

# From Off to On in the Wholesale Fashion Market: the Potential of Digital Influencers

## *Do “Off” ao “On” no Mercado Atacado de Moda: o Potencial de Influenciadores Digitais*

Ricardo Limongi  
 Ana Paula Cândida Dias  
 André Luiz Barbosa da Silva  
 Denise Santos de Oliveira  
 Otávio Bandeira de Lamônica Freire

### ABSTRACT

This teaching case addresses implementing a wholesale fashion mall's online channel that previously had its non-offline marketing strategies. The mall managed the change due to the drop in the store occupancy rate between 2018 and 2019. The mall managers prioritized the marketing team that opted to evolve towards the digital environment, a newsletter for using the digital strategy with digital influencers. Thus, this case's objective is to promote the difficulties in choosing digital influencers and especially concerning the results selected in addition to digital media.

**Keywords:** digital influencers; shopping; digital marketing; fashion.

### RESUMO

Este caso de ensino aborda a implementação do canal online de um shopping atacadista de moda que anteriormente possuía suas estratégias de marketing focadas no offline. A mudança ocorreu devido à queda significativa na taxa de ocupação das lojas entre os anos de 2018 e 2019 geridas pelo shopping. Para evoluir em direção ao ambiente digital os gestores do shopping realizaram uma reestruturação na equipe de marketing que optou, inicialmente, por utilizar a estratégia digital com influenciadores digitais. Dessa forma, o objetivo deste caso é fomentar discussões sobre as dificuldades no processo de escolha de influenciadores digitais e principalmente em relação aos resultados obtidos além das mídias digitais.

**Palavras-chave:** influenciadores digitais; shopping; marketing digital; moda.

Submitted: 08/17/2020

Accepted: 10/26/2020

Ricardo Limongi   
 ricardolimongi@ufg.br  
 PHD in Business Administration  
 Doutor em Mercadologia – Fundação  
 Getúlio Vargas  
 Goiânia/GO - Brazil

Ana Paula Cândida Dias   
 apcdias@gmail.com  
 Graduate in Administration - Pontifícia  
 Universidade Católica de Goiás  
 Graduada em Administração - Pontifícia  
 Universidade Católica de Goiás  
 Goiânia/GO - Brazil

André Luiz Barbosa da Silva   
 andre\_luiz\_b\_silva@hotmail.com  
 PhD in Administration - Fundação Getúlio  
 Vargas  
 Doutor em Administração - Fundação  
 Getúlio Vargas  
 Goiânia/GO - Brazil

Denise Santos de Oliveira   
 deniseadm@hotmail.com  
 Msc in Administration  
 Mestre em Administração - Universidade  
 Federal de Goiás  
 Brasília/ DF - Brazil

Otávio Bandeira de Lamônica Freire   
 otfreire@usp.br  
 PhD in Communication  
 Doutor em Comunicação – Universidade  
 de São Paulo  
 São Paulo/SP - Brazil

“We have always been a reference as attacked. I remember seeing outdoors our billboards scattered throughout the city and meetings with the board focused on how to structure to receive even more customers. The courtyard here of the mall has always been full. From time to time, the movement has dropped a lot. Our retailers have suggested that the marketing budget be directed to digital marketing. Is it worth it? What would be the way forward in digital? “ The reflections of Mr. Isidro, partner of Shopping Goiás Moda, makes clear the longing to change the strategy of dissemination and communication with customers.

## The Case of Shopping Goiás Moda

Shopping Goiás Moda was opened in 1997, after the union of several businessmen in the wholesale fashion market and was installed in the capital of the State of Goiás, Goiânia. The fashion sector in Goiás is responsible for more than 200 thousand direct jobs with a monthly production of more than 60 million pieces (DANTAS, 2019). According to ABRASCE (2019), the fashion hub of Goiânia, the region in which Goiás Moda is located, accounted for more than 9 million visitors in 2018 alone; these visitors spent between 3 and 5 thousand reais on purchases.

Goiás Moda especially has space to allocate 110 stores with an average of 55 m<sup>2</sup> each and sold for approximately R \$ 100,000. Most of the stores are located in the mall, with regional brands that sell a broad mix of products such as women’s, men’s, children’s, plus size, jeans, shoes, and accessories. The consuming public of these stores is made up of resellers from different regions of the country (mainly in the Midwest, North, and Northeast) who visit the mall and purchase products to resell to the final consumer, in general, people from classes B, C, and D.

Since the mall’s opening, managers’ strategies to attract store owners and their consumers have been based on infrastructure and offline advertising. The physical structure has parking, wide corridors, elevators, access ramps, adequate lighting, a pleasant shopping atmosphere, space for food, and free internet access besides free customer transportation to hotels, the airport, the bus station, and other clothing centers. Offline advertising strategies, on the other hand, focused, until then, on the distribution of printed folders in the Midwest, North and North-

east regions of the country, outdoor billboards in downtown Goiânia and the use of intermediaries, who sought retailers interested in renting stores and resellers from different areas interested in buying products sold at the mall. For some years, the management of the mall has been successful with the use of these strategies. However, during the years 2018 and 2019, there was a significant drop in the number of tenants present in the mall. Only 60% of stores were occupied in the period, a low percentage compared to previous years, and the other wholesale malls' occupancy rate in the region in the same period (which was between 70% and 90%).

According to Isidro, one of the mall's partners, the occupancy rate is one of his main results. He points out that in the wholesale environment, sales are made in large quantities. On a single occasion, the shopkeeper can sell from 100 to 1000 pieces; thus, a percentage is not charged on sales. The charge to tenants is based exclusively on the store (approximately 100 thousand reais per store but paid only once) and a monthly condominium fee. Each store pays around 600 to 1000 reais in condominium fees. Thus, the more stores occupied, the greater the receipt for sale and condominiums and, consequently, the better the financial results of the mall.

Thus, with a low occupancy rate and a drop in revenue, the mall's board raised two questions for discussion: What led to a reduction in the mall's occupancy rate? How to increase this rate? Isidro met with the other partners to discuss possible responses and directions to these questions.

