# Digitalization of Fashion: A Case Study On Digital Marketing Strategy of Modest Fashion Company During Pandemic

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#### ABSTRAK

Pandemi Covid-19 di Indonesia berdampak terhadap penurunan penjualan di industri komoditas pakaian termasuk busana Muslim. Objek penelitian adalah Modest Fashion Company yakni e-commerce busana Muslim pertama di Indonesia. Tujuan penelitian adalah mengusulkan solusi kepada Modest Fashion Company untuk meningkatkan penjualan selama pandemi. Metodologi penelitian ini menggunakan kualitatif. Metode pengambilan data dari sumber utama yaitu kuesioner dan interview kemudian data sekunder. Hasil penelitian menunjukkan hanya 54 dari 143 konsumen yang berbelanja di Modest Fashion Company selama pandemi sedangkan yang lain memilih berbelanja di e-commerce platform lainnya. Peningkatan permintaan belanja online melalui berbagai touchpoints digital harus dioptimalkan agar perusahaan dapat berkelanjutan dengan menerapkan pemasaran digital. Solusi yang diusulkan untuk Modest Fashion Company menggunakan kerangka RACE sebagai strategi pemasaran digital. Menggunakan influencer, media sosial, dan percobaan virtual sebagai touchpoints digital baru untuk diadaptasi oleh perusahaan.

Keyword: Covid-19, Digital Marketing, e-commerce, RACE Framework

#### ABSTRACT

Covid-19 pandemic in Indonesia had impacted a decrease of sales in the clothing commodity industry including Muslim fashion. The object in this research is Modest Fashion Company as the first Muslim fashion e-commerce in Indonesia. This research aims to propose a solution for Modest Fashion Company to enhance sales during the pandemic. The methodology using qualitative methods. The data collection method used primary data from the questionnaire and interview then secondary data. The results showed only 54 of 143 consumers who shop at Modest Fashion Company during pandemic while the others preferred to shop at another e-commerce platform. Increasing demand for online shopping through various digital touchpoints during a pandemic should optimize for any company to be sustainable by implementing digital marketing. The proposed solution for Modest Fashion Company is using the RACE Framework as a digital marketing strategy. Using an influencer, social media, and virtual try-on as a new digital touchpoint for the company to adapt.

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## **INTRODUCTION**

The first case of Corona Virus was detected in the Hubei Province of Wuhan, China at the end of 2019 (World Health Organization, 2020). Then occurred in Indonesia for the first time was in March 2020 (Ministry of Health Indonesia, 2020). COVID- 19 impacted all sectors and industries including the clothing industry. Real sales growth on clothing commodities was decreased significantly in May 2020 by -73,7% (YoY) two months after the Covid-19 outbreak occurred in Indonesia compared to the same period in 2019 was 6,3% (YoY) (Bank Indonesia, 2020).

Another impact of the pandemic is changing of consumer behavior and preference toward shopping. Based on (McKinsey & Company, 2020) researched showed that Indonesians decreased their spending expectations after the pandemic entered which for apparel (-66%), footwear (-69%), accessories (-76%), and preference shifting for using the online channel is increasing in all consumer product categories including apparel. There are five biggest product and service that Indonesians spent on during Large Scale Social Restrictions which are health product (77%), food supplies (67%), media entertainment (54%), food delivery services (47%), and home repair or gardening (32%) (Price Waterhouse Cooper Global Consumer Insights Survey, 2020).

The government has the vision to make Indonesia the Centre of the World's Muslim Fashion in 2020 by creating a various program such as coaching, linking, and matching the Muslim Fashion industry with the textile industry, technical guidance and certification for 656 new small and medium enterprises, and 60 local designers who involved in the programs (Ministry of Industry, 2020). The utilization of the internet along with the increase of internet users in Indonesia into 175,4 Million until January 2020 and 55% of them used shopping applications in their mobile phone influenced many sellers to trade online (We Are Social and Hoot Suite Digital Report, 2020).

Electronic commerce known as E-Commerce is a transaction of buying and selling goods or services using an electronic network called the Internet (Bhat, et al, 2016). Arise of fashion e-commerce in Indonesia includes Muslim Fashion which the first fashion e-commerce focused on Muslim Fashion called Modest Fashion Company. Due to ethical reasons, the object in this research is disguised as Modest Fashion Company. Covid-19 pandemic impacted on the decreasing of company sales and quantity of selling product in 2020 and for comparison based on YoY from 2019 as follows:

	· · · · · ·	n Company Sales (%) in 2020 per Quartal Percentage of Sales & Quantity in 2020		
Period of Time in Quartal	Sales	Sold (Qty)		
Quartal I to Quartal II	23%	51%		
Quartal II to Quartal III	-47%	-50%		
Period of Time in	ion Company Sales (%) Y Percentage of Sales &			
Period of Time in	Percentage of Sales &	Quantity in 2019/2020		
Period of Time in Quartal —	Percentage of Sales & Sales	Quantity in 2019/2020 Sold (Qty)		
Period of Time in Quartal — Quartal I	Percentage of Sales & Sales -47%	Quantity in 2019/2020 Sold (Qty) -44%		

Source: Modest Fashion Company Internal Data, 2020

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Modest Fashion Company distribution channels are in the official website, application, and offline store. Their marketing strategy using product promotion in their website and application (Mutoharoh, 2017), social media such as Instagram and Facebook (Lidva, 2017), electronic word of mouth, or eWOM for interact with their consumers through the website and social media (Anggitasari, 2017). Most strategies are using digital due to two online company channels. Digital is the biggest opportunity for the fashion industry to become its primary driver of growth in the upcoming year (Amed, et.al, 2020).

Digital Marketing is one of marketing objectives to achieve by applying digital technologies and media (Chaffey, 2012) to meet customer needs (Bala, et. al, 2018; Chaffey, 2013) conducted on the internet (American Marketing Association, 2020). To conduct digital marketing, there are several methods as follows (American Marketing Association, 2020):

- 1. Search Engine Optimization (SEO) Is the practice of improving ranking within major search engines such as Google and Yahoo! to increase online traffic
- 2. Search Engine Marketing (SEM) Leverages paid online advertising to increase website visibility within search engines. SEM is often used in conjunction with SEO
- 3. Pay-Per-Click (PPC) An online method for advertising where a business only pays for its ads when a person clicks on them
- 4. Social Media Marketing (SMM)

Is the practice of using social media channels to promote business products or services

5. Email Marketing

It enables businesses to send branded, promotional content directly to prospective customers via email. The use of automated newsletters is common in this context

6. Affiliate Marketing

Is a performance-based exercise that enables revenue sharing and pay-per-sale (PPS) compensation within a common network

7. Content Marketing

It refers to the publishing and distribution of text, video or audio materials to customers online. Blogs, videos and podcasts are common ways for businesses to engage in content marketing

8. Native Advertising

It involves blending marketing materials into a medium, making the underlying message and marketing purposes equally important. Sponsored content, in which one business posts its own content on a different website, is a common method of native advertising

Digital Marketing has advantages and disadvantages shown in the table (Veleva, et.al, 2020), (American Marketing Association, 2020):

Advantages	Disadvantages
Global Reach	Negative feedback from existing customer
GIODAI REACII	creates bad reviews for potential customer
Responding to customer quickly and flexible	Quickly and easily copied by the competitors
Maggurahla BOI (Daturn on Investment)	Low impact from visual standpoints because
Measurable ROI (Return on Investment)	of overloading online advertising messages
High normanalization of advartiging magazaga	Fully relied on digital technology that can
High personalization of advertising messages	lead to technical errors
Reach more users	Content and email overload sent to
Reach more users	customers
Improved Targeting	
Facilitate communication and interaction with users	— Mimicked for fraudulent activities
Facilitate tracking and analysis of competitor's actions	
Less investment than traditional channels	
Source: Author Compilations 2021	

## Table 3. Digital Marketing Advantages and Disadvantages

Source: Autnor Compliations, 2021

According to the Merchandiser Supervisor of Modest Fashion Company, the adaption of digital marketing strategy in the company involves social media marketing (SMM), e-mail marketing through newsletter, and search engine optimization (SEO) such as Google as its digital touchpoints. Amplifying on digital to build customer activation, focus on conversion, basket shopping, and trigger repurchase also maintaining connections with consumers using digital marketing can boost sales (Baum, et.al, 2020). Utilizing digital marketing tools such as social media has proven can increase market share and sales of Micro Small Medium Enterprise (Nafiuddin & Hamdan, 2020). E-mail marketing and social media marketing had a great impact on sales growth of Small Medium Enterprise (SME) while mobile marketing, search engine optimization (SEO) and pay per click (PPC) had a moderate impact on SME sales growth (Omondi, 2017).

