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Crocs Inc. - Marketing and Branding and  
their Effect on Sales and Consumer Buying  
Behavior

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## ABSTRACT

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The aim of the study is to determine how marketing and branding strategies affects Crocs' sales as well as to evaluate and discuss how consumer perception of Crocs influences their buying decisions. This topic was chosen as the author is someone with a long-time interest in the Crocs themselves as well as their contradicting brand reputation and reported sales figures.

The theoretical framework begins by explaining marketing and branding as well as their key concepts, such as the marketing process, brand equity, identity and image. The theory then concludes with the explanation of consumer buying behavior and the decision-making process.

To implement the aim of the research, a literary research study was conducted, which described how and why Crocs rose to success, fell, and became popular once again as well as how they surpassed their previous success, highlighting the importance of adapting marketing strategies to correctly suit the branding. A study in the form of a questionnaire was also conducted in order to gather consumer perceptions of Crocs and determine the factors that influence their purchase decisions.

The research revealed that the originality, the quality of the design, and the comfort of the product drives Croc's success, regardless of their negative brand reputation. While they may be considered ugly, it does not stop consumers from purchasing Crocs.

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Keywords                      marketing, branding, sales, consumer buying behavior, Crocs

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# **1 INTRODUCTION**

A company's reputation can either make or break them. In the case of this thesis, it is safe to say that everyone knows what Crocs are, both as a product and a brand. The name itself already evokes opinions in consumers' minds; either positive, negative, or both. The main drivers of a company's reputation and their consumers' buying behavior which will be studied in this thesis are marketing and branding. Both of which are essential aspects to consider when selling any type of product or service, including colorful foam clogs like Crocs.

## **1.1 Thesis Background**

At the time as this thesis was drafted, written, and researched, the world is going through the coronavirus pandemic in which society is being forced to adapt to a new normal. People were obligated to socially distance themselves from one another, and many must work from home. Being at home all the time also means that comfort takes precedence with regards to how people choose to dress, myself included. Casual attire, such as sweaters, t-shirts, and sweatpants, replace suits and formal office wear. The same fate also befalls footwear, where formal shoes are replaced by more comfortable options, such as Crocs.

As the author of this thesis, I am personally interested in this topic because I remember always owning a pair of Crocs. During my childhood as I grew out of the old Crocs every year, there was always a pair to replace them in different bold and bright colors. They became a staple in my summer outwear growing up. However, as time went on, I heard Crocs being referred to as "ugly" increasingly frequently until it became the only way in which Crocs were described regarding their appearance. Their reputation of being "ugly" has not stopped me, however, from still buying and owning several pairs of Crocs and wearing them often.



## **1.2 Thesis Aim and Research Questions**

The aim of this thesis is to determine why people still buy Crocs, regardless of their current reputation as the “world’s ugliest shoe”. Sales have increased from 2019 to 2020 where more than 69 million pairs sold which amounted to over \$1.4 billion in revenue (Retail Inside Network, 2021), which means that Crocs’ reputation and current sales contradict each other, why? Crocs’ sales curve was falling up until the last few years. What has caused this change in consumer buying behavior? Does their reputation matter to their consumers? Through the nature of this research, the aim is also to find out what factors can cause such an increase in sales and how, also considering the current social and economic situation during the coronavirus pandemic. How is Crocs benefitting from a notorious reputation? How do trends affect consumer buying behavior with regards to said negative reputation? How do marketing and branding strategies affect their sales and reputation? To what does Crocs owe their success to?

With the thesis aim and these questions in mind, the main focused research questions this thesis strives to answer are as follows:

1. How do marketing and branding strategies influence changes in Crocs’ sales?
2. What are consumers’ perceptions of Crocs and how does it affect consumers’ buying decisions?

## **1.3 Thesis Structure**

Much like with other theses, this thesis will be broken down into several sections in which the first starts with the introduction. The introduction is where the topic and aim of the thesis are explained and where the company this thesis is researching is introduced. Most importantly, the research questions to be researched and answered are placed in the introduction. Following the introduction is the theoretical framework which goes on to define and explain each of the terms and theoretical concepts which will be researched in the later stages of the thesis, such as marketing, branding, and consumer buying behavior.

Once the theoretical framework is established, the following section, Section 3, goes on to outline the research methodology which will be implemented in the thesis and provide

further explanation as to why the chosen research methods were selected. Not only will Section 3 describe how the research data will be collected, but it will also evaluate the reliability, validity, and the limitations of the research. Section 4, research results, will present the data collected and describe the research findings. The final section is where the conclusion is discussed and reflected upon and where suggestions for future research are made.

#### **1.4 Company Introduction: Crocs Inc.**

Crocs Inc., now an international household name, are a casual footwear company infamously known for their iconic foam clog shoes “Crocs.” The first pair of Crocs were introduced to the market in 2002 by the company founders, Lyndon “Duke” Hanson and George Boedecker Jr. and have since sold over 700 million pairs (Crocs 2021). The original Crocs clogs, named after their signature crocodile snout design, have once been labeled as one of the world’s “50 Worst Inventions” by Time Magazine (Time, 2010). The iconic Crocs design has been trademarked and patented by the US Patent office, in order to protect themselves from other companies that recreate their design and produce counterfeit versions of their Croc. (Patent US6993858B2, 2006)

Although initially designed and intended for boat goers and owners, Crocs have appealed to a wider range of consumers due to their anti-slip foam material, ventilation holes, and adjustable strap that provides comfort and practicality. Popularly referred to as “sport mode,” the ankle strap can be adjusted from on top of the shoes as slippers, to be placed behind the ankle in order to secure them to the wearer’s feet, as seen in Figure 1. The material in which Crocs are made of and the company has patented, Croslite, is a foam resin which offers a sanitary solution to other “boat footwear” that absorb moisture and odors (Patent US6993858B2, 2006). While the company’s namesake, the original Crocs clog, remains their most popular product, they also offer a wide range of other footwear such as flip flops, sandals, slippers, boots, and sneakers; all of which are made of the same patented Croslite foam material.



**Figure 1** Classic Crocs clog with Jibbitz accessory (Crocs 2021)

In 2006, the company acquired Jibbitz, a manufacturer of accessories that snap into the ventilation holes in Crocs shoes that allow their consumers to personalize their Crocs, pictured in Figure 1. As a company, Crocs strives to provide continuous comfort with each of their products as is evident in their mission and vision statements respectively: “we work hard to make you comfortable in your own shoes,” and “we believe that comfort is key to happiness, and our legendary Crocs comfort makes the world a happier place, one pair of Crocs at a time. We are in tireless pursuit of new comfort technologies, developing revolutionary materials that are lighter, softer, and more flexible than ever imagined.” (Crocs, 2021)

## **2 THEORETICAL FRAMEWORK**

### **2.1 Marketing**

The tale of marketing is as old as time. Wherever something is being sold, it is also being marketed, whether it is by large global profitable firms or small local non-profit organizations. As consumers, we are constantly surrounded by marketing. From physical advertisement posters in store windows to short ads played before YouTube videos. As defined by Armstrong and Kotler, marketing is “the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.” (Armstrong, Kotler, 2015, 33) Marketing is essentially a tool used to connect companies to their consumers. Over time, marketing has changed and evolved as the markets have developed. The definition of marketing itself has evolved from “the management process which identifies, anticipates and supplies customer requirements efficiently and profitably” to one that emphasizes that marketing creates value for their customers rather just anticipating their requirements, or demands. (Palmer, 2004, 3)

While marketing is most recognizable as selling and advertising, there are many more steps and processes involved. As explained by Kotler, marketing is often illustrated by a floating iceberg; “[it] is what occurs below the waterline before the customers see anything.” (Kotler et al, 2012, 6) In order to sell and advertise, companies must first understand their consumers’ needs and wants which will then help them create a customer-oriented marketing strategy in order to deliver customer value which eventually leads to capturing value from customers creating profits and customer equity, as pictured in Figure 2.



**Figure 2** The Marketing Process: Creating and Capturing Customer Value (Armstrong, Kotler, 2015, 33)

### 2.1.1 Marketing Process; Strategies and Programs

As previously mentioned, the first step when creating and capturing customer value is understanding the marketplace and customer needs and wants. For without understanding their customers' needs and wants, companies cannot successfully market their products or services to them, and their efforts would go unnoticed by their potential consumers. Whereas Armstrong and Kotler define a customer need as a state of deprivation, a customer want is "the form human needs take as they are shaped by culture and individual personality." (Armstrong, Kotler, 2015, 34) Companies do so through researching their customers and the marketplace in which they are selling as well as managing marketing information and customer data. (Armstrong, Kotler, 2015, 57) This process is called market research and is vital when understanding who companies are selling to.

The next phase is to design a customer-driven marketing strategy, or game plan, where companies select what customers to serve through market segmentation and targeting. (Armstrong, Kotler, 2015, 57) Market segmentation is the process in which the market is divided into different segments of customers and targeting is the selection of which customer segment to cater to. (Armstrong, Kotler, 2015, 37) These segments include demographic, physiographic, behavioral, and geographic. Much like the previously mentioned market research process, this step is fundamental for companies to identify who they are selling their products or services to. Once the target customers have been selected, then the value proposition, or "the set of benefits or values it [a company] promises to deliver to consumers to satisfy their needs," can be decided as well as how

companies differentiate and position themselves in the market. (Armstrong, Kotler, 2015, 37) This being an important step because it tells their consumers why they should buy their product or service rather than the competition's; it tells them why they are special above all others.

As the marketing strategy is established, the following step is to construct an integrated marketing program that delivers superior value. (Armstrong, Kotler, 2015, 57) This process is done with the help of the marketing mix which will be explained in the following section of this thesis. Once a marketing program is constructed, the opportunity to build profitable relationships and create customer delight is developed. This is achieved through customer-relationship management where companies build engagement and strong relationships with their chosen customers as well as partner relationship management where strong relationships with marketing partners are built. (Armstrong, Kotler, 2015, 57) Completing all the aforementioned stages of the marketing process will eventually lead to capturing value from customers which will generate profits and customer equity. This in turn creates satisfied and loyal customers, captures customer lifetime value, and increases market and customer shares. (Armstrong, Kotler, 2015, 57)

Whereas the marketing process is universal, the marketing plans and strategies can vary considerably from product to product and company to company, even within the same product and/or company. Each product or service is marketed differently based on who they are intended for, their target market, whether a firm is marketing their products directly to their individual consumers, business to consumer (B2C), or other businesses, business to business (B2B). However, whenever marketers create marketing strategies, they often, if not always, make use of the marketing mix.

### **2.1.2 Marketing Mix**

The marketing mix is essential when developing effective marketing strategies. It is a set of marketing tools used to help organizations achieve their goals by gauging the sought-after consumer response within the target market. (Palmer, 2004, 19) It consists of everything the firm can do to influence the demand for its product (Armstrong, Kotler,

2015, 80) and is divided into four factors, the Four Ps: product, price, place, and promotion.

- Product refers to the product [or service] being offered to the target market. The factoring decisions included in the product are variety, quality, design, features, brand name, packaging, and services.
- Price refers to the amount consumers are expected to pay for the product offered. The factoring decisions included in the price are list price, discounts, allowances, payments period, and credit terms.
- Place refers to where the product is made available to the consumers. The factoring decisions included in place are channels, coverage, locations, inventory, transportation, and logistics.
- Promotion refers to the actions taken to communicate the advantages of the product and influence consumers to purchase it. The factoring decisions included in promotion are advertising, personal, selling, sales promotion, and public relations.

(Armstrong, Kotler, 2015, 80-81)

Figure 3 illustrates the Four Ps as well as the tools used under each P and how they relate to the target market. While the marketing mix traditionally refers to the Four Ps, it can also be explained using the Four Cs. By using the Four Cs as well as the Four Ps, the customer's perspective is also considered rather than just the marketer's perspective. Whereas in the Four Cs, customer solution is used in place of product, customer cost in place of price, convenience in place of place, and finally communication replaces promotion. Each of the Four Cs are to be considered while building a successful marketing strategy with the Four Ps. (Armstrong, Kotler, 2015, 82)



**Figure 3** The Four Ps of the Marketing Mix (Kotler, Armstrong, 2011)

### 2.1.3 Traditional vs. Digital Marketing

When the world shifted from the traditional to the digital, marketers in turn adapted to be able to fully take advantage of the new online platforms that became available. By doing so, they were able to reach a much larger market of Internet users. Regardless of the boom in the digital marketing usage, however, traditional marketing remains an integral marketing strategy still used by many companies today. The difference between the two, is the medium in which they communicate their message to their target market. While traditional marketing employs traditional channels such as television ads and other printed media, digital marketing uses digital media. Whereas traditional marketing uses posters, newspaper ads, and magazine ads, digital marketing applies the same material digitally to websites and social media posts. (Bailey, 2019) As defined by the Merriam-Webster dictionary, social media are “forms of electronic communication (such as websites for social networking and microblogging), through which users create online communities to share information, ideas, personal messages, and other content (such as videos)” (Merriam-Webster Dictionary)



To market digitally now, as 57% of the global population is said to make up the world's Internet users, companies set up their own social media accounts on different platforms, such as Facebook, Instagram, YouTube, and even TikTok, among others. (Bailey, 2019) Companies then use these accounts to post promotional content and other marketing material. These posts can then be reached by over 7 billion users collectively on Facebook, Instagram, YouTube, and TikTok. (Statista, 2021) They can also reach more users through collaborating with one or more influencers, or “[people] who [are] able to generate interest in something (such as a consumer product) by posting about it on social media,” (Merriam-Webster Dictionary)

## **2.2 Branding**

Much like marketing, branding is a crucial process that companies need in order to sell their products or services to consumers as it also connects companies with their consumers. Where marketing engages the consumer with the company, branding maintains the current relationship they have with their consumers and keeps them committed. Simply put, marketing drives sales while branding drives recognition and customer loyalty. In order to do so, a company must first build their brand, “a name, symbol, logo, design or image, or any combination of these, which is used to identify a product or service and distinguish it from those of competitors.” (Kotler et al, 2012, 423) A brand allows its consumers to easily identify it and recognize its value over its competitors'. A powerful, recognizable, and well-marketed brand, however, creates meaningful long-lasting images in the consumer's mind.