In the discussion, the first reason to reduce the occupancy rate was opening new wholesale malls in the region. The city of Goiânia is known for being one of the national fashion hubs, and, in recent years, there has been an intense increase in the number of wholesale malls - primarily in the central region of the city Goiás Moda is located. A second reason raised was the strong presence of these new malls in the online environment, such as Facebook, Instagram, and other social networks. Malls have advertised on their platforms their stores available for lease and the products sold by their owners. In this context, an observed need to recover its occupancy rate was the positioning in the online environment, disclosing not only the mall but mainly the products sold by its tenants. In general, store owners did not have individual actions to publicize their products and placed the mall's management's responsibility to bring consumers' flow to their stores. The reasoning used was that if shopkeepers gain greater visibility in the online environment, more resellers will seek the mall and,

consequently, more entrepreneurs will be interested in occupying their stores. Then, it was the definite path: putting the mall in the online environment. For this, a new marketing director was hired, Helena.

## There's a change coming up

After taking over the marketing department, Helena was clear about the objective that should be achieved: taking the mall to publicize actions in the online environment, and of course, increasing the visibility of the mall and its tenants. However, the "how" has not yet it was set. Helena served as marketing director in several other segments, mainly real estate and education, but she had not worked in the fashion market. In the first weeks, he dedicated himself to gathering information about the fashion market, visiting the wholesale malls in the region, talking with the other directors of the mall, and with the tenants to understand consumers' difficulties and demands better. These surveys were carried out to base the strategic plan to be developed next, and actions could have quicker results.

The new director then met with the mall's market intelligence manager, Adriana, who brought information about the fashion market's functioning. According to Adriana, two essential types of fashion weeks guide the pieces that will be sold in the next seasons or collections: (a) haute couture, or haute couture, represented by more exclusive reports produced by hand, and (b) ready-to-wear porter, represented by parts made on a larger industrial scale.

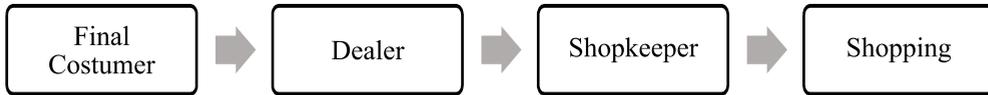
The Haute Couture weeks are made up of more exclusive pieces generally aimed at the wedding market, gala parties, and large social events. In Brazil, this type of fashion week is not common, and one of the reasons may be due to the large international brands, considered haute couture, that does not invest significantly in the country. In Paris, for example, during the Haute Couture week, the participating brands are selected by a commission that evaluates and supervises those that can produce the pieces with the required high quality. The second type of existing, and most common, fashion week is ready-to-wear. These are fashion weeks in which pieces produced on a larger scale are presented; generally, the collections are correlated with the seasons: spring/summer and autumn/winter. The most famous

weeks of this type are in New York, London, Milan, and Paris. There are also a few weeks in this mold in Brazil, such as São Paulo Fashion Week. Especially in Goiânia, this type of week also happens annually and represents the largest parade in the Brazilian Midwest, with, in general, four days of the event.

These weeks define trends in colors, fabrics, and shapes marketed in the following months. Prêt-à-porter, mainly, guide trends in the fast-fashion world - a type of consumption sold by the store's tenants - as the name says ("fast fashion" in Portuguese), these are pieces that need to reach the consumer quickly; otherwise, "fashion passes." Commonly, store owners in the mall send their stylists to the ready-to-wear weeks, held in Brazil or abroad, to anticipate the next season trends. This need to closely monitor these weeks is due to the creation and dissemination of new trends that require agility, even more so in the wholesale trade. Shopkeepers need to observe future trends as soon as possible to take them to the dealer and, in turn, the dealer will pass them on time to the final consumer. Thus, even if it is a business focused on the wholesale market, for Adriana, the strategy to be used by the mall should take into account the orientation to the final consumer. Adriana also pointed out to Helena that in conversation with shopkeepers' sellers, it was mentioned that consumers stay tuned to fashion blogs and Instagram profiles to inspire their looks, or else, in soap operas.

With this conversation, Helena thought that the best strategy would be to follow the reverse logic to attract more tenants to the mall, initially attracting the final consumer (Figure 1). The mall would attract the end consumer's attention to the parts and brands sold in the mall. Thus, they would seek these parts from resellers, who would need to get them from the mall's tenants. With the increase in the attractiveness and sales of current store owners and resellers' flow within the mall, the expectation was that new entrepreneurs would be attracted to install their stores in Goiás Moda.

**Figure 1** Relationship of the final consumer to the stores the mall



**Source:** Prepared by the authors.

The question now would be how to attract the end consumer. In a conversation with the current store owners at the mall, Helena identified that the increase in internet access allowed resellers to follow world fashion trends more quickly. According to these storekeepers, it is expected that resellers look for clothes seen on blogs or profiles of influencers, followed by their end consumers. Based on that, Helena wondered: would the use of influencers be the right way then? After all, shopkeepers and consumers are getting inspired by them.

To help answer this question, market intelligence management, led by Adriana, surveyed several digital influencers. The research carried out found numerous names like Bruna Marqueline, Camila Coelho, and Thassia Naves. Bruna Marqueline, for example, on Instagram alone, had 33.8 million followers in 2018 and promoted different brands, both national and international, arousing interest in products and brands in various consumer profiles. A single post made for the Puma Bruna brand obtained approximately 910 thousand likes and almost 6500 comments. However, Helena and Adriana knew that a campaign with a celebrity like Bruna Marqueline would be unfeasible considering the mall's financial reality.

Instagram, the social network analyzed by Adriana's team, has presented itself as one of the social networks with the highest growth rate in Latin America (STATISTA, 2020). In 2018, six out of ten Latin American adults had an Instagram account. This network reached the mark of 1 billion monthly users in the global context, 400 million daily views in the stories, and 25 million active companies. It was observed that spending on digital influencers on Instagram has increased year on year and worldwide. In 2017 global spending was 4.17 billion dollars, while in the following year, 2018, 5.67 billion (STATISTA, 2018).

