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Alexi Aukia

# COMBINING E-COMMERCE AND RETAIL: SHOWROOM



**TURUN AMMATTIKORKEAKOULU**  
TURKU UNIVERSITY OF APPLIED SCIENCES

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Instructor: Emmanuel Querrec

Aleksi Aukia

## COMBINING E-COMMERCE AND RETAIL: SHOWROOM

A large problem has come up to domestic suppliers when e-commerce has taken a large part of the market share. This problem has especially touched the musical instrument industry. A large number of people nowadays go to the retail store, try the desired instrument, and then order it online. Therefore, the customer is using a retail store as a showroom but still the domestic company never gets any sales from this encounter. Moreover, by actually turning the retail store into a showroom cuts cost by getting rid of the active storage space and therefore being able to cut prices that are a most valued factor. This research answers to questions that is a showroom a solution to combining e-commerce and retail, and are customers willing to adapt to this business model. This research shows that especially in Helsinki, where business space rental prices are the highest in Finland, it would be profitable to use a showroom model instead of big retail store that is located in the prime area.

### KEYWORDS:

Showroom, retail, music industry, e-commerce,

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## COMBINING E-COMMERCE AND RETAIL: SHOWROOM

Suomalaiset tavarantoimittajat ovat kohdanneet suuren ongelman, internetkaupan leikatessa suuren osan markkinaosuutta. Kyseinen ongelma on osunut erityisesti musiikkiliikkeisiin. Suuri osa instrumenttien ostajista menevät ensiksi kivijalkaliikkeeseen, jossa he kokeilevat haluttua soitinta. Tämän jälkeen he tilaavat kyseisen tuotteen internetistä halvemmalla. Näin ollen, asiakas käyttää kivijalkamyymälää kuin showroomia kuitenkin niin, että myymälä ei tästä saa yhtään rahaa. Jos kivijalkaliike muutetaan oikeaksi showroomiksi, eli liikkeeksi, jossa ei ole varastoa, saadaan kuluja alennettua niin paljon, että hintojen alennus voidaan siirtää tuotteisiin; hinnan ollessa tärkein tekijä kyselyyn perustuen. Tämä tutkimus vastaa kysymyksiin, onko showroom ratkaisu internetkaupan ja kivijalkaliikkeen yhdistämiselle, ja ovatko asiakkaat valmiita adaptoitumaan tähän liiketoimintamalliin. Tämä tutkimus osoittaa, että erityisesti Helsingissä, jossa liiketilojen vuokrat ovat erittäin korkeat, olisi kannattavaa käyttää showroom – mallia ison kivijalkaliikkeen sijaan, joka on sijoitettu Helsingin ykkösalueelle.

ASIASANAT:

Showroom, kivijalkaliike, internetkauppa, musiikkiteollisuus

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## **LIST OF ABBREVIATIONS (OR) SYMBOLS**

B2B	Business-to-Business
B2C	Business-to-Customer
HR	Human resources
PA	Public address

# 1 INTRODUCTION

## 1.1 Motivation behind this thesis

Motivation behind this thesis is a growing personal concern of music instrument retail industry in domestic markets. In the past 15 years more people have concentrated their purchases into online stores that are non-Finnish companies (Suomen Asiakkuusmarkkinointiliitto,). This is because the products are relatively cheaper online and the delivery times are considered to be short. To Finnish markets, this can mean decreasing sales which thus means decreasing amount of income that could be invested. This could then drive Finnish companies to a cycle where, without radical actions, the companies would eventually could go out of business. So by this background, the main problem seems to be how to fuse online shopping while still maintaining the position in retailing. My hypothesis is that a showroom business model would be a solution to this.

This research got started when I began to do research for a Finnish company F-Musiikki about their options on improving their communications and pricing. Their problem was that people were coming to the store just to try the instruments and then ordering them online. Basically this meant that F-Musiikki was just running a really expensive showroom. After this epiphany I had an idea of an actual showroom. If it is possible for people to buy the wanted products as cheap as ordering them from some other European distributor, wouldn't they buy the product from the place where they can try it? If the customers are willing to wait for delivery the company can set up stores – or showrooms in this case – and because of this they can move their storage units to cheaper locations while also needing less staff to serve clients. While this research is published the showroom will be up and running.

So, what basically started from a concern about Finnish music instrument retail business turned into a research how this solution could help many Finnish business' which have a small storage or a warehouse included in their store.

## 1.2 Research questions

Q 1. How a showroom offers to combine e-commerce and retail?

Q 2. Are customers willing to adapt into this business model?

## 1.3 Research objectives

Objective of this research is to find out if a showroom can be a cheaper way for companies to practice business in an environment where rental prices are considered to be high, and can it be a more effective business model than the traditional way where a warehouse, or a similar storage unit, is integrated in the store. And, to find out if customers are willing to adapt into this new business model where they can try the products and then order them at the showroom. Later on, this model could be used in various companies around Finland if found useful.

## 1.4 Structure of thesis

I shall start with introduction to the given subject. Introduction is followed by an explanation what a showroom is, how it works, and how it combines the positive attributes of both retail and e-commerce. After this I will go over the literature review where I will observe the possible theories that could prove my hypothesis and how these theories could be transformed into practice



Research is conducted using both qualitative and quantitative methods. I chose both methods because the subject of the research needs both statistics and straight observation as well as personal knowledge about the field.

## 2 SHOWROOM

This chapter will go over the general idea of the showroom business model and what a showroom is and what purposes it is most commonly used. I will also go over the problems that a regular retail store is facing when talked about monthly fixed costs and how a showroom could fix these problems.

### 2.1 Concept

Cambridge Dictionaries Online defines showroom as following: "A large shop in which people are encouraged to look at the goods that are on sale before buying them." (Cambridge Dictionaries Online 2015)

What this basically means is that the goods that a company sells are displayed for display only. This is usually done in industries that sell or manufacture products that have a quality that makes it impossible for them to be sold directly from the store or they have a quality that needs a special environment for them to be displayed. These types of products can for example be cars, fashion, furniture, high-end audio equipment, etc.

