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Asian Management Insights

Centre for Management Practice

7-2024

Entrepreneurial (re)vision

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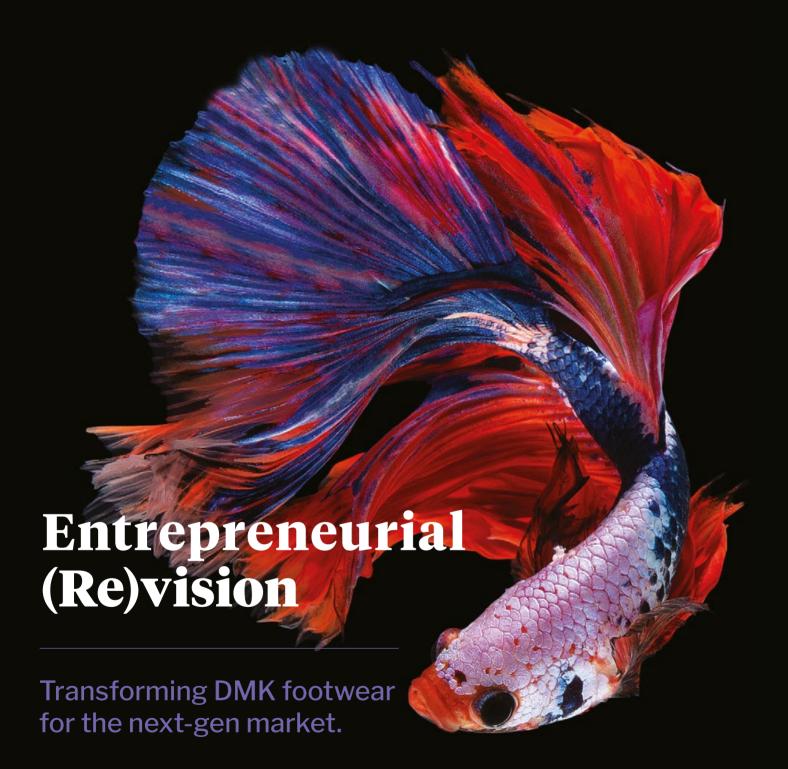
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Citation

LUI, Patricia; ANG, Jovina; and BHATTACHARYA, Lipika. Entrepreneurial (re)vision. (2024). Asian Management Insights (Singapore Management University). 11, (2), 48-53. Available at: https://ink.library.smu.edu.sg/ami/260

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IN POINT





ootwear business DMK,
founded in Singapore by
Wendy Ng and her husband
Peter Goh, was conceptualised
to address an issue that
troubled many Asian women—

wide feet and bunions. Launched in 2000 with a brand promise of "Look Good, Feel Good", the footwear was priced reasonably at an average retail price of no more than \$\$80. Wendy and Peter ran the business with a lean team until their two daughters, Sophia and Eileen, joined the business in 2014 and 2016 to take care of operations and design/branding respectively.

Growth was steady in the first 20 years and it was primarily driven by word of mouth. However, by 2020, the brand seemed to have lost its appeal to the younger generational groups, specifically the millennials and Gen Zs. In September 2020, the sisters embarked on an initial rebranding strategy by repositioning DMK as shoes for every occasion and milestone across a woman's lifetime journey. In 2022, they strengthened the rebranding effort by basing it on five pillars: supporting the female community, diversifying DMK's products, reintroducing DMK Care to enhance the comfort of its shoes, providing a new and immersive retail experience, and strengthening DMK's digital capabilities.

With the Singapore footwear market projected to reach US\$1,270 million by 2025¹ and amid intensifying competition, the Goh sisters faced the challenge of further elevating the brand and future-proofing the business. What else could they do to cope with the ever-changing digital marketing landscape?

HOW DMK CAME ABOUT

It was Wendy who first came up with the idea for a range of comfortable and stylish shoes as she had wide feet and had suffered from bunions since she was 30 years old. It had been a long search to find comfortable and stylish shoes that appealed to her. Coming from an underprivileged background, Wendy had grown up wearing hand-me-downs. Recognising how shoes played a significant part in a woman's perception of her image, she wanted to offer a range that was accessible to all women regardless of their socioeconomic status.

Launching a new footwear brand was challenging. The barriers to entry were high, primarily driven by high inventory and warehousing costs. However, Wendy and Peter had been owners of a footwear Original Design Manufacturer (ODM) since 1983, and thus had considerable industry experience, knowledge, and resources-including strong relationships with footwear manufacturers, and suppliers from Malaysia and China. The focus of the DMK brand was initially on the design of workwear shoes, especially covered pumps, which were comfortable and stylish for women with wide feet. The shoes adhered to three key design pillars: they were produced based on real foot measurements rather than industry standards, they were aligned to the latest fashion trends, and most importantly, they were designed for comfort when worn.

