

Marketing Plan for Drip Creationz

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2 February 2021

Table of Contents

1. Executive Summary

2. What is Drip Creationz?

3. Strategic Focus

- a. Drip Creationz's Mission Statement
- b. Goals – goals and strategy – what will you accomplish with this plan?
- c. Core Competency and Scalability

4. Situational Analysis

- a. Industry Analysis
 - i. SWOT analysis
 - ii. Porter's Five Forces analysis
- b. Competitor Benefit Analysis
 - i. Major Competitors' Marketing Efforts
- c. Product Competitive Analysis
- d. Consumer Analysis

5. Marketing Objectives for each Target Market

6. The Offerings: Marketing Plan for each Target Market Segment

- a. Positioning
- b. Product Strategy
- c. Price Strategy
- d. Place (Distribution) Strategy
- e. Promotion Strategy

7. Financial Data and Projections

- a. Five-Year Projected Sales Revenue

b. Five-Year Projected Operating Profit

8. Evaluation and Control

a. Track Benchmarked Figures at Specific Periods Throughout
the Campaign

9. References

1. Executive Summary

This plan is presented to Drip Creationz, a company that specializes in the online footwear industry. Drip Creationz's sole sneaker, Nike Air Force 1's, is designed for teens and young adults interested in unique, innovative shoes. Our marketing plan will introduce the

opportunity to expand our sneaker collection and enter the retail industry. With the increasing demand of obtaining personalized shoes, we see an opportunity to help increase the company's sales numbers.

Drip Creationz's goal is to allow customers to bring new creative designs to life through customization. We want to help them expand on this goal by hiring artists from different backgrounds and artistic styles to work with the company. This will increase the number of designs that they currently offer and make it appealing to both females and males consumers. Additionally, we believe adding other brands like Timberland and Vans is an essential step for rebranding the company. This will encourage previous customers to return because there will be other brands available for them to choose from. Adding additional brands will also change the type of look customers may be going for depending on the season. In this report, we will go through data collections and analyses that will navigate the marketing strategies appropriate for reaching setout goals for Drip Creationz.

2. What is Drip Creationz?

Drip Creationz was started by co-founders Brian Porter, Frankie Quiroz, and Llene Arellano to create and bring unique, customized footwear into the market. Drip Creationz brought innovative products that have never been done before into the market. The e-commerce brand specializes in creating premium and bold fashion that appeals to teenagers and young adults. Since the company's initial launch in 2017, Drip Creationz has gained a large social media following, especially on Instagram. With over one million followers, Drip Creationz utilizes this platform as a way to connect with previous customers, while also appealing to new ones. The Company has also collaborated with multiple well-known social media influencers in the past whose social media following ranges from six million to fifteen million.

Drip Creationz is a custom shoe designing brand where fully hand-painted and custom designs are applied to a shoe to give it more style, personality, and meaning. The Company currently sells custom Nike Air Force Ones. In addition, they also offer apparel such as hoodies and t-shirts, and accessories that range from phone cases to shoe charms. In terms of sales, Drip Creationz sold its products to over 50,000 customers in 2020. Drip Creationz believes that its high-quality, high-price and high customer service strategy has proven to be successful in the company's growth.

3. Strategic Focus

a. Drip Creationz's Mission Statement

The mission of Drip Creationz is to inspire creativity through the customization of popular, fashionable shoes while allowing everyone to add some personal drip to their collection.

b. Goals

For the coming five years Drip Creationz seeks to achieve the following goals:

- Nonfinancial goals
 1. To expand the variety of customized shoes to shoes such as Timberlands, Doc Martens, Vans Slip-Ons, and Converse.
 2. To achieve national distribution in retail stores.
 3. To work with more social media influencers.
 4. To retain its present image as a company that produces fashion that is high-quality and customized.
 5. To open one physical location by 2025 and a second location by 2026.
- Financial goals
 1. To have a public stock offering by 2026.

2. To make over 20 million dollars in sales revenue in 2021.

c. Core Competency and Scalability

In terms of core competency, Drip Creationz seeks to achieve a unique ability to (1) provide a unique variety of high-quality, customized footwear and related products using popular and trendy designs that appeal to multiple audiences and (2) provide excellent customer service which backs up the Company's drive to provide its customers with consistency with high quality, custom work.