However, another paper resulted that e-mails, search engine optimization, pay per click and online advertising significantly can improve sales of SME's (Is-haq, 2019). The effect of digital marketing implementation and the use of promotional media have a significant effect on sales performance (Haque, 2020). The use of social media has a positive relationship with the total sales in e-commerce companies (Alafeef, 2014). Social media can generate revenue for ecommerce by utilizing it into reaching a company target market (Junaidi, et.al, 2020).

On other hand, another study (Jovanovi'c, et.al, 2020) showed e-commerce who use search engine do not affect company performance while for a company who applies commercial websites and online marketplace will impact on higher sales. Based on previous research showed the implementation of various digital marketing tools affects improving company sales.

According to (Nafiuddin & Hamdan, 2020), (Omondi, 2017) and (Is-haq, 2019) social media marketing, e-mail marketing, and search engine optimization (SEO) have an effect on sales performance but Modest Fashion Company existing digital marketing strategy does not create significant impact into company sales even company sales was decreased significantly since Quartal II of 2020 exact time when pandemic entered Indonesia. So, the research objectives in this research are to reformulate their digital marketing strategy to enhance company sales during the Covid-19 pandemic. While the research questions are:

- 1) How to increasing company sales during the Covid-19 pandemic?
- 2) What are suitable digital marketing strategies for the company to anticipate consumer changing behavior and preference during the Covid-19 pandemic?

## **METHODOLOGY**

The research methodology is qualitative method. The data collection method consists of primary and secondary data. Primary data are questionnaires and interviews. The criteria for the questionnaire are as follows:

- 1) Men and Women age between '20-'40s years old as the target market of Modest Fashion Company
- 2) Located in Indonesia
- 3) Having experience of shopping at Modest Fashion Company to understand their customer journey

The questionnaire has been distributed via Google Forms and WhatsApp then resulted in 143 respondents. The interview involves the General Manager of Operations and Merchandiser Supervisor of Modest Fashion Company with aims to know company operational business and digital marketing strategy. The secondary data from the journal article, conferences paper, textbook, macroeconomic data, and other reliable sources.

All collected data analyzed using three thematic frameworks. The thematic framework is a method of identifying, analyzing, organizing, describing, and reporting collected data which providing trustworthy and insightful findings (Nowell, 2017; Braun & Clarke, 2006; Boyotzis,1998). There are three thematic frameworks used to analyze the collected data which are 1) Disrupted Path to Purchase (Deloitte, 2014) 2) Omnichannel Automation (Omnisend, 2020) and 3) RACE Framework (Chaffey, 2012). Collected data from the questionnaire will

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analyze using the Deloitte framework and interview using omnichannel automation. While the proposed solution will be based on a digital marketing framework called RACE. The explanation for each framework as follows:

### 1. Disrupted Path to Purchase

First introduced by Deloitte regarding on The Growing Power of Consumers Report in 2014. It is a change on a path to purchase for business to engage with consumers (Deloitte, 2014). The changes are more likely toward the extended version of the traditional consumer journey that been introduced such as Consumer Decision Journey (McKinsey, 2009) which mentioned there were four phases like initial consideration, active evaluation, closure, and post-purchase.

Evolving development in technology nowadays made consumers enable digital technology and other information sources to interact with certain brands. With this type of engagement, the consumer can choose different touchpoints from the beginning until deciding to purchase a certain product or service. As new technology keeps going to be introduced in the market then this will disrupt the traditional path to purchase of consumers (Deloitte, 2014). The disrupted path to purchase introduced by Deloitte adds two new phases from the traditional consumer journey that make it like a cycle.

The cycle consists of seven phases in the path to purchase including two new phases in the first phases and last phases. The phases are Imagine, Awareness and Locate, Evaluate and Select, Shopping Experience, Transact, Service and Advocacy then Change (Deloitte, 2014).

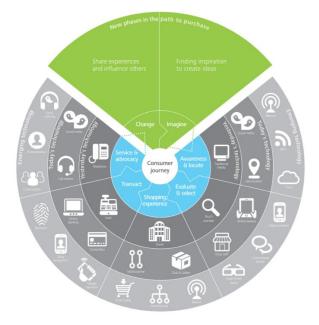


Figure 1. Disrupted Path to Purchase

The full cycle will be explained below.

## Phase I: Imagine

These first phase is one of the new phases in the cycle. Nowadays, customers with current emerging technology can browse online to get an idea or inspiration on what they are looking for. That made consumers to imagining and visualizing certain products or services that they have just seen in online media by browsing on search engines and social media. The consumer in the past did not have a choice to looking for an idea or inspiration yet they only consider what they offered but with the availability of today's technology, it can help the consumer to get inspiration (Deloitte, 2014).

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## Phase II: Awareness & Locate

After consumer gets inspiration, they know what product or service are looking for from today's technology availability. In today's technology such as social media became a platform for the consumer to recognize certain brands and get inspiration from there. The number of mobile phone users increased significantly every single year made access to social media easier and can help the consumer to narrow their options (Deloitte, 2014). Another today's technology is geolocation. This is a technology where the consumer can recognize a brand from location tracking or GPS (Global Positioning System) installed in mobile phones. This geo-location service mostly is using network routing addresses or internal GPS devices to determine a certain location (Google Developer, 2020).

## Phase III: Evaluate & Select

In this third phase, customers know the brand and product they want to look for in their mind, but through many options available offered by the business they might need to consider the best option before deciding to purchase. From online reviews can influence the customer to refine their options or with help from a salesperson in the store (Deloitte, 2014).

## **Phase IV: Shopping Experience**

After customers doing an evaluation and select what factor determined them to choose certain product or services then next is regarding customer experience on their shopping journey. Now with the evolvement in technology, customers can enjoy shopping online where is the cycle called click and collect and through multichannel. In the multichannel, customers can shop certain brands through the various channel they offered such as the official website, marketplace, social media, and others (Deloitte, 2014).

## **Phase V: Transact**

Then after conducting shopping, customers need to pay for products or services already been purchased. The existence of online banking and contactless payment help and give another option for the customer. With online banking, customers can pay using mobile or internet banking to finishing their payment process. And contactless payment using the card provided by financial institutions in this matter bank such as debit and credit card (Deloitte, 2014).

## Phase VI: Service & Advocacy

It is related to after-sales services given by the business to the customer. Social media such as Instagram, Facebook, Twitter, and many more can be a platform for companies to provide aftersales service. Since social media users grew significantly throughout the years, the company needs to utilize this to give their best advocacy to the customer. Besides social media, call centers as the most common for any business to have for dealing with a customer (Deloitte, 2014).

