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Changes and development of product line

Case: P. Rotola-Pukkila Oy's products, furniture trends and competitors

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Thesis abstract

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The purpose of this thesis is to study what kinds of changes and developments have been done in furniture manufacturer P. Rotola-Pukkila Oy's Timantti and Laatupaneeli products and colour options between the years 1970–2016. Another objective is to study the trends on furniture and interior design field, as well as to study how the company's products compete on the market.

Concepts related to company's history, products, collections and colour options as well as the history of furniture field in South-Ostrobothnia area are being introduced and examined on the theoretical part of the thesis. The empirical part of the thesis consists of e-mail questionnaires sent to several furniture retail stores located in different parts of Sweden and Norway.

The results indicate that light and natural wood colour options of the case company are the most popular ones both in Norwegian and Swedish markets. Additionally, Timantti collection is the most successful P. Rotola-Pukkila Oy's brand in both mentioned countries. Thirdly, the trends on furniture field both nowadays and in the near future are for example a combination of a strong base colour with a natural wood colour, and Scandinavian design.

Keywords: furniture, furniture manufacturer, wooden furniture, interior design, Scandinavian design, quantitative research

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Opinnäytetyön tiivistelmä

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Tämän opinnäytetyön tarkoituksena on tutkia minkälaisia muutoksia ja kehityksiä huonekaluvalmistaja P. Rotola-Pukkila Oy:n Timantti ja Laatupaneeli mallistoissa, tuotteissa ja väri vaihtoehtoissa on tapahtunut vuosien 1970–2016 välillä. Lisäksi tarkoituksena on tutkia trendejä huonekalu- ja sisustus alalla ja kuinka yrityksen tuotteet kilpailevat markkinoilla.

Käsitteitä ja tietoa yrityksen historiasta, mallistoista, tuotteista ja väri vaihtoehtoista, sekä huonekalualan historiasta Etelä-Pohjanmaalla, tarkastellaan ja esitellään opinnäytetyön teoreettisessa osuudessa. Opinnäytetyön empiirinen osuus koostuu sähköposti-kyselyistä, jotka lähetettiin useaan huonekalu vähittäiskauppaan eri puolille Ruotsia ja Norjaa.

Tutkimuksen tulokset osoittavat, että P. Rotola-Pukkila Oy:n tuotteista vaaleat ja puun sävyt ovat suosituimpia Ruotsin ja Norjan markkinoilla. Lisäksi Timantti on yrityksen suosituin merkki edellä mainituissa maissa. Kolmanneksi, trendejä huonekalu alalla nykyään ja lähitulevaisuudessa ovat esimerkiksi voimakkaan pohjavärin yhdistäminen luonnonväriin puuhun ja skandinaavinen muotoilu.

Asiasanat: huonekalut, puuhuonekalut, huonekaluvalmistaja, huonekalumuotoilu, skandinaavinen muotoilu, kvantitatiivinen tutkimus

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Figure 2. Most popular colour options..... **Virhe. Kirjanmerkkiä ei ole määritetty.**

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1 INTRODUCTION

1.1 Motivation

The research area for the Bachelor's Thesis is to analyse and explore the case company P. Rotola-Pukkila Oy's most popular brands, colour options and products as well as what kinds of changes have been done in them during the past decades. Additionally, another aim is to study what kinds of trends can be seen on furniture markets nowadays and in the near future as well as to get more information about the competitors against the case company. All the information will be gathered with the help of quantitative research, which will be done in an open-ended question method and the respondents are retail store staff members in Norway and Sweden. Old newspaper articles and interviews will further support the information gained from the research.

The case company P. Rotola-Pukkila Oy has been working on wooden furniture for already more than 50 years, so this many decades of experience is motivating to review the market and trends in Norway and Sweden. These markets are the most important export markets for the case company, so the information gathered from the quantitative research is beneficial for the case company when they are planning future actions, business operations and making product developments. That is one of the main motivations.

Furthermore, an underlying motivation for the author is the interest towards Scandinavian markets and trends on furniture field. Additionally, the case company is a family company and the author did a part of her internship in the company, which give an extra meaning for the study and Bachelor's Thesis.

1.2 Research objectives and research questions

The aim of this thesis is to study what kinds of developments and changes have been done in case company P. Rotola-Pukkila Oy's collections, products and colour options. Timantti and Laatupaneeli brands have been chosen to this thesis, because most information and resources were found for these brands. Another objective is to study what kinds of thoughts, opinions and preferences the consumers have on the company's products and interior design in general. This information is has been gathered through retail store staff member questionnaires via- e-mail. Thirdly, the final objective is to gain information about the latest and upcoming trends in furniture design, as well as to examine how the case company's products compete with the competitors. This information is gathered via retail store staff member questionnaires.

The aims and objectives of the Bachelor Thesis were defined in cooperation with the CEO of P. Rotola-Pukkila and the author of the thesis. The aims and objectives were designed in a way that the results will help the company in finding out their strengths and weaknesses, possibilities, customer preferences and future actions in furniture designing process. Additionally, the results of what kinds of changes and developments have been done will show what kinds of decisions have been made, how they have affected the business operations, sells and what kind of direction the company has right now on their furniture designing, as well as what kind of direction should be taken in the future.

1.3 Data collection

The information for thesis was gathered mainly through company's documentation and websites as well as news articles, retail store staff member questionnaires, and employee and management team observations, in order to get versatile, sufficient and reliable information for the research.

1.4 Structure of the thesis

The bachelor thesis has been structured in a way that the company, its history, products and employees and general information have been introduced firstly, in order to give a good foundation for the thesis and background information for the reader. Additionally, the history of furniture production in South-Ostrobothnia has been stated shortly, in order to give some background information for the reader, as well as to give a stable foundation for the thesis research.

Following is deep, detailed information about the company's most important collections, products and colour options, which are the main targets of the thesis. Changes and developments in those collections, products and colour options have also been stated and analysed.

