Suggestions for a Marketing Plan for Guardian of the Baltic Sea

Koskela, Juliana Emilia
Shamsuddini, Mandana

2015 Leppävaara
Suggestions for a Marketing Plan for Guardian of the Baltic Sea

Juliana Koskela & Mandana Shamsuddini
Degree Programme in Business Management
Bachelor's Thesis
March, 2015
The objective of this thesis project was to create suggestions for a marketing plan for an existing company, Guardian of the Baltic Sea, to enter into the Swedish market. Guardian of the Baltic Sea (GBS) is a charity project of Kehrä Interior Oy, producing jewelry that contributes to protecting the Baltic Sea. The suggestions were in the areas of distribution channel, target market and tools of promotion.

The theoretical background and knowledge base of the thesis consists of theory on marketing, cause-related marketing, marketing planning, market entry methods, promotional methods and distribution channels.

The research and development methods used were both qualitative and quantitative. Quantitative market research was conducted in the form of a survey. Qualitative secondary data analysis was conducted by analysing two existing theses on a similar subject.

The research was not able to find a specific target customer for GBS. Any age groups or income levels were not able to be eliminated. The research suggests that GBS should use a single intermediary distribution channel, exporting straight to the retailer. This method adds customer value as consumers prefer to buy GBS-like jewelry from jewelry shops. Promotional strategies that should be used by GBS include blogs, celebrities and annual charity campaigns.

Keywords marketing, quantitative, qualitative, survey, data, cause-related marketing
Table of contents

1. Introduction ................................................................................................................. 6
   1.1 Purpose and objective of the thesis ................................................................. 6
   1.2 Structure of thesis ............................................................................................. 6
   1.3 Restrictions of thesis ......................................................................................... 7
2 Case company ................................................................................................................ 7
   2.1 Kehrä Interior Oy .............................................................................................. 7
   2.2 Guardian of the Baltic Sea ............................................................................... 8
3 Theoretical background & knowledge base .............................................................. 9
   3.1 Marketing ............................................................................................................ 9
      3.1.1 International marketing ............................................................................. 10
      3.1.2 Cause related marketing ......................................................................... 10
      3.1.3 Marketing plan .......................................................................................... 10
   3.2 Market entry ....................................................................................................... 12
      3.2.1 Exporting .................................................................................................. 12
      3.2.2 Direct investment ...................................................................................... 13
   3.3 Promotion mix .................................................................................................... 13
      3.3.1 Sales promotion ......................................................................................... 14
      3.3.2 Advertising ............................................................................................... 14
      3.3.3 Personal selling ........................................................................................ 16
      3.3.4 Public relations ........................................................................................ 17
      3.3.5 Direct marketing ....................................................................................... 18
   3.4 Distribution channels ......................................................................................... 18
      3.4.1 Intermediaries ........................................................................................... 18
      3.4.2 Channel functions .................................................................................... 19
4 Research and developing methods ............................................................................ 20
   4.1 Market research as a research method ............................................................. 20
      4.1.1 Purpose of the market research ................................................................ 21
      4.1.2 Chosen method ......................................................................................... 21
      4.1.3 Market research method in practice ......................................................... 22
      4.1.4 Analysing research data .......................................................................... 23
      4.1.5 Analysing validity and reliability .............................................................. 27
   4.2 What is secondary data? .................................................................................... 28
5 Analysis and results ..................................................................................................... 29
   5.1 Primary data analysis ........................................................................................ 30
      5.1.1 Target market of GBS ............................................................................... 31
      5.1.2 Distribution channel for GBS ................................................................... 36
5.1.3 Promotion tools ................................................. 38
5.1.4 Validity and reliability of the market research .............. 42
5.2 Secondary data analysis ............................................. 44
  5.2.1 Presenting First Study ....................................... 44
  5.2.2 Evaluating First Study ....................................... 47
  5.2.3 Presenting Second Study .................................... 48
  5.2.4 Evaluating Second Study .................................... 48
  5.2.5 Analysing the Studies ....................................... 49
6 Suggestions for a marketing plan .................................... 51
  6.1 Target market ..................................................... 51
  6.2 Distribution plan ................................................ 51
  6.3 Promotion strategy .............................................. 52
7 Conclusions .................................................................. 53
Figures ............................................................................. 59
Tables .............................................................................. 60
Appendixes ...................................................................... 61
1. Introduction

1.1 Objective of the thesis

Guardian of the Baltic Sea has gained a lot of visibility by raising over 100,000 euros in Finland for the protection of the Baltic Sea. To expand the market of GBS and raise more money for the Baltic Sea Action Group, the owners plan to enter the Swedish market in the near future. The devastating situation of the Baltic Sea has been as visible in Sweden as in Finland.

The purpose of this thesis is to help GBS in the marketing planning process by researching certain elements for the marketing plan. The four areas are: target market, distribution channel, type of possible retailers and promotional tools. The objective is to produce suggestions for a marketing plan concerning these four areas of research.

1.2 Structure of the thesis

The thesis consists of seven main chapters. Under each main chapter there are subchapters that investigate the topic in more detail. The main chapters are ‘Introduction’, ‘Case company’, ‘Theoretical background & knowledge base’, ‘Research and developing methods’, ‘Analysis and results’, ‘Suggestions for a marketing plan’ and ‘Conclusions’. The ‘Introduction’ and ‘Case Company’ chapters consist of a general overview of the thesis and the case company.

The ‘Theoretical background & knowledge base’ covers the theory related to the thesis. This chapter provides the literature review on topics that are included in the thesis. The first part explains basic concepts of marketing, international marketing and the concept of marketing plan as well as the concept of cause related marketing. The second part includes theories and knowledge of market entry. The third part includes different methods of promotion. The fourth part describes distribution channels and elements in them.

The ‘Research and developing methods’ chapter describes the methods used in the conduct of the thesis. First it introduces the research method of market research, its purpose and practical execution methods, data analysis methods as well as how the validity and reliability will be analysed. Then it describes the method of secondary data analysis.

The ‘Results and analysis’ chapter analyses the primary and secondary data that was gathered in the research process. First it presents and discusses the gathered research data of the market research. Then it presents and analyses the secondary data used in the thesis process. The marketing plan suggestions were made on the basis of the analysis done in this chapter.
The ‘Suggestions for a marketing plan’ chapter sums up the analysis done in the previous chapter and presents the actual suggestions. This chapter is the outcome and objective of the thesis. The ‘Conclusions’ chapter consists of an overall sum up of the thesis.

1.3 Limitations on the scope of the thesis

The scope of the thesis is limited by the time and resources needed as well as restrictions in conducting market research. The marketing plan is aiming at Swedish market entry. Due to this the authors face challenges of geographical location and therefore limited access to the market. This results in restricted research data.

The restriction of time limitation is accurate as the thesis has to be completed before a certain date. More research data could be collected with more time available.

2 Case company

2.1 Kehrä Interior Oy

Kehrä Interior Oy is an interior design company representing both interior design and project management. It was founded in Finland in 2009 by H. Lehto and N. Juurikkala. Today Lehto owns 100% of the company shares and also works as a designer in the business. The company office is located in the centre of Helsinki Finland. In 2011 the turnover of Kehrä Interior was 1.6 million euros. Kehrä employs two interior designers in addition to the owner, H. Lehto. (Kehrä Interior n.d.; Anttila 2011)

Kehrä Interior provides three types of services: Kehrä Concept, Kehrä Pro and Kehrä Face Lift. Kehrä Concept focuses on larger concepts for example with corporations. These concepts may be wider projects that include designing also for example logos, web pages or business cards. Kehrä Pro is for home decoration and interior design services. Kehrä Face Lift concentrates on styling and decorating without larger renovations. It focuses mainly on changing colours, textiles and lighting. (Kehrä Interior n.d.)

Sustainability is an important factor to Kehrä Interior. It can be seen with the charity project of Kehrä, Guardian of the Baltic Sea, which was meant to raise awareness and money for the Baltic Sea Action Group. It can also be seen with the natural and environmentally friendly materials used in the designs of Kehrä Interior as well as the classic design solutions. When sustainable materials are used and timeless designs are made, the outcome will last longer and is therefore more sustainable. (Guardian of the Baltic Sea n.d.)
2.2 Guardian of the Baltic Sea

Guardian of the Baltic Sea is a charity project of Kehrä Interior. It is a pendant designed by H. Lehto and N. Juurikkala. It was designed as a charity pendant to raise awareness and money for protecting the Baltic Sea. 40 euros of each pendant is donated to the Baltic Sea Action Group (BSAG), a non-profit foundation missioned to revive the state of the Baltic Sea. The pendant is made out of recycled silver and is produced in Finland. Each pendant has its own number. The owner of the pendant may publish their name with the pendant number on the GBS website. This brings personality and uniqueness to each pendant. (Guardian of the Baltic Sea n.d.)

The designers of GBS at the time, H. Lehto and N. Juurikkala, became aware of the polluted state of the Baltic Sea through their scuba diving hobby. They wanted to do something about the situation and since designing was what they are good at; designing the GBS pendant was a natural solution. The pendant is shown in Illustration 1. Through a client they became familiar with BSAG and committed to gathering 100 000 euros for them with GBS. (Guardian of the Baltic Sea n.d.; Rannisto 2010)

Illustration 1: Guardian of the Baltic Sea pendant

They designed the first GBS pendant and proposed the idea of environmental contribution through the pendant to Ilkka Herlin and Kaija Ranta-Tuominen of the Baltic Sea Action Group. The goal of raising 100 000 euros for BSAG was reached in September of 2013. Since then GBS has continued to sell and donate. (Kehrä Interior n.d.)
Today GBS provides a variety of jewellery options: necklaces, tie pins, cufflinks and pins. Approximately half of the purchases of GBS are made by organizations and half by individuals. The main retailer of GBS in Finland is Stockmann, a high-end department store chain. Other partners are Viking Line, Finnair, MTV3, Pirkan kello and Nordisk Film. (Guardian of the Baltic Sea n.d.; Anttila 2011)

3  Theoretical background & knowledge base

This chapter presents the core concepts and theories that are included in the thesis process. First concepts of marketing, international marketing and cause marketing as well as marketing plan will be presented. The concept of market entry will be presented next along with relevant market entry modes. Different methods of promotion will be described next after which the concept of distribution channels will be presented.

