



TAMPERE POLYTECHNIC

BUSINESS SCHOOL

FINAL THESIS REPORT

The market opportunities for B.L./D.B.P in Finland –
A preliminary study about the optical stores and their customers in
Finland

Saija Hakkarainen

Degree Programme in International Business
November 2006
Supervisor: Simo Vesterinen

TAMPERE 2006



Author: Saija Hakkarainen

Degree Programme: International business

Title in English: The market opportunities for B.L.I/D.B.P in Finland – A preliminary study about the optical stores and their customers in Finland

Month and year: November 2006

Supervisor: Simo Vesterinen

Page number: 57

ABSTRACT

This final thesis is a preliminary study of the market opportunities in Finland for the company B.L.I/D.B.P which is a French company that designs and sells frames internationally. The study was conducted in French during the spring 2006, handed in to the company management in June 2006 and translated into English during the autumn 2006.

The main reason why the survey was conducted was that B.L.I/D.B.P was planning to enter the Finnish optical market but it had no previous knowledge of the market area. One of the central problems was to learn what would be the most effective way to enter the market area. In addition, the company was facing questions like how much effort it should put on the marketing in Finland, is there demand for designer glasses in general and what kind of frames the Finnish prefer buying.

The research design of the study was exploratory research and the data was mainly derived from primary data sources because not too much public information could be found on the research subject. The sample was chosen from all the opticians in Finland regardless of their market position and the interviews were held as phone interviews. In total 50 acceptable responses were collected.

One of the main findings of the study is that the brands of B.L.I/D.B.P are not too well known in Finland and a lot of effort should be put on the marketing. It is also clear that the demand of designer frames in Finland is remarkable and the best way to enter the Finnish markets is to choose a reliable distributor or co-operate with one of the big chains. In addition Finnish prefer buying sunglass frames made of acetate and spectacles' frames made of metal. The medium purchase of sunglass frames in Finland is from 100 to 159 euros and of spectacle frames over 190 euros.

Keywords: Research process, B2B, International marketing research, Fashion Industry, B.L.I/D.B.P

Contents:

1	Introduction of B.L.I/D.B.P	5
1.1	The company B.L.I/D.B.P	5
1.2	The brands of B.L.I/D.B.P.....	5
1.3	The glasses and the design.....	6
2	Introduction to the purpose of the research.....	7
2.1	The goals and the purpose of the research	7
2.2	The methods of the research.....	7
3	Marketing research.....	9
3.1	Definition of the marketing research	9
3.2	A Classification of marketing research	9
4	International marketing research	11
4.1	The need for international marketing research	11
4.2	The extent of research	11
4.2.1	Economic factors	12
4.2.2	Politico-cultural factors.....	12
4.2.3	Commercial factors	12
5	Marketing research for fashion marketers	13
5.1	Product design	14
5.2	Competitive management.....	14
5.3	Manufacturing planning and sales forecasting	14
5.4	Pricing and distribution	15
5.5	Promotion planning	15
6	Operating in a business to business environment.....	16
6.1	The definition of business to business (B2B).....	16
6.2	The main differences between business market and customer market...	16
6.3	The organizational buying process.....	17
6.4	The research and the customer relationship management	17
7	Marketing research process	18
7.1	The definition of the problem	19
7.2	Formulating the approach to the problem.....	19
7.3	Developing the research design: The types of research design.....	20
7.4	Developing the research design: Qualitative versus quantitative research	20
7.5	Data collection: Primary data and secondary data	21
7.6	Data collection: choosing the sample	22
7.7	Data collection: Research techniques	23
7.8	The data analyses	24
7.9	Preparation and the presentation of the report	24
8	The market opportunities for B.L.I/D.B.P in Finland - Preliminary study about the optical stores and their customers in Finland.....	26
8.1	Introduction of the Finnish optical market.....	26
8.2	Research design	27
8.3	Research techniques.....	27

8.4 Sample selection	27
8.5 Detailed research questions	28
8.5.1 Questions 1.1-3.2.2.....	28
8.5.2 Questions 4.1-6	28
8.5.3 Questions 7.1-7.3.1.....	28
8.5.4 Questions 8.1-11.2.....	29
8.5.5 Questions 12.1-14.....	29
8.6 Hypotheses	29
8.7 Results of the survey	30
8.7.1 The brand awareness of JFREY, BOZ and SkyEyes.....	30
8.7.2 From where do the opticians know the brands?	31
8.7.3 The demand of designer glasses.....	32
8.7.4 The comparison of the demand of spectacles and sunglasses in Finland	33
8.7.5 The demand of children’s glasses in Finland	34
8.7.6 From where do the Finnish opticians purchase the frames?.....	34
8.7.7 The factors that impact the purchasing decisions	35
8.7.8 Multicolor glasses versus monochrome glasses.....	36
8.7.9 The most popular colors	37
8.7.10 Colors the customers avoid	38
8.7.11 The demand of modern sunglasses versus traditional.....	39
8.7.12 The demand of modern spectacles versus traditional.....	40
8.7.13 The materials	41
8.7.14 The prices	43
9 Conclusions	45
10 Recommendations for B.L./D.B.P.....	47
10 Summary	48
11 References	50
12 Appendix	52
12.1 Appendix 1 – The questionnaire in English.....	52

1 Introduction of B.L.I/D.B.P

1.1 The company B.L.I/D.B.P

The company B.L.I/D.B.P was found by Jean-François Rey in late 80's in France. It is a company that designs and sells designer eyewear products such as spectacles' frames, sunglasses' frames and cases. The company does not sell its products directly to the end users but to the optical stores and distributors. B.L.I/D.B.Ps headquarters are situated in Marseille, but it has also two private optical stores in France which are situated in Paris and Tours, and one in Tokyo in Japan. In addition, the company has nine representatives from who six is working outside of France and also several distributors who sell their products in smaller market areas. B.L.I/D.B.P has significant market share at least in France, Germany, Japan and Canada. (Rey 1.5.2006, interview)

B.L.I/D.B.P has separate departments for sales, accounting, design, procurement and logistics. It has outsourced the production of the materials and the end user products to subcontractors in China and in France. The company employs 20 full-time workers in its headquarters but it has also two part-time employees who help with company's IT-problems such as updating the company's ERP-system or adding new products on the company database. In addition on regular bases the company hires trainees to help the company with small projects (Rey 1.5.2006, interview).

1.2 The brands of B.L.I/D.B.P

B.L.I/D.B.P has three major frame brands and one smaller brand of children's frames. The most important brand is called JFREY which includes eyeglasses for both women and men and was launched in 1995. The frames of JFREY make up about half of the total production of the company and it is the second oldest and the best known product of the company. Two models of JFREY brand have been rewarded for their innovative design twice at the international eyewear fair Silmo in Paris, in year 2004 and 2005. (Rey 1.5.2006, interview)

The next best known and the oldest brand of the company is Boz, which dates to 1991. The design of Boz is rather feminine and it is mainly designed for women. The brand does not include as many products as the brand JFREY but it is gaining popularity all the time among the customers in France and also abroad. The third, and the least known brand of B.L.I/D.B.P is called SkyEyes and it is the mark under which the company designs and sells its sunglasses' frames. (Rey 1.5.2006, interview)

1.3 The glasses and the design

The most important elements of B.L.I/D.B.Ps marketing mix in order to sustain its market position as successfully as possible and to be able to differentiate itself from its competitors are the company's products. *Marketing mix* means well planned use of four different elements; product, place, price and promotion in order to create perceived value and generate sales (Marketing Mix, The 4 P's of Marketing 2002-2005). B.L.I/D.B.P has to come up with two new collections every year and to accomplish this, the company has three full-time designers working around the year. The eyeglass market is extremely vulnerable to changes in demand. (Rey 1.5.2006, interview)

The design of B.L.I/D.B.P is very distinctive and it is said to be influenced by African and Asian cultures. The materials used come in various colors, and flowers or other natural objects might be embedded into the materials. The design of B.L.I/D.B.P is not following the current fashion trends but trying to set new trends in its own distinctive look (Profile-Design 2006). For example the Silmo award won in 2005 was given to B.L.I/D.B.Ps model from the JFREY collection thanks to its innovative design (Rey 1.5.2006, interview).

2 Introduction to the purpose of the research

2.1 The goals and the purpose of the research

According to Rey B.L./D.B.P decided to conduct this marketing research because it had had troubles in entering the Finnish market in the past and had no one at the moment distributing its frames in Finland. The company had had troubles finding a reliable distributor in Finland even to the extent that one of the distributors they had tried to work with had disappeared with the B.L./D.B.P goods that he was supposed to sell in Finland. Other problem was that the company did not really know anything about Finnish market; about the Finnish opticians or the Finnish customers. (Rey 1.5.2006, interview)

The reason why conducting the marketing research about Finland according to Rey came current was that B.L./D.B.P had got two requests from its Scandinavian distributors that they would like to establish distribution in the Finnish market in addition to their own national markets. The company was facing the question, which one of the distributors to choose and how to make sure that the chosen distributor has all the information needed to establish productive distribution in Finland. The decision was made to take action in a form of a marketing research in winter 2006. (Rey 1.5.2006, interview)

2.2 The methods of the research

The research was conducted during the spring 2006 in Marseille in France. The research was made according the needs of B.L./D.B.P and the questionnaire was planned in cooperation with Marie Rey, a salesperson from B.L./D.B.P, whose market area Finland is. The actual collection of data from Finnish opticians was made by calling Finnish opticians directly and some responses where also received by e-mail. The reason why the company decided to interview only the opticians is because the opticians are their customers, not the end users and from company's perspective they have more valuable information. The opticians interviewed were from different cities, from different chains and also opticians, who work as a private business person, were interviewed.

All the responses of the marketing research were collected by the end of April 2006 and the data was analyzed during May 2006. The first versions of the marketing research and the final report and its results were written completely in French and it was given to B.L.I/D.B.P in a meeting with Joelle Rey, the B.L.I/D.B.Ps head of sales and procurement, on the 7th of June 2006. The research was translated into English during the autumn 2006 and handed in during November 2006.

3 Marketing research

3.1 Definition of the marketing research

According to Malhotra and Peterson *marketing research* is “the systematic and objective identification, collection, analysis, dissemination, and use of information” that improves decision making in marketing. Malhotra and Peterson continue that the marketing research should always have a scientific base and that it should be planned in details. One should also make sure to document it carefully. Marketing research is a tool used to identify and solve problems or opportunities, which are usually two interchangeable words from the marketing perspective (Malhotra & Peterson 2002:5). A good example of a feasible marketing research implementation is a situation where an international trading company tries to penetrate new market areas such as in the case of B.LI/D.B.P.

3.2 A Classification of marketing research

There are two different basic reasons why organizations use marketing researches according to Malhotra and Peterson. Organizations may use marketing research either to identify or to solve problems of the marketing. Based on these two different purposes marketing researches can be put into two different categories as shown in the figure 2.1. Both of these categories will be explained in detail in the following paragraphs. (Malhotra & Peterson 2002:7)

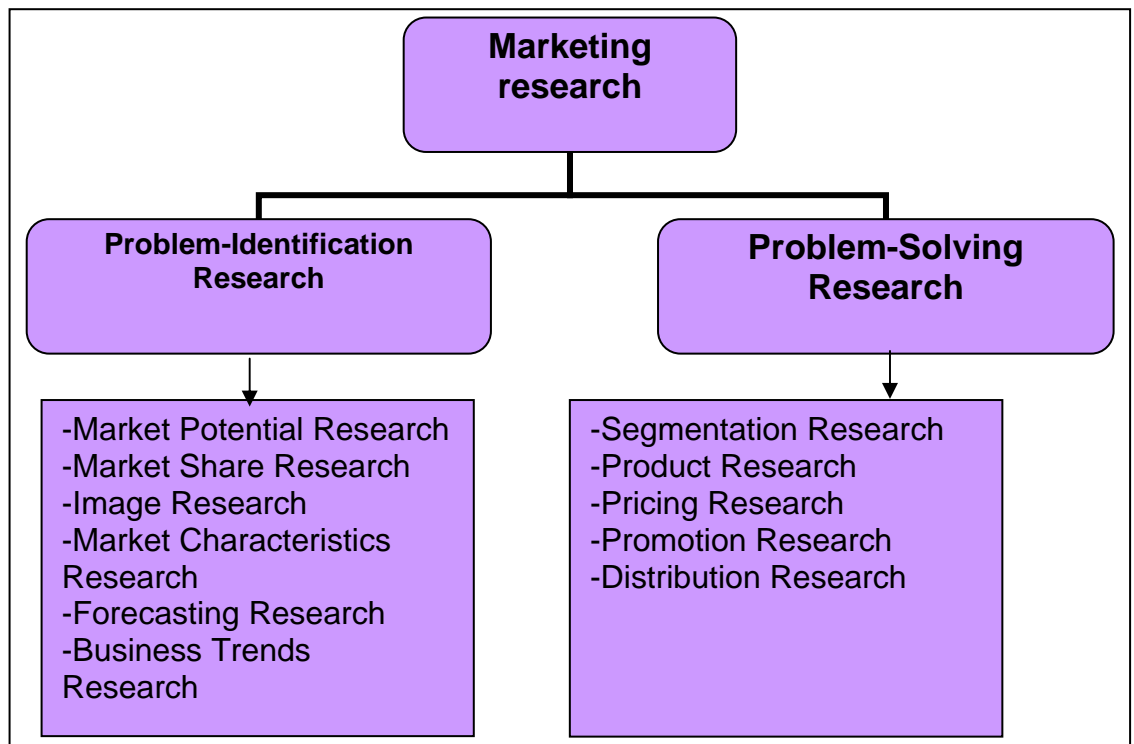


Figure 1 Classification of Marketing Research (Malhotra & Peterson 2002:7)

According to Malhotra and Peterson *Problem-identification research* means studying the real underlying problems of marketing that may not be seen easily or identified without careful research. The aim of problem-identification research is to help identifying these problems usually even before these problems occur and prevent them (Malhotra & Peterson 2002:8). This final thesis is a good of example of problem-identification research and more specifically of a market characteristics research, where the aim is to learn from a new market area (Malhotra and Peterson 2002: 7). All the different kinds of forms of problem-identification research are listed in the figure 1.