Finally, after all the previously mentioned topics, is the quantitative research section and analysis of the answers and suggestions for future developments.

2 CASE COMPANY INFORMATION

2.1 Introduction

P. Rotola-Pukkila Oy is a Finnish furniture factory, located in South-Ostrobothnia area, in Kauhajoki. The company produces wooden furniture and home interior panels in different colour options and collections. The design of the furniture represents fine, elegant Scandinavian style. There are many different brands, all of which are designed for different tastes and needs and preferences. The company produces their products in two different interior design styles: modern and traditional. All of the collections and brands can be divided into either of these styles. The products are handcrafted, with the help of latest high technology, resulting into high-quality unique furniture.

2.2 History

The company was founded in 1965 by young couple, Kaija and Pentti Rotola-Pukkila. The couple started their business with the help of gift-cards they received as wedding gifts. Kaija and Pentti bought materials and utensils with their gift cards, meaning they did not have any own capital to start the business. Some of the first products were makeup tables with a large mirror. (Palaveri, 4/2002.) From the beginning of those first times and products, the company has expanded their product lines year after year until today's wide variety of collections.

When the company started their business operations during sixties, the company's market place was based on domestic market, in Finland. First export operations took place on seventies, and those export countries were Sweden and Norway. Nowadays P. Rotola-Pukkila Oy has most of its business operations in foreign markets, mostly in Sweden and Norway. Additionally, smaller amounts are being exported also to Russia, Poland and Baltic countries. The situation in domestic markets is not very strong at the moment, due to strong competition and recession in Finland.

2.3 Products

The company has many different brands in several of colour and material options, in order to adapt well to customer needs and preferences. The customer can choose between modern and traditional style. The company has designed many different brands throughout the years, to quickly adapt to changes in interior design trends and to give new fresh solutions to any household or company premises. Right now there are many different brands provided by the company, for instance: Timantti, Regal, ProLine, Laatupaneeli, Hekla, Nordic, Hinrik and Prime. Each collection is produced in many different colour and material options to give broader selection for every customer preference. Additionally, each brand is designed differently, for example with a modern or traditional style, in order to give suitable options for different customer needs and preferences, tells the company CEO Mr. Mikko Rotola-Pukkila. All of the brands represent Scandinavian design.

2.4 Employees

The company started off with a small number of employees, and has expanded since then. At the moment the company has about fifty employees. Most of them are working in the production side, and 4-5 of them in the office side, taking care of the orders, customer service, human resources and marketing. Additionally, the company employs two people from Sweden. They educate the staff members of the furniture retail stores and educate them how to assembly and sell the products of the company, as well as they represent the case company.

3 COLLECTIONS, PRODUCTS AND COLOUR OPTIONS AND CHANGES AND DEVELOPMENTS DONE IN THEM

3.1 Laatupaneeli

Laatupaneeli by Rotola-Pukkila is a new interior design product, launched in 2014. Laatupaneeli products are interior panels, which can be used to decorate different kinds of spaces. The panels are used to decorate walls, roofs, saunas and even terraces. The panels suit to any space, from home bedroom to office premises. Laatupaneeli panels create elegant, individual feeling to any kinds of spaces, according to Laatupaneeli website.

There are two types of interior panels to choose from: Ceiling and wall panels and sauna panels. For spaces where moisture levels vary, for example sauna and terraces, sauna panels are a good option. These panels suit also to other spaces as well, for example to living room or kitchen. Sauna panels are designed to tolerate well varying moisture levels as well as changes in temperatures. Sauna panels include space for expansion occurred by weather and temperature conditions, so these types of panels retain the value and quality for a long time. Ceiling and wall panels are regular panels, which are designed to use in in-house spaces, such as in office premises, living rooms or kitchens for instance.

There are many different kinds of colour options available, as well as different wood types, to create the exact results the customer is looking for. The colour options for wall –and ceiling panels are Oak, Light White Stained Ash, Walnut, White Ash, Rustic Ash, Black Ash, Wenge, Zebrano and Ebony. For sauna panels there are four different colour options available: Black Ash, Brown Ash, Light White Stained Ash and Grey. It is possible to customize the panels already in the factory, if the customer wishes to. The other option is Natural Wood color option, which is a good option if the customer wishes to paint the panels by oneself, according to Laatupaneeli website.

Newspaper Kauhajoki lehti interviewed one of the company owners Mr. Hannu Rotola-Pukkila. In the interview article, by Kauhajoki lehti in 22.3.2016, Mr. Rotola-

Pukkila tells that the company launched Laatu-paneeli brand about two years ago. The company started to sell the products in an online store, but moved shortly in retail stores on autumn 2015. Nowadays one can find Laatu-paneeli products in about 100 retail stores all around Finland. The company CEO Mr. Mikko Rotola-Pukkila states in the newspaper article, that one can install the panels easily at home, with only a few pieces of installation equipment. He also adds that panels are high-quality and durable, making them tolerate well changing air temperatures and moisture levels, as well as hangers. Mr. Hannu Rotola-Pukkila explains why Laatu-paneeli is a good choice for also summer cottages, terraces and saunas: Laatu-paneeli have been designed and produced in a way that they tolerate changing moisture levels and air temperatures. That's why the products are a good, durable and high-quality choice for example for summer cottage walls and ceilings.

The production of Laatu-paneeli started off with a limited selection of colour options. Nowadays there is a wide selection of colour choices for everyone and every style. The newest ones are Zebrano, Wenge and Natural wood. The latest mentioned option was taken in to the selection because the designing team wanted to offer an option for DIY-people and for those who cannot find the shade they are looking for.

Some changes have been done in colour option selection. In sauna –and terrace panel section the Brown Ash colour option has been taken away from the production. According to one of the company owners, Mr. Pauli Rotola-Pukkila, Brown Ash has been taken away from the colour option selection, due to irregular colour outcomes.

