

## ORIGINAL PAPER



DOI: 10.26794/2404-022X-2020-13-3-98-107

UDC 339.13(045)

JEL M39

## Promotion of Fashion Brands in the Russian Market in the Absence of Foreign Competitors (on the Example of the LIME Clothing Brand)

V.O. Mikryukov, M.V. Anisina, Ya.N. Zakharova, V.V. Titova, Yu.V. Frank

Financial University, Moscow, Russia

### ABSTRACT

Various trends are transforming the organizational, consumer and methodological landscape of enterprises whose activities relate to the fashion industry. The relevance of the chosen research topic is due to changes in the strategies currently used in this area, which is associated with the current geopolitical situation, as well as with the dominance of the trend of humanity (empathy) in strategic branding. The purpose of the study was to identify the features of promoting fashion brands on the Russian market in the absence of foreign competitors using the example of the LIME clothing brand, which is among the most popular (over 100 stores in Russia and the CIS countries). The methods of analysis and synthesis, abstraction, generalization, comparison, and questionnaire survey were used in the course of the work. The authors concluded that the effectiveness of brand development depends both on the right strategic decisions and on understanding the characteristics of the target audience, real-time communications with customers and prompt response to their requests through the use of high-tech strategic planning tools, in particular, personalized value propositions. Based on the research, recommendations have been developed for the promotion of Russian fashion brands in modern conditions, which can find practical application.

**Keywords:** fashion industry; LIME; strategy; marketing; brand; Russian brands; promotion of fashion brands

**For citation:** Mikryukov V.O., Anisina M.V., Zakharova Ya.N., Titova V.V., Frank Yu.V. Promotion of fashion brands in the Russian market in the absence of foreign competitors (on the example of the LIME clothing brand). *Upravlencheskie nauki = Management Sciences*. 2023;13(3):98-107. DOI: 10.26794/2404-022X-2020-13-3-98-107

## INTRODUCTION

In modern society, the market for goods and services is characterised by high competition. It is no longer enough to create a high-quality and unique product to achieve success. The marketing complex and, in particular, such an instrument as “promotion” — a deliberate attempt of a company to tell the consumer about itself and its offers — is of decisive importance. Branding tactics in the fashion industry remains an understudied area, which makes it a relevant topic for research. Currently, due to new social trends, as well as other, including economic processes, fashion branding requires certain changes and improvements. The authors of the study analysed the peculiarities of fashion brand promotion in the Russian market in modern conditions. The novelty of this paper is due to the weak representation of this topic in the scientific literature and the lack of practical recommendations in the latter. The methodological basis was such scientific tools as generalisation, comparison, analysis, synthesis, abstraction. In order to obtain the results, a questionnaire survey was also conducted.

## SITUATION ON THE RUSSIAN FASHION MARKET IN THE ABSENCE OF FOREIGN COMPETITORS

In 2022, foreign companies left or suspended their activities in the Russian market due to the current geopolitical situation. Russian enterprises and commercial companies had to reorient themselves towards domestic producers of raw materials, establish and strengthen ties with CIS countries, India, China, Turkey, Iran and others. As a result of the growing demand for Russian products, small clothing manufacturers are entering multi-brand designer department stores and expanding sales through marketplaces, while medium and large businesses are selling not only clothing and footwear, but also household goods.

Trends in offline sales are being shaped by the search for new formats of retail outlets, staff training to improve the quality of service, development of omnichannel and loyalty programmes. Nevertheless, small businesses face such obstacles as lack of retail equipment and raw materials, higher costs of materials and components, and more complicated logistics.

## FEATURES OF PROMOTION OF FASHION BRANDS IN MODERN CONDITIONS

Due to the presence of an element of financial instability, customers are becoming more price-sensitive and often reduce their spending on clothing. Customers are opting for domestic products due to their affordability and decent quality — demand has almost tripled recently.<sup>1</sup> The greatest demand is for basic, sports and streetwear. In particular, sales of bomber jackets, anoraks, ponchos and T-shirts increased by 43, 27 and 21 per cent respectively [1].