Problem-solving research is less common of these forms of research and it is used to solve the problems that already have been identified. According to Malhotra and Peterson it is quite common that the problem-solving research is combined to the problem-identification research but the classification is useful from conceptual and practical viewpoint (Malhotra & Peterson 2002:8). An example of problem-solving research could be a research where the company tries to solve pricing problems like what would be the optimal price for their product A that is considered to be too expensive and has caused descending sales for the company.

4 International marketing research

International marketing research is always more complex than national research because there are more variables which have to be considered according to Kumar. Kumar defines *international marketing* research as “the function that links an organization to its market through information” and in its simplest form it involves “research studies in a single market outside the firm’s domestic market” (Kumar 2000:3). Chisnall takes Kumar’s definition even further by stating that the importance of international marketing should not be underestimated because many international organizations could not even exist without marketing research (1997:325).

4.1 The need for international marketing research

According to Chisnall it is essential to learn from peoples buying motivations and other factors that influence demand to be able to satisfy customers’ needs as fully as possible. To do this efficiently, it is necessary for the marketing managers to find out what given kinds of people desire, their purchasing motivations and other factors that influence demand, and then to make some estimates of projected demand. Chisnall continues that the importance of marketing research is especially emphasized when entering overseas markets because of the less knowledge of the customers and their buying behavior and the greater areas of uncertainty (Chisnall 1997:327).

4.2 The extent of research

To fully understand overseas markets the marketing research should be thorough and various factors should be considered. According to Chisnall these factors can be categorized into three different categories; economic factors, politico-cultural factors and commercial factors. Chisnall continues that one should also take into consideration that these categories are not watertight and their influence is not isolated but they can often be interrelated (Chisnall 1997:333). All of these factors are explained in detail in the next three paragraphs.

4.2.1 Economic factors

Economic factors are the basic features of the market, such as legal constraints, industry structure and the size of the market. According to Chisnall all of the economic factors should be well studied when entering new market areas. Chisnall emphasizes that, when talking about the economic factors, one should also remember that the size of the market should not be the most significant factor when choosing potential markets; one should also consider the purchasing power of the market (Chisnall 1997:334). For example, even though Finland is one of the smallest countries, when comparing the population size, almost three fourths of the adult population uses eyeglasses and this rate makes Finland interesting market area for eyewear designers (Optinen ala Suomessa 2004-2005 2005).

4.2.2 Politico-cultural factors

According to Chisnall *Politico-cultural factors* include wide spectrum of market influences which derive from customers' social and cultural behavior in the country where a company plans to enter. A good example of politico-cultural factor could be customers' food preferences and the degree of brand awareness and loyalty. Chisnall continues that when entering new markets overseas the politico-cultural factors should never be underestimated because they might even determine what kind of products can be sold (Chisnall 1997:334). For example, frames that are white do not sell in Sweden, because the color of the skin in Sweden is rather pale (Rey 1.5.2006, interview). This fact might critically affect French companies' sales in Sweden, which are used to sell plenty of white frames in Southern Europe.

4.2.3 Commercial factors

According to Chisnall *commercial factors* are the logistics of supply, finance, freight, insurance and advertising and how they are arranged in the chosen market overseas. Chisnall continues that the aim is to identify the most effective methods and to get rid of all extra costs. A good example of commercial factor is the distribution. The aim is to plan precisely how the distribution of the product is organized and to choose the best possible and price effective policies for the company. (Chisnall 1997:338-339)

5 Marketing research for fashion marketers

B.L.I/D.B.P is a company that is strongly linked to the design and fashion and therefore it is part of the fashion industry. According to Bohdanowicz and Clamp the special features of fashion industry, that makes the environment complex, are the strong influences of environmental pressures in the highly international industry, time constraints such as the high speed of change and the important role of the buyers (Bohdanowicz & Clamp 1994:5). All of these special features emphasize the importance of marketing research in fashion industry. The next six paragraphs explain in which part of marketing strategy the research can help the companies to make sound decisions and these parts are also illustrated in the figure 2.

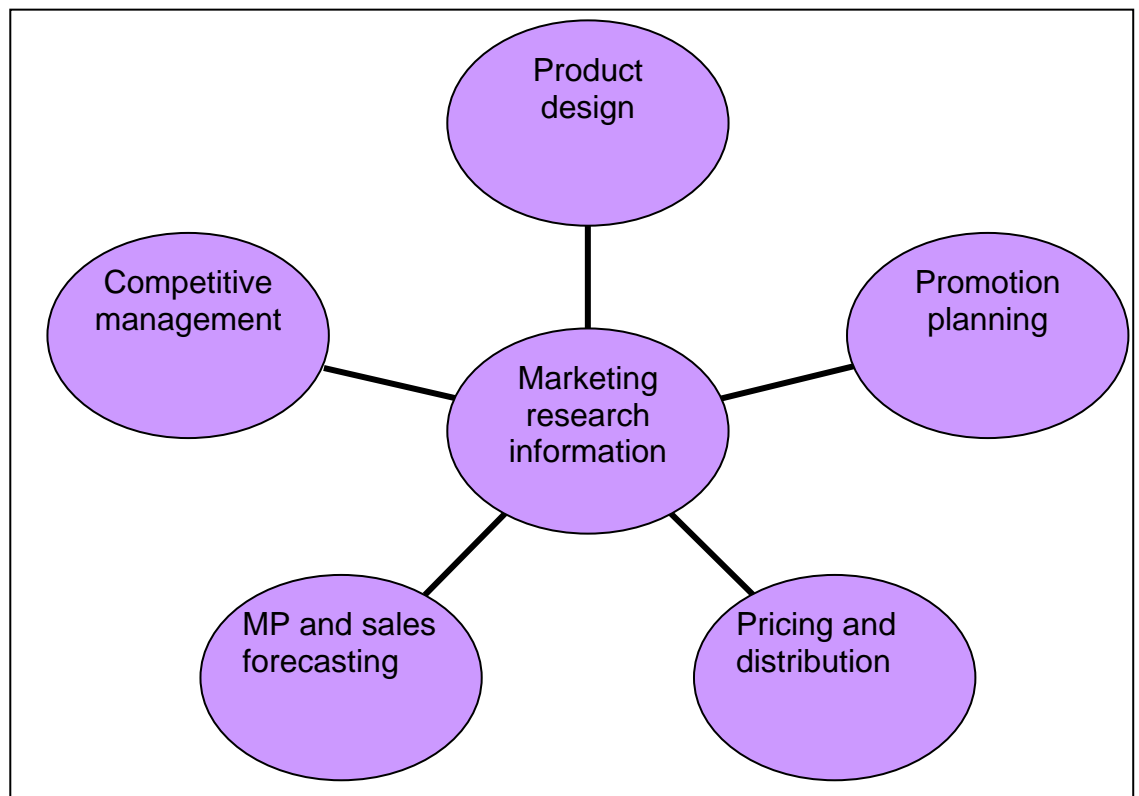


Figure 2 The importance of marketing research to strategic planning for fashion marketers (Bohdanowicz & Clamp 1994: 28-29)

5.1 Product design

According to Bohdanowicz and Clamp the fashion industry is said to be more design led than consumer led. This means that it is the designers who come up with new fashion ideas, not the customers. However, designers can get via marketing researches essential information and feedback from their customers how their ideas are conceived and this information helps the designers in the design process (Bohdanowicz & Clamp 1994:28). For example, a clothes design company might conduct a marketing research on what their customers think about their new men's collection that they have introduced to the markets and based on this information make some modifications.

5.2 Competitive management

One of the prime characters of the fashion industry according to Bohdanowicz and Clamp is its vulnerability to the changes of the environment (Bohdanowicz & Clamp 1994:28). The fashion marketers have to be continuously aware of all the development in *the macro environment* and in *the micro environment*. According to Lancaster macro environment means all forces and agencies external to the company itself and micro environment denotes the factors that the company can control such as suppliers. Lancaster continues that the on-going marketing research keeps the company updated of all of these developments and helps in retaining company's competitive position (Lancaster 2006).

5.3 Manufacturing planning and sales forecasting

Manufacturing management which aims to reduce the stock costs has together with technological improvements succeeded in reducing the level of unwanted stock according to Bohdanowicz and Clamp. However, sales forecasting is still important for the fashion marketers. It is vital in planning the budget to be able to estimate the sales levels and predict the amount of materials and resources needed in the future. Sales forecasts are also important for the production managers for production schedule planning and for the marketing managers because they can use sales forecasts in assessing and controlling the marketing plan. (Bohdanowicz & Clamp 1994:28-29)

5.4 Pricing and distribution

According to Bohdanowicz and Clamp extensive research about customer reactions concerning the pricing is needed to be able to make the final pricing decisions. Directly related to the pricing decisions is the decisions of what kind of distribution channels to choose. For example the use of big distributors instead of local representatives affects directly the price of the product. Bohdanowicz and Clamp continue that the research is needed to back-up the choices made even though experience can be an important factor in decision making as well. (Bohdanowicz & Clamp 1994:28)

5.5 Promotion planning

According to Bohdanowicz and Clamp marketing research can be used by the fashion marketers to provide information to help planning promotion such as sales promotion formulation and how the sales staff should be trained (Bohdanowicz & Clamp 1994:28). Bohdanowicz and Clamp continue that when planning the promotion careful studies have to be conducted in matching the right message to the customers and in choosing the right media to be able to reach the targeted customers (1994:28). For example, if a company has chosen people over 60 years old as their target customers, the best media to reach the customers is hardly the Internet.

6 Operating in a business to business environment

6.1 The definition of business to business (B2B)

The operation model of B.L./D.B.P is not to sell its products directly to the end users but through the optical stores or the distributors. That is why one can say that B.L./D.B.P functions in the *business-to business* markets and this fact has an important influence on the content of the survey conducted for the company. Business-to-business, better known B-to-B or B2B, means selling products or services to other businesses, not directly to the customers who use the final product. B-to-B can mean business between two or even more companies, depending on the nature of the commerce. The term is often referred to B-to-B commerce on the Internet, but it can be applied to offline relations too. (Vargas 2006).

6.2 The main differences between business market and customer market

The B2B market environment varies a lot from the traditional consumer oriented market. The main differences are that business markets consist of a less amount of bigger customers than the consumer markets, and business markets are more concentrated on selling in a bigger volume. In addition, other distinctive features of the business markets are that they are usually technically more complex and the emphasis is on personal selling. That is one of the reasons why relationships between the buyer and the seller in the business market are stable and long-term; relationships are formed to encourage loyalty. Without the loyalty of the buyers a company may lose its competitive position (Gigliano & Vitale 2002:5-10).

Another important feature that differentiates business to business market and business to customer market is the features of demand. In the traditional business to consumer market the demand is said to be direct, stable and elastic (Gigliano & Vitale 2002:10). *Elastic demand* means demand where the changes in the price, change the demand of the product (Price elasticity of demand 2006). For example when the price of designer clothes is low, the customers buy more of them. The demand in B-to-B market on the contrary is much more volatile and it is said to be discontinuous, in other words, it varies a lot. It is always dependant on the consumer demand and small changes in the customer market lead to much greater changes in business market (Gigliano & Vitale 2002:10).

6.3 The organizational buying process

According to Giglierano and Vitale consumers often make their buying decisions in the heat of the moment depending on the funds that they have available for the purchase. In comparison, in the B2B market, the price is not considered as the only part of delivered value but the purchases involve input from decision makers and influencers at various levels to contribute their expertise in order to satisfy a diverse set of needs. The aim of these inputs from decision makers' and influencers' perspective is to ensure the best possible buying decisions for the organization. Giglierano and Vitale continue that one of the key issues in organizational buying decision is to find loyal customer relationships. (Gigliano & Vitale 2002:61-64). For example, optical stores may not always choose the cheapest and best known brands but they also want to study the glass manufacturers and find out who are the most reliable suppliers.