The Brown Ash colour is obtained in a special oven. Because of slight temperature changes in the oven, each panel set obtains a slightly different brown colour. This can be a problem if a customer gets panels from two different sets. Now there are some Brown Ash panels left on stock, and they will be sold with -15% discounts, due to slight colour variety, tells Mr. Pauli Rotola-Pukkila on July 2016.

While some colour option removals have been done, the company has also added in new colour options. For wall – and ceiling panels one can now choose a White Oak colour option. This colour was added in to selection on 2016. This colour op-

tion was first introduced by the company on their furniture line in Hinrik collection on 2015. Because the colour option sold well on the furniture line, especially in Norway, so the product development team decided to add in the colour option to also interior panel collection, according to CEO Mr. Mikko Rotola-Pukkila. White Oak is a natural, light and harmonic colour with a hint of rose colour. It is a very trendy colour at the moment in interior design.

3.2 Timantti

Timantti collection was the first brand developed by the company, and the brand-name is still running even nowadays. Timantti represents simple yet elegant Scandinavian design in wooden furniture, and is by far one of the most successful brands of the company. With various of colour options and models, it is easy to adapt the furniture into any kinds of spaces, from office premises to home's living-room.

The brand consists of various of different kinds of wooden furniture, such as shelves, drawers, coffee tables and TV-stands. Each product can be found in many sizes and colour options. It is also possible for the customer to design their own furniture, using the company's own designer mobile application. This way the customer can determine in advance how their furniture will turn out, and how does it fit into their home's spaces and rooms.

The colour options available at the moment for Timantti collection are: Oak, Natural Birch, Walnut, White Laquer, Light White Stained Ash and Black Ash. Black Ash is a quite new colour option, and is a limited edition product. Timantti Black collection was launched in 2013, and is designed with the latest trends on mind. As stated previously, the trends in furniture field change quite rapidly, so being curious and searching actively new possibilities, ways to adapt to trends and development ideas are crucial.

As stated in the beginning, Timantti collection has been around since the very beginning of the company's history. The brand has developed and changed a lot du-

ring those decades. The next chapter will explain this trend in more detailed manner.

Timantti collection has developed and changed a lot throughout the years and decades, with furniture and interior design trends, to adapt better to consumers' needs and preferences. *Asuntouutiset* magazine had an article about Timantti products in their 7/77 issue. According to the article, the colour options were different compared to present situation of the collection. The colour options of Timantti collection on 1977 were stained oak, stained mahogany, teak and pine. The article states that colour option mahogany will become a trendy colour in the near future (in the early eighties).

Not only colour options have changed, but also the furniture itself. For instance, the company added in bay additional parts to Timantti collection on 1987 to give the customer the option to expand and complete their existing Timantti furniture, according to news paper *Kauhajoen kunnallislehti* on their Friday 25th September 1987 issue. These additional bay parts were first presented on *Habitare 1987* exhibition in Finland.

According to *Puutekniikka* magazine in their issue 5-6 on year 1988, the company started off their production with dressing tables, linen cabinets and chests of drawers, but decided to focus on bookshelves on their production on 1973. During that decade, the company also had a narrower selection of material and colour choices. They had Natural Birch, Beech and Stained Oak, according to *Puutekniikka* magazine. Because of changes on furniture trends, Beech have been left out and more colour options have been added in. *Puutekniikka* magazine interviewed the founder Pentti Rotola-Pukkila, who states that specialising is one of the reason behind the company's success. So, focus and specialization in a few products, rather than a large variety of different products, led the company to the position of one of the largest wooden furniture producers in Finland during seventies. Mr. Rotola-Pukkila also states that the aim of the company is to develop their products according to trends and changes over time. This target hasn't changed, and the company still follows the same idea even nowadays.

Even some of the most popular material or colour options haven't always been as popular as they are nowadays. For example, Natural Birch wasn't appreciated on furniture field, tells Mr. Pentti Rotola-Pukkila on magazine *Kauhajoki – Pohjalaista bisnestä parhaimmillaan*, on 1989. However, due to changes on furniture trends and consumer preferences, birch became more and more popular. *Kauhajoki – Pohjalaista bisnestä parhaimmillaan* magazine interviewed the company founder Mr. Pentti Rotola-Pukkila, who states in the interview that the company's production is almost fully based on Natural Birch, on 1989. Even nowadays, Natural birch is a popular colour option, as the quantitative research of this bachelor's thesis indicates. Additionally, not only Natural Birch belongs to the top of the list of the most popular colour options of the case company, but also White Birch, which is designed for consumers who prefer natural and light furniture.

There was a slight drop on birch's popularity in the nineties. Mr. Tuomo Vuoremaa states that birch have been a popular material on wooden furniture field for a long time, but beech is becoming more and more popular. (*Kauhajoen Kunnallislehti*, 1991.) The case company's founder Mr. Pentti Rotola-Pukkila agrees with this trend change. He states in *Osuuspankkilehti*, from September 1991, that birch have been a popular material option for a long time and furniture design trend is moving towards beech material. He also adds that another popular trend on nineties is curved glass doors. That was another trend on furniture field in the nineties. Mr. Mikko Rotola-Pukkila states in *Ilkka* news paper in their 15.2.1992 issue that consumers prefer curvy lines in interior and furniture design. He adds that the curvy lines of the company's products have been done with the same radius. When comparing this trend to present, curvy design is not as trendy anymore.

The former CEO Pentti Rotola-Pukkila states that Timantti collection has developed and changed a lot during the decades. He tells in *Ilta-lehti* new paper in their 10.9.1991 issue that Timantti collection used to have only straight lines, but now when the trends and consumer preferences are changing, also curvy lines have been added in, as well as many additional parts and edges. The basic measurements are the same, in order to give a consumer a chance to add in new Timantti parts to their existing ones. Mr. Rotola-Pukkila tells that their customers have gi-

ven development ideas, for example a suggestion to add in a TV-stand. This idea was put into practice and the company added in TV-stand to their Timantti collection after Habitare furniture exhibition on 1989. (Iltalehti, 10.9.1991.)

