goals in crocs 2014 sustainability report of reducing volatile organic compounds (VOCs) by 17.6% and increasing the re-use of scrap materials to 7%. Through the ECOLIBRIUM technology could convert the scrap material to the sustainable material, while ensuring comfortable wearing experience, it improves resource utilization and reduces carbon emissions [4]. The environment-friendly development is in the line with main theme of today's world development, it also can be a major marketing point for crocs, to let their customers know the products from crocs is natural and non-hazardous. For those who pursue quality of life customers, this is a very big attraction point. The next part the present study this paper think is important in development of crocs is the celebrity effect, for example, in China crocs has invited a number of celebrities who are very influential in China, and many internet celebrities who had a huge fan group to promote their products and give the products more exposure, from then on, crocs became more and more popular in China. Driven by these bold marketing strategies, crocs' sales have increased for ten consecutive quarters. In 2019, sales were 13% higher, reaching a record \$1.23 billion, and net profit reached \$119 million, up to 136% [5].

1.2. The Defects

Crocs also has many shortcomings in the development. Due to the brand of simple product style, imitation products are endless. The existence of a large number of imitation products on the market, seriously affected brand reputation. There may be customers unknowingly bought imitation products, and the quality of imitation products is poor, that leads customers having a poor brand impression of crocs. Secondly, the online sales channels of crocs are too limited, and the styles on the official website are not complete enough. For example, many shoe buckle accessories owned by offline stores cannot be purchased in online stores, or they need to be purchased in sets. This situation greatly affects the shopping experience of customers, as well as the limited regional purchase of co-branded shoes launched by the brand. The official website does not log in the new information in time, it will lead to customers to buy the desired products, which will also affect customers' impression of the brand. Some customers may buy some of the poor-quality products in a batch, and the brand needs to make good after-sales treatment for this. In this way, crocs can use the minimum cost to brand publicity, create a profile of a brand that cares about its customers.

2. Marketing Strategies

Crocs has been looking for a breakthrough in brand marketing and strategy. Some original marketing methods have brought new customers to Crocs. Once they realized their demand was increasing, Crocs decided to open several stores across the globe which eventually ended up oversaturating the market and creating inventory problems. They are taking the appearance of products too seriously to run counter to the original intention of the products. At that time (2007-2008) the world was facing a severe economic crisis, and people had to get rid of non-essentials like crocs. Because of this, crocs then faced a \$400 million deficit. However, in 2014 Crocs decided to invest \$24.5 million in restructuring their marketing strategy by reducing the number of stores and refocusing their product line on the original concept of Crocs clogs. Then it began a crazy co-branding road. They accept their ugly characteristic and continue to amplify it to make it their own distinctive brand symbol. Crocs knows that the public is split down the middle, with half absolutely despising the brand based on the iconic clog and the other not at all. Therefore, those unimaginative co-branded products not only cater to those who like their products, but also attract those who do not like their products, so that the marketing strategy attracts the attention of a more diverse group of people. Their goal is not to make haters love this brand, but is to exploit that extrinsic tension because creates opportunity, and it creates public relations, create media, and creates interest. It creates a whole lot that would cost customers a fortune to buy in other ways as stated by CEO of crocs, which proves that Crocs aims for the shock value to spike interest from consumers.

Brand positioning, brand identity, and brand image are key concepts when referring to brand equity, or the value of a brand. Or as stated by Jay Gronlund, "the brand positioning is the heart of marketing." [6]. Brand positioning expresses how a brand differentiates itself from its competitors. Brand positioning can be seen as a "blueprint of brand" and includes the following components: the target customers and their needs, the competitive framework, and the brand's benefit or promise. For crocs, it was committed to continuous research and development to improve the functionality of shoes in the past, therefor it has gained a certain popularity and customer base around the world. For the current Crocs, it needs to find ways to increase sales of its branded products, crocs develops new product lines without changing the specialty of the original products, it innovated many new styles of shoes. Eventually successful transformed into a synonym for "young and fashionable" in people's hearts.