6.4 The research and the customer relationship management

In the case of B.L.I/D.B.P the aim of the survey was to study the new market area, Finland, which the company was planning to enter. In a situation like that it is more than essential for the company to understand the customers and behavior to be able to acquire and retain loyal customers. This is where the *customer relationship management, CRM*, comes in to the picture. According to Nykamp CRM is "essentially a focus on providing optimal value for your [company's] customers". Nykamp continues that ongoing CRM is the way to get rewarded with customer loyalty which will lead to a significant competitive advantage. CRM is designed to help identifying how to profitable act on "the customer is always right" premise all the time, across all channels and functions of the organization (2001:4-7).

The CRM process involves an ongoing series of interactions between the buyer and the seller but for the purposes of the survey the most important part is to understand the customers' needs. According to Nykamp a successful business can not have a prosperous relationship with its customers unless the company understands customer needs and attitudes. Nykamp continues that each customer has different preferences but never the less it is important to understand how these needs are involved in the purchasing process. This is the main reason why primary research is conducted when a company is trying to enter a new market place (2001:7-26). For example, the main purpose of the survey conducted for B.L.I/D.B.P was to learn of color, price and other preferences of the Finnish customers to be able to match the right products to the Finnish market.

7 Marketing research process

According to Malhotra and Peterson the research process includes six different phases that have to be accomplished in conducting a marketing research (Malhotra & Peterson 2002:9). These six phases are called “defining the problem, developing the approach to the problem, formulating a research design, doing field work or collecting data, preparing and analyzing the data and preparing and presenting the report” (2002:9). All these phases will be explained in detail in next paragraphs and they are illustrated in figure 3.

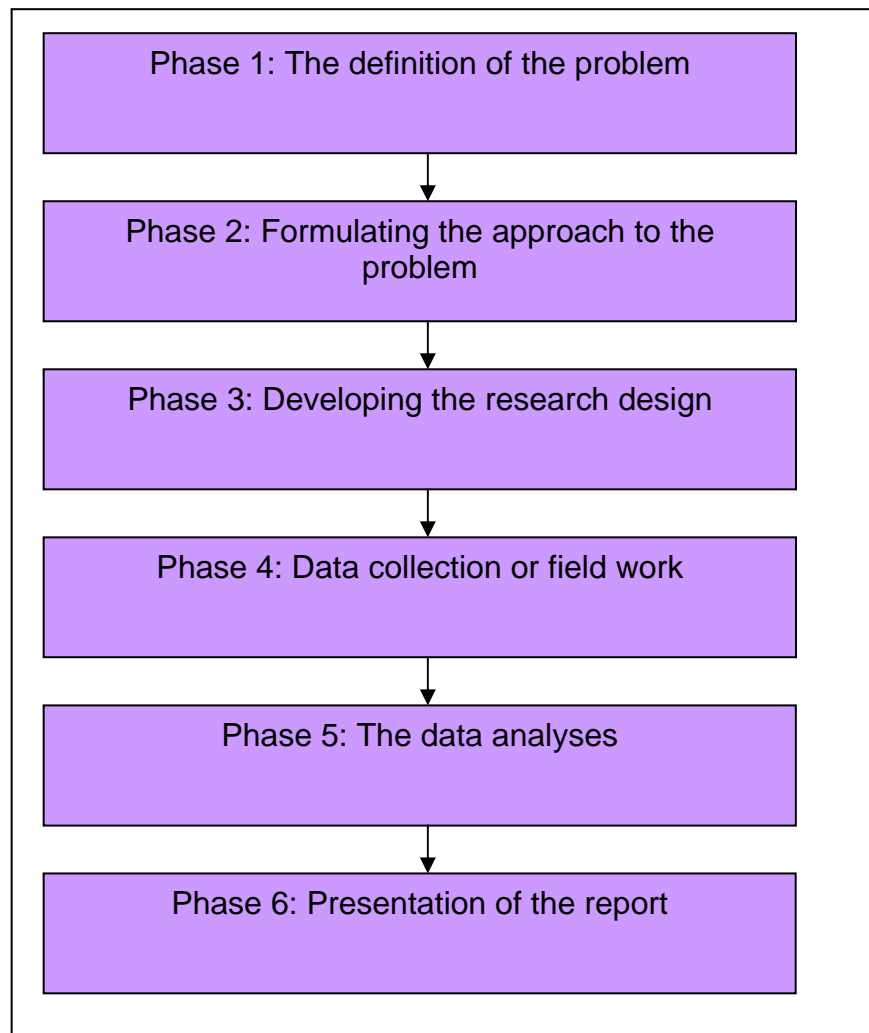


Figure 3 The Marketing Research Process (Malhotra & Peterson 2002:9)

7.1 The definition of the problem

The first phase in marketing research according to Malhotra and Peterson is defining the problem and the purpose of the research. Malhotra and Peterson continue that the problem definition should be accomplished through various discussions with industry experts and the decision makers, analyzing secondary data and conducting some qualitative research (2002:33). *Secondary data* means any data that has already been collected for other purposes than the research itself (Malhotra & Peterson 2002: 97) and *qualitative research* means unstructured, exploratory research that is based on using small samples such as focus groups to provide insight of the problem setting (Malhotra & Peterson 2002: 40).

According to Malhotra and Peterson (2002: 33) the phase of defining the problem is the most important phase of the marketing research process. The problem definition involves pointing out the general problem and identifying the specific components of the marketing research problem. Malhotra and Peterson continue that one of the major reasons why marketing researches fail is that the problems are not defined appropriately. One should also make sure that the researcher and the organization agree on the definition of the problem otherwise the results will be useless and the effort, time and money spent wasted (2002:33).

7.2 Formulating the approach to the problem

The second phase of marketing research process according to Malhotra and Peterson (2002:49) is to develop an approach to the problem by determining analytical framework and models of the research, research questions and the hypotheses. All of these components are used to decide what information is needed and what should be obtained (Malhotra & Peterson 2002:52). By *the Analytical framework and models* Malhotra and Peterson mean the theory of the research that defines the collection of the data and analytical framework is the conceptual framework of the research that comes from academic literature (2002:49).

According to Malhotra and Peterson *Research questions* are “refined statements of the specific components of the problem”. Malhotra and Peterson continue that the formulation of research questions should be guided and the questions should provide valuable information for the decision makers. In other words it is pointless having questions that won't provide answers that give insight to the purpose of the research. *Hypotheses* on the other hand are the unproven statements or propositions about factors or phenomenon that are interesting to the researchers. They usually reflect researchers' expectations and they are often stated as a possible answer to the research questions. (Malhotra and Peterson 2002: 50-51).

7.3 Developing the research design: The types of research design

There are two different types of research designs; *exploratory research* and *conclusive research*. Exploratory research is the research conducted to investigate the problem situation, in another words to gain new ideas and insights to the problems that the marketing research is meant to solve. It is used when the company knows that the problem exists, but the company does not yet know why. The objective of conclusive research on the contrast is to test the hypotheses and examine specific relationships in a situation where the problem at hand is well identified. It is designed to help the company to determine, evaluate and select the best solution in a given situation. (Malhotra & Peterson 2002: 72-73)

7.4 Developing the research design: Qualitative versus quantitative research

The primary data can be generated by two different types of research methodologies, *qualitative* and *quantitative research* (Malhotra & Peterson 2002:150). The distinction between these two types of research methods is closely related to the difference of exploratory research and conclusive research that were explained in detail in paragraph 6.3. The differences of these two research methodologies are demonstrated in figure 4.

Qualitative research is a research method that provides views and understanding of the problem background. It is conducted by choosing small samples of non-representatives cases and the results are analyzed in a nonstatistical way. The gain is not to reach conclusive evidence but to define the problem and develop an approach with a richer understanding of the situation at hand. Quantitative research on the other hand seeks to quantify the data and get results that can be generalized from the chosen sample to the whole population of the interest. The research conducted to B.L.I/D.B.P is a good example of quantitative research because the aim was to seek conclusive evidence based on large, representative samples. All the results of quantitative research can be analyzed in a statistical way and the questionnaires are usually highly structured. (Malhotra & Peterson 2002:150)

	Qualitative research	Quantitative research
Objective	To gain a qualitative understanding of the underlying reasons and motivations	To quantify the data and generalize the results from the sample population of interest
Sample	Small number of non-representative cases	Large number of representative cases
Data collection	Unstructured	Structured
Data analysis	Nonstatistical	Statistical
Outcome	Develop a richer understanding	Recommend a final course of action

Figure 4 Qualitative Versus Quantitative Research (Malhotra & Peterson 2002:151)

7.5 Data collection: Primary data and secondary data

There are two types of data that can be used in the marketing research: *primary data* and *secondary data* (Chisnall 1997: 39). The main differences of primary and secondary data are illustrated in the figure 5 below. Primary data is the data that has to be collected for the first time by using observations, experimentations and questionnaires to get the information. The researcher uses the data specifically for the research itself. For example, in the marketing research conducted for B.L.I/D.B.P the results of the research were collected by questionnaire and the data received was primary data.

Secondary data means already existing information that might be useful for the purposes of the research at hand. It can be available from internal sources or from external sources, depending on what kind of information one is looking for. A good source of internal secondary data could be the databases or the published materials of the organization. External secondary data on the contrary includes the statistics from reputable organizations such as the government or the trade organizations which can be used for the purpose of the research. (Chisnall 1997: 39-64)

	Primary data	Secondary Data
Collection purposes	For the problem at hand	For other problems
Collection process	Very involved	Rapid and easy
Collection cost	High	Relatively low
Collection time	Long	Short

Figure 5 A Comparison of Primary and Secondary Data (Malhotra & Peterson 2002:99)

7.6 Data collection: choosing the sample

According to Malhotra and Peterson choosing the sample for the marketing research begins with defining *the target population* (2002:326). Defining the target population means collecting the persons or objects that have the information the researcher is seeking. In another words it means defining who should and who shouldn't be in the sample. For example, in the study for B.L./D.B.P the target population was all the Finnish opticians. Malhotra and Peterson continue that the step of defining the target population is essential because the data generated should be to address to the marketing research problem (2002:326).

After defining the target population one should determine *the sampling frame* (Malhotra & Peterson 2002:326). The sampling frame is a representation of the target population in a form of a list or set of directions for identifying the target population. As a sampling frame one can use for example telephone book, a city map or computer search engine, which was used it the case of B.LI/D.B.P. One should also bear in mind when determining the sampling frame that it should include exactly the elements needed, nothing more, nothing less, other vice it can lead to sampling frame error (Malhotra and Peterson 2002:327).

Next step after determination of the sampling frame is to select the sampling technique (Malhotra & Peterson 2002:327) and there are two different sampling techniques from which to choose from. The first technique is called *nonprobability sampling* that relies on researcher's personal opinions in choosing the sample elements. For example the researcher might interview people at street corners or shopping malls. The limitation of this technique is that there is no objective way to estimate if the results of the sample are precise. Therefore the results can not be projected to the population with any specified level of confidence (2002:327).

The other sampling technique is the *probability sampling* in which the sample is chosen randomly, by chance. When using the probability sampling, the probability of choosing each potential sample from the population can be prespecified. Even though it is not necessary that all potential samples have the same probability of being selected it is possible to specify the probability of selecting a particular sample of a given size. The biggest advantages of probability sampling are that confidence intervals can be calculated around the sample estimates and the sample results can be projected to the whole population. (Malhotra & Peterson 2002:328)

7.7 Data collection: Research techniques

There are two broad categories of research techniques according to Chisnall; *reactive* and *normative* to obtain primary data (Chisnall 1997:39). Reactive technique refers to the situations where the data derives from interaction between the researcher and the respondents as in interviews, questionnaires, or controlled experiments. For example, the survey conducted for B.L.I/D.B.P was made using reactive research technique in a form of telephone enquiries. The latter technique, normative technique, is about observations of the respondents, for example in a super market or library, where the respondents are not directly given any information that they are being analyzed. More specifically in marketing research there are usually three different methods of observation; audits, recording devices and watching peoples buying behavior (Chisnall 1997: 40-46).

The backbones of the reactive surveys on the other hand are well planned and executed *questionnaires* and they are the most convenient ways of collecting primary data (Chisnall 1997: 52). Questionnaires can be used when conducting the survey in person, by telephone, through a mailed questionnaires, or electronically via the computer (Malhotra & Peterson 2002:181). The advantages of using questionnaires to collect primary data are that questionnaires are easy to administer, reliable and simple. Malhotra and Peterson continue that the only limitation of surveys is that it can be hard to get the responses from the respondents, because they might be unwilling or unable to answer the questions that can provide the desired information (2002:181).

7.8 The data analyses

The first step of data analyses according to Malhotra and Peterson is to check and edit all the acceptable questionnaires for the completeness and quality (Malhotra & Peterson 2002: 405-407). The questionnaires with unsatisfactory responses can be completed by contacting again the customer or simply discarded from the survey, depending on the resources of the research. After editing, the second step of data analyses according to Malhotra and Peterson is to code the responses. This means assigning a code, usually a number, to each possible answer like number 0 for the men and number 1 for the women. Coded answers help the researcher to analyze the data and to draw the conclusions later on.