To translate these core competencies into a sustainable competitive advantage, Drip Creationz will work with both suppliers and employees to build and strengthen the relationships that are needed to fulfill the needs of our customers.

4. Situational Analysis

a. Industry Analysis

Customized Products. Currently, customized products are a growing trend for consumers. Customized products allow consumers to express themselves and stand out from others, while also allowing companies to increase their prices. According to *Forbes*, one out of every five consumers are willing to pay 20% more for personalized products. *Forbes* also notes that 46% of consumers are willing and content to wait longer for their product to arrive when it is customized. This ongoing trend has a major impact on the shoe industry as 80% of consumers are more likely to make a purchase when a personalized experience is offered.

i. SWOT Analysis

Figure 1 shows both the internal and external factors affecting the marketing opportunities for Drip Creationz. This SWOT analysis showcases the efforts that this company has taken since its products first launched on its website.

Figure 1. SWOT Analysis for Drip Creationz

Internal Factors	Strengths	Weaknesses
	<ul style="list-style-type: none"> ● Offers unique, high-quality products. ● Committed to providing good customer service. ● Has experienced and skilled employees. 	<ul style="list-style-type: none"> ● No in-store locations. ● Many lower-priced competitors. ● No existing relationship/partnerships with retailers.
External Factors	Opportunities	Threats
	<ul style="list-style-type: none"> ● Increased demand for customized products. Consumers are looking for new, trendy ways to differentiate and express themselves. ● More customers are shopping online due to the pandemic. 	<ul style="list-style-type: none"> ● Competitors are producing similar products.

Internally, Drip Creationz has strengths such as having experienced employees and a team of over 30 shoe creators, offering high-quality products, and providing customers with high-quality customer service. Favorable external factors include the increased demand for customized products. Currently, consumers are looking for new, trendy ways to differentiate themselves from others and to fully express themselves, and Drip Creationz satisfies that growing demand. Also, due to the pandemic, more customers are shopping online. Drip Creationz’s fully online platform allows customers to continue to purchase products from the company.

For weaknesses, similar to its competitors, Drip Creationz currently has no physical locations or ongoing relationships or partnerships with retailers. Currently, their products can

only be purchased directly from their website, not from retailers such as Foot Locker or Finish Line. Threats for the company include competition from other companies who are producing similar products.

ii. Porter’s Five Forces Analysis

_____ Figure 2 displays information on our industry in the form of Porter’s Five Forces Analysis. This gives the information of threats, rivalry, competitors, pressure, bargaining, and strategies. Overall, this analysis proves that Drip Creationz can thrive in this industry.

Figure 2. Porter’s Five Forces Table

<p>Threat of Entry</p>	<ul style="list-style-type: none"> ● The custom shoe industry is easy to enter. Although to avoid patent and copyright violations, companies must credit the actual shoe company or designer.
<p>Intensity of Rivalry Among Existing Competitors</p>	<ul style="list-style-type: none"> ● There is the intensity of rivalry among competitors. Since most of the companies use the same sneaker (Nike’s Air Force 1) there is not much diversity. ● The best way of attracting customers is by changing the prices of the shoes and sending out deals on the shoes frequently.
<p>Pressure from Substitute Products</p>	<ul style="list-style-type: none"> ● The substitute for buying custom sneakers would be to buy custom sneakers from the actual Nike store. ● If companies outside of Nike are overpricing, customers would feel more comfortable with Nike which has a return policy.
<p>Bargaining Power of Suppliers</p>	<ul style="list-style-type: none"> ● Unless Nike raises the prices of all Air Force 1 shoes, there are several suppliers that companies can get the shoes from. eg; Nike. Footlocker, Champions, Footaction, and Finish

	Line.
Strategies	<ul style="list-style-type: none"> ● To add other popular shoes such as Timberland, will differentiate Drip Creationz from other companies. ● Partnering with influencers will create great marketing. ● Working to get a contract with Nike, and then branch out to other sneaker stores. ● Utilizing social media more to promote Drip Creationz.

b. Competitor Benefit Analysis

i. Product Competitive Analysis

Figure 3 displays Drip Creationz’s competitors and evaluates each of the brand’s characteristics. For each company, we focused on product attributes and brand ratings.