In this business model where showroom is used to combine e-commerce and retail the showroom is actually an improvement or modification to the supply chain rather than the retail itself. Whilst it might seem like the idea is more of a proposition on another way of doing retail it is rather a way of handling distribution in a way that changes the way of retail.

### 2.2 Supply chain

Arjan J. van Weele defines supply chain as following: "A series of companies (links) in which the consecutive stages of production of an economic product take place, from primary producer to final consumer." (van Weele 2010, 411)

For example, a simplified, commonly used supply chain for a hammer that is sold in a regular hardware store would go as following. At first, a supplier of the raw materials needed to produce the hammer gathers the needed raw metals

and refines it to steel. The steel is then distributed to the manufacturer who molds the steel into a hammer. This hammer is then distributed to the retailer who sells it to the customer.

This can also be seen as outsourcing. Basically, what happens here is that part of the work load is transferred to logistics company that maintains the part where the goods are transferred to the customer. According to research, managers in the USA name cost reductions their primary reason for outsourcing (Moneczka et al. 2005, 22)

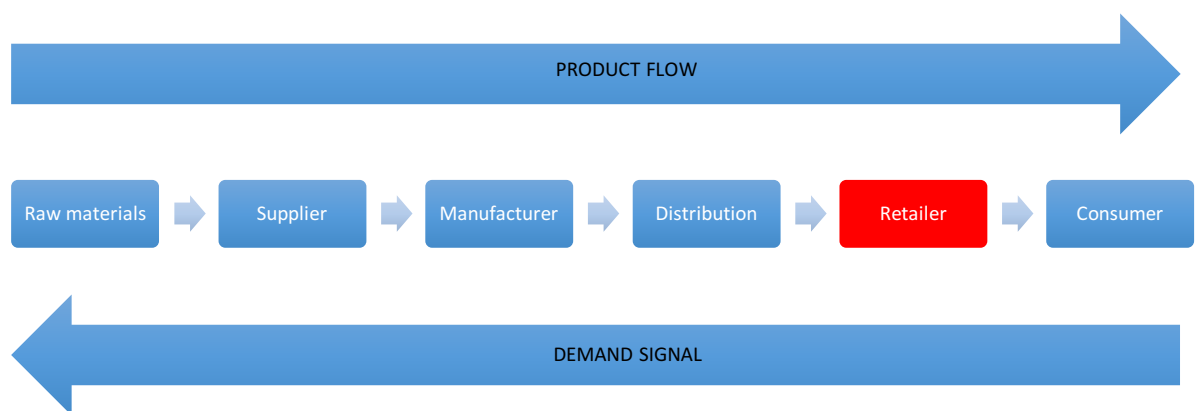


Figure 1. Supply Chain

In a showroom business model, the retailer is “skipped” and instead of storing the goods in a well located retail store the products are shipped straight to customer.

Therefore, the showroom works as a trigger for the demand signal instead as a retailer.

## 2.3 Monthly fixed costs

### 2.3.1 Rental prices in Helsinki

The rental prices of business spaces in Helsinki's prime area have grown 38,6% in 2003-2013. (Helsinki City, 2014)

In KTI Oy's research about business premises markets in Helsinki 2013,

Helsinki's Area 1 represents following streets:

Aleksanterinkatu 9–23 ja 36b–52
Ateneuminkuja
Kaivokatu 2–12
Kalevankatu 1 ja 2
Keskuskatu
Kluuvikatu 5 ja 6–8
Mannerheimintie 1–7 ja 10–20
Mikonkatu 1–13 ja 2–10
Pohjoiseplanadi 31–41
Simonkatu 2–6
Yliopistonkatu 5–7 ja 6–10
Yrjönkatu 29 ja 31

Table 1. Helsinki Area 1 Streets

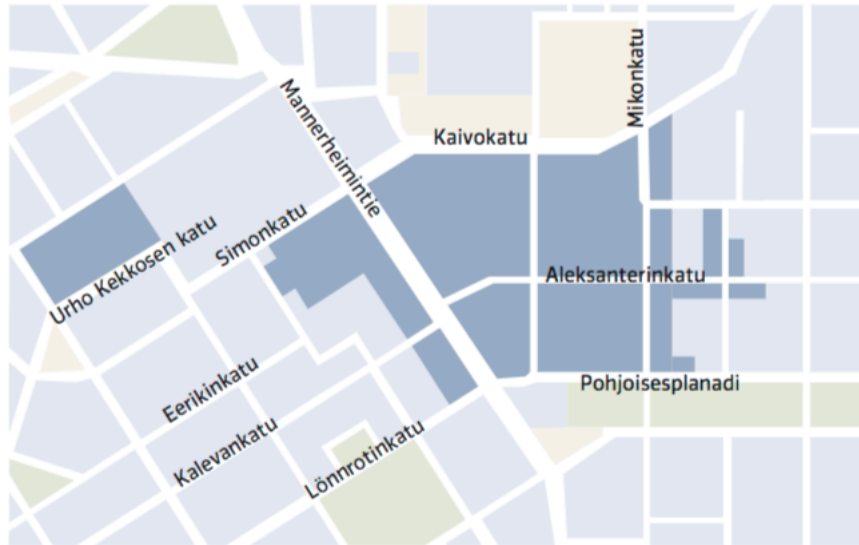


Figure 2. Area 1, Helsinki (KTI OY, 2014)

F-Musiikki Oy is Finland's biggest musical instrument/product importer, wholesale, and retailer. (F-Musiikki, 2015)

F-Musiikki has a store that is located in Kaisaniemenkatu which is not particularly in the area 1 but it is still in one of the most expensive areas there is. Storing musical instruments needs quite a lot of space. This means larger storage space and therefore bigger costs. As we can see from figure 2, the costs in rental prices in this area have grown 38,6% in 2003-2013. Based on these figures, locating the storage unit to a cheaper location would cut monthly rental prices.