Compared to other similar shoes on the market, DMK shoes were reasonably priced, enabling women to buy and own multiple pairs of value-for-money fashionable and trendy DMK shoes. By 2003, DMK's business broke even, and from 2003 to 2014, it continued to grow steadily. To keep costs low, functions like design, retailing, human resources, and logistics were managed in-house.

RETHINKING THE OFFERING

Sophia, the older sister, joined the family business in 2014, and moved up the ranks to become Chief Operating Officer. Eileen joined in 2016 and was the Chief Creative Officer. Despite their daughters joining the family business, the founders continued to hold the reins of the business. Sales were growing steadily year on year, and they believed it would be better to stick to the winning

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formula rather than try something different or start anything new.

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The two sisters, however, felt that more could be done to revitalise the brand and increase sales. They believed that the brand perception had aged as the customer base comprised mainly Gen X and baby boomers, who were also approaching retirement age.2 It was also evident that DMK was missing out on new market opportunities, especially from the emerging generational groups-the millennials and Gen Z, who typically had deep pockets,3 preferred brands that focused on sustainability and made a positive impact on the community,4 and practised ethical and eco-friendly manufacturing along with fair treatment of their employees.5

The final trigger came with the COVID-19 pandemic in 2020. Confined to their homes during the government-imposed lockdown, customers had no reason or motivation to buy new shoes or bags. Women's footwear sales in Singapore, thus, plunged drastically to S\$453 million in 2020, down 30 percent from 2019.

THE INITIAL REBRANDING STRATEGY

Throughout the rebranding exercise that commenced in September 2020 and continued for a year, the sisters did not want to deviate from the core beliefs or go against the opinions of their parents. They wanted to adhere to the brand's core promise of fit, style, and comfort, and they wanted to continue to provide for women with wide feet and

bunion sufferers. The sisters' idea was to revitalise the DMK brand and extend the product lines to support a woman's journey more holistically beyond work, such as for a fun night out, as well as milestone events such as the first iob interview, a friend's wedding. or even their own wedding. They also wanted to create other shoe categories such as sneakers and casual shoes. In addition, increasing sales and targeting the millennials and Gen Z were two key considerations. One of the first collections that targeted these generational groups, who were known to like versatile and minimalistic designs so that they could easily express their unique selves, was the 'Minimalist Dreams Collection'.

The initial sales of the extended product offering in sneakers, casual wear, and occasion wear shoe categories during the first six months only amounted

to less than 20 percent of total sales. A year after the sisters launched the rebranding strategy, sales for sneakers, casual wear, and occasion wear shoes had doubled.

THE NEW BRANDING STRATEGY

The sisters, particularly Eileen, felt that the brand promise of "Look Good. Feel Good" connected at the level of the "head and heart", but left out the "gut". Connecting at the "head, heart, and gut" was critical because younger generations including the millennials and Gen Z were known to be drawn to brands that aligned with their personality, values, and beliefs. This insight led the sisters to repurpose the brand promise from "Look Good, Feel Good" to "Look Good, Feel Good, and Do Good" in March 2022. In particular, "Do Good" involved making a difference and driving impact in the community. This required DMK to take a harder look at how the brand

DMK's focus on product diversification led to a product mix that comprised 50 percent of workwear and 50 percent of shoes for all occasions.

could feature more prominently in the lives of women, such as supporting domestic violence victims and breast cancer survivors.

Five pillars were developed to support the new branding strategy. These included: supporting the female community, diversifying DMK's products, reintroducing DMK Care, providing a new and immersive retail experience, and strengthening DMK's digital capabilities.

1. Supporting the female community

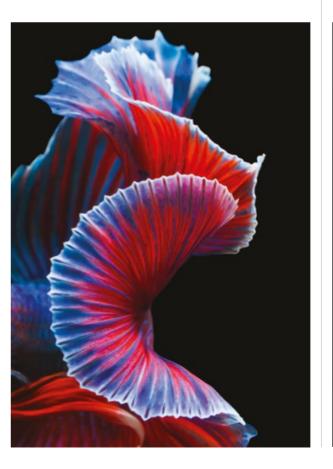
In March 2022, DMK started collaborating with United Women Singapore and SWCO (Singapore Council of Women's Organisations) Star Shelter to raise funds to support marginalised women. Such initiatives strengthened its brand appeal to its target consumers. Together with their partners, they raised thousands of dollars to empower women from different walks of life. A series of content marketing campaigns with SCWO Star Shelter, Breast Cancer Foundation, United Women Singapore, and Daughters of Tomorrow was launched. Since March 2023, DMK established a long-term partnership with Resilience, a social organisation that

shared its commitment to mental health and wellness. Together, they wanted to create a community where people felt heard, valued, and supported.

2. Product diversification

The sisters also tried to promote DMK as a brand of choice for women who closely followed the latest local or global fashion designs, by drawing inspiration from fashion trends within and outside Singapore. As an example, when pastel colours became hip among the millennials and Gen Z, DMK introduced the "Y2K Colour Pop Collection".