The third step after tabulating the data is to analyze and interpret the responses. According to Chisnall it is important to take into account that the data analyses and interpretations should follow the objectives of the individual survey and the aim is to arrange and clarify the data so it comes easier to understand. Another important aspect of data analyze is to examine it to identify possible relationships between different variables and their meanings. Chisnall emphasizes that one should carefully recognize pure random relationships which have nothing to do with cause and effect. All of these analyses and interpretations can simply include statistical descriptions such as averages, percentages, distributions and measures of dispersion of the data. (Chisnall 1997: 404)

7.9 Preparation and the presentation of the report

According to Malhotra and Peterson the last and the final phase of marketing research process is the preparation and presentation of the report. These are the tangible products of the research process and from which the written report remains as the historical record of the process. That is one of the main reasons why one must make sure to prepare them carefully and make sure not to diminish the value of the research project in any means. Well planned marketing research process helps essentially in reaching this target. In this final phase of the research process the marketing managers of the company step in and it is their task to assess the quality of the report and the presentation. (Malhotra and Peterson 2002:530)

The composition of the marketing research report and the presentation, which should be based on the written report, are likely to vary depending on the researcher, the marketing research company, the client for who the research is conducted and the purpose of the research. The research language should take into account the reader's technical sophistication and most importantly the report should be easy to follow (Malhotra & Peterson 2002: 533-535). According to Chisnall (1997:407) the aim of the report is to present the survey findings in a logical order and it should at least include three main elements. The first main element should be introduction of the company and the purpose of the research, the second is the main body which contains the findings of the survey and the last element is the appendices.

After the oral presentation of the report, the research has still important tasks to accomplish. The researcher has to assist the client in understanding the survey by answering the questions that may arise, especially those that are dealing with technical matters of the research. The researcher should also assess the research process critically to obtain new insights and useful information that might come in handy in the future surveys. In some cases, after conducting the survey, the researcher even helps the client to implement the findings and the follow-up actions of the survey. (Malhotra & Peterson 2002:541)

8 The market opportunities for B.L.I/D.B.P in Finland – A preliminary study about the optical stores and their customers in Finland

8.1 Introduction of the Finnish optical market

In Finland the population is 5,3 millions from which three million people use spectacles and 260 000 people use contact lenses. In total these figures present 61% of the whole population. In addition 38% of the people who use spectacles own more than one pair of glasses. The percentage of the people who need spectacles or contact lenses is one of the highest in Europe even though only 47 % of the people who need glasses use them permanently. One of the main reasons why the utilization rate is so high is the ageing of the population. Among the Finnish women the permanent use of spectacles is remarkable higher than among the men. (Caractéristiques marché de la lunette 2005)

In Finland there are five big optical outlet chains; Synsam Optikot, Cazze Optikot, Silmäasemat, Tähti Optikot and Instru Optiikka. These big chains represented 81 percent of the total market share in year 2004 and altogether there were 710 optical outlets in Finland the same year. The total turnover of Finnish optical outlets in year 2004 was 249 million euros and about 78 percent of this was comprised of sales of spectacles and about 10 percent of the sales of sunglasses. The biggest turnover of optical outlet chains was Instru Optiikka's, which turnover in 2004 was about 30,5 percent of the total turnover of all optical outlets. (Optinen ala Suomessa 2004-2005 2005)

The local production of spectacles and sunglasses in Finland is rather weak and the production is not internationally well-known. Never the less, the local production exists in Finland and probably the most famous Finnish brand is called Tiara Fashion. Founded in 1985 Tiara Fashion is situated in Lapinlahti and its production is concentrated on frames that are made of acetate. Due to the weak local production of frames Finland's optical market highly relies on importations from other countries. Italy was the principal supplier of spectacles and sunglass frames in year 2004; it had 34 percent of the total market share of spectacles and 45 percent of the market share of sunglasses. (Caractéristiques marché de la lunette 2005)

8.2 Research design

The research design of the survey was exploratory research. The aim was to investigate the problem situation of B.L.I/D.B.P when it was trying to enter the Finnish market as a relatively new producer. The company wanted to find out more information about Finland's optical market and to gain better understanding of the Finnish customers' needs. B.L.I/D.B.P had had problems entering the Finnish market in the past, for example in finding a reliable distributor, and by conducting the survey B.L.I/D.B.P was trying to prevent same kinds of problems occurring again. The research methodology was to conduct a quantitative research aiming to quantify the data and obtain results that can be generalized to the whole optical market in Finland.

8.3 Research techniques

The data collected mainly consists of primary data derived from reactive research technique and the data was collected by phone interviews. Only the Finnish opticians were interviewed, not the end users, for the reason that B.L.I/D.B.P function in the B2B environment. B.L.I/D.B.P sells its products merely to the optical outlets or distributors who carry out the final distribution. From the company's perspective Finnish opticians possess more valuable information for the marketing purposes, for example about the brand awareness and advertising. For the background information of the survey some secondary data sources were used such as the intranet of the spectacle producers in Jura area in France and Finland's Optical Information Center.

8.4 Sample selection

The sample was chosen from the target population of all the opticians in Finland regardless of their position in the market or their location in Finland. Internet search engines www.keltaisetsivut.fi, www.inoa.fi and www.yritystele.fi were used as the sampling frame to get the contact information. The sampling technique was partly nonprobability and partly probability sampling due to the limited time frame available for the research. In other words, opticians were chosen randomly from the lists formed by search engines, but some thought was given to the position and location of the optical outlet, so that as different as possible outlets were chosen to the sample. The aim was to get as representative list as possible from the Finnish opticians. In total 50 acceptable responses were collected and five test surveys were conducted.

8.5 Detailed research questions

8.5.1 Questions 1.1-3.2.2

The first 12 questions were about the brand awareness of JFREY, BOZ and SkyEyes in Finland. Firstly, the opticians were asked if they know B.L.I/D.B.P's brands. The objective was to study how well the opticians know the brands and to learn with which brand the company would need to do the greatest marketing efforts concerning for example advertising and campaigns. Another aim was to learn from where the Finnish opticians have heard from B.L.I/D.B.Ps brands. The results of these questions will help the company in the future in designing the marketing in a way that it will reach the Finnish opticians most efficiently.

8.5.2 Questions 4.1-6

The next six questions were asked to get a general idea of the demand of designer glasses in Finland. B.L.I/D.B.P wanted to know first of all whether or not there is demand for designer glasses in the market and if there is, what are the proportions of the demand. It will be essential for the company to know about the market potential in Finland in order to fulfill the whole demand and to plan the needed resources for the marketing. In addition, B.L.I/D.B.P wanted to know is there demand for both, spectacles and sunglasses and would the demand of one or another be more remarkable, because the company has two separated collections for both. The question about the demand of children's frames was added to get an overall picture of the whole demand of frames in Finland despite the low importance of children's collection.

8.5.3 Questions 7.1-7.3.1

These four questions are probably the most important questions of the survey. They were intended to give detailed information on how the Finnish opticians purchase the frames and what influences their buying decisions. The question of purchasing methods is especially extremely important because the method has a great impact on the price of the products. For example, if an optician buys the glasses from distributors, the prices are defined mainly by the distributor not the designing company itself.

The question about the factors that influence opticians buying decisions was asked to learn what the opticians consider as the most important criterion when they choose the brands they want to sell in their optical outlets. It was not asked from the opticians who replied that they receive the glasses from their chain because, for them, it is the chain that makes the purchasing decisions, not the opticians themselves. The results of these questions can also be useful for the marketing purposes and help to understand the influences behind the buying decisions of opticians.

8.5.4 Questions 8.1-11.2

The questions about the colors, shapes and appearance were meant implicitly to get information about opticians' opinions of B.L./D.B.Ps products. The purpose was to know would company's multicolored frames sell in Finland, are there any specific colors that the Finnish prefer buying or vice versa do not buy at all and what type of frames sell. B.L./D.B.Ps products are famous for their distinctive features such as loud colors, multicolored materials and shapes that stand out from other brands' products.

8.5.5 Questions 12.1-14

The last questions were about the favorite frame materials of the Finnish customers and the medium price of sunglasses' and spectacles' frames. The question of the price was particularly important from B.L./D.B.Ps perspective because company's products are rather expensive and do not compete with the price. The set price groups are rather wide because the company is only interest do sunglasses' frames that cost from 100 to 159 euros or spectacles frames' that cost over 190 euros sell. The company does not have frames in it's collection that are under these price groups. The aim of question 14 about sending the catalogue was meant to get full benefit of the interviews and advertise B.L./D.B.Ps products in Finland.

8.6 Hypotheses

- The Finnish opticians know the brands JFREY and BOZ, but SkyEyes is not known.
- In Finland the demand of designer glasses exists, but it is not remarkable

- Finnish people buy more often designer sunglasses than spectacles
- Finnish opticians get their frames mainly from the chain they present
- The quality influences the most opticians buying decisions
- Finnish people like monochrome, simple and traditional frames
- Finnish people prefer colors like brown and black and dislike white
- Spectacle frames that are made of metal sell the best in Finland
- Sunglass frames that are made of acetate sell the best in Finland
- A Finn is willing to pay from 100 to 189 euros when buying spectacles' frames but not more
- A Finn is willing to pay from 100 to 159 euros when buying sunglasseses' frames but not more

8.7 Results of the survey

8.7.1 The brand awareness of JFREY, BOZ and SkyEyes

Finnish opticians were asked whether or not they knew the brands of B.L.I/D.B.P: JFREY, BOZ and SkyEyes. The set hypothesis was correct because 52% of the respondents replied that they know the brand JFREY and 20% replied that they know the brand BOZ (Figure 6). In addition none of the respondents replied that they know the brand SkyEyes. Although the results were as predicted, they showed that BOZ was surprisingly less noted than JFREY in Finland even though both of the brands are equally valuable for the company and further more just as advertised in the media.

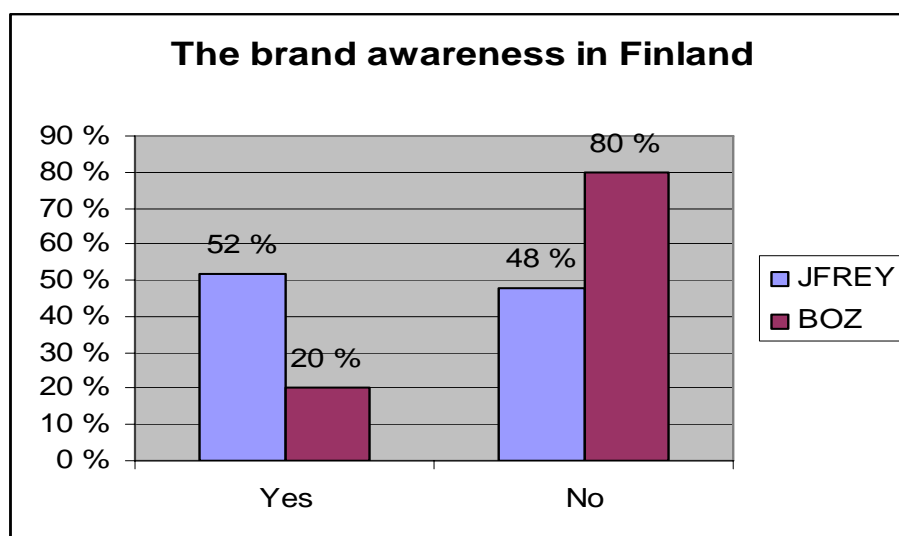


Figure 6 The brand awareness of B.L.I/D.B.Ps products in Finland

8.7.2 From where do the opticians know the brands?

The figure 7 presents the results of from where do the Finnish opticians know the brands JFREY and BOZ. SkyEyes is not included in the chart because none of the respondents knew the brand. The bars represent all of the responses including the responses from the opticians who didn't know the brands to more clearly present the division. It seems that most of the opticians have heard about JFREY or BOZ from a distributor or from an optical magazine. One could say that Finnish opticians will not be found from the fairs, Silmo or Mido, since none of the respondents have heard about the brands from Silmo and only 2% of respondents who knew BOZ or JFREY knew the brand from Mido fair in Italy. Nevertheless it is really hard to make any kind of generalizations based on these results due to the small size of the sample.