F-Musiikki has a store that is located in Kaisaniemenkatu 7 and its business space is 876,5m<sup>2</sup> (Kainulainen 2015)

Based on this information and the latest median rental price (80,0€/m<sup>2</sup>/month) (See Figure 2.) in the area where the store is located, F-Musiikki's monthly rent would be:

$$876,5m^2 * 80€/m^2/month = 70120€$$

and on a yearly level that would make:

$$70120€ * 12 = 841440€.$$

According to Kainulainen, active sales space from the whole business space was somewhere between 700-750m<sup>2</sup> = ~725m<sup>2</sup>. (Kainulainen 2015) If we observe it as a showroom where this storage space would be missing the monthly cost would be

$$725m^2 * 80€/m^2/month = 58000€/month$$

and on a yearly level that would make

$$58000€ * 12 = 696000€.$$

If F-Musiikki Kaisaniemi would be a showroom, the savings in rent on a yearly level would therefore be

$$841440€ - 696000 = 145440€.$$

Usually showrooms are not as big as in the previous calculation because a lot of the sold products are located in the active store space instead of the storage space so if we make an assumption that a showroom would be half of the size of what F-Musiikki Kaisaniemi's active store space is now it would be as following:

$$725m^2 / 2 = 362,5m^2$$

Monthly rent would then be:

$$362,5m^2 * 80€/m^2/month = 29000€/month$$

and on a yearly level:

$$29000€ * 12 = 348000€$$

So if F-Musiikki Kaisaniemi would be the assumed size and when used the latest rate from Figure 2. the yearly savings in rent would be

$$841440€ - 348000€ = 439440€$$

In 10 years the savings would be (with these numbers) almost 5 million euros.

Aika	Ykkösalue	Muu kanta- kaupunki*	Muu Hel- ki (ei Itä- keskus)**
9/02–2/03	57,7	15,8	10,9
3/03–8/03	50,4	16,7	9,5
9/03–2/04	73,6	17,0	13,5
3/04–8/04	64,9	20,2	11,0
9/04–2/05	75,0	17,8	10,5
3/05–8/05	62,5	20,0	10,7
9/05–2/06	65,0	18,2	11,1
3/06–8/06	61,6	24,9	12,0
9/06–2/07	64,7	20,8	12,0
3/07–8/07	40,7	20,6	12,8
9/07–2/08	55,2	23,0	12,6
3/08–8/08	70,0	24,0	13,5
9/08–2/09	71,3	22,8	12,6
3/09–8/09	76,0	21,4	12,0
9/09–2/10	68,8	21,6	12,6
3/10–8/10	85,6	19,6	13,1
9/10–2/11	69,1	24,0	14,2
3/11–8/11	57,3	23,2	16,8
9/11–2/12	76,3	19,5	12,0
3/12–8/12	73,6	26,1	14,2
9/12–2/13	67,5	23,7	13,4
3/13–8/13	80,0	21,0	18,0

Table 2. The median rental price €/m<sup>2</sup>/month (KTI Oy 2014)

### 3 LITERATURE REVIEW

#### 3.1 Using the “four p’s of marketing” in showroom

The Four P’s of Marketing is a basic marketing theory introduced to the marketing community in the 1960’s by E. Jerome McCarthy. It has since kept its place in marketing as a “foundation theory” or a “marketing toolbox”. (Kotler & Keller 2006, 19)

Because this research is a concise introduction about a showroom business model it needs to cover the absolute basics about the hypothesis. Even though the “Four P’s of Marketing” is a marketing theory used in creating a marketing plan or as a tool for companies to follow their marketing objectives, it can be used in defining the fundamentals of the showroom business model. To make this possible, one must observe the consumer’s point of view in the marketing mix. Since the *Four P’s of Marketing* are representing the company’s view in the marketing mix, the *Four C’s*, proposed by Robert F. Lauterborn, represent the consumers point of view. (Grönroos 1994; Kotler & Keller 2006, 19)

The *Four P’s of Marketing* and the correspondent *Four C’s* are:

- Product - Customer solution
- Price - Customer Cost
- Place - Convenience
- Promotion - Communication

##### 3.1.1 Product – Customer solution

The product sold in a showroom can be anything. Even services. Although, for it to be profitable, the sold goods are most likely to be *durable goods* which are a type of products that usually last for multiple uses. (Kotler & Keller 2006, 374) The main idea is to have the product presented in the showroom where it can then be ordered to a preferred location (home, work, the showroom, etc.



Showroom itself can be used, besides being a store, also as a café or something similar. Showroom would be most useful when in need of products that need to be tried before making the purchase. For example, when I had bought low-end musical instruments online, the biggest disadvantage with the tempting low price had always been that you could not try the instrument beforehand. In other words, if you purchase a high-end product you can expect that it is going to be worth the price because of the history of the manufacturer and their well known quality. But, in this case, when purchasing a low-end instrument, you will never know what you are going to get until the product is delivered to you. The product sold in a showroom should therefore be something that needs to be tested before buying it. This would most likely be small instruments like guitars, basses, keyboards, etc.

### 3.1.2 Price – Customer cost

Choosing the pricing method is one of the key points in this business model. Since the main objective here is to combine the best qualities of retail and e-commerce which in this research is considered to be the convenient location, low price, and personal selling. As stated before, the unit costs would be lower in this business model because of the lower rental price of the store which will thus lower the break-even point and therefore lower the markup price.

Lets assume that an instrument, which has a unit cost equal to 100€ when sold in retail, is instead sold in the showroom that has a lower fixed cost (fixed cost – n):

Therefore,

$$\text{Unit cost} = \text{variable cost} + (\text{fixed cost} - n) / \text{unit sales} = 100\text{€} - n$$

Now, the company wants to earn x percent markup on sales:

$$\text{Markup price} = \text{Unit cost} / (1-x) = 100\text{€} - n / (1-x)$$

Therefore, the lower fixed cost can either be transferred into lower price for consumer or bigger profits to the company.