Figure 3. Product Competitive Analysis

Company:	Product Attributes	Brand Characteristics Rating
The Custom Movement	<ul style="list-style-type: none"> ● Price (expensive) <ul style="list-style-type: none"> - High pricing, but understandable considering the products are hand-painted. ● Quality <ul style="list-style-type: none"> - Brand name sneakers. - Designs are of high quality. - Hand-painted. ● Reliability <ul style="list-style-type: none"> - There’s no about page on their website; there is not much that I know about the company. - No contact information available if an issue with an order took place. - Not reliable. 	3

	<ul style="list-style-type: none"> - About page on their YouTube (“We hook up celebrities, influencers, and talent with artists to get customized apparel and more.”) ● Variety of Models <ul style="list-style-type: none"> - Only sneakers ● Variety of Options <ul style="list-style-type: none"> - Shoes, jewelry, pillows, sweatshirts, sweatpants, shirts ● Appearance <ul style="list-style-type: none"> - Has a clean shoe design. - Basic website appearance - High quality and diverse photography backgrounds 	
Drippy Customs	<ul style="list-style-type: none"> ● Price <ul style="list-style-type: none"> - High pricing, but reasonable considering customers are purchasing both the shoe and the design. ● Quality <ul style="list-style-type: none"> - High-quality artists - Brand name sneakers - Hand-painted ● Reliability <ul style="list-style-type: none"> - Each artists’ work is examined before working with the company. - Has buyers protection. - Provide tracking information with products. - Easy to contact. ● Variety of Models <ul style="list-style-type: none"> - Only sneakers. ● Variety of Options <ul style="list-style-type: none"> - Shoes, t-shirts, sweatshirts, denim jackets, hoodies. ● Appearance <ul style="list-style-type: none"> - Has a clean shoe design. - Basic website appearance. - High quality and diverse, yet simplistic photography backgrounds. 	5
B Street Shoes	<ul style="list-style-type: none"> ● Price <ul style="list-style-type: none"> - The shoes are extremely pricy; not affordable. ● Quality <ul style="list-style-type: none"> - Designs of high quality. 	4

	<ul style="list-style-type: none"> - Brand name sneakers. - Hand-painted. ● Reliability <ul style="list-style-type: none"> - Provided contact information. - Gives an estimated time on when you should receive shoes. - Provides tracking information. ● Variety of Models <ul style="list-style-type: none"> - Only sneakers. ● Variety of Options <ul style="list-style-type: none"> - Shoes, shirts, paints, paintings. ● Appearance <ul style="list-style-type: none"> - Has a clean shoe design. - Basic website appearance. - High quality and consistent photography backgrounds. 	
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ii. Major Competitors' Marketing Efforts

_____Figure 4 shows the marketing efforts of Drip Creationz's main three competitors. The table below shows the efforts of each of the three major competitors and what they are doing to pull in customers and keep them engaged.

Figure 4. Competitor's Marketing Analysis

The Custom Movement	<ul style="list-style-type: none"> - Has a simplistic and aesthetic website. - Easy to navigate their website. - Has a wide range of customers - Gives an inside look (shows the process and detail shots.) - Active on TikTok, YouTube, and Instagram. - Blog
Drippy Custom	<ul style="list-style-type: none"> - Has a simplistic and aesthetic website. - Easy to navigate their website. - Has a great logo. - Consistent on Instagram by showing many forms of content.

Bstreet Shoes	<ul style="list-style-type: none"> - Has a simplistic and aesthetic website. - Easy to navigate their website. - Consistent photos on their website. - Blog - Has magazine articles in Forbes and New York Times. - Has celebrity clients. - Active on Facebook, Instagram, Twitter, Pinterest, YouTube, and Tumblr. - Showcases their products, the design process, and who's wearing their shoes on Instagram.
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c. Consumer Analysis

In terms of consumer analysis, Drip Creationz has four types of market segments, (1) Designer Kids, (2) Artistic Expressers, (3) Fashion Killers, and (4) Social Media Influences. For geographic and demographic characteristics, the company is looking for teens, primarily those from ages 15-19, or young adults who range from 20-25. This also includes individuals who are both female and male living in the U.S. or worldwide.

For psychographic attributes, we determined that these consumers fit the VAL type of Experiencers. Individuals who meet these criteria have high resources, seek variety within their lives, keep up with the latest fashion trends, are impulsive consumers who spend a majority of their income on fashion, are the first in and out of trend adoption, and are motivated in self-expression. They are interested in expressing themselves and choose to do so through fashion.

