

Development of Pop-up Stores as a B2B service

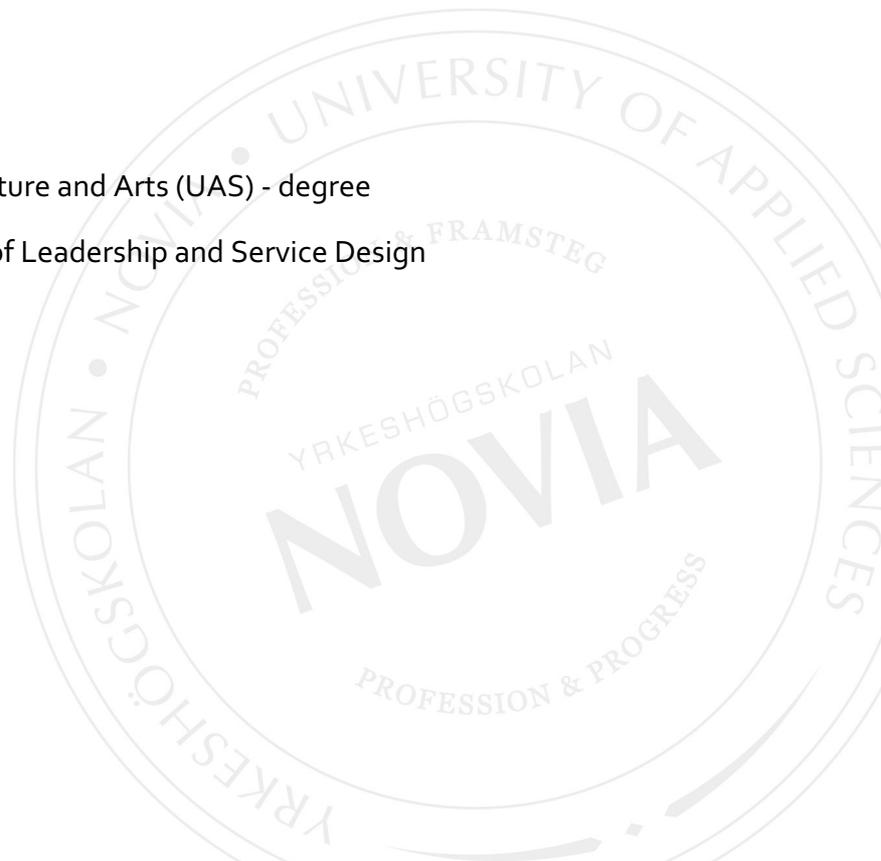
A secondary business for Fair Factory

Simon Bergman

Thesis for a Master of Culture and Arts (UAS) - degree

The Degree Programme of Leadership and Service Design

Turku, 2018



DEGREE THESIS

Author: Simon Bergman

Degree Programme and place: Leadership and Service Design, Turku

Specialization Alternative:

Supervisor(s): Elina Vartama

Title: Development of Pop-up Stores as a B2B service – A secondary business for Fair Factory

Date 25.11.2018

Number of pages 50

Appendices 5

Abstract

In this thesis, the research and the service design process in the creation and the development of a secondary business in the field of pop-up stores is presented. The service is developed from a user-centric perspective for the commissioner Fair Factory, which core business is in exhibition stands.

Knowledge about pop-up stores is collected through a literature review and primary research in connection with a pilot project, consisting of semi-structured in-depth interviews. Main insights from the research, in making a successful service, is that more knowledge and skills are needed in marketing and that the location and space characteristics are important for a successful implementation of a pop-up store. Strengths, mainly in project management, design and construction, are also identified as important parts of the commissioner's skills that are also useful for a pop-up store service.

The service around pop-up stores is further developed with service design methods such as benchmarking, stakeholder mapping, service blueprint and business model canvas. A tool, for visualization of the service, is created in connection to the service.

The result is a service that is ready for implementation and further development.

Language: English Key words: pop-up store, service design, customer-centric, turnkey service, B2B, business networking, expo, trade exhibitions, stakeholder map, service blueprint, personas

Acknowledgements

I am pleased to acknowledge the support of many people whose contributions of time, ideas and encouragement lead to this work.

The Head of Degree Programme, Elina Vartama, supervised this thesis. I am truly grateful for her guidance and encouragement.

I would like to thank the CEO of Fair Factory, Tommy Pyykkö, for the opportunity to write a thesis about this subject and for all stimulating discussions. I would also like to thank my colleagues at Fair Factory for the discussions and ideas about the topic.

I would like to thank the experts that participated in interviews. It was a pleasure to discuss the topic with them and to hear their valuable views.

It has given me a lot of inspiration to study with my fellow students at Novia University of Applied Sciences and Turku University of Applied Sciences. I thank them most sincerely.

Mari Skogland, PhD, and Armela Totaj, MBA, have given feedback during the writing of this thesis. I am truly grateful for their comments and suggestions.

The love and support of my partner Jessica has been indispensable for the completion of this work. I thank her most profoundly.

Table of contents

1	Introduction	1
1.1	Background and context	1
1.2	Problem Statement.....	2
1.3	Commissioner.....	2
1.4	Objectives	4
1.5	Practical relevance	4
1.6	Study Framework	5
1.7	Process plan	6
1.8	Planned research questions	7
2	Methods	8
3	Literature review.....	11
3.1	Service design and service design process	12
3.2	Background of pop-up stores	13
3.3	Pop-up stores in a Nordic context	13
3.4	Classification of pop-up stores.....	14
3.5	The store atmosphere	16
3.6	Timing.....	16
3.7	Pop-up movement in Finland and Helsinki	18
3.8	Location and space	18
3.8.1	The service provider rents the facility long-term	19
3.8.2	The service provider rents the facility short-term.....	19
3.8.3	Challenges with not owning the shop	20
3.9	Networking.....	21
3.10	Change Management	21
4	Pilot project and start of the design of the service.....	23
4.1	Stakeholder map	26
4.2	Evaluation of the pilot.....	28
5	Further development with service design methods.....	32
5.1	Mapping and benchmarking of available pop-up store spaces in 2017-2018 in Helsinki and the capital city region.....	33
5.2	Stakeholder map	35
5.3	Service Blueprint.....	36
5.4	Business Model Canvas	38
5.5	Personas.....	40

5.6	Service model.....	44
6	Conclusions	47
7	Discussion	48
	Suggestions for further research	50
	Reference list.....	51
	List of figures	54
	List of tables	54
	Appendices.....	55

1 Introduction

Pop-up stores can facilitate a wide range of objectives for companies, in increasing brand awareness, influencing brand associations, promoting limited collection products, engaging customers, gathering customer insight, testing marketing concepts and facilitating strategic growth. Important aspects for a pop-up store is timing, location and store atmosphere. (Warnaby & Shi 2018, 74)

The commissioner is Fair Factory oy, which core business is exhibition stands. The objective for this thesis is to create a comprehensive service around pop-up stores with the help of service design methods. The study will focus on Fair Factory's internal activities and external activities related to the service, as well as the relationship between the internal and external activities.

The problem area that is identified is the lack of a service provider, in a Finnish context, that can provide a comprehensive service around pop-up stores. As in all service design projects, the service is developed from the customer's point-of-view.

The research consists of a literature review, semi-structured in-depth interviews with persons who had key roles in the pilot project as well as further development of the service with service design methods, such as stakeholder mapping, service blueprinting and creation of personas. All stages of the service design process are described. The result is a developed service around pop-up stores, that is ready for implementation and evaluation.

1.1 Background and context

This study aims to understand the customer's needs for a service around pop-up stores in a B2B situation. A B2B customer is not just another company, but a human being and person. Understanding the customer's subjective experience of the service is a central aspect when creating a new service and developing and improving an existing one.

A pop-up store allows companies to have a shop for a limited time at a strategic location. It gives flexibility for the client in content and schedule. It can be made to fulfill different kinds of needs whenever the client has a need for a store for a limited period of time. Different types of purposes it can be used for are marketing campaigns, product releases and showrooms. It can also be used as a restaurant or café for serving food and beverage. A pop-up store is also a cost-

effective solution for smaller companies that want to try out a physical store as a retail channel. The geographical context will be limited to Helsinki, the capital city of Finland.

1.2 Problem Statement

The aim of this thesis is to study the needs, challenges and issues for customers who want to implement a pop-up store. The service around pop-up stores is complex with many stakeholders. Organizing a pop-up store requires knowledge and a broad network of partner companies.

The nature of pop-up stores is transient. It is not cost-effective for the customer to employ personnel permanently to facilitate all the activities connected to the planning and implementation stages of a pop-up store (Warnaby & Shi 2018, 81). For the company that wants to implement a pop-up store it is more practical and cost-effective to use an external service or external services for setting up a pop-up shop instead of having the expertise in-house. At present, in a Finnish context, there are no companies providing an extensive service around pop-up stores, that include all the main activities and decision areas involved in a pop-up store. The customer is dependable on many stakeholders and bears the responsibility of contacting and connecting a range of stakeholders to be able to facilitate a pop-up store.

The underlying assumption that forms the need of such a service is that there are companies, that want to build pop-up stores, but the person in charge of the project don't know where to start. He/she can not find a service provider to organize all parts of the project as a whole. The choices are to gather different companies to do different parts of the project, which is time consuming and demands a lot of knowledge from the customer itself. The solution to this would be to have a service provider that takes care of all or most of the parts of the project.

1.3 Commissioner

The commissioner is Fair Factory oy (oy is short for the Finnish word *osakeyhtiö*, which in English is translated to a limited company). The company will be referred to as Fair Factory, in this thesis. Fair Factory was founded in 2007 in Helsinki, Finland. Fair Factory's core business is in trade exhibition, providing a service which includes project management, design and building of exhibition stands. Secondary business areas are events, shop-in-shops, point-of-sales, store solutions, showrooms, offices and store furniture. As complementary design

services the company offers interior design, graphic design and visualizations. Various manufacture and assembly are possible by the production team. Fair Factory is one of the leading companies in the trade fair business in Finland. The company has around 20 employees and a broad network of freelancers. The number of yearly projects is around 300.

Fair Factory's personnel can be divided in three groups by function: *Account directors, designers and carpenters*. The *account directors* handle the contact with the organization's clients. That includes maintaining customer relationships, coordinate projects and contacting new customers. The *designers* are responsible for the design of the interior and space, of which the first version, a 3d rendering, is usually provided to the organization's clients with the offer. Their work also includes the production of printing material. The *carpenters* build the parts in the company's production hall and assembles them at the location of the event.

The organization's clients come from a broad spectrum, including retail, food, medical, technology, construction and chemistry companies. Geographically, most projects are implemented in Finland. Mainly in Helsinki, but also in Tampere, Turku, Jyväskylä and Oulu and other areas. On a yearly basis a few projects also take place abroad all-around Europe.

One of the long-term strategies of the company is to expand in the field of event services. An addition and development of a pop-up store service is a part of that long-term strategy. In fall 2015 a team consisting of the CEO, two account managers and two designers gathered to find a new service that could be developed as a secondary service at the company. Exhibitions, in Finland are organized mainly in the autumn and spring, and many of the biggest event are during autumn. As a consequence, production resources are used with different intensity during different seasons. The task for the team was to brainstorm about possible secondary businesses that would have more demand during summer and Christmas. Unanimously the team considered the idea of developing a service around pop-up stores. The reason for the strong support for this idea was the synergy effects with the existing core businesses and the feeling of pop-up stores being a growing trend. It would be an opportunity to serve existing customers with a broader portfolio of services as well as an opportunity to reach new customers.

The author of this thesis is employed as a designer since 2012. In discussions with Tommi Pyykkö, the CEO of Fair Factory, in 2015, the author was assigned to write a thesis around the extended service that was decided on in the working team.

1.4 Objectives

The main objective of the secondary research is to gather knowledge from literature about knowledge, functions and activities that are involved to facilitate a pop-up store.

The aim for this study is to design and develop a turnkey service around pop-up stores. The focus will be on the business-to-business service provided by the service provider for its clients. The needs of the client's end customers will not be a central part of this thesis, but it will be discussed briefly in connection with the marketing in connection to pop-up stores in chapter 4.2.

The objectives set for the service is to find a complementing service to the core business. The reason for this is to even out the projects and the resources connected to them during the year, to make use of existing knowledge and resources and to be able to offer old and new customers an attractive service. The context of the study geographically be somewhat limited to Finland and Helsinki in particular, as this is the main interest of the commissioner.

The objective of the primary research involves getting to know the customer's challenges in connection to the planning, building and marketing of a pop-up store. This will be done by analyzing the experience of different stakeholders during a pilot project. Another crucial aspect is to map the stakeholders and their roles, as the service around pop-up stores is a complex one with many stakeholders.

1.5 Practical relevance

The retail business is in transformation. Traditional shops meet competitions from online retailers and find it hard to compete with its high fixed costs. As a consequence, shop premises in city centers empty on a larger scale than before. In the UK, pop-up stores had a total turnover of £2.3 billion in 2015 (0,76% of the total retail turnover), with a growing trend. (Warnaby & Shi 2018, 1).

Pop-up stores are flexible and can be a useful channel for many types of companies. They can serve as everything from a business idea test by a start-up company to a marketing campaign from an established brand. To organize a pop-up store is a complex service and it is relevant to develop a service around pop-up shops for companies that want to facilitate a pop-up store.

1.6 Study Framework

The commissioner is Fair Factory and naturally in the center of the study framework, as shown in Figure 1. The service that is subject for development is a service around pop-up stores and it will be co-designed together with customers and from the customer's point-of-view.

The work will have a significant focus on Fair Factory's internal processes, its backstage activities, as well as the network, which is required for a comprehensive service around pop-up stores.



Figure 1 Study framework

The service will be developed for Helsinki and the broader capital city area. Helsinki is the largest city in Finland and it is also the hometown of Fair Factory. As the largest city it is a natural starting point for a pop-up service in a Finnish context. Still, many parts of the service probably work in a similar manner at other locations.

Networking and co-working with other companies will be important for the service because of the complex characteristics of the service.