### **Phase VII: Change**

This last phase is part of the new add phase in the cycle. After-sales service given by the business, customer can share their experiences with others from accessing networks and communications tools like social media. Then the person who got influence by the customer can use the given information to purchase certain products or services (Deloitte, 2014).

## 2. Omnichannel Automation

Omnichannel or all channels is offering more of customer experience and puts the customer at the center instead of the product or services where customer can purchase in any channels offered by the business (Winkler, 2019). While omnichannel marketing is creating a seamless customer shopping experience (Big Commerce, 2020) using digital or traditional touchpoints in every step of the customer journey (Blankenship, 2020).

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Omnichannel marketing can improve the ROI (Return on Investment) of every channel used by the business or company to engage with their customer, increasing brand awareness, able to control over channels, updating customer data with every move in their journey (Omnisend, 2020). In order to omnichannel marketing working, it needs to automate it for creating a better customer experience so this framework will examine further the omnichannel automation throughout the customer journey as the center focused on this channel.



Figure 2. Omnichannel Automation Throughout Customer Journey

The framework above divided customer journey based on the segmentation which divided into five main type of customer in these five stages of their journey as follows (Omnisend, 2020):

## First stage: Visitor

This is the first-time customer visit company channels which could be into company official website, company application where customer need to install it into their smart device and company offline store if the company have a brick or mortar channel. Customers can lead into these channels potentially from other company omnichannel such as company social media and digital advertisement through search engine optimization. For making customers move into the next journey, the company has to automate different features in their site with the main channel using a sign-up form directly. With a sign-up form, the company can gather customer information and creating a better experience which consists of various forms such as basic sign-up forms, exit-intent or time-based popups, animated sign-up forms, and a landing page.

## Second Stage: Subscriber

After the customer did sign up then the company can send automation welcoming messages and campaigns through E-mail, SMS, Push Notification, and Retargeting Ads. In this second journey, a customer is called a subscriber. The purpose of automation omnichannel enables a company to tailor communication with their customer who already signed up but never purchased in this second stage.

## **Third Stage: Shopper**

In this stage, the company has to deliver more the way communicate through touchpoint to every customer in order to familiar with the brand or product and purchase it. There is two abandonment type after customer signed up which are browse abandonment and cart abandonment. In browse abandonment occurred when customers revisit the company website during the welcoming message in their e-mail but did not continue into buying the product. In cart abandonment occurred when a customer leaves the product in the shopping cart. So, the omnichannel automation for both abandonment through e-mail, push notification or SMS or Facebook Messenger to send a reminder email, SMS, Push Notification about their abandon cart. This automation reminds message can be in sequence time after customers leave. The purpose of this is for bringing the customer back to completing their purchase.

## Fourth Stage: Buyer

This fourth stage is when the customer completing the purchase at the company channels. The omnichannel automation about the order confirmation and shipping notifications based on customer request which can through various channels such as e-mail, SMS, WhatsApp, Facebook

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Messenger, Push Notification and others. Sending update message after customer finishing their payment about their order including a link for the customer to see their shipping process.

### Fifth Stage: Repeat Buyer

In this last stage, there is an opportunity to make customer repeating their shopping by order follow-up, cross-selling, and reactivation. In the order follow up using e-mail and SMS by asking a customer for a review of the purchased product after one week and showing another customer has been reviewed the same product through the link. In cross selling using e-mail or push notifications can recommend the customer about the product who would pair nicely with their last purchased product and showing the shopping reward or point customer earned. When a customer did not purchase for a long-time using reactivation using e-mail, SMS, push notification, and another channel that would re-engage with the customer again. For offline stores, using a promotional strategy can make customers revisit the store again.

## 3. RACE

RACE Framework is a structure to develop digital marketing or omnichannel communication for companies that had challenges to reach and engage their online audiences in order to convert into sales (Chaffey, 2012). In the RACE Framework, there were four steps for a company to follow which are Reach, Act, Convert and Engage.



Figure 3. RACE Framework

### Step 1: Reach

This first step is on how a company creates their brand awareness for a potential customer to attract with their brand through digital touchpoint. There are paid, owned, and earned digital touchpoints such as search engine optimization, pay-per-click (PPC), affiliate and partner marketing, online advertising, online public relations, and social media marketing. With this touchpoint, the audience will aware of the brand even in order to drive them to company channels in this matter into the official website. For the company, the indicators for them whether it's already reached its target by knowing how many unique visitors, how long they stay in the website, and the value they get from revenue per visit.

### Step 2: Act

After reaching customers, it is time for the company to interact with them through their channels. This second step about how companies engage with their customer or audience with attractive and relevant content also a clear path for their journey in the order they did not bounce back from the company channel. The goal is to generate leads. The key indicator for the

company to know how their interaction with the audience so far through bounce rate, pages per visit, and product page conversion. While their bounce rate is high, low pages per visit and the conversion still low then the company unable to interact and generating leads and vice versa.

### **Step 3: Convert**

Continuing from the second step the company already success in generating leads, so it highly possible it will convert into sales. In this matter, it is the company's responsibility on how getting leads into the next step which is to pay the transaction.

### Step 4: Engage

This last step is about how a company building a long-term relationship with the first-time customer to repeat their purchase into the company website using social presence, email, and direct interactions in order to build customer loyalty.

## **RESULT AND DISCUSSION**

## Result

In this research, there are two results which from questionnaire and interview. Each result will show as follows:

## 1. Questionnaire Results

The questionnaire resulted 143 of respondents which are the existing customer of Modest Fashion Company. Total questions being asked was 32 questions and conducted from October 23rd 2020 until October 30th 2020 via Google Form and WhatsApp. Those questions related to Demographic, their shopping behaviour during the pandemic and seven phases in the Disrupted Path to Purchase (Deloitte, 2014).

		Demographic		
		Results		
No	Variables	Majority of Result	(number,%)	
1	Gender	Female	116, 81%	
2	Age	20-25	53, 37%	
3	Location	Jakarta	50, 35%	
4	Latest Education	Bachelor Degree	103, 72%	
5	Occupation	Private Employee	66, 46%	
6	Monthly Income	onthly Income IDR 5.000.000-IDR 7.000.000		
	Consumer Behavi	iour During Covid-19 Pandemic		
7	Conduct Fashion Shopping or not Yes		131, 92%	
8	Channel used while shopping Online		85,65%	
9	Shopping Place Shopee		77, 32%	
10	Influence factor in shopping	Trusted Shopping Platform and Seller	39, 30%	
11	Category of fashion items that purchase	Top (Shirt,Blouse,Tunic,etc)	95, 42%	
12	Type of transactions to pay	Transfer Bank	77, 59%	
	Modest Fashion Company	V Customer Disrupted Path to Pu	rchase	
	P	hase I: Imagine		
13	Someone who inspire or influence to go shopping	Influencer	54, 38%	
14	Where get the inspiration to go shopping	Social Media	113, 79%	