Markup pricing is a simple way of showing the principals in pricing and should only be used if the marked-up price actually follows the expected amount of sold units. (Kotler & Keller 2009, 444)

### 3.2 Promotion - Communication

Nowadays, the rapid growth of people's habits in internet usage has made it possible for one person to communicate with thousands of different people by using social media (Statistics Finland, 2009; Mangold & Faulds 2009).

Social media is a tool that is used to create, modify, share, and discuss contents of internet. (Kietzmann ym. 2011)

Promotion would not lead to additional costs if it is done online using free platforms such as Facebook, Twitter, Instagram, LinkedIn, and other media platforms that have a possibility for creating a group of followers without costs. Of course, these platforms also offer a chance for sponsored ads. (Facebook 2015; )

#### 3.2.1 Social Media's Role in the Promotion Mix

Successful integrated marketing communications strategies work if company's values and mission are transmitted to the marketplace in a way that generally reflects these foundations of the company. Consumers like to connect with other consumers who share similar interest and companies can use this when creating communities that connects these customers. This community can then be used to communicate with the customers. (Mangold & Faulds 2009)

### 3.2.2 Place – Convenience

Although the showroom itself is the place that is used for distribution, the ideal location of a showroom must be defined. If the purpose of this research is to combine e-commerce and retail and therefore the pros of each must be observed. In e-commerce the place is understood to be convenient because the customer basically has the distribution channel where ever he/she goes. In retail this can be a problem because the nearest store can be located far from the consumer's point of view. The population in Helsinki was 629314 people in November 2015. (VRK 2015) Therefore it was the biggest city in Finland. In other words, this means that Helsinki had the largest amount of consumers in Finland. Thus, it might be the most profitable to set a store in Helsinki. Of course, the prices are higher in Helsinki and because of this fact, the storage unit costs more in Helsinki. Especially, if the store is located in the most expensive zone. If a company needs a lot of space for its store, like F-Musiikki, it needs to choose either from convenient location or profitability of the location. Ideally, the store is therefore located in Helsinki while still maintaining lower expenses. A showroom can be located in the more expensive/popular zone because of its smaller size and because the storage unit is located else where, the costs are lower and it therefore combines the convenience of e-commerce and cost efficiency of retail. Therefore, since a showroom is located in the most optimal location, it gives an advantage to big retail stores.

### 3.3 After sales

Important part of doing business is making sure that after the customer has bought the product he/she will stay satisfied. This is called after sales marketing. Maintaining a relationship between the customer and the company requires that the customer is kept satisfied. Because showroom would be a "new" model, it can also be seen as a new product. If we observe it as a product or as the

customer would see it then one must treat it as such. Therefore, the aftersales will become an important factor since showroom must maintain the positive feeling that lasts longer than just while in the showroom. (Leppänen 2007, 98)

Leppänen lists the reasons for after sales marketing as following: “

- **BUYERS REGRET.** Often the customer regrets the purchase afterwards. This is especially common when the product has been more expensive. This type of regret is common in situations where the purchase cannot be undone and the customer has found a better product in his/her opinion
  - **RECURRING PURCHASE.** Naturally, instead of one deal, the seller wants a long lasting relationship with the customer.
  - **PREDICTING THE FUTURE (B2B).** The buyer might transfer to another company and the cooperation can go on.
  - **RECOMMENDATIONS.** A satisfied customer works in favor of the seller by giving recommendations about the product or/and service.
  - **CONSULTANTS ROLE.** A seller needs to work as a creative problem solver in which the customer can always come to if necessary.
  - **TENDENCY TO FORGET.** After sales marketing makes sure that the seller and his/hers represented products or services stay on customer's mind. Details have a tendency to be forgotten fast
- “ (Leppänen 2007, 98)

### 3.4 SWOT analysis

SWOT analysis is targeted to find out the factors that are used when creating strategies. “SWOT” is shortened from the words *strengths*, *weaknesses*, *opportunities*, and *threats*. First two, strengths and weaknesses, are used to identify the factors that are within the company. Opportunities and threats identify the environment. (Dyson 2004, 632)

**Strengths:**

- Lower monthly fixed costs
- Faster reaction to changing trends
- Wider selection of locations

**Weaknesses:**

- Easy to copy
- Changing prices in transportation costs
- Uncertainty in customer's adaptation

**Opportunities:**

- Easily expanded
- Opportunity in getting attention of media
- Easily modified
- No similar retail models (blue waters)

**Threats:**

- Rise of competitors
- Easy to copy
- Customer's not willing to adapt
- Lost of hype

This analysis shows the agility of the model and how that can be one the model's biggest strengths. The weaknesses and threats are that it can be easily copied and there is no actual guarantee that customers would adapt to this and therefore modify their consuming habits towards this model. At this point one of the opportunities and one the strength of this model is that no one in Finland has done this yet in the same which can also be used in promotion as an attraction of media.

## 4 METHODOLOGY

### 4.1 Sampling

Participants for this research were chosen online by sending a link to a survey. The chosen group is a Facebook group that has 1001 members. All of the members are active musicians – both amateur and professional. Sample group contains both genders from all ages around Finland.

### 4.2 Research design

The methodology used in this research has features both, quantitative and qualitative methods. Research was designed to find out if people would be willing to adapt to a business model where they would have to wait for the product for a few days. This was done by using questions that asked about the participant's habits in online shopping and the overall attitude towards a showroom business model. The research aims to be as objective as possible; as the survey link was sent online. The research was sent in Finnish since it was considered to be easier to answer when it is done in target group's native language.

### 4.3 Reliability and usefulness of results

The survey was sent to 1001 people which whom 44 replied to the survey. 95,45% were male and 4,55% were female. 40,91% between ages 16-25, 27,27% between ages 26-35, 18,18% between ages 36-45, and 13,64% between ages 46-55. No one over 56 answered.

91,90% of the participants were living somewhere else than Helsinki, Espoo, Vantaa, or Kauniainen. This has an affect on the usefulness of the results since one cannot now define how or if a geographical location correlates with the answers.

Only 4,55% of the participants were women which has an affect on the usefulness of the results since the results now represent a homogeneous group of genders by being mostly male participants.