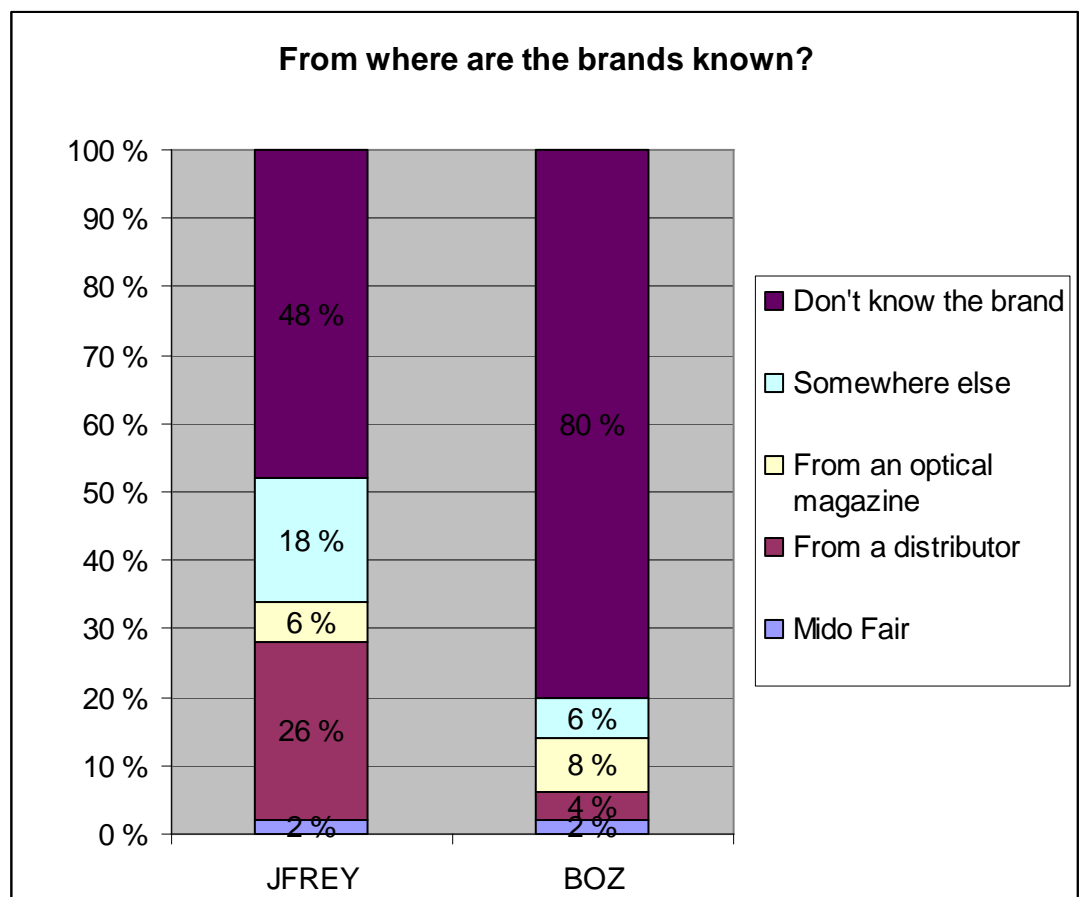


Figure 7 From where are the brands known?

8.7.3 The demand of designer glasses

Finnish opticians were asked questions about the demand of designer glasses in Finland and the results of the question are presented in the figure 8 below. All of the respondents replied that there is demand for designer glasses in Finland and when asked about the size of the demand, 38% said that the demand is remarkable. In total 66% of the respondents think that the size of designer glasses' demand is medium or remarkable. From these results it is easy to conclude that in general there is demand for designer glasses in Finland and designer glasses form an interesting part of the whole demand. This result is very fascinating from B.L.I/D.B.Ps point of view since it only sells designer frames and considering the significant size of the population in Finland who wear glasses.

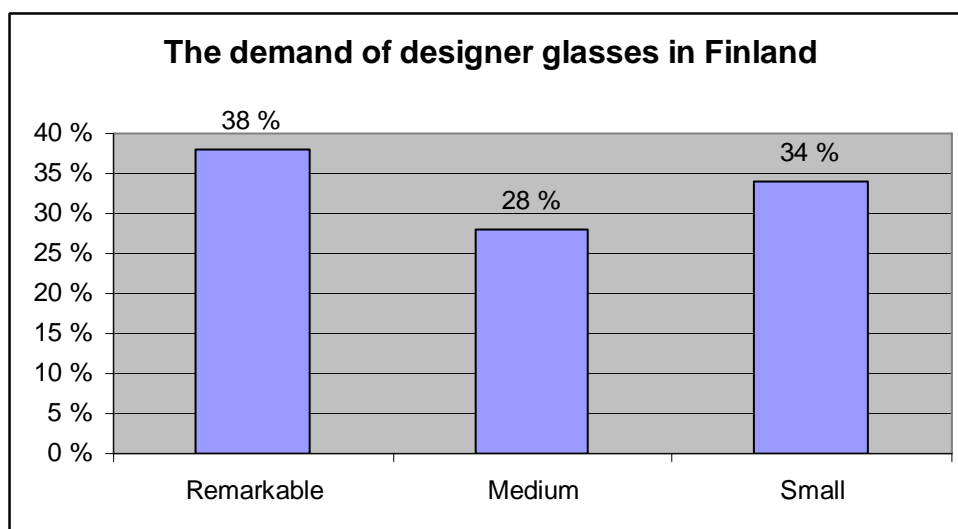


Figure 8 The demand of designer glasses in Finland

8.7.4 The comparison of the demand of spectacles and sunglasses in Finland

B.L.I./D.B.P wanted to know do Finns only buy designer sunglasses or vice versa only designer spectacles. As a company, which produces and distributes both types of glasses, it is interesting to find out what are the proportions of the total market. The results of the survey show, as demonstrated in the figure 9, that there is a slight difference in the demand and Finnish people buy more often designer spectacles than designer sunglasses according to 38% of the respondents. The result proves the set hypothesis wrong, which claimed that Finnish people buy more often designer sunglasses than designer spectacles. However, due to the high percentages of opticians who replied that the demands are similar, one can conclude that there is demand for both and there is no remarkable difference in the size of the demands. From B.L.I./D.B.Ps viewpoint the result is favorable, since in Finland the company can face demand for both of its main products.

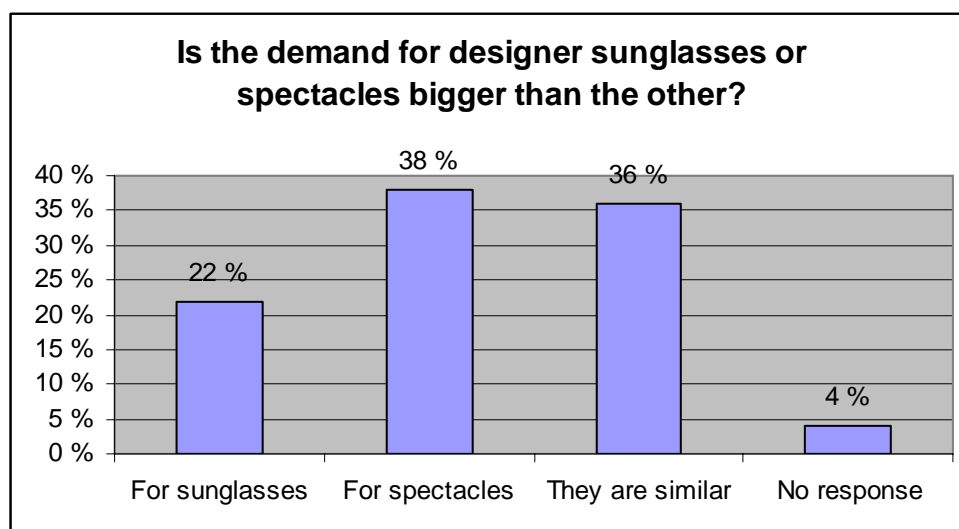


Figure 9 The demand of designer sunglasses versus spectacles

8.7.5 The demand of children's glasses in Finland

The opticians were asked is there demand for children's glasses in Finland. The results are pretty clear, the demand exists but almost half of the respondents, 46%, think that the demand is not remarkable. The result can be partly explained because only 87% of children under 15 years old use glasses in Finland (Silmälasienkäyttö2004). It will be more than likely that B.L.I/D.B.P will not gain big proportion of the market of children's glasses due the higher pricing of its' designer products.

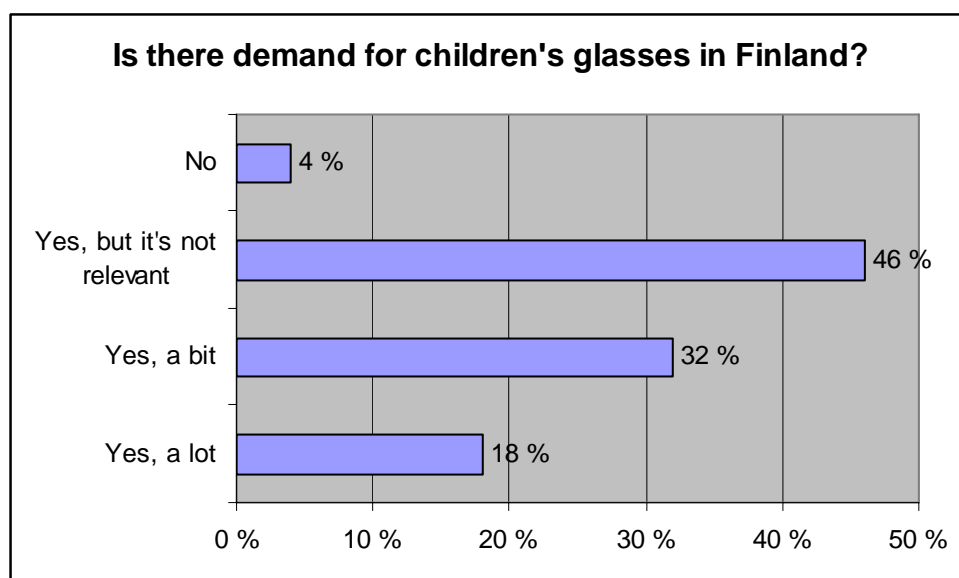


Figure 10 The demand of children's glasses

8.7.6 From where do the Finnish opticians purchase the frames?

One of the most interesting questions of the survey was a question of from where do the opticians purchase their frames and the results are presented in the figure 11. The respondents had the possibility to choose multiple answers and the results present the percentages of how many times one response was mentioned. The results clearly indicate that most of the opticians, 49%, regardless of their model of business purchase part of their frames through the distributors. The results are encouraging for B.L.I/D.B.P and strengthen the decision of choosing a distributor as the entering mode for the Finnish markets.

Another interesting factor about the results is that 41% of the opticians receive their glasses from their chain, which is a clear indicator of a highly concentrated market. It gives an additional perspective for the plans to enter the Finnish markets, which B.L.I/D.B.P could consider as a remarkable market opportunity. The company could try to find a business partner from one of the big chains and through this co-operation improve its profits. However, the research should be taken further to learn if the findings of this survey are valid when talking about the chains too and to study if this kind of co-operation is feasible.

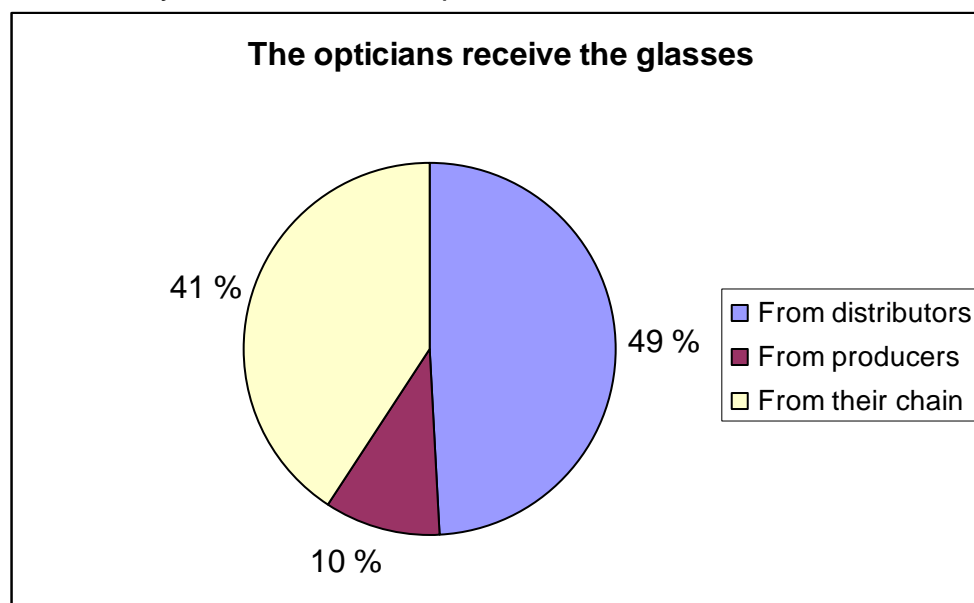


Figure 11 The purchasing methods

8.7.7 The factors that impact the purchasing decisions

Finnish opticians, who replied that they receive their frames from distributors, producers or else where, were asked what influences their purchasing decisions. The set hypothesis seems to be correct because according to the respondents the quality of the products is the most important factor that influences Finnish opticians buying decisions. According the results, another important factor that influences the purchasing decisions is the price of the products. In the category "something else" the interviewed opticians replied reasons like the guarantee or the reliability of the producer, but no clear patterns or similarities could not be found. (Figure 12)

The responses do clarify what the Finnish opticians consider as the most important factors behind their purchasing decisions but

at the same time they create more questions. It would be interesting to know do Finnish opticians like cheap prices or simply buy glasses from specific price groups when they say that the price is important? If the answer is cheap prices how does the high quality fit into this picture? To examine these questions further it would be useful to conduct a new in-depth research of the Finnish optical market.

