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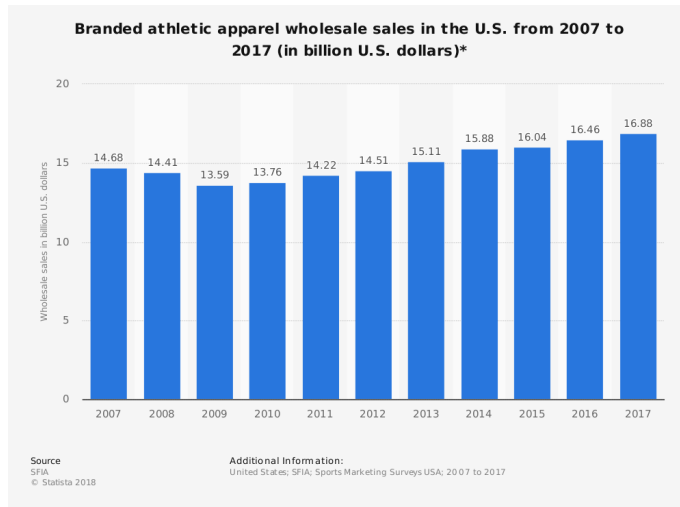
ADV4300
Final Project
Gymshark

1. Executive summary: A summary or overview about your media plan. What do you try to achieve? Who are your target audiences? What would be your media strategies to reach these audiences? Etc. (5pts).

Gymshark is a leader in the gym apparel and athleisure industry. They provide gym and sporting apparel for men and women such as leggings, tank tops, shorts, shirts and accessories. They're an online retail company in based in the United Kingdom and they are highly engaged in social media. Their business values family, progression and vision. They rely on social media for their marketing and need a media plan that will encompass their platforms and values. With other major key players in the industry, Gymshark needs to diversify their brand to stay competitive. In this report we will discuss our media plans goals, the target audience they want to attract, their current position in the industry, other major competitors, along with our recommendations supported by research.

2. Situation analysis: Who are your competitors? What's their media strategy? Who are they targeting? What about your brand's performance in the past few years? What about the industry environment?

The athleisure industry is currently trending and on the rise. Due to the increase in health-conscious and fitness-conscious consumers, the athletic wear industry has been expanding. Due to recent fashion trends of wearing athletic wear outside the gym, many consumers (even those who don't go to the gym often) are purchasing more athletic wear products. With trendy product categories, the brand name and image associated with it is especially important to consumers. Gymshark's strong brand image and perceived benefit of upscale style are important to maintain and push in the minds of consumers. The graph below shows the increase in sales for branded athletic wear. Profits for this industry have been steadily increasing since 2009, and will likely continue to increase in the next few years to come.



Gymshark's main competitors are Nike, Adidas, and Lululemon.

Nike: Nike has an international reach. They target young, trendy, upscale consumers from all over the world. The target serious athletes, gym fanatics, and anyone that works out. Nike appeals to people who are interested in health, fitness, exercise, sports, and the athleisure trend. The age range for their target market is likely around ages 15-30. Currently, Nike is specifically targeting women, with their rapid growth of the Women's Training segment.

Like Gymshark, Nike uses celebrity sponsorship and influencer marketing. They sign a lot of well-known celebrity athletes, like Michael Jordan. On social media platforms like Facebook and Twitter, Nike has separate pages or accounts for each product category they offer. On Twitter, each separate Nike account responds to any users' mentions often and engages with users. They tend to post short, motivational text posts, which aligns with their brand image. That way, consumers who are only interested in a specific sport can follow that specific Nike page and see content that's directly relevant to them. Often times in their ads, Nike shows meaningful, inspirational, heartfelt stories of dedication and hard work (usually of athletes), and rarely mentions their products specifically. Instead, they show the products as an integral part of the story, with the iconic Nike logo being very visible.

Adidas: Adidas is a popular brand for both well known athletes and regular people. This sportswear manufacturer targets young adults and children who participate in athletic activities. The age group is upper class 15-30 year olds who can afford to be in the trend and are experiencers in the VALS system. They choose to emphasize the quality of their apparel and have pricer items. They are popular worldwide and own Reebok, Taylor made and Rockport. Currently they are using a ton of celebrity integration in their campaigns. They also rely on brand loyalty to keep consumers buying their products.

Adidas sponsors sports team and celebrities which has been very successful for them. Soccer player David Beckham, celebrity Kendall Jenner and singer Pharrell Williams all wear this brand during their daily activities and post pictures on their social media accounts. Their media platforms are all very engaging and active with quick response to tweets or direct facebook messages. On instagram and twitter they have seperate accounts for smaller target

audiences based on what sports they play. This helps them directly target women, runners, basketball players, ect. They posts events and tag athletes or celebrities in them that are participating which helps increase attendance. They use hashtags on all their posts which encourage consumers of the brand to do the same.