All the participants are active musicians who regularly buy new instruments and musical equipment.

The research was aimed to be as objective as possible. Since the survey was sent online the target group is never met personally although some of the members in the sample group know the author by person.

## 5 RESEARCH RESULTS

Most of the people who answered were between ages 16-25 and smallest group was people between ages 46-55.

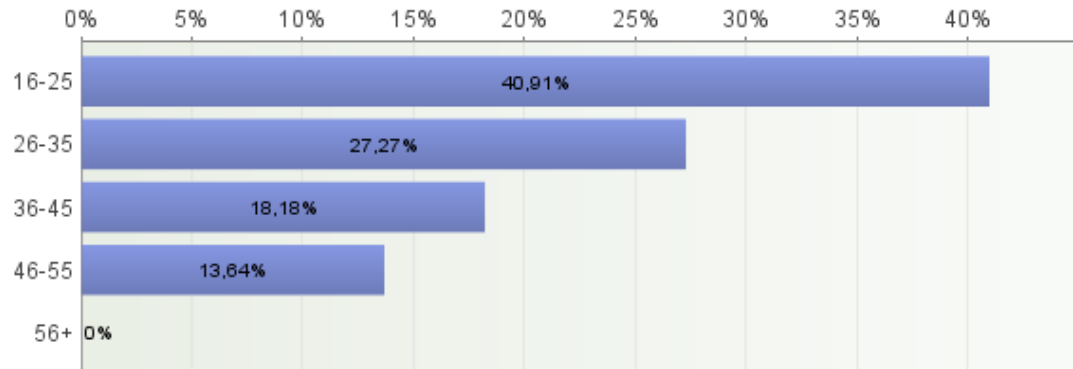


Figure 3. Age distribution

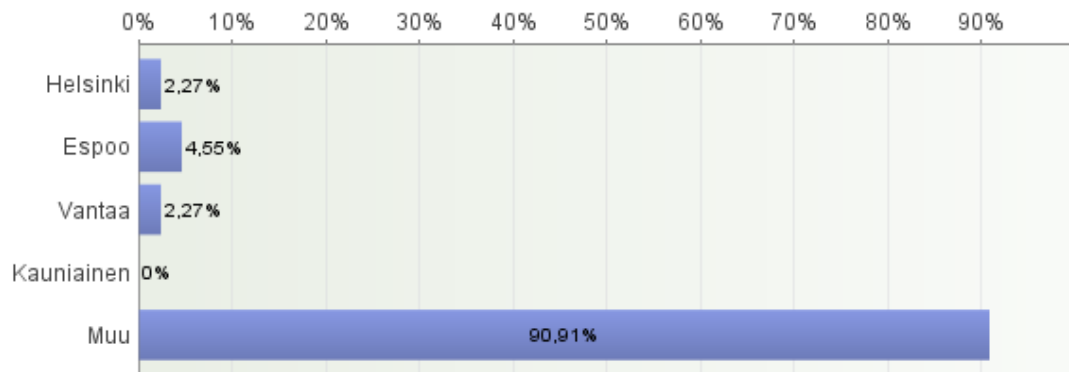


Figure 4. Geographical location

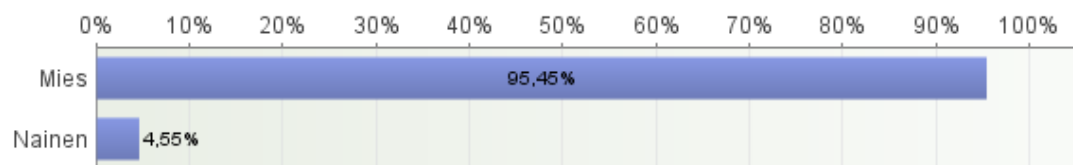


Figure 5. Gender distribution



Education between participants was distributed quite evenly. Still, most of the people had a high school degree with 29,55%

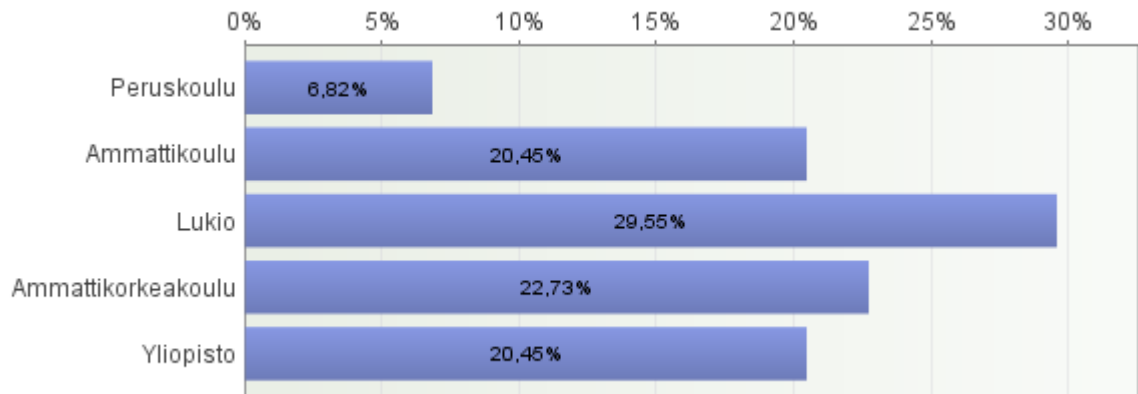


Figure 6. Education

95,45% of the people answered that they have used online shopping so which is almost everyone. This proves the rising popularity of e-commerce and how people are nowadays willing to wait for a product to arrive for a few days for them to buy it. (Figure )

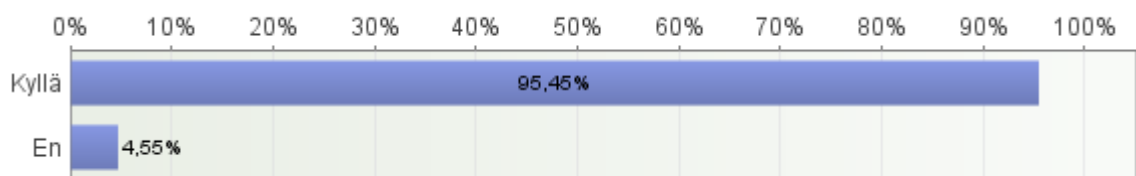


Figure 7. Ever used online store

Most commonly people used e-commerce once or less in a year (47,73%) Second most popular group was monthly users with 40,91%. (Figure ) Most commonly people ordered products that cost 1-100€. Only 6,82% were buying products that were priced between 500-1000€.