## **Table 4. Questionnaire Results**

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.7 .8 .9 .0	Device that use for shopping Main factor to go shopping at Modest Fashion Company Phase IV: Attractive factor to decide shopping	Family or Friends Yes Yes One year ago Example and Select Mobile Phone or Tablet Quality of Product	50, 35% 103, 72% 77, 54% 62, 43% 118, 83% 72, 50%
18 19 20	Company Application         Aware about Modest Company Offline Store         Last time shopping at Modest Fashion Company         Device that use for shopping         Main factor to go shopping at Modest Fashion Company         Phase III         Device that use for shopping at Modest Fashion Company         Phase III         Attractive factor to decide shopping	Yes One year ago I: Evaluate and Select Mobile Phone or Tablet Quality of Product	77, 54% 62, 43% 118, 83%
19 20	Company Offline Store Last time shopping at Modest Fashion Company Device that use for shopping Main factor to go shopping at Modest Fashion Company Phase IV: Attractive factor to decide shopping	One year ago <b>Evaluate and Select</b> Mobile Phone or Tablet Quality of Product	62, 43% 118, 83%
20	Fashion Company       Phase III         Device that use for shopping       Main factor to go shopping at Modest         Fashion Company       Phase IV:         Attractive factor to decide shopping	I: Evaluate and Select Mobile Phone or Tablet Quality of Product	118, 83%
19 20 21	Device that use for shopping Main factor to go shopping at Modest Fashion Company Phase IV: Attractive factor to decide shopping	Mobile Phone or Tablet Quality of Product	
20	Main factor to go shopping at Modest Fashion Company Phase IV: Attractive factor to decide shopping	Quality of Product	
	Fashion Company Phase IV: Attractive factor to decide shopping		72, 50%
21	Attractive factor to decide shopping	Champing Free orign as	
21		Shopping Experience	
	at Modest Fashion Company	Offering various categories of Modest Fashion	62, 43%
22	Category of product searching on Modest Fashion Company	Top (Tunic, Blouse, Shirt)	92, 43%
23	Modest Fashion Company channels often use	Official Website	72,50%
24	Shopping Experie	nce at Official Website (N=72)*	
-		Mean	Standard Deviation
_	User Interface	4,21	0,62
-	Clear Information of Products (Details, Size Measurement, Price)	4,15	0,62
-	Access to Review of Products	3,90	0,69
-	Process to Create Account	4,04	0,65
-	Responsiveness of Customer Service	4,06	0,80
_	Filter Search (Categories, Brand, Colour, Price)	4,19	0,64
_	Rewards Program (Shopping Points)	3,75	0,88
_	Shopping Experie	nce at Application Store (N=51)	-
_		Mean	Standard Deviation
_	User Interface	4,08	0,79
-	Clear Information of Products	4,14	0,79
-	(Details, Size Measurement, Price) Access to Review of Products	3,98	0,80
-	Process to Create Account	4,10	0,80
-	Responsiveness of Customer Service	3,96	0,82
-	Filter Search (Categories, Brand, Colour, Price)	4,08	0,79
_		nce at Offline Store (N =20)*	
_		Mean	Standard Deviation
-	Access to Location	4,10	0,54
-	Ambience in Store	4,05	0,59
-	Display of Products	4,00	0,63
-	Customer Service (Salesperson)	4,10	0,77
-	Convenience of Store	3,95	0,74
	Ph	ase V: Transact	
25	Type of transaction use to pay at Modest Fashion Company	Transfer Bank	86, 60%

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26		NI	122.020/
26	Conduct Return and Exchange	No	133, 93%
	Service		
27	If yes, The process took 7 days	-	-
28	Try "Try First, Pay Later" service	No	128, 90%
29	Overall services offer	ed by Modest Fashion (	Company
		Mean	Standard Deviation
	Free Delivery to Across Indonesia*	4,41	0,67
	Responsiveness of Customer Care*	4,12	0,77
	Payment Options*	4,29	0,65
30	Follow Modest Fashion Company Social Media account	Instagram	72, 46%
	Phase	VII: Change <mark>*</mark>	
		Mean	Standard Deviation
31	Recommend shopping at Modest Fashion Company to others	4,06	0,80
32	Share the product to social media	3,44	1,16

Source: Author Compilations, 2021

\*: Likert Scale Rating (1-5)

### 2. Interview Results

The interviewees are General Manager of Operations and Merchandiser Supervisor of Modest Fashion Company. Interview with GM of Operations conducted on November 4th, 2020 at 4.00 pm while with Merchandiser Supervisor conducted on November 2nd, 2020 at 11.00 am. Type of interview used semi-structured. Semi-structured interviews are the best option to collect data when the interviewer only has one chance to interview someone (Bernard, 1998) and the interviewee can answer the questions with their way, terms, and expressing their views that will lead to prominent results of qualitative data (Kabir, 2016). The topic interview comprises business operations, marketing strategy including digital marketing strategy and their strategy during Covid-19 pandemic. Table 5. shown the interview summary.

## Table 5. Interview Results

No	Interview with GM of Operations			
NO	Variable	Interview Summary		
1	Business Strategy	Adapt omnichannel through Official Website, Application and 7 Offline Store across Indonesia. The positive impact from omni-channel beside to increasing company revenue are for direct and indirect sales. The direct sales impacted to company cashflows and Total EBITDA (Earnings Before Interest and Tax) yearly. For indirect sales impacted related to marketing such as brand valuation, brand awareness and customer engagement in Indonesia and overseas. Only with omni-channel, company can achieve all of that at the same time.		
2	Strategy during Covid- 19 pandemic	Company applied new business model called Marketplace. The aim is to help and support local SMEs and to reduce the stock in company warehouse. Marketplace clearly as C2C, so company only as a platform place to meet seller and buyer. All other activities such as delivery, operations and design from the seller.		
3	Current Business Model	Consignment where tenants send their products based on agreement to company warehouse in Jakarta. The inventory management, transaction and delivery to consumers under company responsibility.		
4	Competitor	Modanisa is Muslim fashion e-commerce from Turkey who has ability to shipping to Indonesia. Modanisa is the closest competitor of Modest Fashion Company because the target market and the business focus same. But Modest Fashion Company competitive advantage is from local product crafted from local brand and designers. Because of that, company knew market trend, consumer and gain trust from tenants.		
5	Market Positioning	Currently, company offered products for high-class market segmentation but recently company want to tapped middle-class segment due to bigger market share by offering various price range and more affordable products.		

		Interview with Merchandiser Supervisor
	Variable	Interview Summary
6	Digital Marketing Strategy	Currently, company already adapt digital marketing strategy through social media such as Instagram and Facebook, e-mail marketing with newsletter to its subscribers, push notification for application users and search engine optimization (SEO) in Google.
7	Supply Chain	<ul> <li>Company supply chain started from warehouse transit applies for in-house production and from tenants in Modest Fashion Company.</li> <li>For In-House Production: <ol> <li>Products are produced at each vendor's place (example: 1 shirt requires more than 3 suppliers including packaging)</li> <li>Product distribution to company warehouse where this warehouse is only used for transit</li> <li>There is a request, deliver to the customer</li> <li>For tenants: <ol> <li>For tenants:</li> <li>For the place where the tenant or brand originates, the goods are sent to the place of transit</li> <li>Modest Fashion Company distributes to customers if there is a request.</li> </ol> </li> <li>For offline store outside Jakarta: <ol> <li>Distribution is following the demand from the store (can be different brands or products) from the transit warehouse in Jakarta</li> </ol> </li> </ol></li></ul>
8	Customer Engagement	It focused on three platform of social media which are Instagram, Facebook and YouTube. Instagram and Facebook focused for sales and YouTube focused for branding.
9	Company Image	Now focused to Modest Fashion prior to Muslim Fashion. So, they can broadly expand the customer as well. Modest Fashion Company wants to reach all clusters without competing with each other in the form of variations in terms of price and products offered. Company wants to give the perception to society that the products are affordable.

Source: Author Compilations, 2021

### Discussion

### **Explanation of Questionnaire Results**

The majority existing customer demographic of Modest Fashion Company is women age between 20-25 located in Jakarta whose last education is Bachelor Degree and working as a private employee with monthly income between IDR 5.000.000 – IDR 7.000.000. Most of the products offered at company channels are for women even though there are products available for men such as Muslim clothes and kids but a person who conducts shopping is mostly women. Millennials are individuals who were born in 1980 – 2000 (Smith, et.al, 2015) and they are influenced by computers as part of technology (Smith, et.al, 2015; Andert, 2011). The majority of existing customers were categorized as Millennials generation which made them more aware of the e-commerce availability in Indonesia.