As stated before in this thesis, the trends are changing constantly on furniture field. So, birch and other natural and light wood types became trendy again on 1995. (Kauppalehti, 25.1.1995.) This fact naturally affected positively on P. Rotola-Pukkila Oy and other Finnish wooden furniture manufacturers. Additionally, there was a change towards more simple, natural and versatile furniture, instead of big and decorative furniture. The former CEO Mr. Pentti Rotola-Pukkila states in Pohjalainen newspaper on 30.3.1995 that 40 % of the company's production is based on beech and birch, and the rest 60 % is oak and mahogany. These numbers describe well the trends during that decade.

Colour option Cherry had been part of Timantti collection since 1996. (Rakentaja, 1996.) The colour is deep rich red with brownish undertones. Because the colour option is such a strong and unique colour, it has never been on the top on the list of the most selling colour options. However, according to employee Mrs. Oili Koivisto, on June 2009, the sales of colour option Cherry have always peaked during Christmas time, when people tend to look for warm and red tones on their home's Christmas decoration. The colour option Cherry was completely left out from the colour choice list on year 2014, when the management team noticed that the sell amounts were not sufficient enough.

Timantti products had a very different look compared to present sleek, modern and simple look. Traditional and decorative furniture style was trendy in the 70's. This is the reason behind the fact that Timantti collection looked very different a few decades ago. For example, when looking back to old advertises from the 70's, it was common for Timantti collection to have decorative doors and handles, while nowadays the trend is more towards simple, Scandinavian design.

4 FURNITURE FIELD HISTORY IN SOUTH-OSTROBOTHNIA

4.1 Furniture field history in South-Ostrobothnia

The case company P. Rotola-Pukkila Oy was one of the first South-Ostrobothnia furniture manufacturers and export operators. The company moved onto export markets in very early stages, because domestic markets, competitiveness and taxation in Finland haven't been that favorable for entrepreneurs, according to newspaper article Kulutusvero kimmoke työntekoon in Aamulehti on Wednesday 14.3.1979 issue. The news article states that competitiveness is some level of a problem for small –and middle sized companies, due to the power of bigger companies with high level of efficiency. Additionally, quality and capacity questions occur.

As stated earlier, the case company was one of the first South-Ostrobothnian companies to start export operations. P. Rotola-Pukkila began their export operations with Sweden and Norway. About fifth of their production went straight to the export markets on 1979, when the previously mentioned news article was released. Since then, the level of export operations has risen up continuously and in a stable manner until today.

5 RESEARCH

5.1 Research methodology

In this Bachelor Thesis a quantitative research approach has been chosen. Additionally, justification for the previously mentioned method is provided. Data collection and analysis methods are presented in the next chapters.

The author of this bachelor thesis has chosen a questionnaire as a quantitative research method. According to Brace Ian in his publication *Questionnaire design: How to plan, structure and write survey material for effective market research* (2) published in August 2008, a questionnaire can be defined as a standardised interview. This means that the questions will be asked the same way from everybody. It is one of the key aspects to ask the questions in the same way from everybody in research study. Additionally, this helps the researcher to interpret the possible answers. However, in cases, where there are only a small number of people, the questionnaire questions can be in a personalized way. On the other hand, when there are dozens or more respondents, it is suitable to have formatted questions.

According to Brace, a questionnaire can be seen as a medium between a researcher and the subject of the research. So, when the researcher has questions, a questionnaire can be a suitable medium to get answers to the questions. It is also a communication channel between people.

The author has decided to make the questionnaire to be based on open-ended questions. According to *A Brief Guide to the Analysis of Open Ended Survey Questions*, written by Cerritos College Office of Research and Planning, open-ended questionnaires generate answers to closed questions. Additionally, the answers can show up issues or themes not being mentioned in the closed questions. Finally, the researches obtain certain insights about trends and patterns through analysis process, leading into conclusions.

5.2 Case study research

This research has a practical approach in a way that it is related to a current situation in the case company. A case study research aims to present various of different kinds of empirical data sources, and aims to give evidence about what kinds of changes and developments have been done in the case company's collections, products and colour options, what kinds of opinions and preferences the consumers have on the company's products and what kinds of changes will be happening in the future on furniture design field and trends.

Multiple of sources have been used to add validity to the data collected. In this case, evidence is derived from these sources: company's documentation and archives, management team and employee insights, newspaper articles and retail store team questionnaires.

The questionnaire was designed in a way that its results will give accurate information about the current situation in interior design field and trends, as well as what can be expected from the future, as well as how the case company's products compete with competitors' products. Because of the nature of the research, only open-ended questions have been chosen for the questionnaire. The respondents are professional in their field, which makes the level of trustworthy higher. The questionnaire has been designed in two languages, both in English and Swedish. This will make the number of answers bigger, because the respondent can choose a preferred language. The data will be analysed in English, however.

One of the founders of the company P. Rotola-Pukkila Oy, Mrs. Kaija Rotola-Pukkila, has collected various of news paper articles and interviews throughout the years. The earliest ones are from the end on sixties, which is the time when the company was founded. The latest articles and interviews are from 2010's. Thanks to this broad collection of information, one can get a good idea of the development of the products and changes in furniture field and trends.

While old newspaper articles and interviews throughout the decades give valuable information, store staff member questionnaires play as major role. These types of

questionnaires can give an idea of what kind of situation there is right now among consumers and interior design trends, both for present and future.