For behavioristic attributes, Drip Creationz is targeting active social media users and impulsive online shoppers. We are focusing on three main social media platforms which include Instagram, TikTok, and Twitter. These individuals spend a majority of their time on social

media, specifically Instagram, scrolling through the app purchasing various items that catch their attention through the platform. This results in a quick and easy transaction for Instagram users to benefit from as it results in a “one-stop-shop” for these social media users. The users are attracted to achieving a high fashion and unique look, and view shoes by Drip Creationz as a need since they would use them consistently as shoes, but also as a want since the customization done on the shoes would turn this product into a want for them.

We estimated that an approximate population of the total demographic of this market segment is 85.58 million. This includes our U.S. demographic of 66.06 million customers, our Canadian Demographics of 7.2 million customers, and our UK Demographics of 12.32 million customers.

5. Marketing Objectives for each Target Market

Drip Creationz’s marketing intent is to take full advantage of two major target markets, the Fashion Killers and Social Media Influencers.

Fashion Killers are a group of young individuals that constantly post on social media. They enjoy posting about their hobbies which include shopping, thrifting, and fashion. With their major love for fashion and style, they use their social media to showcase their outfits, along with styles and trends they love. This market retains our existing customers while also targeting new ones which then reaches our goal of selling to over 100,000 customers by the end of 2021.

Social Media Influencers are a group of individuals that have a large number of followers on social media. They have an audience that they can persuade to purchase or use items based on their authority, status, and knowledge. There are 5 kinds of influencers, Nano (0-10,000 followers), Micro (10,000-100,000 followers), Macro (100,000-1 million followers), Mega (1

million+ followers), and Celebrity (1 million+ followers). This market will wear and promote our products which will allow us to reach our 100,000 customer goal by the end of 2021.

The expected outcome is to sell to at least 100,000 customers by the end of 2021. This will nearly double our sales from 2020. With the help of social media and the increasing trend and customization of our product, we will be able to reach this goal. To benchmark the performance of our product in 2021 we plan to sell what we sold in 2020 about halfway through the year 2021.

6. The Offerings: Marketing Plan for each Target Market Segment

a. Positioning

For both of our target segments Fashion Killers and Social Media Influencers, we plan on placing this product in the target market segment's collective mind by focusing on both the style and the status that our products offer. Both of these target segments enjoy following and keeping up with the latest trends. Due to this, we want to focus on the style of our products and the status that comes with them. At Drip Creationz, they offer an extensive variety of customized shoes that come at reasonable prices while still offering high quality. Not only are Fashion Killers and Social Media Influencers constantly searching for new ways to keep up with the latest styles, but they also want to stand out from others by obtaining shoes that showcase their social status and their drive to seek variety within their everyday lives.

b. Product Strategy

For the Social Media Influencers and Fashion Killers, all of Drip Creationz's products would be available. This includes their shoes, clothing, and accessories. The reason why we would offer all of these products to Influencers is that it's a promotion of our merchandise. Due to their large following, we want to ensure that their followers know there is something for

everybody. In addition to that, it's also a bonus to have our Influencers promote all of our products. While their audience may primarily follow our Influencers for shoes, we would also be endorsing other products from the Company as well. If they see clothing or an accessory that they like, this could lead to a purchase. Ultimately, this will increase revenue for the company. Drip Creationz offers a wide variety of options for shoes, clothing, and accessories. This is perfect for an Influencer. Not only will they be able to find something for themselves, but they would also be able to promote products made exclusively from Drip Creationz that will be eye-catching for their followers. For our Fashion Killers, they could find something appealing in the apparel and accessories section. Drip Creationz offers some matching products which could encourage this target segment to buy our shoes as well as some corresponding accessories. Whether our Social Media Influencers and their followers or Fashion Killers prefer a more simplistic or flashy look, while shopping at Drip Creationz there will always be a product that fits their unique style.

c. Price Strategy

Consumers would pay this price for the sneaker because they will have a wide range of options for handcrafted, designer sneakers for lower offering prices. For the designs that we will offer, the price ranges from \$180 to about \$300 if purchased with our competitors. This means we will be able to more efficiently target our segments because the price will catch their eye and cause lower chances of the segment having second thoughts when impulse shopping.

d. Place Strategy

For Fashion Killers, our products will be available both online and in-store; as well as in some retail stores such as Foot Locker for collaborations. The shipment will be done by USPS. This target market spends most of its time online and on social media. They constantly shop on

Instagram, through apps, and on websites, especially during COVID. Social media is where they post their looks and show their true love for fashion to their audience of peers and people who love their style. This makes it easy for us to connect to the consumer and make them desire our product. These individuals also enjoy having an in-store experience. They enjoy having access to an engaging atmosphere with good customer service where they can find the perfect shoe fit. The store we plan on opening will be an entertaining and fun experience. The in-store customization process will also create customer loyalty. This will draw in a unique experience for every customer as custom work is trend forecasted for the foreseeable future in fashion products.