With these numbers' visualization, Helena realized that more and more brands have invested in promoting their products through Instagram and used in this network digital influencers. Thus, this path seemed promising to attract consumers to

brands in the wholesale fashion segment. The central point now would be to balance the budgetary limitations of Goiás Moda's marketing area with the costs of hiring digital influencers. The area's monthly budget was low, around 10,000 a month for marketing actions, and the price for hiring digital influencers was high.

## Welcome to the Universe of Digital Influencers

Helena had not worked with digital influencers until then, so she hired an advertising agency to help her choose and engage these influencers. According to the agency's team, the market for digital influencers in Brazil is broad. There are numerous classifications of influencers used; they are:

- **Celebrities:** they perform significant functions outside of digital platforms, such as models, actors, athletes, or presenters, and are more seen as a channel of dissemination or endorsement in co-creation with brands;
- **Influencers:** more extensive profiles in numbers of followers present more general themes such as behavior, daily life, fashion, and beauty. They also work on co-creating content with brands;
- **Micro-influencers:** smaller profiles that usually address niche issues and also co-create content with brands.

According to the agency's team, influencers send a press kit with the average engagement and reach of their posts in the hiring process. This performance information on the posts are made available by Instagram itself (e.g., number of views, likes), comments, and rescues). Although influencers have a high-performance level in their posts, the agency raised several barriers to work with influencers. Among them is the reliability of the information provided, as there is no way to guarantee that the data presented is 100% reliable; there is the possibility of using fakes profiles, buying followers, among other problems. Thus, a careful choice of these influencers is necessary. Another barrier was the financial issue because the financial resources available were insufficient to work with the biggest names in this segment (contracts that exceed 100 thousand reais per month). All these aspects should be

considered so that Helena could present the proposal of action with digital influencers to the mall's management board and try to convince them to invest. In this sense, Helena asked the agency for a proposal for hiring digital influencers and strategies on how it could act to meet the demand of wholesalers considering the mall's budgetary constraints.

The expected return from this action with influencers would only be for the year 2019. It was no longer on the 2018 roadmap. After carrying out some studies, the agency showed that the hiring of influencers occurs in partnership with several companies and segments but warned about the costs of this strategy and the difficulties of indicators to monitor sales results and customers' flow to wholesalers. The agency explained that to hiring the digital influencer, it is necessary to consider the investment for making the photos that will be shown in posts on the profile of the mall and the influencer, the shift to actions, the boost on social networks and Google, and the need for tenant involvement.

The most adherent alternative to the reality of the mall, according to the agency, would be to hire micro-influencers. Micro-influencers can show better results because they are smaller and have life habits and behaviors closer to consumers. Besides, Adriana (intelligence manager) reinforced that her studies also showed that this influencer profile has a greater degree of engagement (the relationship between some followers and amount of likes and comments) than influencers and celebrities, and of course, it is more financially viable for small companies with limited budgets, such as shopping.

The data presented by the agency also showed that since 2017, the so-called micro-influencers, with an average of between 50 and 250 thousand followers, performed well in disclosures (high number of views, likes, and comments in the revelations made by sponsored brands). The agency reinforced to Helena that each micro-influencer has its platform and has a user base with a reach that can be relevant if well worked. Due to the low cost, there is the possibility of using a more significant number of influencers, expanding the country's regions. In this way, the marketing director and the management board analyzed the scenario and decided to approve the dissemination strategy with micro-influencers as the first strategy in the mall's online environment. They also considered the use of influencers with more extensive profiles to expand dissemination in more developed regions. In these regions and

events that would be promoted, it would be possible to obtain a broader marketing area budget. The question now would be: which influencers to hire?

## The Process of Choosing and Hiring the Influencers

After approval, the marketing agency began its study to choose the influencers congruent with the mall's image and its tenants. Initially, the agency mapped Brazil's key regions to direct the online communication strategy: Midwest, North, and Northeast. Then, it defined the states that would be the focus and searched the profiles of influencers that met the requirements of these states, taking into account the aesthetic aspects of the segments of stores that operate within the mall. Thus, profiles were listed to compose the team of influencers. The most appropriate profiles were selected from the analysis of the engagement rate (the relationship between the number of followers and measures of interaction with the publication) and the mall's proposal's adequacy.

Eleven influencers were presented who could act as a channel to publicize the mall on Instagram for over a year. The idea would be to use these influencers in different events promoted by the mall throughout the year to attract consumers. Information from influencers considered most appropriate is listed in Table 1:

**Table 1** Information on digital influencers with an appropriate profile for the dissemination of shopping malls and retailers - 2018 data

Influencer(a)	Profile	State of Action	Number of Followers	Engagement rate
I1	Woman, white, between 30 and 40 years old, blond hair, more sophisticated style, discloses dresses, jewelry, and social clothing.	Sao Paulo	825,000	0,88%
I2	Woman, brunette, between 20 and 30 years, brown hair, plus-size model, reveals beachwear, fitness, lingerie, dresses, among others. Plus-size	Federal District	89,100	1,51%

13	Woman, white, between 30 and 40 years old, blond hair, discloses dresses, social clothing, shoes, among others	Goiás	111,000	2,52%
12	Woman, brunette, between 20 and 30 years, brown hair, reveals beachwear, accessories, dresses, among others.	Sao Paulo	286,000*	1,04%
15	Child, between 5 and 10 years old, white, brown hair, discloses children's clothing	Rio Grande do Sul	208,000	1,00%
16	Two women, a blonde and another brunette, between 30 and 40 years, more sophisticated style, disclose makeup, social clothes, fine sport, and shoes.	Maranhão and Piauí	86,500	2,55%
17	Woman, brunette, between 20 and 25 years, brown hair, discloses beachwear, fitness, lingerie, jeans, among others.	Goiás	104,000	1,81%
18	Woman, brunette, between 20 and 30 years, brown hair, discloses beachwear, accessories, dresses, among others.	Mato Grosso	79,700	2,11%
19	Woman, brunette, between 20 and 30 years, black hair, discloses beachwear, fitness, jeans, among others.	Stop	156,000	2,62%
110	Woman, brunette, between 20 and 30 years, brown hair, stripped style, discloses dresses, jeans, and social clothing.	Alagoas	2.1 million	1,69%
111	Man, brunette, between 20 and 30 years, black and short hair, discloses men's fashion in general.	Goiás	233,000	1,46%

**Note:** (\*) Although it exceeded 250,000 followers, the profile was still within the micro-influencer category.

**Source:** Elaboration by authors based on information collected on Instagram.

In the list in Table 1, influencers with different profiles are presented being: nine women, a man, and a child. In this chosen set, only two names significantly deviated from the standard of up to 250,000 followers on Instagram: I1 and I10. These two influencers could be hired specially to act in semiannual events that took place at the mall. The other influencers could work on the mall's shared calendar from January to December, and the average cost of each micro-influencer (including rehearsal, travel if necessary, accommodation, and other charges) was between 5 and 10 thousand reais per month.