Lululemon: Lululemon is one of the top yoga apparel companies in the world. They make a variety of athletic wear for men and women, including shorts, leggings, shirts, sports bras, etc. Lululemon is mainly targeted towards women who make an above average salary, as their products are on the higher end scale, and are health conscious. The age range for their target market is likely around ages 25-35. They have a strong cult following and are known for producing high quality athletic wear. Lululemon is currently most popular among women but they are trying to change this and appeal more to men with future campaigns.

Lululemon is currently capitalizing on the growing trend of athleisure. They utilize ambassadors as well but not to that extent that Gymshark does. They are active on all social media platforms but are especially active on Instagram where they have their own hashtag (#thesweatlife) where people are encouraged to share their fitness journeys while wearing their Lululemon apparel. Lululemon doesn't utilize traditional advertising very much and instead they focus on word of mouth marketing which is mainly generated through social media. This allows them to keep costs down as well as create more impactful impressions. The brand is also positioned as being inspirational and will often feature motivational quotes on their Instagram account, and also on their shopping tote bags that every in store customer receives upon making a purchase.

a. SWOT analyze the brand you choose.

i. During the process, you may want to identify drivers or barriers of the Brand

Strengths/Drivers: Gymshark has a strong, trendy brand image. Consumers want to purchase their gym clothes from Gymshark specifically for its well-known image of strength, style, and high-end products. Gymshark effectively creates interest from non-users and increases brand loyalty from current users by utilizing influencer marketing. They sponsor verified celebrity spokespeople who are known for their interest in fitness, health, and athleisure. Each spokesperson, like Nikki Blacketter, Whitney Simmons, and David Laid, already have a large social media following. Devoted followers see these influencers using Gymshark products, and get interested in purchasing their own Gymshark clothes as well. Gymshark has an all-encompassing social media presence as well. Their brand has its own Instagram, Facebook page, Twitter, Youtube account, Pinterest, and even Spotify account. Their Spotify has various genres of workout playlists for people to listen to in the gym. They post content on all platforms fairly often and consistently.

Weaknesses/Barriers: Gymshark products have mid to high-end prices, making it a bit unaffordable for the majority of its target market. Gymshark targets young adult consumers, including college students and recent graduates with little to no incomes. These consumers likely don't have enough disposable income to purchase Gymshark clothes, and would likely prefer a cheaper alternative. Gymshark also has very high levels of competition in their industry. They have to compete with strong, well-known competitors like Nike and Adidas. Gymshark

doesn't have as much brand equity and widespread brand awareness as those two competitors have.

Opportunities: Some opportunities for Gymshark to consider include expanding social media and producing more creative content for their posts. They could hire a team of creatives to make more engaging, bold, and interesting social media posts. Gymshark should also consistently sign new, fresh brand ambassadors. They should look for up-and-coming social media influencers in the fitness scene and sign them early, before a different athleisure company does. Gymshark could have giveaways and sweepstakes to get consumers excited and involved. These would be especially appealing for consumers who want to buy the brand's clothes, but can't afford it. The use of social media as a means of entry for these sweepstakes or contests would drive consumers to engage with the brand online. Giving the sweepstakes or giveaways their own hashtag (to be used by consumers who wish to enter) would make Gymshark-related hashtags and content trending on social media. Gymshark could enter the athletic footwear industry as well. They currently do not offer footwear products, while their competitors Nike and Adidas do. Many consumers who buy athleisure wear or follow athleisure trends appreciate good athletic footwear as well. They would likely be willing to pay a higher price for better quality footwear, like Nike sneakers. Gymshark could also sponsor big college games, like games between well-known college rivals. They could have their own ads on display in the stadium, create limited-edition college athleisure wear (with the colors, logos, or mascots of the colleges in the game), and have special giveaway gift bags hidden under specific seats. They could also sponsor and post videos of athletic competitions, like a weightlifting competition between famous weightlifters. These videos have the possibility of going viral online as well. Another opportunity for Gymshark would be creating their own gyms in a few select locations. They could push the image of exclusivity and trendiness for these gyms. Their gyms could have an attached store for their products as well, giving consumers the opportunity to shop before or after they work out, and the opportunity to try on the athleisure wear before purchasing it.