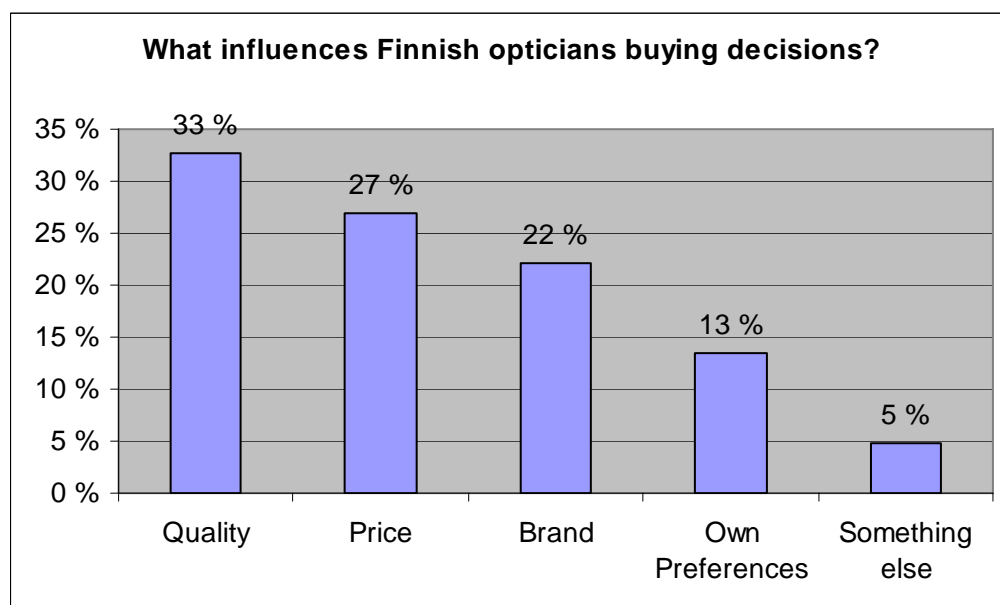


Figure 12 What influences Finnish opticians buying decisions?

8.7.8 Multicolor glasses versus monochrome glasses

The opticians were also asked whether or not they prefer multicolored frames to monochrome frames. According to the results the Finnish slightly prefer buying monochrome sunglasses' frames, which proves the set hypothesis from this part correct. On the other hand, the big surprise was that 54% of the respondents think that the Finns buy in general more often multi colored optical glasses' frames and furthermore, Finnish people buy remarkable more multicolored spectacles' frames according to 22% of the respondents. This positive result indicates clearly that there is definitely market potential in Finland for B.L./D.B.P's colorful products or at least for its' spectacles. (Figure 13)

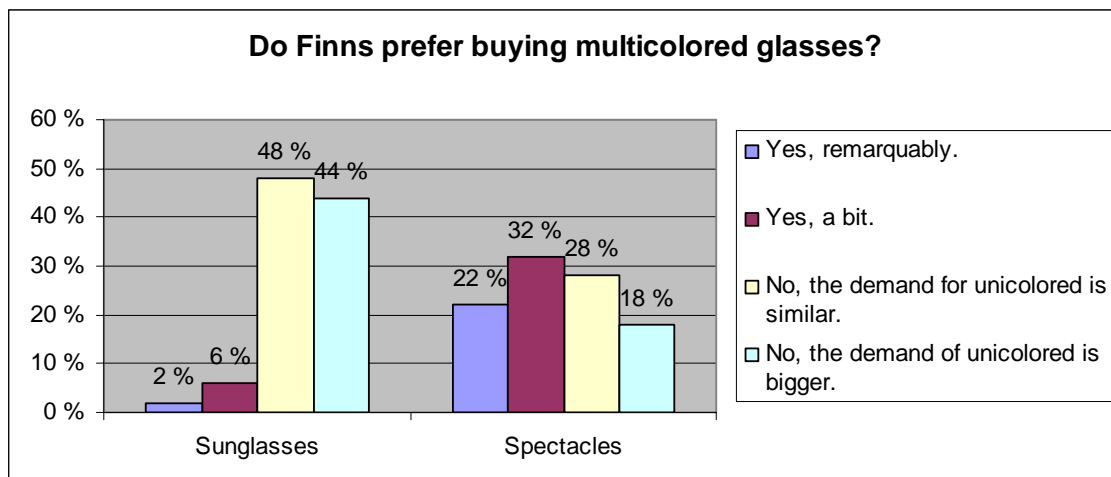


Figure 13 Do Finns prefer buying multicolored glasses?

8.7.9 The most popular colors

The opticians were asked are there any specific colors that Finns prefer and according to 90% of the respondents they exist. In total 14 different kinds of colors were mentioned. The figure 14 presents all the colors that were mentioned more than six times. It seems that the set hypothesis was partly correct because the most popular color was brown and also black was among the most popular colors. In addition in total 30% of the most popular colors mentioned was surprisingly red in some shade.

To take the study a bit further one should examine are the colors that were mentioned as the best selling colors always and all around the year popular? The results could be explained by the fact that the survey was conducted during the spring and the colors mentioned might only be popular during this specific time of the year. Another possible answer might be that these colors were the trend colors of this given season or a given year and the most popular colors may vary depending of the year. A good additional question could be a question of how intensively the Finnish follow the international fashion trends of frames and if they prefer buying glasses, which are fashionable at a given time.

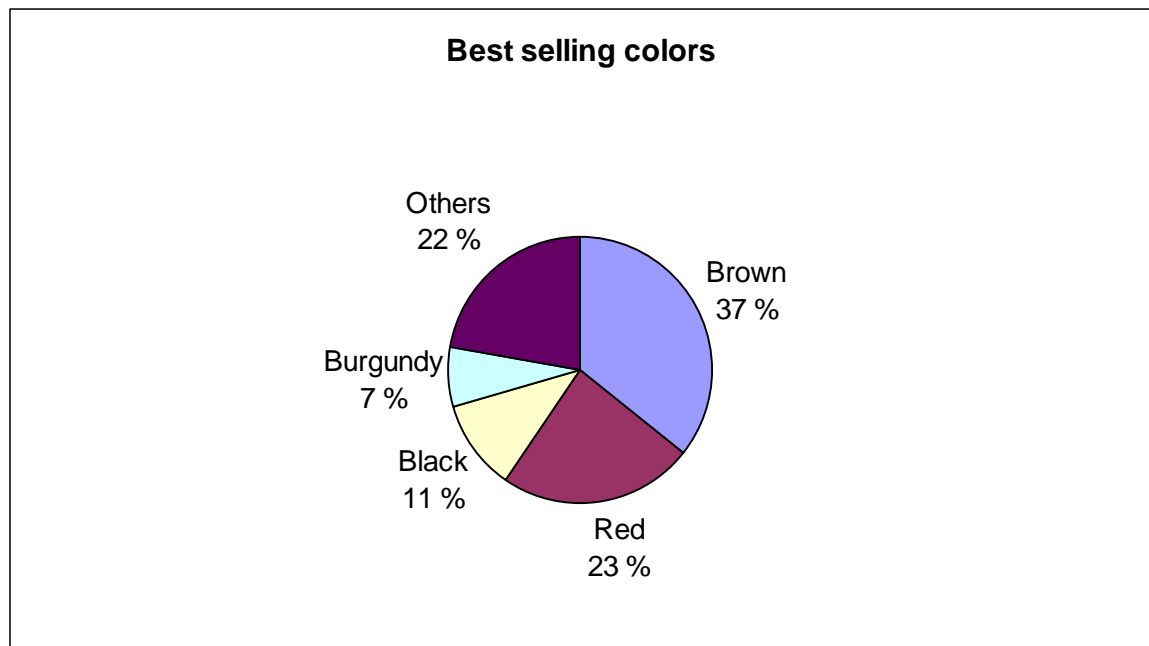


Figure 14 Best selling colors

8.7.10 Colors the customers avoid

According to 64% of the respondents there are some specific colors that the Finnish avoid buying and in total 14 different colors were mentioned. The results are not as clear as the results of most popular colors because up to 36% of the respondents think that there are no specific colors that the Finnish do not like buying. It can also be seen that there are much more dispersion between the colors mentioned. In the figure 15 one can see all the colors that were mentioned more than six times. One could conclude that Finnish do not like buying glasses that are yellow, blue, green or orange but also many other colors were mentioned. However, the results have the same limitations than the results of the question about most popular colors and the survey should be taken further to examine better how the avoided colors reflect the Finnish people's opinions and behavior.

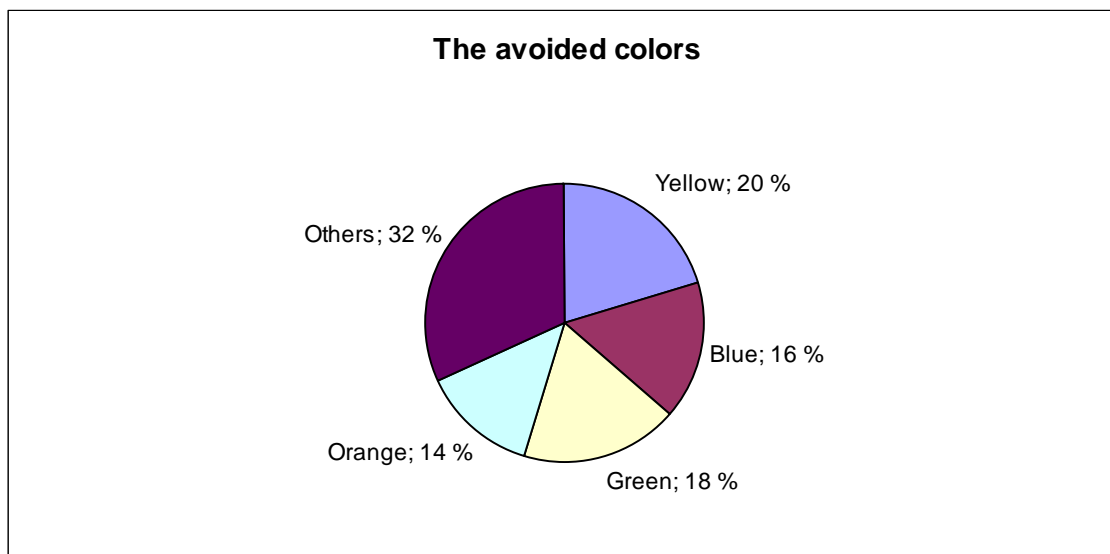


Figure 15 The avoided colors

8.7.11 The demand of modern sunglasses versus traditional

The opticians were asked do they think that there is a difference between the popularity of modern sunglasses, which have lots of details like glitter, little pictures or shaped frames, and traditional, simple sunglasses frames. The opticians were also explained what the researcher means with modern and traditional frames so everybody was talking with common terms. The aim was to learn do Finnish prefer buying modern frames because the whole concept of B.L.I/D.B.P is based on a daring and innovative design. 72% of the respondents thought that there is difference between the different kinds of product designs. Only 2% of the respondents had no response, which indicates clearly that there are apparent differences between the popularities.

From the figure 16 one can see that according to over half, 58%, of the respondents the demand of modern sunglasses is bigger and furthermore, according to 22% of the respondents the demand of modern sunglasses is remarkably bigger. In addition, none of the respondents replied that the demand of traditional sunglasses is remarkable bigger. The results prove the set hypothesis of Finnish buying more traditional, simple sunglasses wrong. One can conclude that the demand of modern sunglasses is definitely significant, even though there is also demand for traditional sunglasses in Finland and a great market potential can be seen from B.L.I/D.B.Ps standpoint.

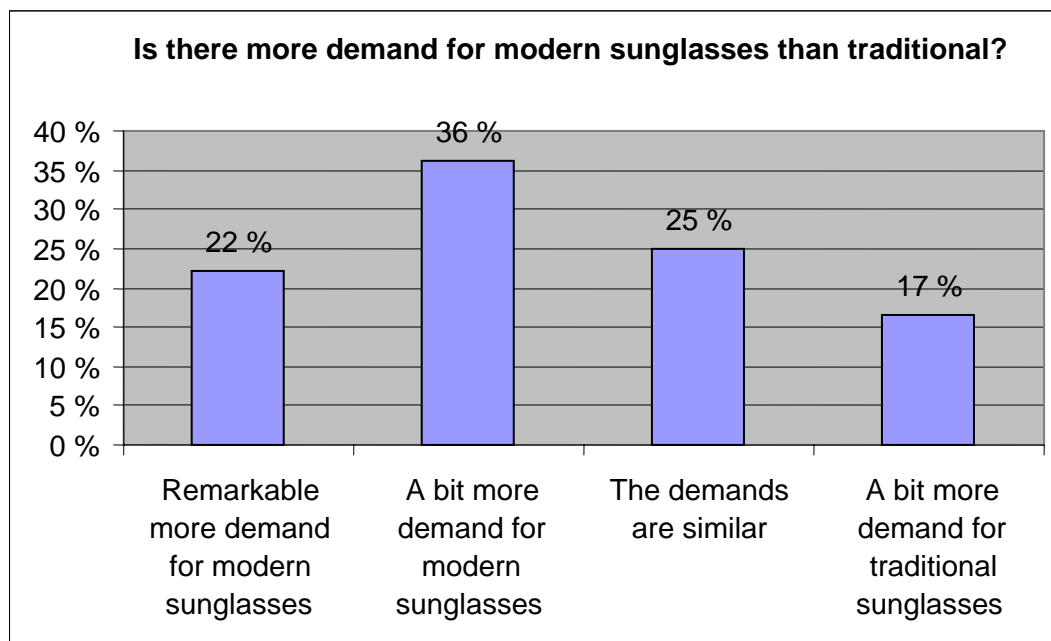


Figure 16 The demand of modern versus traditional sunglasses

8.7.12 The demand of modern spectacles versus traditional

The opticians were also asked if they think that there is a difference between the demand of modern and traditional spectacles. 72% of the respondents thought that there is a difference between the demands and none of the respondents responded the alternative “no response”. As one can see from the figure 17 below, in total 61% of the respondents think that the demand of modern spectacles is bigger than the demand of traditional spectacles, which proves the set hypothesis wrong. In addition 22% of the respondents thought that the demand of modern spectacles is remarkable bigger. According the results, Finnish do tend buying modern spectacles such as spectacles with lots of details like glitter, little pictures or shaped frames. These results reinforce the image of Finnish market as highly potential market area.