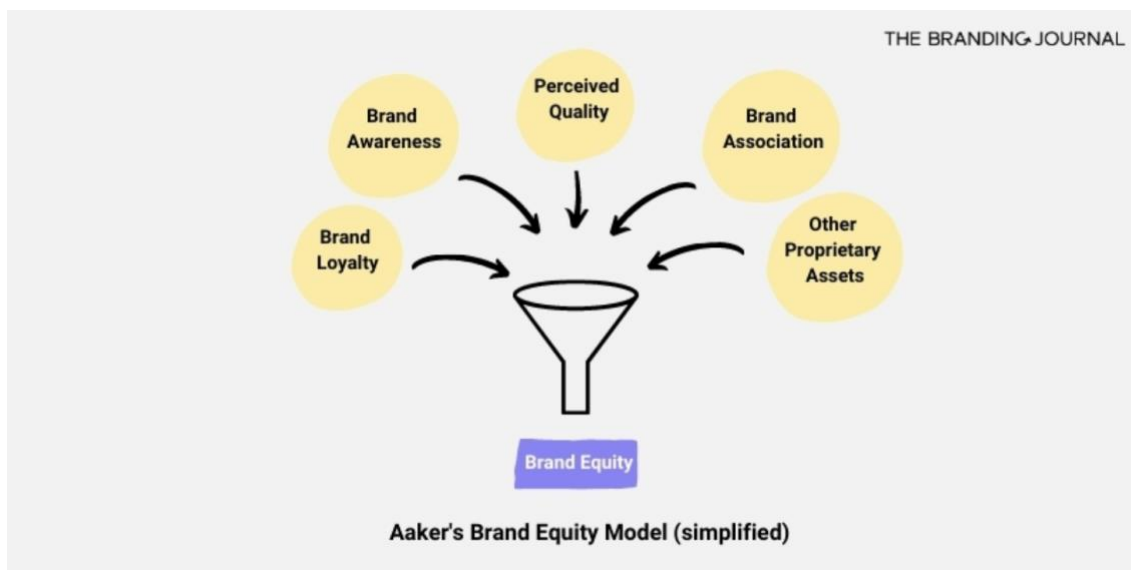
As the aim of branding is to connect the brand to the consumer, branding plays two important roles when prompting reactions from their consumers: functional and emotional. The functional role of branding refers to how the performance, quality, and benefits of the product or service is communicated to the consumer. (Kotler et al, 2012, 424) Functional branding assures consumers that the products or services they are purchasing work well and fulfil what is promised of them and therefore upholds their perceived value over other competitors. Moreover, the emotional role of branding sparks an emotional reaction within the consumer which then aims to connect them emotionally

to the product or service itself, rather than its functionality. (Kotler et al, 2012, 424) The stronger the connection with the consumer, the stronger the brand.

Whereas different marketing strategies are temporary, a company's branding remains unchanged throughout their "lifetime." Successful branding is achieved using several tools such as: brand positioning, brand identity, product branding, brand image, and brand reputation, which will be explained in the following sub-sections. Branding is also achieved by implementing advertising and communication techniques, sponsorships and partnerships, in-store experiences, workspace experiences and management styles, customer service, and pricing strategy. (The Branding Journal, 2021)

### **2.2.1 Brand Equity**

When discussing a brand's value, one refers to their brand equity; for brand equity represents the value of a brand. (The Branding Journal, 2021) As defined by David Aaker, brand equity is "a set of assets or liabilities in the form of brand visibility, brand associations, and customer loyalty that add or subtract from the value of a current or potential product or services driven by the brand." (Aaker, 1991) Aaker further explains brand equity by listing the five components of brand equity using the following model illustrated in Figure 4.



**Figure 4** David Aaker's Model of Components of Brand Equity (The Branding Journal, 2021)

In Aaker's model, he includes the following five component that play key roles within a brand's brand equity: brand loyalty, brand awareness, perceived quality, brand association, and other proprietary assets. Brand loyalty ensures that consumers remain loyal to the brand and dictates that consumers are driven to continue purchasing from the brand rather than its competitors. Brand awareness refers to a brand's recognizability amongst its consumers, how it stands out to its consumers and to what extent. A brand's perceived quality centers around the public opinion of the brand's quality product as well as the brand itself. Brand association refers to the associations with the brand itself, the connotations. Lastly other proprietary assets include patents, trademarks, and other partner relationships. (The Branding Journal, 2021) (Aaker, 1991)

Brand equity affects how consumers view and associate the brand which, in turn, plays a crucial role when driving their success. Establishing strong brand equity is key when building a successful branding strategy and can be done with the help of brand positioning, brand identity, and brand image. A company's brand equity can then also be reinforced with strategic marketing. (The Branding Journal, 2021)

## **2.2.2 Brand Positioning and Positioning Statement**

As mentioned previously, brand positioning, brand identity, and brand image are key concepts when referring to brand equity, or the value of a brand. Or as stated by Jay Gronlund, “the brand positioning is the heart of marketing.” (Gronlund, 2013, 42) Brand positioning expresses how a brand differentiates itself from its competitors, it is “the act of designing the company’s market offering and image to occupy a distinctive place in the mind of the target market” (Kotler et al, 2012, 359). The process of brand positioning includes analyses of the target market, the competition, and the brand itself. Successful brand positioning is established with the help of the positioning statement, a written statement that summarizes the “blueprint of the brand” and includes the following components: the target customers and their needs, the competitive framework, and the brand’s benefit or promise. (Gronlund, 2013, 17)

The positioning statement is aimed at the target customer which is found in the market research stage where the target market is discerned through segmentation as marketers need to know who they are selling to. When discussing the target market and their needs, said needs not only refer to their functional and physical needs, or why they need the product, but also the customer’s emotional needs, why they did not know they needed the product, thus creating a connection to the brand. Once again, the stronger the connection between the consumer and the brand, the stronger the brand. By meeting all these needs, marketers reach what is called “the sweet spot.” (Gronlund, 2013, 19) However, as the customer wants and needs constantly change and evolve, marketers also need to adapt accordingly.

The competitive framework part of the positioning statement refers to the points where the target market and consumers are convinced that the brand is superior to the competition and why as it “can help create the best potential image” of the brand. (Gronlund, 2013, 21) Lastly, the benefit or promise the brand makes to its target market and consumers is the most meaningful promise a brand can make, as it represents what exactly is special about them and what makes them stand out amongst the competition. “It is not what the product does, but what it does the consumer – how it resolves [their] problem and ideally makes the customer feel.” (Gronlund, 2013, 25) Thus, with the

positioning statements made up of these three components, the brand positions itself within the target market as well as caters itself to the target market and further helps create the brand identity and develops the brand image in the eyes of the consumer.

### **2.2.3 Brand Identity**

With brand positioning in place, the company's brand identity is then also established within the target market. The brand identity is dependent on the brand positioning, as the brand identity is built by the brand itself using information gathered during the brand positioning process. It is the visual expression and representation of the brand, "the way the company aims to identify or position itself in the eyes of the consumer." (Gronlund, 2013, 3) (Kotler et al, 2012, 426) Said visual expression refers to the brand elements including but not limited to: brand names, URLs, logos, symbols, characters, slogans, jingles, websites, product or service design and features, signage, packaging, etc. Brand elements are devices that are used to identify and differentiate the brand. These elements need to be memorable, meaningful, likeable, transferable, adaptable, and protectable. (Kotler et al, 2012, 432) When the elements of brand identity are applied also to a singular product, it is referred to as product branding.

"The brand identities and its associations are amongst (the brand's) most valuable assets." (Kotler et al, 2012, 431) However, when creating and managing their brand identities companies need to keep some things in mind. Firstly, all accompanying marketing mix activities must support the brand and the chosen brand elements. (Kotler et al, 2012, 432) Secondly, other secondary brand associations need to be transferred to the brand indirectly by linking it to other entities. (Kotler et al, 2012, 432) When tying an association between the brand itself and other entities such as people, places, or things, those entities will then reflect on the brand. The brand identity and all its elements need to be consistent in order to create a cohesive visualization of the brand which is then easily recognizable to the consumer in all its forms. "Brand identity should be diffused in everything the company does." (Kotler et al, 2012, 426)

## **2.2.4 Brand Image and Reputation**

Once the brand identity is established, one can then delve into the brand image. While the terms brand identity and brand image seem similar, the concepts are completely different. The main difference between brand identity and brand image is perspective. Brand identity is how the brand itself wants to be perceived by the consumers whereas brand image is the subjective perception of the visual and verbal expressions of the brand from its consumers. (Kotler et al, 2012, 426) The brand identity is controlled by the brand while the brand image is not, it is the perceptions, views, and beliefs of the brand held by the consumers themselves. “The brand image encompasses all ideas, opinions, associations, and emotions a person can have with regard to a brand.” (Brand Trust, 2021) The brand image, however, is based on the brand identity. The closer the brand image matches with the wanted results from the brand identity, the more cohesive the branding strategy, and the stronger the brand itself.

Brand image can fluctuate and change depending on several variables. It can vary across the globe if its marketing is adapted to foreign markets, as different cultures view things differently. Time is another variable that can affect brand image, as the market evolves over time, so does its perceptions, views, and beliefs. Marketers must then adapt to the market and make changes to their marketing and branding strategies accordingly. Companies also need to monitor their word of mouth, or their reputation as it can greatly improve or damage their brand image. (The Branding Journal, 2021) Brand reputation is a concept that falls under brand image. With similar definitions they are often used interchangeably. Just like brand image, brand reputation refers to the consumer’s perception of the brand. However, the brand reputation refers to the opinions of the brand held by the consumer when asked. The brand reputation is derived from the brand image as well as the branded product or service itself. Customer-orientation is key as “the power of the brand lies in what resides in the mind of the consumer.” (Kotler et al, 2012, 476 + 426)

### 2.3 Consumer Buying Behavior

Consumer behavior, or “the study of the processes involved when individuals or groups select, purchase, use of dispose of products, services, ideas, or experiences to satisfy needs and desires,” is a process closely involved in the marketing and branding processes. (Solomon, 2009, 33) Whereas both marketing and branding are amongst some of the factors that can have an impact on consumer buying behavior, there are also other key aspects that play a role and directly impact consumer buying behavior. Consumer buying behavior is essentially divided into three segments: the study of culture, the study of social groups, and the study of the individual. Culture, as defined by the Cambridge Dictionary, is “the way of life, especially the general customs and beliefs, of a particular group of people at a particular time” and is a fundamental influence on a person’s needs and wants. (Cambridge Dictionary, 2021) Culture is the blueprint for human behavior and its values and norms serve as its guidelines. Cultures are even be split into smaller sub-cultures as the values of the same culture can vary vastly from area to area. (Kotler et al, 2012, 218) The study of culture provides a thorough understanding of a group’s consumer buying behavior as it notably affects a person’s thought processes and behaviors.

Another segment of consumer buying behavior, the study of social groups, refers to key social factors such as reference groups, family, and social roles and statuses and how they affect consumer buying behavior. “A person’s reference groups are all the groups that have direct or indirect influence on their attitudes or behavior.” (Kotler et al, 2012, 221) These reference groups can then also be divided into primary and secondary groups. Primary groups include family, friends, neighbors, and co-workers, groups that people interact with regularly and casually. Secondary groups include religious, professional, and trade union groups that are more formal. Of the primary reference group, family is the most influential when it comes to consumer buying behavior. Family can then also be divided into two groups, the family of orientation and the family of procreation. The family of orientation includes parents and siblings and have an indirect effect on consumer buying behavior whereas family of procreation, the consumer’s spouse and children, have a more direct influence on everyday buying behavior. A person has a position in each of the social groups they belong to, and that position can be defined

through their role and status. Their role consists of the part they play in the group and what corresponding activities they are expected to perform, and each role holds a status. (Kotler et al, 2012, 221-223)

Lastly, the final segment of consumer buying behavior is the study of the individual itself, of the buyer's own characteristics. These characteristics being: the individual's age and stage in the life cycle, their occupation and economic circumstances, their personality and self-concept, and their lifestyle and values. These characteristics have a direct impact on consumer buying behavior as they come from the individual consumers themselves. (Kotler et al, 2012, 223) By combining the three segments of consumer buying behavior, the complete view of consumer behavior is formed. After understanding the processes behind customer behavior, one can then begin to piece together the processes that lead to a buying decision, or the buying decision process, which will be explained in the following sections.

### **2.3.1 Buying Decision Process**

Both the complex and the simple consumer buying decision process illustrated in Figure 5 begins with problem recognition. The problem can be triggered by internal or external stimuli. Internal stimuli refer to a person's basic needs: hunger, thirst, sex, among others, and external stimuli refer to other stimuli a person may encounter within their surroundings. With the problem being identified, in complex decision-making, the step that follows is searching for information. The information search can be completed using the following major information sources: personal sources, including family, friends, neighbors, and acquaintances, commercial sources such as advertising, websites, salespeople, dealers, packaging, and displays, public sources such as mass media and other consumer-rating organizations, and lastly experimental sources where the consumer handles, examines, or uses the product in question.

Once the information search is completed, the consumer then moves on to the evaluation of alternatives where the consumer is trying to satisfy a need and is looking for certain attributes and benefits from different product solutions. All the different options available are then compared and contrasted in search of the suitable solution. This is called the



consumer evaluation process. This process then leads to the purchase decision. The consumer may have already established a preference amongst the products and brands evaluated and may even form the intention to buy said preferred product or brand. When executing the purchase decision, the consumer then decides on the following traits: brand, dealer or seller, quantity, timing, and payment method. However, this is the stage where the purchase decision and/or intention can be interrupted by either public opinions or any other unexpected situational factors. Lastly, the final stage of the buying decision process is the post-purchase behavior which includes post-purchase satisfaction, actions, use and disposal. (Kotler et al, 2012, 239-245) However not all buying decisions follow the model of consumer decision making. The amount of time and effort put into each decision can vary depending on the complexity of the purchase. Some decisions are more important than others, those of lesser importance can be made quickly or even instantaneously. (Solomon, 2009, 350) Consumers often revert to previous decisions they have made, thus reducing the actual time spent on each decision. (Solomon, 2009, 381) As also illustrated in the simple decision-making process in Figure 5, the process jumps directly from problem-recognition to the purchase decision.



**Figure 5** Stages in the Consumer Decision Making (Solomon, 2009, 350)

### **3 RESEARCH AND METHODOLOGY**

#### **3.1 Research Methodology and Data Collection**

The aim of this thesis is to find out why people still buy Crocs, regardless of their current reputation as the “world’s ugliest shoe” by answering the following research questions:

1. How do marketing and branding strategies influence changes in Crocs’ sales?
2. What are consumers’ perceptions of Crocs and how does it affect consumers’ buying decisions?