For our Social Media Influencers, we will send them a new shoe design quarterly. The shipment will be carried out by USPS. This allows them to show the product off on their social media and convince their followers to make a purchase either online or in-store. We will also give the Influencer a discount code to give to their audience. The product will be available online and in-store and in some retail stores such as Foot Locker for collaborations. This is consistent with this target market as this quarterly sent gift will influence the Influencer's audience to purchase items from Drip Creationz. When the Influencer's audience sees products that their favorite Influencer wears and loves, they are highly likely to purchase the same product themselves. Along with the want of the product from the Influencer, the Influencer will have a discount code with the product, and with that, the audience will be even more likely to buy the product. This audience and the Influencer will likely buy online as they are posting and seeing the product online. Online shopping is constantly where our target market is. This target market spends most of its time online and on social media. Along with online shopping, the Influencer will also promote the in-store purchase option as well explaining the company's custom work options. Once the pandemic is over, we will be having in-store events where well-known

Influencers will be invited to. In addition to arriving at this event, they will be expected to post and vlog about their experience. Doing so would influence their audience to want the same experience as them and in return, visit our locations and purchase our products.

e. Promotion Strategy

We plan to promote our products to both of our marketing segments through social media. Both of our target market segments, Fashion Killers and Social Media Influencers spend a majority of their time online and on social media. These target segments are also on various social media platforms such as Instagram, Tik Tok, Twitter, and Youtube. With over 1 million followers on Instagram, Drip Creationz posts photos of its products, as well as other well-known influencers wearing their products. Currently, Drip Creationz utilizes Instagram as its main social media platform. On Instagram, the company promotes ongoing sales, interacts with customers, and showcases its latest products. As a way to increase customer engagement and bring in new potential customers, the company also hosts regular giveaways on Instagram to boost engagement. We plan on promoting our products by posting daily on Instagram, utilizing Instagram's "Story" feature as a way to showcase our products, but also allow as a quick and easy way for consumers to "swipe up" and purchase our products, and partnering with social media influencers to influence their followers to purchase our products as well.