3.1  Marketing

Marketing is a wide concept. It consists of many processes of an organisation, which meet human needs with a profit. It is considered to be the organizational functions that deliver value to customers. (Kotler & Keller 2009, 45)

According to Kotler et al. (2001, 5), the core marketing concepts are “needs, wants and demands; products; value, satisfaction and quality; exchange, transactions and relationships; and markets.” All concepts are linked to each other and they build up to the next.

The fundamental aspect of marketing is human needs, wants and demands; understanding them is vital if a company wants to do good marketing. This leads to creating goods, products and services, which meet the needs, wants and demands of humans. (Kotler et al. 2001, 6-7)

Customer value, customer satisfaction and quality determine if the good is valuable enough for the customer. Customer value is the measure to which the customer feels like the good fulfils their needs, wants and demands. Customer satisfaction is the extent to which the good fulfils the expectations of the customer. The quality of the good will lead to customer satisfaction being high or low. (Kotler et al. 2001, 7-8)

When needs, wants and demands are decided to be fulfilled by exchange, marketing takes place. In order for exchange to happen, numerous aspects of marketing have to be fulfilled. This makes exchange one of the core concepts of marketing. Exchange happens via a transaction; at least two things of value are traded for each other. Building a marketing network is maintaining relationships with customers and other stakeholders. It is important for a company to meet expectations by ensuring quality and keeping promises to increase profitability.
Exchange, transactions and relationships are frontrunners to a market. “A market is the set of actual and potential buyers of a product.” (Kotler et al. 2001, 10)

Therefore, marketing is more than just advertising and promotions, as it has been commonly understood to be. It also includes research and development (R&D), distribution and pricing. (Kotler & Keller 2009, 45; Kotler et al. 2001, 11)

3.1.1 International marketing

In international marketing the core concepts of marketing exist in the same way. Marketing activities are only run across national borders in foreign markets. When marketing is taken to an international level, it becomes more complex. Different markets have different marketing trends and environments. International markets have culturally complex environments; information is more difficult to gather; political, economic, legal and technological risks apply; and control is harder to maintain. This requires marketing managers to have diverse knowledge on that market in order to operate effectively. (Doole & Lowe 2008, 5-20)

3.1.2 Cause related marketing

When two companies, a non-profit corporation and a for-profit corporation, work together to benefit both of their interests, cause related marketing occurs. The non-profit corporation advances their mission and the for-profit corporation advances their business targets. The most traditional type of cause related marketing is when a percentage or set sum of every purchase is donated to the non-profit corporation to support their mission. Other methods are e.g. sponsorship and consumer fundraising. The company may promote an opportunity for its consumers to make a donation for a good cause, this is called consumer fundraising. (The Non Profit Times 2012)

Cause related marketing adds value to consumers the same way as corporate social responsibility. Both have become more and more important during the past years. Consumers want to know where their money goes and what their investment stands for and supports. In addition to adding consumer value, cause related marketing makes the reputation of the corporation or brand better and appeals to the emotions of the consumer. When consumers know that a certain amount of their investment was for the benefit of a possibly important cause, they will also feel better about their buying decision.

3.1.3 Marketing plan
A marketing plan is a concrete outcome of marketing planning. It is a plan on how a business intends to carry out its marketing strategies with its marketing mix tools; place, price, promotion and product. A marketing plan is written during the process of marketing planning. It helps a company understand what they are doing at the moment and what to do in the future. It is a tool for decision-making in the company as it directs the marketing operations. (Kotler & Keller 2009; 79-81, 787)

Marketing planning includes researching and analysing the marketplace and marketing tools as well as planning future marketing operations in a strategic and concrete manner. Marketing planning starts with analysing the current situation of the company: the micro and macro environments, objectives and strategies. (Kotler et al. 2008, 153) The market situation is also researched and analysed.

On the basis of the information gathered about the company and market situations, objectives can be set and a marketing strategy planned. The marketing strategy is the overall way in which the company aims to reach the objectives. For example a customer-driven marketing strategy sets the customer as the number one priority in decision-making. Selecting a target market and targeting that segment of the market is important in customer-driven marketing. (Kotler et al. 2008, 156-157)

The following marketing planning actions include defining the elements of the marketing mix according to the marketing strategy. The marketing mix includes the 4P’s: place, promotion, price and product. The product is what the business offers the target market, including the variety, quality, design, features, brand name, packaging, service and warranties. Price is what the consumer pays for the product, taking into consideration the list price, discounts, allowances, payment periods and credit terms. Promotion covers the communicational tools that the company uses to engage consumers in the product and persuade them to buy it. Place is how the product is physically made available for the consumer. (Kotler et al. 2008; 49-50, 157-158)

After this the action plan can be made. The company plans what it will do to achieve the goals, using the marketing strategy and the elements of the marketing mix. Which concrete methods it will use? How will it use them? When? Where? At what cost? This is the most important and the most concrete part of marketing planning. (Kotler et al. 2008, 158-159)

The most complex marketing plans outline the corporate mission, value proposition, corporate environment, market environment, corporate goals, strategy for reaching goals, an implementation plan, a budget, a timeline and a controlling plan. Most marketing plans have only a variation of these elements. (Kotler & Keller 2009, 79-81)
The marketing planning process often includes market research. Market research is researching the market in terms of e.g. competition, market size, demand and trends. These background analysis and research are valuable in the further stages of marketing planning. (Kotler & Keller 2009, 97)

3.2 Market entry

Market entry occurs when a business enters a new market. It can be entering a market along with starting up a company or entering a market that the company does not operate in yet. Entering a new market often involves a new target customer and a new market environment.

There are several ways in which foreign market entry can be done. These strategies are called the market entry modes. The best method must be selected by the company entering a new market on the basis of the company’s objectives and attitudes towards the market entry. The main market entry modes are exporting, licensing, cooperative strategies and direct investment. The relevant entry modes to this thesis are presented below. (QuickMBA.com 2010)

3.2.1 Exporting

Exporting is a market entry method where the goods are produced in the country of origin but marketed and sold in the market of entry. Therefore, the manufacturer is a different entity than the seller. Exporting can be direct or indirect.

Indirect exporting is the least costly and risky of all entry methods. Different indirect exporting methods include domestic purchasing, export management companies, piggybacking and trading companies.

1. Domestic purchasing - The buyer is someone from a foreign market organisation who takes the goods back to the foreign market and markets and distributes the goods there.

2. Export management companies (EMCs) - Act as a middleman between the manufacturer of the goods and the retailer of the goods in a foreign market. EMCs have experience and knowledge on the practices and regulations of the foreign market, which might pose as a problematic factor for the manufacturer wishing to enter into the foreign market.

3. Piggybacking - Occurs when one manufacturer exports its own goods and “piggybacks” another manufacturer’s goods at the same time.
4. Trading companies - Manage exporting by taking goods from the foreign market and trading them for the exported goods. The trading company also finds a buyer for the traded items. (QuickMBA.com 2010; Doole & Lowe 2008, 234-238)

Direct exporting methods provide the company a more secure and permanent place in the foreign market. The most common direct exporting methods include agents, franchising and direct marketing.

1. Exporting agents - Third parties who take exporting orders from manufacturers and operate in the foreign market. They usually have sales targets and distribute the goods to retailers.

2. Franchising - The franchiser gives the franchisee the rights to use its brand, products, trademarks and know-how in return for a franchise fee. The franchisee takes the risks and has to operate under certain regulations of the franchiser.

3. Direct marketing - The manufacturer uses direct marketing methods such as mail order, telephone-, television- and media marketing as well as e-commerce methods for distribution. (Doole & Lowe 2008, 241-245)

3.2.2 Direct investment

Direct investment market entry modes include assemblies and wholly-owned subsidiaries. Direct investment holds a greater risk for the company than other entry modes but gives the company more control on operations.

An assembly is a foreign-owned operation that the company sets up. Usually the company manufactures components in the country of origin and sends them to be assembled in the assembly. This way tariffs are avoided because they are bigger on the final product rather than components. (Doole & Lowe 2008, 250)

A company might decide to set up a subsidiary in the foreign market. This is called the wholly-owned subsidiary. It gives the company full control of operations, but requires great commitment, effort and risk. (Doole & Lowe 2008, 250-251)

3.3 Promotion mix

There are several tools that can be used when promoting. The promotion mix includes sales promotion, advertising, personal selling, public relations and direct marketing. Each promo-
tion tool has its own characteristics and costs to consider when choosing which suits best for the specific market.

3.3.1 Sales promotion

Sales promotion is the key ingredient in the marketing communication mix. Sales promotion includes tools for consumer promotions such as samples, coupons, cash refund offers, money off, premiums, prizes, patronage rewards, free trials, warranties, tie-in promotions, cross-promotions point-of-purchase displays and demonstrations. (Kotler & Keller 2009, 735)

The main idea of sales promotion is to boost the sales of the product or service. Marketers design sales promotion to generate immediate short-term sales increases. Marketers often depend on sales promotion to improve the effectiveness of other promotion tools, especially advertising and personal selling. (Dibb, Simkin, Pride & Feller 2012)

Sales promotions often attract brand switchers, who are looking for low price, good value or premiums. Sales promotions in markets of high brand similarity can produce high sales response in the short run but little permanent gain in brand preference over the long run. A number of sales promotion benefits flow to manufacturers and consumers. For retailers, promotions may increase sales of complementary categories as well as induce store switching. (Kotler et al. 2008, 735)

Sales promotion is a common strategy which organizations, manufacturers, distributors and retailers, tend to use. The sales promotions are aimed at final buyers, retailers and wholesalers, business customers, and people in the sales force. As there is a lot of competition, sales promotions need to attract consumers with low prices and better offers.

Final buyers are created by sellers and are often short-term which increases customer brand interest. The wholesalers’ objectives include reaching to retailers for new items and inventory, buying beforehand, or promoting the company’s products.