In order to answer the research questions above, a study will be conducted using both primary and secondary research methods. Primary research methods are employed when collecting primary data, or data that has been observed, experienced, or recorded by the one conducting the research. There are four different ways primary data can be gathered; through measuring numbers, observing and recording events, interrogation, and participation. However, other sources that gather and interpret primary data from written or non-written materials and surveys, called secondary sources, follow secondary research methods. (Walliman, 2011, 69-70) When conducting secondary research, however, it is important to assess the quality of the information provided. “The quality of the (secondary) data depends on the sources and the methods of presentation.” (Walliman, 2011, 71) The study will begin with the conducting of secondary research in order to answer the first research question asking how marketing and branding strategies influence changes in Crocs’ sales. It will be a literary review of previously published information and literature. Such information and literature will include any other research regarding Crocs’ marketing and branding strategies conducted by other third parties or released by the company itself as well as yearly financial records and any other published sales trends.

The information gathered from the secondary literary research will then be used as a basis to create a questionnaire to gather primary quantitative data and secondary qualitative data from individual consumers, or participants. Quantitative data refers to numerical data which can then be analyzed using statistical techniques. As quantitative data is gathered directly from the source, it is considered primary data. Whereas qualitative data, which is

data expressed words rather than numbers, is considered secondary data and requires different analytical techniques. (Walliman, 2011, 71) Streefkerk suggests that quantitative data and research is to be used to confirm or test something while qualitative data and research is used in order to understand something. (Streefkerk, 2019) These results gathered from the questionnaire will then be studied to answer the second research question that asks the consumers what their perceptions of Crocs and how it affects their buying decisions. The research results will also either confirm or contradict the results collected from the secondary research answering the first research question. The questionnaire itself will be divided into four sections. The first section establishes the demographic background of the participants. Combining both multiple choice questions and open-ended questions, the following three sections determine the respondents' consumer perception of Crocs, Crocs' consumer buying behavior and post-buying behavior. The answers collected from the questionnaire will comprise of both quantitative and qualitative data, as the questionnaire also includes open-ended questions to allow the respondents to expand on their answers and provide deeper insight into their opinions. Once all the accumulated data and research results from both the primary and secondary research are collected, it will be evaluated to draw conclusions.

### **3.2 Reliability, Validity, and Limitations**

When conducting research, it is crucial that the data collected is reliable and valid as it indicates the quality of the research. If the data is reliable and valid, so is the research in its entirety. Reliability refers to the consistency of the measurements of the research while validity refers to the accuracy of the method of measurements used in research. (Middleton, 2019) According to Walliman, secondary data is less reliable than primary data. (Walliman, 2011, 69) Which emphasizes the importance of the use of both in this research. The secondary data, collected through a literary search, was based on reliable and valid sources. The primary research conducted by the researcher was collected in the form of an anonymous questionnaire, which allowed for a larger pool of responses, therefore reinforcing reliability of the results. The participants were all given the same questionnaire with the same questions, with both pre-selected answers to choose from as well as the opportunity to add their own answers.

As the thesis was written and researched during the coronavirus pandemic while COVID-19 continues to spread, the researcher was limited to online research methods when conducting the primary research. This did not pose as much of a problem as the questionnaire was shared online. However, the number of participants the researcher was able to reach was limited to those who were willing to answer the questionnaire from the different channels it was shared through.

## **4 RESEARCH RESULTS**

### **4.1 Secondary Literary Research Findings**

#### **4.1.1 Marketing Strategies**

While their previous marketing strategies have been flawed, Crocs have since learned from their mistakes and have been able to develop and deploy a sound and successful marketing strategy. When Crocs first rose to success in the early 2000s, they used other well-known marketing techniques to bring in new consumers. Once they realized their demand was increasing, Crocs decided to open several stores across the globe which eventually ended up oversaturating the market and creating inventory problems. Their biggest mistake, however, was taking the negative criticism they received too seriously. Suddenly the look started to take precedence over comfort. They went against their branding and started redesigning their iconic Crocs clog. They also started introducing several new models and types of Crocs which ended up diluting the product range as they were selling few of many different models. (Shivaranjani, 2021) Another aspect which led to the initial fall of Crocs was the 2007-2008 financial crisis and the recession that followed it. Those who were most affected by the crisis could no longer afford to spend money on non-essential items, such as colorful rubber clogs like Crocs. Because of this, the company then faced a \$400 million loss. (Shivaranjani, 2021)

Things took a turn in 2014 when Crocs decided to invest \$24.5 million in restructuring their marketing strategy by reducing the number of stores and refocusing their product line on the original concept of Crocs clogs. (Shivaranjani, 2021) However, the height of Crocs' turnaround took place after hiring their current CEO, Andrew Rees, in 2017. While Crocs had partnered with celebrities and other brands in the past, their collaboration with Balenciaga that released in October 2017 put them back on the map.



**Figure 6** Balenciaga Collaboration Crocs (Crocs' Instagram, 2017)

They made headlines for their “\$850 Platform Croc,” pictured above in Figure 6, that went down the runway of Paris Fashion Week and sold out in a mere few hours after being released for sale to the public. (New York Post, 2018) Since then, Crocs has taken a “back to basics” approach with their marketing. They are fully aware of their reputation of being “ugly” and instead of redesigning and adding more aesthetically appealing models, they embrace their “ugliness.” Crocs knows that the public is divided where half absolutely despise the brand based on the iconic clog and the other simply do not. They stay true to their brand and therefore cater to the audience that love their products while still involving those who do not. As stated by CEO, Andrew Rees, “our goal is not to make haters love the brand, it is to exploit that extrinsic tension because creates opportunity, it creates PR (public relations), create media, it creates interest. It creates a whole lot that would cost you a fortune to buy in other ways.” Which proves that Crocs aims for the shock value to spike interest from consumers. When asked about the subject, CEO, Rees stated that “(a collaboration) needs to be a little controversial, but not too controversial.”

As per Crocs' 2020 annual report:

Each season, we focus on presenting a compelling brand story and experience for our new product introductions as well as our on-going core products. We employ social and digital marketing centered on showcasing our clog and sandal silhouettes and our Jibbitz™ charms. We are growing our clog silhouette with new colors, graphics, licensed images, embellishments, and accessories, such as Jibbitz™ charms, that allow for personalization. We are expanding our sandal offerings as we pursue a greater share of a large market that currently has no clear global leader. We are continuing to invest in designer, celebrity, and brand collaborations, as well as celebrity brand ambassadors to raise consumer engagement with our brand. (Crocs Annual Report, 2020, 4)

As part of their improved marketing strategy, Crocs strives to collaborate with other strong brands and influential celebrities by launching special edition collections of Crocs designed by their collaborators with varying colors and themes. By collaborating with other brands and celebrities, such as Justin Bieber and Post Malone, among others, they create powerful interest from their fans and followers. After seeing major success from both collaborations, Crocs found that by collaborating with celebrities are true fans of the brand, they add a higher degree of authenticity to the launch as the fans and consumers do not need to question Crocs' collaborators truly stand for the brand, as per McKinnon. Not only does Crocs collaborate with celebrities with larger followings, but they also collaborate with comparatively smaller influencers. When asked, Crocs' president, Michelle Poole, had the following to say regarding their collaborations with internet influencers. "Influencer strategy is a really critical part of our marketing playbook. And it has evolved... We think about our influencer strategy as a rich tapestry of interest and affinities and geographies – and we stitch them together like a quilt."

While collaborating with other brands and celebrities, Crocs' main channel to promote and market their collaborations, as well as their own brand, is social media, namely Instagram and TikTok. Both increasing popular social media platforms to share photos



and content. With the use of hashtags and other fun posts, Crocs boosts their online presence and interaction with their consumers. They also use blockbuster films to promote themselves and their products, such as the Marvel franchise, a \$50 billion movie franchise (Chmielewski, 2021). The main characters in at least three of Marvel's recent films can be seen wearing Crocs in at least one scene. These films being both Deadpool movies, released in 2016 and 2018 respectively as well as the 2021 release of The Suicide Squad. Whether through their own intentions or not, Crocs still gains from the usage of Crocs in movies which then maximizes their exposure to potential consumers.

Another component to their improved marketing strategy is the limitation of distribution. This strategy creates a fear of missing out that further drives consumers to buy their products while they are available before they are too late. (McKinnon, 2021) This strategy is then also combined with their collaborative strategy, marketing their collaboration Crocs as "limited edition" Crocs and limiting their supply to boost interest and maximize sales. As a response to the 2020 coronavirus pandemic that quickly took over the world, Crocs launched "A Free Pair for Healthcare." Which is a campaign that offered healthcare workers on the front lines of the pandemic, a free pair of Crocs. As of November 2021, the campaign has collectively donated over 900k pairs of Crocs to the front lines. (Crocs 2021) While, generous and civic-minded, the campaign also serves as a marketing strategy.

#### **4.1.2 Branding Strategies**

Crocs' branding has not changed significantly since its introduction to the market. Named after their crocodile snout-like design, Crocs' brand identity surrounds itself around the crocodile. Their iconic logo, an anthropomorphic crocodile, or a croc as referred to colloquially, physically represents the brand and is immediately recognizable to their consumers. It also symbolizes the amphibious nature of the clogs themselves, as they are waterproof and long living, or long-lasting. (Kwok, 2021) Their logo is printed on the side buttons of all their products, as seen in Figure 1. Their brand name is also written on the bottom of the shoes, leaving an impression of the brand on the wearer's footprints. Through its brand identity, Crocs has built a fun and cheerful brand personality. Such brand elements include the logo and brand itself, the bright colored and patterned varieties

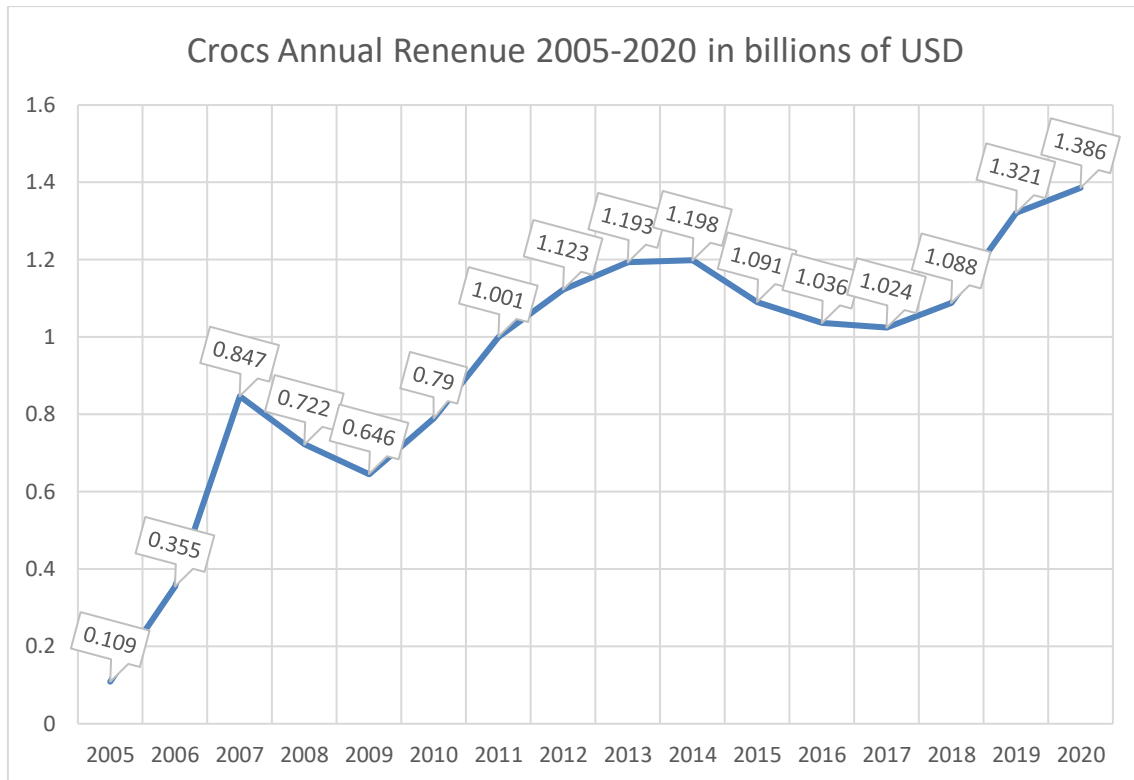
the shoes themselves are available in as well as their inclusion of Jibbitz charms that allow and encourage the consumers to add their own personalized touch to their Crocs. Crocs also appeals to their customers emotionally with their “come as you are” tagline which encourages the consumers to feel comfortable and confident in their own shoes. They also appeal to them rationally with their comfortable and practical design. (Kwok, 2021) Crocs brands themselves, as well as their consumers, regardless of age, as young, stylish, and confident while at the same time emphasizing their brand positioning. While they state they are “made for everyone,” the nature of the brand identity suggests that their target market is a younger demographic. Their competitive framework, or what sets them apart from their competition, is their product itself, colorful customizable foam clogs. Their brand benefit, or brand promise, is as their product, unique and comfortable.

However, while the brand identity cultivated by Crocs aims to associate itself positively within its consumers’ minds, the brand image may differ. When asked about their iconic 2020 Kentucky Fried Chicken collaboration, Global Chief Marketing Officer, Terence Reilly said “we know it’s always been a polarizing brand, but remember, when you are polarizing, that is one side of the polarization that loves you.” This implies, however, that the other side of the polarization have strong negative feelings about the brand, thus emphasizing their negative brand image and reputation. As mentioned before, one of the biggest mistakes that led to Crocs’ fall in 2008-2009 was going against their branding. (Shivaranjani, 2021) Their marketing strategy no longer supported their branding strategy. As per the company introduction, Crocs were not designed to look good, they were designed purely as a practical and comfortable footwear solution. They know that they are ugly, but now embrace it as part of their brand. The product description of the original Crocs clogs states the following:

Classic Clog: Original. Versatile. Comfortable. It’s the iconic clog that started a comfort revolution around the world! The irreverent go-to comfort shoe that you’re sure to fall deeper in love with day after day. Crocs Classic Clogs offer lightweight Iconic Crocs Comfort, a color for every personality, and an ongoing invitation to be comfortable in your own shoes. (Crocs, 2021)

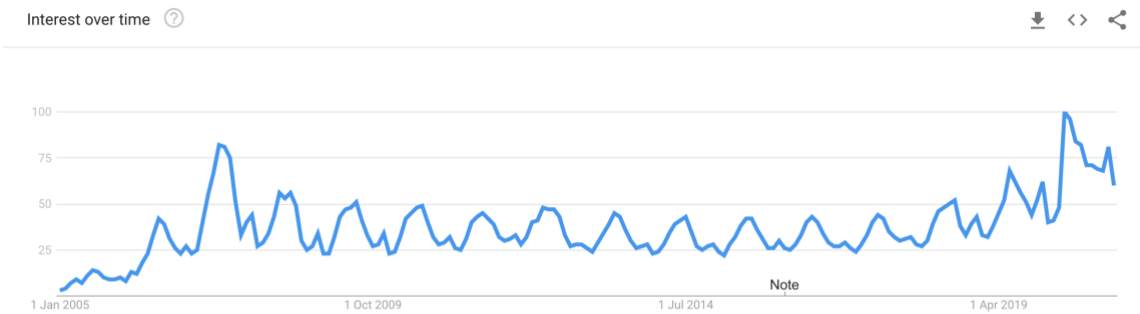
This description further reinforces their branding as an “iconic clog” and a “go-to comfort shoe” and to their consumers when they are purchasing Crocs.

