

Launching a Clothing Brand Successfully



Bachelor's thesis

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Tämän opinnäytetyön tarkoituksena oli auttaa aloittavaa vaatebrändiä sen perustamisessa. Opinnäytetyön ideana oli luoda tutkimus auttamaan yritystä löytämään parhaat markkinointikanavat, jotta se onnistuisi saamaan mahdollisimman paljon näkyvyyttä heti alussa. Tämä auttaisi yritystä kasvattamaan omaa asiakaskuntaa ja lisäisi myyntiä. Tämä aihe valittiin kirjoittajan omasta kiinnostuksesta yrittäjyyttä kohtaan ja auttamaan häntä perustamaan oman vaatebrändin tulevaisuudessa.

Opinnäytetyön teoriaosuus on suunniteltu keräämään toissijaista dataa tutkimuksessa käytettäväksi. Teoriaosuus alkaa yrittäjyyttä käsittelevillä luvuilla sisältäen tietoa aiheista: kuka on yrittäjä, yrittäjän ominaisuudet, yrittäjyyden monet muodot, liikeidea ja sen arvioiminen. Näitä kappaleita seuraavat markkinointia käsittelevät luvut. Nämä luvut sisältävät tietoa tavallisesta markkinoinnista, digitaalisesta markkinoinnista, sosiaalisen median markkinoinnista, vaikuttajamarkkinoinnista ja markkinointisuunnitelmasta sisältäen SWOT-analyysin ja markkinointimixin. Kirjoittaja loi kvantitatiivisen tutkimuksen online-kyselyn muodossa. Tavoitteena oli kerätä dataa ihmisten online-käytöksestä, sekä influenssereiden vaikutuksesta ihmisten ostokäyttäytymiseen. Tutkimus keräsi myös dataa siitä, kuinka paljon ihmiset käyttävät nettikauppoja verrattuna kivijalkaliikkeisiin.

Ensisijainen ja toissijainen data osoittivat, että ihmiset kuluttavat yhä enemmän päivästäan internetissä, joka vaikuttaa siihen, kuinka yrityksen kannattaisi luoda markkinointisuunnitelmansa tulevaisuudessa. Tutkimus onnistui keräämään dataa siitä, mitkä sosiaalisen median alustat ovat kaikista suosituimpia ja minkä tyylistä sisältöä ihmiset kuluttavat eniten. Tutkimus myös osoitti, kuinka influensserit vaikuttavat ihmisten ostokäyttäytymiseen, sekä kuinka tärkeää yrityksen on sisällyttää vaikuttajamarkkinointi omaan markkinointi suunnitelmaan tulevaisuudessa. Data osoitti myös, että yrityksen kannattaisi ainoastaan perustaa nettikauppa, koska sen ei ole alkuun kannattavaa perustaa omaa kivijalkaliikettä. Perustuen tutkimuksen keräämään dataan ja kirjoittajan antamiin suosituksiin opinnäytetyö onnistui keräämään arvokasta tietoa, jota kirjoittaja pystyy käyttämään perustaakseen oman vaatebrändin menestyksekkäästi tulevaisuudessa.

Avainsanat yrittäjyys, markkinointi, digitaalinen markkinointi, sosiaalisen median markkinointi, vaikuttajamarkkinointi

Sivut 41 sivua ja liitteitä 2 sivua

The purpose of this thesis was to help a start-up clothing brand to launch itself efficiently in the future. The goal of this thesis was to create research to find the best marketing methods for the company to create the most amount of recognition from the beginning. This allows the company to gather new customers and start creating sales. This topic was chosen because of the author's growing interest towards entrepreneurship and to help him to launch his own clothing brand in the future.

The theoretical framework was designed to collect secondary data to be used in the research, and it begins with chapters about entrepreneurship. The entrepreneurship chapter includes information about who is an entrepreneur, entrepreneurial characteristics, the various forms of entrepreneurship, and a business idea and how it should be evaluated. These chapters are followed by marketing chapters, where the author has gathered information about traditional marketing, digital marketing, social media marketing, influencer marketing, and a marketing plan including SWOT-analysis and marketing mix. The author created quantitative research that was established in a form of an online survey. The goal was to gather data about people's online behavior, and to see how social media and influencers affect their purchasing behavior. The research also collected data about how much people are using online stores compared to ordinary stores.

The primary- and secondary data showed that people are using more of their daily time online, which effects the way the company needs to create its marketing plan in the future. The author was able to collect valuable data about what the most popular social media platforms are, and what type of content people are consuming the most. The data also showed how influencers are having an effect on people's purchasing behavior, and how important it is to include influencer marketing as part of the company's future marketing plan. The data also showed that there is no need for the company to set up an ordinary store, and it should run its business through an online store. Based on the collected data and the recommendations given by the author, the thesis was able to collect valuable information the company can use to launch itself successfully in the future.

Keywords entrepreneurship, marketing, digital Marketing, social media marketing, influencer marketing

Pages 41 pages and appendices 2 pages

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1 Introduction

1.1 The topic of this thesis

The author of this thesis has chosen as the topic “Launching a small clothing brand successfully”. The reasons behind why this topic was chosen are the author’s long lasting interest towards fashion and design, and a new growing interest about entrepreneurship. Instead of choosing a commissioning company and establishing a case study for them, the author has decided to take more of an entrepreneurial approach and has decided to create a study that can be helpful for himself later in life. This thesis is going to showcase the main points of what being an entrepreneur are, and what are the key elements in the marketing field that are necessary to take into consideration to be able to start a clothing business successfully.

The importance of having a clear and structured strategy and a plan a business can follow when making decisions about the future is nowadays crucial. The constantly changing and developing field of marketing creates the requirement of having a well-constructed marketing plan as a business. The constantly demanding customers who are more aware of their needs and wants builds up pressure for entrepreneurs to establish their businesses in a way that makes it unique and stand out from the competition. These are the main reasons why the topic of this thesis is highly valuable for the author to study.

Taking into consideration that the clothing company is now being founded and it has not been running before, the main focus of this thesis is to create a marketing plan that focuses on the basic elements of marketing, and mostly on digital marketing. Digital marketing will be important for this business to reach potential customers because the world is more digitalized every year and people are spending a large portion of their time daily in social media.

1.2 The objective, research question and purpose of the thesis

The main objective of this thesis is to establish a well-functioning marketing plan for the upcoming clothing brand the author of this thesis is planning to start up. Conducting research about this topic helps the author of this thesis start his journey towards entrepreneurship and starting his own business.

The purpose of this thesis is to give an image about what it is like, and how it is like to be or become an entrepreneur, and what are some of the main focus points to examine to be able to create a new business with a well-structured marketing plan for the beginning.

The purpose of this thesis is to give an image of what entrepreneurship is like, what marketing is, and what are the elements that marketing plan consists of.

The field of fashion and marketing is highly competitive and constantly changing because of the new trends the industry creates. Therefore, it is important for the company to figure out its target customer group's buying behavior, desires, and their online behavior in social media channels. Considering all the elements discussed above, the research questions were established. (Hermawan et al., 2016, p, 47-49)

The main research question of this thesis is:

What are the marketing funnels a start-up clothing brand should focus on to create the most amount of recognition?

The secondary research question is:

Is it necessary to open a traditional store?

1.3 The structure of the thesis

The author of this thesis has decided the structure of this thesis to be as follows. The first chapter is called "introduction". It includes information about the topic itself, the objectives and purpose, and the research questions of this thesis. The chapter also includes information about the the case company of this thesis, and why it was chosen. The second chapter is the theoretical framework, and it discusses the theoretical aspects of this thesis. The third

chapter describes the research methods used to conduct the study, including information about different forms of data. The fourth chapter is the results, including the survey, the collected data, and the limitations and validity of the survey. The fifth chapter is called recommendations, and it includes the author's thoughts and recommendations about the findings of this thesis, and how it should be implemented. The last chapter is called conclusion, and it is a brief summary of the total findings of the research, and it is the ending of the thesis.

1.4 The case company

The thesis does not have any existing commissioning company, and the reason is as follows. The author of this thesis was given an opportunity to write a thesis without having a commissioning company, and the author decided to use this opportunity to write the thesis about a company the author himself has been planning to establish one day. The author has a dream to become an entrepreneur in some point of his life and thought that this thesis is a great opportunity to research the world of entrepreneurship in Finland and in general. The author has been into fashion for years now, and in his free time he enjoys studying the latest trends currently in the fashion industry. The author has already created samples of the clothing the company could produce and has not stop visioning new products. This thesis is the first step the author takes to research what it takes to set up the company in business wise.

The company's plan is to create affordable, simple, and trendy clothing for both men and women to be used in everyday life. The thesis is not going through what the company's clothing line will include, because any final products ideas are not being manufactured yet. The author has decided to focus mostly on the company's marketing side, to create a functioning marketing plan for the company to use when it decides to enter the markets of Finnish fashion industry. The company yet to be established, it does not have any employees, cash, or earlier records of sales. In the beginning, the plan is that the company is going to be run only by the owner himself, and by hiring an accounting firm to help with the company's taxation side. Because the company is not being registered for now, the name of the company is not being publicly presented in this thesis, and the author will discuss it as "company X" during the thesis.

2 Theoretical Framework

The entrepreneurship chapter is added to the thesis, because author thought it will be beneficial for himself to study about, and it will also give a good starting point for the reader to start reading the thesis. The entrepreneurship has been a growing object of interest for the author and this chapter will discuss briefly what entrepreneurship includes itself.

2.1 Who is an entrepreneur?

It is not easy to describe what or who an entrepreneur is. An entrepreneur cannot be described with only one simple definition. It has lot of different definitions and it varies depending on which point of view you are looking at it. In the becoming an entrepreneur guide, Statistics Finland has given an definition to an entrepreneur looking it from the economical side. Statistics Finland (n.d.) defines an entrepreneur: “as a person who engages in economic activity on their own account and at their own risk.” An entrepreneur is not always working on their own as a self-employed person, and he/she can be an employer who has multiple employees working for him/her. A person can be also defined as an entrepreneur if them alone or with their family has an ownership of at least fifty percent of a limited company they are currently working in. (Becoming an Entrepreneur in Finland, 2021, p. 8)

If an unemployment insurance is taken as the context, an entrepreneur is defined as one who has an ownership of a certain percent of a company by themselves or with their family. This certain percent of the company shares are defined by the law. An individual who is working via invoicing service company or as an self-employed person can also be defined as an entrepreneur even if they are not in a service relationship or employed by the employer company. An totally opposite side of this is when a person is not defined as an entrepreneur. Even if a person owns a company, or a certain amount of the company shares, they are not automatically defined as an entrepreneurs. (Becoming an Entrepreneur in Finland, 2021, p. 8)

2.2 Entrepreneurial characteristics

A great business idea and calculations is not necessarily enough to establish a successful business. It is not only the business idea that needs to be taken into consideration but the person behind the business idea itself. To become a successful entrepreneur, you must have a certain type of personality to embrace the characteristics of one. At the beginning you need to have enough knowledge and understanding about the the industry you are planning to enter to create a valid business idea. A starting entrepreneur needs to understand from the beginning that money is the biggest factor, and he/she needs to own a burning desire towards the business idea to be able to make it, no matter what the situation is. Setting clear and realistic goals is crucial, but more important is to have potential to cope with uncertainty that entrepreneur is inevitably going to face during his/her entrepreneurial adventure. As an entrepreneur it is only a matter of time when it is the first time, they are facing a situation where you must take a risk. To be able to act accordingly you need to have courage, determination, passion, and spontaneity. Characteristics mentioned above are only a part of what a person needs to have to run a business. To successfully run a business, it is necessary to have certain entrepreneurial skills. Entrepreneurial skills include business management, financial management, marketing, and communication skills, to be able to run a business profitably. There is no need to be worried about if as an entrepreneur you are missing some of the skills required. There are plenty of companies whose focus is on helping companies on their tasks. You can hire an accounting company to do your booking, or an advertising agency to help you reach out to your wanted customers. An entrepreneur does not need to do everything by him/herself. (Becoming an Entrepreneur in Finland, 2021, p. 9; Wikström, 2013, p. 17-36)