3. Consumer Buying Behavior

Consumer behavior is a process closely involved in the marketing and branding processes. Whereas both marketing and branding are amongst some of the factors that can have an impact on consumer buying behavior, there are also other key aspects that play a role and directly impact consumer buying behavior [7]. Consumer behavior involves not only purchasing, but also other product-related perceptions, attitudes, and behaviors [8]. Consumer decisions would also affect by the reality and personal needs. As research shows that among the participants, 43% bought the product because it was convenient to wear, 26% of the participants answered that they would wear the Crocs at any time, and 19% mainly wore it at work or school, as well as at home, so it can be inferred that for ordinary people, the existence of Crocs is to serve people's convenience and comfort. Based on this basis to increase the appearance of beauty, its competitiveness will be greater in the market.

4. Suggestion

For the sustainable development of the crocs, this paper puts forward several suggestions. The brand should continue to introduce innovative shoes, in order to meet the change of trend, because now the level of economic development is high, people's demand for products is no longer simple to

wear comfortable, but to take into account the appearance of beautiful, but such a premise is that the brand insists on wearing comfort as the basis. Secondly, crocs should adhere to the joint cooperation strategy. More brand joint cooperation to jointly open the visibility can also inject new vitality into the innovation of brand products at the same time. What's more, crocs can try to target the brand on professional work shoes, or foot patients, etc., in this market the competitors are completely different, and in terms of function, appearance and value recognition and so on crocs can have more advantages. If it is selected as a designated partner by the official hospital because of its good function, it will have a positive impact on its brand development [1]. Besides, crocs should continue to develop the celebrity strategy. They should invite more influential celebrities or network anchors to publicize its products, and firmly grasp the Internet as a sales channel, also actively promote the way of live selling goods can make sales significantly improved. Inviting more beautiful and handsome spokespersons and using the modern way of live selling goods can firmly grasp the hearts of young people. Moreover, crocs can set up special product lines to serve the elderly, that's because their products actually are more suitable for the old, their feet and gradually aging knees, now is in need of more love and care, reducing the burden of bones is a good brand value proposition, and these product lines cannot find handsome men or women to line up advertising. It will cause middle-aged and elderly people to be resistant, they should find a spokesperson that meets the age of middle-aged and elderly customers. In addition, crocs should increase its advertising investment in streaming media platforms, and accurately select target consumer groups through the collation and statistics of relevant data, so as to optimize the input-output ratio, rationally reduce publicity costs effectively and improve brand profits. At the same time crocs can choose to sponsor movies and have the product appear in the movie, which is also a good choice for advertising. Furthermore, crocs need to standardize the operation and management of the network platform, which is the official website and online store. The product styles should be more selective, and the inventory situation can be synchronized online and offline as much as possible, so that customers can have a good shopping experience and do a good job in after-sales service. Crocs can appropriately close offline stores around the world, because online shopping is now the mainstream trend, concentrate more power on the operation of the network platform, which can save a lot of store costs, but also provide more possibilities for online sales. In addition to the above mentioned, it is also necessary to consider regular return visits to customers to collect their opinions and constantly promote brand self-improvement. Last but not least, crocs should adhere to the use of environmentally friendly materials, play a leading role in environmental protection in the industry, and establish a positive brand image. At the same time, in the new coronavirus pandemic 2020, Crocs launched the "a free pair of healthcare" campaign, providing free Crocs to healthcare workers. It also shows the generosity and civic consciousness of crocs, but whether it is the use of environmentally friendly materials or public welfare activities, it is a marketing strategy to a large extent, which increases the impression of crocs in people's minds. Through these strategies, it is hoped to make the brand development of crocs more stable.

5. Conclusion

In sum, it can be seen that crocs have formed a large industrial scale and mature marketing methods in so many years of practice, and that makes crocs have a foothold in such a competitive market. All crocs need to do now is to clarify its own brand positioning to continue to produce high-quality and creative products and keep developing new products to expand the customer groups while consolidating the existing customer groups. Meanwhile, crocs should continue to expand e-commerce sales channels and improve online sales and after-sales services, thus consumer could be provided a better consumption experience. This study systematically combs the development process of crocs and summarizes the advantages and disadvantages of its marketing based on its development process

and current situation. This article helps crocs and related brands to further optimize their own marketing behavior and promote brand development.

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