#### 4.1.3 Sales Figures and Trends



**Figure 7** Crocs Annual Revenue 2005-2020 in billions of USD (Macrotrends)

Figure 7 above is a graph that represents Crocs’ annual revenue between the years 2005 and 2020. The first peak in sales can be seen in 2007, where the annual revenue amassed to \$850 million. After which, as mentioned previously, Crocs’ sales begin to rapidly decrease until it reaches a low of \$650 million in 2009. From then on, the annual revenue steadily increases until it dips slightly between 2014 and 2017 which then starts to increase again in 2018, the same year that Crocs released their collaboration platform Crocs with Balenciaga. The graph then ends where Crocs reached an all-time high of \$1.4 billion in 2020, despite the coronavirus pandemic. This graph further proves that once they implemented their new marketing strategy, they were able to reach a much larger market, increasing popularity and maximizing sales and revenue.



**Figure 8** Google Searches for Crocs 2005-2020 (Google Trends, 2021)

Numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term. A value of 50 means that the term is half as popular. A score of 0 means that there was not enough data for this term. (Google Trends, 2021)

Figure 8, above, represents a graph of Google searches, or “interest over time” as labeled and explained by Google Trends, worldwide between January 1, 2005, and December 31, 2020. The first significant peak of 82 can be observed in June 2007 and following significant peak 67 in June 2019. The highest amount of Google searches for Crocs in recorded history can be seen in April 2020. While not as popular after June 2007, Crocs’ online interest remained steady. However, as proven before in Figure 7, continued interest did not translate to continued sales and revenue, as their revenue began to plummet in 2008. The graph also shows fluctuation with highs in summer months and lows in winter months in the northern hemisphere which is expected as the original Crocs clogs were designed for warmer climates.

#### **4.2 Primary Research Findings: Questionnaire Responses**

Based on the information gathered from the secondary research about their updated and improved marketing strategy, a questionnaire was created in order to determine what consumers’ perception is of Crocs as well as how it affects their buying decisions. In order to relate to the participants, the questionnaire itself was designed to appear entertaining to the participants while still gathering valuable and interpretable data. This approach was chosen to reflect the nature of the topic of Crocs and create more interest

in answering the questionnaire as well as to maximize the number of responses. In order to maintain the validity and reliability of the research, however, the questions and answers were analyzed and presented professionally and academically.

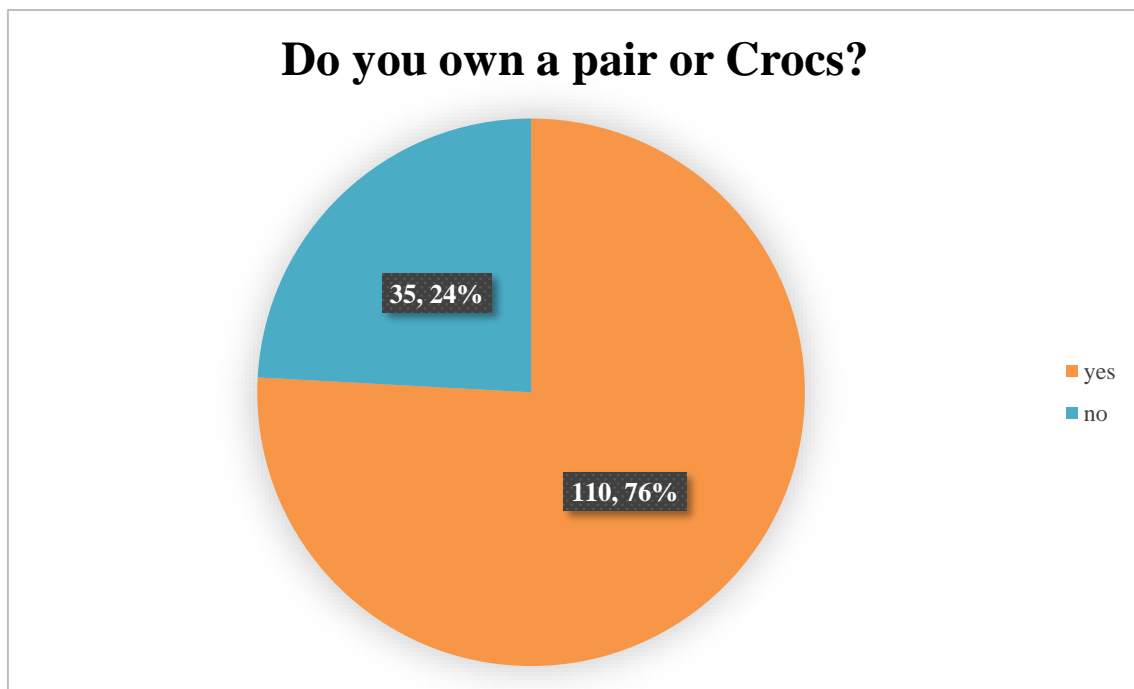
The questionnaire was primarily shared online via different channels in order to reach the maximum number of possible participants, beginning with the researcher's personal Instagram account where their followers had access to the questionnaire link. Next, the questionnaire was shared on the online platform Reddit where users can share and discuss topic-specific content on different threads. In order to maximize the number of responses, the questionnaire was posted to Reddit threads listed below, where over, collectively, 7.8 million potential users had access to it.

- r/Crocs, followed by 6.5k users, which is a Reddit thread created by Crocs for Crocs consumers to share photos, comments, and other Crocs-related posts.
- r/SurveyExchange, followed by 6k users, which, as the name suggests, is a thread designed for exchanging surveys.
- r/teenagers, followed by 6.65 million users, which is a thread for teenagers to share content.
- r/GenZ, followed by 53k users, which is a thread for Generation Z members to share content.
- r/college, followed by 584k users, which is a thread for college and/or university students to share content.
- r/shoes, followed by 345k users, which is a thread for sharing specifically shoe-related content.
- r/samplesize, followed by 174k users, which is a thread designed for those who need a varied sample size of participants for surveys, questionnaires, and polls.

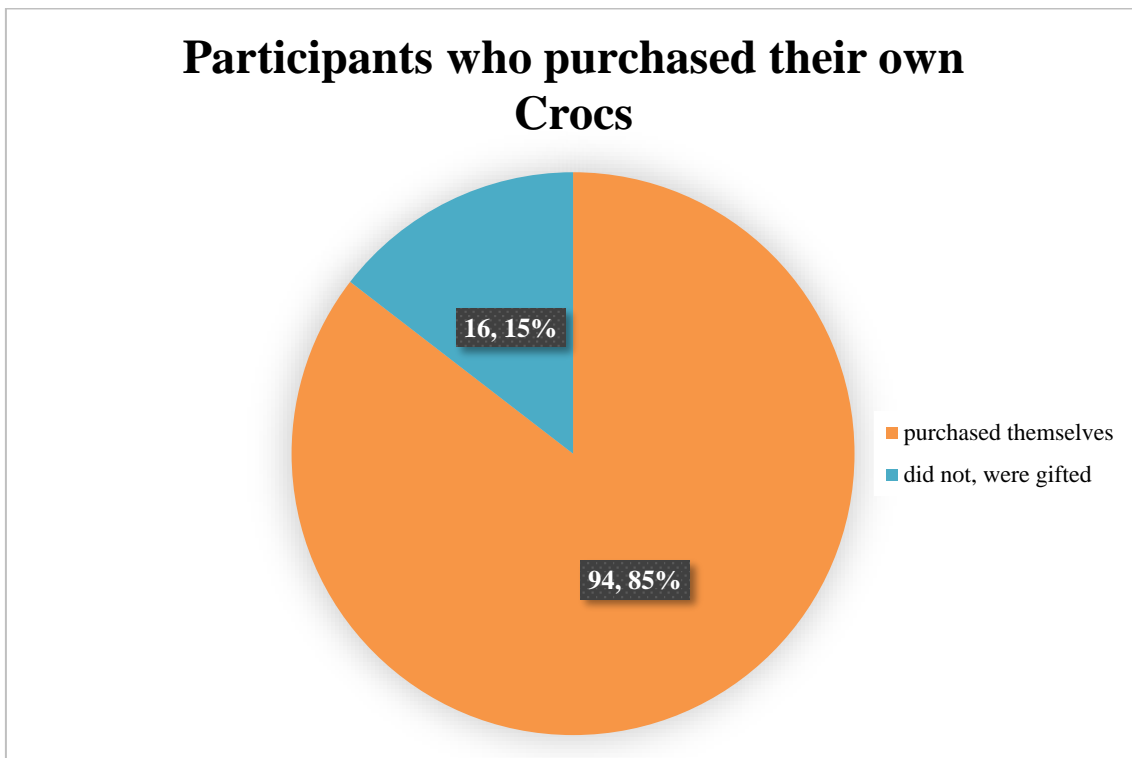
Lastly, the questionnaire was also sent out from the administration via email to other International Business students at Vaasa University of Applied Science.

After being available to the public for a week, the questionnaire collected a total of 145 responses internationally. The participants were asked whether they owned Crocs or not and of the 145 collected responses, 110 replied that they did own a pair of Crocs and 35

who did not. As the aim of the study was to find out why people buy Crocs, only the responses of those who own Crocs were analyzed. Upon interpreting the questionnaire responses, however, it was found that of the 110 participants that did own Crocs, only 85% of them had purchased them themselves. Out of the total 145 collected responses from the questionnaires, only 94 responses were left to be analyzed as the aim of the research is to determine why consumers buy Crocs.



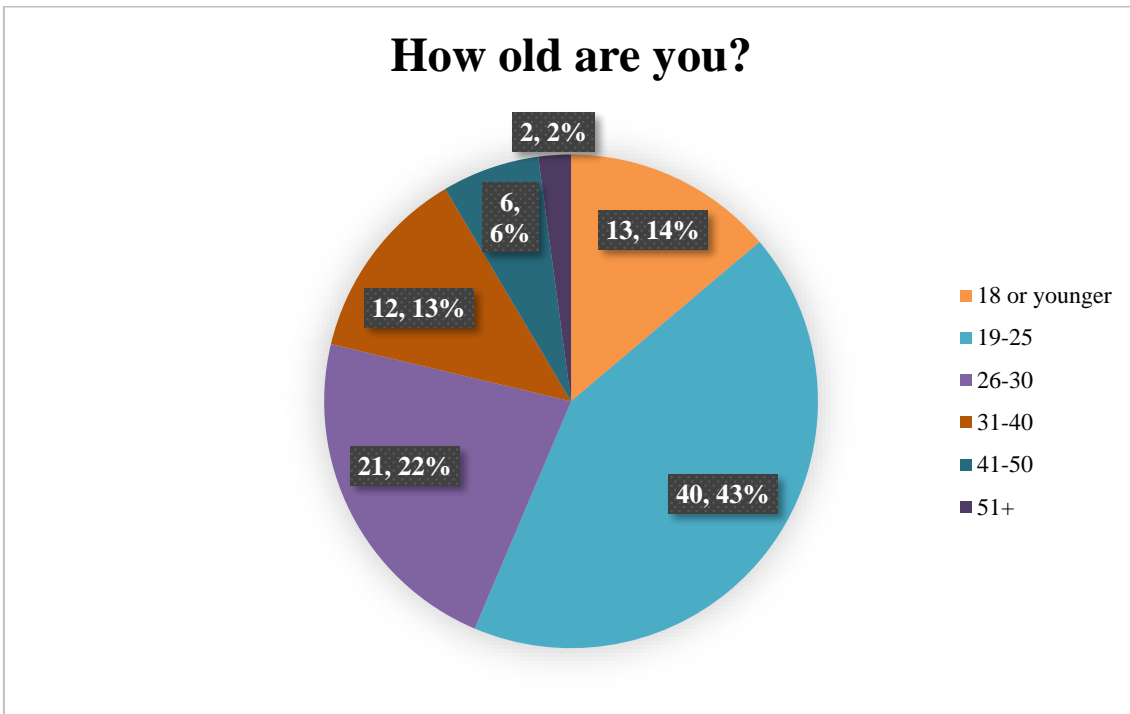
**Chart 1** Participants who own Crocs



**Chart 2** Participants who purchased their own Crocs

#### 4.2.1 Demographic Background

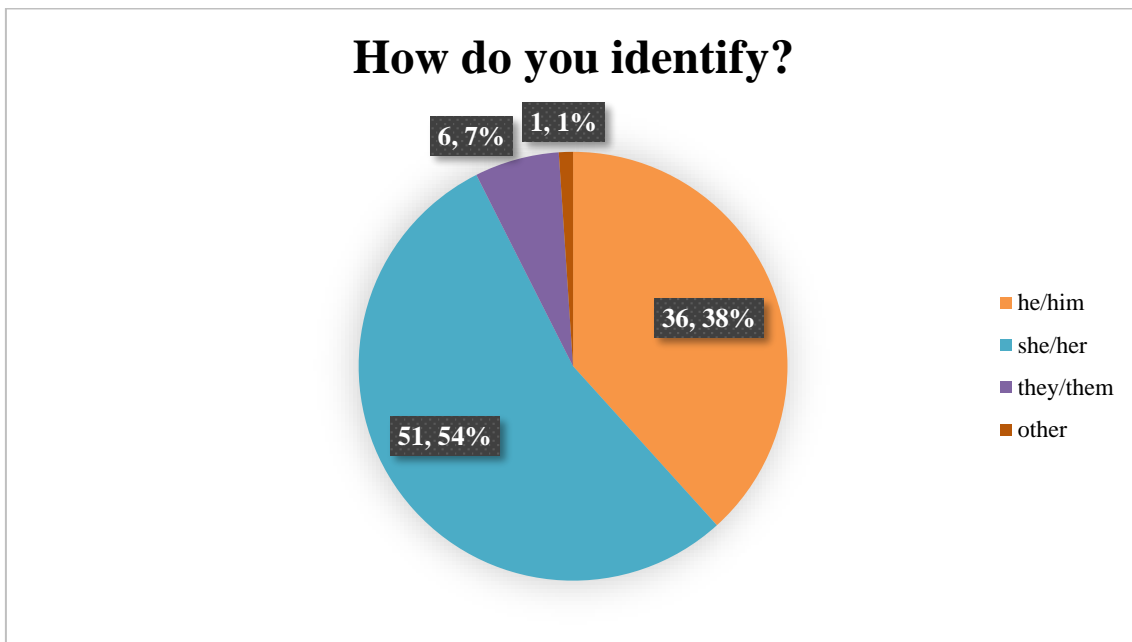
The questionnaire began by establishing the participants' demographic background to create a further understanding of the participants and their responses to the questionnaire. The participants were asked their age, gender identification, and geographic location. As mentioned, they were also asked if they own a pair of Crocs and then of those who do, they were asked what type of Crocs they own as well.