2.3 The various forms of entrepreneurship

A person can become an entrepreneur regardless of the stage of his/her life. An entrepreneur can be in example a student who thinks he/her has come up with a great business idea. A person working from nine-to-five can become an entrepreneur alongside his/her main job. Keeping in mind your personal life, another big factor on whether you should become an entrepreneur or not is the business idea of yours. First thing you need to do is to evaluate if the business idea is actually feasible to execute, and should you become

an entrepreneur by yourself or with a partner. This decision varies between individuals and is dependent on one's personal situation. (Becoming an Entrepreneur in Finland, 2021, p. 8)

The difference between a full-time entrepreneur and a part-time entrepreneur is simple. Both entrepreneurship styles have their pros and cons, and they are crucial to map out before deciding whether you want to become a full-time or a part-time entrepreneur. A person is classified as a full-time entrepreneur when his/her living is made from the business. Meaning that working mainly for the business he/she has established is considered as a main source of his/her income. Starting a new business from the level zero and having it as your main source of income is risky. There is no guarantee that eventually the business is going to go above the breakeven point and starts to generate profit. On the other side of the coin there is the fact that full-time entrepreneurs have more time to be fully engaged in the business operations than part-time entrepreneurs. For a person to become identified as a part-time entrepreneur, they need to be fully employed to another company while running or starting up a company of their own. There are countless of reasons why one decides to become a part-time entrepreneur and they vary individually. One can be a part-time entrepreneur while working or studying just for fun, or to earn additional money on top of their main salary. For some it is a great way to test-run a business idea while minimalizing the risk of losing income, or in the worst case going personal bankrupt. If having any misbeliefs towards the business' profitability, a part-time entrepreneurship is a valid opportunity to test run the business idea. It is a great method to gather valuable information about your customers and see if you have enough of them to keep the business running. If offering a specialized service as a part of your business, it is recommended to test it out to see if there are any customers searching for that type of services. (Becoming an Entrepreneur in Finland, 2021, p. 8)

In *Becoming an Entrepreneur in Finland, 2021*, there is given a prime example of a man who started a business as a part-time entrepreneur, and later on became a full-time entrepreneur making his living by working for his own company. The name of the man is Rasmus Lönnqvist. Rasmus tells that selling products took him with for the first time when he sold christmas magazines when he was only in primary school. He describes selling as an interesting competition, because the more you sell the more you earn sales commissions. He tells that dealing with people felt natural for him. The first time he thought about becoming

an entrepreneur was when he was in college. He started to take business trips to Sweden and import cars from Swedish car dealers to Finnish markets. He did that on the evenings and on the weekends. He soon acquired a rental warehouse where he stored one or two cars at a time. He was doing business that way for around two years and after that the business had become profitable enough for him to upgrade his part-time business to a full-time business. In 2016 he became a full-time entrepreneur owning 80 cars, having two employees and offices in the city of Helsinki and Vaasa. His company is called Prestige Car Center Oy and their offerings include cars, insurance, financing and leasing. Additional services mentioned are tyre storing, car washing and waxing. In 2020 Prestige Car Center Oy got recognized for its growth and was placed as 181st company in the list of the thousand fastest growing companies in the Financial Times' list. Rasmus states that without getting a confirmation for his business idea, he might have stayed as a part-time entrepreneur and not become a full-time entrepreneur he is today. (MINNA YLÄKANGAS, *Becoming an Entrepreneur in Finland*, 2021, p. 6)

2.4 Business idea

After a person has realized they have enough required entrepreneurial skills and suitable personal characteristics, they may start the process of becoming an entrepreneur. The first step of becoming one is that they need to have a realistic business idea. Straightforwardly defining what a business idea is, it is an idea that answers to a question why a person wants to start a business. (*Becoming an Entrepreneur in Finland*, 2021, p. 20)

The business idea created feels like a great idea for the creator itself but foremost the business idea must be looked from the customer's point of view and consider if it is valuable for them. Correctly developed business idea is able to answer to questions: "What is your company doing?", "What is it that you are selling?", "Who are included into your target market?", "Is there a need for this type of business?", and "how do you sell your products or services to your potential customers?". (*Becoming an Entrepreneur in Finland*, 2021, p. 20)

2.4.1 Evaluate the business idea from different perspectives

Once a person has created an image in their head about what the business idea consists of, it is time to start to evaluate the business idea. To evaluate the business idea, it can be examined from six different perspectives. (Becoming an Entrepreneur in Finland, 2021, p. 20)

To start, first thing to investigate is if it is beneficial to a customer. There should be knowledge about why customers would buy the product or service, and why that type of product or service is wanted and needed. As a seller you need to know the reason why a product or service is being used. (Becoming an Entrepreneur in Finland, 2021, p. 20)

Second thing to examine is the brand. Awareness about the company's positioning on the market it is operating and figuring out the reason why the customers would choose it over the competitors is valuable for the company. (Becoming an Entrepreneur in Finland, 2021, p. 20)

The third factor to look into is the competitive advantage of the company. What are the elements the brand has that the competing brands are missing? One possible factor is that the brand has a leverage over the competitors on pricing the product or service. Another possible factor is that the brand is winning the competitors in logistics side, by having lower costs in packaging and delivery, or by having faster packaging and delivery times. (Becoming an Entrepreneur in Finland, 2021, p. 20)

The fourth perspective is the customer itself. It is impossible to predict the future, but what still needs to be done is to estimate how many customers there is going to be, in an example within the first six months. another element to think are the most valuable ways to reach out to the customers without losing recourses. Next factor is to think what the amount is a customer is willing to spend on the company's product or service and is there a need for an ordinary shop or an online store, or are the products/services sold otherwise. Another factor to figure out is the way a customer would like to purchase a product or a service. Purchasing a product or a service using a debit- or a credit card is nowadays very common and using the card's contactless payment option is constantly growing its popularity. There were over

three billion payments in total made in 2019 from Finnish bank accounts, from which sixty five percent were accounted as card payments. During the year 2019 card payments increased by 9 percent from the previous year. Also, in 2019 the usage of contactless payment increased by forty five percent from the year 2018, and it bypassed regular card payments. There were 913 million payments made contactless, while there were 908 million regular card payments made using a pin code. (Becoming an Entrepreneur in Finland, 2021, p. 20; Suomen Pankki, 2019)

The fifth perspective is the way the business is working. It is a major factor to figure out the manufacturing plan. Are the products manufactured by the entrepreneur him-/herself or is there a need to hire a subcontractor for the manufacturing process. After figuring that out the next step to idea is, will the business operate globally or locally. Last step in this phase is to plan how to market and sell the products or a service to customers and is there a need to hire an accounting firm to do the company's booking. (Becoming an Entrepreneur in Finland, 2021, p. 20)

The sixth and the final perspective are the resources. There is no company without having enough resources to start up one, and it is critical to map out the path the resources are acquired. Depending on the business type there can be a need for an office or a manufacturing facility, and it needs to be added into the business calculations. Like written above, there is no need to have all the expertise and knowledge from the beginning and there are firms which can be hired to help with the company's operations. (Becoming an Entrepreneur in Finland, 2021, p. 20)

2.5 A business plan

“Starting a new business venture is like going into a tropical forest on a treasure hunt. There are rewards to be won, both in material wealth and in personal satisfaction, but there are dangers lurking and you can easily lose your way” (Edward Blackwell, 2007, p. 9)

David Sellars and Shane Scott alerts in their “Business Plan Project” book, that between the first three to five years of operating a business, it is common for many businesses to face a failure. One of the main factors behind of this phenomenon is that the entrepreneur has not

created a business plan. This fact showcases it well why a business plan is important for an entrepreneur to draft. The business plan can be seen as a roadmap the entrepreneur is following, and it can be used as a tool to develop the business in future. (Sellars & Scott, 2009, p. x; Becoming an Entrepreneur in Finland, 2021, p. 22)

2.6 Marketing

Most would say that marketing is about advertising and selling, but in fact those two factors are just scratching the surface of what marketing actually is. Marketing can be spotted everywhere in a person's daily life. Traditionally marketing can be seen in a clever product design, in magazines as pictures and text, and as advertisements that are constantly running on television and radio. But in the past few years, marketing has been evolving and marketers have created various new ways to practice it. Nowadays marketing can be seen all over websites and blogs, in different smartphone apps, and as videos, pictures and thoughts people are sharing in social media. In recent years, marketing has changed from traditional "telling and selling" into filling customer's needs. Today, to sell products marketers need to reach customers knowing their needs, and create products that create value for the customer, have carefully set price, and are promoted well. Here are few definitions of marketing listed below that the author of this thesis believes to describe marketing well. (Hermawan et al., 2016, p, 47-49)

- "The process by which companies engage customers, build strong customer relationships, and create value in order to capture value from customers in return.": Kotler, P.T & Armstrong, G (2017, p. 29)
- "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.": American Marketing Association. (AMA, n.d.)
- "Marketing is educating your potential customers, raising their desire for transformation, and increasing their ability to make an informed sales decision by differentiating your solutions from all their other options.": Regina Anaejionu, creative director at Byregina. (Ollila, n.d.)
- "Marketing allows consumers to become aware, build an opinion, make an informed decision, and at times, maintain a long-term connection with a

specific brand. Companies cannot control what a consumer thinks about its brand, but it can use a variety of tools and messages to influence a consumer to take action.”: Heather Schueppert, Chief Marketing Officer for Unified Women’s Healthcare. (Ollila, n.d.)

2.7 Digital marketing

The digital era and the internet have changed the way of marketing already when the first website was established in 1991. In total there are today 5.03 billion people using internet all over the world for browsing through the web to search entertainment, products, jobs, and friends. The number of people using the world wide web is constantly growing, and the recent data shows that the number of people using the internet grew by 180 million people during the 12 months between 2021 and 2022. The studies show that the number of people connected to internet is increasing annually by four percent, and it has been estimated that around two-thirds of the world’s population will be connected to internet in July 2023. From the 5.03 billion people online, 92.1 percent are using a smart phone to browse the internet every now and then. It has been found that people are using smart phones 55 percent of the time they are online, and today mobile phone’s cover 60 percent of the entire world’s internet traffic. While the number of people using mobile devices to browse the internet is large, there are still around two-thirds of people online who use computers as a part of their internet activity. The world is also constantly becoming more digitized every year which means more time spent on the internet. Today average person spends around 7 hours on the internet daily. This has affected on the way how businesses market their products/services to consumers and other businesses, creating the world of digital marketing. (Chaffey, D., & Ellis-Chadwick, F. 2015, p, 6; Datareportal, 2022)