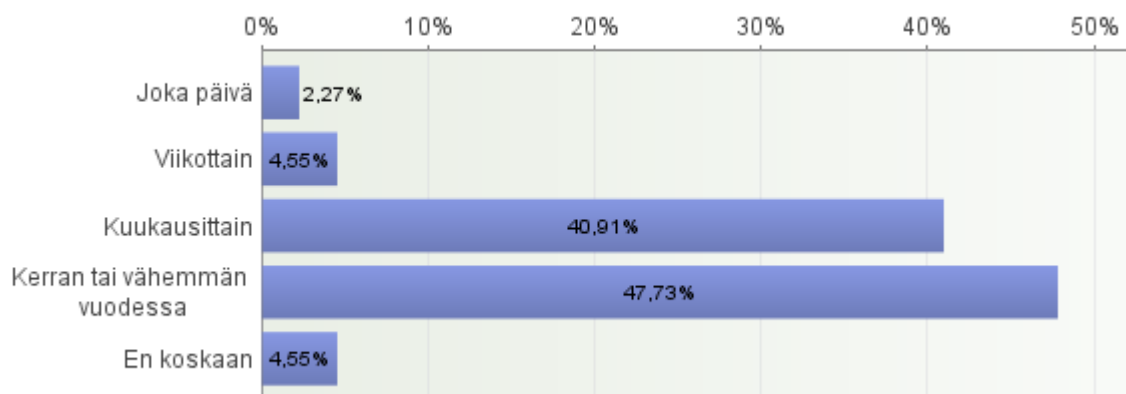


Figure 8. How often people use e-commerce

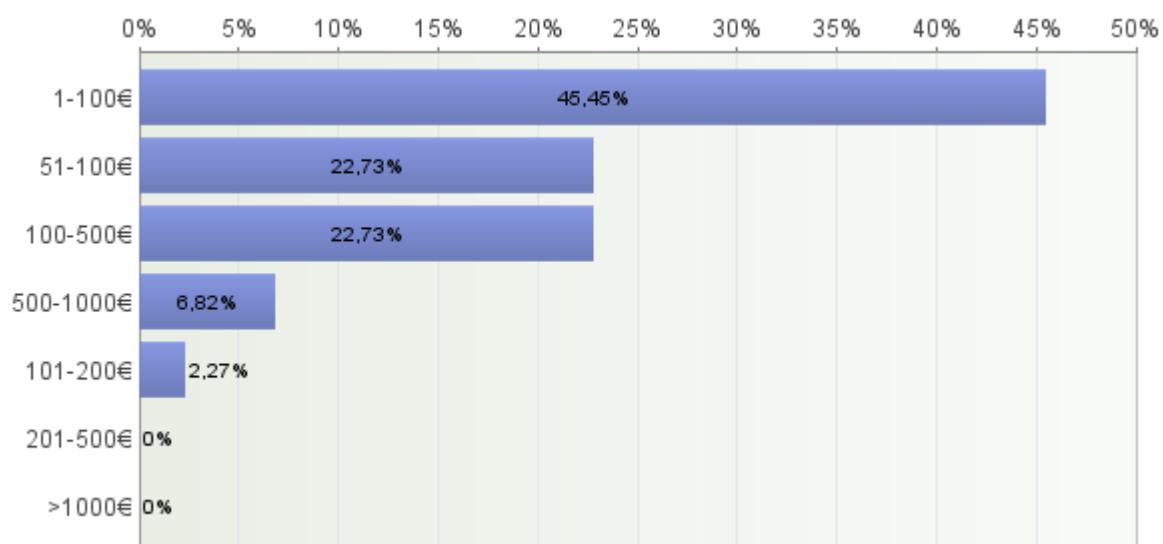


Figure 9. Price of most commonly ordered products

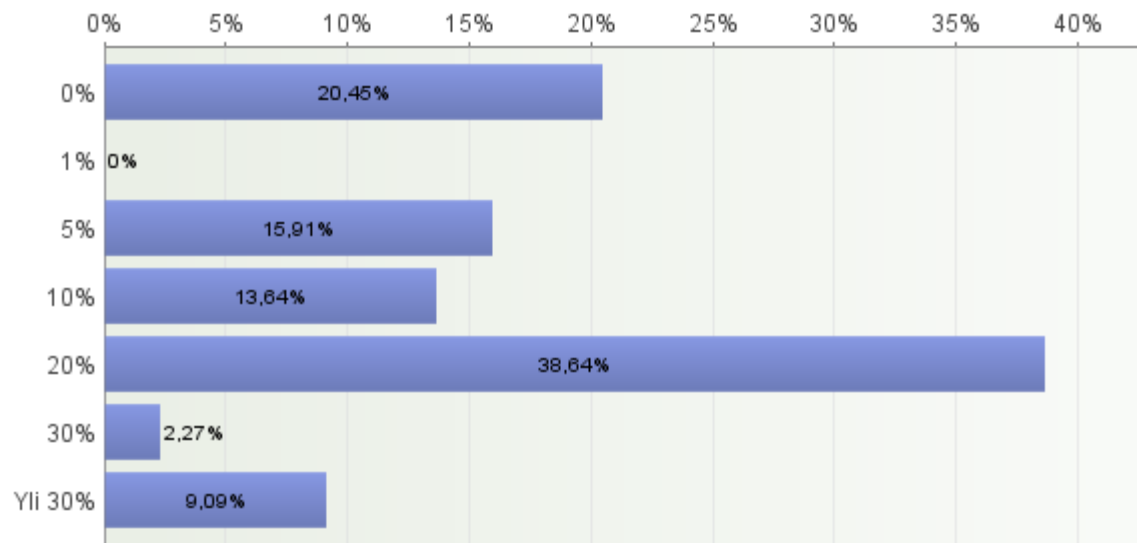


Figure 10. The percentage of how much cheaper pricing should be for being willing to wait the product 1-5 days

75% of the participants thought that they would most likely buy smaller instruments from a showroom. 68,18% would buy equipment like picks, cables, straps, and stands. Interestingly, only 15,91% would buy sheet music from a showroom. 43,18% would buy bigger instruments such as drum sets, pianos, etc. 59,09% would buy studio equipment. Second most popular after smaller instruments was PA-equipment category with a rate of 70,46%. This category includes products like microphones, speakers, mixers, and other equipment that are related to public address. (Figure 11.)