**Chart 3** Participants' age

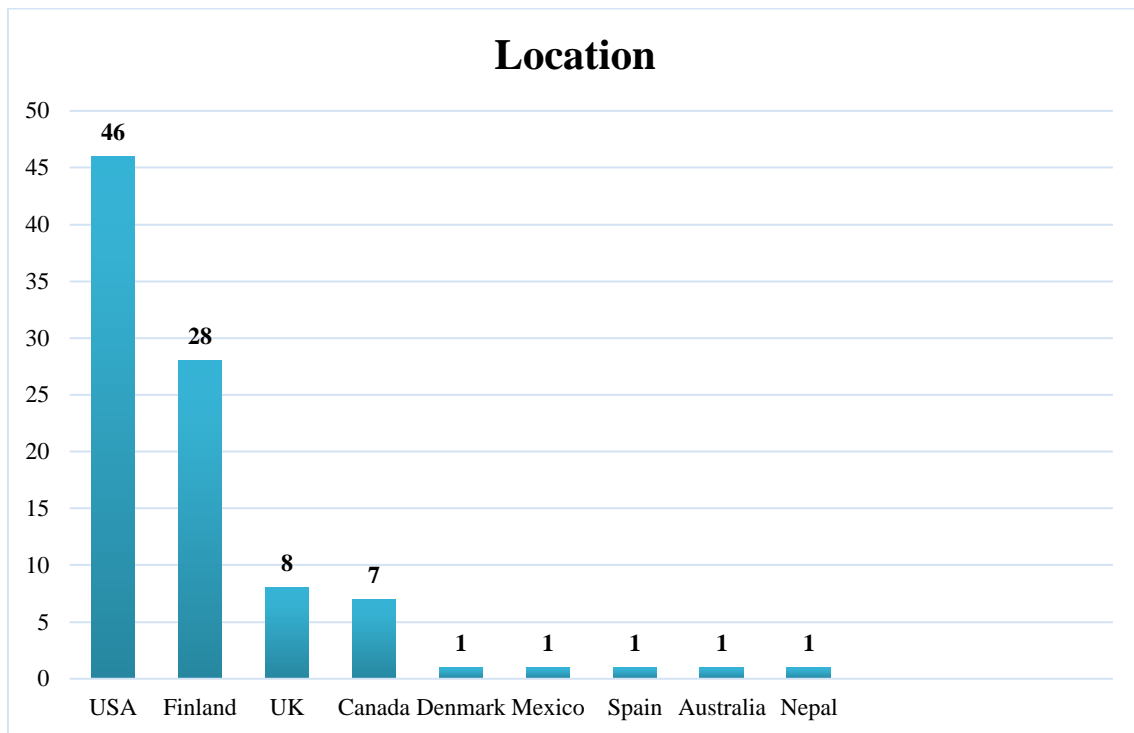
Of the participants surveyed, 57% of them are a part of the Generation Z, “Gen Z,” or younger. Members of Gen Z are born between 1997 and 2012 putting them between the ages of 9 and 24. Those who are “Millennials,” part of Generation Y, are born between 1981 and 1996 meaning they are currently between the ages of 25 and 39. (Kasasa, 2021) 35% of the participants surveyed were found to be Millennials. Finally, Baby Boomers and members of Generation X are born between 1946 and 1980 putting them between the ages of 41 and 75, making up the final 8% of the participants. (Kasasa, 2021) At 40%, most of the participants were older members of Gen Z, between the ages of 19 and 25, followed by younger Millennials, between the ages of 26 and 30, at 21%. This means that these results confirm that Crocs’ updated marketing and branding strategies are reaching their younger target demographic, as found in the secondary literary review. However, as the author of the thesis is also within the age of 19 and 25 and the questionnaire was shared with their Instagram followers and university peers, the abundance of participants of similar ages is understandable. This can also be explained as the questionnaire was also shared on Reddit threads titled r/GenZ, r/teenagers and r/college.





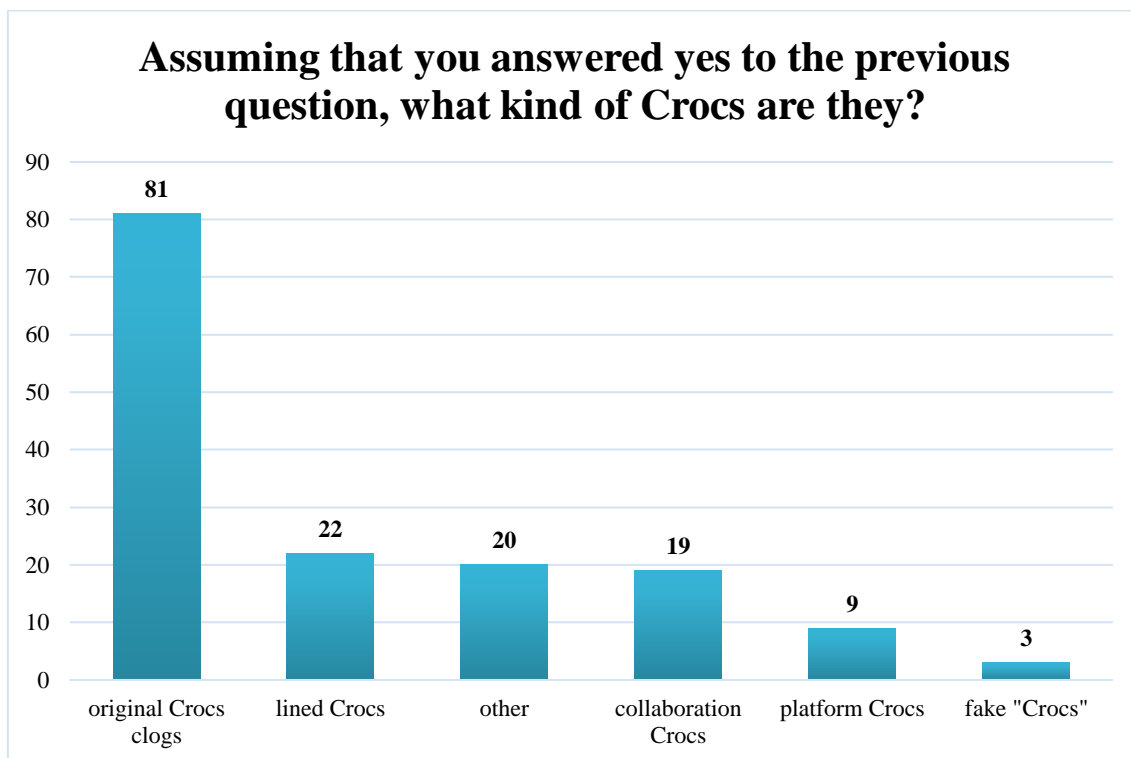
**Chart 4** Participants' gender identification

The majority, 54%, of the participants identify themselves using she/her, or female, pronouns. 38% of the participants identify themselves using he/him, or male, pronouns. While the remaining 8% identify themselves using they/them or other gender identity pronouns, 7% and 1% respectively. Meaning that 7% of the participants do not identify with either female or male pronouns and instead identify with gender neutral pronouns. This could mean that Crocs appeal more to those who identify as females, and they are then more likely to buy Crocs. However, Crocs are "unisex" shoes and have been designed to cater to everyone, regardless of age or gender, as per their branding mentioned earlier.



**Chart 5** Participants' geographical location

Most of the participants were located in the US, making up a total of 49%, followed by the 30% living in Finland. As the questionnaire was shared through the researcher's own personal Instagram account as well sent directly to other students also studying at Vaasa University of Applied Science, located in Finland, the large amount of the respondents living in Finland was expected. However, the overwhelming number of participants living in the USA was unexpected but reasonable, as many online users are located in the USA. A total of 57% of the participants were located in the Americas, 41% in Europe, and the final 2% were located in Asia and Australia. Considering that the number of online users in Asia vastly out-number those in the Americas in general, the fact that only 1% of the participants was located in Asia is remarkable. However, it proves that there is a larger number of American users than Asian users on the particular Reddit threads where the questionnaire was posted.



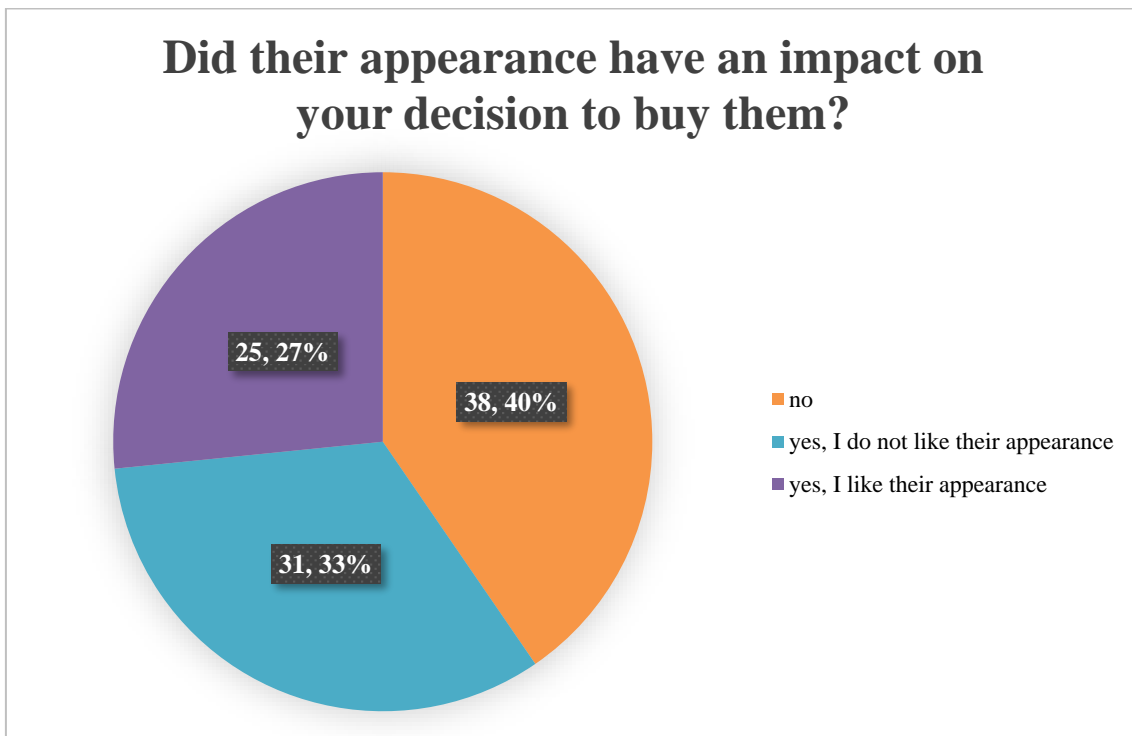
**Chart 6** Types of Crocs owned by participants

The participants that answered that they did, in fact, own a pair of Crocs were then asked to name what specific models they owned. They were given the following choices and were asked to tick all that applied: original Crocs clogs, collaboration Crocs such as a pair from a celebrity collection or any other limited-edition Crocs, platform Crocs, flip flop Crocs, boot Crocs, faux-fur lined Crocs, as well as a blank space where they could add any other model not motioned. The most popular Crocs owned amongst the participants were the original Crocs clogs, their best-selling model; owned by 86% of the participants. 23% of the participants stated they owned lined Crocs, 20% owned collaboration or limited-edition Crocs, and 10% owned platform Crocs. However, 21% of the participants stated that they owned other types of Crocs including flip flops, boots, and as well as other models. Amongst the 94 participants, three of them mentioned that they owned fake “Crocs,” while not being the original Crocs, most counterfeit “Crocs” have very similar designs, if not identical.

#### **4.2.2 Consumer Perception of Crocs**

The following section of the questionnaire focused on the consumers' perception of Crocs. The participants were asked their overall opinions of the design of the original Crocs clog, as presented in Figure 1, in an open-ended question. While most responses simply stated that they were comfortable and/or ugly, some had other comments. 20 responses commented on the comfort and 25 stated they were ugly, four even went as far as to say they were hideous. One participant, however, described their "ugliness" as, "They are so ugly they are actually cool." This sentiment was also shared by eight other participants, where they are aware that they are ugly, but enjoy the aesthetic regardless. Another wrote the following: "They are ugly, certainly. But they are kind of like ugly dog breeds, once you get into them you start thinking they are cute. Really, they are so comfortable that the ugliness is worth it."