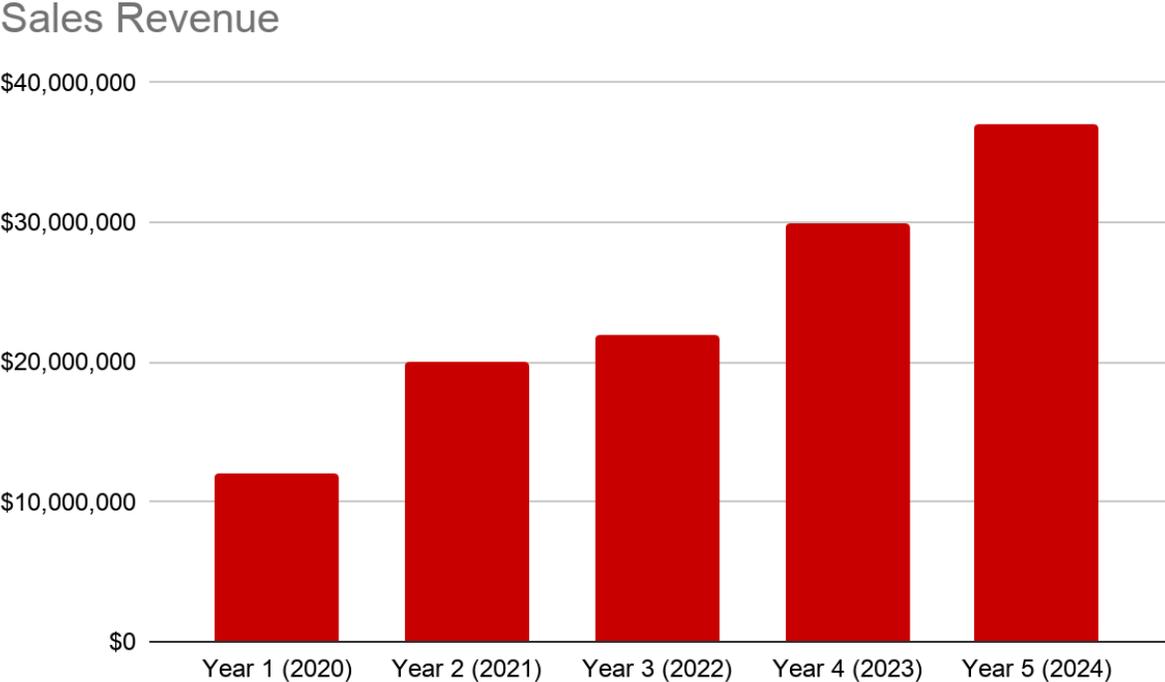
7. Financial Data and Projections

a. Five-Year Projected Sales Revenue

Figure 5 displays information on Drip Creationz's projected sales revenue. In 2020, a goal of \$12,000,000 was set and reached for sales revenue. As Covid-19 becomes less intense, concerts and large gatherings are expected to happen by the end of 2021. This causes a prediction of people wanting new and exciting custom shoes to show off at events as they now have a place

to go out and wear what they want. We predict that in 2022, things will slow a little after such a strong and high demand. Within the years of 2023 and 2024, we plan to have more accessible options to customers with collaborations and in-store options which will immensely grow the company's sales revenue.

Figure 5. Five-Year Projected Sales Revenue for Drip Creationz



b. Five-Year Projected Operating Profit

In Figure 6, we projected that at least 45% of the sales revenue will be gross profit. Based on the average price point of \$200 we will be able to pay off expenses. Then we estimated that approximately 15% of the gross profit will be Operations profit. This is the amount after paying the expenses (supplies, salaries, storage, etc.)

Figure 6: Five-Year Projected Operating Profit

	Year 1 (Current year)	Year 2	Year 3	Year 4	Year 5
Total sales	60,000	100,000	110,000	150,000	185,000
Sales revenue	\$ 12,000,000	\$ 20,000,000	\$ 22,000,000	\$ 30,000,000	\$ 37,000,000
Gross profit	\$ 5,400,000	\$ 9,000,000	\$ 9,900,000	\$ 13,500,000	\$ 16,650,000
Operations profits	\$ 1,800,000	\$ 3,000,000	\$ 3,300,000	\$ 4,500,000	\$ 5,550,000

8. Evaluation and Control

a. Track Benchmarked Figures at Specific Periods Throughout the Campaign

Studies have shown that most people buy their shoes from around September to January. This is usually when consumers get the best deals on footwear. During this time, there are back-to-school sales and holiday sales. See Figure 7 for a graph of tracked benchmarked figures at specific periods throughout our campaign. From all of this information, we concluded that our highest sales will be in the second period. In Year 1, during Periods 1 and 2, we estimated that we would have sales of approximately \$5.76 million and \$6.24 million respectively, which gave us a percent change of 8.33%. In Year 2, during Periods 1 and 2, we estimated sales of approximately \$9.4 million and \$10.6 million, which gave us a percent change of 12.76%. In Year 3, we estimated sales of approximately \$9.9 million and \$12.1 million, which gave us a percent change of 22.22%. In Year 4, we estimated sales of approximately \$13.2 million and \$16.8, which gave us a percent change of 27.27%. In Year 5, we estimated sales of approximately \$15.91 million and \$21.09 million, which gave us a percent change of 32.56%.

Figure 7. Projected Five-Year Evaluation

Year	Period 1 (Jan - June)	Period 2 (July - Dec)	Percent Change: (Period Y - Period X) / Period X
Year 1 (2020)	\$5,760,000	\$6,240,000	8.33% increase (\$480,000)
Year 2 (2021)	\$9,400,000	\$10,600,000	12.76% increase (\$1,200,000)
Year 3 (2022)	\$9,900,000	\$12,100,000	22.22% increase (\$2,200,000)
Year 4 (2023)	\$13,200,000	\$16,800,000	27.27% increase (\$3,600,000)
Year 5 (2024)	\$15,910,000	\$21,090,000	32.56% increase (\$5,180,000)

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