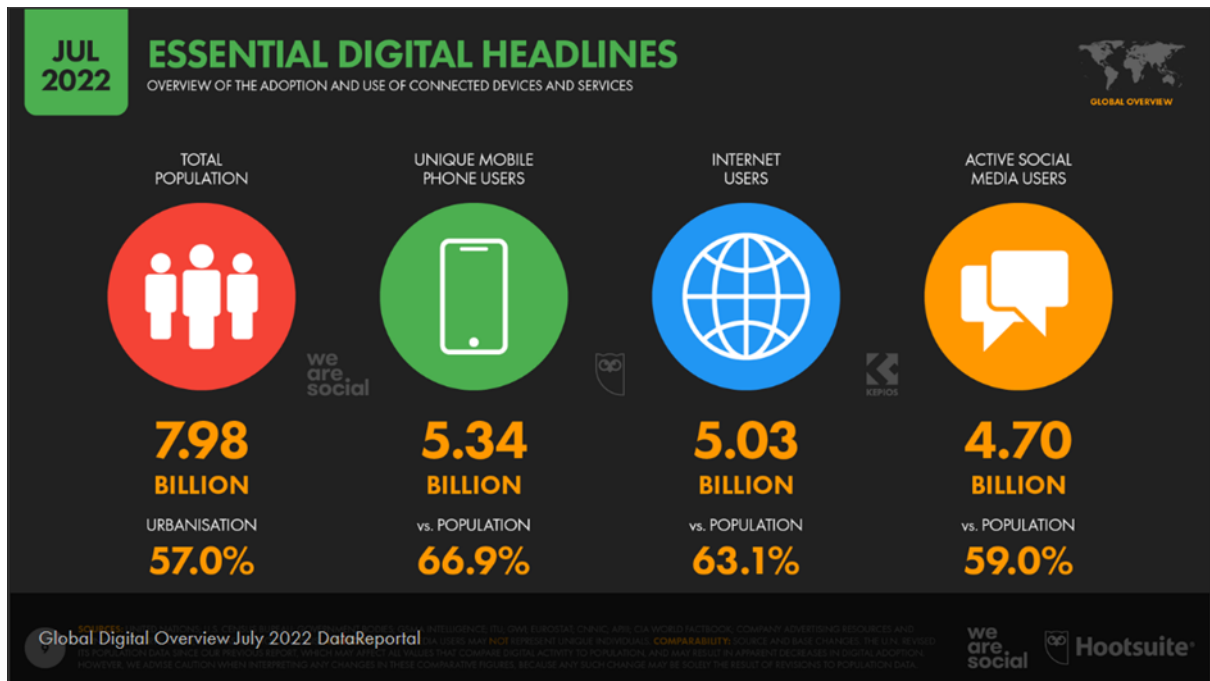


Image 1. Use of connected devices and services. (Datareportal, 2022).

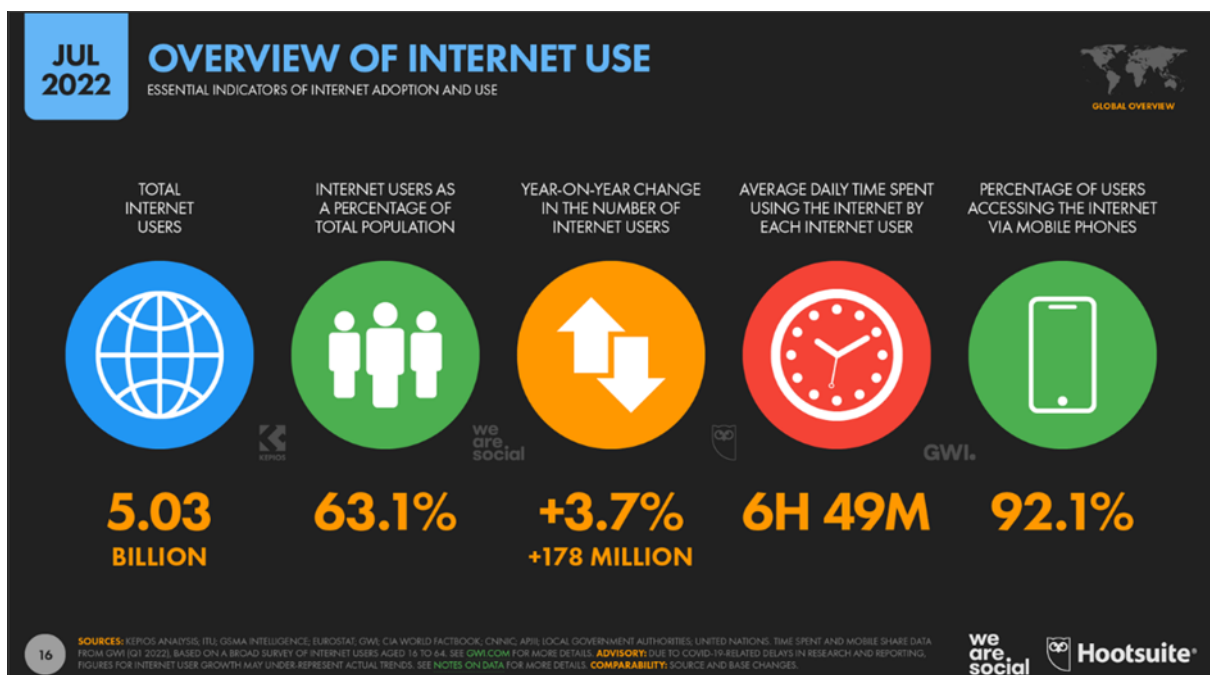


Image 2. Internet adoption and use. (Datareportal, 2022).

The author of this thesis decided to use a direct quotation to give a definition of what digital marketing is. Jose Ramon Saura described digital marketing clearly and well in his writings: “DM is defined as a set of techniques developed on the Internet with to persuade users to buy a product or service”. (Saura, 2022)

Digital marketing in practice is about controlling and managing how business is appearing for the consumers on the internet. Today it is important for business to look appealing for the customers online. The company's website should be easy to use and look modern to keep a person interested about the site. Same applies for the company's social media pages. For a company is crucial to have an appealing and professional online presence. This includes company's social media channels, blog, website, and email list. This is also known as "owned media" that is important for gathering and maintaining audience and visibility online. (Chaffey, D., & Ellis-Chadwick, F. 2015, p, 11)

2.8 Social media marketing

Social media is a large part of today's internet usage, and it includes all the websites and platforms that allows people to interact to one another, share opinions, spread information, comment other people's posts, and act together. Millions of people online use social media to communicate with their family, friends, and partner. Social media is a great tool to use to share information quickly through the internet, it only takes a click of a button to send a message across the globe for the desired community of yours. Social media can be used on computers, smartphones, tablets and even on gaming devices such as PlayStation 5. Social media is often used to stream entertainment. (Diamond & Singh, 2012, p. 9-10; Li, F., Larimo, J. & Leonidou, L.C, 2021.)

There are plenty of different type of platforms in the social media, but the author has decided to discuss about the ones he thinks are important concerning this topic. Now the most used platforms are Facebook, Instagram, Tik Tok, YouTube, Snapchat, and LinkedIn. (Statista, 2022).

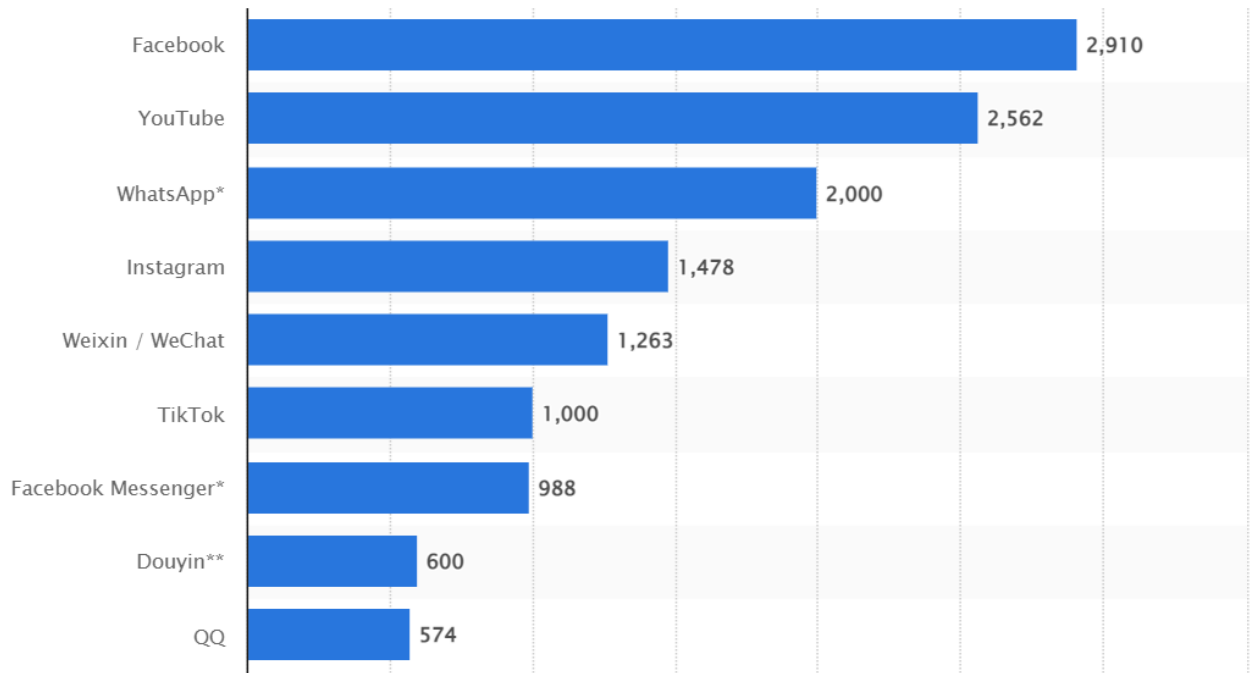


Image 3. Most popular social networks worldwide (Statista, 2022).

Facebook is a great place to interact with your family, friends and communities that have the same interests you have. In Facebook you can share your thoughts on your own page, write messages in its messenger feature, and even buy secondhand products in its marketplace feature. Instagram in other hand is more content focused platform where users can express themselves by sharing photos and videos of their interests. In Instagram users share photos of their daily lives and can send posts created by others to each other by its direct message feature. Tik Tok is a rather new social media platform. In Tik Tok users can share short videos and photos for other users. In Tik Tok the platform's algorithm is set in a way that users who share the same interest interact with each other. LinkedIn is "the world's largest professional network with more than 830 million members in more than 200 countries and territories worldwide." (LinkedIn, n.d.). In LinkedIn employers and employees can connect with each other to share content and it can be used as a platform to share and find new job opportunities. Snapchat is a camera company operating on the social media. Snapchats goal is to improve society by allowing its users to express themselves, to live in a moment, and to learn new about the world by creating new ways to use smartphone cameras. In Snapchat users can share pictures and videos of their daily lives to their friends, family, and strangers. (Facebook, n.d.; Virtanen, 2020.; LinkedIn, n.d.; Snapchat, n.d.; TikTok, n.d.; YouTube, n.d.)