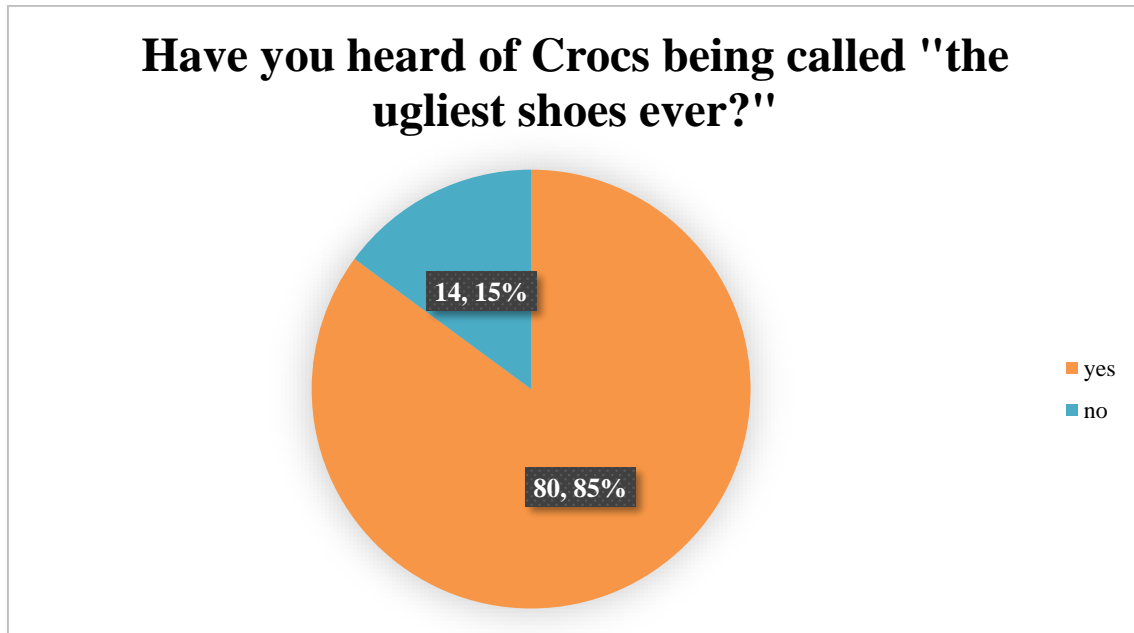
13 participants also commented on the practicality and functionality of the design, including the adjustable strap, six of them commenting that the design and material they are made of allows for easy cleaning. One participant wrote, "I think is heavily oriented in the functionality of the product, which is not a bad thing at all, actually I think that is the reason they are so popular. The design is a 'I do not care if you think I look bad, I feel comfortable.'"



**Chart 7** Crocs' appearance influence on participants

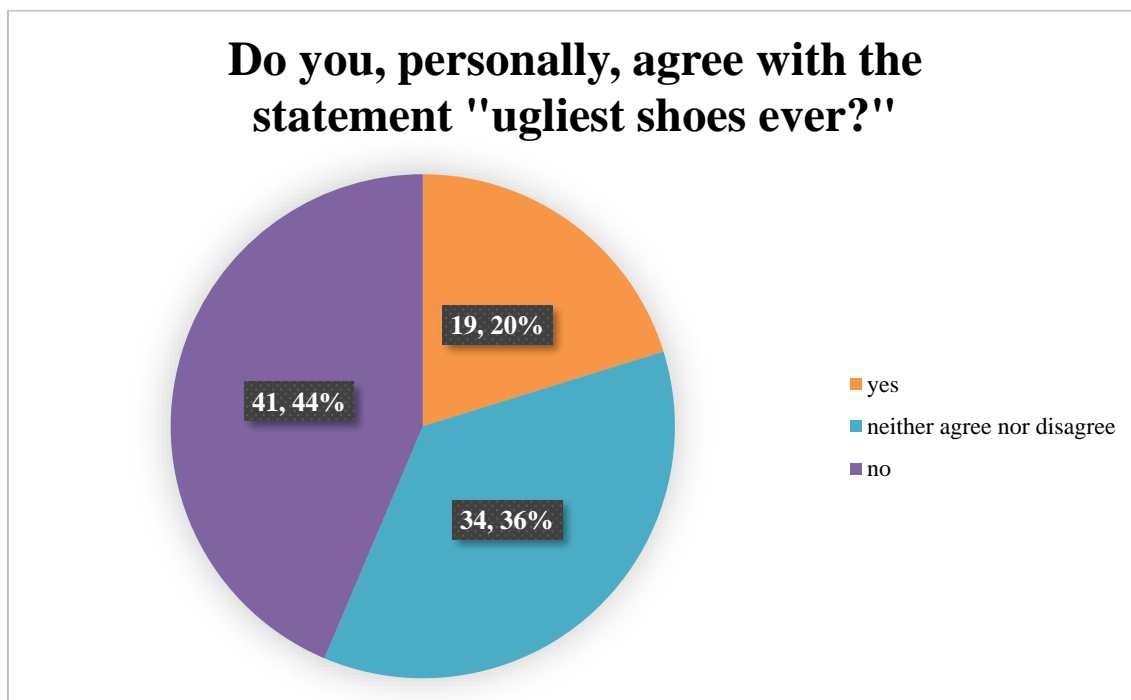
When asked if the Crocs' appearance had any impact on their decision to buy them, the majority of the participants, a total of 60% of the participants stated that their appearance did influence their decision to purchase Crocs. The remaining 40% stated that their appearance did not influence them. Other aspects, such as comfort of the shoes, took higher priority than appearance with regards to their decision to purchase them. The majority of most age groups stated that they were not impacted by their appearance including, 43% of the 19-25 age group, 50% of the 31-40 age group, 50% of the 41-50 age group, and 50% of the 51+ age group. Of those who were impacted by their appearance to buy them, 27% of the participants stated that they were positively influenced by their appearance. 33%, however, did say that they were negatively influenced by their appearance, stating that they find the appearance disagreeable or ugly, but still choosing to buy them regardless. The majority, 48%, of the 18 or younger age group chose this option as well as 38% of the 26-30 age group and the other 50% of the

51+ age group. Which could mean that they either purchased them because of their “ugly” appearance or despite of it.



**Chart 8** Crocs as "the ugliest shoes ever"

As mentioned previously, Crocs has received a notorious reputation as being “the ugliest shoes ever.” When asked if the participants were aware of their reputation, an overwhelming 85% chose yes. Again, considering most of the the participants’ age and how the survey was shared, the number of participants that were familiar with Crocs’ reputation of being “the ugliest shoes every” was expected. Of the 15% that were not aware, most of them, 43%, were aged between 19 and 25. Those six participants that make up the 43%, only constitute 13% of the entire age group surveyed, however.

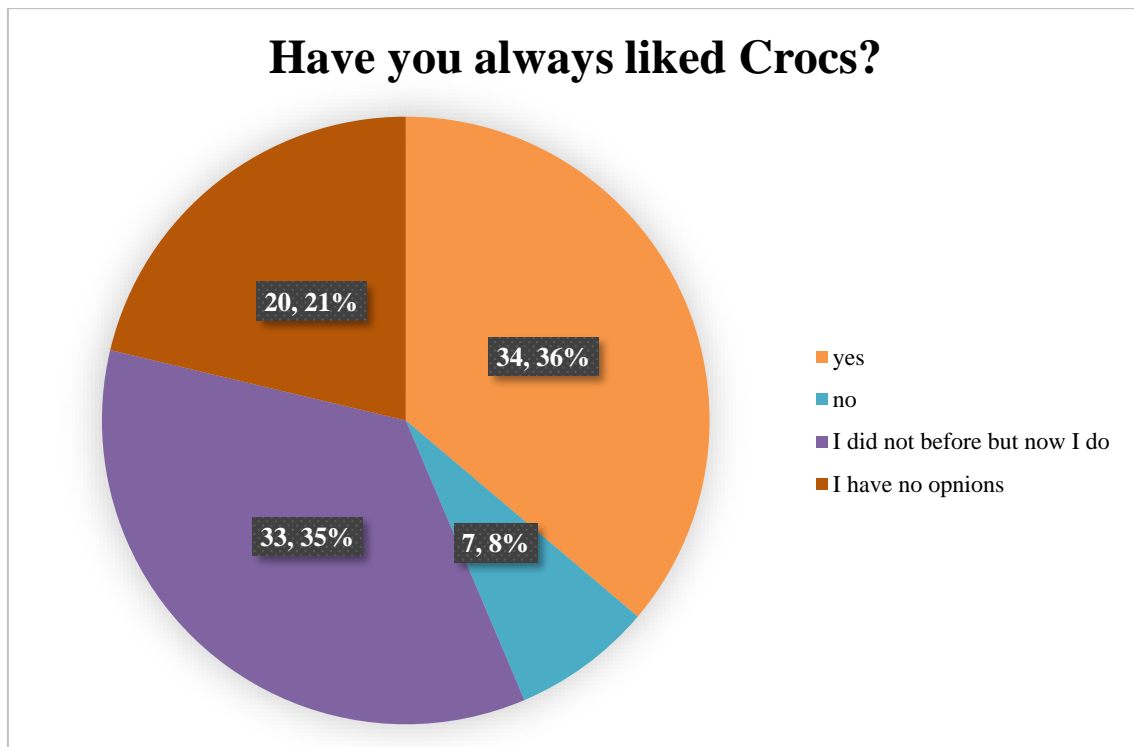


**Chart 9** Participants' opinion on "the ugliest shoes ever"

When asked if they agreed with the statement “ugliest shoes ever” most of the participants, 44%, did not agree while only the minority of 20% agreed that Crocs are, in fact, the ugliest shoes ever. 36%, however, neither agreed nor disagreed with the statement. All 19 participants that agreed with the statement, had all answered that they had heard of their reputation in the previous question, 47% of them belonging to the 19-25 age group. 76% of the 41 participants that did not agree with the statement had also answered that they had heard of it. Of the 14 participants that had not heard of their reputation as “the ugliest shoes ever,” 71% also did not agree with the statement, while the remaining 29% did not agree or disagree.

The participants were then asked in an open-ended question what they associate with Crocs. 36 of the responses included the word “comfort” in one way or another and another 11 their practicality and functionality. Which once again were the most common responses. One participant wrote, “Not caring what anyone thinks and choosing comfort for myself” while another wrote “guilty comfort.” Another 11 responses, however, also

mentioned the word “summer,” while only three of them mentioning them being ugly. One participant even wrote “2008,” the year where Crocs reached their first peak in popularity, as well as the year they started their downfall.

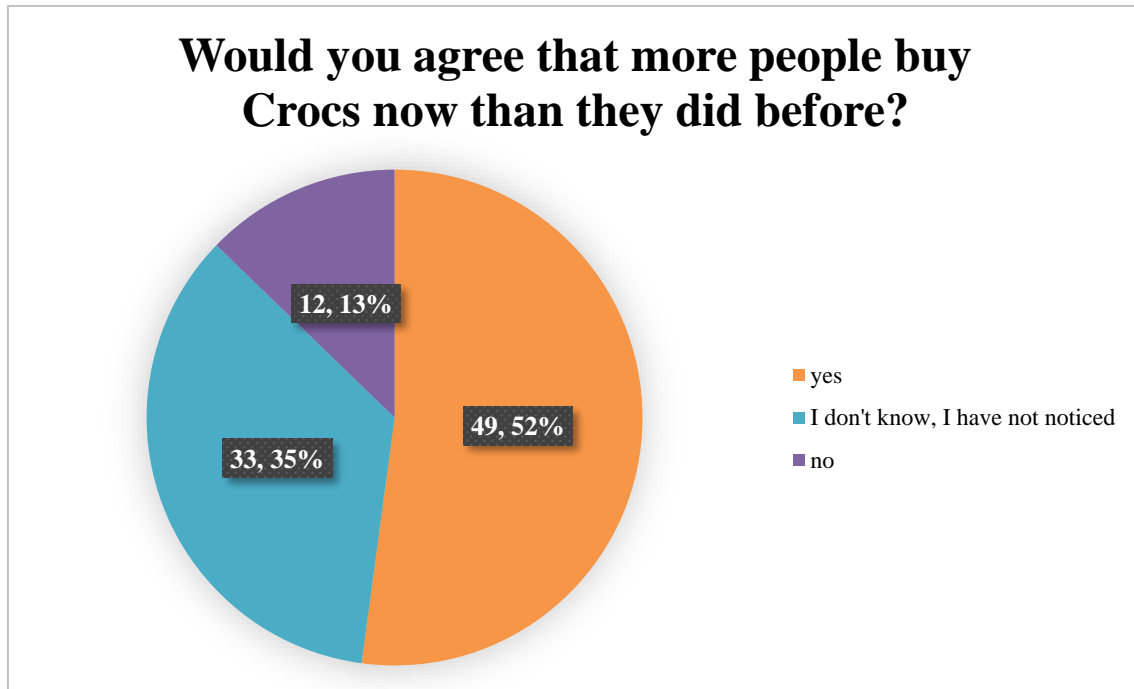


**Chart 10** Participants’ standpoint on Crocs

The participants were then asked about their standpoint of Crocs where they were given the following options to choose from: they have always liked Crocs, they have never liked Crocs, they did not like them before but now do, or they have no significant standpoint on whether they like or dislike Crocs. 36% of the participants stated that they have always liked Crocs followed closely by another 35% of the participants stating they used to dislike them but have since changed their opinions. Those participants who have changed their opinions may have been influenced by Crocs’ return to popularity in recent years. The minority of the participants, 8%, stated that they have always disliked Crocs, but they still own at least one pair. Of those seven participants, 8%, four of them also agreed that

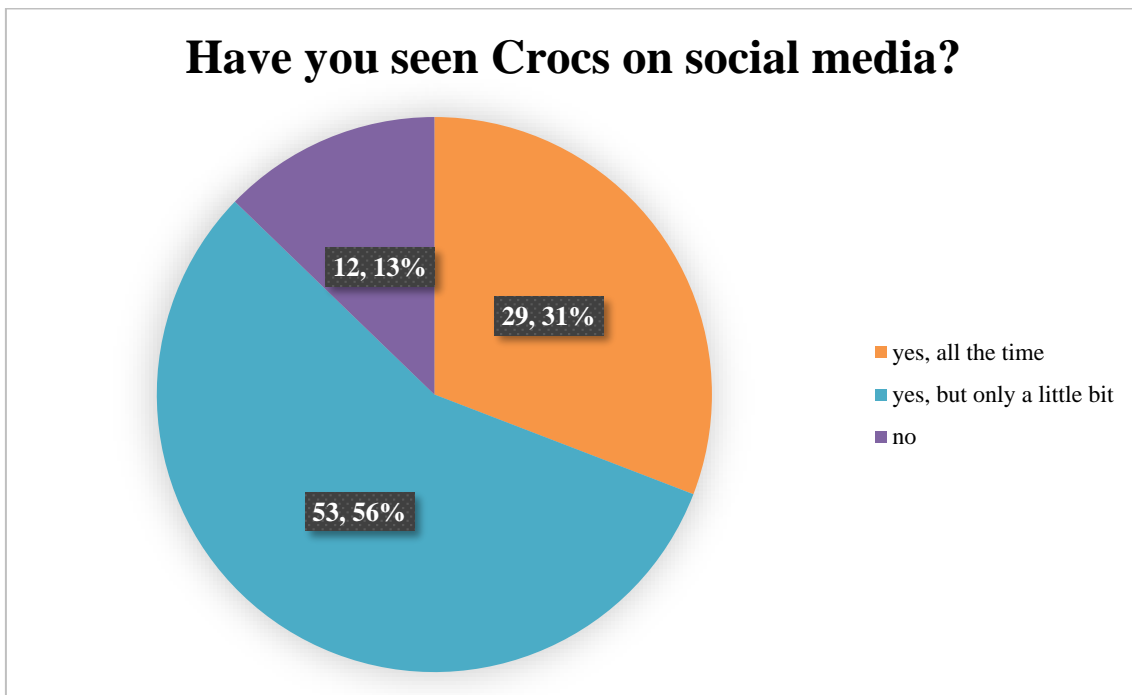


Crocs are “ugliest shoes ever” and none of them disagreed. The final 21% of the participants neither like nor dislike Crocs.