When it comes to fashion products, according to a recent study, 42% of consumers find and research available offers online, while 45% prefer offline shopping.

When it comes to buying clothes, the most important influencers are personal recommendations from friends and family, sales consultants, manufacturer and retailer websites, online videos and social media, and the prevailing fashion market is a hybrid model combining both online and offline purchases [2].

In Russia, there is currently a growing interest in national brands. Another trend is rationality, which implies refraining from impulsive purchases, reducing consumption of unnecessary goods, caring for the environment, and saving materials. As competition intensifies and demand for domestic products

<sup>1</sup> Interest in Russian clothing and footwear brands has grown almost threefold. URL: <https://vc.ru/marketing/497142-interes-k-rossiyskim-brendam-odezhdy-i-obuvi-vyros-pochti-v-3-raza> (accessed on 20.07.2023).

increases, quality and pricing should be prioritised.

However, in order for a company or fashion house to stand out among other market players, it is not always enough just to have a well-thought-out “price-quality” ratio: there must be an emotional component that influences the choice of a particular product. Such a trend as brand philosophy (which was followed by many of the foreign companies that left Russia) is inherent in many Russian enterprises at the present stage. The application of promotion strategy elements, including support of social projects and socially significant initiatives, is very effective in conditions of competitive uncertainty. For example, the niche vacated by the Swedish company H&M, which, among other things, was engaged in the recycling of the second-hand or used clothes and creating environmentally friendly goods, could be occupied by domestic producers. Another trend is the emphasis on social equality, with clothing brands addressing issues such as ageism, gender discrimination and ableism. Examples include projects such as “Shvemy” (St. Petersburg), which pays much attention to feminist themes in clothing, and «Russian Grandmothers» (Moscow) — this trademark — on one of the popular marketplaces — sells the goods which seem to be made by the representatives of the older generation, i.e., grandmothers).<sup>2</sup> Such organisations are likely to have an advantage in the long term.

### **PROMOTION OF FASHION BRANDS IN THE RUSSIAN MARKET IN THE ABSENCE OF FOREIGN COMPETITORS (ON THE EXAMPLE OF LIME CLOTHING BRAND)**

In the current era, social media has become an important component of every major fashion

brand’s marketing strategy — it serves as a platform for leading fashion businesses to grow their audience and connect with customers and followers around the world. LIME is one such company that designs and manufactures women’s apparel and accessories. Founded in 2008 in Samara, it has opened more than 100 single-brand shops in Russia and CIS countries in 17 years of its existence.

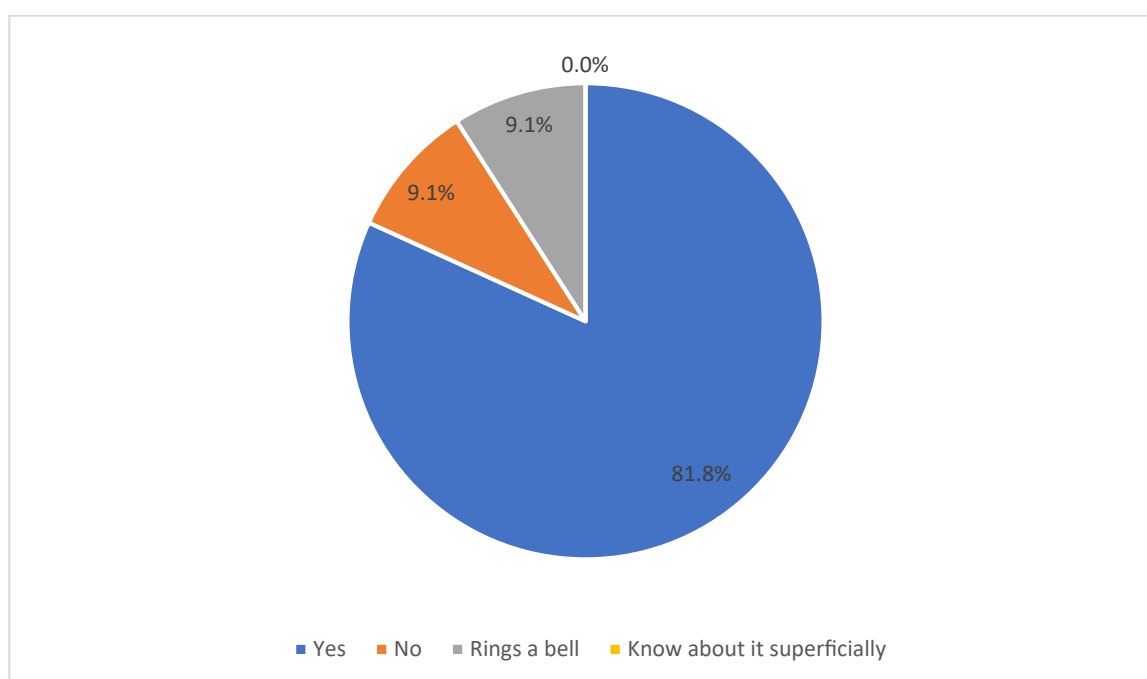
LIME’s mission is to be among the leaders in its segment, to help its target audience feel confident and stylish through a properly selected individual image and always follow the trends. When making models, designers pay attention to their quality and comfort, follow fashion trends, carefully choose materials so that things retain their authentic appearance for a long time.