Social media is a very important part for a company to include in its marketing plan. Companies can leverage social media to interact with its customers faster than it normally could. Social media allows customers to send comments and reviews directly on company's website or social media channels. Company can there read the feedback that has been left and use it to create or modify its products into a better direction. Companies can also answer customers questions and comments that has been left on the company's social media page. Social media has also allowed companies to advertise its products/services to wider range of potential customers with less money spent on advertisement costs. In social media, a company can run advertisements on all the different platforms, and they can do it for free if they want to. It is totally cost free to upload content to social media in an advertisement sense. These types of advertisements can include videos and photos shared on company's social media channels. It can be a YouTube video showing the benefits of a product, or an Instagram post displaying your new product in a form of a photo or a video. Now it is common for companies to pay an influencer to market company's products/services in his/her social media channel. This so-called social media influencing is discussed in the following chapter. (Alves, H., Fernandes, C., & Raposo, M, 2016; Moriuchi, E, 2015; Coles, L, 2014)

2.9 Influencer marketing

Influencer is a person who has gained a massive amount of followers on his/her social media channel. Brands often hire influencers to promote company's products/services by paying the influencer with money, or the contract can include free product(s) per advertisement post, or it can be a paid trip to promote the company's transportation services. Persons who are doing influencing as their profession are constantly becoming more popular in social media. Marketing agencies are hiring more influencer than before to cooperate with their clients' advertisements. The goal of hiring an influencer is to convince customers to purchase a product/service by using the influencer as a tool to showcase the benefits of the product/service. Using an influencer as a part of the company's social media marketing strategy helps businesses to lure in potential customers who are easily affected by the opinions or products that other people buy. Before it was common for a company to use a well-known person, in example a celebrity, to promote their products, but now companies favor well-known bloggers, other famous content creators, and ordinary consumers,

because they are the ones who are making the biggest impact on customer's buying behavior nowadays. It is a common thing for a brand to hire an influencer to help the brand to share its story to engage people and find new customers online. The most popular social media platforms used by influencers today are Instagram, Facebook, Tik Tok, YouTube, and Snapchat. More information about these platforms is written in the social media chapter of this thesis. (Backaler, J, 2018, p. 22-25; Statista, 2022)

Influencing in the social media can be separated into three categories. The categories are celebrity-influencers, category-influencers, and micro-influencers. Celebrity-influencers are persons who have a large number of following and fame. They have the ability to influence a mainstream group of people. The celebrity-influencer category includes people such as famous musicians, actors, politicians, and athletes. This category also includes persons who have gained a large amount of fame and a celebrity status with his/her activities or achievements. An individual with a lot of fame or a following is not considered as a celebrity-influencer, it requires expertise or an ability to affect persons feelings. The second category is category-influencers. These are people who are experts or have a genuine enthusiasm towards a certain topic. These topics can be as ordinary as food, music, cars, or beauty. These category-influencers are people with expertise or experience of the topic. In example a former master chef can promote a cooking show, or a formula one driver can be promoting a new car model for a car company. This category also includes people who have gained a certain amount of following on the internet and has convinced users that he/she has what it takes to promote a product or a service. Example of this can be a person who runs a cooking blog and has a large number of followers on his/her channel. They are not necessarily well known to a mass but has an influence on his/her own fans. The third category is micro-influencers. Micro-influencers include people who might not have a large number of following or fame online, but they are people who have a huge passion towards a certain topic, product, or a brand. They influence people by promoting the product or a service by talking about it to their friends online and offline. They can have a large amount of information about the product or a service, and they are able to share that information in a way that influences other people. In example, a micro-influencer can be a person who is passionate about apple's product line, and he/her shares information about the products to his/her friends in a way that his/her friends has decided to purchase the new Apple iPhone. (Backaler, J, 2018, p. 22-25)

Research conducted by Zdenka Kadekova and Maria Holiencinova shows that 92 percent of consumers are saying that they believe a word-of-mouth advertising coming from their relatives or friends more than a regular advertisement. They also found out that 70 percent of teenagers who use YouTube trusts their favorite youtuber more than they trust traditional celebrities, and that 40 percent of millennial users are saying their favorite youtuber has a better understanding of them than their actual friends. They also reached out to marketers who have used influencer marketing as a part of their marketing plan and 81 percent of them verified influencer marketing being a valuable marketing method. This information confirms the fact that influencer marketing has been growing rapidly in recent years, and it is said to be one of the best funnels to acquire new customers. (Kadekova & Holiencinova, 2018)

GlobalWebIndex conducted a study about who are more likely to relate to influencers. They found out that men are more likely to be affected by an influencer. The data shows that men are more likely to search expert opinions about the product before purchasing it. When an influencer and an expert of the topic were set side to side, it was found out that men relate more to influencers' opinions about the case rather than the experts. The survey also points out that influencers affect more on men's purchasing decisions than they affect females. (Valentine, 2018)

Men are more likely to relate to influencers

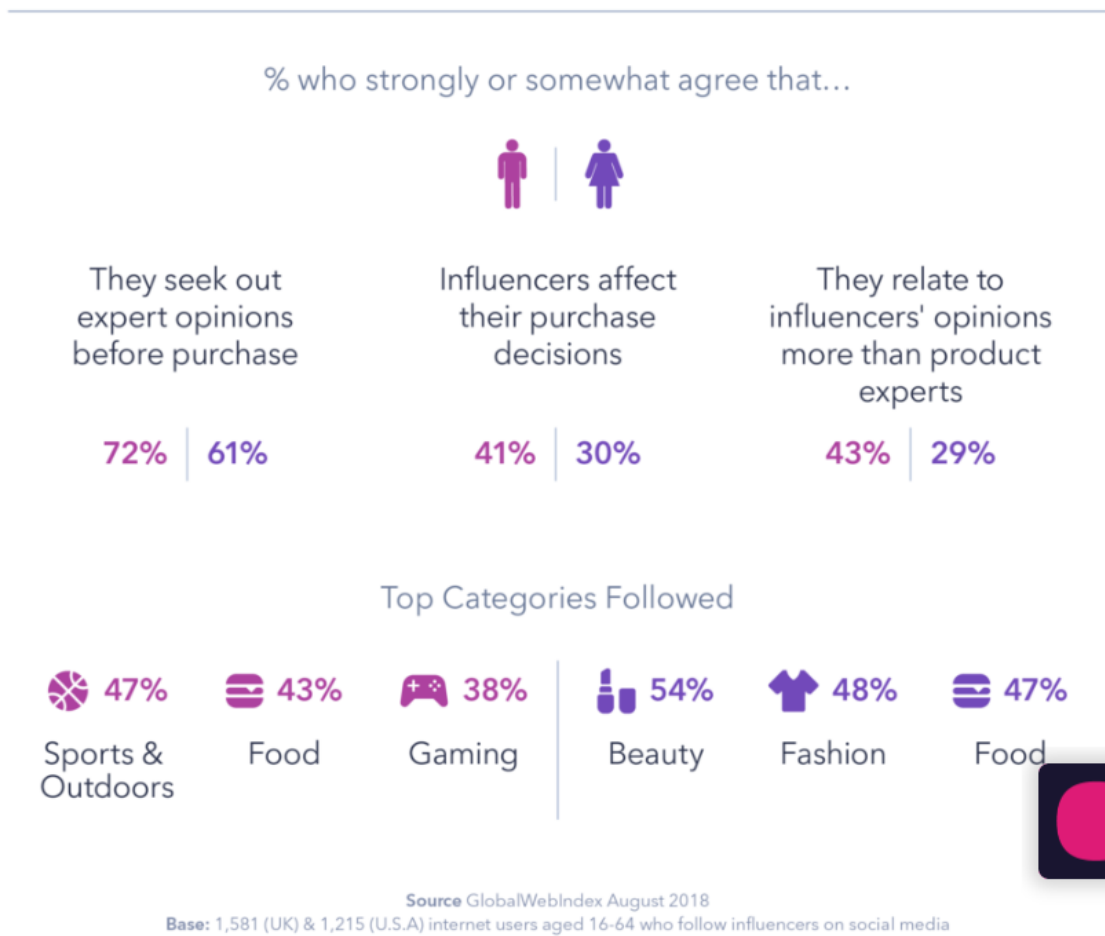


Image 3. More likely to relate to influencers (GlobalWebIndex, 2018).

Influencer MarketingHub established a report including important statistics about influencer marketing. In their influencer campaign channel utilization survey, they found out that Instagram was the most used platform for influencer marketing. The other platforms were (in order) Facebook, TikTok, and YouTube. They also found that 54.1% of brands who have ecommerce stores are utilizing influencers as a part of their marketing. Data sheets can be viewed below. (Santora, 2022)

Influencer Campaign Channel Utilization (2020 vs 2021)

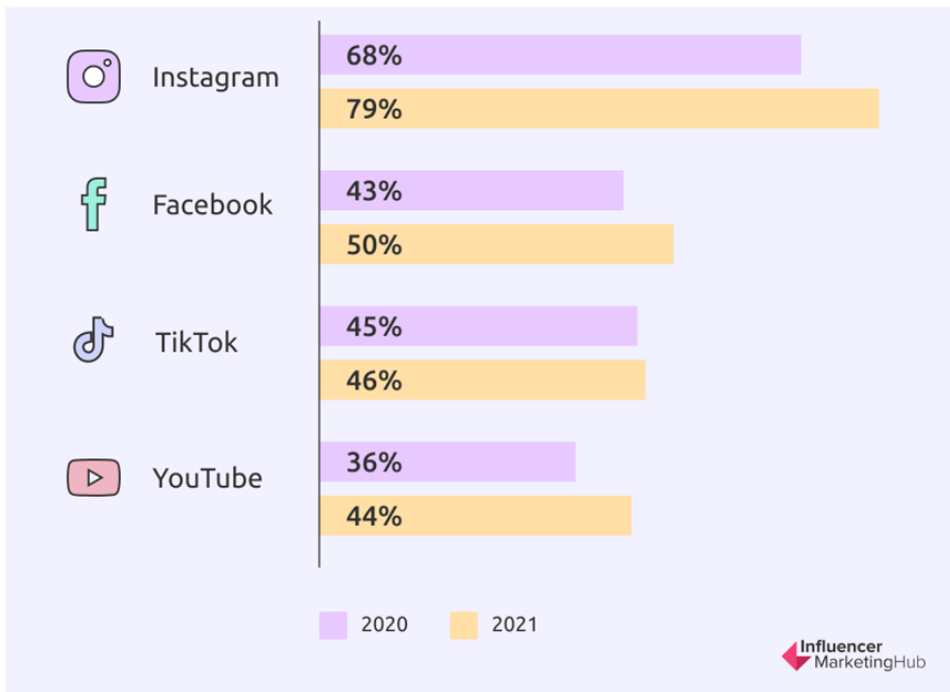


Image 4. influencer campaign channel utilization (Influencer marketinghub, 2021).

% Of Brands Utilizing Influencer Marketing Who Have Ecommerce Stores

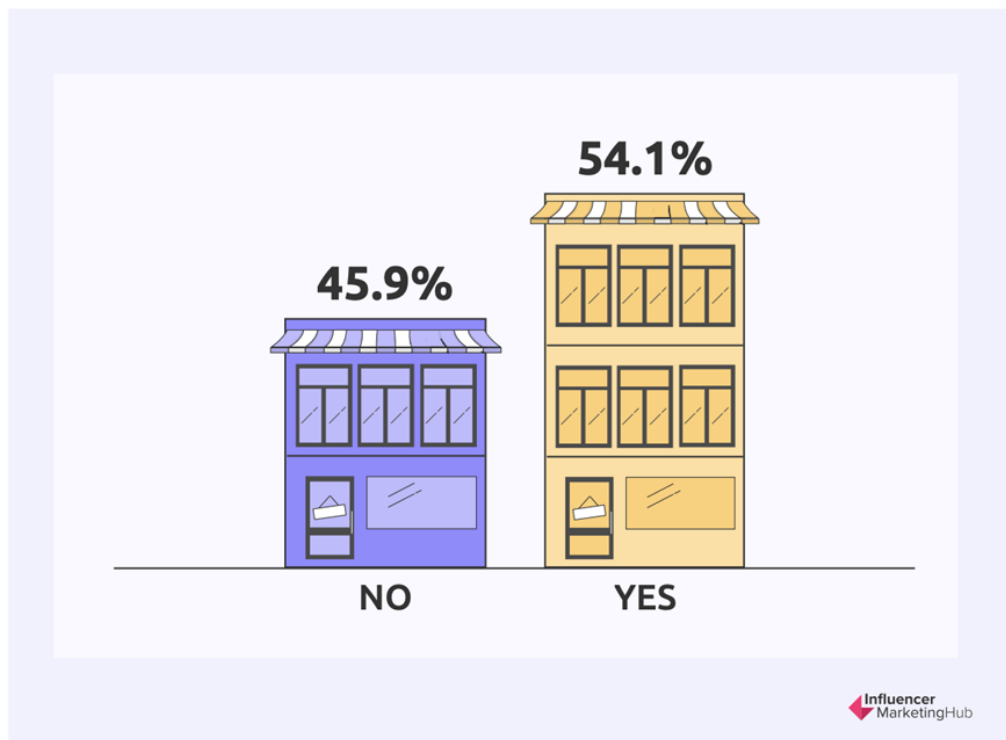


Image 5. Brands utilizing influencer marketing who have ecommerce stores (Influencer marketinghub, 2021).