Event marketing is also a way for marketers to promote their brands, which can be interesting and effective to customers. Brand awareness rises and it could improve the amount of potential customers. Events could be festivals, marathons, concerts, sponsored gatherings with partnerships or a celebration for accomplishments. (Kotler et al. 2011, 482-486)

3.3.2 Advertising
Advertising offers a reason to buy while sales promotion offers and incentive to buy. Advertising appears to be more effective at deepening brand loyalty, although added value promotions can be distinguished from price promotions. (Kotler et al. 2008, 736)

Advertising is a way to reach many people globally. It is a way for the seller to repeat its message several times. Advertising is expensive but it allows the company to exaggerate its products with the use of visuals, print, sound and colour. Even though advertising is an effective way to reach people quickly, the downside is that it is impersonal and cannot be as persuasive as the company’s salespeople. Advertising is mostly a one-way type of communication with an audience, which cannot respond. Newspaper and radio advertising is not as costly as TV advertising where the budget is much larger. (Kotler et al. 2011, 424)

Advertising includes communicating with the company’s or brand’s value proposition by using paid media to inform, persuade, and remind consumers. Even though advertising is expensive and almost impossible to achieve with a low budget, knowing the right people in the business might be a way to avoid high costs and aim for product visibility. If there are suitable people who know how to advertise with minimal expenses it can be effective and get the attention of potential consumers. (Kotler et al. 2011, 424)

The main idea of advertising is to inform, remind and persuade a specific target audience throughout a certain period of time. There are three possible advertising objectives: informative, persuasive and reminder advertising. Informative advertising includes communicating customer value, building a brand image and telling the market about a new product. Persuasive advertising is also effective for this case as it focuses on building brand preference, persuading customers to purchase and convincing customers to tell others about the brand. Reminder advertising is not as relevant until the product is mature and has been marketed well and there has been enough visibility. (Kotler et al. 2011, 437-442)

The advertiser must be creative and know how to catch the readers’ attention and be entertaining. There are three characteristics in advertising appeals. The product must be meaningful, so the consumer understands the benefits that make the product more desirable and interesting. Also appeals must be believable, which means that consumers must believe that the product will convey the promised benefits. Lastly the appeals should be distinctive. The marketers should tell how and why the product is better than other competing brands. Creativity and sufficient knowledge is needed when creating an ad. (Kotler et al. 2011, 442)

Media advertising developers must know about each media type before selecting the right ones. They need to consider many factors before making the decision. As shown below (Figure 1: Main Media Types), the main media types are television, newspapers, the Internet, direct
mail, magazines and radio. The aim is to be able to select the right media that will be effective and efficient when shown in the advertising message to target customers. (Kotler et al. 2011, 447)

<table>
<thead>
<tr>
<th>Medium</th>
<th>Advantages</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Television</td>
<td>Good mass-marketing coverage; low cost per exposure; combines sight, sound, and motion; appealing to the senses</td>
<td>High absolute costs; high clutter; fleeting exposure; less audience selectivity</td>
</tr>
<tr>
<td>Newspapers</td>
<td>Flexibility, timeliness; good local market coverage; broad acceptability, high believability</td>
<td>Short life; poor reproduction quality; small pass-along audience</td>
</tr>
<tr>
<td>The Internet</td>
<td>High selectivity; low cost; immediacy; interactive capabilities</td>
<td>Potentially low impact; the audience controls exposure</td>
</tr>
<tr>
<td>Direct mail</td>
<td>High audience selectivity; flexibility; no ad competition within the same medium; allows personalization</td>
<td>Relatively high cost per exposure; “junk mail” image</td>
</tr>
<tr>
<td>Magazines</td>
<td>High geographic and demographic selectivity; credibility and prestige; high-quality reproduction; long life and good pass-along readership</td>
<td>Long ad purchase lead time; high cost; no guarantee of position</td>
</tr>
<tr>
<td>Radio</td>
<td>Good local acceptance; high geographic and demographic selectivity, low cost</td>
<td>Audio only; fleeting exposure; low attention (“the half-heard” medium); fragmented audiences</td>
</tr>
</tbody>
</table>

Figure 1: Main Media Types (Kotler et al. 2011)

3.3.3 Personal selling

Personal selling involves interaction between the customer and the salesperson. While observing the customer’s needs and wants, it is simple for the salesperson to make quick adjustments and respond to them. In personal selling it is important to build a relationship with the customer by listening to them in order to maintain a long lasting and loyal relationship. Personal selling can be expensive and time consuming whilst on the other hand it is extremely effective and long-term. (Kotler et al. 2011, 424)

Personal selling is an interpersonal strategy in the promotion mix. It creates customer value through personal interactions with customers. The people who are responsible for the selling can be titled as salespeople, sales representatives, agents, sales consultants, and sales engineers. In personal selling it is important to consider the customers wants and needs first and build a strong relationship in order for them to stay loyal for a long time. Being creative and convincing is important for the salesperson to remember when finding customers. For companies that mainly make profit through online sales and retailers, personal selling is not effective as customers cannot be in direct contact face-to-face with the salesperson.

A sales person’s work begins by selling products to potential customers followed by presenting the offerings and answering any concerns they may have about a product. Later the sales person negotiates about prices and terms, and ends the process with closing sales. Additionally salespeople provide customer service and market research. (Kotler et al. 2011, 464-466)
3.3.4 Public relations

Public relations (PR) include a variety of programmes to promote or protect a company’s image or individual products. Most companies have a public relations department that monitors the attitudes of the organisation’s publics and distributes information and communication to build goodwill. They perform the following five functions: (Kotler et al. 2008, 744)

1. Press relations: presenting news and information about the organisation in the most positive light
2. Goods/market offering publicity: sponsoring efforts to publicize specific marketing offerings.
3. Corporate communications: promoting understanding of the organisation through internal and external communications.
4. Lobbying: dealing with legislators and government officials to promote or defeat legislation and regulation.
5. Counselling: advising management about public issues and company positions and image during good times and bad.

6. Many people tend to believe public relations such as, news stories, features, sponsorships, and events more than advertisements. The sales message gets to customers as “news” rather than as a sales-directed communication. PR can be a tool to dramatise a product. When PR campaigns are planned and organised well, it can be very effective for the brand. (Kotler et al. 2011, 424)

Public relations focus on building good relationships with several companies. This includes consumers, general public, investors, and government publics. Public relations are effective for promoting products, people, places, ideas, activities, organizations, and events. PR is used to form good and strong relationships with consumers, investors, the media, and their communities.

Public relations take a small amount of marketing budgets. It can be an effective and powerful brand building strategy. There are many tools that PR uses, such as the news. The right PR people create news about the company and its products or people. At times the news stories happen naturally and at other times the PR person can suggest events or activities in order to create the news. Events such as news conferences, press tours, grand openings, shows, and educational programs are planned and implanted to reach the target audience. (Kotler et al. 2011, 454-546)
3.3.5 Direct marketing

There are many ways of direct marketing, including direct mail and catalogues, online marketing and telephone marketing. Direct marketing is not as public but rather directed to a certain individual. In direct marketing messages are prepared quickly and are interactive to appeal to specific consumers. It is a discussion among the marketing team and the consumer. Direct marketing is aimed at markers who want to build strong one-to-one customer relationships. (Kotler et al. 2011, 424)

Direct marketing is a tool used when connecting directly with consumers interactively. In addition to customer relationship building, an immediate and measurable consumer response is received by the marketers. Direct marketing is effective and easy as it gives the customers a chance to know about comparative companies, products, and competitors. Web sites often provide more useful information than a salesperson.

In direct marketing buyers can interact easily with sellers by phone or through web sites for information on products and services they are interested in and order them immediately. Lastly, direct marketing lets consumers to be in control. They get to make their own decisions without any pressure from a salesperson. (Kotler et al. 2011, 496-498)

3.4 Distribution channels

A distribution channel is the passage of the product from the manufacturer to the end user. There are different kinds of channels a company may decide to use depending on the product, demand, company resources and company interests. The distribution channel is used to reach the end users of the product in the right time and place. The distribution channel often uses another company to deliver the product to its end users. A long distribution channel has many intermediaries and a short one has less. Direct distribution has as few intermediaries as possible. (Investopedia n.d.)

3.4.1 Intermediaries

A distribution may have many layers, also called intermediaries or channel levels. The intermediaries each have their own task in the channel. An intermediary can be a retailer, wholesaler or a jobber. These intermediaries may reduce the amount of control and profit for the company but add value to the customer. They often provide something that the company does not have resources of doing them self. (Kotler et al. 2008, 881-882)
There are four (4) kinds of distribution channels, which are illustrated in figure 4. The first option is direct distribution with no intermediaries. The second option includes one intermediary: a retailer, who sells the products to the end users. The third option involves two intermediaries: a wholesaler and a retailer. The most complex channel involves also a jobber.

![Diagram of distribution channels](image)

Figure 2: Channel members (Francis 2010)

A direct distribution channel has no intermediaries. No third party is involved in the selling process: the company sells the product straight to the customer. Direct distribution uses methods such as door-to-door sales, online sales, phone sales and catalogues. The company saves costs of maintaining a physical sales place such as a retail store. (Kotler et al. 2009, 884)

Retailers sell the products to the end users. There are different types of retailers e.g. specialty stores, department stores, supermarkets, convenience stores and discount stores. Types of retailers are chosen according to product and brand visions. Retailers may be non-store retailers or store retailers. Non-store retailers do sales online, by a catalogue or by the phone, while store retailers have physical stores for the sales action. (Kotler & Keller 2009, 482-483)

A wholesaler sells the products to retailers. Wholesalers are used as an intermediary because they might have know-how or experience in performing tasks such as selling and promoting, warehousing, transportation, risk bearing or bulk breaking. (Kotler & Keller 2009, 498-499)

Intermediaries may increase the price of the product but improve e.g. availability of the product. The intermediaries may have experience or networks that improve the value of the product for the end user. (Kotler et al. 2009, 880-884)

3.4.2 Channel functions
The channel functions should be divided between intermediaries in the most cost-efficient way. The main channel functions are warehousing, inventory and transportation. Other functions include e.g. the following:

1. Gathering market data
2. Developing communicational tools
3. Setting price
4. Making orders for the manufacturer
5. Taking risks

(Kotler & Keller 2009, 454-455)

4 Research and developing methods

This chapter describes the methods used in the research and development process. The first part describes the method of quantitative market research, how it will be implemented in this thesis and how the reliability and validity of it will be analysed. The second part explains the term ‘Secondary data analysis’, which will be used as a qualitative analysis method.