Today, LIME is one of the few domestic manufacturers that emphasise fresh images in line with European fashion; it belongs to the mass-market category with a medium price segment and is aimed at a young female audience with an average income who want to dress fashionably without spending a lot of money.

The company’s main competitors include fashion brands like “Lichi”, “Befree”, “Zarina”, “Love Republic”, “2 mood” of approximately the same price category, oriented towards a similar target audience — girls and women aged 16 to 35 years old, living in large cities of the Russian Federation and preferring to look modern and stylish in everyday life.

It is known that the performance of an economic entity is influenced by many factors. Organisations assess external risks related to the dynamics of the environment, transform their work under changes in the geopolitical situation. There are also risks that have low probability but can cause great damage if realised. For example, COVID-19 shattered a strong belief in the predictability of all aspects of business processes. The pandemic

<sup>2</sup> Website of the marketplace of goods and services from the older generation Russian Grannies. URL: <https://russiagrannies.ru/?ysclid=llfao6z436192561499> (accessed on 11.09.2023).



*Fig. 1. Answers to the question: "Are you familiar with the LIME brand?"*

Source: compiled by the authors.

outbreak in December 2019 not only took the economy and society by surprise, but also caused a major disruption to them. Restrictive measures to contain the spread of the virus in April 2020 led to massive plant closures, reduced output of goods, a sharp rise in unemployment, a drop in demand for goods and services and caused significant damage to global businesses. LIME was no exception. During the period of self-isolation, both enterprises and retail shops in Russia and Kazakhstan ceased operations. Nevertheless, the company managed to quickly change its product promotion strategy and switch to online trading, which helped it maintain its market position and attract new customers.

However, LIME's plans to enter the European and American markets in early 2022 had to be postponed indefinitely due to changes in the political and economic situation and the introduction of sanctions against Russian enterprises and businessmen. The logistics also became more complicated, and there were

problems with the delivery of finished products from abroad.

The sanctions led to the withdrawal of more than 15 foreign brands from the Russian market, with 10 of them belonging to the fashion segment, such as H&M, Zara, Victoria's Secret, UNIQLO, Massimo Dutti and others. Thus, LIME had a unique opportunity to occupy the position vacated by former western competitors. In this regard, the company's management initiated negotiations with the owners of shopping centres to acquire vacant space.

In this study, a pilot (exploratory) questionnaire survey was conducted between 1 February and 10 March 2023 to determine brand awareness in the domestic market and to assess consumer preferences, with 120 participants. The sampling error and other parameters were not calculated as the survey was exploratory. The results of the survey are presented in *Fig. 1, 2*.