2.10 Marketing plan

Author decided to use a direct quotation from the book “Marketing Plan Templates for Enhancing Profits” because the writer described it the best way possible.” A strategic marketing plan fuses effective marketing decisions with efficient management practices, thereby providing a roadmap for success.” (Rush, K. E. 2015, p. 17)

A well-constructed marketing plan is a powerful tool for a business to use to determine if the new business idea is profitable or not. A good marketing plan can be also used to attract new investors for the business and gather new customers for its products/services. A clear, simple, and promising marketing plan can be used to motivate employees by showing them what can be achieved in the future by following the new marketing plan. (Stevens, R. E., Loudon, D. L., & Nykiel, R. A, 2003, p. 15)

How unfortunate it sounds, the fact is that during the first two years after launching a small to medium-sized business, 80 percent of those firms will fail and run out of business. If the timeline of these businesses is increased to 10 years, it is known that up to 90 percent of these firms are closed. To be fair, there can be as many reasons for a failure than there are businesses, every one of them are unique. Some of them might lose investors, some of them might face a sudden demographical obstacle and some of them had a bad business idea in the first place. Afterall, it has been shown that usually the reason for becoming an unsuccessful firm is a poorly constructed marketing plan. (Anderson, D, 2012, p.5)

A well-constructed marketing plan carries out a tailored message which will reach the targeted audiences, covering their needs and wants while acknowledging the geographic and demographic areas. To accomplish this the company needs to be aware of its strengths and weaknesses, know what its competitors has to offer, and select the right platforms to use to promote the products or services. Considering all the information above, the author has decided to include a swot-analysis and a marketing mix into the thesis’s marketing plan chapter. The swot-analysis and the marketing mix will cover all the valuable information needed. (Rush, K. E. 2015, p, 15)

2.10.1 SWOT- analysis

SWOT- analysis was developed in the United States during the 1960's and it is still a half a century later one of the most popular strategic tools used by businesses globally. SWOT- analysis gets its name from analyzing the company's or brand's strengths, weaknesses, opportunities, and threats. In the SWOT-analysis a business' strategic positioning in a market is observed both internally and externally. The internal analysis focuses on the business' strengths and weaknesses, and it shows in which section a business is doing well and what are the parts that are not efficient and needs improvement. Strengths and weaknesses parts include information that is valid at present, and opportunities and threats parts focus more on the future including information about the potential opportunities and threats a business might have to face. (Goi, n.d, p. 2-4; Vuorinen, 2013, p. Swot-analyysi)

The "s" letter in "SWOT" comes from the word strength. The strengths part of the swot analysis focuses on finding the factors where a business is performing well or is achieving higher results than its competitors. The factors can sometimes be in a qualitative form and because of that they are not always measurable by the numbers. This type of factors can include a well recognizable brand image, strong and loyal customers, staying relevant with new trends, more advanced technology, or more experienced employees. The strengths can also be factors that are measurable by the numbers, and this is called quantitative information. Quantitative information can include factors such as greater sales than the competitors, larger number of products stored in the inventory, or greater profit earned last year. (Leigh, n.d, p. 1135-1136; Uusyrityskeskus, n.d. p. 23; Åkerberg, 2020, p. 4.2; Armstrong, 2020, p. 74; Sarsby, 2016, p. 7-16)

The letter "w" stands for weaknesses. This part of the analysis a company examines what are its weak points, the areas where it is not succeeding as well as its competitors. These are the elements a company needs to improve to become more successful in its field of business. In the worst case of scenario, the target customers are choosing the competitors' products/services because the company cannot compete with their offerings. Weaknesses can be factors such as old technology being used, products/services are not standing out from the crowd, no new products, or lack of innovation. To get rid of a weakness, sometimes a company needs to take a risk and invest its money, in example to buy new machinery to

create its products. Sometimes getting rid of a weakness can be solved by hiring a new employee to master the field where the company is not succeeding. (Leigh, n.d, p. 1135-1136; Uusyrityskeskus, n.d. p. 23; Åkerberg, 2020, p. 4.2; Armstrong, 2020, p. 74; Sarsby, 2016, p. 7-16)

The second last letter “o” means opportunities. When creating a swot analysis, a company can view opportunities as external factors that are favorable to the business and can help business to grow bigger. These are factors that a company can use to its advantage to become more successful than its competitors. These opportunities can include factors such new product design, changes in demographics, new supplier, or expansion to international markets. As an example, at the moment a company x has a standard delivery time in its products to its customers. Now the company has gotten an offer to change its supplier to a new one who promises to cut down delivery times by 15% by their new delivery strategy. This offer can be seen as a huge opportunity for the company to become faster at delivery times than its competitors. (Leigh, n.d, p. 1135-1136; Uusyrityskeskus, n.d. p. 23; Åkerberg, 2020, p. 4.2; Armstrong, 2020, p. 74; Sarsby, 2016, p. 7-16)

The final letter “t” in swot analysis stands for threats. After a company has examined its opportunities future might bring, it needs to also examine the threats it might face in the future. Like opportunities, threats are also linked to external factors the company faces. Both opportunities and threats being linked to external factors, the threats can be viewed as the direct opposite of the opportunities. The threats can mean to a company factors such as slower manufacturing processes, competitor bringing similar products to market, supplier having problems with tariffs, or economic drop. Looking this from a company point of view, there are threats the company can foresee and take care of them. There are also threats that cannot be predicted and a company cannot do anything advance to minimize the damage it will bring. A valid example of this is the recent global pandemic called covid19 that came out of nowhere. It cannot be foreseen, and it has created a massive hit on the markets, and it has driven countless companies out of business. (Leigh, n.d, p. 1135-1136; Uusyrityskeskus, n.d. p. 23; Åkerberg, 2020, p. 4.2; Armstrong, 2020, p. 74; Sarsby, 2016, p. 7-16; THL, n.d.)

2.10.2 Marketing mix

A business needs to take a look at the the five p's of marketing, including product, price, place, promotion, people. In addition to the product section mentioned above, the product part in the five p's includes information about the benefits the product brings to the customers, and it defines the customers who are gaining those benefits. In this part the business also defines how it stands out from its competitors. (Uusyrityskeskus, 2021, p. 24; Chan, 2020; Duermyer, 2020; Ward, 2019; Baker, 2007, p. chapter 12)

The second P is the of a product or a service a business is offering. Here a business needs to calculate the value of a product or a service and figure out the cost of materials used, time spent, and overheads of the production. On top of that, to figure out if a product or a service is profitable a business must figure out how much a customer is willing and able to pay and are they thinking that the product or the service is overpriced or underpriced. (Uusyrityskeskus, 2021, p. 24; Chan, 2020; Duermyer, 2020; Ward, 2019; Baker, 2007, p. chapter 12)

The third P is Place, and it includes information about the location where the customers are able to purchase a product or a service from a business. It can be an actual store where customers can visit or opposite it can be an online store where customers visit using a computer, a tablet, or a mobile device. Studying the target customers' buying habits is critical for a business to be able to set up its store properly. If the target customer group prefers to purchase similar products from online stores, then there is no need to set up an actual store and in worst case the actual store might not be even profitable. (Uusyrityskeskus, 2021, p. 24; Chan, 2020; Duermyer, 2020; Ward, 2019; Baker, 2007, p. chapter 12)

The fourth P is promotion, and this section includes information about the way customers are informed about a business, and what benefits a business' products or services are providing to its customers. In this stage a business knows its product or services and its targeted customer group, and now a business needs to craft a message to bring the customers and the products or the services together. This message needs to be shared through advertising and there are various channels where a business can set its

advertisements, in example social media, television, radio, or street advertisement. If the targeted customer group usually buys similar products or services a business is offering from online stores and uses social media frequently, then the most profitable way for a business to market its products happens through social media advertisements. (Uusyrityskeskus, 2021, p. 24; Chan, 2020; Duermyer, 2020; Ward, 2019; Baker, 2007, p. chapter 12)

The fifth and the final p is people, and this stage contains information about colleagues, coworkers, and an entrepreneur herself/himself. This information is essential if there is other people working for the business than the entrepreneur himself/herself. a customer is most likely to purchase a product or a service from a business that is professional, offers help to its customers, and is approachable. By hiring polite and professional employees a business can make sure it gives the right type of image of itself. (Uusyrityskeskus, 2021, p. 24; Chan, 2020; Duermyer, 2020; Ward, 2019; Baker, 2007, p. chapter 12)

3 Research Methodology

The data used in this thesis consist of two types of data, primary data, and secondary data. Primary data is data what the researcher has collected by him/herself. It includes interviews, surveys, experiments, and other methods that are helpful for the researcher. Secondary data is data which has already been collected by someone, it is existing data. Usually, it is gathered by institutions. (McNamara, 2006, Overview of methods to collect information).

The author of this thesis decided to gather the primary data by creating an online survey. The survey was published and promoted using author's own social media channels. The questionnaire's main purpose was to collect data about people's online behavior, what platforms they mainly use when they are surfing around social media, and should the company open an actual store or is an online store enough. The idea is to collect information for the company to use in its marketing plan, to know which are the elements it should be focusing on in its marketing.

The research was conducted in the form of a survey, and it was done by using google forms. Google forms was chosen as the program to be used, because of its versatility. Google forms is free to use, and it includes a well-functioning data analysis features. It sorts and filters the

filled data automatically, and the data can be viewed as charts automatically. As the most suitable style of research for this thesis, the author decided to collect the data in a quantitative style of research. Quantitative research method collects data in a mathematical way. This meaning, the data can be calculated because every question in the survey is answered in numerical style. Each number has its own value, and it makes it possible to be used in a statistical way. Quantitative research asks questions in example “how often” and “how many times?”. Quantitative style was also chosen because it enables the survey to be answered in an anonymous way, meaning that the respondents do not have to tell their names. Data collected in a quantitative style makes it easier to handle larger samples, and one survey can include multiple topics. (Nardi, 2016, p. 19-20; Rahman, 2017, p. 105-107)

The author of this thesis has collected the secondary data used in this thesis from various scientific articles, online sources, and relevant books. The secondary data is included in the theoretical part of this thesis. The reader will gain the information while studying the theoretical framework of this thesis.

4 Results

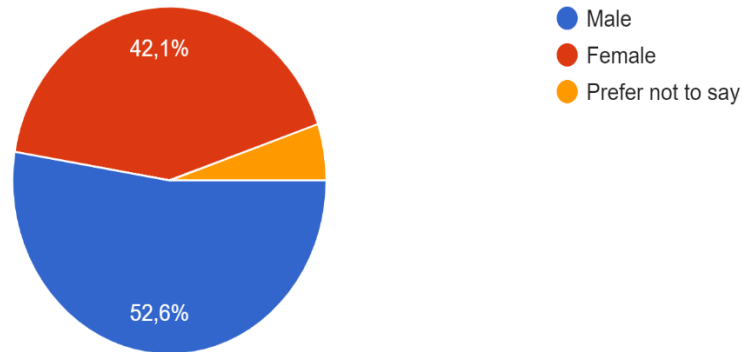
The research was established in a form of survey. The survey includes 12 questions in total. The total amount of respondents who answered the survey is 38. The survey began by asking two questions about respondents’ demographics. The rest of the survey includes information about the respondents’ social media behavior, and what type of advertisements they are influenced about including influencer marketing, and lastly it includes data about the respondents’ buying behavior. The survey was created in a way that respondents were able to answer the questions anonymously, only given their demographic details.