4.1 Market research as a research method

Saunders et al. (2009, 5) define the term ‘research’, as “something that people undertake in order to find out things in a systematic way.” Therefore, it includes gaining new information about something in order to develop in the future. Research uses methodical means in this information gathering. The most common methods used in research are qualitative and quantitative methods. (Saunders et al. 2009, 4-5)

Quantitative research gathers numerical data, which can be analysed by graphs, charts and statistics. A common quantitative research method is a survey. It does not go that deep into the subject because the questions are pre-determined. Qualitative research methods gather data that cannot be numerically determined. A common qualitative research method is a qualitative interview. Qualitative research relies on the quality rather than the quantity. (Saunders et al. 2009, 414-415, 480; Malhotra 2010, 73, 171)

Market research can concern e.g. the competitors or the target market of the market environment. Market research can be conducted on the market of current operations or on a possible future market of operations of a company. It is used as a tool to evaluate the current situation of a company in a certain market and as well as a tool to evaluate possibilities in another market. (Entrepreneur Media, Inc 2014)
4.1.1 Purpose of the market research

Research purposes are often divided into three types: exploratory, descriptive and explanatory. (Saunders et al. 2009, 139-140) In this market research, the purpose is descriptive. “The objective is to portray an accurate profile of persons, events or situations (Robson 2002, 59).” This requires the research questions to be determined carefully to succeed in a descriptive purpose research. (Saunders et al. 2009, 140)

The purpose of the market research is to gain useful information about the Swedish jewelry market to make recommendations for the GBS marketing plan. Therefore, the areas of interest are the possible target market of GBS, promotional tools effective in Sweden and channels of distribution that are effective in Sweden. This will be completed with quantitative research methods. The market research data and analysis will provide a basis for selecting a target market, selecting the channel of distribution, selecting possible retailers and planning promotional methods.

4.1.2 Chosen method

The research method chosen is the quantitative survey strategy. Quantitative research focuses on statistical data and classifying features as well as figures to explain what is observed. Surveys are questionnaires with standardised questions designed before the survey is completed. Respondents answer the pre-determined questions in a specific order. The questions are designed to be understood the same way by all respondents. This makes surveys a great research method for descriptive research purposes. A large amount of respondents are involved in a quantitative research process. A large amount of information is summarized with greater accuracy and it finalizes the end results. (Saunders et al. 2009, 360-362)

![Figure 3: Types of questionnaire (Saunders et al. 2009, 363)](image-url)
There are two different ways that a survey can be completed, illustrated in figure 6. In self-administered surveys the respondents are given the survey and they complete it at their own pace. This is a good method if respondents do not want others to know about their opinions. Self-administered surveys can be online surveys, postal surveys or delivery and collection surveys. (Saunders et al. 2009, 362; The Research & Planning Group 2011)

In interviewer-administered surveys the respondents are guided through each question of the survey personally. This method is used for telephone surveys, mall surveys, or surveys where respondents are not worried about their confidentiality. (Saunders et al. 2009, 363)

Various aspects must be evaluated when choosing the right survey technique. They include the characteristics of desired respondents, quantity of respondents compared to likely response rate, type of questions, quantity of questions, available time and the budget. (Saunders et al. 2009, 363-365)

The method chosen for this research is an online survey. Online surveys and self-administered surveys in general have lower response rates than interviewer-administered surveys but are a quicker and less effort-requiring method for data collection. The online survey is free of charge, as well as easy and quick for the respondent. It is a better option than postal or email surveys because they require much more effort from the interviewee and are more old-fashioned techniques. An advantage to online survey is having the benefits of survey software and statistical techniques to analyse survey data and to measure validity, reliability, and the statistical significance. The data is already in digital format when collecting online surveys, which will save time of the data collectors. (Saunders et al. 2009, 363-366)

4.1.3 Market research method in practice

The online quantitative surveys will be conducted on normal jewelry consumers living in Sweden. The surveys will be carried out by Kwiksurveys, a platform for online surveys on the Internet. It is a free, quick and easy way to create online surveys. Responses can be viewed immediately on the Kwiksurveys.com account. The platform provides several automatic statistics and charts that are helpful in the analysis process.

The questions chosen will be closed-ended questions with several alternative options to choose from when answering. Closed questions are forced choice questions. They provide a certain number of alternatives to choose from and don’t leave room for the respondents own words. The types of closed questions that will be used in the survey include list and category, depending on the question in hand. In the list questions the respondents can select one or more options from a list of options. In the category questions only one response can be se-
lected from certain options. Closed questions are easy to compare and are easier and quicker to answer to the respondent. (Saunders et al. 2009, 374-376)

The questions will be designed by adopting questions from other questionnaires as well as designing our own questions (Saunders et al. 2009, 374). Adopting questions from other surveys is reasonable in the first questions, which assess the background information of the respondent e.g. age and profession. Other questions will be designed according to the research questions. Questions will be designed as clearly as possible so that they are interpreted the same way by all respondents.

The order of the questions is important when designing the survey. Questions on background information of the respondent will be asked first, because they are easy to answer to and build trust of the respondent. Other questions will be presented in a logical order so that it is easy also for the respondent to follow. (KvantiMOTV 2010)

The link to the survey will be distributed to the interviewer’s friends and friends of friends living in Sweden using social media. The link will be sent to anyone who knows someone in Sweden and asked to be sent to all aged and kind of people living in Sweden to get different kinds of respondents.

4.1.4 Analysing research data

Once the research has been completed, the data is analysed to transform it into information that can be later used in the development process. Methods of quantitative data analysis vary from graphs, charts and statistics to complex statistical modelling. These methods help to examine the data in terms of differences, relationships and trends as well as to present the data. (Saunders et al. 2009, 414)

The data can be divided into two different groups; numerical data and categorical data. Both are used in the analysis. Numerical data can be measured numerically in quantities and analysed statistically. Categorical data can not be measured numerically. It is often divided into categories or ranked. (Saunders et al. 2009, 417-418)

Before proper analysis, the data must be presented. It will be transferred into an Excel spreadsheet. The online software provides statistics of each survey question. These statistics will be presented in the form of diagrams, charts and tables to portray specific values, highest and lowest values, proportions and distributions. (Saunders et al. 2009, 428-436)
The data will be categorised according to the marketing plan areas: target market, distribution channels and promotional tools. This way the preparation of the marketing plan suggestions will be more effective. The data will be linked to the background theories as well as to each other to discover possible relationships that will help in the process of marketing planning.

**Descriptive statistics**

Descriptive statistics aims to describe and summarise quantitative data by describing central tendency and dispersion. The most common central tendency measures are the mean, the median and the mode. (Saunders et al. 2009, 444; KvantiMOTV 2004)

The mode is the most frequent value. When all values have been ranked, the value in the middle is the median. The mean, also known as the average, can only be used with numerical data. It includes all the values in the data in the calculation. The mean is calculated by dividing the sum of all the values by the number of values. (Saunders et al. 2009, 444)

Dispersion measures show how values are spread around the central tendencies. Two of the most common dispersion measures are the inter-quartile range and standard deviation. The inter-quartile range shows the difference between the middle 50 per cent of values. Standard deviation describes the extent to which the values differ from the mean value. (Saunders et al. 2009, 447-448)

**Inferential statistics**

Inferential statistics is used to evaluate and describe how well responses of a certain sample size apply for the universe; the whole population or all possible samples. In other words, inferential statistics describe how likely it is that the results stand for the whole population.

The main concepts in inferential statistics are *confidence level*, *confidence interval*, *sample size* and *population size*. They are all related to each other. (KvantiMOTV 2004)

The confidence interval describes at which interval the real value is at a certain confidence level. Confidence level describes at which level of confidence the real value is within a certain confidence interval. E.g. if the confidence interval was 80-90 % and the confidence level was 99 %, it could be stated that at the confidence of 99 %, the real value is between 80 and 90 %. When the confidence level gets larger, the confidence interval gets larger as well and vice versa. (KvantiMOTV 2004)
The confidence interval and sample size can be calculated by online calculators. The sample size and the population size are required when calculating the confidence interval, as well as the percentage of respondents picking a specific answer. If the percentage is not known, the ‘worst case scenario’ percentage of 50 must be used. (Creative Research Systems 2012)

Inferential statistics is also used to calculate a sample size required to acquire a certain confidence interval and confidence level. To calculate a sample size, the population, confidence level and confidence interval must be known. (Creative Research Systems 2012)

**Chi square testing**

Relationships of variables are analysed by significance testing. There are two types of significance testing: Non-parametric statistics are used for categorical data and parametric statistics are used for numerical data. (Saunders et al. 2009, 449-452)

Chi square testing will be used to assess the likelihood of two variables being associated. Chi square testing is a non-parametric test that evaluates if the data findings of two variables differ from what could be expected if the variables were independent from one another. The calculation is done on the basis and assumption that the variables are independent. (Saunders et al. 2009, 452-453)

When conducting a chi square test, the variables are placed in a table using the cross-tabulation technique. One variable is placed in the upper row and the other in the side column. The number of variables is summed up into the table as shown in table 1. (Saunders et al. 2009, 439)

<table>
<thead>
<tr>
<th>Answer</th>
<th>Gender</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
</tr>
<tr>
<td>Yes</td>
<td>A</td>
<td>B</td>
<td>A+B</td>
</tr>
<tr>
<td>No</td>
<td>C</td>
<td>D</td>
<td>C+D</td>
</tr>
<tr>
<td>Total</td>
<td>A+C</td>
<td>B+D</td>
<td>A+B+C+D</td>
</tr>
</tbody>
</table>

Table 1: An example of contingency table

After making a contingency table out of the variables, the expected value (E) will be calculated into each frame. E is the value that is expected on the assumption that the variables are independent. O (Observed value) is the actual value of the number in the frame, calcu-
lated while making the contingency table. By comparing these two, the chi square ($X^2$) test is conducted. (Metsämuuronen 2004, 136)