The data of *Fig. 1* shows that 81.8% of respondents know about the existence of LIME

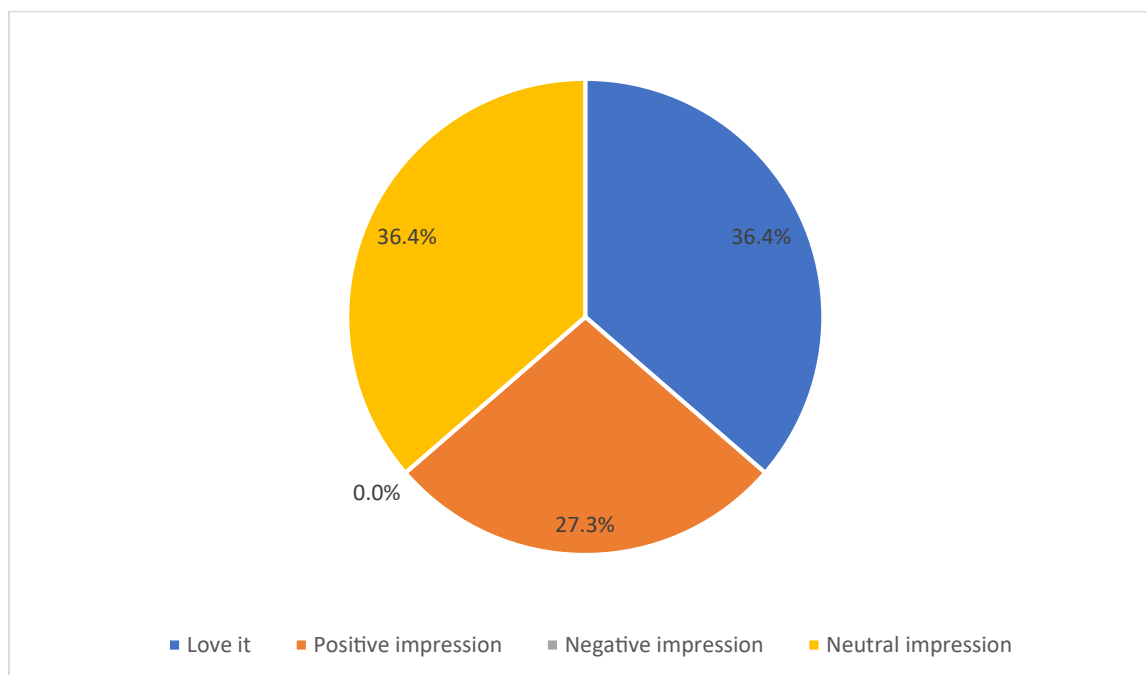


Fig. 2. O Answers to the question: "What is your impression after visiting the LIME store?"

Source: compiled by the authors.

brand, which confirms its popularity on the domestic clothing market.

Based on the data presented in Fig. 2, we can conclude that none of the customers had negative emotions after buying the brand's goods, which indicates the quality of the products provided and the correct positioning of LIME.

Among the shortcomings, the majority of respondents noted the poor concept and weak marketing strategy for promoting the official page in social networks.

LIME uses many marketing channels, but in the 21st century, digital platforms are one of the most important. The main source of information about the company is the official website, which provides both general information about its activities and a full structured analysis of the collections with colourful photos of models of different types.<sup>3</sup>

The disadvantages of the site design include the presence of a large number of words

in English, as well as the low quality of graphic materials. Since most of the site's users are Russian-speaking women, the use of foreign words may cause them difficulties in perceiving the information, as well as mislead them, which will negatively affect their purchasing power. And insufficiently high quality of videos and photos may create a false impression that the page is not elaborate and disrespectful to the customer.

The growing popularity of digital technology and artificial intelligence has led to the widespread use of SMM<sup>4</sup> by fashion and luxury brands to attract the attention of existing and potential customers and achieve the widest possible market recognition [3]. Companies, including LIME, use social media channels, such as VKontakte, to showcase their products and establish a closer relationship with their audience.

<sup>3</sup> LIME (official website). URL: <http://lime-shop.ru>

<sup>4</sup> SMM (engl. social media marketing) — marketing that aims to attract, retain customers, and make sales through social networks.