5.3 Defining sample

Retail store staff members have been chosen as questionnaire sample for the research. The case company's business operations are almost fully based on foreign markets. The most important export countries for the case company are Sweden and Norway. P. Rotola-Pukkila has established partnerships with several of furniture retail stores in Norway and Sweden. The sample groups of the research have been chosen according to retail stores which sell the company's products. The case company's products can be found in following retail stores in Sweden: Mio and Em, as well as in individual small boutiques. In Norway Möbelringen and Skeidar retail stores as well as some smaller individual furniture stores sell P. Rotola-Pukkila Oy's products and collections.

The author and the CEO of the case company defined together the sample group of the questionnaire. The decision was to send the questionnaire via e-mail to all Mio, Em, Skeidar and Möbelringen stores, as well as to small individual furniture stores, all around Sweden and Norway. This will result in higher answer percentage and the results can also indicate differences in interior design trends between countries and different country areas, such as differences between capital city and countryside trends. Small individual furniture boutiques were also taken into sample group, because they tend to have loyal customer group and also non-mainstream furniture products, which can result into versatile questionnaire answers.

5.4 Advantages and disadvantages of the chosen method

The author and the CEO of the case company decided to conduct the questionnaire via e-mail. Contacting the sample group via e-mail is the most suitable way

to conduct the questionnaire, because the sample group is large, with dozens of furniture retail stores all around Sweden and Norway, so it is practical to contact them all online. Other pros for e-mail questionnaire are sensibility, quickness and it is an effortless way to contact a large group of respondents.

Cons for this chosen method are for example a risk that not enough people would answer the questionnaire. Additionally, in this modern society, the amount of e-mails one person receives is huge. Therefore, there is a risk that the questionnaire e-mail will disappear in the flow of received un-opened e-mails. Thirdly, technology is not fully trustable, so the questionnaire e-mail might end up into spam mail, or simply disappear.

According to Brace Ian in his publication called Questionnaire design: How to plan, structure and write survey material for effective market research (2) published in August 2008, there can several of different kinds of problems when conducting this type of research. For example, the answers of the research might be misleading, if the questionnaire is poorly structured, for instance questions placed in the wrong order or there are wrong questions. Thus, it is essential to plan, structure and develop the questionnaire into perfection before publishing.

When taken both pros and cons of the chosen method into account, e-mail questionnaire is the most suitable method for both research's and the case company's needs. Even though there are some disadvantages, the advantages are stronger in this case, so that is why it was decided to conduct an e-mail questionnaire.

5.5 Planning and implementation of the questionnaire

The questionnaire planning process was started on August 2016. The author of the bachelor thesis and the CEO of the case company had a conversation about the plans and future of the company, what they want to know about the competition situation on the market as well as what kinds of trends can be seen in the near future. According to these themes, the questionnaire form was implemented. Minor changes and edits were done throughout the process, and the final version of the questionnaire was done in the beginning of October 2016.

Not only the opinion of the CEO was asked, but also Sweden and Denmark Area Manager Mr. Ulf Grundquist's. He is responsible for educating the retail store personnel as well as represents the case company in Sweden and Denmark. Asking the opinion of both country area managers' opinion is crucial; in order to make sure that all the parties are happy with the quantitative survey form.

The survey was designed in bilingual manner: both in English and Swedish. The reason behind this choice was that the company communicates in Swedish language with their business partners in Sweden and Norway, in order to make the business relationship stronger, when the partners can use their mother tongue in business world. Additionally, it was presumed that there will be a higher amount of responses, when given a possibility to answer the questionnaire in respondent's mother tongue.

5.6 Delivery and collection of the questionnaire

As stated previously, the quantitative research will be in a form of e-mail questionnaire.

The author contacted marketing and export departments of the case company to receive the e-mails of the retail stores in Norway and Sweden. The CEO of the case company checked the questionnaire and approved it. Additionally, the author of the thesis asked the opinion of Sweden and Denmark Area Manager Mr. Ulf Grundquist via e-mail. Mr. Grundquist approved the questionnaire and gave positive feedback. Then the questionnaire was double-checked before sending it on 3.10.2016 via e-mail to the sample group. More than one week of time was given to answer the questionnaire questions. The due date to send the answers to author was 13.10.2016. Because the questionnaire is fairly short and simple, so the chosen time period to answer the questions was stated to be suitable. The questionnaire was collected via e-mail. The respondents were informed to send their answers to the author's personal e-mail, as well as to contact if any questions or comments occur.

6 DATA ANALYSIS

6.1 Data analysis introduction

The process of data analysis started on 14.10.2016. The due date to send the questionnaire answers was 13.10.2016. A sufficient amount of answers were received. 8 of 317 respondents sent their answers. In Sweden was 180 respondents and in Norway there were 137 respondents. The amount of answers was not as high as expected, however, the answers were comprehensive, so this helps in the process of making reliable conclusions.

The first phase of the data analysis process was to read through all the responses. That way it is easier to get an overall idea about the research results and what kinds of responses have been received.

After reading through each response, the second phase was to group the answers, according to countries and land areas, to get an idea if there are any differences between the groups. The author grouped the answers according to countries (Sweden and Norway) as well as northern –and southern parts of these countries. This is also beneficial for the case company, because the results indicate what kinds of differences and trends can be seen between countries and land areas. This way the company can adapt into different customer preferences and trends, according to countries and land areas.

Because the questionnaire is based on open-ended answers, the author read through all the answers, and grouped them according to what kinds of answers were received. According to A Brief Guide to the Analysis of Open Ended Survey Questions, written by Cerritos College Office of Research and Planning, when analysing open-ended answers, one can see certain themes and trends among the responses. Then, one can categorize and separate the data according to groups and topics.

Next, the data was put on tables using Microsoft PowerPoint. Tables and figures are important, because they can show visually for example trends and other variables.

6.2 Data analysis of competitors

Many of the respondents stated their opinion about what kinds of companies and brands compete with the case company. Additionally, they also gave their insights about how the case company's and competitive companies' products differ.

Because the questionnaire is in an open-ended form, every answer is individual. However, similar kinds of answers and certain trends can be seen in the responses in general. These facts help in the process of making certain assumptions.