According to Metsämuuronen (2004), the expected value of a frame ($E$) is calculated by multiplying the total of its column with the total of its row and dividing it by the grand total. The formula of calculating an expected value is illustrated below with an example for variable A in Table 1.

$$E = \frac{\text{Row total} \times \text{Column total}}{\text{Grand total}} = \frac{(A+B)(A+C)}{A+B+C+D}$$

KvantiMOTV (2011) presents the formula as following:

$$E_{ij} = \frac{O_i \times O_j}{N}$$

In which
- $E_{ij}$ is the expected value of row $i$ and column $j$
- $O_i$ is the sum of values in row $i$
- $O_j$ is the sum of values in column $j$
- $N$ is the sum of all values in the table

With the information on the contingency table, the chi square test can be conducted with the formula below. The $X^2$ value is calculated in practice by subtracting the expected value from the observed value of the frame, squaring the result and dividing it by the expected value, then adding all the frames values together. (KvantiMOTV 2011)

$$X^2 = \sum_{i=1}^{R} \sum_{j=1}^{C} \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

In which
- $R$ is the number of rows
- $C$ is the number of columns
- $E_{ij}$ is the expected value of row $i$ and column $j$
- $O_{ij}$ is the observed value of row $i$ and column $j$

The $X^2$ value of table 2 is:
\[ X^2 = (15-26)^2/26 + (30-19)^2/19 + (40-29)^2/29 + (10-21)^2/21 = 18.76 \]

<table>
<thead>
<tr>
<th>Answer</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>O=15</td>
<td>O=30</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>E=26</td>
<td>E=19</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>O=40</td>
<td>O=10</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>E=29</td>
<td>E=21</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>40</td>
<td>95</td>
</tr>
</tbody>
</table>

Table 2: Example of contingency table with expected values

The chi square test, the value of \( X^2 \), refers to the extent to which the expected values and the observed values differ from each other. If the value of \( X^2 \) is small, the expected and observed values differ little and if the value of \( X^2 \) is big, the expected and observed values differ much. (KvantiMOTV 2011)

The outcome of the chi square test is the value \( p \), which determines the level of interdependence of the variables. The degree of freedom can be calculated by the formula below. It is required to find the right value for \( p \). The value of \( p \) can be found on a table of figures in most statistical analysis guidebooks and on the Internet and is determined on the basis of figure \( X^2 \). If the value \( p \) is smaller than 0.05, the result is significant enough to say that the variables do not differ from each other only by chance. (KvantiMOTV 2011; KvantiMOTV 2004)

Degree of freedom = (number of columns - 1) x (number of rows - 1)

The degree of freedom for the example in table 2 is 1 and therefore the value \( p \) can be checked to be far less than 0.05. The values of the variables in table 2 can be said to be associated with each other.

4.1.5 Analysing validity and reliability

Credibility is a very important part in conducting research. However, a research can never be 100% reliable. The key is to minimize the risk of error by planning the research properly. (Saunders et al. 2009, 156)
Validity refers to the research findings being valid; they must be what they appear to be; nothing else could have resulted in the findings. Validity of a survey can be threatened by one of the following:

1. History: past events that effect the answers
2. Testing: the answers can be effected by possible disadvantage for that party
3. Instrumentation: the research may increase the participants performance and will therefore give false results
4. Mortality: participants may decide to drop out of a long-term study
5. Maturation: other events happening currently or in the near future may have an effect on answers
6. Ambiguity about causal direction
   (Saunders et al. 2009, 157-158)

Reliability refers to the consistency of the findings (Easterby-Smith et al. 2008, 109). It can be threatened by participant error or bias, or observer error or bias. For example in a survey the participant may give different answers depending on the time of week. The participant may also answer questions as they think the survey creator wants them to answer (Saunders et al. 2009, 156-157). According to Easterby-Smith et al. (2008, 109), reliability can be evaluated by three questions:

1. “Will the measures yield the same results on other occasions?
2. Will similar observations be reached by other observers?
3. Is there transparency in how sense was made from the raw data?” (Easterby-Smith et al. 2008, 109)

4.2 What is secondary data?

Secondary data is raw data as well as existing published summaries. Some data is only available within the organisation and others are published online for anyone to use. Secondary data can be quantitative or qualitative, which can be used in descriptive and explanatory research. Secondary data has sub-groups, which are, documentary data, survey-based data, and data that is gathered from different sources. Documentary secondary data includes written materials as well as non-written materials. Examples include, emails, reports to shareholders, diaries, transcripts of speeches video recordings, pictures and television programmes. They are used in research projects that also use primary data methods. (Saunders et al. 2009, 256-259)
Survey-based secondary data is when a survey strategy is used. The collected data has been analysed and available to be used. Examples of survey-based secondary data include governments’ censuses, continuous and ad hoc surveys. Ad hoc surveys are one-off surveys that are dealt by organizations and government interviews. Multiple-source secondary data is documentary or survey based. Multiple source secondary data can be either area based or time-series based. Area based data is available from data archives. Examples of area based are, country reports, government publications, books and journals. Time-series based are similar but also includes industry statistics and reports. (Saunders et al. 2009, 259-263)

Advantages of secondary data include:

1. Having fewer resource requirements: saving time and money
2. Unobtrusive: high quality data quickly as data has been already collected
3. Possibility of longitudinal studies: observations on the research over a long period of time
4. Provide comparative and contextual data: comparing own findings with secondary data
5. Result in unforeseen discoveries: being able to re-analyse secondary data
6. Permanence of data: data provided is available for public research

(Saunders et al. 2009, 268-269)

Disadvantages of secondary data include:

1. Data collected that does not match your need: existing secondary data may differ from your research objectives or only answer it partially
2. Access difficult or costly: Some data is difficult to access to and can be very expensive.
3. Aggregations and definitions unsuitable: may not meet requirements of the original research
4. No real control on data quality: data sources must be well evaluated
5. Initial purpose affecting how data is presented: culture, preferences and ideals may influence the nature of the data collected.

(Saunders et al. 2009, 269-272)

When evaluating secondary data sources it is important to ensure that they are appropriate for that specific research question.
This chapter contains the analysis of the collected research data. The first part presents the quantitative survey data and analyses the data according to the research questions. The second part presents and analyses the secondary data.

5.1 Primary data analysis

31 responses were gathered by the survey. The survey data was gathered during 10 days from 6 February 2015 to 16 February 2015. The survey questions can be found in the appendices of this paper. The respondents were all living in Sweden mainly focusing on the Stockholm area. 2 respondents live in Haaparanta in northern Sweden. This is certified because the observers asked their contacts to send the surveys only to people living in Sweden.

28 of the respondents were female and 3 were male. The mode age of the respondents was 18 to 24. The ages of respondents are shown by percentage in figure 10. 15 of the respondents were 18-24, 9 were 25-34 and 7 were 35-44. No respondents reported being between the ages of 45 to 64 or over 65 years old. Most of the respondents claimed their relationship status to be single.

![Figure 4: Age of survey respondents](image)

The yearly income and highest level of education completed of respondents can be seen in table 3. Yearly incomes of respondents were distributed into all categories, while the employment status categories were not all used. There were no unemployed or retired respondents. 16 out of the 30 respondents were working full-time, 11 were students and 3 were working part-time. 1 respondent was working part-time and studying at the same time.
Target market of GBS

The first research question concerned the target market that GBS should aim at in the Swedish market. The purpose was to find out what kind of person is likely to buy GBS jewelry: e.g. their age, level of income and employment status. The survey included many questions concerning these:

- Question 7: What kind of jewelry do you buy?
- Question 10: How important is the price when making you buying decision of jewelry?
- Question 11: How important is the material of the product when making your buying decision?
- Question 12: The Baltic Sea has been in great danger during the past years. As living in Scandinavia, would you consider buying jewelry made from recycled silver that contributes to its protection?
- Question 13: Are you willing to pay more for jewelry that contributes to protecting the Baltic Sea?
- Question 14: In your opinion, what aged people would be interested in buying high-end ecologically produced jewelry that contributes to protecting the Baltic Sea?
- Question 15: Have you ever bought jewelry that contributes to a good cause?

Question 7 assesses what kind of jewelry the respondents buy. The respondents could select one or more option. Figure 11 illustrates the responses to this question. The mode value for
this question according to the responses is street fashion jewelry. Another type of jewelry that stands out is handmade jewelry.

![Graph showing types of jewelry bought by respondents]

Figure 5: Type of jewelry bought by respondents

Out of the 9 respondents who claimed to buy charitable / ecologically friendly jewelry all were female. Table 4 displays the age, employment status, education level and yearly income of respondents claiming to buy charitable / ecologically friendly jewelry.

<table>
<thead>
<tr>
<th>Age</th>
<th>Employment status</th>
<th>Education</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>Full-time</td>
<td>High school</td>
<td>Over 500 000</td>
</tr>
<tr>
<td>18-24</td>
<td>Part-time</td>
<td>Bachelor’s degree</td>
<td>0 - 100 000</td>
</tr>
<tr>
<td>25-34</td>
<td>Full-time</td>
<td>Bachelor’s degree</td>
<td>200 000 - 300 000</td>
</tr>
<tr>
<td>25-34</td>
<td>Full-time</td>
<td>Master’s degree</td>
<td>300 000 - 400 000</td>
</tr>
<tr>
<td>25-34</td>
<td>Full-time</td>
<td>Master’s degree</td>
<td>300 000 - 400 000</td>
</tr>
<tr>
<td>35-44</td>
<td>Part-time</td>
<td>High school</td>
<td>100 000 - 200 000</td>
</tr>
<tr>
<td>35-44</td>
<td>Full-time</td>
<td>Master’s degree</td>
<td>Over 500 000</td>
</tr>
<tr>
<td>35-44</td>
<td>Full-time</td>
<td>Bachelor’s degree</td>
<td>300 000 - 400 000</td>
</tr>
<tr>
<td>35-44</td>
<td>Full-time</td>
<td>Master’s degree</td>
<td>Over 500 000</td>
</tr>
</tbody>
</table>

Table 4: Respondents who buy charitable/ecologically friendly jewelry
As can be seen in table 4, there are less 18 to 44-year-olds buying charitable / ecologically friendly jewelry than other age groups, particularly keeping in mind that almost half of the respondents were in the age group of 18-24. A chi square test was conducted on the variables with the value $p$ value of 0.093. Even though the value of $p$ is close to the margin of 0.05, the chi square test result is not significant enough to be able to state that the age of respondents and weather they buy charitable jewelry or not, are associated.