According to (Istikharotullaila, 2020) people lifestyle who lived in Jakarta have a positive influence on consumptive behavior, 50 existing customers of Modest Fashion Company are from Jakarta with surrounding lifestyles in the metropolitan city make them consumptive including for shopping. Most customers are educated, have permanent jobs and income. Current company segmentation is for the high-class customer while Jakarta minimum wage is around IDR 3.600.000 according to DKI Jakarta Governor Anies Baswedan, with monthly income more than IDR 5.000.000 is above the minimum wage so the capability for existing customer to spending for shopping exists.

Related to existing customer behavior during pandemic shown 131 of them did shopping for fashion by using online channel due to the pandemic and 77 customers went to Shopee as their chosen shopping platform. Trusted shopping platform or seller as the major factor which influences them to do shopping. Shopping for shirt, blouse, and tunic as the most selected category being purchased by using transfer via bank. These results do not prove (McKinsey & Company Report, 2020) that there is decreasing spending on apparel due to the pandemic however proven that there is shifting preferences into an online channel more. Many e-

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commerce platforms exist in Indonesia including Modest Fashion Company but only 27 customers did shop at company channels during pandemic while the majority of customers chosen Shopee. This shown Shopee as a trusted shopping platform in customer perspectives and offering a variety category other than fashion such as electronic, food and beverages, cosmetics, baby products, and more while Modest Fashion Company only offering fashion. This proven report from (Price Waterhouse Cooper Global Consumer Insights Survey, 2020) where the demand for health products, food supplies, media entertainment is increasing significantly during the pandemic.

In the first customer journey of Imagine, 54 customers chosen influencers as a person who inspires them to do shopping while social media was selected by 113 customers for them to get their inspiration from. The increasing of digital media consumption dynamically changing online marketing strategy for a company so another strategy to influence consumers is needed throughout digital influencers (Wielki, 2020). An influencer is someone who has the power to affect people in purchasing decisions due to their authority, knowledge, position, or relationship with the audience (Influencer Marketing Hub, 2020). An influencer who has authenticity, trustworthiness, credibility, legitimacy, and honesty have an impact on consumer intention for online purchase (Lisichkova, 2017). Involving digital influencers to doing promotion products or services can increase brand awareness and sales level of the company (Wielki, 2020). Influencer opinion has a powerful impact on the young generation especially Generation Y and Z (Kadekova, et.al, 2018) which majority of respondents are included in that generation. However, another study (Hermanda, et.al, 2019) shown social media influencer has a negative impact on the consumer intention to purchase.

According to (Sheng, et.al, 2020) the way customer gets inspiration from social media can be seen through three factors which are an informational factor such as media richness, the vividness of advertisement, social factors such as social influence and personal factor such as promotion focus. The vividness of advertisement, social influence, and promotion focus had a positive impact on the inspiring customer which lead to customer purchase intention. As a marketing tool, social media platforms impacted consumers on perceiving the product and with innovation can influence customer buying decisions (Chivandi, et.al, 2018). So, with social media selected as the most selected place for an existing customer of Modest Fashion Company to get their inspiration from then, the company should quickly utilize and effectively use its social media platforms as one of its digital marketing strategies.

In the second customer journey of Awareness and Locate, 50 existing customers aware of Modest Fashion Company first time from friends or family. Company application and offline store existence are known by most of the existing customers. But only 54 of 143 customers did shopping at Modest Fashion during the pandemic while 89 conducted shopping more than 6 months ago and one year ago in the company channels. Since the questionnaire was distributed in October so the timeline showed 89 existing customers do not go shopping at Modest Fashion Company during the pandemic. These findings in existing customers do not have the intention to purchase at Modest Fashion Company even though there is a high demand for fashion shopping during pandemic shown in the previous question. This result can contribute to decreasing of company sales and should become company attention into how is the engagement with their existing customer and what is company strategy to maintain a relationship with an existing customer.

In the third customer journey of Evaluate and Select shown 118 existing customers used their mobile phone to conduct shopping and 72 choose the quality of product offered at Modest Fashion Company as their main consideration to go shopping at the company. According to the, We Are Social and Hoot Suite Digital Report of 2020, the number of smartphone users who used shopping apps is 55% of total internet users in Indonesia while the fashion and beauty category is the top category user spending on US\$4,79 Billion in 2019. Using a mobile phone for online shopping or called as M-Shopping providing convenient access for the customer to go shopping online (Wang, et.al, 2015). The material quality of the product offered by Modest Fashion Company is approved as the best quality of a product by the existing customer (Lidya, 2017).

Overall, the design is shown in all company products, and comfortable wearing the product marked a good impression on customers (Lidya, 2017). Before the company displayed the product on their channels, they have to the strict quality control from each product sent by tenants to maintain the high quality of the product being an offer to the customer. This quality control is conducted by sampling from certain brands or designers to look for any stitches, stains, and others that might spoil the products.

The fourth customer journey of Shopping Experience shown the company's official website as the most frequent channel for shopping at Modest Fashion Company. Then, the company's advantage by offering various categories of modest fashion products became the main interest customer did shopping at Modest Fashion Company. Shopping for any kind of top categories such as a tunic, blouse, and shirt as most wanted purchased product. Currently, Modest Fashion Company has more than 200 tenants consists of local brands and designers who provided all products to the company. Premium and famous Muslim fashion brands and designers such as Ria Miranda, Kami Idea, Button Scarves, Vivi Zubedi, Cotton Ink as a few of many other brands exist at company channels. The company has various range category of products which are Scarves (square hijab, pashmina, instant shawl, and scarf cap), Women's Wear (tunic, blouse, shirt, sweater, long dress, kaftan, cardigan, blazer, jacket, vest, pants, skirt, sportswear, breastfeeding, prayer set), Men's Wear (Muslim clothes), Kid's Wear and Accessories (Mask, Socks, Brooch, Shoes, Bag, Necklace, Headpiece). Besides its tenant's brands, Modest Fashion Company also has its production line called in-house production as a complementary product which their tenants did not offer. Many category products being offered to customers available on the company's official website and application.

To scale the shopping experience given by the company so using the Likert Scale of rating from 1-5 as this measurement. The data will be analyzed by calculating the average or mean and standard deviation. Then shown as the average or mean on each variable scored by the respondents and how was the score spread from the total respondents shown in standard deviation. The higher the standard deviation meaning the more spread out the data and vice versa (Hargrave, 2020). The more spread out the data meaning more respondents given different scores or have another opinion in certain variables. Experience on the official website resulted in customer service (0,80) and rewards program (0,88) have the highest standard deviation than other services. This meaning each existing customer who frequently shops at official website have a various opinion regarding those variables. Another result is shown inexperience at application, the filter search which has a function to filter product categories, brand, color, and price has the highest standard deviation (0,82) and the lowest average of scale than others. It can occur because of a bad experience from an existing customer who used filter search at application but it did not function properly or any various reasons. From these findings, Modest Fashion Company can do improvement and innovation in their customer service given at official website, their rewards program, and filter search at application.