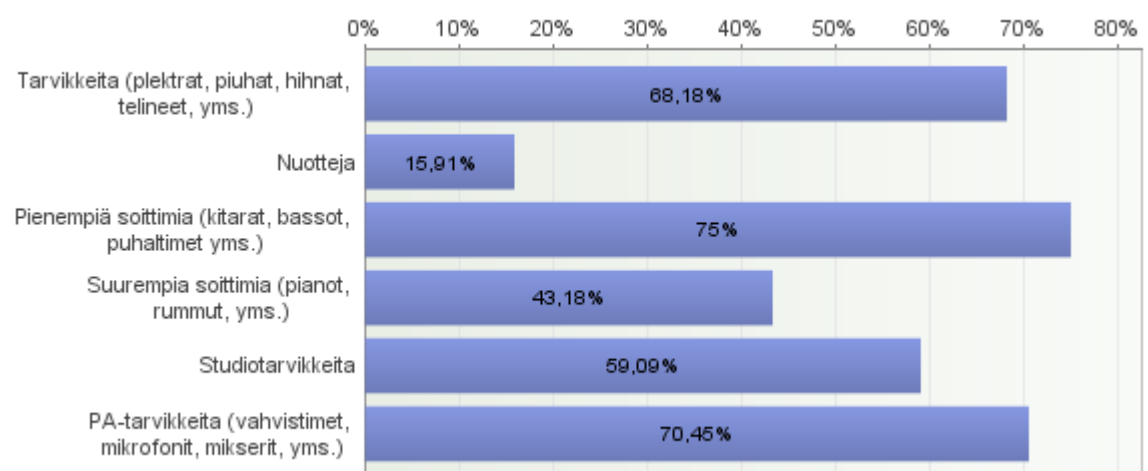


Figure 11. Products that would be bought from a music showroom

What Table 3. shows is that most valued factor was considered to be pricing. Second most valued factor was service and versatility was considered to be the third most valued factor.

	Not at all important	Somewhat important	Important	Quite important	Very important	Answers	Average
Domestic company	22,73%	25%	25%	25%	2,27%	44	2,59
Service	2,27%	9,09%	18,18%	25%	45,45%	44	4,02
Price	2,27%	2,27%	18,18%	29,55%	47,73%	44	4,18
Delivery time	9,09%	31,82%	27,27%	27,27%	4,55%	44	2,86
Location	11,36%	13,64%	45,45%	20,45%	9,09%	44	3,02
Versatility	2,27%	6,82%	22,73%	43,18%	25%	44	3,82

Table 3. Important factors of a store

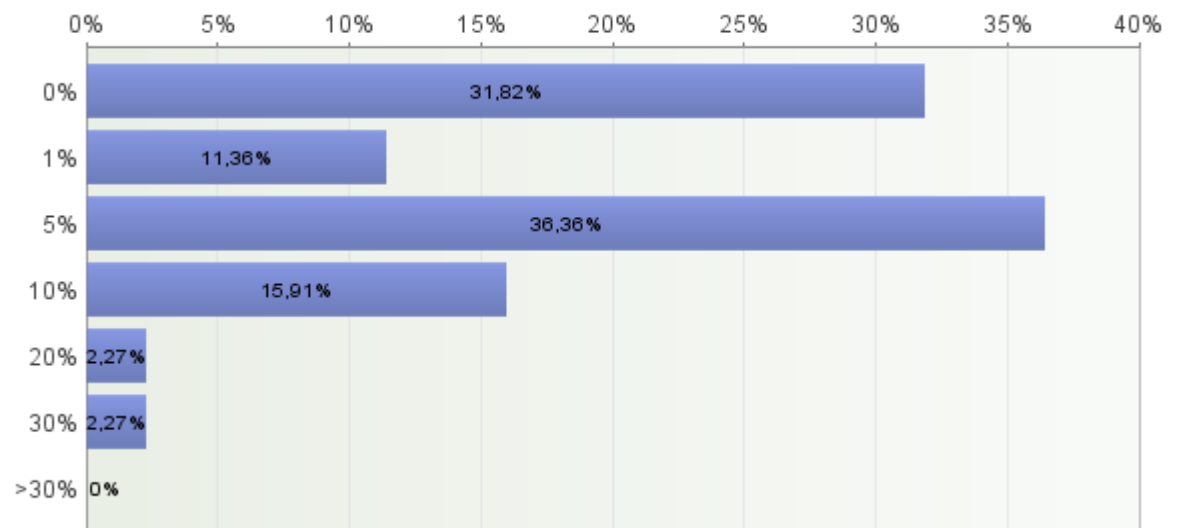


Figure 12. The amount a product could cost more in a showroom for it to still keep the showroom more preferable option over e-commerce

The majority (36,36%) of the participants would be ready to pay 5% more to still consider that option better than e-commerce. Almost the same amount of the participants (31,82%) answered that a product could cost 0% more than if ordered from internet for it to be preferred option. Still, 2,27% of the participants were ready to pay 20% and 30% more for a product in a showroom. This means that a product could be priced just a bit higher than e-commerce for consumers to still prefer showroom over e-commerce. (Figure 13.)