**Chart 11** Participants' perception of consumer buying behavior

When asked if the participants had noticed if Crocs' consumer buying behavior had changed and more people were buying them than they did before, 52% said yes. Of the remaining 48% of the participants who have not noticed an increase in consumer buying behavior, 13% could confidently state they have not, while the other 35% could not say for certain. These results suggest that Crocs' increase in sales and popularity has become noticeable enough to other consumers. However, these results are also relative, as they are based on the respondents' own experiences.

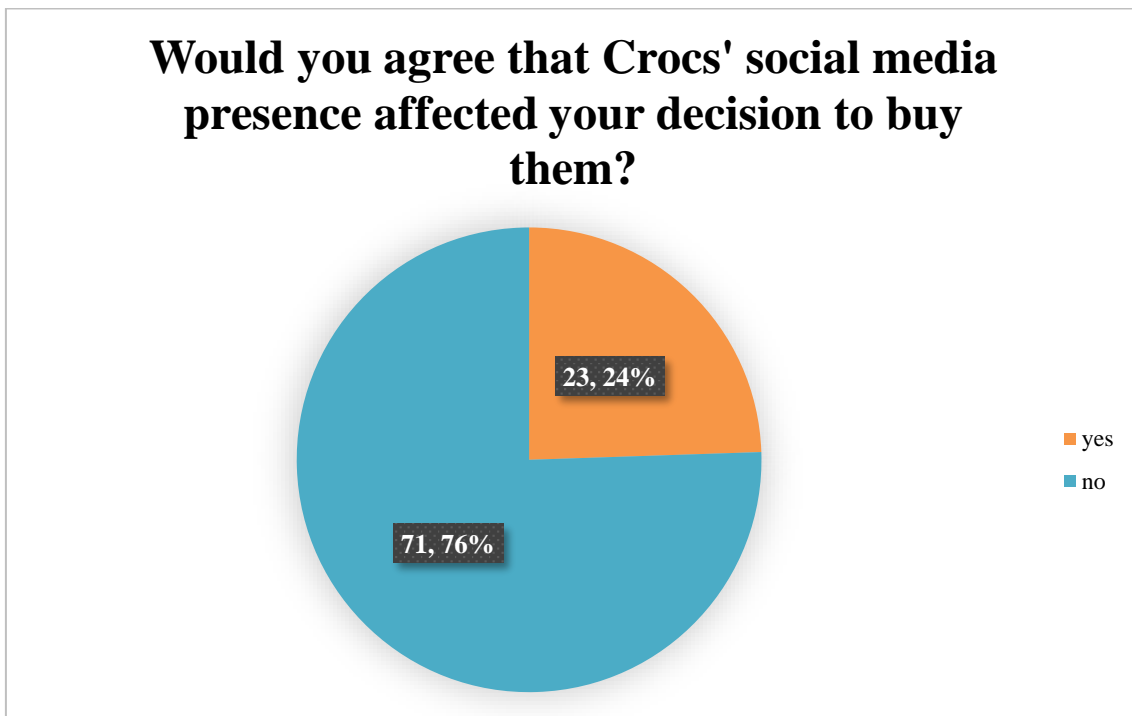


**Chart 12** Consumer perspective on Crocs on social media

As Crocs' new marketing strategy has been designed with the aim to reach a vast younger demographic, their main channel to achieve their goal is through social media. By asking the participants if they had seen Crocs on social media or not, the effectiveness of their marketing reach can be determined. A combined total of 87% of the participants had, indeed, seen Crocs on social media before. Of those 87%, 31% admitted to having frequently noticed Crocs mentioned on social media while the other 56% less so. Of the remaining 12 participants who had not seen them, 11, or 92% of them had either disagreed or not noticed that the consumption of Crocs had increased.

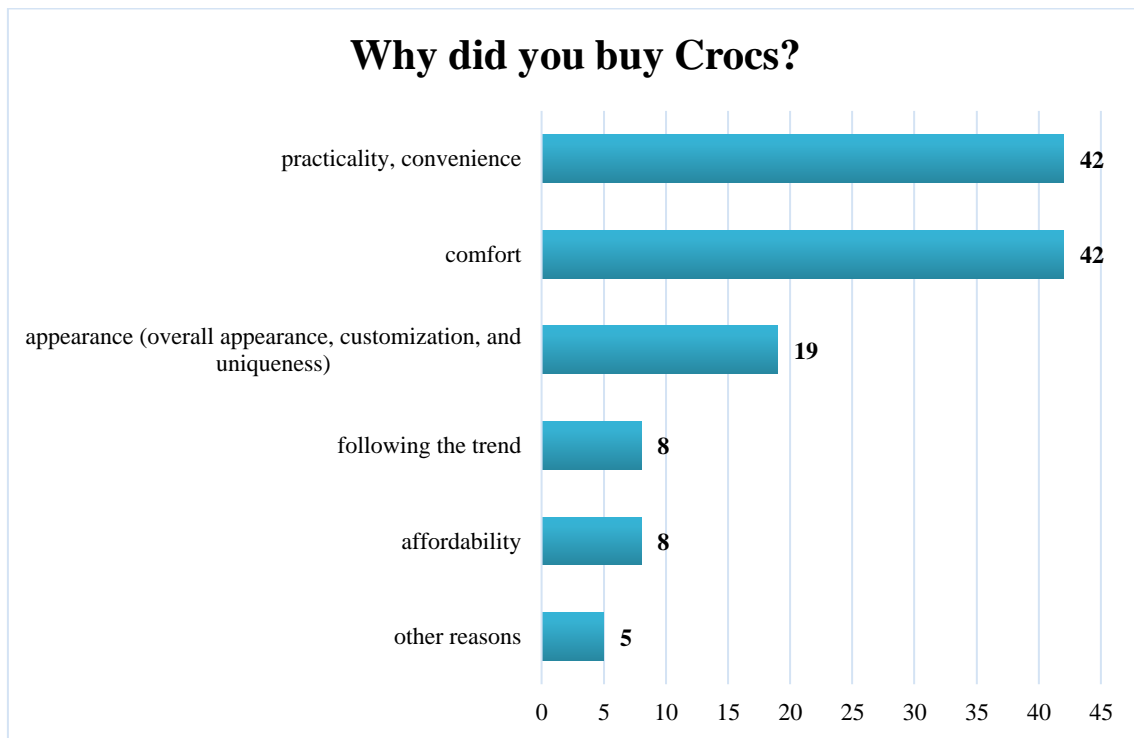
#### **4.2.3 Crocs' Consumer Buying Behavior**

Once the participants' perception of Crocs was established, the following section of the questionnaire asked the participants about their own buying behavior of Crocs.



**Chart 13** Crocs' social media presence influence on participants

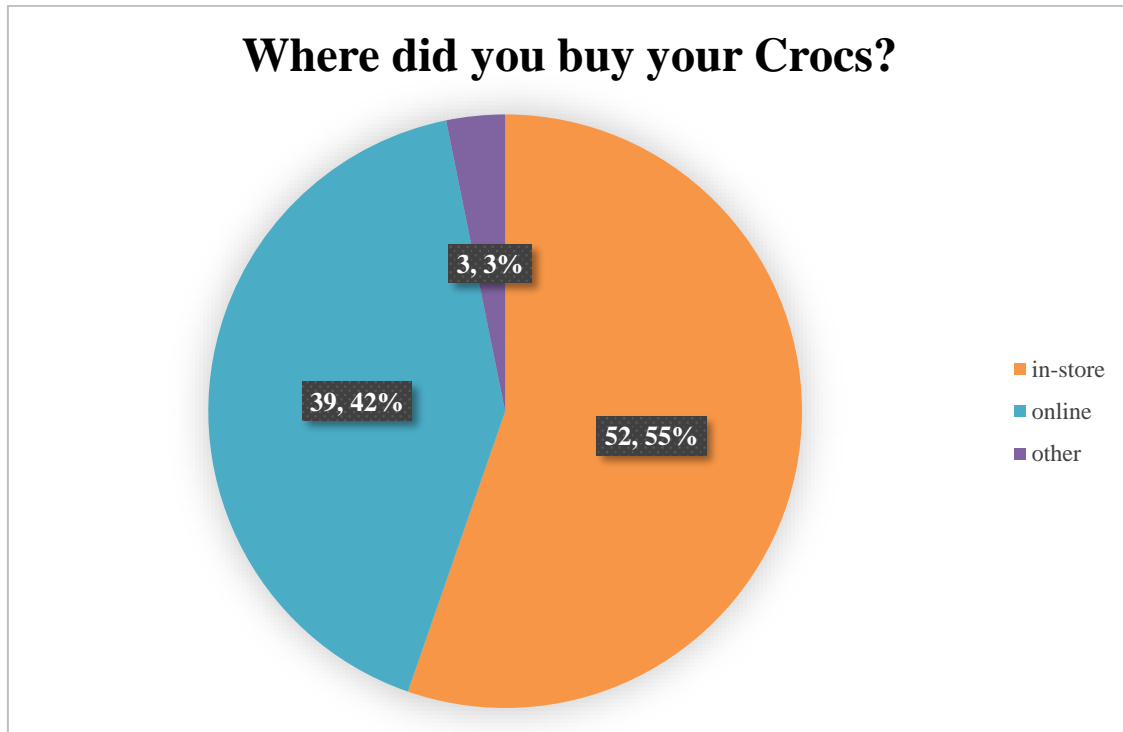
When asked if Croc's social media presence affected their decision to purchase Crocs in any way, 76% chose no while only 24% disagreed and chose yes. These results suggest that the 24% of the participants that had been influenced by social media, purchased their Crocs after the 2014 restructuring, when Crocs' marketing strategy became focused on social media, as it developed into a popular channel to market directly to consumers. To follow up this question, the participants were then asked what influenced their purchase if social media did not. Which provided an opportunity for the participants who had answered no, to write what other factors influenced their purchase instead. This question tied in with the following question in which the participants were asked why they purchased Crocs.



**Chart 14** Most common reasons why participants bought Crocs

Once again, the most common answers provided by the participants were in more than one way, referring to the practicality and comfort of Crocs when asked why exactly they purchased Crocs. Where 42 participants mentioned the practicality or convenience of Crocs, such as being easy to wear and clean due the design and material of the shoes, and another 42 participants mentioned comfort. 19 participants referred to the overall appearance of Crocs being the primary reason why they purchased Crocs, including factors such as: the different color options, the ability to customize Crocs with Jibbitz charms, and the uniqueness of their appearance. Eight participants indicated that the main factor behind their purchase was the low price, or affordability. Another eight participants simply stated that they were following the trend and decided to buy a pair for themselves because of it. All eight participants who purchased Crocs to follow a trend were 40 years old or younger. These results suggest that the main factors that influenced the surveyed consumers' decision to purchase Crocs revolved around comfort and practicality followed by other factors related to the overall aesthetics. As many participants shared more than

one reasons as to why they purchased their Crocs, each response was analyzed individually, and all the reasons were accounted for.



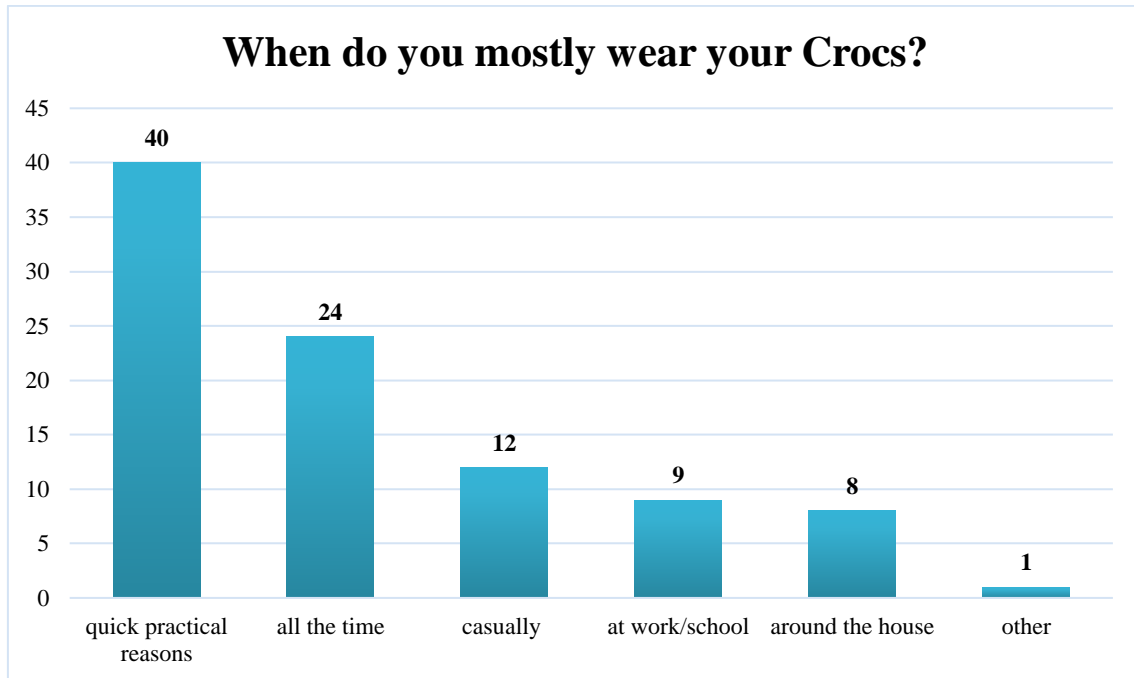
**Chart 15** Where participants bought Crocs

The following question asked the participants where they bought their Crocs; online, in store, or through other channels. It assumes those who bought their Crocs in store most likely purchased them during Crocs' first boom between 2007 and 2008 where they were readily available in stores across the globe and those who purchased them online most likely did so during or around the second boom of 2020. 55% of the participants answered that they purchased them in store, 42% bought them online, while the remaining 3% acquired them through other channels.