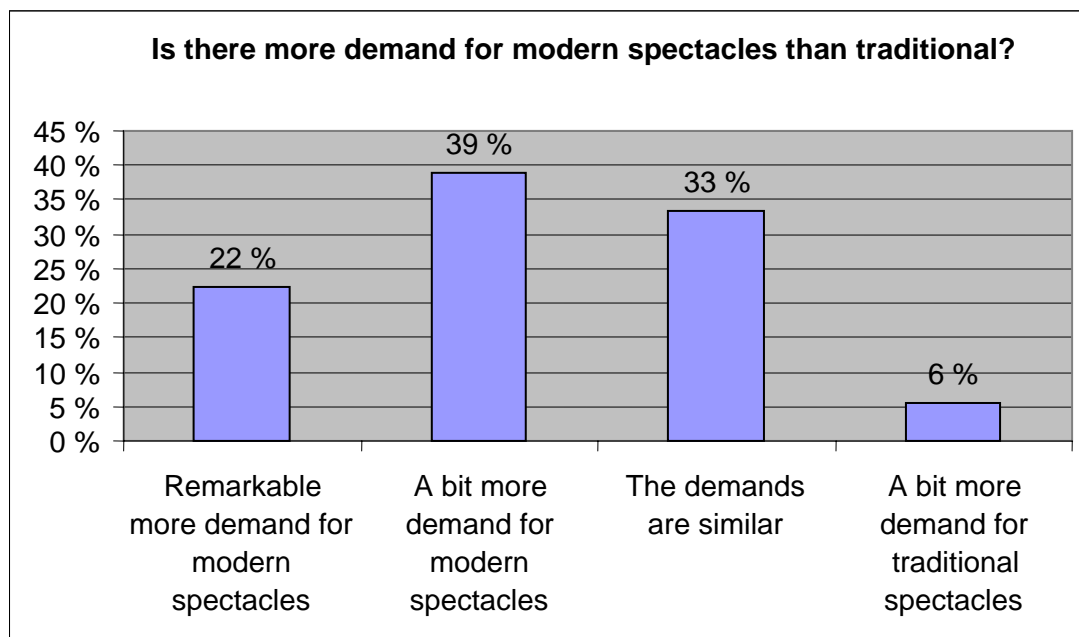


Figure 17 The demand of modern versus traditional spectacles

8.7.13 The materials

The next questions were about the most popular materials of the frames among the customers. The idea was to get a general picture of the favorite materials of frames in Finland. The results are clear from both sections, the section of spectacles and the section of sunglasses, and they prove the set hypotheses right. 48% of the respondents think that Finnish prefer buying spectacles which are made of metal and 72% of the respondents say that Finnish prefer buying sunglasses that are made of acetate (Figure 18 & 19). The results are especially favorable for B.L.I/D.B.P since it is a company that has no frames made of titan in its' collections and mainly produces sunglasses' frames made of acetate and spectacles' frames made of metal. For further research it would be interesting to know are these materials only fashionable at the moment and do the most popular materials vary depending of the time of the year.

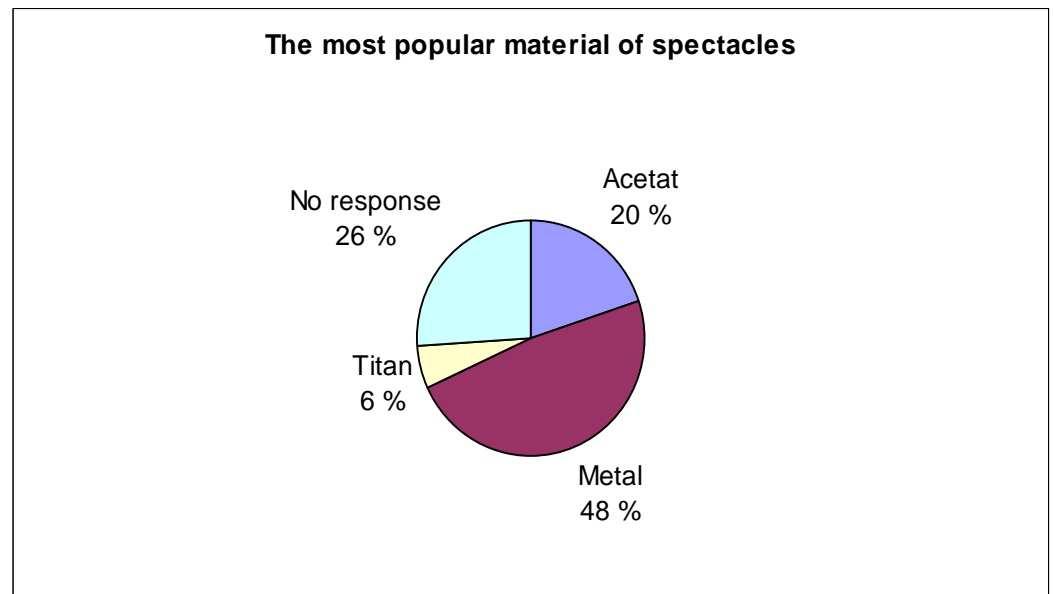


Figure 18 The most popular materials of spectacles

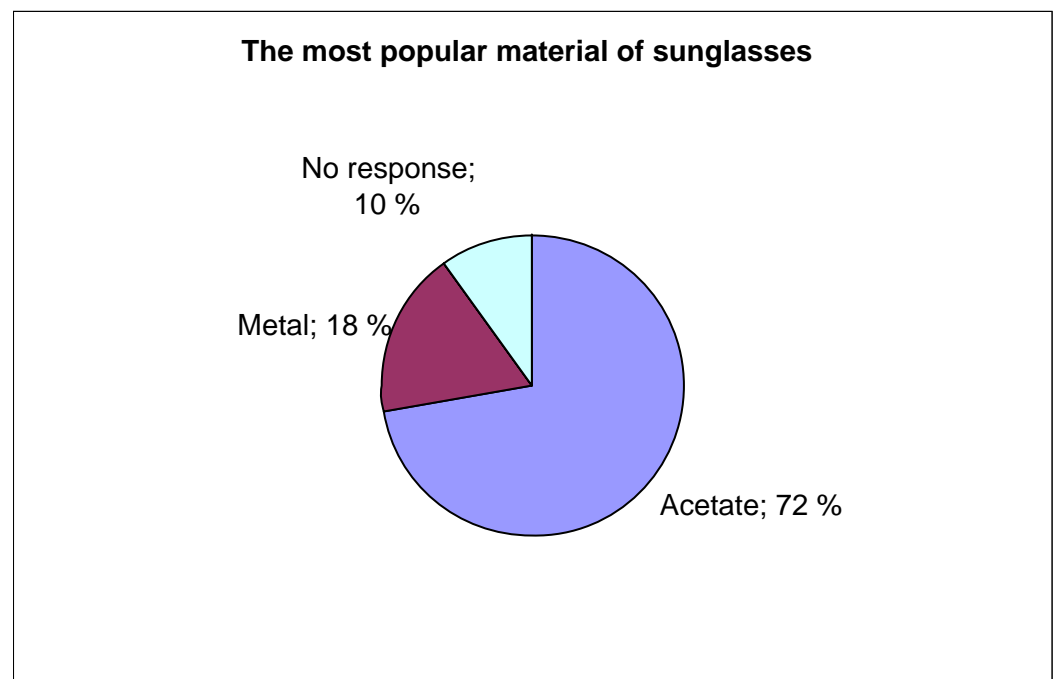


Figure 19 The most popular materials of sunglasses

8.7.14 The prices

The last question of the survey was a question about the medium prices of the frames in Finland. The intention was to know would B.L.I/D.B.Ps relatively expensive products have customer base in Finland. In total 66% of the respondents think, that Finnish buy spectacle frames that cost over 190 euros. None of the respondents think that Finns buy spectacle frames that cost less than 100 euros (Figure 20). It seems that Finnish people are willing to pay to acquire the frames they like and a bit higher price is not seen as a limitation. However for spectacles' part there should have been more possible price groups in order to better identify the amounts that the Finns are willing to pay even though from B.L.I/D.B.Ps point of view the results are sufficient and they prove the set hypothesis wrong.



Figure 20 The medium prices of designer spectacles

The medium price of sunglass frames according the survey seems to be from 100 to 159 euros, which proves the set hypothesis correct. Only 18% of the respondents think that Finnish are willing to pay less than 99 euros for their sunglass frames. It seems that Finnish are willing to pay less for their sunglass frames than for their spectacle's frames, which can be partly explained by the fact that spectacles are more widely used and indispensable for over half of the Finnish people. For B.L.I/D.B.P the results are also encouraging since it mostly sells sunglasses from this price group. (Figure 21)

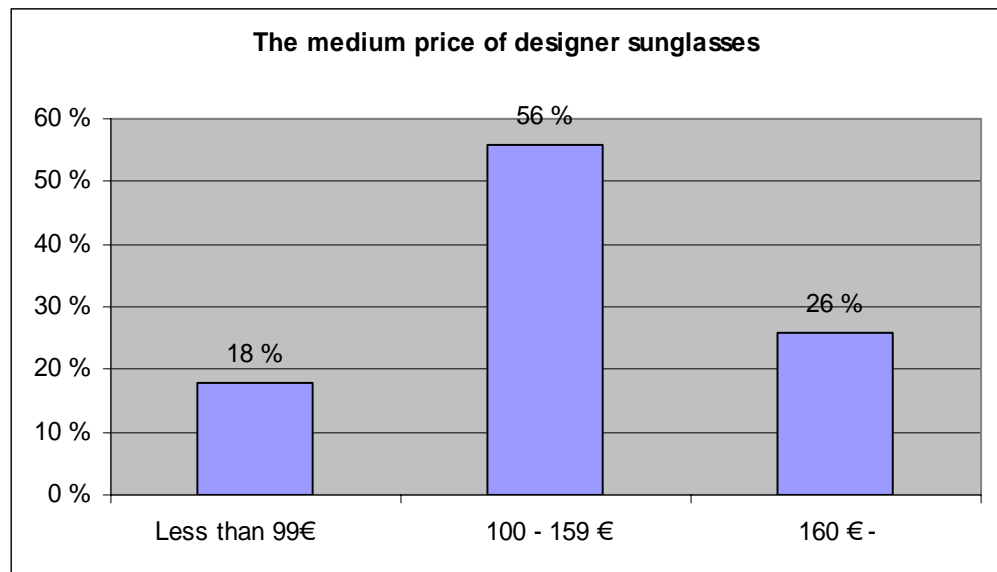


Figure 21 The medium prices of designer sunglasses

9 Conclusions

The gain of the survey was to conduct a preliminary study of the market opportunities that Finland has to offer from the view of B.L.I/D.B.P. The idea was to study the opticians to better understand their purchasing process and their vision of what kind of products do the Finnish consumers buy. In this first phase of the market entry of B.L.I/D.B.P products the aim was to get a general picture of the market and only in the second phase to conduct more in-depth study of the Finnish market. The second survey will be conducted after the market entry to Finland and when B.L.I has more practical knowledge of Finland.

The brand JFREY is the best known brand of B.L.I/D.B.P in Finland and BOZ is surprisingly less known. None of the respondents knew the sunglass collection of the company SkyEyes which makes the introduction of the product to the Finnish markets a great challenge. However, regardless of the fairly low level of awareness of the company's products, according to the results, Finland has market potential for designer glasses in the categories of sunglasses and spectacles. For children's glasses the markets are not promising due to the high price of B.L.I/D.B.Ps products and the low level of the demand.

Finnish opticians mainly purchase their frames from distributors that present several brands but also from the chains they belong to. The results reinforce the vision of choosing a reliable distributor as the channel through which B.L.I/D.B.P can diffuse its products to the Finnish market. In addition, a co-operation with one of the five big chains that operate in Finland should be considered. The main influences behind the purchasing decisions of the opticians are the quality and the price but also other influencing factors were mentioned such as the guarantee and the reliability of the delivery.