The fifth customer journey is Transaction where 86 existing customers selected transfer bank as a type of transaction they used to pay the products. Modest Fashion Company has various types of payment options such as Debit Card, Credit Card and Online Payments (GO-Pay). Bank transfer only available for debit card owners and doing transactions online. The type of electronic card and the payment method has a positive impact on online customer purchasing decision (Aldiabat, 2019). The sixth customer journey is Service and Advocacy which 133 existing never return and exchange products to Modest Fashion Company however 10 customers have experienced it. All purchased products delivered to the customers has tight quality control and prioritized high quality of the product. While for who those did return and exchange the products experienced the process took within 7 days as the company service offer. Another service "Try First, Pay Later" is a service for customer who not sure about the size, quality, and design of products then collaborate with a third party, Modest Fashion Company launch this service for the customer within in Jabodetabek area for trying the product at their residence before paying for the product. Only 15 existing customers experience this service

while 128 did not. Limited coverage area can one of the reasons customer was not able to have "Try First, Pay Later" service.

From overall services given at all Modest Fashion Company channels, the responsiveness of customer services has the highest standard deviation (0,77) and the lowest average. Each customer can have different experiences related to their experiencing company customer service, so it would lead to different opinions. The most followed company social media is Instagram with currently has 1,1 Million followers. According to the, We Are Social and Hoot Suite Digital Report, Instagram is the third most used social media platform after WhatsApp and Facebook in Indonesia. Modest Fashion Company social media including Facebook, Instagram, Twitter, YouTube, and LinkedIn where Facebook and Instagram focusing on product sales and Twitter, YouTube, and LinkedIn for branding.

The company utilizes Instagram TV or IGTV features for live shopping, Instagram Stories, Instagram Review, posting 7 interesting Instagram Feed per day, and using influencer who has been involved in company model competition as a model in all picture posted in Instagram. Posting photos of products intensively, providing information about fashion, held quiz with a prize, endorsing to an influencer, share a positive testimonial from a customer on Instagram have a positive impact to increase followers and increase brand recognition of the company (Fauzi, et.al, 2016). Featured images with logo and product together then there is social content in the image captions are more interesting for audiences in Instagram (Adegbola, et.al, 2018). Entertainment type of content post on Instagram has a substantial influence on customer engagement (Rachmah, et.al, 2020). However, there was 60 existing customer who does not follow any Modest Fashion Company social media. Brand affiliation and opportunityseeking are significant factors of motivating a customer to follow companies or brand's social media (Yilmaz, et.al, 2014). Perceived usefulness and motivation to seeking for information make a customer more engage with brands on Instagram (Vanga, et.al, 2019). Non- informative product or brand post in Modest Fashion Company Instagram can become the reasons why many existing customers not following company Instagram and it potentially leads to a low possibility for engaging the customers.

In the last customer journey is Change shown a high standard deviation on sharing products on social media to influence others. 95 existing customers as company followers on Facebook, Instagram, Twitter, and YouTube are reluctant to share purchased products from Modest Fashion Company to their social media. This meaning the existing customer unable to attract potential customers for Modest Fashion Company. The consumer innovativeness, subjective knowledge, and experience of using technology in social media are the drivers for a consumer to sharing in social media (Lin, et.al, 2014).

#### **Explanation of Interview Results**

Based on the interview with the General Manager of Operations and Merchandiser Supervisor there are four points highlighted related to business strategy and digital marketing strategy as follows:

### 1. Modest Fashion Company adapt Omni-Channel

The company has three distribution channels which are the official website, application, and offline stores. Since then, they adapt omnichannel. Omnichannel is a tool to close a gap between online and offline shopping (Azhari, et.al, 2015). As has been explained in Figure 2. Omnichannel Automation Throughout Customer Journey, the Modest Fashion Company Omnichannel Automation touchpoint on each customer journey is shown in the table below.

Customer Journey	Omnichannel Automation at Company Channels						
	Official Web	osite	Appli	cation	Offli	ne Stor	e
Stage 1. Visitor	• Search	Engine	Social M	edia	• Offline	Store	Social
Stage 1: Visitor	Optimization		• Basic	Sign-Up	Media		

### Table 6. Modest Fashion Company Omnichannel Automation

	<ul> <li>Social Media</li> </ul>	Form	• Word of Mouth
	Basic Sign-Up Form		
Stage 2: Subscriber	E-mail (Newsletter)	Push Notification	-
Stage 3: Shopper	-	-	-
	Order Confirmation	• Order	Purchase directly a
	Payment Confirmation	Confirmation	the store
Stage 4: Buyer	Tracking Order	• Payment	• Deliver into customer
		Confirmation	
		Tracking Order	
	• E-mail (newsletter	, Push Notification	Promo in the store
Stage F. Demost Durren	promotion, new arriva	1	Social Media
Stage 5: Repeat Buyer	product)		
	Social Media		

Source: Author Compilations, 2021

For each company channel applied different touchpoints especially for an offline channel. A potential customer can visit the company's official website through search engine optimization (SEO) in Google as one of the company's digital marketing strategies or through social media advertisement in Facebook or Instagram that could lead to the website link or link to download an application. A visitor can continue their journey by register an account on the website or application using a sign-up form. For an offline store, a potential customer attracts to visit from the offline store social media and word of mouth from family or friends.

After potential customer did sign up and became a member or subscriber then use newsletter via e-mail for every subscriber to inform updated news about the product, promotion and others also push notification for a customer in the application who turn on their notification regarding the latest news. With newsletter and push notification as omnichannel touchpoints that Modest Fashion Company utilizes for their subscriber to purchasing from their website or application. For offline stores, there is no such called as a subscriber.

In the third journey, the company does not have any touchpoints to communicate with a potential customer to familiar with the brand or product and purchase it. According to (Omnisend, 2020) there is two abandonment type after customer signed up which are browse abandonment and cart abandonment. In browse abandonment occurred when customers revisit the company website during the welcoming message in their e-mail but did not continue into buying the product. In cart abandonment occurred when customers leave the product in the shopping cart. The purpose of this is for bringing the customer back to completing their purchase.

Modest Fashion Company did not implement reminder e-mail or push notification which focused on a customer who abandons their shopping cart. Their e-mail newsletter is not specifically reminding customers same with their push notification, so its low chance for customer continues their shopping at company channels. Different from an online channel, the company offline store still uses the traditional way of brick or mortar while there is no approach to a potential customer to visiting the store again.

When a customer did purchase a product, the customer will notify through email about the order, and payment confirmation also able to track the order via the official website. For offline stores, customers can directly take home the purchased product. According to Merchandiser Supervisor, few offline stores has a delivery option for their customer who purchases online via offline store social media such as Instagram. To make customer repeating their shopping, Modest Fashion Company informs customers through e-mail, push notification, and social media. While for the offline store through their social media and promotion in the store.

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### 2. Modest Fashion Company applied Consignment

Since established in 2011, Modest Fashion Company applied consignment as a business model. Consignment is an arrangement in which goods or products are left with possession into an authorized party to sell where the third party will get a commission or receives a profit-sharing based on the agreement (Grant, 2020). In this matter, Modest Fashion Company chose consignment as its business model since they did not have any physical store at that moment.

The consignment process in the company occurred between a local brand or designer as a consignor and Modest Fashion Company as consignee to sell their product using its platform. Tenants will supply the products into the company warehouse based on the quantity amount, design, or model of the product stated in the agreement. According to (Corporate Finance Institute, 2020) there are advantages and disadvantages of consignment from consignee perspectives as follows:

## Table 7. Advantage and Disadvantage as Consignee in Consignment

Advantages	Disadvantages
Not pay for upfront goods	High inventory holding costs when there are large number products unsold
Reduce risk by returning unsold products to consignor at	
no cost	Difficulty while managing consignment inventory
Not have to pay for the products until sold to customers	
Source: Author Compilations, 2021	

During the pandemic, Modest Fashion Company have a risk to pay the inventory holding costs because of unsold products and unable to get an agreed commission or profit-sharing from the consignor. This could potentially lead to company sales. So, the company needs to have a strategy on how to sell consignor products in the company warehouse.