The main strategic goal of LIME is to increase customer awareness of the trademark and grow its popularity. The company actively develops its social media accounts, investing in advertising and promotion.<sup>5</sup>

The brand is characterised by a creative approach to advertising campaigns and large-scale shows. Currently, LIME actively participates in social events, films, and video shoots, covering them on its pages. In 2023, the company has refocused its attention on Telegram and VKontakte — regular posts help to attract an interested audience. LIME's modern style in 2023 has become easily recognisable.<sup>6</sup>

Speaking of social media, the brand's digital approach is based on two fundamental principles: authenticity and inclusivity; its digital platforms are open and aim to communicate with its audience, allowing everyone to express themselves through fashion.

The content created by LIME is not only aesthetically pleasing, but also contains cultural and intellectual messages, manifested in visuals and illustrations. The latter, consonant with artworks from different eras, have an uncommon storytelling effect.

To increase brand awareness and credibility, we believe the focus should be on:

- building a holistic, positive image;
- creating a strong emotional connection with potential customers;
- product advertising (with an emphasis on social media), promotions and participation in exhibitions;
- working with shop employees and convincing them of the need for a personalised approach to each customer.

Brand loyalty is necessary to strengthen a brand's image and increase sales, and Internet technologies make it easier to communi-

cate with consumers. However, it is important to correctly assess the target audience and understand their expectations. By analysing marketing campaigns of famous world brands and learning the secrets of their success, LIME can establish itself as a niche leader in the Russian market and create a base of loyal customers. Today's customers are more sophisticated, demanding, and selective about the quality of the goods they buy, and gaining their trust is the key to the successful development of the company — the manufacturer of products.

It is important to increase the demand for human interaction, which forms emotional connections between consumers and producers in the creative economy. These interactions are delivered through a variety of personalised platforms and channels. According to the survey, customers do not want to communicate with bots, with 54% of US consumers saying they believe it negatively impacts their quality of life [4].

Note that customers are more likely to purchase products, recommend the manufacturer and show loyalty if they have a relevant emotional experience. Personalisation is one of the strategic trends whose role is constantly increasing. Experts suggest that there is a direct link between relevant communication and positive outcomes. If consumers perceive a brand as more human, they are 2 times more likely to like it and 1.8 times more likely to recommend it.<sup>7</sup> Consequently, brands that fail to meet the "humaneness" criterion risk losing their followers and pushing them towards competitors that are better trained on this attribute.

The development of intelligent strategic branding relies on a customer-centric approach, including the collection and manage-

<sup>5</sup> LIME (official group in the "VKontakte" social network). URL: [https://vk.com/limeshop\\_ru](https://vk.com/limeshop_ru)

<sup>6</sup> LIME (official Telegram page). URL: <https://t.me/s/limeofficial>

<sup>7</sup> Study shows consumers value human-like communication from brands. URL: <https://www.thedrum.com/news/2018/11/20/study-shows-consumers-value-human-communication-brands> (accessed on 06.08.2023).



ment of customer data and the implementation of a comprehensive communication strategy. This is manifested in the creation of a brand image based on personal emotions and impressions. The scientific community is actively discussing the development of brand empathy and its impact on the balance of corporate, social, and state interests, competitive advantages of “humane” brands and strategic solutions for the development of the empathic ones [5–9].

Branding innovation draws on insights from neurobiology and psychology to help companies understand the processes in the human body and how they prioritise emotional purchasing decisions for commercial goods and services [10, 11].

Manufacturers are also using new technologies to create human connections with their customers and ensure long-term loyalty — in 2019, the Brand Humanity Index (BHI) was developed by D. Kluger and R. Chatterjee of the international analytic agency Forrester Research to measure a brand’s empathy and humaneness through its strategic attributes,<sup>8</sup> and its functional characteristics show what actions it can take to demonstrate and strengthen its sense of empathy.<sup>9</sup> Companies that prioritise building strong relationships with their customers value their time and needs and communicate with them through their preferred channels of communication. When it comes to communication, it is crucial to prioritise customer preferences over business efficiency.