The survey begins by asking the respondents gender with three possible answer options: male, female, and prefer not to say. The first question gathered 38 responds in total. The biggest gender group was male with 52,6% of the votes, meaning the survey reached 20 males in total. The second largest group was female with 42,1% of the votes, which means the survey reached 16 females in total. The smallest group was “prefer not to say” with 5,3% of the total votes, meaning that this survey was filled by 2 respondents who did not want to

give out information about their gender.

Gender

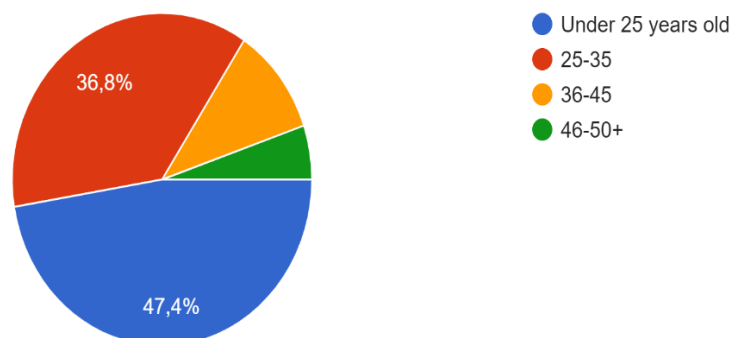
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The second question, with demographic details, is a question about the respondents' age. All 38 respondents decided to answer this question. There were four options given to answer this question: under 25 years old, 25-35, 36-45- 46-50+. The most amounts of votes got the group of under 25 years old with 47,4% of the votes, which is 18 persons in total. The second largest group was 25-35 years old with 36,8% of the votes, it being 14 persons in total. The third largest group was 36-45 years old who got 10,5% of the votes, which is 4 people in total. The smallest group was 46-50+ years old with 5,3% of the votes, which is 2 people.

Age

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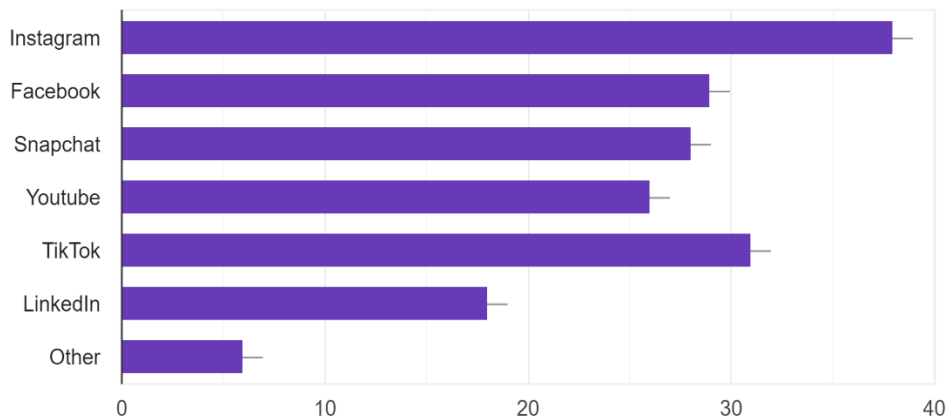


The third question is about respondents' social media behavior. The question is "what social media platforms do you use mostly?". This question was answered by all the respondents,

and it includes seven different options: Instagram, Facebook, Snapchat, YouTube, TikTok, LinkedIn, and other. The most amount of votes got Instagram with 100% of the votes, meaning that all the respondents are using it. The second place got TikTok with 81,6% of the votes, which is 31 responds in total. The third amount of votes gathered Facebook with 76,3% of the votes, which is 29 respondents in total. In the fourth place there is Snapchat with 73,7% of the votes, which is 28 people in total. The fifth one is YouTube with 68,4% of the votes, meaning 26 of the respondents uses it. The sixth one is LinkedIn with 47,4% of the votes, being 18 respondents in total. The last amount of votes got other with 15,8% of the votes, which is 6 persons.

What social media platforms you use mostly?

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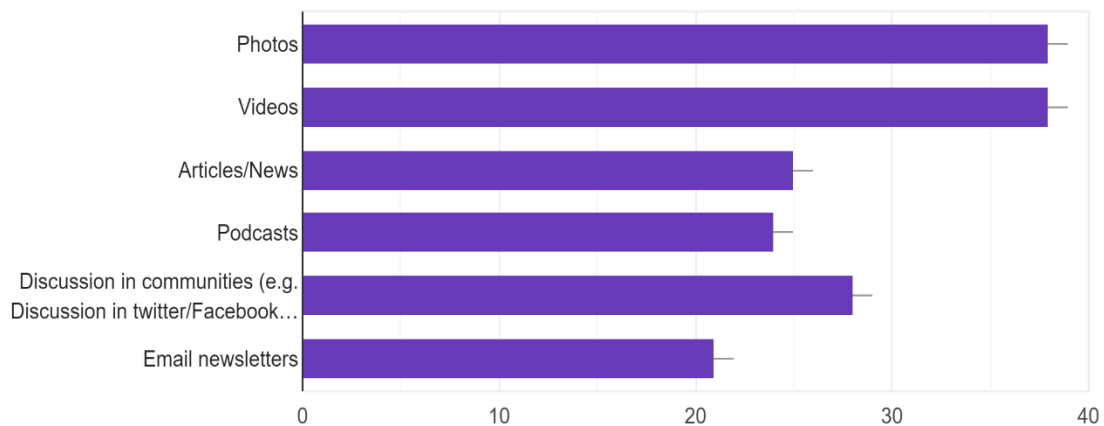


The fourth question includes information about the content respondents consumes. The question is "What type of content you usually consume?". This question was answered by all the respondents, and it includes six options: photos, videos, articles/news, podcasts, discussion in communities, and email newsletters. The number one spot of most amount of votes is shared by two options, photos, and videos. Photos and videos both gathered 100% of the votes, it being all 38 respondents. The second most amount of votes got discussion in communities with 73,7% of the votes, which is 28 people in total. In the third place there is articles/news with 65,8% of the votes, in total it is 25 persons. The fourth place got podcasts with 63,2 % of the votes, it being 24 people. The least amount of votes got email newsletters

with 55,3% of the votes, which is 21 persons in total.

What type of content you usually consume?

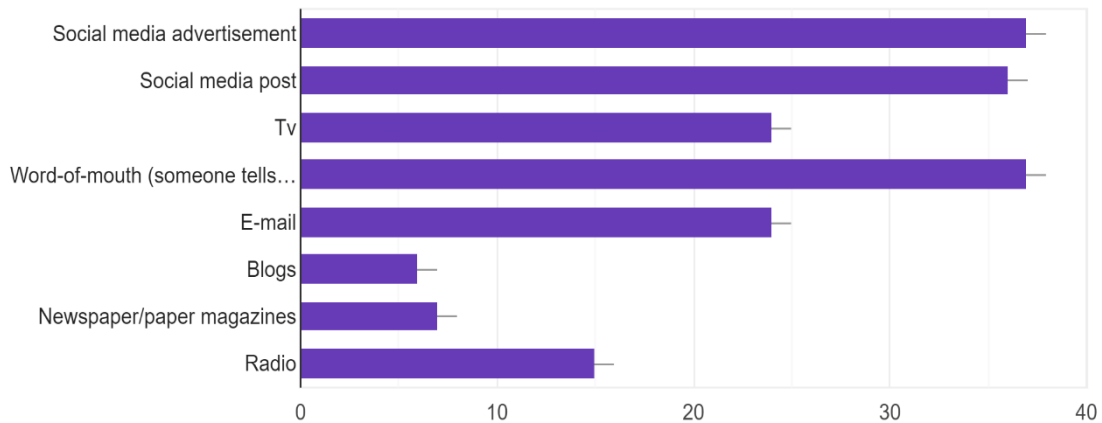
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The fifth question includes information about marketing channels and how effective they are. The question is “What type of marketing channel reaches you the most?”. This question gathered 38 responds, meaning all the respondents decided to answer this question. There was eight answer option given: social media advertisement, social media post, tv, word-of-mouth, e-mail, blogs, newspaper/magazine, and radio. The number one spot with the most amount of votes is shared by two options. The options are social media advertisement and word-of-mouth with 97,4% of the votes, which is 37 votes in total. The second most amount of votes got social media post with 94,7% of the votes, it being 36 persons in total. The third place is also shared with two options. The options are tv and e-mail with 63,2% of the votes, which is 24 persons in total. The fourth most amount of votes got radio with 39,5% of the answers, which is 15 respondents. In the fifth place there is newspapers/ magazines with 18,4% of the answers, it being 7 people in total. The least amount of votes got blogs with 15,8%, which is 6 people in total.

What type of marketing channel reaches you the most?

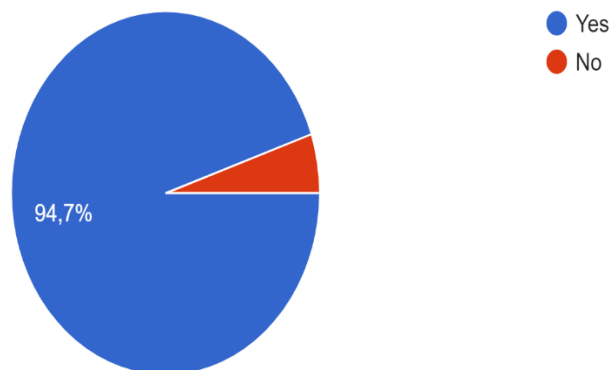
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The sixth question includes information social media’s influence on a person’s buying behavior. The question is “Has social media posts influenced you to purchase a product before?”. This question was answered by all the respondents. In this question there was given two answer options: yes and no. More amount of votes gathered the option yes with 94,7% of the votes, which is 36 persons in total. The least amount of votes got the option no with 5,3% of the votes, it being 2 people in total.

Has social media posts influenced you to purchase a product before?

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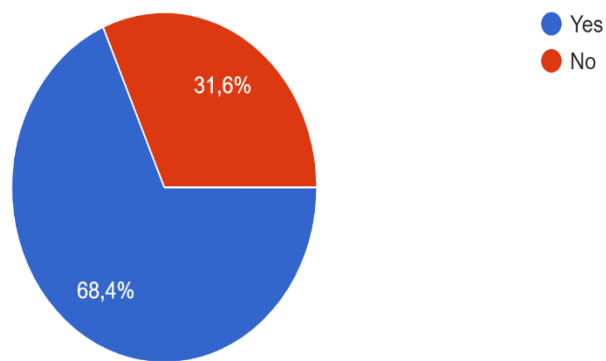


The seventh question includes data about paid advertising and its influence on people. The question is “Has a paid social media advertisement got you to purchase products?”. All the respondents decided to answer this question. In this question there were two answer

options given: yes or no. More amount of votes got yes with 68,4% of the votes, which is 26 of the respondents. Option no gathered less amount of votes 31,6% in total, it being 12 of the respondents.

Has a paid social media advertisement made you to purchase products?