Many of the respondents stated that Ikea is one of the biggest competitors against the case company. This opinion was expected, because Ikea is a huge operator on furniture field across Nordic countries, like Sweden and Norway. One of the respondents stated that Ikea's competitive advantage is the fact that they have wide variety of furniture products from budget level all the way to more expensive products, which gives the customer the freedom of choice to choose furniture according to their budget and taste. The respondent also stated that Ikea has a wide variety of products, giving a wide variety of options for different kinds of customer needs.

One Norwegian respondent gave some examples of companies which compete against the case company in Norway. The examples given were company Anno with its Sigma series, Kristensen & Kristensen and Canett. The respondent stated that these competitive companies have similar kinds of products to the case company's selection, for example in their colour selection, with stained and grey-toned colours.

A little bit surprisingly, a few respondents thought that there are no competitors against the case company. They stated that there is no exactly the same type of

furniture manufacturers on the market in terms of their design, colours, style and combination possibilities. One of the reasons for this type of opinion could be the fact that a couple of the respondents' operations were based on different type of interior design, for instance in carpets and mattresses, and furniture was a side-operation for them. So, it is presumed that they didn't have the same level of competitor information as the other respondents' whose operations were fully or partly based on furniture.

A table of competitors can be found below. The purpose of this table is to show visually how the answers were divided and what kinds of competitors were mentioned in the questionnaire responses.

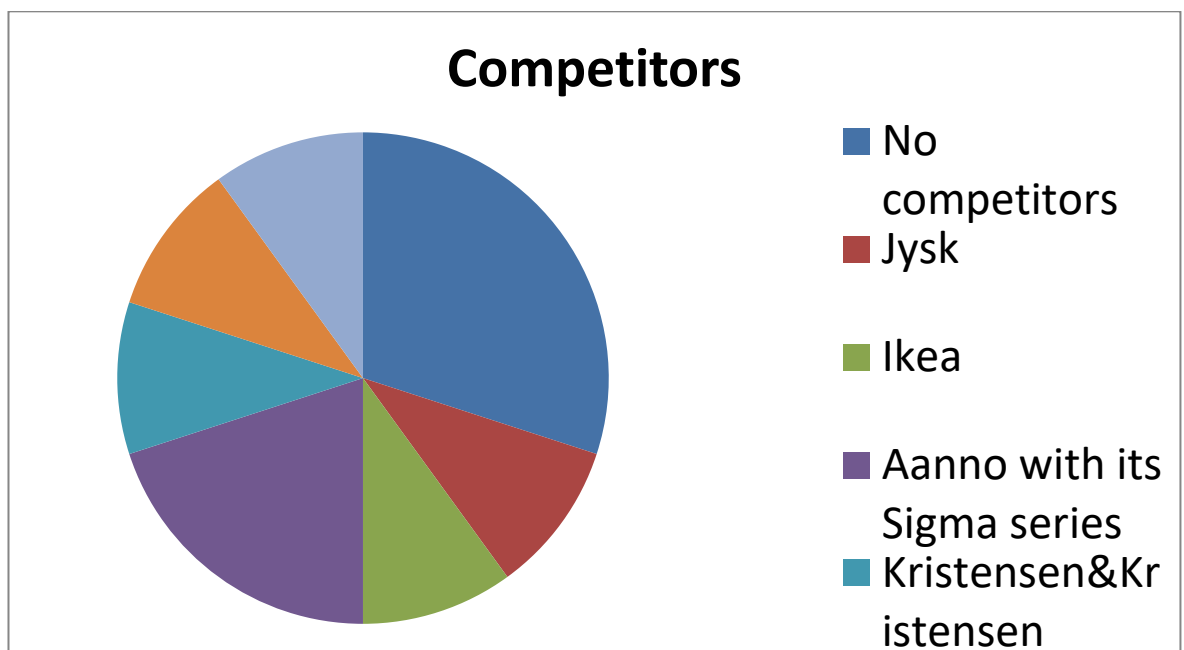


Figure 1. Competitors.

6.3 Data analysis of most popular colour options and products

Two different kinds of trends can be seen among the responses. All of the responses were based on these trends. One is the fact that white and light coloured furniture tends to sell the most and is the most popular choice of colour according to the respondents. There were no differences between countries or land areas.

White and light colours tend to create the illusion of light and space in interior design, thus being an expected colour choice for consumers. Additionally, other furniture and textiles can be combined easily with light and white colour options.

The second trend that can be seen among the responses is the fact that Oak is another popular material choice among the respondents. 50 % of the Norwegian and Swedish respondents stated that Oak is the most popular or one of the most popular colour options in their retail store. One of the respondents stated that Oak is a natural and light colour option, which suits to most homes. Additionally, White Oak colour option has sold well in Norway. One Norwegian respondent stated that this colour option suits to most homes, so that's why it is so popular.

There weren't as many responses about brands as expected in beforehand. However, Timantti and Regal brands were mentioned as one of the most popular brands by the case company in retail stores. The explanation behind this fact is that Timantti is a strong brand, which has been decades in the case company's selection. It is modern style furniture with Scandinavian design, so it suits most Nordic homes. There is a wide selection of colours and materials by Timantti, so there is something for all customer needs and preferences. Additionally, Timantti brand name is well known among these Nordic countries, making it a safe choice for the consumers.