The decision made was to hire one micro-influencer per month. Thus, the mall could reach defined audiences and meet the monthly budget at the same time. After describing the names of influencers, the steps taken between Helena and the agency were:

1. align the profile of products and brands sold at the mall with that of each influencer;
2. check the number of publiposts that would be acquired from this adjustment, considering that each publication increased the cost of hiring the influencer, the expenses for photos, and among other fees;
3. define the location where the campaign would be produced, and
4. establish the content of the stories to be generated by the contractors.

The points were discussed and individualized for each influencer and the month in which the action would occur. Thus, it was decided that between 10 and 20 photo posts would be made per month, videos would exceptionally be published. The campaign locations would be diverse, and not all campaigns would have the follow up of stories in the profile of the mall or the influencer.

With these data in hand, the contracts were drawn up by the mall's legal team. After completing the bureaucratic details, the company responsible for producing the material's footage and photography was called. Even in cases where the material's execution was the digital influencer, the curatorship of the pieces sent was always the responsibility of the mall. Only one of the signed contracts had this characteristic that the influencer produced because it was executed in New York, during a week of ready-to-wear fashion in the city.

## Engagement and followers achieved. Problems solved?

The contracts of digital influencers to promote Shopping Goiás Moda were in the final stretch. After 12 months, they already had enough data to analyze and define the next steps. Now was the time to compile the results. The agency has compiled the information and invited Helena and her team to present the results achieved. The agency had agreed with Helena that she would collect information on the total number of posts, likes, and comments per influencer hired. According to Table 2, the results demonstrated that hiring influencer's strategy generated strong engagement in social networks. With 152 posts made, 315,558 thousand likes were obtained and almost 5,000 comments on the posts.

**Table 2** Digital Marketing Campaign Results

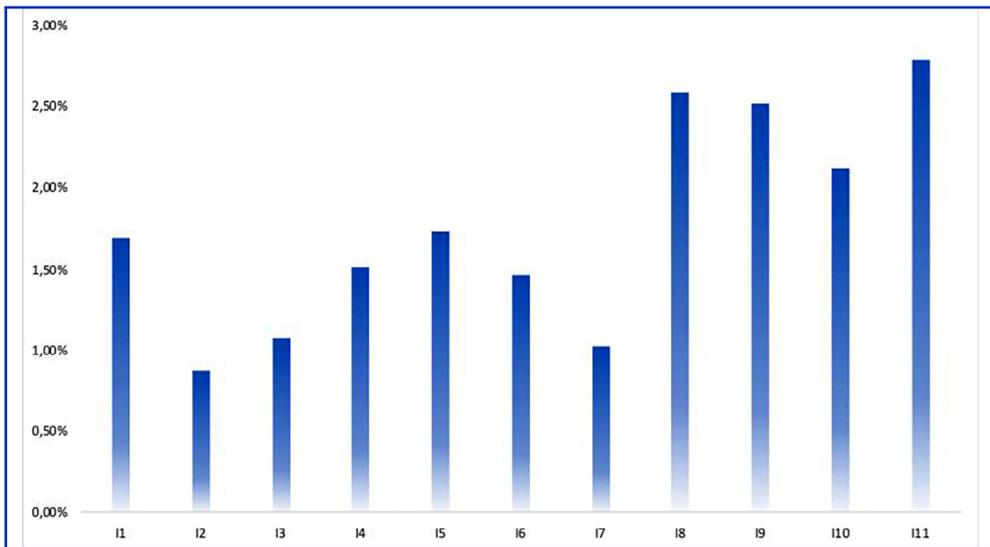
Influencer	Total Posts	Total Likes	Total Comments
I1	1	Twenty-sixth. 087th	921
I2	2	13th. 427	117
I3	4	3rd. 641	78
I4	8	6th. 645	198
I5	8	12th. 718	208
I6	12	Thirty-seven. 283	433
I7	13	Thirty-two. 633	426
I8	18	45th. 768	579
I9	34	46th. 081	1st. 024
I10	19	Thirty-one. 316	187
I11	33	Fifty-nine. 958	782
<b>Total</b>	<b>152</b>	<b>315th. 558</b>	<b>4th. 953</b>

**Source:** Elaboration by the authors based on information collected with managers of the Mall and the Agency.

Information presented by the agency bothered Helena and her team, the engagement rate provided by the posts by each influencer (Graph 1). It was identified

that only 63% of the posts reached an engagement rate (the ratio of comments, likes about impressions) above 2%. The engagement rate for some influencers was below 1%.

**Graph 1** Influencer Engagement Rate



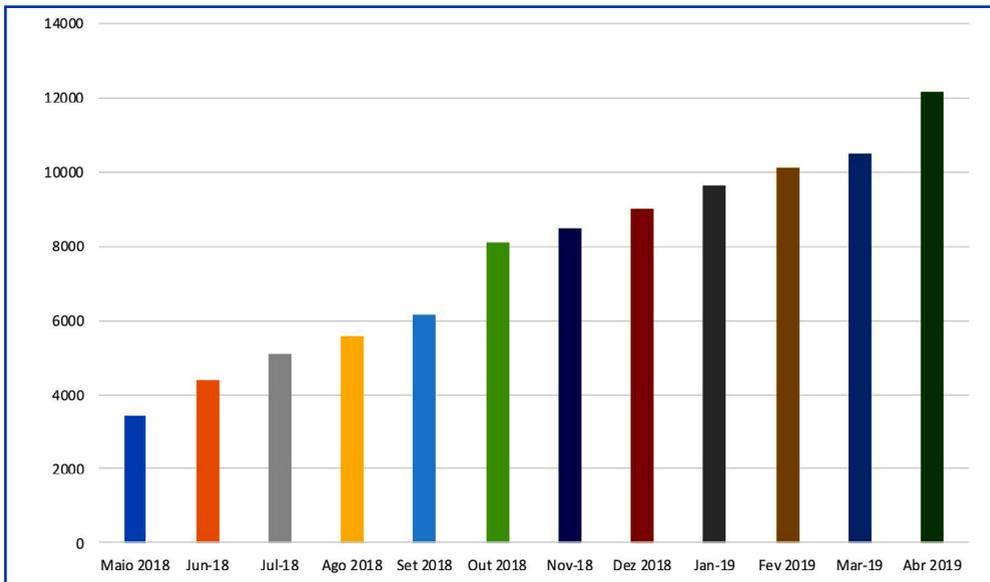
**Source:** Elaboration by the authors based on information collected with managers of the Mall and the Agency.

The agency explained that the engagement rate below 2% was an acceptable percentage for the first project since the mall had never developed strategies in the online environment; however, the answer did not convince Helena. The director argued that a large part of the marketing budget was directed towards this strategy and expected a higher return rate concerning engagement. The agency argued that the mall had no information to help them choose influencers and start their digital process. Now, at the end of the project, they already had enough information to know what worked effectively, and it was time to refine the choice of new influencers for the next steps.

To reinforce the engagement argument, the agency showed the evolution chart of the followers. When the strategy started on Instagram, the mall had 3,436

thousand followers, a relatively low number compared to customers' volume and attractiveness. After implementing the digital strategy, over 12 months, the agency raised that the number of followers jumped from 3,436 thousand to 12,174 thousand followers, as shown in Graph 2. Then the agency reinforced again: "Now we have the necessary information to build our strategy in the online environment and align with the mall's off-line strategies!"

**Graph 2** Evolution of the number of followers



**Source:** Elaboration by the authors based on information collected with managers of the Mall and the Agency.

Helena commented that she liked it, but she should now return and talk to the mall's management council and present them. However, she was still uncomfortable with the engagement rates. After all, she found it low due to the amount invested in the budget she had at her disposal. Another point, which was not discussed at the meeting and was not analyzed by the agency, was the relationship between influencers' strategy and the mall's occupancy rate. It was not assessed whether the plan benefited the mall and tenants in any way. Helena already knew that she would be questioned and would have to justify it to the management board. How did the

increase in likes, followers, and comments generated by influencers generate benefits for the mall? And for shopkeepers?

## Teaching Notes

### DATA SOURCE

The case was based on the discussion with the agency responsible for marketing and the mall managers. Interviews with the agency began with a research group on marketing and consumer behavior to identify small businesses' marketing practices. Initial interviews and delimitation of the data collected during the transition from communication from the off-line to the online environment, the authors interviewed the management of the mall that inspired this case, as well as analyzed the historical data of engagement of social media before and after the hiring of digital influencers to present this new dissemination strategy.

### EDUCATIONAL OBJECTIVES

The case is suitable for undergraduate courses in Administration, Advertising and Propaganda, technologists in marketing, business management, fashion, and specialization in different management themes. In addition to these courses, use in Marketing and Communication disciplines is recommended. After all, the case instigates management in small companies, digital marketing strategies, inclusion and communication of digital influencers, selection criteria for these digital influencers, and measurement of results.

### USE OF THE CASE

It is recommended to apply the case, as shown in Table 3:

**Table 3** Teaching Case Application Time

Step	Estimated Time	Activity	Mobilized Concepts
1	0-30 min	Reading and individual analysis by the student (before class)	Preparation
2	0-15 min	Discussion in small groups (between three and five students) for debate on the topic and positioning of opinions	Context
3	15-30 min	The presentation by the professor of examples of national and international digital influencers from different segments to analyze the impact on consumer decision, and also the elaboration of the persona	Marketing and Digital Influencers
4	20-40 min	<i>Elaboration and Presentation of Social Media Canvas</i>	Planning
5	0-10 min	Presentation and Final Discussion of <i>The Elaborate Social Media Canvas</i>	Closing

**Source:** Prepared by the authors

In addition to the case, it is recommended that students read two articles previously: Coelho et al. (2017) and Almeida et al. (2018). It is expected that reading students can understand different applications of influencers by the marketing area.

The expectation with the case is to foster aspects such as:

- Discussion on the relevance of integrating marketing strategies offline and online;
- Reflections regarding the use of digital influencers in the dissemination of commercial actions in small companies;
- Present the reality of limiting marketing expenses and the need to advertise the stores of a wholesale mall;
- Importance of the return on investment in marketing by micro and small companies;

- Encourage discussion on metrics of return of commercial actions of digital influencers;
- Through a real case, encourage teachers and students to evaluate digital marketing strategies in small business context.

## SUGGESTED TEACHING PLAN

For the best use of the theme of marketing management and the use of digital influencers as marketing strategies, the professor could organize the discussion in three moments:

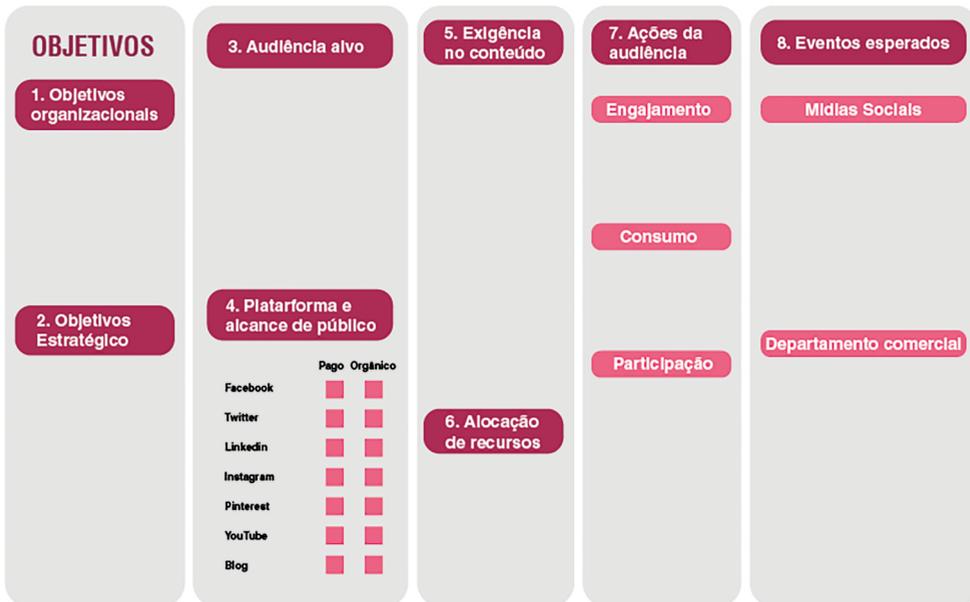
- a. identification of the needs of the mall;
- b. analysis of the possibility of using digital influencers to meet the desired objective;
- c. discussion on the different profiles and types of content used by digital influencers;
- d. preparation of the consumer's buying journey to identify the stage at which the digital influencer could impact; And
- e. promote the formalization of the strategy of digital influencers through *Social Media Canvas*.

We encourage teachers to discuss marketing strategies practiced by shopping malls and fashion stores and present profiles and engagement numbers of Brazil's leading digital influencers. I could use the SocialBakers website to reference Brazil and other regions to highlight the different profiles and contents. Later, with the students' support, the professor would set up a fashion retail consumer's persona. Thus, the other activities of the case would be aligned for group work by the students. It is recommended to create the persona the journey of the fashion consumer through the following steps: the initial factors that the consumer considers to buy; the evaluations that consumers make for purchases; the points of contact between consumer and brand; elements present at the time of sale; and finally, the post-purchase.

Finally, the teacher would recommend that each group fill out the Social Media Canvas (Figure 2), available printed in size A3, so that the groups could assemble the

strategy to be used by the wholesale mall in the use of digital influencers in the different social media channels as a marketing strategy. The recommended in this step is that the teacher orients up to 40 minutes so that the groups can work. After completing the Social Media Canvas by the students, the teacher would request that each group present the strategies developed within 10 minutes and conclude by discussing the difficulties in optimizing the campaigns, spending, and measuring the results.

**Figure 2 Social Media Canvas for padding**



Source: Orange Clube Group (2020)

**PROPOSED QUESTIONS AND POSSIBLE DIRECTIONS FOR DISCUSSION OF THE CASE**

To guide the discussions from the reading of the case and the completion of the Social Media Canvas, we recommend the following questions and their directions with students:

1. What are the biggest challenges in implementing offline and online marketing strategies at Shopping Goiás Moda?

Throughout the text are presented several challenges faced, among them:

**The lack of experience of managers of Shopping Goiás Moda with online marketing strategies.** The marketing strategies previously used by managers were exclusively offline, such as folders' distribution, billboards exhibition throughout the city, and intermediaries. In the study conducted by Coelho et al. (2015), it is observed that in small companies, generally, the definition of strategies is based on the feeling of managers. There was a new marketing director; however, the experience comes from a different fashion context. Perhaps this lack of knowledge has taken the most significant amount of time to start the implementation of online strategies;

**It was structuring a strategy in the online environment to attract new retailers.** Reaching the shopkeepers directly was a challenge faced by Helena. The alternative found was to follow a reverse logic, that is, first to attract the final consumer and the whole chain until reaching the entrepreneurs who would be interested in establishing stores in the mall;

**Budget limitation of the marketing area.** The monthly budget of the area was restricted, which limited the implementation of strategies. Helena had to develop a leaner plan, using micro-influencers, to meet the established budget.

2. In your opinion, Helena's information shows that hiring digital influencers would be an excellent strategy to achieve the goal intended by Helena? Why is that?

Yes, the information gathered by Helena and Adriana shows that hiring influencers is an exciting way to achieve the desired goal: to increase the occupancy rate of stores. Helena hoped that the actions with digital influencers would initially attract the final consumer to the parts and brands marketed in the mall, then increase the search for these parts by resellers, increase the sales of current retailers and the flow of resellers within the mall, and, finally, attract new entrepreneurs to install their

stores in the mall. Thus, it is an indirect strategy to achieve the desired goal, but that is plausible.

Helena's conception was that actions with digital influencers could have several results, which cover the chain presented in Figure 1 (from the final consumer to the new entrepreneurs interested in installing stores in the mall). More specifically, digital influencers would contribute to:

- Attract the final consumer to the parts and brands sold in the mall, leading them to pick them up from the resellers;
  - Increase the flow of resellers within the mall;
  - Boost the level of sales of retailers;
  - Raising the popularity of the mall and retailers in the online environment leads to an increased number of followers on their Instagram profiles, number of clicks on their sites, and Google searches.
  - Increase the number of entrepreneurs who are interested in installing their stores within the mall; and
  - Raise the occupancy rate of stores.
4. If you were the manager of Shopping Goiás Moda, what criteria would you adopt for digital influencers' choice?

Helena considered hiring regional micro-influencers based on the profile of each of them, State of activity, number of followers, and engagement rate. Other criteria that could be used would be:

- The empathy of the influencer. Proxies of this measure could be the number of tagging of the influencer in third-party profiles and average positive comments received in each publication;
- Regional popularity metrics, such as number of followers in the State of operation, number of likes, and followers' comments. The inclusion of this criterion would be essential to assess whether the influencer has influence in the State in question;
- Number or intensity of image crises in recent years.

5. How could the outcome of actions with digital influencers be measured?

To measure the strategy, it is necessary to emphasize the importance of recording information to monitor results since studies demonstrate the weak structuring of products in micro and small companies (COELHO et al., 2014). In the case of Shopping Goiás Moda, the data was structured by the Excel spreadsheets' marketing agency. The results of the actions could be measured using measures such as:

- Number of followers on the profile of the mall and shopkeepers on Instagram;
- Number of hits on your sites;
- Engagement rate in publications made by the mall and shopkeepers;
- Sales volume of likes;
- Level of store demand for new entrepreneurs;
- The occupancy rate of the shops.

6. What would be the prospects of adopting digital channels for disseminating the mall in the context of post-pandemic?

The discussion of the case, as well as data collection, occurred before the COVID-19 global pandemic. However, it is recommended that the behavior of post-pandemic fashion consumers be discussed with students. Among the relevant discussions would be to understand the change in period of social isolation. In this sense, some information could be collected through interviews:

- Frequency of use of communication applications;
- Change in the query profile of new trends and collections;
- Preference of communication channel with shopkeepers;
- Adoption of new payment technologies, among other issues.

## ALTERNATIVES TO CASE ANALYSIS/THEORETICAL ANALYSIS

The content, creation, and use of the Web have changed with the evolution and popularization of social networks. The emergence of social media platforms

such as Twitter, Instagram, and Facebook, associated with the expansion of advanced information technologies, have generated an increase in the amount of data exchange and changed the way consumers and businesses interact with each other and with others (LIU et al., 2015; VASANTHAKUMAR et al., 2015).

As social media are changing the way we communicate, collaborate, consume and create, marketers investigate the relationship between social networks, business, and society, identifying a phenomenon capable of impacting and promoting content that is reliable to other users, the digital influencer (CHANG et al., 2017). Liu and Suh (2017) suggest in their work that the technological functions provided by social networks make it easier for people to express their authentic selves, which makes them famous online. As more ordinary people can become online celebrities, it is possible to broaden an understanding of social media's role in promoting the self as a brand in the digital environment.

The digital influencer or digital opinion leader aligns with the power of social media user-generated content over companies (WINTER and NEUBAUM, 2016). Empirical evidence suggests that a company's financial performance is significantly affected by user-generated content on social media directly impacts the value of products on the market. Thus, social media's effect on performance depends not only on penetration but also on how the content generated by network users impacts the recognition and association of brands (SHARMA, 2016).

The focus on user-generated content in social media activities has also affected how consumers seek information about products, services, and branding. Studies conducted by Kapitan and Silvera (2016) have found evidence that consumers internalize information when they are sufficiently persuaded by the message content to adopt their claims as to their own beliefs. In this sense, influencers who share product information and reviews with online peer users, so-called "online consumer reviews," can be a useful and influential means of providing information about products and services (LU et al., 2014).

Despite a relatively new phenomenon, digital influencers have already been studied by marketers around the world. Influencers have already been evaluated political, economic, and social aspects and, above all, in the context of social networks. Studies indicate that the power of persuasion under a network of contacts and the influence endorsed with credibility and reliability exerted on users may be

personified in ordinary people, celebrities, opinion leaders, experts in specific subjects, political personalities, and bloggers.

Whatever concept is adopted, digital influencers represent a new type of endorser capable of shaping public attitudes through blogs, tweets, and the use of other social media. Due to social media influencers' persuasion power and the benefits of these influencers' performance for brands, choosing the right endorser is crucial to the ad's assertiveness because consumers live in a media-saturated environment full of products (PRADHAN et al., 2016). In this context, the influencer's choice should be made sparingly by marketing managers, as it can generate both a positive and negative result for the brand image in terms of perceptions by the target audience. Influencers can attract more attention to the product, service, or brand they appear when those they are endorsing are aligned with their images (MCCORMICK, 2016; PRADHAN et al., 2016). This alignment can increase sales volume and product profitability, which remains essential for retailers and, ultimately, the only way companies can survive (MCCORMICK, 2016).

Another critical role of digital influencers is to promote and stimulate eWOM (electronic word of mouth). The findings show that eWOM can strongly link buying behavior based on trust, and followers/consumers seem to refer to comments on Instagram to reduce perceived risk when making a purchase based on their admiration and confidence in their idols/influencers (DJAFAROVA and RUSHWORTH, 2017). This trust can be justified by influencers' ability to create original and personalized posts, generating a sense of credibility (BOYD, 2016).

Although a sponsored recommendation post is a kind of online consumer review, it should also be considered an electronic word of mouth, as it has features similar to eWOM: it is fast, economize, and anonymous (LU et al., 2014). Thus, using the recommendations of a blogger/influencer to promote positive eWOM, which in turn improves the purchase intention of consumers, it is possible to maximize the influence on the marketing of a product, service, or brand in social media, such as marketing wom (LU et al., 2014; LI and DU, 2017).

In a way, the endorsement of brand influencers is a strategy that undoubtedly has great importance. Short-term results may not be in line with managerial expectations, but if managed effectively, the influencer endorsement strategy can bring long-term benefits, especially in brand construction (SHARMA, 2016).

## The Outcome of the case

After hiring digital influencers, both the mall and the agency are still analyzing the data arranged in a spreadsheet and seeking to build indicators to measure the return on the investment made in this new modality of dissemination. However, from the general observation of the data, there was strong growth in the number of followers in the Instagram profile of Shopping Goiás Moda. At the beginning of the actions with influencers, the profile was with 3,300 followers, and a year later, this number jumped 280%). There was also an increase in the number of clicks on the site and the mall's central occupancy rate metric. Before the action, 2016 and 2017, the mall was with about 60% of the stores occupied, and, at the end of the stock, this percentage jumped to more than 80%.

It will still be necessary to identify whether the occupancy rate increase was related to dissemination via digital influencers and to analyze the data collected, forming indicators for monitoring the results more deeply. Thus, the plan's strategy is to promote together with local university research in which the focus will be to propose indicators that can be monitored, especially one in which investment in the digital environment reflects the occupancy rate within the mall itself.

It is also expected to conduct research that allows evaluating, in an integrated and individual way, the return of influencers' actions in metrics such as total sales of the mall, sales per store, average ticket, and consumer flow, among others. Metrics that the mall does not have access to and are in discussion with retailers to be collected. A first attempt was made from the delivery of a discount coupon on the posts of the influencers hired to identify if the sales were related to the posts. However, the marketing board did not get most retailers' participation to determine whether consumers knew the mall, the store, or the products from the actions carried out with the digital influencers.