Almost everyone of the participants would go see a show in a showroom. Only one person answered that he would not go and the reason was that he did not know where the showroom was so it can be that even that person would go there if he knew where it was located. (Figure 14.)

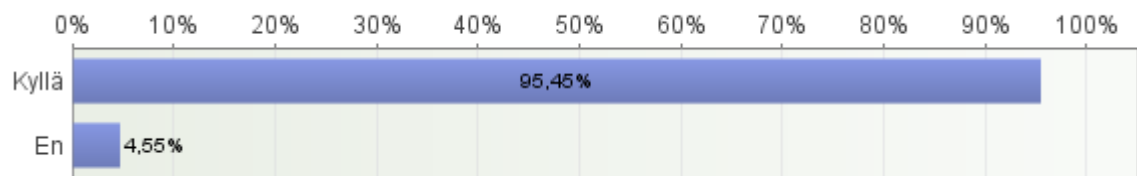


Figure 13. The amount of people who would go see a show in a showroom

Almost everyone considered showroom to be a valuable option when buying musical instruments. This is one of the most important findings in this research since the second question is “are customers willing to adapt to this business mode?” And, this answers to that exact question.

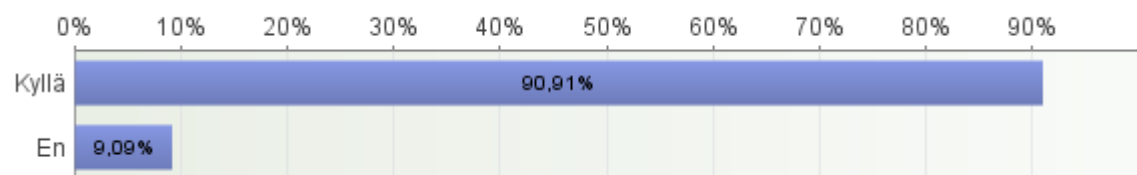


Figure 14. People considering on using a showroom when buying musical instruments/equipment

## 6 CONCLUSION

In this paper has been introduced the basic principles of combining retail and e-commerce. The research about median rental prices and calculations based on that data shows that it is more profitable to have a separate unit for storage if the sales levels can be maintained the same as with the storage space integrated to the store. Although this research is a concise research about the given subject it still shows quite clearly that a showroom is a valuable business model for selling goods such as musical instruments.

Based on the literature view about if a showroom would be able to cover all the basic fundamentals of a store showed that the model could be able to cover that at least on a very basic level. In the literature review the theory showed that most preferred instruments to be bought from a showroom would be small instruments, and one of the important things that a consumers considered important was pricing. This theory was supported by the research conducted about the subject.

A small research was conducted that included 44 active musicians to find out if people are willing to adapt to this type of business model. The research showed that most of the people can see themselves using a showroom so based on this subject group people are willing to adapt to this business model.

Showroom being the solution to the problem of combining e-commerce and retail is still not completely answered because if the storage unit is located elsewhere then there is an increase in the logistic prices. Therefore, if this research should be taken further, a research that would include other variables such as logistics and HR costs would be valuable.

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## RESEARCH QUESTIONS

### 6.1 Phone interview with CEO of F-Musiikki

Question to Janne Kainulainen: How big is F-Musiikki Kaisaniemi's store?

Answer: 876,5m<sup>2</sup> which is has the storage space included. The actual store area is somewhere between 700-750m<sup>2</sup>

[December 1, 2015]

### 6.2 Online survey questions

**1. Ikä \***

16-25  
 26-35  
 36-45  
 46-55  
 56+

**2. Sukupuoli \***

Mies  
 Nainen

**3. Asuinpaikka \***

Helsinki  
 Espoo  
 Vantaa  
 Kauniainen  
 Muu

**4. Koulutus \***

Peruskoulu  
 Ammattikoulu  
 Lukio  
 Ammattikorkeakoulu  
 Yliopisto

Seuraava -->

## Showroom

**5. Oletko käyttänyt nettikauppoja? \***

- Kyllä  
 En

**6. Kuinka usein käytät nettikauppoja? \***

- Joka päivä  
 Viikottain  
 Kuukausittain  
 Kerran tai vähemmän vuodessa  
 En koskaan

**7. Minkä hintaisia tuotteita useimmiten tilaat nettikaupoista? \***

- 1-100€  
 51-100€  
 100-500€  
 500-1000€  
 101-200€  
 201-500€  
 >1000€

[<-- Edellinen](#)[Seuraava -->](#)

## Showroom

**8. Kuinka paljon edullisempi showroomin täytyisi olla, jotta voisit odottaa tuotetta 1-5 päivää? \***

- 0%  
 1%  
 5%  
 10%  
 20%  
 30%  
 Yli 30%

**9. Showroomista ostaisit \***

Voit valita useamman

- Tarvikkeita (plektrat, piuhat, hihnat, telineet, yms.)  
 Nuotteja  
 Pienempiä soittimia (kitarat, bassot, puhaltimet yms.)  
 Suurempia soittimia (pianot, rummut, yms.)  
 Studiotarvikkeita  
 PA-tarvikkeita (vahvistimet, mikrofonit, mikserit, yms.)

**10. Sinulle tärkeitä asioita ostaessasi soittimia/tarvikkeita \***

	Ei lainkaan tärkeää	Hiukan tärkeää	Tärkeää	Melko tärkeää	Todella tärkeää
Kotimainen yritys	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Palvelu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hinta	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Toimitusaika kotiinkuljetuksessa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liikkeen sijainti	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Monipuolisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**11. Kuinka paljon enemmän tuote saisi maksaa showroomissa, jotta käyttäisit sitä nettikaupan sijaan? \***

- 0%  
 1%  
 5%  
 10%  
 20%  
 30%  
 >30%

**12. Kävisitkö showroomissa järjestettävällä keikalla? Jos et niin miksi? \***

- Kyllä  
 En

**13. Uskotko, että käyttäisit showroomia ostaessasi soittimia/tarvikkeita? \***

- Kyllä  
 En