Threats: Threats include losing social media following over time. Consumers may lose interest in the brand, the celebrity spokespeople, or in the athleisure trend itself. Another threat is the unpredictability of the actions of celebrity spokespeople. There are always new celebrity scandals surfacing that can turn consumers against those celebrities and the things they endorse. Celebrities tend to have very bold personalities and behaviors. They also have to deal with the stress and pressure of fame. With fame comes paparazzi and followers who watch their every move with scrutiny, meaning that one wrong move can become a scandal. Some celebrities are very polarizing. There are groups of people who love them, who hate them, and who feel indifferent towards them. Gymshark can't predict the future actions of these celebrities when choosing to sponsor one. Another threat for Gymshark is the belief that athletic wear is only for serious or professional athletes. That belief is slowly dissipating due to the recent athleisure trend, but is still prevalent in the minds of some consumers. Some consumers don't go to the gym often enough to feel the need to purchase high-quality, high-end gym wear like Gymshark. Changing trends can pose a threat to Gymshark. The athleisure trend may die down quickly. It may even get to a point where wearing athleisure is considered odd or is looked down upon by young, trendy groups of people and influencers. Trends are unpredictable. Even if the athleisure

trend continues, changing trends could mean that certain patterns or athleisure looks that Gymshark offers go out of style.

3. Media Objectives and Strategies (15pts)

a. Your advertising or marketing goals (e.g. boost sales, raise awareness, educate consumers, etc.)

Gymshark plans on gaining more market share in the Athleisure industry. They also want to continue to increase brand awareness through social media and have a higher click through rate to their website. They want consumers to purchase more pieces of apparel during a single purchase. They also want to rise up against competitive brands such as Lululemon, Nike, Adidas and athleisure house holding brands.

Gymshark wants to continue to evoke the feeling of family, progression and vision in the hearts and minds of consumers. They want to spread positive brand awareness and will do that with their brand ambassadors who will embody strength and serve as inspiring role models. Gymshark wants their consumers to feel empowered, trendy, comfortable and confident in the apparel they buy. They want their behavior to change by wearing Gymshark in and out of the gym. They want to emphasize that people can wear this brand anywhere and anytime. This will increase sales and broaden the minds of consumers.

b. Target Audiences: Who are you targeting? Why would you choose them?

The target audience is mainly young people, ages 18-25, and includes males and females but is more popular among females. The brand says that they target millennials specifically and therefore devote a lot of time into their Instagram account which is where 90% of their user interaction happens (Retail Watch). The ideal target consumer for Gymshark is college students and people who have recently graduated college and are working full time jobs, making an estimate of \$50,000 as their salary. They likely own a smartphone and several other smart technology products such as Fitbits, Apple watches, laptops, etc. The target consumer is also health conscious and is interested in fitness and 'athleisure'. Whether its yoga or weightlifting or anything in between, Gymshark is targeted at individuals who enjoy working out and want to look good doing so. Since most of Gymshark's interaction with consumers occurs on the social media platform Instagram, the target consumer would be someone who is active on this platform, goes on the app several times a day, and has influence over their friends. In terms of price, most of their clothing items are priced competitively and would be considered mid range, with their staple pieces such as the leggings costing around \$50 a pair.

Using the VALS Framework, the target consumer can be identified as an "experiencer" who is someone that is always the first to adopt a new trend and doesn't like to follow the mainstream. As brands like Nike and Adidas are still the biggest names in athleisure, Gymshark is aimed at someone who wants to stand out and be different. This buyer is also characteristically the type of person who "wants everything", and since Gymshark comes out with new collections every few months, it would be ideal for them to have consumers with this buying mentality. They are also the type of consumer love physical activity, which ties in perfectly with the athletic brand, and they are close to their friends which means they will likely have influence over their shopping habits as well and would tell them if they liked a brand. This individual is also

described as having a heightened sense of visual stimulation which means they would likely enjoy the fact that Gymshark is so active on Instagram and creates interesting content with their ambassadors regularly.

c. Media coverage: What media would you choose to place your ads? Do you have any specific recommendation to place your ads on a specific media vehicle?

The two main media platforms that we will place our ads on will be YouTube and Instagram. YouTube is a great platform to air the Gymshark advertisements on as it allows us to communicate to our target audience directly by looking through what channels specific individuals are subscribed to and targeting all those interested in the lifestyle and fitness categories. With this platform we will be able to target new potential consumers who maybe haven't heard of the brand but have established that they would likely be interested in Gymshark products by the videos they regularly watch. For example, we could place ads on YouTube for videos that are created by fitness bloggers such as Stephanie Buttermore, who has no affiliation to any particular brand and therefore her viewers might not have heard of Gymshark to target new consumers. In addition, we could use a similar tactic to target our current customers by placing Gymshark advertisements for new launches on videos created by Gymshark affiliates, such as Whitney Simmons, to motivate individuals to purchase these new items and let these previous customers know about new releases. We will use in-stream YouTube ads which will play at the beginning of the videos that the user has clicked on and these cost around \$0.30 per ad unit. Therefore to target 10,000 people, it would cost \$3,000.