1.7 Process plan

The Design Council, the UK Royal Charity, which is UK government's advisor on design with the purpose *to make life better by design*, has developed a tool to describe the design process called the double diamond. It divides the design process into two parts and four stages. ('Design methods for developing services' 2015, 6)

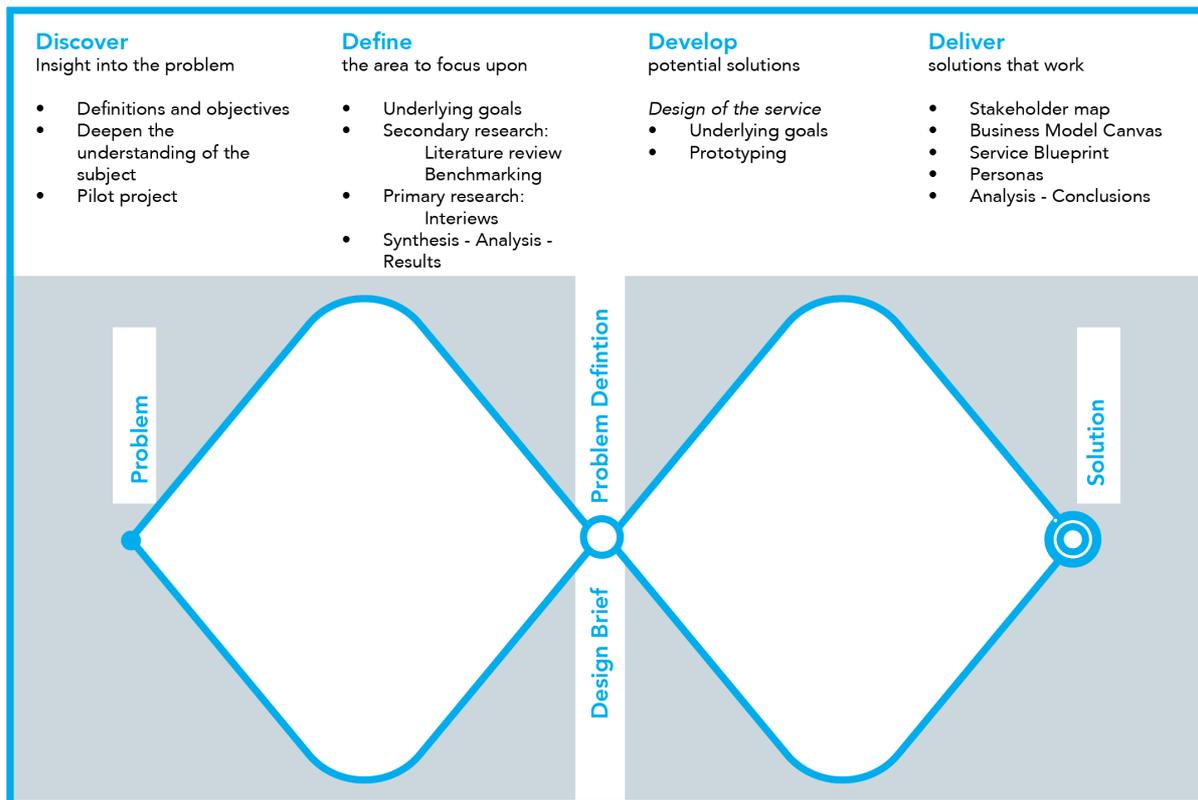


Figure 2 Process plan based on double diamond

The double diamond model deals with the complexity in the design process, including the many options and decisions that are made during the design process. Its main contribution is the point in the middle of the diamond, where the problem has been defined. Without a good problem definition, that is the used to make a brief for the design, there is a risk that the final product or service model answers the wrong question.

The first part is about the process to define the problem definition and to create a design brief. It consists of the stages *discover* and *define*. The *discovery* stage is an exploration where the designer gathers insights, seek inspiration and develop an understanding about the subject. The stage starts at a point and gets wider as more information, knowledge and questions are gathered – to symbolize the palette of more options. The objectives are to identify the problem,

opportunity or needs, that needs to be addressed through design, to define a solution space and to build a rich knowledge resource with inspiration and insights. ('Design methods for developing services' 2015, 7–8). In this thesis, a pilot project is part of this stage where insights are gathered through semi-structured in-depth interviews with participants in the pilot project.

In the *define* stage, the graph gets narrower to end in a new point, at which the problem has been defined. This stage is about making decision about priorities for the development of the service and to synthesize the findings into a reduced number of opportunities. These decisions are based on the insights and outputs from secondary and primary research, that started in the *discover* phase. ('Design methods for developing services' 2015, 7–8) For the secondary research, existing sources is used to build a broader understanding of the phenomenon of pop-up stores and to gather information about the geographical and cultural context of the service.

The second diamond is about finding a solution to the brief, defined by the first diamond. The *develop phase* consists of the design of the service, with further research to find insights in the underlying goals defined in the brief and prototyping. Service components are designed in detail from a holistic perspective, to ensure that all components link together. Service concepts are refined until they are ready for implementation ('Design methods for developing services' 2015, 7, 9). Qualitative methods are used to map the social and cultural environment connected to the service and insights from these are used for the design of the service.

The graph again gets narrower into a point as the solution is made based on the experience in the *develop* stage. This last stage is called *deliver*. Based on insights from the prototyping stage, the service will be finalized and launched and begin to address the needs identified in the *discover phase*. The insights from the development process is shared back into the organization. ('Design methods for developing services' 2015, 7,9). The results are presented in connection to the used service design methods, such as stakeholder mapping, service blueprint, business model canvas and personas. Implementation of the service and evaluation of designed service will be left-out of the design process that is subject for this thesis.

1.8 Planned research questions

The availability of store locations with short-term renting possibilities are limited. Most locations are rented for a minimum time of one year. Even if a company that wants to build a pop-up store finds a location, someone has to design it and build it. To make it easier for the

company all of this could be offered as a service. This leads to the research question: *How might a service around pop-up shops be designed as a business-to-business service?*

A lot of knowledge from the exhibition stand business can be used and the customer journey for the pop-up shop for the customer will have a lot in common with the service journey for an exhibition stand. For the service provider, Fair Factory, the main difference is to also provide the venue. When taking current resources and knowledge into consideration, what can be used in this service? *Are more knowledge or resources needed to be able to provide a good service?*

2 Methods

Stakeholder mapping

In the development of a new service, knowledge about the stakeholders involved in a pop-up store is fundamental. A stakeholder map helps to visualize the stakeholders and to some degree the relationship between them. “Stakeholder maps help to visually consolidate and communicate the key constituents of a design project, setting the stage for user-centered research and design development.”(Martin & Hanington 2012, 166). Stakeholder mapping can be used at different stages of a design process. It can be used in the planning process, as a speculative tool, to identify assumed stakeholders and in the definition stage, to deliver a substantiated view based on research made during the process.

“A stakeholder map is a visual or physical representation of the various groups involved with a particular service. By representing staff, customers, partner organizations and other stakeholders in this way, the interplay between these various groups can be charted and analysed.” (Stickdorn & Schneider 2011, 150)

The number of stakeholders might differ between projects depending on how complex they are. The balance between in-house and outsourcing also affects the number of and the relation between stakeholders. Strategies can differ short term and long term. In early stages of a new service more stakeholders might be involved, while at a later stage earlier outsources parts can move to in-house.

The stakeholder map can also be used as a tool for communication inside a company. When a project is made inside the company, the people involved in the project get first-hand experience and knowledge of the project. These are not automatically shared to others inside the company.

Verbal communication has the limitation of being temporary. A stakeholder map in its visual form can easily be shared.

Stakeholder mapping will be used in two instances of this thesis. Firstly, the stakeholders involved in the pilot project will be mapped, to visualize the companies and roles involved during the service. It will be developed to take a more general form in the design of the service to visualize the relations between different roles of the stakeholders.

Personas

Personas are created to represent the customer. The characters are based on different interest groups. (Stickdorn & Schneider 2011, 178). Its main strength is to represent real persons, and the interest, need and motivation they have in connection to the service. “Personas consolidate archetypal descriptions of user behavior patterns into representative profiles, to humanize design focus, test scenarios, and aid design communication” (Martin & Hanington 2012, 132)

Alan Cooper was the first to introduce personas as a tool in the design process. He introduced three personas to his software development team to describe user problems, he found out that it was easier for his staff to relate to the personas compared to presenting user problems in a more abstract manner (Cooper 2008). “Personas are not real people, but they represent them throughout the design process. They are hypothetical archetypes of actual users. Although they are imaginary, they are defined with significant rigor and precision. Actually, we don't so much "make up" our personas as discover them as a byproduct of the investigation process.” (Cooper 1999, 124)

Personas represent the user of the service during the design process. They help to engage the persons involved to understand the customers better - what they need, what they want and what they find problematic. Commonalities between different personas can be identified and the personas can contribute insight from a customer perspective. Personas are useful when creating user-centric services. In this thesis, three personas will be introduced to represent different customer groups to be able to design the service further with their motivations and needs in mind.

Service Blueprint

The Service blueprint outlines all the actions before, during and after a service. It is a “visual schematic incorporating the perspectives from both the user, the service provider and other

relevant parties that may be involved, detailing everything from the points of customer contact to behind-the-scenes processes” (Stickdorn & Schneider 2011, 204). Whereas the stakeholder map is used to map roles involved in the services, the service design blueprint takes this a step further and focuses on different actions in a timeline. It adds perspective on the schedule of the service and divides the actions into levels. On the top level are the actions that form the customer’s experience of the service. In the middle of the service design blueprint is the line of visibility. Everything that happens on top of this line the customer is aware of. Everything under it is background activity invisible to the user. It is presented in a chronological order

It is based on process thinking and can be used as a tool for both the development of a new service and improving an existing service. The points where the customer and the service provider meet, forms the customer’s perception of the company’s abilities to provide the service. (Tuulaniemi 2011, 210)

In this thesis it will be used to visualize the service and used as a tool for communication with the commissioner’s employees to develop a common understanding of the service. A first version is produced in a draft form and based on the insights from the research it will be updated in a second version.

Benchmarking

Benchmarking facilitates the acquisition of information on competitive companies and markets. Consequently, benchmarking contributes to better decision making and competitive advantages. The aim is to improve the organization through evaluation and comparison of products, services, processes, operations and business functions of organizations representing the best practices. (Korošec 2003, 946).

Benchmarking is usually conducted to compare an organization to others in the same field. However, the space and location where the pop-up store is located represents one of the most significant aspects of a pop-up store. The landlord is a crucial partner in the service, which will affect the performance of the service as a whole substantially. Therefore, in the context of the development of a service around pop-up stores, there is reason to benchmark the companies that provides spaces that can be used for pop-up activities.

Semi-structured, in-depth interviews

The semi-structured interviews in this thesis are conducted with experts that were involved in a pilot project. The purpose of the interviews is to evaluate the pilot project to get perspectives on how to develop the service based on the experience from the pilot. The persons interviewed are the account manager at Fair Factory, the country manager of the customer, the account manager of the marketing company.

As a qualitative research method, interviews give the opportunity to direct contact with participants and to collect firsthand experience, opinions, attitudes and perceptions. Structured interviews may be perceived as formal and impersonal, while unstructured interviews rely on the interviewer to stay on topic. Unstructured interviews have the advantage of being more conversational and are more flexible to allow for detours off the main topic. (Martin & Hanington 2012, 102). Semi-structured interviews combine these approaches with a set of pre-chosen questions that also make spontaneous follow-up questions and conversation about topics not covered by the pre-chosen questions.

3 Literature review

Pop-up stores as a concept started in the early 2000's and the literature on the subject is somewhat limited to date. The existing academic literature focuses on consumer's assessments of pop-up stores and these views are linked to specific demographic characteristics (e.g. Niehm *et al.* 2006). More recently Pop-up retailing has been analyzed more extensively from the perspective of the organizations implementing them and the motivation for organizations to use pop-up store activities (e.g. Surchi 2011). Recently, the managerial and strategical aspects for organizations in connection to pop-up retailing has been analyzed (Warnaby & Shi 2018). In a Nordic context, the existing literature focuses on the end customer's perception of pop-up stores (e.g. Nojonen 2014) the cost-effectiveness for retailers to use the pop-up store format (e.g. Tedla 2015) and the motivations for organizations that want to implement pop-up store activities (e.g. Anagnostakis *et al.* 2015).

This thesis focuses on the services an organization needs when implementing pop-up retailing, from a client's and service-provider's perspective. As the methods are associated with service design it is perhaps useful to present definitions of service design and service design processes, before looking into the origins, classifications and important features of a pop-up activity.

3.1 Service design and service design process

Service design is about making services useable easy and desirable. A service is made up of touchpoints between the customer and the service provider. Service design is the process of creating these touchpoints and to define how they interact with each other and with the user. Service design is applicable on both new and existing services. Central elements in design in general, and service design in particular, are user understanding, prototyping and tools for collaboration. User understanding is built on the needs and desires of the people that uses the service. It builds up empathy and understanding for humans by focusing on their stories and insights and to ensure that the service being developed is relevant. Prototyping is done throughout the process to iteratively test ideas and improve them. The pictures and models the designer make, are tools for communication and common understanding when they are used in collaboration with the designer, partners and users. ('Design methods for developing services' 2015, 3–4)

Service design is an approach that combines methods and tools from different disciplines. It should not be considered as a new stand-alone academic discipline, instead it is a new way of thinking. There is no common definition of service design and it is an evolving approach. A common language of service design is evolving by collecting and observing various examples of how service design has been implemented. (Stickdorn & Schneider 2011, 29)

Stickdorn and Schneider (2011, 34) proposes five principles of service design: User-centered, co-creative, sequencing, evidencing and holistic. The service is to be user-centric, in the sense that the service is experienced from the customers perspective. It is also co-creative, as the service should include all stakeholders in the design process. Sequencing is the term used for the visualizations of sequences of interrelated actions of the service. Evidencing describes the visualization of intangible services to physical artefacts. Finally, the environment of a service should be considered from a holistic perspective. (Stickdorn & Schneider 2011, 34)

Tuulaniemi's (2011, 12-13) suggestion is to define service design as an application of design knowledge to services and the development of them, to increase the value of the service. Its goal is 100% customer satisfaction and to receive that all needs of the customer as well as of the service provider are taken into account and are anticipated.

According to Tuulaniemi (2011, 127–128), the design process of a service can be divided in five stages: definition, research, design, service production and evaluation. The definition stage

is about defining the problem. In the research stage interviews, discussions and customer surveys form a common understanding of the area to develop. The design stage is about brainstorming and conceptualization about different solutions. Testing of the concept is thereafter tested with customers and developed further. The last stage is evaluation of the achievements during the development process

3.2 Background of pop-up stores

Kle'pierre with Qualiquanti (according to Warnaby & Shy 2018, 2) identify possible urban precursors of pop-up as markets, travelling merchants (i.e. flea markets, second hand traders, kiosk etc.), trade shows, world fairs and US block parties. There is no consensus among researchers when the pop-up store concept in its modern form started. The company Target implemented a pop-up store for two weeks in a 220-foot-long boat at Chelsea Piers on the Hudson River in New York in December 2002. The company Vacant used the pop-up store concept in New York City in 2003. The character of the pop-up shops was that they closed when they ran out of goods. (Gray 2012) Later on, the concept has developed from selling out leftover stock to be about establishing company brands. Surchi (2011, 262) suggests that Comme des Garçons pop-up store in Berlin in 2004 as one of the first to implement pop-up retail.

In 2007, the multinational clothing company Nike opened a pop-up store in Manhattan with the purpose to sell 250 pairs of a limited edition basketball shoes. (Gogoi 2007). The purpose was not to generate direct economic profit, instead it was used as a marketing campaign and to strengthen the brand.

The purpose of pop-up shops has evolved to also include the establishing or strengthening of a brand and create an experience around the company and the product or products that the company is selling. The limited timespan of a pop-up shop makes it feel exclusive (Nojonen 2014, 63; Warnaby & Shi 2018, 21). That something new that wasn't there yesterday and will not be there in a few days or weeks, contributes to the excitement around a pop-up store.

3.3 Pop-up stores in a Nordic context

There have been some studies about Pop-up stores in a Finnish context. The macro trend of shopping moving online has had a negative effect on traditional retail stores, but it has been

shown that pop-up stores are a cost-effective way of retail that can also be used as a complement to online retailing. “Omni-channel retailers in Finland will benefit from opening pop-up stores. Especially those retailers that sell clothing. That is because clothing is the number one item purchased online in Finland.” (Tedla 2015, 36). Tedla’s thesis includes an interview with Paula Suhonen of Ivana Helsinki, that states that they saw that the online sales increased when the pop-up store was open. (Tedla 2015, 31)

Research has also been made about what types of companies want to open pop-up shops in a Swedish context. Sweden has a similar culture and economics compared to other Nordic countries and the findings of the studies are also relevant for Finland. The findings in the research was that pop-up stores are especially suitable for products that are bought through an emotional buying process. They are also useful at locations where a company’s presence on the market is limited or non-existent. (Anagnostakis *et al.* 2015, 45) The main motivation for the companies included in the study was to increase their customers knowledge about the company and the brand, interact with their customers and increase sales. (Anagnostakis *et al.* 2015, 46).

End customers in Finland associate the pop-up store phenomenon to fashion and design. Research suggests that Finnish end customers do not see sales of discounted items and outlet sales as part of the pop-up movement. Pop-up stores are also described by end customers as trendy and modern phenomenon, where brands can activate their customers and facilitate the interaction between the customer and the brand. (Nojonen 2014, 70–71)

3.4 Classification of pop-up stores

Pop-up store as a concept has a flexible nature. They can be categorized by *location* in two categories: (1) nomadic stores, that are mobile and (2) stores that move in to a vacant existing space and uses that space for a limited amount of time. (Warnaby & Shi 2018, 6). The mobile store can be a moveable container, or a van that can be moved to different places to reach a geographically broad public. Stores that move into an existing space can reach people in a certain area: high streets in city centers, shopping malls or a location that has attributes of interest: areas with tourist streams and areas with special characteristics.

The choice of the location is also a choice of potential customers coming to the store. *Whom* can the company potentially meet and reach with their product or message? When choosing the location, several aspects should be considered. People stream statistics can give information

about the amount of people passing the store location during a day. Statistics about the demography of the people passing can help if the company's product has a defined target group.

Table 1 Pop-up store classifications (Warnaby and Shi, 2018, p. 27-28)

Concept brand store	Function of a flagship store, but as a pop-up version. Combination of increasing brand awareness and sales of goods
Community store	Strengthen consumer brand relationship and for customers to become part of a broader brand-related community. A pop-up shop with this function usually has a lot of events and other types of program.
Test Store	For testing an idea or product
Sustainable Test-Store	For testing an idea or product with emphasis on the product being environmentally friendly
Product showcase	Showroom-like experience. Emphasis on the products and their features or a product catalog. Also, for launching a new product or product line.
Brand Pantheon	Flag store-like concept. Emphasis on promoting the brand and communicating brand values.
Tribal gathering	To strengthen the community connecting to the brand. For brands with consumers that feel strongly about the brand
Market tester	To test a product or range of products prior to launch. It can also be used to test the marketing in connection to the product

Classification by *function* focuses on the purpose for the pop-up store. These definitions are not strict, and a pop-up store can represent more than one of these functions, but it is a useful list clarify the purpose of the pop-up store. The function answers the question of *what* the pop-up store is. In the strategical planning stage of a pop-up store *location* and *function* of the pop-up store are central.

To summarize the categories, they can be focused on an activity, such as sales or to show a new product. It can also be used as a space used for deepening the relationship between the customer and the brand between customers and the community around the brand. A pop-up shop can also be used to test the market with a new product, before releasing it in a bigger context (Marciniak & Budnarowska 2009).

Pop-up stores are well-suited for companies with end customers. As the pop-up store classifications in Table 1 are considered, it becomes clear that all classifications suits companies that sells products or services to end customers. Companies in the B2B segments can use a pop-up store as a *Community store* or *product showcase*.

3.5 The store atmosphere

The store space is the physical and tangible element that connects the customer and the brand. The design and material choices contribute to the atmosphere in the store. The customer service in the store is another aspect that will affect the complete experience of the pop-up store. A successful store atmosphere will make a long-lasting impression on the customer. Not only the impression is important, it should also communicate the values of the brand.(Warnaby & Shi 2018, 57)

Interior design plays a central role in building the store atmosphere and contributes to the look and feel of the space. Customer service also affect the store atmosphere. A kind and professional staff will make the customer feel welcome.

3.6 Timing

For a pop-up store temporality is a defining characteristic and especially so when a pop-up is implemented in connection to other social and cultural events, such as fashion weeks, trade shows or specific times during the year such as Christmas and other peak seasons in retail. The launch of pop-up stores in connection to these events help retailers to maximize turnover in markets with significant periodicity. The existing literature suggest the duration for a pop-up store is from one week up to a year. The main duration is one month. A duration too long can result in customers doubt, whether the activity actually is a pop-up (Warnaby & Shi 2018, 55–56).

The task for the team in Fair Factory was to find an activity for the company to engage in that have higher demand at occasions others than in the core business. The higher than average activity in trade shows are in spring from March to May and in the fall from September to November. Figure 3 shows the peak periods in turnover for retail in Finland is in December. Other months with higher than average turnover are May, June, July and August. (Kurjenoja 2018, 2). Consequently, the peaks in retail occurs in other months than in the trade exhibition business.

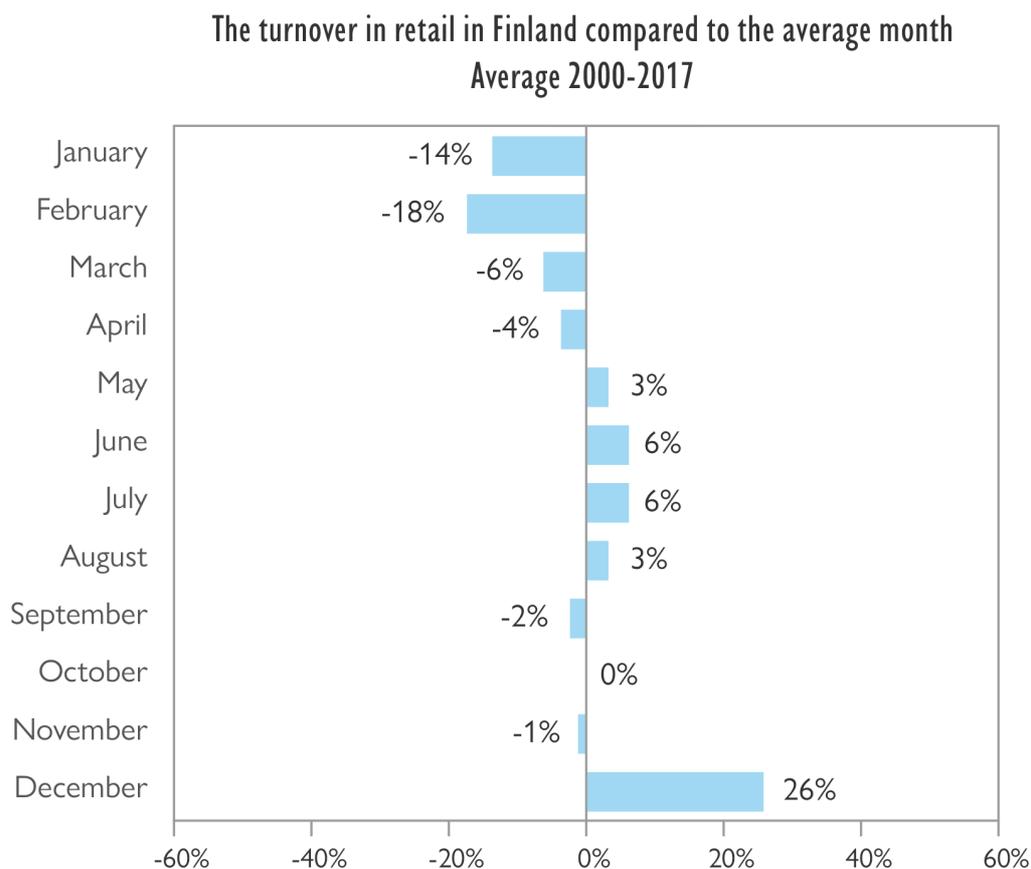


Figure 3 Comparison of monthly turnover in retail (Kurjenoja, 2018, based on tilastokeskus)

The business fields with most significant raise in turnover during the summer months are flowers and plants, hardware, jewelry, fuel, books and home electronics, grocery and clothing. Flowers and plants have an increase of 93% compared to the average in May. The season for hardware starts in May and continues to September, the months with most significant increases are May and June. October still has higher than average turnover. The highest turnover in jewelry is in May and the season continues in June and July. The turnover from fuel sales is

higher than average during the whole summer. The summer season for books and home electronics start in August in connection to the beginning of the school and academy year. The highest turnover in grocery is in July and the best turnover for clothing is in May. (Kurjenoja 2013, 2)

3.7 Pop-up movement in Finland and Helsinki

Around Christmas several pop-up stores can be seen in Helsinki. (Bäckgren 2016). One of them is TRE Christmas market, that was in 2016 located on the high street Aleksanterinkatu 17, close to the Stockmann department store. Established companies, over 100 small design companies as well as online retail stores use this opportunity to have a physical, temporary store.

The Restaurant Day, was founded by Antti Tuomola, Olli Sirén and Timo Santala in 2011. During the restaurant day pop up restaurants can be set up by anyone. The concept has spread to other countries. (Salminen & Seppi 2014). The restaurant Harju Döner in Helsinki started as a pop-up on Restaurant Day and is now a long-term restaurant in Kallio, Helsinki (Bäckgren 2016). In 2018, Harju Döner opened a store in citykäytävä, in central Helsinki. Ivana Helsinki is a Finnish brand that has had pop-up shops in Helsinki, Paris and Tokyo (Tedla 2015, 30) and Voglia has had one in Itis shopping mall (Tedla 2015, 32)

One phenomenon the author has noticed during the time-frame of this thesis more spaces are becoming available for pop-up shops in street level spaces and shopping malls. One trend is that shopping malls advertise pop-up spaces as such.

3.8 Location and space

The location and the character of the store space has a central role in a pop-up store. It needs to be suitable for the pop-up owner in the sense that it attracts the target group. Previous research suggests that the strategical location of the pop-up store is very important. Usually, a commercial center of gravity is the ideal spot for a pop-up store, but the choice can also be linked to the cultural life of the city (Surchi 2011, 261). The location of the pop-up store determines the amount and what type of people that can be expected to visit. A central location will attract more people than in a suburb. In a central area, different locations also has different people streams and the mix of local people and tourists can be different. A store space at an airport will reach tourists, locals as well as international customers.

A problem for companies who want to open a pop-up store is to find a landlord who is willing to rent a business premises for a short period of time. In Helsinki, many premises in the city centers are owned by organizations that own a lot of premises in the high streets. The streets with the biggest people streams are Aleksanterinkatu and Keskuskatu, and the junction where these streets cross each other is considered to be the hottest spot. Ilmarinen, a pension insurance company in Finland, have publicly said that they actively make decisions on which type of companies they want at a specific area. If a company have the wrong profile, their lease will not be reviewed and a company that better fit the vision that the landlord has for an area will be given the opportunity. (Tammilehto n.d.)The vision is formed by which shops the people want to visit. It is unknown how pop-up stores fit the vision of the landlords.

For the service provider, there are two models available – owning or renting. Both have advantages, disadvantages, challenges and risks. In the following chapter these aspects will be discussed.

3.8.1 The service provider rents the facility long-term

The first model is that the service provider rents the premises in a long term and rent it in short term to pop-up owners. The advantages of this model are that the store space can be prepared extensively for different kinds of needs of the pop-up owner. When the space and all its qualities are known to the internal staff everything from project management to design and building is easier. It is easier to find landlords that rent out long-term than short-term since the work for the landlord is the same for making a long-term and a short-term contract.

The disadvantages are that the location is fixed. One location is not optimal for all pop-up keepers. Risks involved are the cost of the long-term rent. The space must be rented out to certain amount of time to make the service profitable.

3.8.2 The service provider rents the facility short-term.

The second model is that the service provider rents the space short-term. This gives two main advantages: The location and size of the space can be chosen to fit the pop-up keeper and there is less risk with no cost for a long-term rent. Another advantage is that a good co-operation with the landlord also can lead to recommendations if a potential pop-up keeper contacts the landlord but not yet know who can implement the pop-up store.

The disadvantages are that scheduling and space optimization. Scheduling is more complex and the project managers need to keep contact with the landlords to know costs and availability. Costs can be valid for a longer period, but availability must be checked. A booking calendar, that would be visible for the customer, would be a useful tool for scheduling.

Space optimization is more limited and must be agreed on with the facility owner. An optimized space allows for better compatibility with different kind of purposes for the pop-up store. With a well-prepared space also allows for faster installations and will also make the interior and space design process easier. The risks involved is to not be able to find an available space on a good location at the right size at a certain time. (Warnaby & Shi 2018, 57)

3.8.3 Challenges with not owning the shop

If the service provider of pop-up shops would be the owner of the facility for pop-up shops, scheduling would be easy. An internal system of bookings would be all that is needed for all sellers to know when it is available.

With the landlord as an external stakeholder, communication is vital and three-part negotiations might be needed for scheduling. The pop-up store owner and the service provider could have initial meetings to discuss possible venues. After that the facility owner of that venue would be contacted.

In the company, there are advocates of both the models of *owning* and of *renting*. Consensus was reach that in the internal phase of the service design, that the second model is better as a short- and mid-term solution with the main argument that it will keep the rental cost as a variable cost and not as a fixed cost. The flexibility of being able to choose the space based on the customer's needs was also taken into consideration. The models, however, do not exclude each other. If the service becomes sought after there are possibilities to also rent a store space long-term in the future. The list of available pop-up spaces are listed in Table 2.

3.9 Networking

In Figure 4 the first B's represent the supplier/seller and buyer, being another company or government. The C's represent buyers and users of the service. The value is co-created between these actors. The C2C shows the interaction and influence between customers, consumer or another business. Gummesson and Polese (2009) argue that B2C describes a conventional marketing situation. The C2B interaction is central in a customer-centric way of making business and therefore we should define it as B2C/C2B.

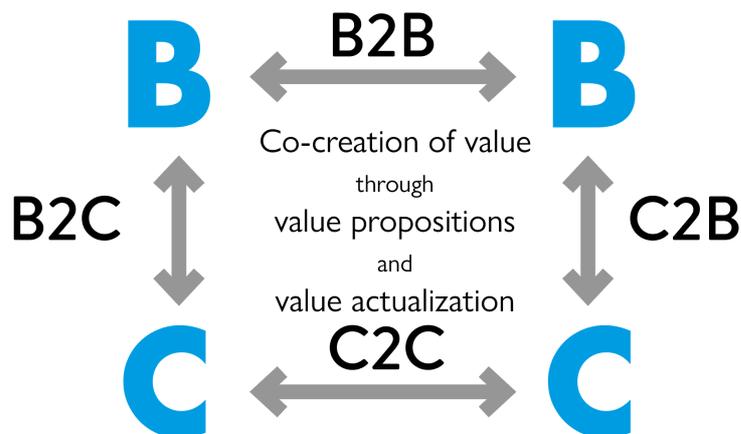


Figure 4 Networking (Gummesson 2008b)

In conventional marketing, the seller is the aggressive marketing part. The seller acts and the customer react. By thinking of marketing according to this figure, the B2Bs and B2C form a complex context for marketing and aren't treated as independent categories.

This figure is useful when thinking of a service such as pop-up stores. To begin with, there are a lot of Bs involved in making of the service. The company that implements the pop-up store is the business customer, then there are suppliers that form a network. There can be a main supplier and subcontractors or multiple suppliers on the same level.

3.10 Change Management

A new service will demand an organizational change in some extent. What kind of change is needed when developing a new service? Firstly, the type of change has to be identified to know what kind and to what extent change is needed. Four types of change can be identified: *realization model*, *renewal model*, *extension model* and *journey model*. The realization model

demands the least change in the company operation and consists of maximizing the return from the current operational logic, instead change is accomplished by e.g. adding new sales channels or geographical expansion. In the renewal model, companies consistently and consciously renew the product and service portfolio through R&D. The renewal model likely does not need change in core operation. In the extension model, business is expanded to cover new ground. Whether change in the core operations is needed or not depends on the type of expansion. Journey models demand fundamental change to the core business and represent companies that purposefully moves to a new business model. (Linder & Cantrell 2000, 13)

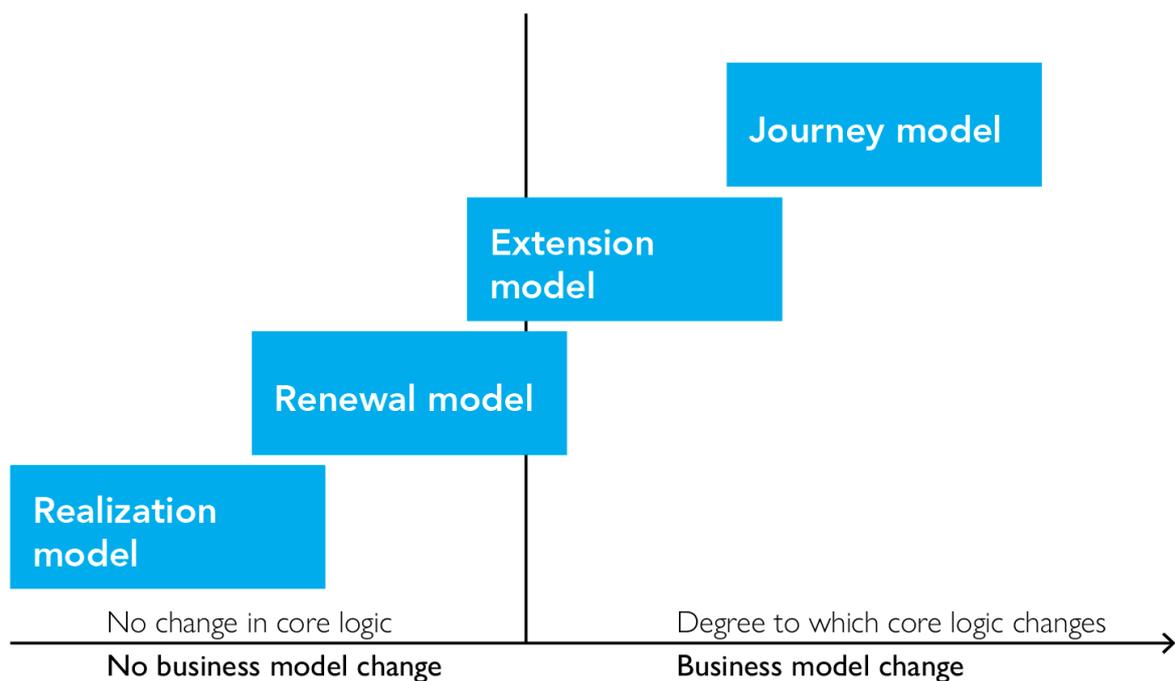


Figure 5 Change models (Linder and Cantrell, 2000)

A service around pop-up stores for Fair Factory is an extension of the company's service portfolio. The magnitude of the change needed will depend on to which degree the new service differs from the existing.

To implement change, the complexity of the problem needs to be identified. In this case it is of soft complexity, in contrast to hard where the problem can be easily quantified. The word *problem* is not here a threat or catastrophe, but rather a way to describe the unknowns when developing a new service.

Organizational development (OD) is a way to deal with problems of soft complexity and is process focused. That means it focuses on the continuous organizational learning that concerns the organization as a whole, but also the groups and individuals. In connection to these, it involves systems, structures, culture and politics of the organization. (Senior & Swailes 2010, 316)

“The OD approach to change is, above, all an approach that cares about people and which believes that people at all levels throughout an organization are, individually and collectively, both the drivers and the engines of change. Consequently, one underlying assumption is that people are most productive when they have a high quality of working life. In addition there is an assumption that, in many cases (and perhaps the majority), workers are under-utilized and are capable, if given the opportunity, of taking on more responsibility for the work they do and of contributing further to the achievement of organizational goals.” (Senior & Swailes 2010, 317)

A new service will need new processes and competences. In developing the pop-up service, the collaboration and discussions will be held inside of the organization, with business partners and clients as an ongoing process.

4 Pilot project and start of the design of the service

In the summer of 2017, the commissioner got the opportunity to be a part of a pop-up project. The customer was the Finnish division of Moccamaster, a company from Netherlands that manufactures coffeemakers. The companies have worked together before, as Fair Factory has designed and built exhibition stands for Helsinki Coffee festival (‘Moccamaster | Fair Factory’ n.d.) and made product display shelves for Moccamaster. The reason that Fair Factory was involved in the project was that Moccamaster and Drum, a marketing company, had co-worked on a pop-up store in 2014 and realized that they need more expertise in the design and construction. (Personal communication with Drum account manager, 14.10.2018). The location was Basso Radio’s location at Unioninkatu 25 and the pop-up store was open 5.12-17.12.2017.

At this stage Fair Factory had already decided on investigating adding pop-up stores to their service portfolio and this thesis was in its initial phase. The project provided an opportunity to test the company’s suitability for this field and to give first hand-experience from all stages involved in the activity, from pre-service to post-service.

In the early planning stage, that started in the summer 2017, the following companies were involved in the planning process: Moccamaster, Fair Factory, Drum and Basso Radio. The planning included several meetings during the fall where strategic objectives and the design brief was planned. To get an overview of the project, the author participated in one of the meetings in the planning stage in September 2017. Attending at the meeting was the country director from Moccamaster, the account director from Drum and the account director and the designer from Fair Factory. These experts have been interviewed as a part of this thesis to get to know their role in the project. A different set of questions was planned for each interview based on their role in the project (Appendices 3-5). The questions were not only focused on the specific project, but also treated pop-up stores and the service around them in a broader context, like the strategical use of pop-up stores and pop-up stores as a megatrend. The strategic objectives for the pop-up store was a combination of raising brand awareness and sales.

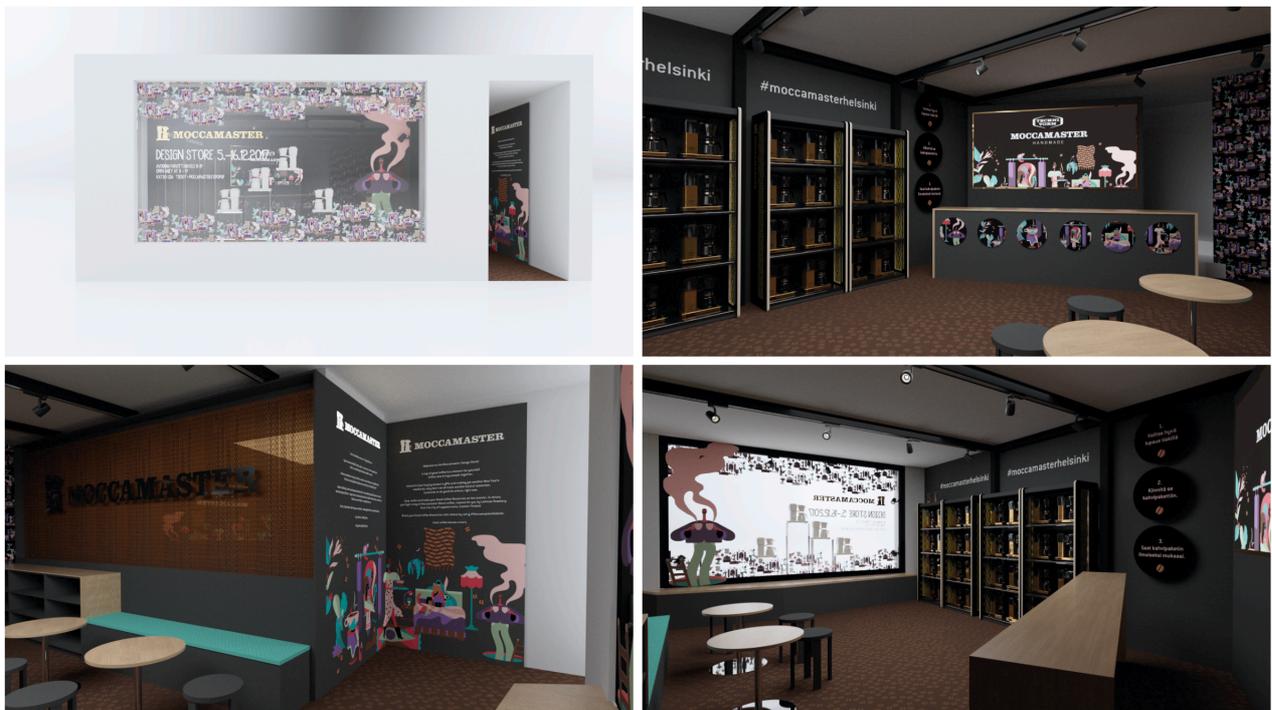


Figure 6 Design and 3d renderings. Design by Janne Reponen

Visually the pop-up store consisted of the brown-beige colors with turquoise as a strong contrast color. Janine Rewell, a Finnish illustrator, had been assigned to illustrate a graphic design for the pop-up store and the marketing around it. Her illustrations had a strong presence at the entrance walls, window decals and other printed surfaces in the store. They consisted of illustrations of people, cats, coffee cups, coffee beans and flowers in the same color as the interior, with purple and pale red colors added. The background color of the illustrations was

black. The floor had a pattern of coffee beans and one of the inner walls was a brand wall with a big, black Moccamaster logo, with a background surface of copper chains. Product displays consisted of dedicated shelves on one of the walls, product pedestals in the window.

At the desk, there were small coffee samples and stickers with different messages. The visitor could choose a suitable sticker and give the coffee sample to a loved one, a relative or a friend. This made a story for the visitor and information about the brand, product and pop-up store were communicated to others as a nice gesture. During evenings, small local coffee companies were invited to hold presentations. These were popular, and people interested of this needed to register in advance for these presentations.



Figure 6 Pictures of the pop-up store, Photographs by Simon Bergman

4.1 Stakeholder map

A stakeholder map is used to illustrate the stakeholders and their role during this pilot. It was made in connection to the interview with the account manager at Fair Factory. The interview began with making a stakeholder map of the project.

In this initial step, the stakeholders are mapped and all substantial stakeholders will be presented with a description of their role in the project. The four central stakeholders are the service provider, the seller of the service; the pop-up owner – the customer/buyer of the service and the landlord – the company that owns the store space and the marketing company – that plans the marketing strategy for the pop-up shop.

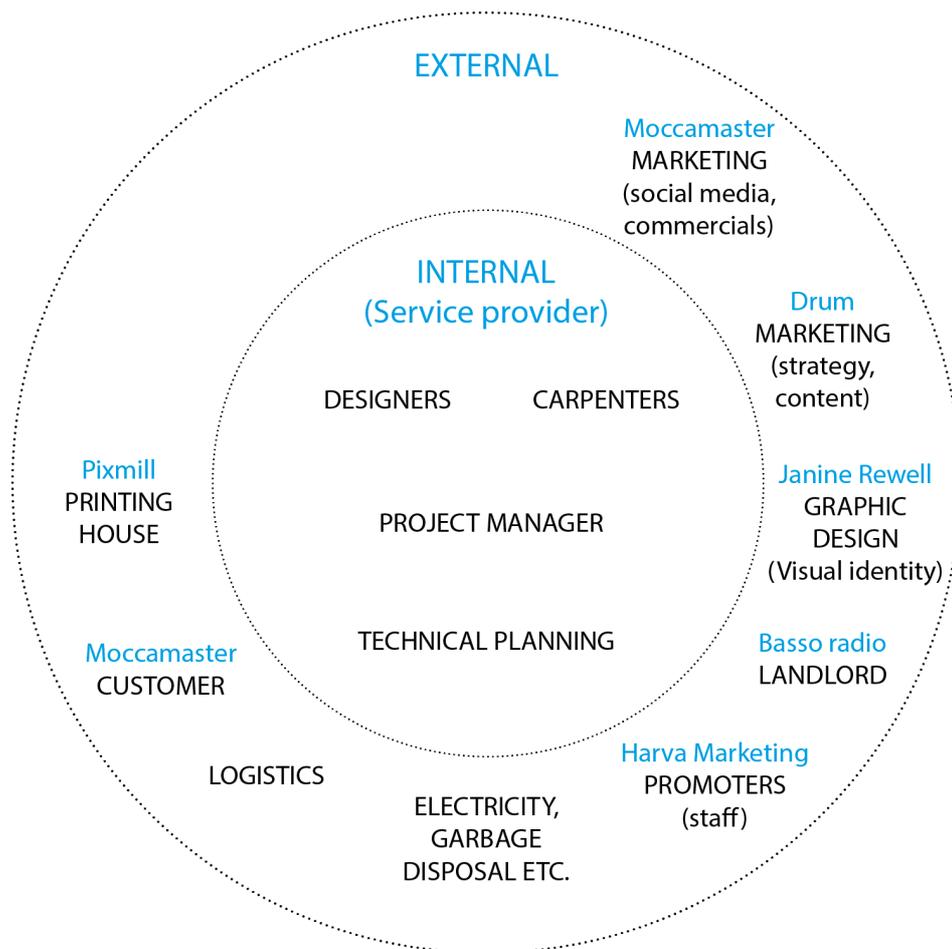


Figure 7 Stakeholder map for pilot project

Internal (project managing, design and construction)

The service provider, Fair Factory, has internal resources in project managing, design and construction. Fair Factory managed parts of the project, this work included scheduling and budget calculations as well as keeping contact to other stakeholders. The designer at Fair Factory was responsible of design of the physical elements in the store that contribute to the atmosphere of the space. Elements were built in advance at Fair Factory's factory and the carpenters also built it up on location, as well as the disassembly after the pop-up store is closed.

Customer – Moccamaster, The pop-up owner

In this project the pop-up owner was Moccamaster. The country manager of Moccamaster said in the interview that she had a vision of making a pop-up store again. Moccamaster has experience of a pop-up store that was also located at Basso Radio's space at Unioninkatu 25 in 2014. The country manager had the initial idea to making a pop-up store and then contacted the other companies involved. From there, the more detailed planning started in meetings with Fair Factory and Basso Radio. (personal communication with Moccamaster country manager, 16.5.2018)

Drum

Drum and Moccamaster have co-worked on projects before, one of them is the pop-up store that Moccamaster had in 2014. Drum's role was primarily the strategic conceptualization to plan marketing message. This included finding answers to the questions: *Why is this done? What does the visitor get out of it? What is the reason to visit the pop-up store?*

To answer these questions, Drum worked on the big picture of the strategy as well as details, for example developed the idea of giving coffee samples from local coffee roasteries with customized stickers on them. (Personal communication with Drum account manager, 14.10.2018). This made an experience for the customer, gave a memory that could be shared with a friend. As a secondary function is served to spread the word about the pop-up store.

Landlord - Bassoradio

In this project Basso Radio was the landlord. The rental price included radio ads. The landlord owns the facility that is used for store space for the pop-up store.

Building Material and Printing material

Several subcontractors provide building material for the project. Material use was carpets, wood for furniture and shelves. The logotype was made of acrylic on a background of copper chains. Fabric was used on the furniture. Printing material consisted of wall prints, windows decals and fabrics. The printing material was made by Pixmill.

Promoters – Harva marketing

Promoters meet the end customers in the pop-up store and represent the pop-up store owner. This part was out-sourced to Harva marketing.

4.2 Evaluation of the pilot

This evaluation is based on the expert interviews and the comments concern the location, the store space, planning and scheduling. The experience gathered from the pilot will be used in this thesis for further developing the service.

Location

All interview respondents emphasized the importance of the location. The more central the location, the easier it is for customers to find it. For people living busy lives it is time-saving to not have to make detours to get to the pop-up store.

The account manager of Fair Factory addressed the benefits in the usage the same location continuously. Regardless of the location being in a shopping mall or high street, end customers would recognize it as a location for pop-up stores. Consequently, advertising would be easier and it (personal communication with Fair Factory account manager, 14.4.2018). In this project the Basso Radio's facility at Unioninkatu 25 is used mainly or exclusively for pop-up stores.

Build-up

The build-up was done on a tight schedule. The carpenters got access to the space on Sunday evening at 9 pm to prepare the space by laying the mat. Work continued on Monday. All elements had been prebuilt at Fair Factory's factory to exact measures. Some of the measuring data of the space was faulty and therefore a few elements had to be adjusted on location. At the location during Monday were the account manager, four carpenters, two decal installers and an electrician. On Tuesday, finishing touches were made and the store was opened at 1 pm. What made this possible was a good design, good pictures of the design, an exact bottom floor plan

and the design was clear, and everybody knew their roles and the placements of different elements. For the next project we now have a lot of knowledge that makes the work easier. (Personal communication with Fair Factory account manager, 14.4.2018).

The space

To know the features of the space in advance is key for planning. Exact measurements of the space's walls floor and windows is needed for the interior design. All elements were built in Fair Factory's production facility in advance. Thus, space measurements cannot easily be double-checked at the time of building them. Faults in the measurements will lead to misfitting elements that will have to be adjusted or re-built on location. As the schedule is tight that is a challenge in itself and ineffective use of resources. It is crucial to know the details about water supply, electrical supply. Everything that need electricity need to be built based on the system that is available on location. The electricity has to be planned carefully in advance. To do it on location it is too late. Wall elements need to be built on top of existing walls. It speeds up the demolition of the shop afterwards. (Personal communication with Fair Factory account manager, 14.4.2018)

To build a wall on top of existing ones allows for installments and mounting of other elements such as shelves and screens, without drilling holes in the existing walls. If existing walls were used, work to fill these holes would be needed after the project, which would cause extra working hours and a challenge to the tight schedule.

To know the space in detail is important to avoid unexpected surprises in the build-up stage. Extruding elements from walls and exact placement of electrical sockets are often not specified in floor plans. The main dimensions are not always correct. Insights into the features of the space, on a detail level, are important for the in-advance manufacture and assembly. "Now that we have experience with the location at Basso Radio's space it would be easy to make another pop-up shop in the same space. We know the features and measures of this space in detail." (Personal communication with Fair Factory account manager, 14.4.2018).

Marketing

A pop-up store, by definition, is for a limited time. To inform customers of about who, where and when, viral and word of mouth marketing techniques are the most effective. Internet, mobile technologies and social media are redefining how retailers promote themselves to consumers. (Marciniak & Budnarowska 2009). The development of technology and the

platforms that have made it possible for people to connect allows for marketing to reach a lot of people fast. The planning of the marketing strategy is an important part of the pre-service stage. While the strategy is made for the pop-up store, it is at the same time part of the brand and its bigger strategy. The questions that need to be addressed in forming the marketing strategy are: *How is the brand built and supported long-term?* and *Can the pop-up store be a part in forming or changing the customers perception of the brand for the future?*” (Personal communication with Drum account manager, 14.10.2018)

Traditional marketing channels are slower than the digital. For the press it is important to get information in advance. The challenge with pop-up stores is that they pop-up from nowhere and are built just before they open. Newspaper reporters have enough time to get it published while the pop-up store is still open. The timeframe makes it impossible for journal and magazine reporters to write in-depth articles about it and get the article published in the next journal. Therefore, creative approaches are needed. What can be told about or shown in relation to the pop-up store instead? Meetings with the designers to discuss about the ideas for interior and limited editions items that are shown or sold in the pop-up store can be shown in advance. Printed advertising outdoor and digital advertising are suitable channels for pop-up stores, as well as locally targeted television ads. The Drum account manager states: “The message: *We have a pop-up store, come visit* is just not enough.”. The marketing message has to form an incentive for the customers to go to the pop-up stores and need to support the marketing strategy in a broader meaning. (Personal communication with Drum account manager, 14.10.2018)

Social media is one of the most significant channels. The channels are also dependent on the target group. If the target group for example reads blogs and follow social media influencers, the bloggers and influencers should be informed in advance so that they can write something about it and that way the message is spread. The timing is also important. Suppose that a pop-up store is open for 2-4 weeks. In that case potential customers need to have that information when it is open, which means that the awareness has to be built in advance. Before it opens, customers should already be aware that it is coming and know the reasons why to get there. If the message goes out when it is already open, that is usually too late. The buzz should be spread a lot earlier, through social, media, blogs, influencers, celebrities and also from an interesting design. When the pop-up store is open the marketing should more have the character of reminding about the store and that it is still open. (Personal communication with Drum account manager, 14.10.2018)

Marketing is central for making end customers aware of a pop-up store's existence. Different channels, as social media, print and tv advertisements, word of mouth are available. The marketing has to answer the question *what* and *why*. What can the customer expect to see, experience and buy at the pop-up store and why should the customer go there.

“The corner stone of the strategy: What is the gain for the customer to go to the pop-up store. Why should he choose it instead of all other options he has at hand? It demands an effort from the customer to go to the pop-up store. Some pop-up stores are located in a way that a trespasser just walks by the store and goes in, but if the store's location is distant from the usual people streams, there has to be something in the strategical marketing message that makes the customer want to go there and that he thinks that he can gain something from going there.“ (Personal communication with Drum account manager, 14.10.2018)

Every pop-up shop has a purpose as seen in chapter 3.4. To specify the purpose in a marketing strategy, helps to define the goal and how to get there. The strategy supports the company in achieving the goals that is set for the pop-up store. Activities and workshops and other live events can be a part of the strategy and has been proven as an effective means of increasing customer dwell and facilitating engagement with the brand. (Warnaby & Shi 2018, 64). What Fair Factory do not at have knowledge of marketing on social media and other marketing in other exposed environments, among them are big prints and tv commercials (Personal communication with Fair Factory account manager 14.4.2108)

Financial outcome

According to Moccamaster country manager (Personal communications, 16.5.2018), the result didn't meet expectation. There were not enough customers and the sale did not meet expectations.

When making a big investment, such as a pop-up store or an exhibition stand for that matter, it might be that you want see results in half a year or a year. But if it is well done, that investment never goes to waste. The results might come later, and the time span can be very long. Working with brands, creating them, developing them, is a long process without immediate results, but it is based on the belief that it is done to support the brand and to move it in the right direction. (Personal communication with Drum account manager, 14.10.2018)

Insights from the pilot project about the service

Fair Factory's responsibilities in the project consisted of the design of the space and construction, as well as project management connected to these activities, such as scheduling and ordering of printing materials. These are all part of Fair Factory's core knowledge and it was handled well and on time.

An insight for the scheduling was to optimize the opening days for weekends. Demolition should be on Monday, instead of during the weekend. That way the pop-up store can be open during more weekend days. (Personal communication with Fair Factory account manager, 14.4.2018).

It became clear that a lot of responsibility on the service as a whole laid on the customer in gathering the network of companies involved. The stakeholder map in Figure 7 is done with Fair Factory as the service provider placed in the center of the map, but this is not necessarily the perspective of the customer. In the ambition to provide a turnkey service, parts of this responsibility have to move from the customer to the service provider.

Some answers to the resource question *Are more knowledge or resources needed to be able to provide a good service?* were answered. The location and marketing are two important activities in which Fair Factory do not have in-house resources for. The marketing strategy that answers to *Why* the end customer should go there, or *what*, what experience does the customer get when going. These two questions need answers for every pop-up store.

To broaden the competences of marketing and to use optimal location and spaces can be handled either through investments or networking and partnerships with other companies. Either way, there are room the develop the service further, to make the experience for the customer more streamlined. All customers do not have the skills and knowledge to gather a network around a service as complex as pop-up store.

5 Further development with service design methods

In this chapter the research is continued and results from the research are presented. The methods presented in Chapter 2 are implemented. This stage represents the phases *develop* and *deliver* according to the double diamond design process.

5.1 Mapping and benchmarking of available pop-up store spaces in 2017-2018 in Helsinki and the capital city region.

To get an overview of spaces available for Pop-up shops, mapping of places that provide pop-up spaces, at the moment, was started. Table 2 shows the features of the spaces: size, location, type of space, access to water and drain, people stream, rental duration and additional services. Price is left out because it is not always public, and the price quotes are not always comparable as some landlords include additional services in their prices. The timeframe for the booking varies and is often a subject of discussion, which complicates the possibilities to present it, in a meaningful way, in a table. Access to water and drain is important for restaurant or cafeteria use.

Table 2 Pop-up spaces in Helsinki area

	Size (m ²)	Location (Address)	Type of space	Water and drain	People stream	Rental duration	Additional services
Bassoradio	31	Unioninkatu 25	Street level with display windows	Yes (separate room)			Radio ads on Basso radio
Milton Studios showroom		Uudenmaankatu 4-6	Street level with display windows				Full scale marketing services Showroom located in the Design District of Helsinki
Kliffa Innovations	Various	Various	Various because of the nature or the service. Street level with display windows might be available				Digital platform for connecting owners and renters
Kamppi	128	Urho Kekkosen katu 1	Shopping mall, 1 st floor	Yes (separate room)	Over 400 000/week	One day – 3 months	Kitchen, wc and storage in pop-up space. Radio ads in the shopping mall,
Helsinki-Vantaa airport	Various, open spaces 6-40 m ²	Lentoasemantie 1	Airport. Store spaces and open spaces		19 million/year		
Kluuvi	Various	Aleksanterinkatu 9	Shopping mall				

Bassomedia (Radio Station) has a 31 m² pop-up premise on Unioninkatu 25, in Helsinki and have hosted pop-up stores from the companies Vallila, Lumene, Playstation, Moccamaster and R-collection. ('mediakortti | Pop-up' n.d.). The Helsinki-Vantaa airport provide two pop-up spaces available for rent. ('Liiketilat Helsinki-Vantaan lentokenttä | Finavia' n.d.). Kluuvi has two spaces ('Pop-Up myymälät - kauppakeskus Kluuvi' n.d.). Kamppi has a 128 m² space for pop-up stores (Personal communication with Speciality Leasing Manager at Hestia, 30.5.2017). Kliffa Innovation's business idea is to connect facility owners to renters, through a digital platform. Pop-up store spaces are one of the advertised functions ('KLIFFA' n.d.). Milton is a full-scale marketing bureau with a showroom space branded Milton Studios on Uudenmaankatu 4-6. ('Milton Studios' n.d.)

The spaces differ significantly in features and additional services offered by the companies owning them. To compare the quantitatively is therefore difficult, but one strategic subject of interest is to know how far they are located from the spot in Helsinki with the largest people streams in the corner of Keskuskatu and Aleksanterinkatu that was shown in chapter 3.8. The address Aleksanterinkatu 17 in the corner of these streets was chosen as the starting point. This approach has its limitations as it can not be assumed that people streams diminish in a spherical pattern from that spot. However, the information about the distance provide useful data for the evaluation of a facility's suitability for future pop-up projects for Fair Factory. The measurements were made with Here Maps ('HERE WeGo' n.d.) and for the shopping malls that have many entrances, the closest one was chosen. The distance was measured for pedestrians. Helsinki-Vantaa airport was left out because the distance to the Helsinki city center is irrelevant for their offerings and Kliffa Innovation was also left out as they do not mediate facilities at a fixed location.

Table 3 Distance from facility to Alexanterinkatu 17

Bassoradio	479m
Milton Studio	610m
Kluuvi	257m
Kamppi	618m

To compare the facilities qualitatively, the type and size of space is important to ensure suitability for future projects. Street level spaces will have display windows that provides

advertising for the pop-up store for the duration it is open and might attract customers that passes by. Shopping malls might attract different kinds of customers. The features and characteristics of the space is another aspect to consider when choosing the right location with the customer. As part of this stage, an internal document for Fair Factor, that lists pop-up facilities in other major cities in Finland, was made. It also includes contact information for bookings.

5.2 Stakeholder map

The stakeholder map was used in the analysis and review of the pilot project in chapter 4.1. That has now been extended and improved to form a generalized stakeholder map (as shown in Figure 8). The pilot project was quite extensive and there has not been a reason to update the two inner circles. What has been updated is the field between the internal and external circles. This represent the fact that Fair Factory in September 2018 became a co-owner in Harva Experience that is a company specialized in event strategy planning, conceptualization and marketing of events. It is co-owned with Harva Marketing, a company that has extensive collaboration with Fair Factory. This means that these functions can be provided in a close co-operation in the future. The investment was a part of Fair Factory's long-term strategy to expand into event services. (Personal communication with CEO Tommi Pyykkö, 28.10.2018).

The generalized stakeholder map also includes an extra circle that represent external stakeholders with passive roles. These include *government*, laws that affect e.g. marketing of alcohol and drugs, the *city council* might have regulations on how long a terrace can be open at night. If the service stays in Helsinki, these do not have to be taken into consideration, as you can assume continuity in these aspects. But if at some point, the service will expand to other cities and countries, these stakeholders will affect the service. *Media* and *Public Transport* will affect if potential customers get the message about the pop-up store and how they eventually will get there.

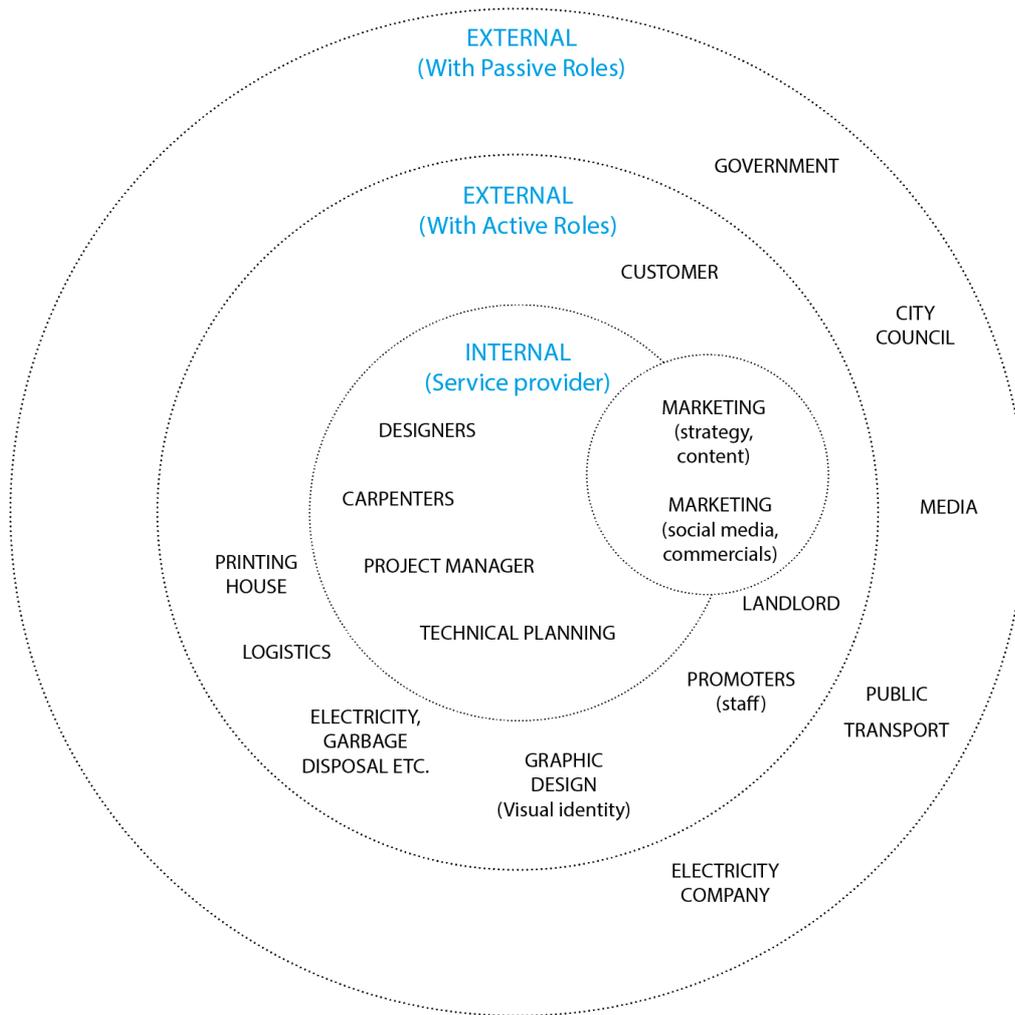


Figure 8 Generalized stakeholder map

5.3 Service Blueprint

Service blueprint is a useful service design tool to detail individual actions during the project. With help from the overview of the service that a service blueprint provides, it is possible through the touchpoints to localize possible pain points for the customer.

The service design blueprint in its basic form, as described in *This is Service Design Thinking* (Stickdorn & Schneider 2011), is excellent for blueprinting B2C services. In this scenario the customer seldom plays an active role in forming the service and it is simpler to isolate the actions of the service provider from external stakeholders. In a B2B situation the line of

visibility is not as strict compared to a B2B scenario and the customer has a more active role and more stakeholders are involved in the service. The activity may also differ between projects. As the goal with the pop-up store service is a turnkey-service, the service provider needs to have all the tools and contacts to other stakeholders to be able to provide this all-inclusive service. The service blueprints are based on that assumption. In practice, parts of the activities can be handled by the customer.

The first service blueprint (Appendix 1) is based on the assumption of what is needed for a pop-up service around pop-up stores before the pilot project. The second service blueprint (Appendix 2) shows the development after research and analysis of the insights in the interviews.

The main things that have changed are a much more comprehensive pre-service stage. More focus is addressed to marketing strategy and advertising of the pop-up store. More focus is also put on the co-design process between the customer, service provider and other possible stakeholders. The late pre-service stage with the design of the space and construction has seen little changes as these are similar to Fair Factory's core business in exhibition stands. To the post-service stage, continuous ads and reminders to end customers who visited the pop-up store has been added. If the store is used for retail, all end customers will not make a purchase decision at location. Therefore, reminding advertising is important in the post-service stage. It is also a way for the pop-up store to continue virtually after the physical pop-up store has been shut down.

5.4 Business Model Canvas

The business model canvas is a visualization of a company's business model. It is very effective in communicating the central idea and functions of a business (Stickdorn & Schneider 2011, 212). If you know nothing about a company, the business model canvas might be the fastest way to get a good overview.

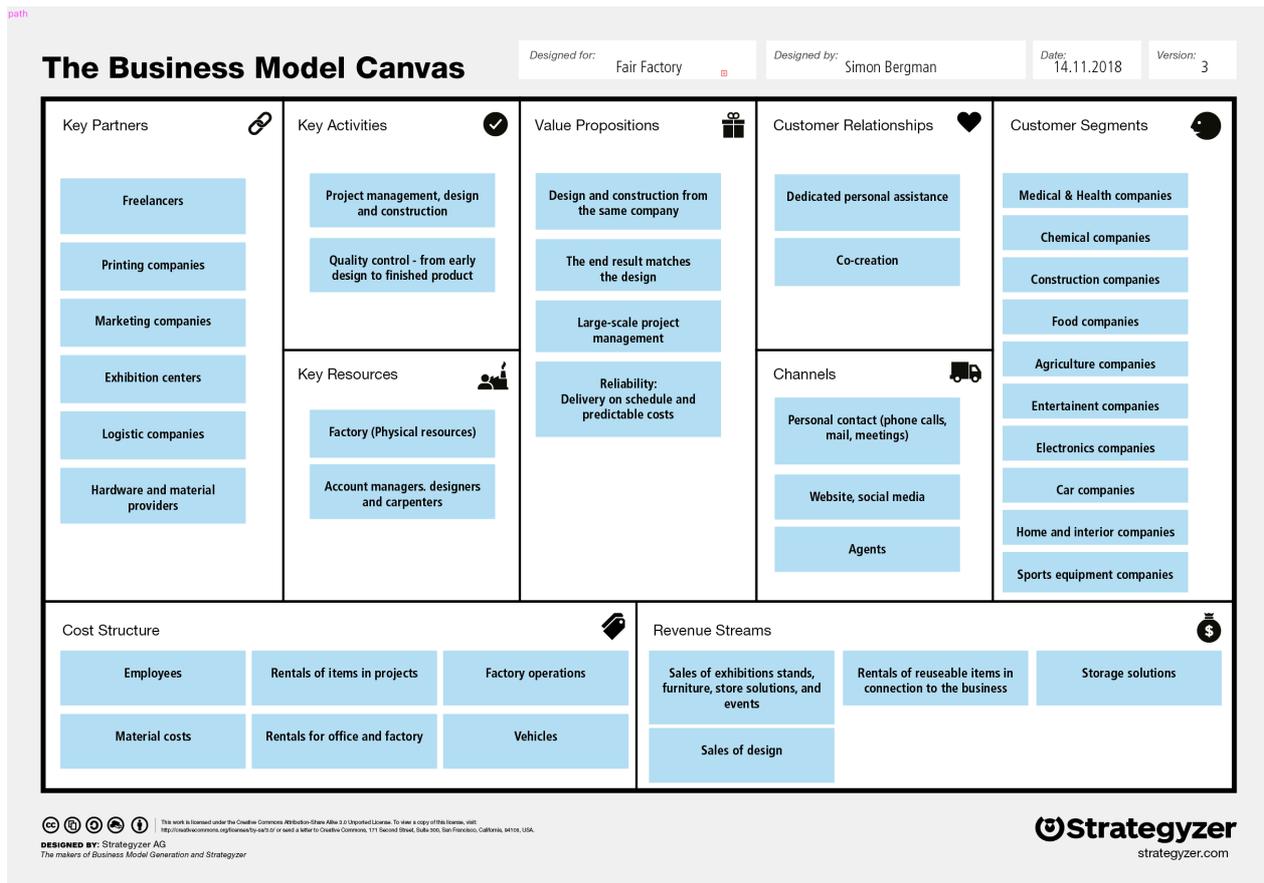


Figure 9 Business model canvas for Fair Factory

The business model canvas in Figure 9 shows the main idea of Fair Factory's business. This model will be used partly to analyze how well a pop-up store service fits in the business model and partly to identify strengths and possible weak areas. The analysis of the business model canvas will focus on two areas: *Value propositions* and *Customer segments*.

The *Value propositions* of the company are in the middle of the figure as the business is built around them. These are (1) *design and construction from the same company*, (2) *the end result matches the design*, (3) *large-scale project management* and (4) *reliability: deliver on schedule*

and predictable costs. The first three connects to the key resources in the company, the working skills and quality of the service and products connected to them. They also refer to the *physical evidence* the customer gets during the project, the 3d images of the design and how the end result matches them in reference to the service blueprint (Appendix 1 and 2).

Linder and Cantrell (2000, 7–8) proposed a table for the categorization of business models (Table 4 Categorization of business models (Linder and Cantrell 2000)). This categorization will be used to analyze Fair Factory’s current value propositions and later, to analyze how well they suit a pop-up store service. The first value proposition can be categorized as a combination of convenience argument, as a one-stop solution. The customer does not have to contact many different companies to get different parts needed in the project. The second and third are about *trust*. The customer can expect that the end result matches the design and the customer pays for important services that provide a total solution. Account management is critical as the key points in a customer’s brief should be met in the design and the final construction should be identical to the design. The customer pays premium for the convenience and reliability.

Table 4 Categorization of business models (Linder and Cantrell 2000)

Business Model Category	Business Models
Price Models	Buying Club, One-stop, low-price shopping, Under the Umbrella pricing, Fee for advertising, Razor and blade
Convenience models	One-stop, convenient shopping, Comprehensive offering, Instant gratification
Commodity-Plus Models	Low-price reliable commodity, Mass customized commodity, Service-wrapped commodity
Experience Models	Experience selling, Experience Destination, Cool brands
Channel Models	Channel maximization, Quality selling, Value-added reseller
Intermediary Models	Market aggregation, Open market-making, Multi-party market aggregation, Exclusive market-making, Transaction service and exchange intermediation
Trust Models	Trusted operations, Trusted Solutions, Trusted product leadership, Trusted service leadership

Innovation Models	Incomparable products, Incomparable services, Breakthrough markets
-------------------	--

All of the current value propositions are valid for a pop-up store service. In addition to these, the pop-up service can also be categorized as an innovation model. The combination of services it consists of is incomparable to anything else that is offered in the Finnish market.

A broad range of business fields are listed in the *Customer Segment* field. As Fair Factory is one of the leading companies in the fair exhibition field this is natural in a country of Finland's size. Reviewing the list with pop-up stores in mind, the following conclusions can be made: Many companies on the list are traditional B2B companies. Companies with end customers can be found in the fields of electronics, entertainment, home & interior, sports equipment and food. Pop-up stores have essentially been used by companies with end customers and it might be of interest to reach out to companies in clothing, cookware, accessories, jewelry when advertising the pop-up stores. In chapter 3.6, retail fields that have a higher than average turnover in the summer months were presented. Companies in some of these fields are possible customers and would also correlate to the need of the commissioner to extend the number of projects during that period of time. In the B2B segments, pop-up stores could be used as a *product showcase* (Table 1) to be used as a showroom or a product launch.

5.5 Personas

Fictional personas can give perspective on the service from the customer's point of view. They are based on the research insights during the project and discussions about potential customers with personnel at Fair Factory. The personas are completely fictional and similarities to real companies and persons are coincidental. As this is a B2B service both the person and the company they represent are included in the anecdotes. The emphasis is on the individual, as Fair Factory's most important sales channel is through personal contact. The personas are presented with personal cards, which tells basic information about the personas and include a personality type (based on Myers-Briggs type indicator). The personality type will not be analyzed in depth, they plainly serve the purpose of giving a description of what type of person is presented. Their motivations, frustrations and personal goals are aspects that are usually included in personas. To add information to the B2B aspect, skills in connection to pop-up stores and professional goals was also added to the personal cards. The needs of the company

they represent are presented in the anecdotes in connection to the cards. The point of using personas is to understand the people who use the service.

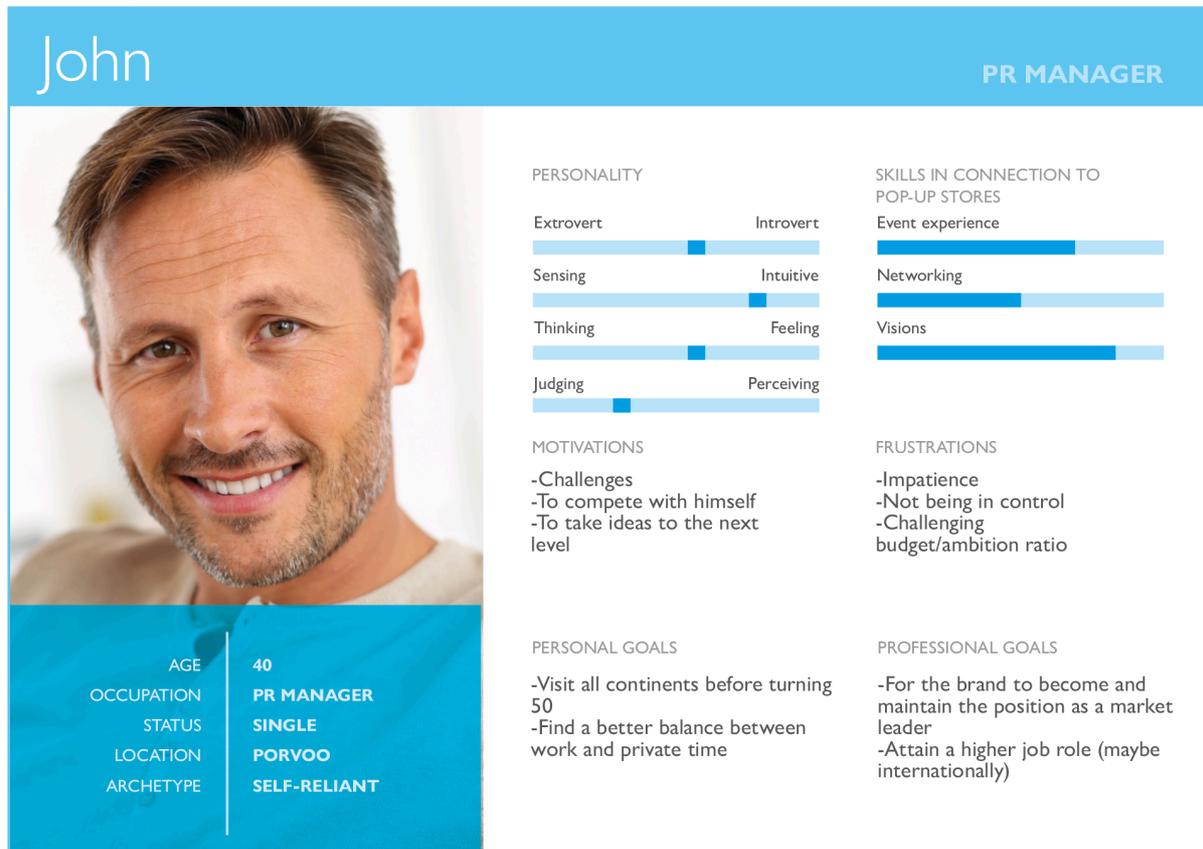


Figure 10 Persona 1: John

John / PR manager of a large game console company

John is 40 years old. His work is fast-paced, and he uses his energy and ideas for on-going projects. The company will launch a new game console and a new game in March and want to do something special for the launch, to engage bloggers and influencers to write about the new game and the console and to create an experience for their customers where they not only can try the game, but also feel that they can experience the concept and feel of the game. John has decided to make a pop-up store for this event. The brand doesn't have its own store as they usually sell their products in department stores. This would be an opportunity to market their own brand and the brand of the game in their own space. The location of the pop-up store needs to be where the target group is. The target group is teenagers 13-16 years of age and shopping malls seem to be the right location. John has close connections to a marketing company, but he needs help with finding a space, designing and building of the pop-up store.



Figure 11 Persona 2: Heidi

Heidi / Marketing manager at a personal care company

Heidi is 35 years old and works as a marketing manager at a Finnish personal care company that sells all their products online. To increase the awareness of the brand she wants to build a pop-up store. The company is located in the countryside and she also sees it as an opportunity to reach more customers in Helsinki. She wants to promote their eco-friendly image and products. The sales have been increasing during the last years and they are also expanding geographically. They want the pop-up store to be located in the middle of the high street, among the main clothing and jewelry stores to meet their main target group, women between 35-60. Heidi has strong visions about activities and program and workshops in the store.



Figure 12 Persona 3: Bo

Bo / PR manager at a premium car company

Bo is 58 years old. He started out as a salesman and has worked his way up to be a PR manager at the Nordic office in a premium car company. Car stores usually are located outside of city centers and he has decided to use a pop-up store as a showroom for a new model. He has high expectations on the materials and the lighting, they have to match the premium feel of the car. He wants to show the car in the pop-up store which limits the location alternatives. An old high street store usually cannot fit a car through its doors. A shopping mall will serve the purpose better, preferably with a car parking where they can have another car, or a few of them for people to take out for a test drive.

Results

The personas John, Heidi and Bo show the different objectives to implement a pop-up store and the different needs in space and location. The function of the game console company that John represents, is a combination of concept brand store, community store and tribal gathering. In addition to sales of the game and console, also the relation between customer and brand is

built and the community will strengthen as end consumers, the players, are given a possibility to meet each other. The location of the store should be close to locations where the target group is and the advertising should include bloggers and influencers.

The function of the pop-up store, that Heidi and the personal care company need, is a combination of concept brand store and sustainable test store. The store atmosphere and a location to attract the right customer segment is crucial for their pop-up store. The store design should emphasize sustainable and environmentally friendly values. The marketing needs to be formed in a way that end customer recognizes their web shop, as this is the main channel for company's sales. Store activities, such as workshops and presentations would also strengthen the concept of the pop-up store.

The function of pop-up store of the car company is a brand pantheon. The store design and atmosphere reflect the premium image of the car brand. The main objective for the use of the pop-up store is to affect people's perception of the brand as a part of a long-term strategy. To enable the possibility for end customers to test the car, a location that has a parking lot in close connection to the store is needed.

5.6 Service model

To develop the pop-up store service into a full turnkey service, measures need to be made to build a network of landlords and marketing companies. That way, the project can have many starting points. If the customer contacts the landlord or the marketing company, they can refer to Fair Factory for interior planning and building. Vice versa Fair Factory will have direct contact to the landlord in the case that the customer first contacts Fair Factory. A strong network will lead to synergy effects for all companies involved. "Turnkey" is defined by Ian Duncan Wallace (1984, 322, 324) as follows:

"a contract where the essential design emanates from, or is supplied by, the contractor and not the owner, so that the legal responsibility for the design, suitability and performance of the work after completion will be made to rest ... with the contractor ... "Turnkey" is treated as merely signifying the design responsibility as the contractor's"

A *turnkey service* is therefore a model that emphasizes the service provider's responsibility for the design. *Build to order* is its opposite where the product is built to the customer's specifications. Customization of the pop-up store is needed in regard to the purpose, brand and

activity in the pop-up store and co-creation with the customer is important. It is essential for Fair Factory, as the service provider, to be able to offer a complete service with modules, where the content of the modules is organized by Fair Factory. The modules represent activities and resources in connection with a pop-up shop, such as marketing (strategy planning, advertising, promotion), location, design, project management and construction. It is not of significant importance for Fair Factory to be able to do all modules themselves, but to have a network of partners available to involve in the service. If the customer has a marketing company, they want to involve in the planning stage or know the perfect location and already have booked it, they don't need these modules from Fair Factory. On the contrary, if they need everything from Fair Factory, Fair Factory needs to be able to present and deliver a complete service in a way that is understandable and foreseeable for the customer.

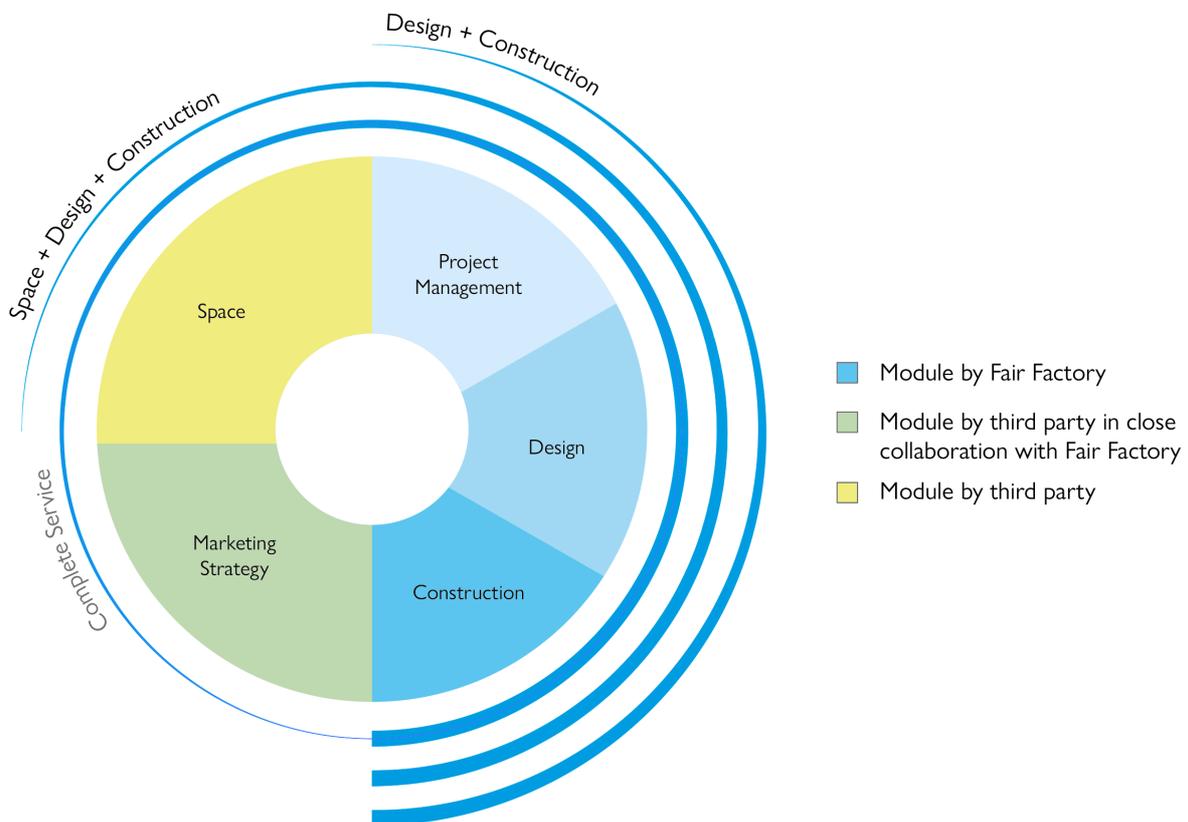


Figure 13 Modules of the service

Figure 13 is a visualization of the key activities in a pop-up store. Its main purpose is to visualize the main activities in a pop-up store project. The segments are the modules described above and the arcs around the diagram shows the extent of the service. There are three options: 1. The complete service, including market strategy, space, project management, design and construction 2. Space, design and construction and 3. Design and construction. The two latter is if for projects where the customer prefers to coordinate marketing and strategy. The segments are color coded to show modules that are completely handled by Fair Factory or by third parties.

The purpose of the diagram is to show the most central activities to customers when starting the planning stage of a pop-up store. It clearly states which modules Fair Factory can provide directly and which modules need to be implemented through third party companies. The diagram also shows the order of the modules in a project and the same elements can be identified in the service blueprint (Appendix 2). The strength of this model compared to the service blueprint is that it is easier to overview. The diagram can also be used in marketing for the pop-up store service in presentations or on Fair Factory's website.

Additional usages of the service module diagram

Figure 13 does not represent the size of the budget for different models. However, this model was further developed with the CEO Tommi Pyykkö at Fair Factory, who also saw potential in the model for visualizing project budgets, where each segment is a percental representation of an activity of the service (personal communication with CEO Tommy Pyykkö 26.10.2018). The segments can be further divided into smaller pieces, to form a more specified budget. Segments with fixed costs have segments that do not change in size. Variable costs can be changed, and the segments change in size accordingly. With this developed version of the tool it is easy to follow the costs in relationship to the whole budget. If the whole budget has been used there are two options – to make other segments smaller or to increase the total budget. This developed versions partly serves a different purpose and because of missing information about third party modules it is not visualized in this thesis. Instead it will be further developed and implemented at Fair Factory.

It can also be used as a tool to compare the own company's part of the customer's total project budget. As such it can be used as a tool for a long-term strategy. For certain activities decisions can be taken. Earlier outsourced parts can be moved to be produced in-house or vice versa. The

diagram will make it easier to compare the budgets of different projects and to look for similarities and differences.

Having a well-defined budget at an early stage will also make the work of the designer easier. *Unknowns* will turn to *knowns*, which will give a design that is more probable to answer to the needs and desires of the customer. The work becomes more effective when the designer has to make less guesses during the design process.

6 Conclusions

The first research question was *How might a service around pop-up shops be designed as a business-to-business service?*

The project management, design and production that already is part of Fair Factory's knowledge is well suited for a secondary business in pop-up stores. The service is more complex than that for exhibition stands, mainly because awareness of the event has to be marketed from scratch, more stakeholders are involved, and more activities are parts of the service.

The research has shown some general problem areas in connection to pop-up stores. A good location is very important for a successful pop-up store. The store needs to be where the potential to meet the right target group is the highest and that the people stream is substantial around the location. High streets and shopping malls are the most interesting, but also other options can be considered. The availability of suitable spaces is limited, but they are increasing in numbers especially in shopping malls.

The second problem area is to get the message out and motivate end customers to come and visit. Here it is important to find the right channels for the target group. In 2018, social media, bloggers and influencers are important channels, but more traditional media such as magazines, newspapers and tv ads can still be considered as valid channels. To be able to provide a full service and a better service around pop-up stores, these problem areas need to be addressed.

The generalized stakeholder map (Figure 8) mapped all the stakeholders that might be involved in the service. It forms the basic frame for project management for the service. The mapping of pop-up spaces in the Helsinki area show the characteristics of the spaces available and will be one of the starting points for pop-up store projects. The landlord is a crucial stakeholder in the service. The developed service blueprint (Appendix 2) show the actions involved in the service

and after insights from the research was implemented it has an extended pre-service stage, because of more emphasis on the planning of marketing strategy and advertising of the pop-up store. It also includes an extended post-service that continues the marketing in connection to the pop-up store after the store has been shut down. The personas (Figure 10-13) presented three customer archetypes that can be used to analyze the needs of different customer segments.

The second research question was *Are more knowledge or resources needed to be able to provide a good service?*

The initial goal was to make a turnkey service in the sense that the customer makes one call and the rest is taken care of by the service provider. No pop-up store will be like the other, and co-design between the service provider and customer, as well with other stakeholders will be important. Likewise, customization of the service will be important. The service model of a modular service, where the customer chooses the modules it needs, has been presented as a solution.

To address the problem areas with location and marketing, there are two strategical options: to solve it by developing a network with companies that already have the competence or to invest for in-house knowledge. The first one is lower risk with lower control and the second, high risk with more control. Networking will also allow to choose partners that suit the project the best. The change for the organization was identified as an extension model (Figure 5) where a new service or product is added to the existing one. When using a network of key partner companies there is no need for change in the core business model. If, however, a decision is made to move any of these functions in-house a change in core business might be needed.

7 Discussion

This thesis has researched and developed the service around pop-up stores. What knowledge and skills are needed for a service, and in particular, how can it best be implemented at the commissioner Fair Factory? To the author's knowledge, it is the first work to analyze and develop a service around pop-up stores with service design methods. In a wider context, the use of methods and the results can be useful in developing services around other event services.

There has been a progression in the service during the timeframe and the improved service is ready for implementation. The service will, however, need continuous development and evaluation.

The research material included a literature review and insights from interviews with experts in connection with a pilot project. The strength of this approach was that the pilot project represented a starting point of the service and the development was made in connection to Fair Factory's business. The weakness of the research in connection to the pilot project is that it is based on one project and all parts cannot be generalized. The strength is that the interviews gave a lot of insights from experts involved in the project. In addition, the stakeholder map was further developed as generalized stakeholder map where insights from the literature review was implemented. The personas also gave insights about the need of versatility in the service. However, it is possible that more insights from firsthand experiences in connection to other types of pop-up stores would have broadened the insights.

The landlord is an important stakeholder in the pop-up store service. The spaces available in Helsinki were mapped in this thesis. For Fair Factory, meetings with the landlords would make it possible find solutions about scheduling and to get more information that could be presented for future customers. Would it be possible to implement a calendar, or even better a digital booking system, where vacant periods of time are listed?

For the author, the process has been interesting, and a lot have been learned about how to develop an idea about a new service through research. The literature review gave a lot of insights from already documented general knowledge in the field. The interviews and the other methods used gave insights that are more context-specific.

While there is not an agreed definition of what service design is, it is clear that service design thinking and service design processes provides useful tools. The visualization elements of the process provide a foundation for communication and collaboration. In discussions inside an organization about ideas for a new service it is easy that people hold their positions and opinions and the process does not proceed from that point. The visualized methods, such a stakeholder map, service blueprint and personas, form a more neutral foundation that can be used for development of the service.

The creation of the personas was a useful tool to get an understanding of customer archetypes that could be interested in pop-up stores. At the starting point in the development of a new service there are no customers that can be interviewed about the service. As the personas represent customer archetypes, they can instead be used to elaborate ideas about what kinds of situations the service needs to provide solutions for. In this design process the personas were

made in a late stage of the process. If they had been created earlier the customer-centric perspective would have been even more emphasized.

All companies that want to expand their business to a field that is different to their core business need to do research about, even if the new field is close to the core business and the research in and process through this thesis have given the author a lot of experience with the tools that can be used in similar situations in the future.

Suggestions for further research

In Helsinki, one of the challenges is finding a good location for the pop-up store is that many high street locations in the city center are owned by a few companies that have a very strong vision of what kind of brands and activities are suitable in different areas. Pop-up stores is not a significant part of this vision at the time being. A prerequisite for pop-ups stores is access to vacant locations and models for rental on a short-term basis. Research that would lead into contractual solutions that make it attractive for landlords to rent out for a short period of time would contribute to the service around pop-up stores.

Another subject that is close in relation to this is to conduct research about the pop-up store landlord. The view of this stakeholder's opportunities and challenges would be interesting in getting a more complete picture of its activity in connection to pop-up stores.

Research around the end customer's perception of pop-up stores in a Finnish or Scandinavian context is another field for further research. If the macro trend of retailing moving online will continue, there will consequently be many vacant facilities in city centers. Will it lead to a bigger pop-up movement and what is the public's perception of a change like that?

Reference list

- Anagnostakis, K., Hjalmarsson, N., & Thongsri, P. 2015. *Who Will Pop? - En kvalitativ analys av svenska pop-up butiker*, Thesis for a Bachelor's degree in Business Administration. Lunds universitet, Lund. Retrieved from <https://lup.lub.lu.se/student-papers/search/publication/7512842>
- Bäckgren, N. 2016. *Pop up -ilmiö on tullut jäädäkseen – yrittäjäkaksikko perusti smoothiebaarin Kallioon 900 eurolla - Kaupunki | HS.fi*. [Online] <https://www.hs.fi/kaupunki/art-2000004883016.html> (Retrieved: 21/04/2018)
- Cooper, A. 1999. *The Inmates Are Running the Asylum: Why High-Tech Products Drive Us Crazy and How to Restore the Sanity*, Indianapolis: Sams Publishing.
- Cooper, A. 2008. *The origin of personas | Cooper*. [Online] https://www.cooper.com/journal/2003/08/the_origin_of_personas (Retrieved: 11/12/2018)
- Design methods for developing services. 2015, Design Council. Retrieved from https://www.designcouncil.org.uk/sites/default/files/asset/document/DesignCouncil_Design%20methods%20for%20developing%20services.pdf
- Gogoi, P. 2007. *Pop-up Stores: All the Rage*. [Online] <https://www.bloomberg.com/news/articles/2007-02-09/pop-up-stores-all-the-ragebusinessweek-business-news-stock-market-and-financial-advice> (Retrieved: 05/01/2016)
- Gray, B. 2012. *On 10th Anniversary of First NYC Pop-Up, Retailers Look Back*. [online] <https://commercialobserver.com/2012/12/on-10th-anniversary-of-first-nyc-pop-up-retailers-look-back/> (Retrieved: 05/01/2016)
- Gummesson, E., & Polese, F. 2009. B2B is not an Island. *Journal of Business & Industrial Marketing*, 24(5/6), 337–350.
- HERE WeGo. (n.d.). [Online] <https://wego.here.com/> (Retrieved: 22/11/2018)
- KLIFFA. (n.d.). [Online] <http://kliffainnovations.com/kliffa/> (Retrieved: 28/10/2018)
- Korošec, L. 2003. Application of Benchmarking as a managerial tool. *Ekonomoski Pregled*, 54(11–12), 945–968.
- Kurjenoja, J. 2013, June. *Vähittäiskauppa kesällä*. [Presentation] Retrieved from <http://kauppa.fi/content/download/65969/863875/file/V%C3%A4hitt%C3%A4iskauppa%20kes%C3%A4ll%C3%A4%202013.pdf>
- Kurjenoja, J. 2018, December. *Joulukauppa numeroina*. [Presentation] Retrieved from <https://kauppa.fi/content/download/121511/1556464/file/Joulu%2018.pdf>
- Liiketilat Helsinki-Vantaan lentokenttä | Finavia. (n.d.). [Online] <https://www.finavia.fi/fi/liiketilat-ja-mainospaikat/liiketilat-helsinki> (Retrieved: 17/11/2018)

- Linder, J., & Cantrell, S. 2000. *Changing Business Models: Surveying the Landscape*, Accenture, p. 15.
- Marciniak, R., & Budnarowska, C. 2009. *Marketing Approaches to Pop Up Stores: An Exploration of Social Networking*. Presented at the EAERCD, University of Surrey.
- Martin, B., & Hanington, B. 2012. *Universal methods of design*, Beverly: Rockport Publishers.
- mediakortti | Pop-up. (n.d.). [Online] <https://www.mainostajalle.fi/pop-up-tila> (Retrieved: 17/11/2018)
- Miltton Studios. (n.d.). [Online] <http://www.miltton.fi/studios/> (Retrieved: 22/11/2018)
- Moccamaster | Fair Factory. (n.d.). [Online] <http://fairfactory.fi/cases/moccamaster/> (Retrieved: 21/11/2018)
- Niehm, L. S., Fiore, A. M., Jeong, M., & Kim, H.-J. 2006. Pop-up Retail's Acceptability as an Innovative Business Strategy and Enhancer of the Consumer Shopping Experience. *Journal of Shopping Center Research*, 13(2), 1–30.
- Nojonen, S. 2014. *Kuluttaja Pop up -kaupassa - Käsitusten fenomenografinen luokittelu*, Thesis for a Master's degree in University of Tampere, Tampere.
- Pop-Up myymälät - kauppakeskus Kluuvi. (n.d.). [Online] <https://www.kluuvi.fi/pop-up-myymalat/> (Retrieved: 17/11/2018)
- Salminen, J., & Seppi, J. 2014. *Ravintolapäivä ja Pop up - ravintolat ilmiönä ja kokemuksena*, Thesis for a Bachelor's degree in Hospitality Management, Mikkeli University of Applied Sciences, Mikkeli.
- Senior, B., & Swailes, S. 2010. *Organizational Change*, 4th edn, Essex: Pearson Education Limited.
- Stickdorn, M., & Schneider, J. 2011. *This is service design thinking.*, Amsterdam: BIS Publishers.
- Surchi, M. 2011. The temporary store: a new marketing tool for fashion brands. *Journal of Fashion Marketing and Management*, 15(2), 257–270.
- Tammilehto, P. (n.d.). *Helsingin kuumien liikepaikka on Aleksanterinkadun ja Keskuskadun kulma*. [Online] <https://www.kauppalehti.fi/uutiset/helsingin-kuumin-liikepaikka-on-aleksanterinkadun-ja-keskuskadun-kulma/bHtCEeKc> (Retrieved: 03/01/2017)
- Tedla, M. 2015. *POP-UP STORES The importance of physical presence in an Omni-channel world*, Thesis for a Bachelor's Degree in Business Administration. Arcada University of Applied Sciences, Helsinki.
- Tuulaniemi, J. 2011. *Palvelumuotoilu*, Hämeenlinna: Talentum Media Oy.

Wallace, I. D. 1984. Contracts for Industrial Projects. *International Construction Law Review*, 322–324.

Warnaby, G., & Shi, C. 2018. *Pop-up Retailing Managerial and Strategic Perspectives*, Manchester: Springer.

List of figures

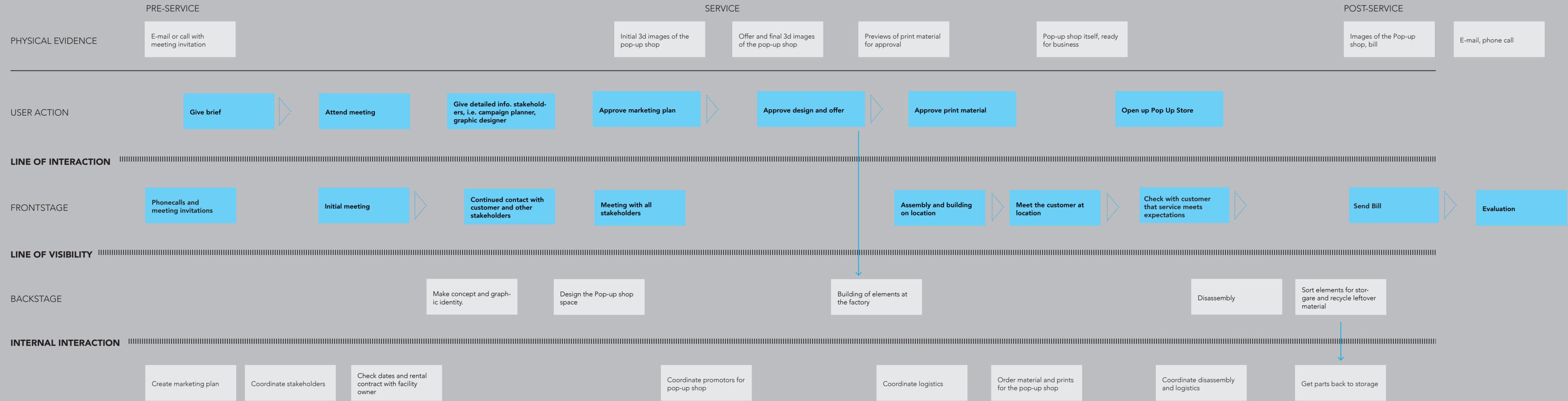
Figure 1 Study framework	5
Figure 2 Process plan based on double diamond.....	6
Figure 3 Comparison of monthly turnover in retail (Kurjenoja, 2018, based on tilastokeskus).....	17
Figure 4 Networking (Gummesson 2008b).....	21
Figure 5 Change models (Linder and Cantrell, 2000).....	22
Figure 6 Pictures of the pop-up store, Photographs by Simon Bergman.....	25
Figure 7 Stakeholder map for pilot project.....	26
Figure 8 Generalized stakeholder map.....	36
Figure 9 Business model canvas for Fair Factory	38
Figure 10 Persona 1: John	41
Figure 11 Persona 2: Heidi.....	42
Figure 12 Persona 3: Bo	43
Figure 13 Modules of the service	45

List of tables

Table 1 Table of pop-up store classifications (Warnaby and Shi, 2018, p. 27-28)	15
Table 2 Pop-up spaces in Helsinki area.....	33
Table 3 Distance from facility to Alexanterinkatu 17	34
Table 4 Categorization of business models (Linder and Cantrell 2000).....	39

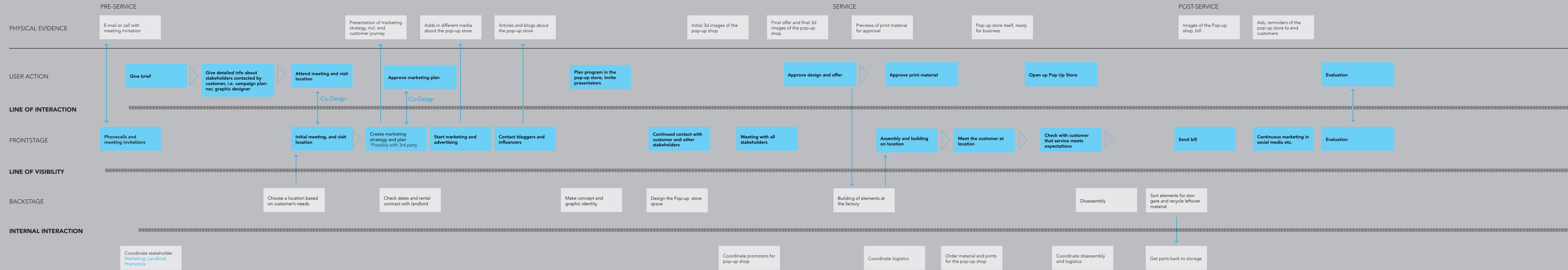
Appendix 1: Service blueprint *Simon Bergman*

Version 1



Appendix 2: Service blueprint *Simon Bergman*

Version 2



- **3. Interview questions for Moccamaster country manager**

- How was the outcome of the pop-up store?
- Who came up with the idea of the pop-up store?
- Who planned the activity in the pop-up store?
- Which were the marketing channels?
- How did you experience Fair Factory's role in the project?
- The goal for FF is to make a key-in hand service of pop-up stores. What is in your opinion the most important aspect to succeed at that?

- **4. Interview questions for the account manager at Fair Factory**
 - What would be the best way to make a service of a pop-up store?
 - Is it profitable for Fair Factory to do pop-up stores?
 - What have the organization have learned about pop-up stores that can be used for making pop up stores on other locations?
 - What kind if feedback have you gotten and from whom?
 - Is two weeks a good time span for a pop-up store to be open, based on the experience from this project?
 - What do you know about the program in the pop-up store?
 - Do you know how this pop-up store was marketed to end customers?

- **5. Interview questions for the account manager at Drum**
 - What was your and Drum's role in Moccamaster's pop-up store
 - How do you make successful strategy for a pop-up store?
 - What is it that can make the buzz around the pop-up store?
 - How can the contact that has been achieved with customers be maintained afterwards?
 - Are there other important marketing channels than social media?
 - In making a service around pop-up stores: What is in your view the strengths in building partnerships and networks with other companies?