Transformative Potentials of Drop Marketing and Drop Retail Strategies in the Fashion Industry

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Drop marketing has been applied to various industries such as the foodservice industry, the social commerce industry, and the fashion industry. For instance, drop marketing in the fashion industry manifested as a powerful marketing tool for street fashion brands worldwide. Drop retail refers to a limited-edition product. This sales strategy involves releasing limited edition products or collectibles in small quantities at selected retail locations without additional warning (Flower, 2019). Drop marketing has resulted in a unique culture of its own, stemming from related thoughts, behaviors, and communities (Dictionary.com, 2019). The foundational strategy of drop retail is based on creating a sense of urgency and scarcity among consumers. This strategy attracts loyal consumers and fans of a brand's attention even before the product launch. These products are not necessarily expensive or difficult to manufacture but are only available for a limited time and limited quantity (Elven, 2018). By creating a sense of scarcity, this marketing strategy produces a much higher level of anticipation and competition among customers in both physical and virtual marketplaces. It also encourages customers to make clear purchase goals and experience surprising and fun emotions (Bosavage, 2019; Elven, 2018). Drop retail strategy is not only about reducing the number and category of a single release. It is about changing the entire supply chain. To ensure that a brand can deliver new products every week, it needs a close, cooperative, and collaborative relationship with suppliers. In the article, "The secrets of Supreme success", Moran (2017) specifically analyzed a new model on drop retail strategy and articulated two key factors its success – 1) fast and scarce product delivery, offering personalized and unique shopping needs of young adult consumers such as millennials and Gen Z, and 2) transactional value (such as a sense of ceremony) derived from unconventional consumption, which can lead to deeper engagement with the brand marketing effort and social activities of the brand.

Despite the popularity of the drop retail strategy in the fashion industry, there is seemingly no academic research on the understanding of this strategy in the context of fashion consumption. For this reason, it is critical to share this in-depth review of current trade and industry literature in an attempt to generate awareness of drop marketing in the academic field. Fashion retail educators may find this information useful. We aim to alert the academic community to drop marketing and drop retail strategies and their potential to transform the entire supply chain for luxury, bridge, and premium brands.

In the foodservice industry, retailers are constantly bringing new ideas to consumers in order to attract their attention and to persuade them to purchase the products. For example, a national franchise burger restaurant, Shake Shack, has adopted the drop strategy. In 2018, Shake

Shack posted a tweet on its official Twitter feed saying that if consumers download its application (app), it will offer them exclusive menu options and a \$2 discount for a 48-hour period. Shake Shack has introduced six new products through the app, using it as a way to test new products before officially launching them in restaurants (Bosavage, 2019). A well-known ice cream brand, Magnum, is a pioneer in brand cross-border marketing and a high-quality user experience. In 2013, Magnum Pleasure Store announced its entry into the Chinese market, after its successful debut in Paris, London, and New York. Magnum teamed up with famous designer Alexander Wang to create a unique promotional video. Alexander Wang's cross-industry collaboration continued with McDonald's in China and resulted in a crossover 'Black x Golden' collection in 2019. 'Black x Golden' was launched via McDonald's Tmall official flagship store and WeChat Mini Program to sell limited edition picnic baskets and lunch bags. Since this drop event is only available in China, its products have already appeared on resale sites internationally for USD \$1,400 (Goh, 2020). A wide range of drop retail strategies was observed from the fast food industry to the fashion industry in order to bring excitement and one-of-a-kind experiences to consumers.

Another successful example of drop marketing strategy in the fashion industry was the launch of Yeezy, a collaborative sneaker line between Kanye West and Adidas in 2015. Once the shoe was released, a combination of exposure on social media and an endorsement from Kanye West lead to Yeezy's becoming an iconic product. The shoe release became a cultural event that represented street fashion in the 2000s to denarians and vicenarians. The collaboration is still popular among its target consumers today (Hanbury, 2018; Ufford, 2018). Following this great success, luxury houses launched their own extensive line of sneakers to monetize the trend. For example, Chanel, Louis Vuitton, Gucci, and many other brands offer a substantial number of sneaker styles. In recent years, Balenciaga's Triple S has been noted as a best-selling shoe (Danforth, 2018). Another example of a drop retail strategy was implemented by a luxury fashion house was B Series launched by Burberry in 2018. This line was only sold through Burberry's Instagram (Baron, 2018). Burberry's B Series launch was a good example showcasing the complementary effect of drop marketing and drop retail through the use of social media as both promotional and transactional channels, respectively (Campbell, 2019).

Further research could explore how drop marketing strategies have evolved into their most current form in the luxury fashion industry. With the greater emphasis given to Chinese consumers due to their increasing wealth and the sheer volume of customer base, drop marketing has been heavily utilized and tested in mainland China. Moreover, mobile payment penetration among Chinese smartphone users is much higher than any other country in the world (Buchholz, 2019). Previous literature suggests that future research should examine key motivational factors among young adult Chinese consumers who experienced drop marketing and took part in drop retail strategies via in-depth personal interviews or focus group interviews. With the learned lessons from the current trade literature, future research may examine the applicability of the drop marketing strategies in the US with similar generational cohorts. More specifically, researchers may focus on how Chinese students' acculturation pursuing their degrees in the US would respond to the drop marketing effort. Future research could also investigate how

consumers' engagement can vary depending on different social media platforms. It may also be useful to unveil how their reference groups may influence consumers (e.g., family, friends, social media influencers) and how one's psychological sense of community affects their motivations toward the brands frequently utilize the drop retail strategies.

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