The second media platform we will use is Instagram. This social media platform is currently responsible for 90% of user interaction with Gymshark and has been an invaluable tool in establishing Gymshark as the power house fitness brand it is today. Instagram offers a variety of benefits including being able to target consumers directly and precisely, generating free impressions through reposts and people using their hashtags on pictures of them wearing the items, etc. Being able to target the individuals who you think will like the brand in a direct and precise fashion is one of the strongest elements of Instagram advertising. By using sponsored posts, people will be exposed to Gymshark despite maybe not having had any interactions with the brand and will therefore increase awareness and the likelihood that these individuals might purchase an item. Gymshark's ambassadors also heavily promote on Instagram and all of the athletes combined have millions of followers. By having these athletes feature advertisements as posts on their accounts or on their Instagram stories, we will be directly targeting our current consumers and fans of the brand, as well as new followers of these ambassadors. The Instagram Cost per Click (CPC) is generally around \$2 for the apparel industry.

We will also use billboards as our traditional media vehicle. These Gymshark advertisements will be posted on massive billboards outside of bustling cities such as Los Angeles, as well as in trendy neighborhoods such as Soho in New York City. This will allow us to target the population at large and will generate mass exposure for the brand. By placing the ads strategically in trendy neighborhoods, we will also be guaranteeing that the viewers of the billboard will likely be interested in the brand as Gymshark is very trendy. In terms of cost, for a four week period, a billboard on Sunset Blvd in Los Angeles will cost around \$20,000, and a billboard in Soho will cost around \$22,000.

d. Scheduling: When would you advertise your product or brand on the media platform and vehicle you choose? What about the frequency and continuity of your media advertising plan? How many people would you like to reach? Any other issues that you want to talk about? (e.g. regionality, seasonality, etc. of your advertisement).

We would use pulsing advertising that would continuously reach their current brand users by scheduling posts daily on social media platforms particularly youtube, instagram and Facebook. This will continue to increase brand awareness and broaden the reach to other athleisure consumers. Sponsored posts would happen in spurts over the months which would take up a piece of the media budget. We plan on reaching more than 3 million instagram users which is more than their current followers which stands at 2.2 million. On Facebook we plan to increase their reach by 15% by sponsoring more posts towards broader audiences.

Regionality would include Nielsen DMA (Designated Markets Areas) top 25 cities. These are large and heavily populated cities that will generate mass exposure. We plan to place electronic billboard in these cities as well as target social media sponsored posts towards these communities which will create word of mouth. Cities would include the major ones such as New York, Chicago, Los Angeles, Washington DC and Miami.

Seasonality would be the flighting part of the pulsing advertising because around holidays when gifting takes place we want to persuade people to buy products as present. Also, early in the year around New Years when people begin to make work out resolutions will also be a good time to push advertisements. Mostly in spring and summer is when advertisements will be more proficient because it is when people feel the need to be healthy and workout due to looking good for spring and summer vacations.

e. Budgeting: What's the hypothetical advertising budget for your brand? How much money would you spend on placing your ads on different media platforms or vehicles? How would you allocate your budget while evaluating the aforementioned media planning criteria in your mind? Please provide reasoning to back your budget allocation. You may want to simulate the different scenarios in the media planning simulation software.

The estimated budget we will allocate for Gymshark's advertising efforts for the next year is \$1 million. Gymshark's current annual net income is \$8.57 million. Their net worth is \$11.88 million (Hoover's, 2018). We feel that \$1 million is a fairly substantial advertising budget for a company that is Gymshark's size. 30% of the advertising budget will be allocated towards efforts to raise awareness. 50% of the budget will go towards new promotional efforts like giveaways and event sponsorship. 20% of the advertising budget will go towards persuasive efforts to cause viewers to take action. Gymshark's current objectives focus more on raising awareness and reaching potential consumers and non-users. Gymshark needs to gain awareness in order to better compete in the highly competitive athleisure industry and keep up with big brands like Nike and Adidas. Both Nike and Adidas are top-of-mind brands for the athletic wear industry, and raising awareness of Gymshark could help change that. To raise awareness, most of the advertising efforts will be to create informative ads and relevant, valuable health/fitness-related content. This portion of the budget includes finding and sponsoring new social media influencers. Most of Gymshark's advertising will be done through social media

channels. Social media is where the target market spends the most time, is the most engaged, and is the most influenced. 20% of the advertising efforts will be persuasive calls to action. These ads can encourage consumers to visit the website, attend a Gymshark pop-up event, make a purchase, enter a giveaway, or even just like, share, or comment on a Gymshark social media post. Since the large promotional events will likely cost the most, 50% of the budget is allocated for that. These events are done to raise awareness while also getting consumers excited about the brand.

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