A focus on product diversification led to a product mix that comprised 50 percent of workwear and 50 percent of shoes for all occasions. By the end of 2022, DMK had eight categories of shoes-boots, sneakers, flat pumps, flat sandals, heel pumps, heel sandals, wedge sandals, and moccasins. A seasonal approach was used to curate footwear collections, alongside the expanding range of handbags that ranged from workwear handbags to fashion handbags. In line with the new 'Do Good' rebranding strategy which also





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focused on sustainability, DMK reduced the number of styles launched each week by up to 30 percent to between six and 12 new styles to curate a more focused collection, and placed more emphasis on the intricate details of each product.

3. Reintroducing DMK Care

Even though DMK had been providing shoe accessories and complimentary services to help customers maximise the comfort of their shoes through DMK Care, not much had been done before 2020 to promote this service. DMK Care was thus reintroduced when it was found that there was a need for customer education, especially to show how customers can maximise the comfort of their shoes. The range of products in DMK Care was expanded. DMK's Fit Stylists were also upskilled to provide advice and show customers how to select the best-fitted shoes and recommend the appropriate accessories for enhancing comfort. The "DMK Fit Guide" was constantly updated with new ideas and suggestions for its customers.

4. Renovating major retail stores

The DMK retail outlets were renovated so that customers could experience a space that was in perfect harmony with history, culture, and sustainability. The stores were meant to exude a sense of modernity and warmth so that customers would be inspired to visit them to explore and try on new styles of shoes. Additionally, the stores were designed to evoke surrealism and realism so that the DMK brand would arouse an emotional connection that would speak to both the subconscious and conscious minds of customers. After renovating the flagship store at NEX Shopping Mall, a major suburban mall in Northeast Singapore, the same retail concept was extended to the rest of the major stores.

The new retail concept was a hit with customers. It was fresh and unique, attracting significantly more footfall compared to other DMK stores. With this initial success, the new retail concept was extended to the remainder of its major stores. To take the brand abroad, franchise arrangements were drawn up. By the end of

2022, there were six franchised outlets in Brunei, Fiji, Myanmar, and Nepal, and a pop-up store at Showfields New York, USA. Overseas customers could also buy DMK shoes through its online store which provided worldwide shipping.

5. Strengthening of DMK's digital capabilities

Two streams of digital capabilities were shortlisted to strengthen the brand-one involved building analytics capabilities, and the other, social media and digital marketing.

For social media and digital marketing, Instagram was used to promote the brand and its products. To drive customer engagement, posts combined information on products like shoes and handbags with lifestyle content for impactful storytelling. The Instagram social media initiative tripled the sales on the DMK website. The social media content also supported women's causes such as creating public awareness of breast cancerin line with Pillar 1 of the new branding strategy.

In January 2021, the DMK social media and digital marketing strategy was further amplified through local Singaporean influencers. Influencers such as Lindsay Voitton who had more than 105,000 followers, as well as Sonia Asyira Arman, Eileen Mak, and Rachel Ng, who had more than 30,000 followers each on Instagram, were engaged to be a part of DMK's rebranding exercise. These influencers and many others with whom DMK partnered helped boost its follower numbers by 250 to 630 per month on Instagram to

reach 18,926 followers by the end of October 2022.7 As 2022 came to a close, DMK had successfully partnered with over 250 influencers. Key fashionistas were constantly identified to endorse the brand, and promote DMK's brand mission of "Look Good, Feel Good, Do Good" on social media. This helped DMK to connect with customers without the use of 'intrusive' advertising or direct placement of products on social media feeds. The DMK creative team also extended its brand presence by venturing into TikTok in August 2021.

The strategy was working. By 2022, DMK had grown to a 50-staff-strong enterprise and amassed more than 2.5 million customers, of which 12 percent were loyal patrons who had purchased products from DMK for more than 10 years. Due to customer demand, DMK had expanded its product offerings to include handbags, and the mix of shoes to handbags was 95 to five percent. By May 2023, there were close to 7,000 followers on DMK's TikTok handle, which had grown by more than 6,900 percent since 2021. Several of its videos had also gone viral with more than half a million views.

MOVING INTO THE FUTURE

While the rebranding strategy was effective in extending DMK's brand appeal to millennials and Gen Z, DMK started facing competition from global rivals. Are the sisters on the right track in managing DMK's brand? What must they do to futureproof the business? How else can they cope with the ever-changing digital marketing landscape? MI



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This article is based on the case study 'DMK: Rebranding a Footwear Brand to Connect with Millennials and Gen Z' published by the Centre for Management Practice at Singapore Management University. For more information, please visit https://cmp.smu.edu.sg/case/5816 or scan the QR code below.



For a list of endnotes to this article, please visit https://tinyurl.com/5suahf42 or scan the QR code below.