The sample size of the market research is 31. To get accurate results that could be generalised to represent the whole of Swedish jewelry market with a confidence level of 95 % and a confidence interval of 5, the sample size must be over 380. Therefore if there had been a larger sample size, the result would have been more accurate, the value $p$ might have been under 0.05 and thus the two variables might have been associated with each other. (Creative Research Systems 2012)

The median annual income rate of respondents buying charitable / ecologically friendly jewelry is 300 000 - 400 000 SEK. The mode income rates are 300 000 - 400 000 SEK and over 500 000 SEK, since there were 3 respondents from both income groups buying charitable jewelry. When comparing the income of respondents with weather they buy charitable jewelry or not, the chi square test $p$ value is 0.17. Therefore the probability of the values being associated is too small to make assumptions. Also, with a larger sample size the results might have been different.

Two questions in the survey that aim at finding out a potential target market for GBS in Sweden are question number 12 and 13. The responses to these questions can be seen in table 5.

The highlighted area of table 5 is considered to consist of the respondents who are potential customers of GBS. Because the products of GBS are rather pricey, question 13 is considered to
be as relevant as question 12 for defining the target market. Table 6 shows the ages and income levels if respondents in the highlighted area, and therefore potential customers of GBS.

<table>
<thead>
<tr>
<th>Age</th>
<th>0 - 100,000</th>
<th>100,000 - 200,000</th>
<th>200,000 - 300,000</th>
<th>300,000 - 400,000</th>
<th>400,000 - 500,000</th>
<th>Over 500,000</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>7</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>13 (52 %)</td>
<td></td>
</tr>
<tr>
<td>25-34</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>7</td>
<td>28 ( %)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35-44</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5 (20 %)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total (%)</td>
<td>7 (28 %)</td>
<td>6 (24 %)</td>
<td>4 (16 %)</td>
<td>5 (20 %)</td>
<td>1 (4 %)</td>
<td>2 (8 %)</td>
<td>25 (100 %)</td>
</tr>
</tbody>
</table>

Table 6: Ages and income of potential customers of GBS according to survey questions 12 and 13.

87 % of the respondents in age group 18-24, 78 % of the respondents in age group 25-34 and 71 % of respondents in age group 35-44 responded “Yes” or “Maybe” to question number 12. When comparing the ages of the respondents to what they answered to question 12 with the chi square test, the result is the p value of 0.36. Therefore the age is not associated with weather they would buy GBS jewelry or not. Because of the small sample size, the chi square test result cannot be viewed as the absolute truth; with a bigger sample size the responses might have been different.

Question number 15 assesses the amount of respondents who have bought charitable jewelry in the past. 81 % responded “Yes” and 19 % responded “No”.

Question 14 assessed the opinions of the respondents to what aged people would buy GBS-like jewelry. The responses to this question can be seen in figure 12. The age groups 26 to 35 and 36 to 45 stand out clearly from the rest. Therefore it is likely that these age groups would be potential GBS customers. However, these responses rely only on the opinions and not on actual buying behavior of respondents and therefore cannot be viewed as statistical facts.
Questions 10 and 11 assess how important the respondents find the price and the material of jewelry they buy. Respondents who find the price of jewelry extremely important are presumed to be less likely to buy GBS jewelry, as the price range is high. Respondents, who find the material of jewelry to be of no importance, are less likely to buy GBS jewelry. As GBS jewelry is made out of recycled silver, the material and ecological aspect is a big part of the GBS trademark. Table 7 displays the responses to these questions.

<table>
<thead>
<tr>
<th>How important is the price</th>
<th>Not important</th>
<th>Neutral</th>
<th>Quite important</th>
<th>Extremely important</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely important</td>
<td>1</td>
<td>8</td>
<td>1</td>
<td>10 (32 %)</td>
<td></td>
</tr>
<tr>
<td>Quite important</td>
<td>1</td>
<td>4</td>
<td>6</td>
<td>3 14 (45 %)</td>
<td></td>
</tr>
<tr>
<td>Neutral</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2 (6 %)</td>
<td></td>
</tr>
<tr>
<td>Not important</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5 (16 %)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1 (3 %)</td>
<td>8 (26 %)</td>
<td>17 (55 %)</td>
<td>5 (16 %)</td>
<td>31 (100 %)</td>
</tr>
</tbody>
</table>

Table 7: Importance of price and material of jewelry for survey respondents

The highlighted area in table 7 is considered to consist of respondents that have potential to be customers of GBS. Table 8 consists of potential customers of GBS according to table 7. Respondents who answered “No” to questions number 12 and/or 13 have been removed from the list, as they are not considered potential customers either.
According to table 8, 67% of respondents in the age group of 18 to 24, 44% of respondents in the age group 25 to 34 and 71% of respondents in the age group 35 to 44, are potential customers of GBS. Therefore, the most likely age group for GBS is 35 to 44. However, the percentages do not differ from each other greatly so that generalisations could be made.

When comparing the incomes of respondents and whether they are potential customers of GBS according to table 8 or not with a chi square test, the value $p$ is calculated to be 0.36. Therefore, the income of respondents is not associated with whether they are possible customers or not. However, if the sample size had been bigger, the outcome might have been different and the chi square test might have proven the variables to be associated.

5.1.2 Distribution channel for GBS

The market research survey included two questions concerning the possible distribution channel for GBS in Sweden:
• Question 8: “What kind of retailers do you prefer to buy expensive (over 1500 kr) jewelry from?”
• Question 9: “What kind of online stores would you use when buying expensive (over 1500 kr) jewelry?”

Figures 12 and 13 show the responses to these two questions as well as the responses of potential GBS customers according to table 8. The mean value of all respondents for question 8 is jewelry shops with 39% of the responses. 23% chose boutiques, 19% chose the brand’s own store and 13% chose department stores as the most likely retailer. Only 1 respondent claimed they would buy expensive jewelry from an online store. As can be seen in figure 13, the brand’s own online store was clearly the favorite portal for online shopping.

![Figure 7: Responses to survey question 8](image-url)
5.1.3 Promotion tools

The final research question was “What are effective promotion tools to be used by GBS?” Questions 16, 17, 18 and 19 in the survey concern promotional issues:

- Question 16: Where do you mostly get the inspiration when buying jewelry?
- Question 17: How often do you read fashion- or interior magazines?
- Question 18: How often do you read fashion- or interior related blogs?
- Question 19: Do you get inspiration for buying jewelry from any of the following? (Facebook ads, Instagram, Pinterest, None of these)

Question 16 assesses the sources of inspiration when buying jewelry. The most common sources can be used by GBS for effective promotion. Questions 17 and 18 assess how often respondents are exposed to certain platforms of promotion and therefore should GBS be using these platforms. The responses to these questions are displayed in figures 14, 15 and 16. Responses of potential customers are shown along the total responses. The potential customers are selected according to table 8. There were no significant differences between the total responses and the responses of potential customers. Therefore no observations can be made of the potential customers acting differently than others.
Responses to survey question 16 show that magazines are felt to be the most effective tool of promotion for jewelry. Total responses show that blogs and current trends are considered to be sources of inspiration after magazines.

For respondents considered to be potential customers of GBS, inspiration is gotten from friends as much as from magazines. Blogs are considered to be the next biggest source of inspiration. TV is considered to be the least inspirational platform by both categories.
Figure 15 shows that most respondents read fashion- or interior magazines monthly. This is the mode value of responses. The next frequent answer is ‘yearly’. When comparing the responses to survey question 17 with the ages of respondents with a chi square test to find out if the two are associated, the result is $p$ value of 0.58. The result is clearly above the margin of 0.05. Therefore the two variables are not associated with each other. The generalisation of this applying for the whole of Swedish habitants cannot be made because of the small sample size. If the sample size had been over 380, the results could be said to apply for the whole population.
Responses to survey question 18 are distributed quite evenly. When comparing the responses to question 18 with the ages of respondents with a chi square test, the result is the value \( p \) of 0.02. The chi square test assesses whether the age of the respondent has to do with the response to question 18. As the value \( p \) is clearly under the margin of 0.05, it can be stated that the variables are associated with each other. The chi square test applies only for the sample in the research. The result can not be generalised to apply for the whole population of Sweden, as the sample size was too small for that.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Daily</th>
<th>Weekly</th>
<th>Monthly</th>
<th>Yearly</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>27%</td>
<td>7%</td>
<td>40%</td>
<td>13%</td>
<td>13%</td>
<td>100%</td>
</tr>
<tr>
<td>25-34</td>
<td>22%</td>
<td>11%</td>
<td>0%</td>
<td>11%</td>
<td>56%</td>
<td>100%</td>
</tr>
<tr>
<td>35-44</td>
<td>14%</td>
<td>58%</td>
<td>0%</td>
<td>14%</td>
<td>14%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 9: Responses to survey question 2 vs. question 18

Table 9 shows the responses to survey question 18 by the age of the respondent. Because there are different amount of respondents in each age group, the responses are displayed by percentages. The mode value is ‘Monthly’ for 18 to 24 year-olds, ‘Never’ for 25 to 34 year-olds and ‘Weekly’ for 35 to 44 year-olds. The mode values stand out clearly from the rest of the values. However, there is no logic in the distribution of mode values comparing to age. The respondents do not e.g. read more blogs the older they are.
Question 19 assesses the social media as a source of inspiration when buying jewelry. The figure 17 below presents the findings of this survey question. Respondents could choose one or more options. Only 26% of the respondents claimed that they do not get any inspiration from Facebook, Instagram or Pinterest when buying jewelry. 61% claimed they get inspiration from Instagram, 42% claimed they get inspiration from Pinterest and one respondent claimed to get inspiration from Facebook ads.

Figure 12: Responses to survey question 19

5.1.4 Validity and reliability of the market research

Validity

The validity of the survey is evaluated by the types of threats: history, testing, instrumentation, mortality and maturation, introduced in chapter 4.1.5. The history threat to the survey is a possible threat for validity. During these times of economic depression the Swedish economy has been threatened as well. Recent changes in employment and income levels of the respondents might affect the answers to some of the survey questions.