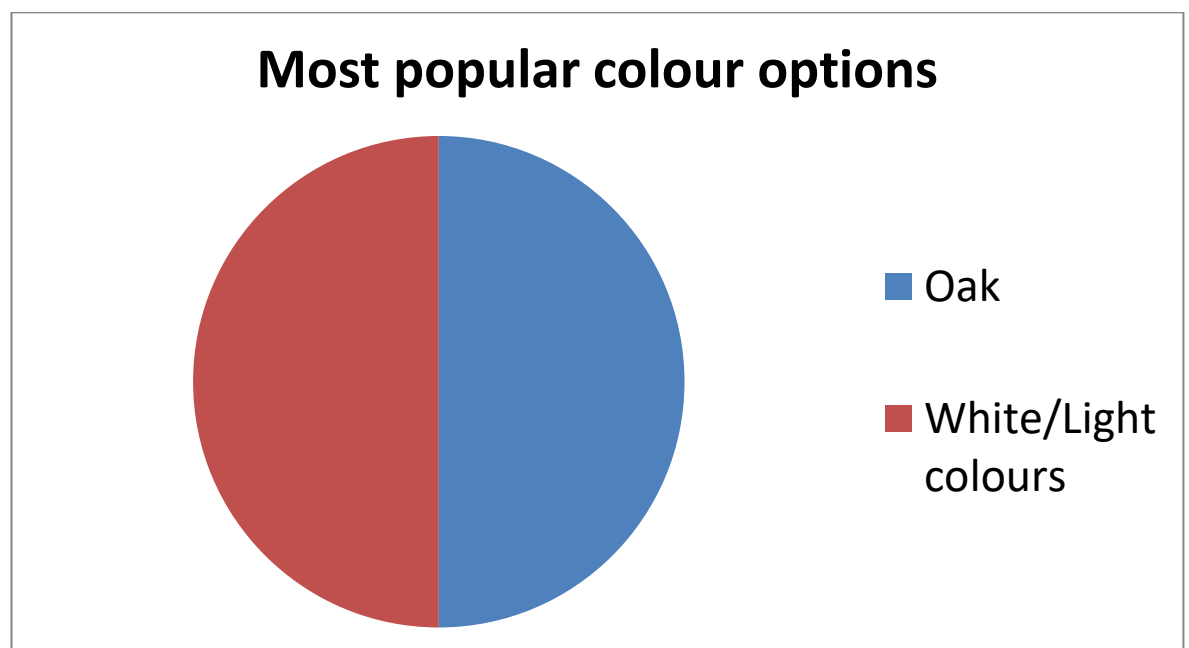


Figure 2. Most popular colour options.

6.4 Data analysis of trends nowadays and in the near future

It is positive fact that all the respondents gave their insights and forecasts about the trends on interior design nowadays and for the near future. They also gave good explanations for their opinions and trend forecasts.

Because the answers had some variety and they were open-ended, no table was made. Also, little to no trend differences between countries or land areas were noticed among the answers.

One of the respondents stated that there is a change from large furniture combinations to smaller ones. Generally said, people are living in smaller and smaller apartments, so small furniture combinations are more practical in that sense.

One of the respondents wrote that it is trendy nowadays to combine a strong base colour with a natural wooden colour. So, the suggestion for the future product and brand design and development would be to add in and design products that suit well to this kind of trend. The case company already has the customization possibility for their products in order to achieve similar kind of result of combining a strong base colour with a wooden colour. An example of this is shelving with Walnut body and doors, combined with White Lacquer top plate.

Many of the respondents thought that light and white colours are trendy at the moment as well as for near future.

Additionally, Scandinavian design style was mentioned to be trendy at the moment in Swedish and Norwegian markets. P. Rotola-Pukkila's all products and brands represent this interior design style, so the company's collections adapt well on this trend.

One respondent thought that grey shades are trendy on furniture field at the moment as well as in the near future. The case company P. Rotola-Pukkila Oy has a wide selection of colours, ranging between both light and dark shades. However, there is no grey as a colour option. The company already has a White Oak colour option. These kinds of muted, versatile and light colours seem to be on top of the trends on furniture markets at the moment, according to the questionnaire responses.

7 SUGGESTIONS

The quantitative research is beneficial for the case company in terms that the gained information and opinions by professionals can be used to determine future actions, product developments and business operations. Certain assumptions can be done, which can help in determining future plans of the case company.

Firstly, as stated previously in data analysis, light, White and Oak are the most popular colours and material options according to retail store staff members, both Norwegian and Swedish. So, the suggestion and recommendation for the case company would be to keep up with their light coloured furniture collections, as well as to develop new light shades. For example new White Oak colour option of the case company has sold well on Norwegian markets. So, following the trends and their changes is important in order to give trendy and up-to-date furniture for the consumers.

The information about competitors is valuable for the case company. By knowing the competitors in the Nordic markets as well as what kinds of products, collections and colour options they have, will help the case company in determining how they can compete against the competitors and what extra can be provided for the consumers. The suggestion and recommendation for the future actions would be to study more the competitors; what they offer to the consumers, how their products and services differ from the case company and what can be done to offer more than the competitors for the consumers. Furthermore, the furniture field is highly competitive in Scandinavian countries, so a detailed and comprehensive study about competitors could be beneficial in order to determine where P. Rotola-Pukkila Oy stands among other furniture manufacturers in Nordic countries. Finally, Ikea was stated often to be as one of the biggest competitors. Ikea has a large selection of furniture with both low and high prices, according to a respondent. So, another recommendation would be to design a selection, which could attract consumers with a tad smaller budget.

The case company can increase its competitive advantage by adding in low-budget furniture, preferred for example by students and young adults. The respondent stated that Ikea has a large variety of selection. This fact is also com-

parative to the case company. They have many different kinds of brands in their selection, including a large scale of colour options. So, the suggestion would be to keep up with large variety of brands, styles and colour options, in order to hold a good competitive value on furniture market. Additionally, the case company's pricing is above Ikea's pricing. The reason behind this is the fact that the case company's products have handcrafted elements, produced in Finland with a real wood veneer. These factors will immediately add an extra cost to furniture. So, another suggestion would be to add in a collection that suits to budget-interiors' needs and wants.