### 3. Modest Fashion Company want to reach middle class segment

Current market segmentation is in high-class segmentation but now the company wants to target the middle class because of bigger market share. The strategy implement by Modest Fashion Company is offering affordable products in the various price range. Currently, the company product selling price is between IDR 15.000 – IDR 2.000.000. With this, the company believes the middle-class market will be interesting to go shopping at Modest Fashion Company. The company will have two market segmentation based on economic class which are high economy class and middle economy class.

According to (Goyat, 2011) market segmentation can be based on the geographic, demographic, psychographic, and behavioral of the consumers. Modest Fashion Company segmentation is based on the demographic category which including income and social class. By dividing market segmentation into two different groups, the company addressing specific needs and concerns for both of them which can provide higher value to customers (Fertsman, 1993; Goyat, 2011). A group of customers who share the same characteristics toward a product or service can be an effective way to manage diversity in the market (Smith, 1956; Goyat, 2011). The essence of strategic marketing is segmenting – targeting – positioning or STP (Kotler, 1994). So, Modest Fashion Company needs to specified who is the middle-class target and what is the positioning for the middle-class market before they offering the products to the targeted market. Having affordable products to attract the middle class to shopping at company channels is a lack of a strategy. Modest Fashion Company needs to have a proper and suitable strategy including a marketing strategy on how they should promote and create awareness for their new class segmentation.

### 4. Modest Fashion Company Existing Digital Marketing Strategy

Based on an interview with the Merchandiser Supervisor, currently, Modest Fashion Company utilizes social media (Instagram and Facebook), e-mail by sending a newsletter to

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subscribers, push notification, and search engine optimization in Google as a digital marketing strategy. Instagram and Facebook are two companies social media aim to sell products for a different target market. For Instagram, the customer has brand awareness on the product offered by Modest Fashion Company, understands about the brand and designers, not sensitive about the price because they know with purchasing at Modest Fashion Company the quality of the product is excellent and the way to communicate more premium to the Instagram audience. The strategy is doing Live Shopping from Instagram TV features to promote discounted products, Instagram reviews, Instagram Stories, and attractive Instagram Feed.

On Facebook the audience did not see the brand and designers, the more important for them is as long as the price is inexpensive. They will buy the product when there is any promotion or discount. The strategy is for content not as aggressive in Instagram and posting any promotion or discount products. Newsletter only sends for a customer who already became a subscriber by signing up on the official website or application. It has a function to remind and give notification to customers about the current update of Modest Fashion Company such as promotion or discount, new collection arrival, new brand or designers joined the platform, and others. Until March 2019, Modest Fashion Company have 890 thousand local subscribers and 189 thousand overseas subscribers with an average of a new subscriber of 90 thousand each month (Company Profile, 2019). With a million-newsletter subscriber meaning, many potential customers like to seek information about Modest Fashion Company.

For push notification only for customer who has downloaded and sign up in the company application. The notification will set based on customer preference in the setting tool. It has the same function as a newsletter but the difference is the notification will pop up on the customer's phone screen. Search Engine Optimization (SEO) in Google is one of paid advertising digital marketing strategies had by the company. When potential customers searching for certain keywords in Google then the Modest Fashion Company official website link will show at the top of the search result. The company needs to pay a certain amount of money to be able to show their advertisement in the top section to get a notice from a potential customer. SEO has advantages to increase market share, enhance brand equity, and increase product awareness (Bhandari, 2018).

#### **Proposed Solution**

To reformulate Modest Fashion Company digital marketing strategy then in this research propose for the company to use a framework called RACE who first introduced by Dave Chaffey in 2012. Because the company adapt omni-channel strategy and have challenges to reaching middle class as new market segmentation and engaging with existing customer so this solution is propose. All the proposed solution based on questionnaire result, interview result with General Manager of Operations and Merchandiser Supervisor and secondary data from reliable sources. Each step of RACE framework will consists of proposed solution as shown in table below.

<b>RACE Phases</b>	Proposed Solution	
Reach	Product collaboration with influencer	
Keath	Promote collaboration product to influencer social media	
	Add non-hijab women model for their product catalogue in all their channels	
Act	Popup chatbot using sound and bright colour on the homepage website	
	Personalized looks for their homepage website	
	Show product review on the homepage website	

#### Table 8. Proposed Solution based on RACE Framework

	Applied zoom-in feature on every product image in the website	
Convert	Give more detailed fit and feature information related to the product	
	Updating filter search option in the application	
	Smart Automations to remind customer again	
	One on One Personalization on the homepage website	
Engage	Conducting Competition in Instagram	
	Implement Augmented Reality by Virtual Try-On	

Source: Author Compilations, 2021

#### Step 1: Reach

### a. Product Collaboration with Influencer

Nowadays, consumers are seeking interaction and engagement by using influencer marketing as part of company marketing strategies that possibly to reach and influence customers (Schiniotakis et.al, 2020). This proposed solution is based on questionnaire result which using Deloitte framework "Disrupted Path to Purchase". Influencer chosen by 62 respondents as a person who they get inspire or idea from before conducting shopping according to first phase in Deloitte framework called Imagine. Company should use certain influencer who can have ability and power to influence potential customer to go shopping at Modest Fashion Company.

### b. Promote collaboration product to influencer social media

Beside collaboration with particular brand and designers, company should collab with influencer by introducing exclusive collection of hijab collection, tunic, dress or others category. This product collaboration should also promote by influencer in their own social media for attract another potential customer that looked up to them. Since the company targeted customer is women who aged between 25-40's mentioned Merchandiser Supervisor which aware of Modest Fashion then the influencer that have followers in their social media with those certain criteria should become company partner. And the most important influencer that want to become partner with Modest Fashion Company and have company values image reflected on the influencer.

### Step 2: Act

### 1. Add women model who is not wearing hijab in all products

The company wants to offer products which courteous not only for Muslim women but for all women regardless of their religion. Currently, all model who wearing in-house production and tenant products portraited wearing hijab so to grab potential customer who is not wearing a hijab, the company need to provide also model without wearing a hijab. This consistent with the company goal that wants to focused on Modest Fashion. So, with women model portrayed without wearing the hijab, non-hijab potential customer would aware that Modest Fashion Company also offer a variety of products not just for Muslim women. In one frame, if it is possible to have two models which one wear hijab and the other not but while wearing the same product that would draw potential customer attention.

#### 2. Popup chatbot using sound and bright color on the homepage website

Based on the questionnaire which in the sixth phase of Deloitte's customer journey called Service and Advocacy showed that responsiveness of customer service has various opinions in existing customer perspectives. Also, this service has the highest standard deviation among the other two overall services offered by the company such as free delivery and payment options. Based on that, the company should improve its chatbot for a better customer experience. Currently, Modest Fashion Company customer service information showed at the bottom of their homepage but customers have to find it first then clicking the two options either using

WhatsApp or Live Chat on the official website to start the conversation. Modest Fashion Company used the third-party live chat software called Freshworks. For the first-timer who visits their website, it could confuse them if they have a query related to a certain product and limited time. This can lead to a high bounce rate for the company.

It would better if the company instantly show the chat messages when the potential customer opened the website. The position for chat messages usually in the bottom right for customer aware of it. The feature such as sound and bright color could be added convenience for a potential customer. There are many providers of live chat for Modest Fashion Company to partner with such as qiscus, zendesk, olark, and others. Modest Fashion Company can use two icons for their chatbot while there are two media for customer service offered. With two options, a potential customer can select the most convenient one for them. For the chatbot on the website, the customer can fill in the required personal information before starting the conversation then for the WhatsApp chatbot, the customer will directly be linked to the WhatsApp number registered.