The survey is not threatened by the testing threat, because the respondents are kept anonymous. The survey can not cause disadvantage for the respondents and therefore the respondents will not be pressured to answer a certain way.

Instrumentation is also not a concern for the validity, because the survey answers are based on the participant thoughts, facts and history of behaviour. Therefore, the research can not
increase participant performance. A survey is not a practical method where consumer actions would be measured in practice.

*Mortality* is irrelevant in this research because the survey is very short and does not require long-term commitment from the participant. Therefore, there is no risk of participants dropping out. *Maturation* could have a slight impact on the respondents. If respondents had some personal worries and stress about the near future, they might be affected to answer the questions more negatively than normally.

**Reliability**

Reliability is measured by participant error, participant bias, observer error and observer bias as well as by questions presented in chapter 4.1.5.

The survey was designed to be as clear and as easy as possible for the respondent. Clear questions ensure that they are interpreted right and the same way among all participants. The survey is designed to be as short as possible to ensure that the participants don’t get frustrated and therefore answer the questions with hurry and in a sloppy manner. The survey questions were shown to a third party before launching the survey to test the clearness of the survey. This minimises participant error. There however is risk in this research for participant error, because the situation and mind set of the participants can not be fully controlled.

The research is not affected by participant bias because there is no risk or pressure for the participant. Therefore the participant will not answer the questions according to how they think they should be answered or how the observers want the questions to be answered.

The same results can be made by other observers by analysing the data. This is ensured by minimising the risk of observer error and observer bias. Observer error is not a major issue in this research. There is only one observer analysing the research data to avoid incoherencies between observers. The survey will only include closed-ended questions, which will minimise the risk of misinterpretation for the observer.

Observer bias is minimised in the analysis by taking a professional approach to the analysis process and analysing the data in a systematic way. The analysis is done by existing methods that anyone can check to be truthful and effective. The data is presented using diagrams and charts and analysed using mathematically tested and accurate methods. All statements are explained and can be verified.

The survey was sent out to acquaintances of the authors of the thesis living in Sweden. The authors tried to distribute the survey to different kinds of people according to their re-
sources. Therefore, the respondents were not selected randomly. This poses a threat to the reliability of the research. The respondents were from specific circles of contacts. If the respondents were random people from all over Sweden and different backgrounds, the results of the research might have been different.

The sample size was a minimal size for quantitative research. 31 responses were collected. This threatens the reliability of the research because results of the research can not be generalised to apply for all people living in Sweden. To able to do so, one would have to have a sample size of over 380 people. It can be calculated using inferential statistics. A sample size of 384 would have provided a confidence level of 95 % and a confidence interval of 5.

5.2 Secondary data analysis

Two studies will be used when analysing secondary data. The results of the data will be analysed critically and the validity and reliability of the qualitative data will also be evaluated. The studies will be presented and an insight will be given on each part. The topic on cause related marketing will be looked into with a deeper insight and how the two studies used the marketing approach in their research. The studies are analysed with the study design approach as well as the issues when trustworthiness of qualitative data.

5.2.1 Presenting First Study

The first study is on how Swedish partner companies employ the Pink Ribbon in their cause-related marketing campaigns. The authors Berggren and Stark wrote their Master thesis on the concept of cause-related marketing. Their research question was “Cause-Related Marketing, Win-Win-Win? The Pink Ribbon campaign brings awareness to breast cancer as a cause and some companies support this cause. Five Swedish companies were approached during their research, which support charity organizations. The authors interviewed with each of the companies. At the end of the research, the authors evaluated the validity and reliability of their study. The authors could not get full access to the respondents’ experiences as the interviews were conducted through telephone and did not get an opportunity to see them in the working environment. This being said, the authors still received an overall positive outcome on their research study. (Berggren & Stark 2010)

Many organizations want to create a better world with a cause and the authors mention that many companies have increased their interest about raising money for these organizations with a specific cause. The authors chose Pink Ribbon, as it is a very significant and a successful campaign in Sweden. Breast cancer is a worldwide disease that kills women and the Pink Ribbon is the symbol for the fight against it. The cause-related approach is highly visible with
the Pink Ribbon in partnership with the companies. It shows the development of goodwill as well as boosting organizational morale. As most companies nowadays focus mostly on increasing sales in any possible way without thinking about the betterment of the world. Greater public awareness is also achieved when being in corporation with a charitable cause.

The authors found that for many years shopping malls in Sweden have been running the Pink Saturday in favor for the Pink Ribbon campaign. This is an example of the society’s engagement. One significant part in order to raise money is the to sell a ribbon, which all of the partners do in their stores, through this 25 SEK goes directly to the cause. The campaign has been going for seven years and in total it raised 265 million SEK. This indicates how the Swedish society wants to be a part of raising awareness for breast cancer and how serious of a disease it is. By contributing to the Pink Ribbon it allows companies to differentiate from the competition.

The authors used qualitative interviews with the companies they had chosen. The five companies that were interviewed included: Lindex, ICA, Apoteket, ClasOhlson and Euroflorist. The authors found out that Lindex’s target market is woman from the age of 20 years and older and 99% of the employees were women. They have been a partner with the Pink Ribbon since it begun and continue to contribute to the cause. The employees try to sell the ribbon to every customer who makes a purchase at Lindex. Focusing on customers as well as employees as a target market shows how the company essentially cares about the cause and its employees. Not only do sales matter but the support of the women who work at Lindex is strongly taken into consideration.

This shows how much the target audience is vital when choosing a company to be in partnership with a good cause. Both the customers and employees are in the target audience for the Pink Ribbon cause. It is a clear win-win-win cooperation for Lindex and the Pink Ribbon.

ICA is a northern retail company whose goal is to have a good economy as well as being part of the society. ICA has a partnership with many charitable organizations, such as Red Cross and WWF as well as the Pink Ribbon. The authors interviewed ICA’s CEO and he mentioned that charity is often a process where people only raise money, but ICA wants to have an impact and contribute to making a difference. The authors of the study also found out that ICA’s contribution to the cause includes developing public relations and paying a partner in order to use the Pink Ribbon logo in their own campaign. The direct marketing included a text message where the customers could purchase the ribbon directly through their cell phone. Every product sold at ICA, a specific amount is donated to a good cause. The CEO tells the authors that being part of the Pink Ribbon has not increased sales at ICA but the campaign builds brand loyalty among customers, which can affect the sales numbers in the future.
With the case of ICA and the Pink Ribbon, it is noticeable that with cause-related marketing they aim to increase customer loyalty and building relationships. This approach is both beneficial for ICA as well as the Pink Ribbon. Contributing to a good cause leads to people being happier and leaving ICA as a successful firm. Brand loyalty among customers is as important as increasing sales. When the company itself truly wants to participate in a good cause and cares about making a difference, they will put in effort and try different ways to be part of the cause.

The third company the authors interviewed was Apoteket, a pharmaceutical company that has been part of the Pink Ribbon campaign for 6 years. Their main customers are women and most of the employees are also women with a health education background who are committed to the breast cancers cause. Apoteket increased their commitment by setting up a sales competition for the ribbons. The employees contributed by wearing a pink scarf during the campaign. The project leader at Apoteket expressed to the authors that Apoteket makes it easy for the consumers to participate in the campaign without any additional costs and by contributing to good cause. They increased sales, up to 50% for some products. The Pink Ribbon partnership also increased brand loyalty. Apoteket is another very good target market for the Pink Ribbon. The pharmacy and the Pink Ribbon are both for the advancement of health and betterment of the people in the world. Creativity among the company and how to contribute to the cause is positive and lead to satisfying results.

The fourth company that was interviewed was ClasOhlson, a European retail company. The authors interviewed the advertising manager of ClasOhlson and found out that 40% of their customers are women and 60% men. The authors were also told that even though Pink Ribbon is a breast cancer disease mostly for woman, but it is also a family concern and that the whole family is affected by it. The advertising manager stated that ClasOhlson selects the non-profit partners according to the demographics of their customers, the cause’s visibility as well as the way it is managed. It is important that the cause’s brand and the campaign are highly recognized, which will benefit ClasOhlson’s brand as well. The way in which ClasOhlson contributed to the Pink Ribbon campaign with their products, such as buy selling a pink screwdriver. Sales were not increased but instead the trustworthiness of ClasOhlson did increase. Through the campaign and the products, they found new customers.

The authors found that customer related marketing is a win-win-win situation and it is the main reason to be a partner. Another reason to why ClasOhlson cooperates with the Pink Ribbon is because of the easy communication and the organization is well organized by executing the campaigns in a desirable manner. It is clear that Pink Ribbon is extremely targeted especially in Sweden. Even though ClasOhlson’s target audience is mostly men, they have still had
success during their partnership with the Pink Ribbon. Brand loyalty is again highly valued during the campaign and new customer relations are easily built.

The last company that the authors interviewed was EuroFlorist, a Swedish flower company with stores throughout Europe. Scandinavia’s regional manager was interviewed and he stated that EuroFlorist has been a part of Pink Ribbon since 2007. Their target customers are mostly women who purchase flowers. The ribbon is sold in 85% of the stores and the bouquet sold in all stores. During the Pink Ribbon campaign the website of EuroFlorist changes into pink and feedback given through social networks are actively in use by customers. The flower bouquet sold during the campaign is made out of pink flowers and it contributes to the cause directly. The regional manager tells the authors during the interview that flowers add value to everyday life and when it supports a good cause it creates more value. The partnership with the Pink Ribbon does not increase sales but their brand loyalty increases, which can affect their sales in the future. It shows how being connected to a good cause develops the brand and customers will be even more satisfied with their flower purchases. The importance of cause related marketing is highly visible and creativity of campaigns boosts customer relations.

5.2.2 Evaluating First Study

Once all companies were interviewed, the authors found out that all five companies supported their assumptions. Even though the Pink Ribbon is mostly directed to woman, it also affects everyone else who has some relation to the woman. All companies apart from Lindex have a broad target market. The authors also realized that the cause that the company supports suits their values, mission and vision. The authors stated that in order to create a high company-cause-customer fit for the Pink Ribbon campaign, the companies have to consider the company’s values, the target market of the cause as well as their own target market.