It was stated by a respondent that small furniture combinations are more popular than larger ones. As stated in the data analysis section, there is generally speaking a change towards living in smaller apartments. (Sisustus Talomestari, 1/1995.) So in these terms the change into smaller furniture combinations is natural. So, the recommendation for the case company would be to design products, for instance TV-stands, in a way that there is also a possibility to choose compact sized furniture. The author was working for the case company at Seinäjoki Housing Exhibition on summer 2016, and many stand visitors thought that some of the company's products are too large for their apartments. So, the suggestion would be to take a closer look into designing furniture for smaller apartments.

One of the respondents stated that there is a change from large furniture combinations to smaller ones. Generally said, people are living in smaller and smaller apartments, so small furniture combinations are more practical in that sense.

One of the respondents wrote that it is trendy nowadays to combine a strong base colour with a natural wooden colour. So, the suggestion for the future product and brand design and development would be to add in and design products that suit well to this kind of trend. The case company already has the customization possibility for their products in order to achieve similar kind of result of combining a strong base colour with a wooden colour. An example of this is shelving with Walnut body and doors, combined with White Lacquer top plate.

Many of the respondents thought that light and white colours are trendy at the moment as well as for near future. Developing and marketing the company's wide

selection of light colour options will most likely bring positive results for the company.

Additionally, Scandinavian design style was mentioned to be trendy at the moment in Swedish and Norwegian markets. P. Rotola-Pukkila's all products and brands represent this interior design style, so the company's collections adapt well on this trend.

One respondent thought that grey shades are trendy on furniture field at the moment as well as on the near future. The case company P. Rotola-Pukkila Oy has a wide selection of colours, ranging between both light and dark shades. However, there is no grey as a colour option. So, the recommendation for the future product and colour option development would be to consider the possibility of adding in a grey-toned colour option. The company already has a White Oak colour option, which is a muted, light and white oak with a tint of rose colour. These kinds of muted, versatile and light colours seem to be on top of the trends on furniture markets at the moment, according to the questionnaire responses.

8 CONCLUSION

The quantitative research was implemented and carried out in order to gain more information about the most popular products and colour options, trends as well as competitors on Nordic countries. A good amount of new information was gathered. This information and its analysis can be used efficiently for the future business operations of the case company.

The questionnaire responses will be beneficial in many ways for the case company P. Rotola-Pukkila Oy. For instance, a good amount of information about present furniture trends, as well as for the near future, say about for one to two years ahead, was gathered. This trustable information and opinions by retail store members can be used beneficially in order to improve the colour option and product range. Secondly, the information about the most popular colour and material options and products will help the company to define their strengths in terms of developing and marketing the most popular colours, materials and products. Finally, the information about the competitors in Nordic countries can be used to determine P. Rotola-Pukkila Oy's position on the Scandinavian furniture markets.

The theoretical part of the thesis supports the information of the quantitative research. By making conclusions of past and present situation of colour options, product and brands, the case company can make decisions about future business actions and operations more efficiently.

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APPENDICES

APPENDIX 1. Quantitative research questionnaire form in English.

APPENDIX 2. Quantitative research questionnaire form in Swedish.

APPENDIX 1.

(my contact information was located here)

Questionnaire form

3.10.2016

Dear Mr./Mrs,

My name is Ida Rotola-Pukkila. I study International Business in Seinäjoki University of Applied Sciences. I'm writing my bachelor thesis for the company P. Rotola-Pukkila Oy. The aim of the research is to study what kinds of developments and changes have been done in the company's products, collections and colour options from the year 1970 to 2016. Another objective is to study the trends in interior design.

You can find the questionnaire form below. Please answer these questions and send your answers to me by e-mail **at the latest 13.10.2016**. If any comments or questions occur, please contact me. The contact information can be found on the top of this letter.

Thank you so much for your time and answers.

With Best Regards,

Ida Rotola-Pukkila

Personal information

Name:

Work position:

Education:

Amount of working years in the retail store:

Amount of working years in interior and furniture field:

P. Rotola-Pukkila Oy's products

- *Which collections, products and colour options sell the most? Can you give any reasons?*

- *In your opinion, what kinds companies and/or products are the biggest competitors against our company and its products?*

Trends

- *What kind of trends can be seen in interior design nowadays and in the next year? For example colours, styles etc.*

Other comments and opinions:

Thank you for your time and answers! Please contact me if any comments or questions occur. Please send the filled interview form to me via e-mail.

APPENDIX 2.

(my contact information was located here)

Enkät

3.10.2016

Bästa Fru/Herr,

Jag heter Ida Rotola-Pukkila. Jag studerar internationell affärsekonomi på Seinäjoki yrkeshögskolan. Jag ska bli tradenom i endan av året. Jag även representerar den tredje generation av firman P. Rotola-Pukkila Oy.

Jag gör en forskning för firman. Målet av forskningen är att få mer information av hurdana förändringar och utvecklingar har skett från cirka 1970-talet till idag i firmans produkter och kollektioner. Ett annat mål är att studera trends på inredning branschen och vilka P. Rotola-Pukkila Oys produkter och färgalternativer säljs bäst.

Enkäten hittats i endan av den här brevet. Var så vänlig och fyll på den här enkäten och skicka svar till mig pro e-post **senast 13.10.2016**. Var så vänlig och kontakta mig om du har någonting att fråga eller kommenterar.

Tack för samarbetet!

Med Vänliga Hälsningar,

Ida Rotola-Pukkila

Personliga information

Namn:

Position på arbetsplats:

Utbildning:

Hur många år har du jobbat i butiken?:

Hur många år har du jobbat på inredning branschen?:

P. Rotola-Pukkila Oys produkter

- *Vilka produkter, kollektioner och färg alternativet säljer det mest? Varför?
(Personligt åsikt)*
- *Vilka produkter och företag konkurrerar med P. Rotola-Pukkila och deras produkter?*

Inredning trends

– Hurdana trends kan man se på inredning design nuförtiden och nästa år? Till exempel färger, stil osv.

Andra kommentarer:

