

Marketing with Influencers on Instagram - The case of Gymshark.

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Abstract: *A large part of the retail industry focuses on sports. The sports community and the retail companies constitute a market that in the last years has attracted interest from marketing professionals and investors. It owns products and services created for the needs of sports. The purpose of this study is to explore the sports marketing strategy of a sportswear company, Gymshark. The presentation of the strategy implemented through the Instagram platform and the collaboration with the opinion makers of the sports field helped an individual retail startup to develop into a widely recognizable brand in less than a decade. This phenomenon is of great interest as it is directly related to the adoption of sports ideals in the context of corporate identity and social corporate responsibility in the field of the sports products industry. The conclusion of the case study shows that the strategy of promotion through the influence of sports Influencers had positive results for the successful course of the company.*

Keywords: Sports marketing, Influencers, consumer behavior, Instagram

1. Introduction:

It is well known in the retail market that despite the marketing techniques applied by companies in social networks, it is difficult to control the effect they have on shaping their market position (Klosterman et al., 2018; Pike et al., 2018). The advent of the hugely popular YouTuber brought to the fore a new form of marketing. This type of new form is called Influencer marketing. To successfully apply this technique, brands work with influencers to promote products and services (De Veirman et al., 2017). Influencers are considered individuals with whom everyone can find common interests and hobbies and do not hesitate to share many of them with their followers through the interpersonal communication (Abidin 2016, Schau and Gilly, 2003). Due to the spontaneous and authentic form of these messages, they are perceived as unbiased views with great power of persuasion having a great impact on the consumer behavior of their customers (Abidin, 2015).

2. Review of Literature:

Influencers are the users of social networks who create posts that have a great impact on their audience. They have a large number of followers who follow their posts and thematic interests. Their posts on social media usually concern their personal beliefs, interests, and personal life. A large number of followers on social networks is considered an indicator of the electronic popularity of Influencers according to which the public's loyalty to it can be predicted (De Veirman et al., 2017). The selection of Influencers is a process that is very important and difficult and for this reason, the Social Influencer (SI) index is taken into account. It shows the impact they have on the market according to the number of followers and their impact and so the interested companies can find the right one (Booth and Matric, 2011; Baldus, 2018). In social networks, the number of information shared is large so consumers base their guidance on Influencers based on data such as the number of followers. (Metzger and Flanagan, 2013). The selection of the right Influencer by the companies is a very important issue because they have to choose those who have the right influence on the buying public who aim to promote and sell new products. (Momtaz, Aghaie, Alizadeh 2011; Pophal, 2016). Influencers interact with large audiences who trust them because of their authentic views and their position in the field of social networks (Lou and Yuan, 2018). Through its activity on social networks, they influence market decisions, consumer behavior, and the reactions of their followers. (Watts and Dodds, 2007; Lyons and Henderson, 2005). Their views are considered authentic and companies often use their own as posted on social media to enhance the effectiveness of their promotions (Lou and Yuan, 2018). The purpose of this paper is to investigate the application of the Influencer Marketing promotion method for the successful entry and gradual placement in the market of a sports retail company. The promotion of advertising messages to the common goal of the company through its collaboration with social media opinion makers (Influencers), is of great interest to study as it seems to have a great impact on the consumer behavior of its customers.

3. Methodology:

The methodology through which this case study was designed and prepared is that of the literature review. Scientific sources, financial data, and information from the internet, related to the activity of the company were used.

4. Case study description:

Gymshark is a UK-based sportswear company with a strong online commercial presence. It was founded on July 5, 2012, and today has 223 employees. (Best companies of UK, 2020). The company's sales strategy focuses mainly on the sales of its sports products via the internet. Its differentiation from the companies in the field is its focus on the manufacture of sportswear in specialized sizes and from special materials which concern people with a special physique due to their involvement with the field of fitness.

As a company that operates around the field of sports has adopted sports and healthy living as a corporate culture. It provides its employees with all-day healthy meals and free sports services. In this way, the company invites people who share the values of sports to identify with its ideals. To promote its image as a brand ambassador, began to collaborate with a large number of athletes, trainers, artists, and internet celebrities who share its sporting ideals, motivating the rest of the world to continue playing sports. (Gymshark.com) The company's products are mainly available online. It has an online store and a corresponding Instagram business store. Gymshark controls the entire product sale process and does not offer wholesale. The marketing campaigns of the company are carried out exclusively digitally, emphasizing the promotion of its products on Instagram. (Forbes 2020).

Gymshark has implemented a product promotion model through the Instagram athlete-Influencers. Among many Influencer profiles that are engaged in sports, the company chooses the right ones whose values are identical to the company. Gymshark started supplying them with free equipment and encouraging them to share their opinion about the products with a form of posts on their personal Instagram account. Gymshark is currently partnering with some well-known Influencer users of the Instagram platform who are exclusively involved in sports. The unbiased view of the Influencers working with Gymshark formed the image of a brand that identifies with the trainee, the amateur athlete who wants to change his body and his life. Through a continuous presence on social networks since 2012, has built a base of loyal followers which is listed at approximately 5 million. (Gymshark Instagram). Enables each one of the followers to become an ambassador of its products. Focuses on the average internet user who has a passion for fitness. By adding the Hashtag to their Instagram posts, the company can see interested ambassadors which one can become the company's next Influencer.

The success of the company is based on the way it is advertised. The year of its foundation, 2012, promoted its products exclusively through Instagram, reaching an impact of 16. 4 million people. Also, 40% of the company's sales of the same year were made through Instagram users. The money invested by Gymshark for advertising through Instagram was refunded 6. 6 on the initial cost (Marketing week 2018). From 2012 with sales of products worth 500 k. \$ reached in 2017 sales of 52 mils. \$ and in 2018 doubled them. (Beeketing,). The company's capital accumulation annually was estimated at 5 mils. \$ in 2014, at 10 mils. \$ in 2015, at 15 mils. \$ in 2016, at 50 mils. \$ in 2017, at 100 mils. \$ in 2018 and at 200 mils. \$ in 2019 (company check,2020). Due to the company's credibility and the gradual increase in sales it presented, in 2020 raised another 267 million dollars from the investment group General Atlantic, exceeding in total capitalization one billion dollars (seedtable, 2020). Gymshark ranks 468th in the global online store rankings (ecommercedb, 2019).

5. Conclusion:

Gymshark is a company that owes its success to the model of marketing strategy development through the influential opinion Influencers of the sports field. The collaborations that concluded with them had the effect of making the brand recognizable in the eyes of consumers very quickly. The identification of the brand's customers with Influencers showed that recognizability is something that increases when the advertising messages are authentic. The direct interaction between Gymshark Influencers and the consumer public resulted in more effective advertising messages, which led to increased company sales. The company's commitment to the average trainee and not exclusively to champions differentiated the company and made it recognizable worldwide. The direct contact, through the Instagram Influencers, with the prospective customers, helped the company to improve the investigating procedure of their needs. Also, the adoption of a healthy corporate culture strategy and market diversification led to increased sales and the attraction of new customers who are engaged in sports.

6. Future research:

This work is a case study and as a suggestion for future research, we could mention the analysis of similar cases in the sports field of different brands. Companies and business schemes that apply Influencer marketing techniques are important to analyze similar cases as they are living examples of how Influencers affect a brand image on social media and reach the consumer's subconscious. Also by studying cases of successful fitness startups, sports business innovation ideas, technological applications, professional athletes, or events we could extract data about how the influence of opinion leaders affects marketing and branding in the sports industry.

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