### 3. Personalized looks for their homepage website

In fashion, it is all about the trend regards on what is the current trending of certain brands, what the new look to wear, etc. People will search for features, actual fashion trends when they lack inspiration. Inspiring looks for a customer to get their attention can be as creative resources for a potential customer (Lupec,2014). In Modest Fashion Company, there are no personalized looks for a potential customer or even an existing customer can get inspiration from. Based on the questionnaire results from Disrupted Path to Purchase (Deloitte, 2014) in the first phase called Imagine showed 54 existing customers got inspire by an influencer. So, using this Modest Fashion Company can add the personalized looks feature to their official website such as Today's Pick by Influencer, Featured Products with Influencer, What to Buy Now, This 2020 Trends, etc.

#### 4. Show product review on the homepage website

Online reviews affect customer buying decisions, customer attitude and significantly influence company sales (Cristi, et.al, 2021). Based on questionnaire result in the fourth phase called shopping experience showed the access to review products on their website has the highest standard deviation. This meaning there is a various opinion on existing customer toward on how they access the product review. Currently, Modest Fashion Company product reviews can be seen after customers click on certain products that they interest in. But, most of the products lack product reviews from previous buyers so this can affect potential customer's hesitation to buy the product. So, to avoid this happen then Modest Fashion Company can show some product reviews or testimonials from previous buyers on certain products on the homepage website to gain trust as a trusted shopping platform.

### Step 3: Convert

### a. Applied zoom-in feature on every product image in the website

Because of online, customer sometimes hard to know what the material, fabric, right size for them of the product. Based on questionnaire results in third phase called Evaluate and Select showed quality of the product as became the first main reason on customer conducted shopping and most of them looking for top such as blouse and tunic at Modest Fashion Company. Currently, company showed all their selling product from different angles but it would be better if customer can closely look the material or fabric and pattern of the product itself using zoom-in feature. Company technology system should provide high quality for better image when customer using this feature. It would be useless when the image of the product is not in high quality or clear image (Lupec, 2014).

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### b. Give more detailed fit and feature information related to the product

Based on questionnaire results in the fourth phase of customer journey called shopping experience, most existing customer have various opinion regarding on clear information of the product. Currently, Modest Fashion Company product detail information informs about the product, the materials of product, how to care the product and on their size detail information informs the measurement of the product and the guidance on how to measure customer body. This feature is important because it's one of way to communicate from the product to customer. So, it would better when company also add the information about what the product size worn by the model that make customer can estimate and compare the product to their own size. And more detail information about product such as waterproof, not see through and other that related to product.

### c. Updating filter search option in the application

Based on questionnaire result in the fourth phase of customer journey called Shopping Experience showed the filter search on their application have the highest standard deviation among others. This means existing customer have various opinion toward filter search on whether it can help them to shopping or not at all. Currently, Modest Fashion Company application add filter option to make potential customer ease to search the product based on category, brand, colour and price. But on the filter option did not show various local brand or designer that they offered instead potential customer have to type on what certain brand they looking for. The filter option for colour and price also only shows certain colour and not many various price ranges available. This can made potential customer confuse. In order to converted into sales, the filter option should be optimizing by updating all tenants available on, all colour display on the product and more various range of price as same as in the website.

### d. Smart Automations to remind customer again

According to 2020 Digital Experience Benchmark conducted by Content Square mentioned that in the apparel industry it took three time visit before customer convert. This could potentially lead to abandonment of the product that add to their wish list and their basket. Modest Fashion Company used e-newsletter to promote and update recent news about the company but not specifically using it as to remind customer of what they been missing the last time they visit company website. Using smart automations for triggering them to visit again to the company website and give reminder and idea to purchasing back the item they want (Vonhaz, 2019). The digital touchpoint to remind customer about their cart abandonment by using e-mail or push notification or SMS. It could lead to increase conversion rate and customer retention for company.

#### Step 4: Engage

### a. One on One Personalization on the homepage website

This proposed solution based on interview and secondary data. The individual personalization is important for business who had various of customer segment by using the recency, frequency and monetary value or RFM System (Vrabie, 2018). Modest Fashion Company want to tapped middle-class segment by offering various price. Using customer data of history purchase data, company can divide customers based on their distribution value of recency, frequency and monetary value (RFM). Then, company should decide what category they want to focus on such as the most valuable customer, most frequent to shopping and others. With RFM System, Modest Fashion Company can personalize the conversation with each customer according to the RFM. This type of engagement is going to increase customer confidence which they are served as special and create their willingness to purchase the product in the website.

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## b. Conducting Competition in Instagram

With company social media such as in Instagram which had 1,1 Million followers can potentially to engage with customer for long period of time. This could be opportunity for Modest Fashion Company to utilize the platform in order to engage more with their customer by conduct competition or campaign. The competition must relevant to company such as competing in using any brand available in Modest Fashion Company then must be uploaded to customer Instagram account and using tag #ModestFashionCompanyCompetition2020 or can be based on the fashion trend #HijabPatternExclusive and etc. The winners will get exciting reward in order to attract customer attention joining the competition.

### c. Implement Augmented Reality by Virtual Try-On

According to Statista, the market size worldwide for forecast augmented (AR) and virtual reality (VR) was increased significantly into US\$18,8 Billion in 2020 prior US\$10,5 Billion in 2019 (Statista Report, 2020). With the growing market of both technology, e-commerce as one of industries who adapted to augmented virtual reality. Augmented reality is a technology which enable audience to view expanding of physical world through a screen with layers of computer-generated image and layers of digital information on it (Houston, 2020). Differently with virtual reality which need an object such as VR headset to audience immerse into digital world experience through one or two computer screens (Houston, 2020).

A study about the impact of augmented reality on retail resulted 61% of online shoppers more prefer purchasing from a site that had AR technology (Business Wire, 2016). Company can ensure higher revenue through customer shopping experience by applying augmented reality especially in apparel industry which now transform into online shopping experience (Grover, 2020). In the apparel industry, there are already many international brands and designers who implement augmented reality into their customer experience such as American Apparel with its colour changing app, Converse with virtual try-on and Marks and Spencer with it augmented reality to entertain kids (Strohanova, 2020).

Based on questionnaire results shown Modest Fashion Company customer chosen availability of various categories that made them attract to shopping at the company while related to the application experience customer feel the filter search to find categories of product, brand, colour and price has the highest standard deviation also the information of product regarding the detail information, size and price in the application is same important as the filter search.

Because of that, author propose for Modest Fashion Company to use augmented reality by virtual try-on simulation to their online channel for better customer experience. Using their smartphone camera, customer can experience in reality of wearing the product they want virtually. Company can innovate with this virtual try-on by available for all their product categories (hijab, top and bottom) and ability to mix and match with other product.

#### **CONCLUSION**

Modest Fashion Company problems are decreasing sales since Quartal II of 2020 and the changing of consumer behaviour due Covid-19 pandemic. By reformulate their digital marketing strategy using RACE Framework, the company can reaching new customer segmentation through an influencer and social media, interact with them using attractive landing page to converting it to sales and building long term relationship with both customer segmentation using social media and augmented reality. Not all proposed solution new for Modest Fashion Company such as social media marketing and e-mail marketing. However, not many company within Muslim fashion industry in Indonesia has applied augmented reality in their channel so Modest Fashion Company will became the first e-commerce company who adapt it. In this research, the findings still relied on the improvement of existing digital marketing strategy without adding new digital touchpoint from digital marketing so for any further research object

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can expanded into various SME's, company or e-commerce within Muslim fashion industry in Indonesia.

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