#### **4.2.4 Crocs' Consumer Post-Buying Behavior**

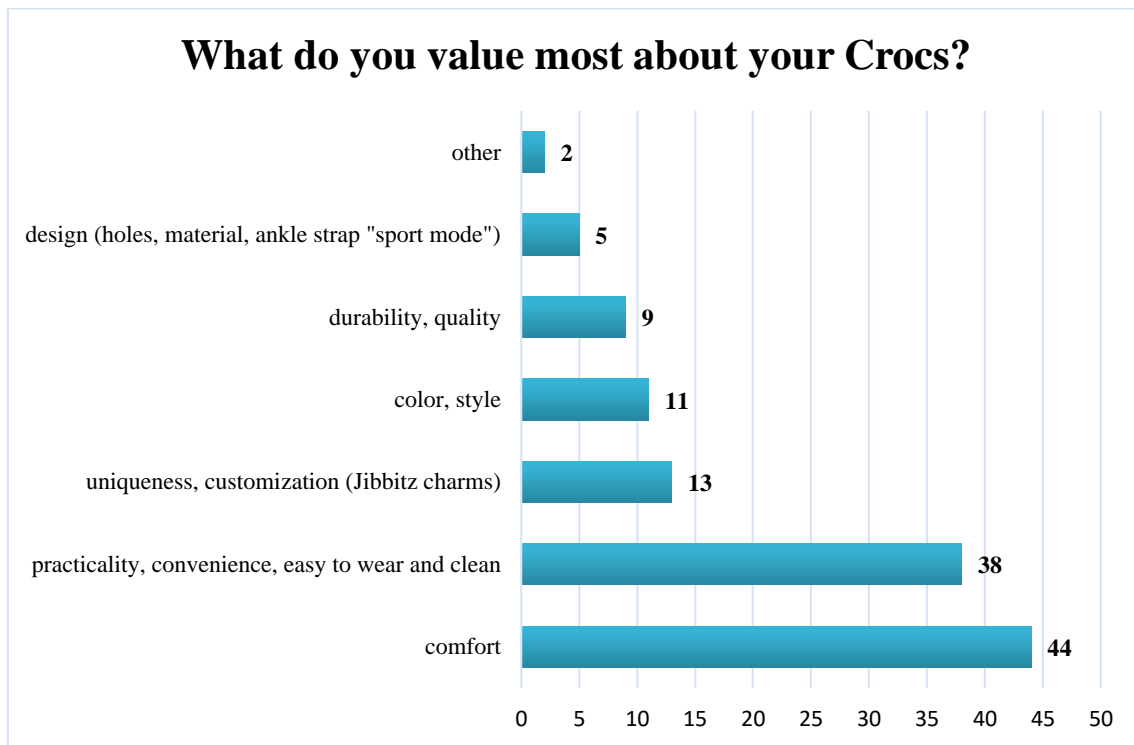
The following section of the questionnaire asked the participants about their post-buying behavior and attitude towards Crocs. They were asked when and how often they wear them,

what they have come to value most about them since purchasing them, and lastly, if they would buy another pair in the future.



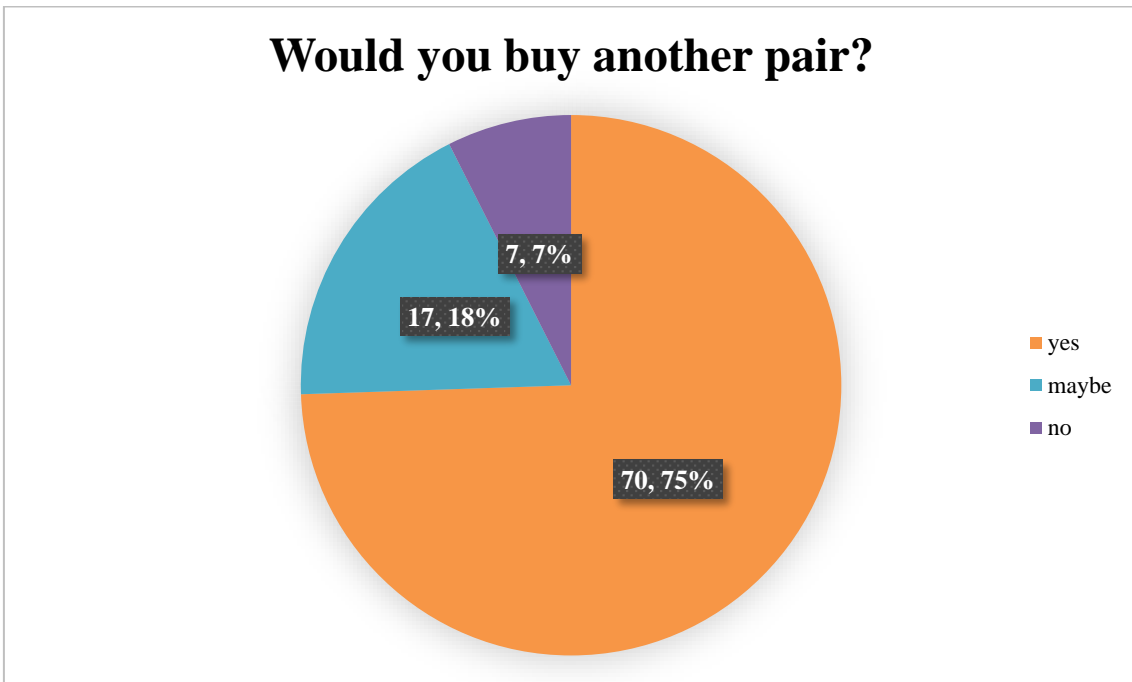
**Chart 16** Most common responses when participants wear Crocs

When the participants were asked when or where they wear their Crocs most often, 43% answered that they only wear them briefly for practical reasons to run quick errands. 26% of the participants, however, answered that they wear their Crocs all the time and another 13% wear them casually. 10% wear them mostly at work or school and another 9% only wear them at home. By combining those who wear them casually and at work or school, then a combined total of 23% of the participants wear them for a significant amount of time as well as those 9% who wear them at home.



**Chart 17** Participants' most valued aspects of Crocs

The participants were then asked what aspect they valued most about Crocs since their purchase. Once again, many participants valued more than one aspect of their Crocs, however, as the responses were analyzed individually, each aspect mentioned was counted. To confirm the previous results once again, 44 participants mentioned comfort and another 38 valued their practicality, convenience, and ease of use and cleaning. 13 participants wrote that they valued the uniqueness of Crocs', including their ability to customize their Crocs using Jibbitz charms and 11 participants valued the different colors and styles of Crocs available. Nine participants mentioned the durability and quality of their Crocs. Five participants discussed the design of the Crocs themselves. Elements such as the placement and number of the ventilation holes, the ankle strap that can be adjusted from slippers to "sport mode" which supports the ankle and keeps the Crocs in place on the wearers' feet, as well as the Croslite material they are made of.



**Chart 18** Participants' willingness to buy Crocs again

Lastly, with the previous questions in mind, the participants were asked if they would consider buying another pair in the future. Out of 94 participants, 75% of them answered that they would while 7% would not. These results indicate at least 70 of the participants enjoy and value their Crocs enough to purchase another while. The remaining 18% simply stated that they may or may not consider buying another pair in the future.



## 5 CONCLUSION

### 5.1 Discussion and Reflection

To summarize, the aim of the thesis was to determine the factors that drive Crocs' success, despite their negative brand reputation of being the "world's ugliest shoes" as well as the current social and economic situation during the coronavirus pandemic. by answering the following research questions:

1. How do marketing and branding strategies influence changes in Crocs' sales?
2. What are consumers' perceptions of Crocs and how does it affect consumers' buying decisions?

With regards to the first question, Crocs' marketing and branding strategies heavily influence any changes in sales. As the research suggests, Crocs' original marketing plan "failed" as once they realized there was a potential market outside their intended demographic of boat goers and other professionals, they turned and attempted to market Crocs to the masses. The plan worked for a few years and brought them a lot of exposure and success. However, over time, their strategy became less effective and eventually stopped working all together in 2008 as they moved further and further away from their branding and sales reached an all-time low in 2009 since their introduction. They failed initially due to market oversaturation, dilution of their product range, the decision to redesign their iconic products after receiving negative criticism and allowing their iconic Crocs clog design to lose its individuality. While brands usually should listen to their customers' feedback and make changes accordingly, this did not work for Crocs. By redesigning their iconic Crocs clogs and introducing other models, Crocs became just another fish in a sea of footwear brands.

Once they "re-found" themselves and began to re-embrace their "spark" of originality and uniqueness, or even their "ugliness," Crocs found success again in 2018, 10 years later, and have remained continuously successful as a niche product in a global market. Against all odds, Crocs has also become even more successful since the coronavirus pandemic, unlike other footwear brands or businesses in general. Crocs stays true to their

brand; iconic, yet comfortable. They are a niche brand while still appealing to the masses in a new era where social media and trends have strong influences on consumers. They found themselves successful in multiple key markets, not only in their original market for those who needed practical and comfortable footwear solutions, but also within younger Generation Z markets, as they are avid social media users and followers of social media trends. 43% of the questionnaire participants were found to be older members of Generation Z, aged between 19 and 25.

60% of the participants were impacted by Crocs' overall appearance while purchasing them, both positively and negatively. While 20% of the participants agree that Crocs have earned their reputation as "the world's ugliest shoes," the majority 44% disagree. When asked, 52% of the participants had noticed an increase in consumer buying behavior. 87% of them had also noticed Crocs mentioned on social media, in some way or another. 24% of the participants were directly impacted by Crocs' social media presence to purchase them and eight participants admitted to following the trend of others around them and online purchasing Crocs. These results, combined with the current sales figures, confirm that while Crocs may have a negative brand reputation, it does not stop consumers from purchasing from the brand. Overall, consumers are aware that Crocs are ugly, and either buy them regardless of their "ugliness" or they simply do not prioritize their appearance over other factors. When asked directly why they purchased Crocs, the top two factors mentioned by the participants were the comfort and practicality of the shoes themselves followed then by the overall appearance.

In conclusion, Crocs owes their success to their marketing strategy that supports their original design and remains true to their brand. The originality and, most of all, the quality of the design and the comfort of the product drives their success, regardless of their reputation as "the world's ugliest shoe."

## **5.2 Suggestions for Future Research**

After the primary study was concluded and analyzed, a few suggestions for future research were realized. Firstly, there was a clear majority of participants belonging to one age group. As the participants of the questionnaire were anonymous, such data cannot be

controlled. Most of the participants were also located mainly in two countries, rather than spread out internationally, as the research was limited to the pool of participants reachable with the resources available to the researcher. For future research, a wider group of participants with varying demographic backgrounds could be surveyed as it may impact their opinions and, therefore, also impact the results.

Once the questionnaire results were finalized, 51 responses had to be omitted from the study, which decreased the total number of responses substantially, from 145 to 94, as mentioned previously. Of the omitted responses, 35 of the participants answered that they did not currently own Crocs and the other 16 did not purchase them themselves. While their opinions were interesting and valid, they were irrelevant to the research as it was targeted, specifically, to Crocs' current consumers. In future studies, to facilitate data analysis, the potential respondents should be made aware of the target group and the questionnaire itself should include a question that asks them whether they purchased their own Crocs or not. The participants should have also been asked when they purchased their Crocs. This would then differentiate those participants who recently purchased their Crocs from those who purchased them during their first boom in popularity, years prior, as their opinions may vary.

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## APPENDIX

1. First things first, how old are you? \* *Mark only one oval.*
  - 18 or younger
  - 19-25
  - 26-30
  - 31-40
  - 41-50
  - 51+
2. How do you identify? \* *Mark only one oval.*
  - She/her
  - he/him
  - they/them
  - other
3. Tell me where in the world you are \*
4. More importantly, do you even own a pair of Crocs? \* *Mark only one oval.*
  - yes, of course, otherwise I wouldn't even be answering this thing
  - nope, I just like torturing myself by answering surveys
5. Assuming that you answered yes to the previous question, what kind of Crocs are they? \*

*Tick all that apply.*

  - original Crocs clogs
  - collaboration Crocs (ex: a pair from a celebrity collection or any other limited-edition Crocs)
  - platform Crocs
  - flip flop Crocs
  - boot Crocs
  - the ones that are fuzzy inside
  - Other:
6. In your humble opinion, what do you think about Crocs' design? \*
7. Did their appearance have an impact on your decision to buy them? \* *Mark only one oval.*
  - yes, they're BEAUTIFUL I want one in every single color
  - yes, they're HIDEOUS but I still bought them though
  - nah, just here for the comfort



8. What do you associate with Crocs? \*
9. Have you heard of Crocs being called "the ugliest shoes ever?" \* *Mark only one oval.*
- Yup
  - oh really? no, I just thought they looked cool and unique
10. Do you, personally, agree with the statement "ugliest shoes ever?" \* *Mark only one oval.*
- nope!
  - mixed feelings, so I'm just gonna say maybe
  - yes, definitely the biggest abomination in footwear
11. Have you always liked Crocs? \* *Mark only one oval.*
- absolutely, I'm a true fan, they're my ride or die!
  - nope, I've always hated them
  - I used to hate them but now I've joined the other side and they're my favorite shoes ever
  - I have no opinions about Crocs
12. Would you agree that more people buy Crocs now than they did before? \* *Mark only one oval.*
- yeah definitely, I see people wearing them everywhere now
  - dunno, haven't really noticed
  - nope
13. Have you seen Crocs on social media? \* *Mark only one oval.*
- yes, they're all over my feed!
  - a lil bit here and there
  - no, what even are Crocs?
14. Would you agree that Crocs' social media presence affected your decision to buy them? \* *Mark only one oval.*
- yes absolutely!
  - nope, social media didn't play a role...I just needed some shoes, man
15. If social media didn't influence your purchase, what did?
16. Here's the money question: Why? Why did you buy Crocs? \*
17. Where did you buy your Crocs? *Mark only one oval.*
- Online
  - in-store
  - other? Where else do people buy shoes nowadays?

18. When do you mostly wear your Crocs? \* *Mark only one oval.*

- all the time
- at work because comfort
- casually to go with the fit (fit = gen z slang for outfit)
- I just throw them on when I need to walk the dog or pick up the mail
- Other:

19. What do you value most about your Crocs? \*

20. This is the last question, I promise: Would you buy another pair? \* *Mark only one oval.*

- YES!
- yeah no...maybe?
- nah