A study conducted by Forrester Consulting,<sup>10</sup> suggests that brands can choose three strategic directions for developing humanity: natu-

ralness, awareness, and personalisation. The first involves using simple speech structures and a conversational tone, while mindfulness involves tracking consumer needs, improving feedback and providing personalised offers. Individuality, for its part, means building personal communications with your customers and promoting yourself through their social circle.<sup>11</sup>

However, the implementation of the empathy tendency requires consistency between the actions of the company’s personnel, the technologies used, the organisational structure, the customers, and their data. The latter serves as the basis for crucial management decisions in marketing; collecting, integrating, and managing this information are always major challenges from the field of strategic branding.

## CONCLUSIONS

Based on the results of the study of sources, as well as on the analysis of the results of the author’s research, it is revealed that the promotion of clothing brands is a complex and costly process, and success in the market requires the development of an effective policy for its implementation. The choice and harmonisation of marketing methods is crucial, especially as the cost of traditional promotional tools is rising and their effectiveness is declining due to the constraints firstly related to the COVID-19 pandemic and then to the current geopolitical situation. Businesses are therefore forced to seek new and innovative approaches to attract consumers and communicate effectively with them.

Consumer trust in a brand is a powerful force that cannot be underestimated. It takes time and effort to ensure its memorability, recognition, sales growth, and ultimately cus-

<sup>8</sup> Be human: exploring the human side of customer relations at LTRs. URL: <https://www.affde.com/ru/ltr-2018-recap-1.html> (accessed on 06.08.2023).

<sup>9</sup> Build brand humanity by mastering empathy at scale. URL: <https://www.braze.com/resources/reports-and-guides/build-brand-humanity-by-mastering-empathy-at-scale> accessed on 06.08.2023).

<sup>10</sup> Ibidem.

<sup>11</sup> Communication between brands and customers: why do customers leave? URL: <https://vc.ru/social/542522-kommunikaciya-mezhdu-brendami-i-klientami-pochemu-uhodyat-klienty> (accessed on 12.07.2023).

customer loyalty and satisfaction. It is difficult for a new product entering the market to compete. For this reason, the use of various promotional tools has become a necessary component of business operations in the 21st century. For example, digital tools offer unprecedented opportunities to establish personal interaction between producers and consumers, optimise data exchange, enhance communication processes, and reduce business development costs.

Digital channels: the internet, local networks, interactive television, screens and POS terminals are essential for the promotion of clothing brands. Similarly, digital tools such as websites, blogs, and social media, targeting, contextual and viral as well as online advertising, mobile and email marketing, search engine optimisation, search engine marketing, social media optimisation, big data technology, lead generation, web analytics, QR codes and more are crucial to expand audience reach, awareness and connect with them.

Thus, the inclusion of digital tools in the marketing policy of promoting clothing brands allows to significantly increase the number of consumers, increase the efficiency and effectiveness of the communication process between the enterprise and its customers.

As noted earlier, in a crisis, consumers prioritise value for money when choosing clothing and other fashion goods. However, in the long term, their choice will be influenced by the way the manufacturer implements socially significant initiatives in its activities.

The authors believe that LIME needs a detailed marketing strategy that would specify not only the tools and budgets for the coming months or year, but also recommendations for the long term, taking into account the trends of the clothing market, as well as the national priorities of business development in Russia.

The authors also recommend the brand to take into account the requests of the target audience to maintain the national flavour or character in clothing, without forgetting about global trends (ageism, feminism, etc.).