## References

ABRASce. Goiânia Fashion Center received more than 9 million buyers. *Brazilian Association of Shopping Centers*, 01 February 2019. Available in: <<http://www.textilia.net/materias/ler/moda/moda-ves->

tuario--mercado/polo\_de\_moda\_de\_goiania\_recebeu\_mais\_de\_9\_milhoes\_de\_pessoas>. Accessed: 08 August 2020.

ALMEIDA, M. I.S.; RABBIT, R. L. F.; CAMILO-JUNIOR, C. G.; GODOY, R.M.F. Who Leads Your Opinion? Influence of Digital Opinion Makers on Engagement. *Revista de Administração Contemporânea*, v. 22, n. 1, p.115-137, 2018. DOI: 10.1590/1982-7849rac2018170028.

BOYD, S. How Instagram micro-influencers are changing your mind one sponsored post at a time 2016. Available from: < <http://www.forbes.com/sites/sboyd/2016/06/28/how-instagram-micro-influencers-are-changing-your-mind-one-sponsored-post-at-a-time/#6132e69543c1> >. Accessed: 30 March 2018.

CHANG, H.L.; CHOU, Y.C.; WU, D.Y.; & WU, S.C. Will firm's marketing efforts on owned social media payoff? A quasi-experimental analysis of tourism products. *Decision Support Systems*, v. 107, p. 13-25, 2017. DOI: 10.1016/j.dss.2017.12.011.

RABBIT, R. L. F.; DE MIRANDA, J. R.; CAMARGO FILHO, A.; FREITAG, M.S.B.; DE ALMEIDA, M. I.S. Marketing management in micro and small companies. *REGEPE-Journal of Entrepreneurship and Small Business Management*, v. 4, n. 2, p. 219-250, 2015. DOI: 10.14211/regepe.v4i2.197.

RABBIT, R. L. F.; ALMEIDA, M. I.S.; GOMES, A.C.; CAMARGO FILHO, A. The Impact of Spontaneous Digital Influencers on the Engagement Metrics of a Virtual Social Network. In LATIN AMERICAN RETAIL CONGRESS, 2017.

DANTAS, Fernando. Goiana Fashion Industry Seeks to Strengthen itself in the National Market. *The Newsroom*, 22 October 2019. Available in: <<https://www.aredacao.com.br/negocios/125441/industria-da-moda-goiana-busca-se-fortalecer-no-mercado-nacional>>. Accessed: 08 August 2020.

DJAFAROVA, E.; RUSHWORTH, C. Exploring the credibility of online celebrities' Instagram profiles in influencing the purchase decisions of young female users. *Computers in Human Behavior*, v. 68, p. 1-7, 2017. DOI: 10.1016/j.chb.2016.11.009.

KAPITAN, S.; SILVERA, D. H. From digital media influencers to celebrity endorsers: attributions drive endorser effectiveness. *Marketing Letters*, v. 27, n. 3, p. 553-567, 2016. DOI: 10.1007/s11002-015-9363-0.

LI, F.; DU, T.C. Maximizing micro-blog influence in online promotion. *Expert Systems with Applications*, v. 70, p. 52-66, 2017. DOI: 10.1016/j.eswa.2016.10.060.

LIU, R.; SUH, A. Self-Branding on Social Media: An Analysis of Style Bloggers on Instagram. *Procedia Computer Science*, v. 124, p. 12-20, 2017. DOI: 10.1016/j.procs.2017.12.124.

LIU, S.; JIANG, C.; LIN, Z.; DING, Y.; DUAN, R.; XU, Z. Identifying effective influencers based on trust for electronic word-of-mouth marketing: A domain-aware approach. *Information Sciences*, v. 306, p. 34-52, 2015. DOI: 10.1016/j.ins.2015.01.034

LU, L.-C.; CHANG, W.-P.; CHANG, H. H. Consumer attitudes toward blogger's sponsored recommendations and purchase intention: The effect of sponsorship type, product type, and brand awareness. *Computers in Human Behavior*, v. 34, p. 258-266, 2014. DOI: 10.1016/j.chb.2014.02.007.

MCCORMICK, K. Celebrity endorsements: Influence of a product-endorser match on Millennials attitudes and purchase intentions. *Journal of retailing and consumer services*, v. 32, p. 39-45, 2016. DOI: 10.1016/j.jretconser.2016.05.012.

ORANGE CLUB GROUP. *Social Media Canvas*, 05 August 2020. Available in: <<https://www.spencerfield.me/smc>>. Accessed: 08 August 2020.

PRADHAN, D.; DURAIPIANDIAN, I.; SETHI, D. Celebrity endorsement: How celebrity-brand-user personality congruence affects brand attitude and purchase intention. *Journal of Marketing Communications*, v. 22, n. 5, p. 456-473, 2016. DOI: 10.1080/13527266.2014.914561.

SHARMA, R. Effect of Celebrity Endorsements on Dimensions of Customer-based Brand Equity: Empirical Evidence from Indian Luxury Market. *Journal of Creative Communications*, v. 11, n. 3, p. 264-281, 2016. DOI: 10.1177/0973258616667185.

STATIST. *Instagram influencer marketing spending worldwide from 2013 to 2020 (in million U.S. dollars)*, 14 December 2018. Available in: <<https://www.statista.com/statistics/950920/global-instagram-influencer-marketing-spending/>>. Accessed: 05 August 2020.

STATIST. *Social network user growth rate in selected Latin American countries between July 2017 and February 2018, by platform, 2020*, 01 April 2018. Available in: <<https://www.statista.com/statistics/942943/social-network-user-growth-rate-latin-america-platform/>>. Accessed: August 5, 2020.

VASANTHAKUMAR, G.U.; PRAJAKTA, B.; SHENOY, P.D.; VENUGOPAL, K.R.; PATNAIK, L.M. GDP: Profiling Influential Blogger in Online Social Networks, A Knowledge Driven Data Mining Approach. *Procedia Computer Science*, v. 54, p. 362-370, 2015. DOI: 10.1016/j.procs.2015.06.042

WINTER, S.; NEUBAUM, G. Examining characteristics of opinion leaders in social media: A motivational approach. *Social Media+ Society*, v. 2, n. 3, p. 1-12, 2016. DOI: 10.1177/2056305116665858.