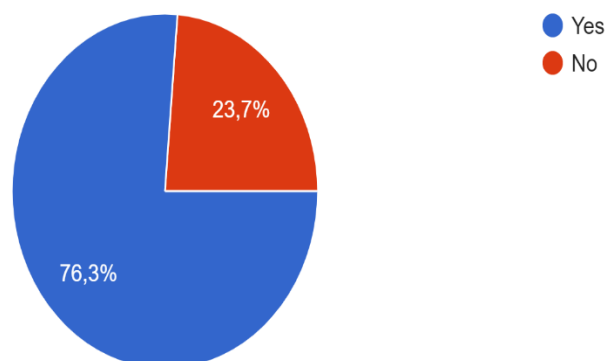
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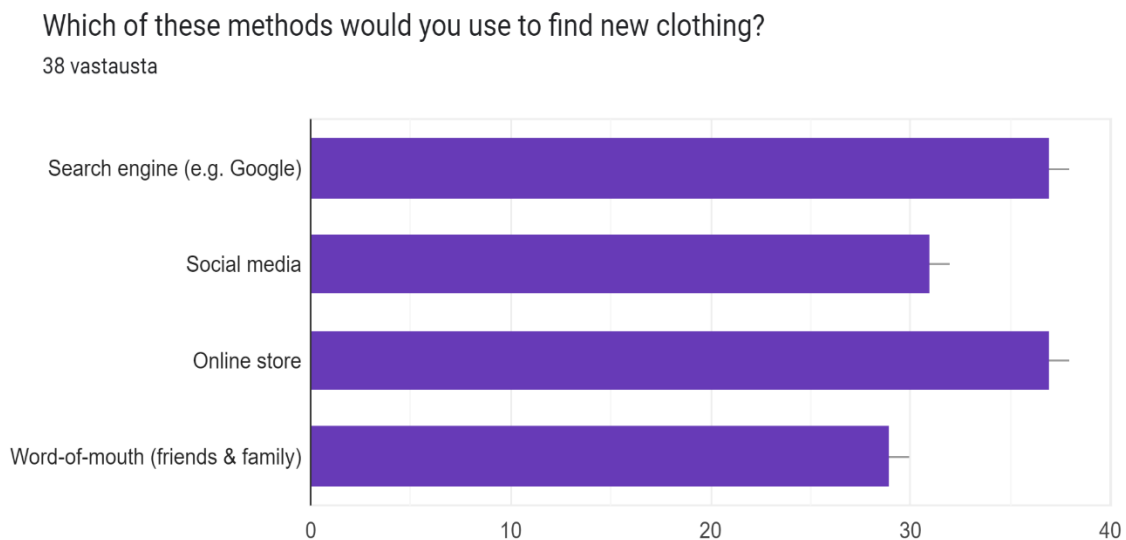
The eight question includes data about influencer's effect on persons buying behavior. The question is "Has an influencer affected your buying behavior?". This question was answered by all the 38 respondents. There were two answer options given: yes and no. More amount of votes got yes with 76,3% in total, which is 29 of the respondents. No got less amount of votes 23,7% in total, it being 9 respondents in total.

Has an influencer affected your buying behaviour

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The ninth question includes information of the ways how the respondents are searching for new clothing. The question is “Which of these methods would you use to find new clothing?”. This question was answered by all the respondents. There were four answer options given: search engine, social media, online store, and word-of-mouth. The number one spot of most amount votes is shared by two options, Search engine and online store. They gathered 97,4% of the votes, it being 37 of the respondents. The second amount of votes got social media with 81,6% in total, which is 31 people. The least amount of votes got word-of-mouth with 76,3% of the votes, it being 29 of the respondents.

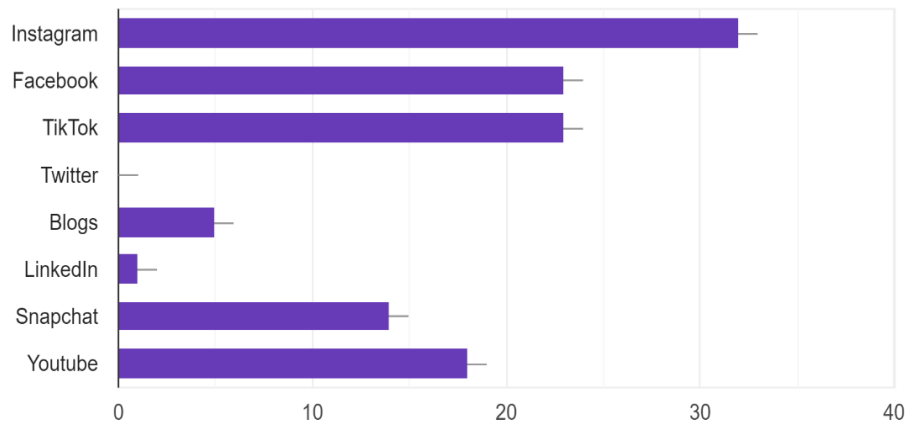


The tenth question is a sequel to the previous question, and it includes data about the platforms the respondents are using. The question is “If you answered social media in the previous question, which one of these platforms would you use?”. This gathered 32 responds, which means some of the respondents did not answer to this one. There were eight answer options given: Instagram, Facebook, TikTok, Twitter, blogs, LinkedIn, Snapchat, and YouTube. The most amount of votes got Instagram with 100% of the votes, which is all of the respondents. The second most amount of votes gathered two options, Facebook and TikTok. They got 71,9% of the votes, it being 23 people. In the third place there is YouTube with 56,3% of the votes, which is 18 people. The fourth one is Snapchat with 43,8% of the votes, which is 14 people. In the fifth place there is blogs with 15,6% of the votes, it being 5 persons. In the sixth place there is LinkedIn with 3,1% of the votes, it being one person of the

respondents. The least amount of votes got Twitter with 0%, which means no one voted this.

If you answered social media in the previous question, which one of these platforms would you use

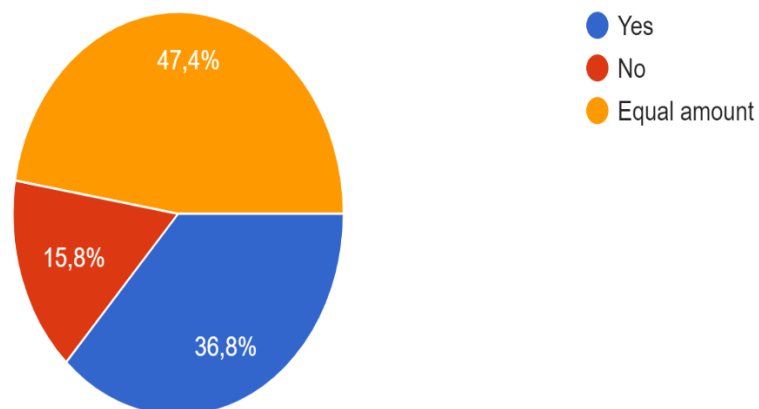
32 vastausta



The eleventh question includes data about the respondents' consumer behavior between online stores and ordinary stores. The question is "Do you online stores more than ordinary stores?". This question was answered by all the respondents. There was three answer options given: yes, no, and equal amount. The most amount of votes gathered equal amount with 47,4% of the votes. The second one is yes with 36,8% of the votes, it being 14 persons. The least amount of votes got no with 15,8% of the answers, which is 6 of the respondents.

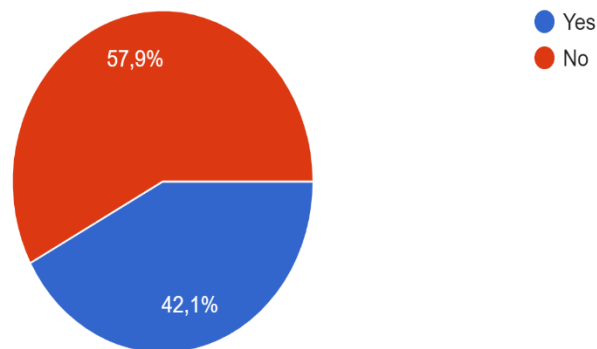
Do you use online stores more than ordinary stores?

38 vastausta



The twelfth and the final question asked respondents' opinions about the future of retail business. The question is "Do you think online stores will be so used in the future, that there is no need for an ordinary store?". This question was answered by all the 38 respondents. There were two answer options given: yes and no. No gathered more amount of the votes, 57,9%, which is 22 of the respondents. Less votes got yes with 42,1% of the votes, it being 16 persons.

Do you think online stores will be so used in the future, that there is no need for a ordinary store?
38 vastausta



In the chapter "discussion", the author talks about how the company should use the analyzed data in its marketing plan to create most amount of recognition and sales. The data used in the next chapter includes the secondary data that was collected and used in the theoretical part of this thesis, and also the primary data that was collected and analyzed by the author himself in the research analysis part of the thesis.

4.1 Limitations and validity of the survey

The survey was promoted on the author's Instagram profile. The author had 573 followers at the time, and the promotion of the survey reached 452 people. In total 38 of the 452 people reached decided to answer the survey. The low amount of respondents is one of the factors that limits the accountability of this study. Another factor is the poor promotion of the survey. The survey should have been promoted using multiple social media platforms, and also by making the survey shareable so the respondents could have shared the survey in their own social media channels.

The survey did collect enough responds to be counted as successful. The questions were answered by all the respondents and none of the questions are empty with zero data collected. The survey collected valuable data to be used in the brand's marketing plan, and the respondents shared their opinions about both online and ordinary stores. Using the collected data, the author is capable to answer the main- and the secondary research question of this thesis.

5 Recommendations

The data collected clearly indicates that the usage of the internet is growing rapidly every year. Over 90 percent of the internet users are using a smartphone to browse through social media and the smartphone usage covers 60 percent of the total internet traffic. The data also showed that on average people are spending approximately 7 hours on the internet daily. These facts shows that it is inevitable for the brand to launch itself using the internet and being present in the social media platforms.

Now the author is going to discuss about the data findings and give recommendations based on the findings, author's own knowledge, and using the secondary data collected in the theoretical part of this thesis

The first questions of the survey included information about the respondents' demographics, including their gender and age. All of the respondents decided to answer both of these questions. In gender part, male and female options gathered almost the same amount of votes and prefer not to say option gathered only two votes. The case company's idea is to create unisex clothing, meaning that it is suitable for everyone. The information about the genders is still valuable for the case company because marketing tactics can be different for different genders. In example it was found in the theory part that men are more likely to be influenced by an influencer than women. In the age question the biggest groups were age "under 25 years old" and "25-35". Because the company's idea is to target people from teenagers to age 35, this knowledge is valuable for the company, and it shows the survey has reached the audience the company wanted.

The third question was about what social media platforms the respondents use mostly and it gathered answers from all the respondents. The most used platforms were Instagram, TikTok, Facebook, Snapchat, and YouTube. The data collected from the secondary data also showed the same type of results. In there the most used platforms were Facebook, YouTube, WhatsApp, Instagram, WeChat, and TikTok. These findings shows that the survey has collected accurate and targeted information. The author recommends that the company should set up social media accounts on Instagram, Facebook, Snapchat, TikTok, and YouTube. Those are the platforms that are mostly used by the target audience. Those platforms can also be used to market the products easily and for free.

The fourth question was about what type of content the respondents usually consume. The most amount of votes gathered photos, videos, discussion in communities, and articles/news. Photos and videos being the most consumed type of content was quite obvious, because all the biggest social media platforms are meant to be used to share content as photos and videos. The discussion in communities was surprisingly high in the charts. In the clothing world, and especially in the street style, the discussions happens in the communities that share photos, news, and opinions about clothing. Those communities are also often used to sell clothing. A good example of a community like this is called "Hypend". There people share opinions and sell their used or new pieces of clothing. The author recommends that the company should market their products in their social media platforms using both photos and videos because these are the main type of content that the target audience consumes. The other plan should be that the company should be seen as the hot new topic to be discussed inside of those street wear communities. This can gather a lot of new audience and the marketing could be done for free because the information is spreading from person to person as word-of-mouth. The author recommends that the company should not forget the news, and podcasts which are now becoming more popular every year. The company could plan some kind of public stunt or an event that would gather the attention of the news stations, and it would be talked about in different podcasts.