For the big surprise of the researcher, Finnish prefer buying multi colored spectacles' frames to monochrome ones which increases the market potential of Finland from B.L.I/D.B.Ps perspective. From the part of sunglasses Finnish seem to be much more conservative and prefer buying monochrome glasses. In addition the Finns clearly prefer colors such as brown, black and red when they choose their frames. The colors that the Finnish avoid exist also, but it is harder to distinct any obvious patterns. The results seem to be rather favorable for the company but one should also bear in mind that the results can be only temporary and only follow the current trends.

A remarkable part of the opticians think that there is a difference between the popularity of modern frames and traditional frames. For the spectacles' part, modern frames such as frames with glitter, little pictures or shaped frames are slightly more popular than the modern sunglasses. Although the results were not too clear and the differences not too evident, one can conclude that Finns in general buy modern glasses and B.L.I/D.B.P has all that it needs to succeed in the Finnish markets.

According the respondents Finnish prefer buying sunglasses' frames that are made of acetate and spectacles' frames that are made of metal. The results were really apparent and uniform with the set hypotheses. In addition the medium purchase of Finns when they purchase sunglasses' frames is from 100 to 159 euros and over 190 euros when they buy spectacles' frames. All of these results are positive for B.L.I/D.B.P since it mainly designs sunglasses that are made of acetate and spectacles that are made of metal. Even the medium purchases are favorable for the company since they fit the price groups of company's products.

10 Recommendations for B.L.I/D.B.P

Driven from the results I can recommend to B.L.I/D.B.P the Finnish market area because the market seems to have high potential based on the demand of designer glasses and the features of the frames that sell. B.L.I/D.B.P should firstly choose a reliable distributor or co-operate with one of the big chains to diffuse its products to the market. Secondly the company should advertise its' products in Finland and especially BOZ and SkyEyes to gain the interest of the consumers. The last step to gain in-depth knowledge of Finnish customers is to conduct a second survey of the Finnish customers and where the end-users should be used as the source of the information.

The second survey should have a bigger sample size in order to gain information that will be more representative and detailed. The questionnaire should also be tested more profoundly so that all kinds of problems of interpretations could be avoided. The second survey should take place when B.L.I/D.B.P has found the proper model of distribution in Finland and the company should also take advantage of the connection it has in Finland at that point to collect the information. The questionnaire should be planned in co-operation with the professionals who have previous knowledge of Finnish optical market and the questions should be more specific than in this preliminary study in able to receive more specific answers.

The questionnaire of the first survey should be taken a step further by designing a new questionnaire that will solve all the new questions that the first survey brought up. The second survey should seek answers to the questions of whether or not the results of the first survey are only temporary and describe the situation at the moment of the interviews. It would be first of all interesting to know do the Finnish consumers follow the fashion trend of the optical market and secondly how does this affect the demand of designer glasses. Also it would be practical to study are there any regional differences and if so how do they affect the general demand.

I would also recommend that B.L.I/D.B.P should consider in what way they can take the most benefit from the conducted surveys. They should choose at least one person in the company that makes sure that the results of the survey are followed up and the recommendations are at least considered. It can be a challenge for a small company but essential to gain the most from the surveys and the key to the success.

10 Summary

This report is a report of the market opportunities in Finland for a company called B.L.I/D.B.P, which is planning to enter the Finnish markets and the report contains theory section and the actual survey conducted. The purpose of a marketing research is systematic and objective identification, collection, analysis, dissemination, and use of information to improve decision making in marketing. The actual marketing research can be categorized into two different categories; problem-solving and problem-identification research, depending of the purpose of the research. This report is an example of problem-solving research where the aim is to study the underlying problems or challenges. In general problem-solving research is used to solve the problems that have already been identified.

This study is a good example of an international marketing research in which one tries to study a market area outside the domestic market where the company who is conducting the research is operating. International marketing research is always more complex than national marketing research and more factors should be taken into consideration, such as the economic, politico-cultural and commercial factors. In addition, this study takes into consideration that B.L.I/D.B.P operates in the complex fashion industry where the benefits and the importance of marketing research are various. For example, B.L.I/D.B.P can apply the results of this survey to its product design, promotion planning, pricing and distribution, manufacturing planning and sales forecasting and also, to competitive management.

The actual research data was collected from Finnish opticians, not from the Finnish end-users. The reason for this is simple; B.L.I/D.B.P operates in the B-to-B environment and distributes its' products only trough opticians and larger distributors. B-to-B environment as itself is already much more complicated than the traditional B-to-C environment largely based on the features of the demand. In B-to-B the demand is much more volatile and even a small change in the customer demand can lead to a much greater change in the business market. The volatility of the demand is one of the reasons why the importance of personal relationships in the B-to-B market is highlighted to maintain company's competitive position. By conducting a marketing research a company can better understand the customer needs and form loyal customer relationships.

The marketing research process itself includes six different phases. The first and the most important phase is the definition of the research problem. For example, in this research the aim was to get information about the market possibilities of the Finnish market from B.L./D.B.Ps perspective. The second and the third phases were to formulate the approach to the problem and develop the research design. It includes forming the analytical framework, detailed research questions and hypotheses. The purpose of these phases is to refine the specific components of the problem, test the unproven statements that are interesting to the researcher and to choose what kind of research methodology is used.

The fourth phase of the survey was to collect data for the research. One can use either primary data or secondary data sources for data collecting purposes and both of the data sources were used in conducting this survey. By primary data one means the data that has to be collected for the first time and by contrary secondary data is the data that already exists and can be found from internal or external sources. In addition, another important part of the data collection phase is to choose the sample that is used as the information source. For example, in this survey the sample was Finnish opticians and more specifically opticians that represent all the Finnish opticians so that the results can be generalized to the whole population.

The last phases of the survey were the data analyses and the presentation of the report. They begin with checking and editing all the acceptable questionnaires and continue with tabulating and analyzing the data. After all the analyses and interpretations of the results one has to prepare and present the final report with all the theory and conclusions. Usually the report is presented orally and it should be based on a written report that remains as the historical record of the process.

The main findings of this survey were that there is a lot of demand for designer glasses, both sunglasses and spectacles, in Finland but so far the brands of B.L./D.B.P are not too well known there. Finnish opticians mainly purchase their frames from distributors or they get the frames directly from their chains. The most important reason why Finnish opticians choose specific frames to their outlets is the quality and the price of the products. When talking about the colors, Finnish buy multicolored spectacles' frames but by contrary they prefer buying monochrome sunglasses' frames. The medium purchase of sunglasses' frames is 100-159€ and of spectacles' frames is over 190€. In addition Finnish prefer buying spectacles' frames made of metal and sunglasses' frames made of acetate.

11 References

Bohdanowicz, Janet & Clamp, Liz 1994. Fashion Marketing. London: Routledge.

Caractéristiques marché de la lunette 2005. [Online] [Referred 10.05.2006] <http://intranet.lunetiers-du-jura.com/ci/page.php?id=422>

Chisnall, Peter M. 1997. Marketing research – Fifth edition. Cambridge: Mc Graw-Hill.

Giglierno, Joseph J. & Vitale, Robert P. 2002. Business to Business Marketing – Analysis and practice In A Dynamic Environment. San Jose: South-Western.

Kumar V. 2000. International Marketing Research. New Jersey: Prentice Hall

Lancaster, Geoff. 2006. Marketing and the organisation's micro- and macro-environments. [Online] [Referred 11.09.2006]. www.dagroup.co.uk/main/s6/st72800.htm

Malhotra, Naresh K. & Peterson, Mark. 2002. Basic Marketing research- A Decision-Making Approach. New Jersey: Pearson Education

Nykamp, Melinda. 2001. The Customer differential – The Complete Guide to Implementing Customer Relationship Management. New York: Amacom.

Optinen ala Suomessa 2004-2005 2005. [Online] [Referred 26.9.2006] http://www.optometria.fi/pdf/Optinen_ala_Suomessa_2004_2005.pdf

Price elasticity of demand 2006. [Online] [Referred 27.9.2006]. http://en.wikipedia.org/wiki/Price_elasticity_of_demand

Profile – Design 2006. [Online] [Referred 7.9.2006]. www.jfrey.fr/main.htm

Rey, Marie. B.L./D.B.P, Salesman. Interview 01.05.2006. Marseille.

Silmälasiien käyttö 2004. [Online] [Referred 10.9.2006] http://optometria.fi/pdf/silmalasiien_kaytto_%202004.pdf?PHPSESSID=d7a7e75b8e3699e00a182d323568aee2#search=%22lasten%20%22silm%C3%A4lasien%20k%C3%A4ytt%C3%B6%22%22

The marketing mix (The 4 P's of Marketing) 2002-2005. [Online] [Referred 7.9.2006]. www.netmba.com/marketing/mix

Vargas, Melody, Treece. 2006. Business-to-Business (B2B). [Online] [Referred 21.09.2006]. retailindustry.about.com/library/terms/b/bld_b2b.htm

12 Appendix

12.1 Appendix 1 – The questionnaire in English

Questions	Yes	No	Answers
Background information			
1.1 Do you know the brand JFREY?	*	*	
If you do,			
1.2 How do you know the brand?			a.) From the Silmo fair in Paris b.) From the Mido fair in Italy c.) From your distributor d.) From optical magazine e.) Internet f.) From another source
1.2.1 If you responded d, which one?			*
1.2.2 If you responded f, from where?			*
2.1 Do you know the brand BOZ?	*	*	
If you do,			
2.2 How do you know the brand?			a.) From the Silmo fair in Paris b.) From the Mido fair in Italy c.) From your distributor

			d.) From optical magazine e.) Internet f.) From another source
2.2.1 If you responded d, which one?			*
2.2.2 If you responded f, from where?			*
3.1 Do you know the brand SKY EYES? If you do,	*	*	
3.2 How do you know the brand?			a.) From the Silmo fair in Paris b.) From the Mido fair in Italy c.) From your distributor d.) From optical magazine e.) Internet f.) From another source
3.2.1 If you responded d, which one?			*
3.2.2 If you responded f, from where ?			*
General information about the demand and purchasing			
4.1 Do you have demand for design frames?	*	*	
4.2 If you responded yes, is the demand			a.) Remarkable b.) Medium c.) Small

5. Is there a difference between the demand of sun glasses and the demand of optical glasses?

- a.) Yes, the demand for sun glasses is bigger.
- b.) Yes, the demand for optical glasses is bigger.
- c.) No.
- d.) No response.

6. Do you have a demand for children's glasses?

- a.) Yes, a lot.
- b.) Yes, a bit.
- c.) Yes, but it isn't relevant.
- d.) No.

7.1 From where do you purchase your frames?

(Choose one or more answers.)

- a.) From distributors who represent several brands.
- b.) Directly from producers.
- c.) It's not us who make the purchasing decisions, it is our chain.
- d.) Somewhere else.

7.2 If you responded d, from where?

*

7.3. If you responded a, b, or d, what impacts your purchasing decisions?

(Choose one or more answers.)

- a.) Quality
- b.) Price
- c.) The brand
- d.) Your own preferences

		e.) Something else.
7.3.1 If you responded e, what?		*
Information about the buying behavior of the customers		
8.1 Is the demand of multicolored design sunglasses bigger than the demand of monochrome?		a.) Yes, remarkable b.) Yes, a bit. c.) No, the demand for monochrome is similar. d.) No, the demand of monochrome is bigger. e.) No response
8.2 Is the demand of multicolored design optical glasses bigger than the demand of monochrome?		a.) Yes, remarkable. b.) Yes, a bit. c.) No, the demand for monochrome is the similar. d.) No, the demand of monochrome is bigger. e.) No response
9.1 Are there colors that your customers prefer when buying frames?	*	*
9.1.1 If you responded yes, which colors?		*

9.2 Are there colors that your customers avoid when buying frames?

*

*

9.2.1 If you responded yes, which colors?

*

10.1 Is there a difference between the demand of modern sunglasses frames, which have plenty of details and simple frames, which have no details?

(=Details for example glitter, little pictures, shaped frames)

a.) Yes

b.) No

c.) No

response

10.2 If you responded yes, estimate on scale from 1 to 5 how much.

a.) 1

(Number 1 means "a lot more demand of modern frames" and number 5 means "a lot more demand for simple frames".)

b.) 2

c.) 3

d.) 4

f.) 5

11.1 Is there a difference between the demand of modern optical glasses' frames, which have plenty of details and simple frames, which have no details?

a.) Yes

(=Details for example glitter, little pictures, shaped frames)

b.) No

c.) No

response

11.2 If you responded yes, estimate from scale from 1 to 5 how much.

a.) 1

(Number 1 means "a lot more demand of modern frames" and number 5 means "a lot more demand for simple frames".)

b.) 2

c.) 3

d.) 4

f.) 5

12.1. Do your customers buy more often design sunglasses' frames which are mainly made of	a.) Acetate b.) Metal c.) Titanium e.) No response
12.2. Do your customers but more often design optical glasses' frames which are mainly made of	a.) Acetate b.) Metal c.) Titanium e.) No response
13.1 What is the medium purchase for the design frames of sun glasses?	a.) 0-99 euros b.) 100-159 euros c.) Over 160 euros
13.2 What is the medium purchase for the design frames of optical glasses?	a.) 0-99 euros b.) 100-189 euros c.) Over 190 euros
Additional information	
14. Would you like us to send you our catalogues?	* *