## REFERENCES

1. Khvorostyanaya A. S. Foreign practice of light and fashion industry ESG-strategizing. *Kreativnaya ekonomika = Journal of Creative Economy*. 2022;16(5):1863–1878. (In Russ.). DOI: 10.18334/ce.16.5.114637
2. Ziyangulova K. T. Methods and means of promoting clothing brands in the Internet environment. In: Modern trends in the development of science and education. Proc. Int. sci.-pract. conf. (Penza, February 07, 2023). Penza: Nauka i Prosveshchenie; 2023:127–136. (In Russ.).
3. Angelini F., Castellani M., Pattitoni P. Artist names as human brands: Brand determinants, creation and co-creation mechanisms. *Empirical Studies of the Arts*. 2023;41(1):80–107. DOI: 10.1177/02762374211072964
4. Charmasson H. The name's the thing: Creating the perfect name for your company or product. New York, NY: AMACOM Books; 2003. 320 p. (Russ. ed.: Charmasson H. Torgovaya marka: kak sozdat' imya, kotoroe prineset milliony. St. Petersburg: Piter; 2019. 224 p.).
5. Shevchenko A. G. Problems and prospects of development of fashion-retail companied under the sanctions of 2022. *Vestnik nauki*. 2022;5(5):115–120. (In Russ.).
6. Saxton G. D., Niyirora J. N., Guo C., Waters R. D. #AdvocatingForChange: The strategic use of hashtags in social media advocacy. *Advances in Social Work*. 2015;16(1):154–169.
7. Shani D., Chalasani S. Exploiting niches using relationship marketing. *Journal of Consumer Marketing*. 1992;9(3):33–42. DOI: 10.1108/07363769210035215



8. White G., Nafees L. Is the influencer I follow human or robot? The value of computer-generated imagery influencers to luxury brands. *GLIMS Journal of Management Review and Transformation*. 2022;1(2):215–230. DOI: 10.1177/jmrt.221103552
9. Wolak R., Kalafatis S., Harris P. An investigation into four characteristics of services. *Journal of Empirical Generalisations in Marketing Science*. 1998;3(2):22–41.
10. Baudier P., de Boissieu E., Duchemin M.-H. Source credibility and emotions generated by robot and human influencers: The perception of luxury brand representatives. *Technological Forecasting and Social Change*. 2023;187:122255. DOI: 10.1016/j.techfore.2022.122255
11. Graham K. W., Pelletier M. J., Wilder K. Two faces of brand hate: Corporate vs. human brands: An abstract. In: Pantoja F., Wu S., eds. *From micro to macro: Dealing with uncertainties in the global marketplace* (AMSAC 2020). *Developments in marketing science: Proceedings of the Academy of Marketing Science*. Cham: Springer-Verlag; 2022:513–514. DOI: 10.1007/978-3-030-89883-0\_132

### ABOUT THE AUTHORS



**Vladimir O. Mikryukov** — Cand. Sci. (Philosophy), Associate Professor, Associate Professor of the Department of Sociology, Financial University, Moscow, Russia

<http://orcid.org/0000-0002-3025-6838>

*Corresponding author:*

[mikryukov.v.o@gmail.com](mailto:mikryukov.v.o@gmail.com)



**Maria V. Anisina** — Bachelor student in the field of study “Advertising and Public Relations”, Financial University, Moscow, Russia

<https://orcid.org/0009-0000-2528-2292>

[marija\\_anisina@rambler.ru](mailto:marija_anisina@rambler.ru)



**Yana N. Zakharova** — Bachelor student in the field of study “Advertising and Public Relations”, Financial University, Moscow, Russia

<https://orcid.org/0009-0003-8846-4538>

[Yankazahar@gmail.com](mailto:Yankazahar@gmail.com)



**Veronika V. Titova** — Bachelor student in the field of study “Advertising and Public Relations”, Financial University, Moscow, Russia

<https://orcid.org/0009-0005-0320-6447>

[0201titova@gmail.com](mailto:0201titova@gmail.com)



**Yulianna V. Frank** — Bachelor student in the field of study “Advertising and Public Relations”, Financial University, Moscow, Russia  
<https://orcid.org/0009-0000-7596-075X>  
[yulya.shklyarik@mail.ru](mailto:yulya.shklyarik@mail.ru)

***The declared contribution of the authors:***

**Mikryukov V.O.** — general guidance, development of the concept of the article, formulation of the problem.

**Anisina M.V.** — preparation of the article text, selection of sources.

**Zakharova Ya.N.** — processing research results and preparing drawings.

**Titova V.V.** — preparation of the article text.

**Frank Yu.V.** — formulation of conclusions.

*Conflicts of Interest Statement: The authors have no conflicts of interest to declare.*

*The article was submitted on 05.05.2023; revised on 25.07.2023 and accepted for publication on 18.09.2023.*

*The authors read and approved the final version of the manuscript.*