The fifth question was about the marketing channels that reaches the audience. The most votes got social media advertisement, social media post, and word-of-mouth. This shows that the target audience is spending a lot of time daily on social media platforms, and they are not consuming entertainment such as tv, radio, and blogs as much anymore. The

secondary data also shows that on average a person spends seven hours a day on the internet. The secondary data also found that people believe more on word-of-mouth advertising than regular advertisements. The rapid growth of internet usage, and especially social media, is now affecting the way how companies should advertise its products. The author recommends that the company should focus mostly on the social media advertising, including both free posts made by the company itself and its audience, and on the paid advertisements. The company also needs to market itself in a way that gathers the most amount of recognition, so that people start to talk about it and spread information, so the word-of-mouth marketing begins to happen. It is really valuable for the company if people start to talk about it, because it is the best and the most trusted way to advertise the company for free. The author also recommends that the company should include e-mail marketing in its marketing plan because even if it did not gather most of the votes, it is still valuable way to gather new customers and maintain the old ones.

The sixth and the seventh questions of the survey gathered data about how regular social media posts and paid social media advertisement posts influence people's purchasing behavior. The sixth question asked has a social media post ever influenced one to purchase a product. Almost everyone of the respondents, 36 out of 38, answered that a social media post about a product has made them to purchase a product. Only two of the respondents answered no. The same pattern can be seen in the seventh question. There was asked if a paid social media advertisement has ever influenced them to purchase a product and 68,4% answered yes. The numbers showcase that regular social media posts have been more effective than paid advertisements. In example, one reason behind this is that people do not like to see an advertisement interrupt a video they are watching. The secondary data showed that people tend to trust more on word-of-mouth advertising coming from their friends and close ones than regular advertisements that are running on social media, tv and radio. Therefore, the author recommends that the company should include the advertisements and promotions inside the material a person is consuming on social media. This tactic can be used also for the paid advertisements. The company should create social media posts that promotes its products by creating videos and photos showcasing the clothes. The company could hire a model and create posts on social media to demonstrate how the clothes are looking. The author also recommends that the company should be aware of the new social media trends, and create content related to those trends. In

example it can be a person doing a popular TikTok dance wearing the company's clothing, or a person filming a day in life video where they wear the company's clothes during the video. Author recommends that the company should be active on their own social media channels and create content on their own daily. This could include photos and videos of the products, and behind the scenes style of content to show audience a more realistic side of the company. The social media channels to be used should be Instagram, TikTok, and Snapchat, because that is where the company's target audience locates. The author does not recommend using paid YouTube, tv, or radio commercials because they cost a large amount of money, and the company does not have the money required to run that type of advertisements. The company should also contact an influencer, a person who has following and influence on people, who could promote the company's clothes. Influencers are discussed more below.

The survey also gathered data about influencer marketing, and the respondents were asked if an influencer has ever affected on their buying behavior. Over half of the respondents, 76,3%, answered that an influencer has influenced them to purchase a product. The same type of data was collected by the secondary data in the theoretical part on this thesis. Like mentioned before, people trust more on word-of-mouth style of advertising, and this also includes influencer marketing. An Influencer can also be a person who does not have lot of followers on social media, but they can have influence by being trustworthy or have expertise of the topic. The study discussed in the theoretical part showcased that millennials say that they believe their favorite YouTuber understands them better than their own friends and family. It was also found that men are more likely to be influenced by influencer marketing. Other studies found that 81% of companies who has used influencers in their marketing plan tell that it was valuable for the company, and 54.1% of brands owning ecommerce stores say they are utilizing influencer marketing. Based on the findings gathered from both primary- and the secondary data, the author recommends that the company should include influencer marketing in their marketing plan. All data collected points towards that influencer marketing is highly valuable for the company to use in its marketing plan. Author suggests the company should contact influencers, or marketing agencies working with influencers, who has following and influence on social media from targeted audience. The company should contact and hire an influencer who has a recognizable amount of following on the social media and create a contract with them

where they agree to share a certain amount of posts for a certain amount of money. The company should also contact influencers who has a lower amount of followers but have a loyal fan base and influence on people. These influencers could be paid by giving them free samples of the company's products that they can promote in their social media platforms. This type of arrangement creates recognition for the company while saving the company's cash. The influencer marketing needs to be done in a way where the influencer promotes the company and its products on their channels using Instagram, TikTok, YouTube, and Snapchat, because those are the platforms that are most used to promote products using influencers. The social media posts could be an influencer reviewing and displaying the company's clothing and sharing their opinions about them. The promotion of the products could also be as subtle as that the influencer could only be seen wearing the clothing which then arises questions and the user's interest.

The next questions gathered information about how the respondents usually find new clothing to buy. All the options gathered a lot of votes which shows that the company should focus on all of them. The options were: search engine, social media, online store, and word-of-mouth. Like mentioned above, the company needs to create a professional social media account on all the popular platforms, which enables people to find and purchase its products. The company also needs to create a simple, well-functioning, and visually good-looking online store so it pleases their eyes and helps them find the company's products when conducting a google search. The online store needs to be created using search engine optimization. It helps the company to be seen in a higher position when a Google search is conducted. Word-of-mouth was highly voted again in this question, which proves that the company needs to create talk around the brand. It can be created using social media, influencers, or by doing a public stunt that catches people's attention.

The next question was a follow-up question of the previous one. The respondents who answered social media on the previous question were told to answer this one also. The question gathered data about the social media channels they usually use to search for new clothing. The results showed that most used ones were: Instagram, Facebook, TikTok, Snapchat, and YouTube. This data confirms the that the recommendations given by the author in above about the platforms to be used to promote the clothes on social media are correct. The company should focus its advertisement efforts on Instagram, TikTok, Facebook,

Snapchat, and YouTube. Instagram, TikTok, Snapchat, and YouTube should be used to promote the products by creating content that displays the products in a way that it gives the right image of the company and catches users' attention. Facebook can be used to promote the company's products on clothing related communities like Hyped that was mentioned above. Because both internet and social media usage is growing rapidly every year, the author recommends that the company should promote its clothing in a way that there is a direct link provided to users so they can access the company's website and be able to purchase products with low amount of effort used.

The last questions of the survey gathered data about people's usage of online stores and ordinary stores. Almost half of the respondents answered that they use equal amount of them both. Between the answers yes and no, the yes got more amount of votes with 36.8%. In the last question it was asked if the respondents believe that online stores will be so used in the future that there is no need for a company to have an ordinary store. The votes were divided by "no" getting 57,9% and "yes" getting 42,1%. This indicates that more people believe that ordinary stores are still used in the future. Because there were only 38 respondents in total, it is still impossible to tell for sure would opening an ordinary store be beneficial for the company or not. Therefore, the author recommends that in the beginning the company should first focus on creating a well-functioning online store to see if it can gather enough customers to be able to run the business. If the consumers are purchasing enough products for the company to create profits, and the customers are asking for an ordinary store to be opened, only then the company should start planning to open one up. One tactic the company could use is to open a pop-up store when they are launching a new line of clothing. Cambridge Dictionary explains well what a pop-up store is: "a store that opens suddenly and usually exists for a short amount of time: a temporary pop-up store often appears when retailers take advantage of empty retail space." (Cambridge University Press, 2022). Opening a pop-up store requires that the company has gathered enough recognition and customers, to be able to sell out the displayed clothes and pay the fee of the rented space. Good element about a pop-up store would be that the company could showcase the clothes to its customers live, and the company only needs to pay rent for a certain amount of days.

6 Conclusion

The purpose of the thesis was to gather valuable information for the author to use if he decides to launch this clothing brand in the future. First the thesis gathered information about what being an entrepreneur requires, and what entrepreneurship is. This information is valuable for the author, and he can use it to evaluate himself from the entrepreneurial point of view. He can then see what are the entrepreneurial characteristics that he already owns and what are the elements that needs to be developed. This thesis focused on finding the best marketing methods and marketing funnels to be used when launching the business. The theoretical part of the thesis gathered valuable secondary data about marketing that can be used by the company in their future marketing plan. The primary data collected in the research part of the thesis aimed to find out what are the main social media platforms that the target customers are using, and what are the platforms they are using to search for new clothes. The research also aimed to find out what type of content the target customers are consuming, and how influencer marketing has affected their purchasing behavior. In the end, the research gathered data about how often the target customers are using online stores compared to regular stores.

The main research question: “What are the marketing funnels a start-up clothing brand should focus on to create the greatest most amount of recognition?”, was answered thoroughly in the thesis. The theoretical part of the thesis gathered valuable information concerning this question, including information about marketing, digital marketing, social media marketing and influencer marketing. The research conducted by the author also collected useful data that was used to answer this question. The primary- and the secondary data both collected information about people’s online behavior, and what are the platforms that the company should use in its marketing to gather the most amount of recognition. The thesis was also able to answer the secondary research question: “Is it necessary to open a traditional store?”. The research conducted by the author collected data about how much people are using online stores compared to regular stores, and it was found that there is no need to open an ordinary store in the beginning. The survey was able to collect valuable information for the company to use in the future if one day they are thinking about opening a regular store in addition to their online store.

This thesis found out that to become successful as an entrepreneur, the author needs to have knowledge about the industry, passion towards the business idea, realistic goals, and a set of entrepreneurial skills to be able to run the business. The major findings of the thesis from the marketing perspective included information about people's online behavior, and how social media has affected their purchasing behavior. The world is becoming more digitalized every year and people are spending more of their free time online than before. This requires the company to understand digital marketing more thoroughly and the findings of this thesis helps the company accomplish that. In the recommendations chapter the author gave valuable suggestions for the company to use in their marketing plan. This includes information about the social media platforms that the company should use to gather most amount of recognition, the type of content the company should create for their social media channels to keep audience entertained, and how influencers should be used as a part of the company's marketing strategy to gather more customers. The thesis also gathered data about people's online store usage, and in the recommendations chapter the author has suggested that the company should only set up an online store, and in the future if the company is profitable enough and the customers are requiring, then the company could be able to open an ordinary store successfully. The author believes that by following the suggestions given in the recommendations chapter, the company is capable to launch itself successfully in the future.

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Appendix 1: Figure 1. The company's SWOT- Analysis

SWOT Analysis

■ Helpful ■ Harmful



- People starting to buy more clothes from smaller brands
- People are buying less fast fashion
- Customers like to support a local brand
- Social media is a powerful tool to be used to get recognition/customers

Opportunities



- Competitors gather all the attention
- No previous sales and cash earned
- No loyal customer base
- Constantly changing fashion trends

Threats

EXTERNAL

- knowledge about: the industry, current fashion and social media trends
- Skills: online design tools, photoshop, modern marketing tools, google analytics, business skills developed in the university
- New & trendy designs



INTERNAL

Strengths

Weaknesses

- Lack of practical experience working on the industry
- No previous customer base
- No previous following on social media
- No reliable manufacturer found yet



Appendix 2: Figure 2. The company's Marketing mix

Marketing mix – Five P's of marketing

Product	Price	Place	Promotion	People
<ul style="list-style-type: none">• Unisex clothing• One or two products (T-shirt, hoodie)	<ul style="list-style-type: none">• Low enough so almost everyone can afford• Can be accomplished by finding a good manufacturing partner	<ul style="list-style-type: none">• Online store needs to be opened• Ordinary store too expensive to set up	<ul style="list-style-type: none">• Through own social media channels: Instagram, TikTok, YouTube, Facebook• Using influencers social media channels: Instagram, TikTok, YouTube, Snapchat• Podcasts• News	<ul style="list-style-type: none">• Private entrepreneurship• Accounting firm• <u>Influencer</u> marketing firm• Manufacturing firm