With the results from the interviews, the authors analyzed whether the companies’ approach was strategic or tactical. The benefits that the companies gained from being partners with the Pink Ribbon was the enhancement of their corporate image, national publicity, increasing sales, contributing to building the brand for the Pink Ribbon, helping society. The importance of customer related marketing is strongly visible in all five companies. It shows how valuable it has been and by contributing to a good cause, it raises awareness between customers.

The aim for the authors was to find out how Swedish partner companies employ the Pink Ribbon in their cause-related marketing campaigns. Through their interviews they gained a lot of positive incite on this matter. The research comes across as reliable as the amount of companies and interviews involved were a decent amount. Each company involved gave the authors a large amount of information that they based their results on. The research is valid as it
meets the objectives to the research question. The analysis and conclusion of the study verify both the validity and reliability of the research.

5.2.3 Presenting Second Study

The second study that is part of the secondary data in this thesis is about cause-related marketing from a Swedish retail perspective. The authors Nilsson and Rahmani gave a deeper insight on how the strategic approach used by companies involved in cause related marketing be described. They mention that cause related marketing has six objectives, which include, increasing sales, enhancing a corporate status, preventing negative publicity, customer pacification, facilitating market entry and increasing the level of trade merchandising activity for the brand promoted. They also state that the benefits a company gains from cause related marketing is the current and potential consumers, the employees and investors and the general public. (Cause Related Marketing From a Swedish Retail Perspective, 2007)

The authors made detailed research on the different types of cause related marketing programs as well as their objectives based on theory. Their research strategy used was a qualitative approach by using documentation, archival records, interviews, direct observations, participant observations and physical articles. Mainly the focus was on collecting data through interviews with a Swedish retail company ICA AB. The authors completed the interview with a conference call with ICA AB's event manager and their customer relations management analyst.

With the results from the research made, the authors came to a conclusion and stated their findings. Regarding the first research question, which was how can the objectives of cause related marketing be described, the authors found out two types of objectives: primary objectives and secondary objectives. The primary objectives included: enhancing corporate image, enhancing brand image, reduce costs connected to current and potential customers, improving relations with the public and future existence. The secondary objectives included: increasing sales, enhancing corporate status, promoting repeat purchases, reduce costs connected to the employees, gaining national visibility, increasing brand awareness and reaching new market segments and geographic segments. Additionally the authors concluded to the research question that objectives connected to the customers were considered the most important, objectives connected to the general public were second most important and third most important were objective connected to the employees.

5.2.4 Evaluating Second Study
Regarding the second research question, how can the strategic approach used by companies involved in cause related marketing be described, the authors gathered a conclusion based on their findings. Finding the right fit between company-cause, customer-cause is very important in cause related marketing. Also limited programs are implemented when focus is on fulfilling a financial goal and the time perspective is not long term. Other conclusions made included: long-term programs are used to create trust and credibility, medium-term programs were used by companies who try to fulfil a specific goal and short-term programs are avoided due to the fear or losing trust and credibility. The results that the authors got from their research back up the theories on cause related marketing and therefore a deeper understanding was provided. Even though the authors of the study only looked into one company with two interviewees they received valuable results that was in correlation with the theory.

Both studies relate to the thesis research question and objectives on how Guardian of the Baltic Sea could be involved with the cause-related marketing approach as money from the pendant is directly donated to the protection of the Baltic Sea. GBS is a combination of both luxury and being a part of a good cause and protecting the environment. All Scandinavian countries are surrounded by the Baltic Sea and should become a part of protecting it and considering the potential risks that could be caused if people do not come up with a solution.

5.2.5 Analysing the Studies

The purpose of the qualitative research was to figure out whether the cause-related marketing approach is effective in Sweden and if it could be a possibility for Guardian of the Baltic Sea.

Both studies researched cause-related marketing. The first study focused on a particular charity cause, the Pink Ribbon whilst the second study focused on how companies describe the cause-related marketing approach. The first study gathered data from five Swedish companies and the second study focused on one company. On the second study, theory was strongly connected with their data, which validates that their data is trustworthy.

The study design approach is an analytical approach in qualitative research for enhancing the study quality and trustworthiness. There are five different types of study designs: narrative research, phenomenology, grounded theory, ethnography and case studies. Three were visible in the studies. (Lineberger, K. 2013. Five Qualitative Approaches to Inquiry)

Narrative research is a research method or an area of study. It is a study of experiences. In narrative research, it focuses on collecting stories, documents, or group conversations about the experiences of one or two individuals. The experiences are recorded using interviews,
observations, documents and images and then explain the experiences and order the meaning of them.

Phenomenology means the lived experiences of people that are not generated on theories of the phenomenon being studied. The purpose of phenomenology approach is to describe experiences as they are lived.

Grounded theory includes theoretical sampling and constant comparing. Theoretical sampling means when throughout the entire research process participants are selected based on the knowledge of the topic and on developing study findings. During the data analysis, the researchers compare incidents, categories, and concepts to determine similarities and differences and to develop a theory, which is connected to it. Both observation and interviewing are used for data collection.

For the first study, the research approach was phenomenology. The five companies that were interviewed in the first study, answered the interviewees based on their experience and knowledge of how the Pink Ribbon has been a success in their company and why. The method used in the phenomenology approach is data collection and the outcome includes structural explanation on findings. For the second study, the study design approach was grounded theory as well as narrative research. The researchers only focused on one company, but constantly referred to detailed theory that was strongly connected to the data. This makes the research reliable as theory backs up the data collected.

When analysing trustworthiness of qualitative research there are four issues to be considered: credibility, transferability, dependability and confirmability. Credibility is an evaluation of the research findings that consists of a trustworthy theoretical interpretation of data collected by the participants’ original data. Transferability is the amount to which the findings of the study can apply or transfer beyond the project. Dependability is an assessment of the quality of the integrated processes of data collection, data analysis, and theory generation. Confirmability is a measure of how well the study’s findings are supported by the data collected. (Lincoln & Guba, 1985)

All four criteria’s were strongly taken into action in both studies. For both research questions the research design and approach was suitable and had a connection. If the study had more companies to research into, the study would have been more reliable. Sweden has many companies and as on the first study, five companies were taken into account, whereas the second study only took one company into account. Both studies still focused on the same issue, cause related marketing, the second study more in depth than the first. Both studies backed each other up and had many similarities with each other.
The outcome of the first study was that all five companies considered cause-related marketing effective with the Pink Ribbon cause and they all plan to continue the partnership in the future. It was a success for all companies and at the same time supported a good cause.

The outcome of the second study was that the objectives of cause-related marketing were presented from the knowledge of interviews as well as theories.

6 Suggestions for a marketing plan

This chapter presents the suggestions for the case company. The suggestions are the outcome of the thesis and are backed up by the research and analysis conducted in the thesis. They are presented by the different areas of a marketing plan: target market, distribution plan and promotional tools.

6.1 Target market

The secondary data analysis and primary data analysis both suggest that there is no one specific age group for Guardian of the Baltic Sea. The primary data analysis was not able to rule out any age groups. There was not sufficient enough association with the age of the survey respondents and weather they buy charitable jewelry or not. The age was also not associated to weather the respondent claimed to be interested in buying GBS jewelry or not. The income levels of the respondents were also not associated with weather they buy charitable jewelry or not. Therefore the primary data analysis was not able to determine any potential target customers for GBS.

The secondary data analysis also suggests that GBS target customers could be of any age groups. The cause-related marketing approach was found not to be specified to a certain age group. All aged people and people from different backgrounds and situations were all touched by the cause. Cause marketing can therefore not be restricted to age or income level because the cause, protecting the Baltic Sea, concerns all people.

Another way to find the right target customers could be considering what type of employees would be interested in the protection of the Baltic Sea. This method was found to be successful in the case of Lindex and the Pink Ribbon, therefore it could be successful with GBS as well. This is a way to raise interest within an existing company and then making their customers the target market.

6.2 Distribution plan
The primary data analysis suggests that survey respondents would prefer to buy over 1500 kr jewelry from jewelry shops. ‘Jewelry shops’ was a far more popular response than the ‘Brands own store’. Therefore it is to be suggested that GBS selects the market entry mode of exporting and not direct investment. Direct investment is more costly and would require more commitment from GBS than exporting.

The best distribution channel for GBS is a channel with one intermediary, a retailer. There is no need for more intermediaries in the distribution channel for GBS. It is better to have as few intermediaries as possible to avoid costs and to add as much value for the customer as possible. GBS will also have more control over operations when there are fewer intermediaries in the distribution channel. Because Swedish consumers would prefer to buy GBS-like jewelry from jewelry shops, it is necessary to have a retailer as an intermediary.

The primary research analysis also shows that the brand’s own web store is the most popular method of online shopping among survey respondents. Therefore GBS should provide an efficient online store for Swedish consumers. The web store is also referred to in promotion and people go there to find out more about GBS. This is why it should be a precise and sufficient source of information for the consumers as well as a platform for purchasing jewelry.

6.3 Promotion strategy

The primary data analysis suggests that blogs should be used as a method of promotion in Sweden. The survey responses revealed that most respondents read blogs. Blogs were also the second most popular source of inspiration when buying jewelry. As the budget for promotion for GBS was zero, blogs are an excellent choice. The key is to find bloggers that are willing to write about GBS in their blogs for free just for the sake of the cause. GBS could also donate pendants for bloggers in hopes of the jewelry being seen in the blogs. Donation could also be used as a method of payment to motivate the bloggers to promote GBS in their blogs.

Blogs and bloggers are also trend setters. The primary data analysis suggests that people also get inspiration for buying jewelry from current trends. Current trends are defined by celebrities, bloggers and other sources that people use for fashion inspiration. Making charity and charitable jewelry a current trend can be done e.g. by using bloggers to promote the jewelry.

As celebrity fashion is also a source of inspiration for buying jewelry, celebrities could be used the same way as bloggers to create visibility for GBS. Pendants could be donated to celebrities. When celebrities wear the jewelry, they will bring visibility for GBS. This method has also brought GBS visibility in Finland. The pendant was donated e.g. to the president at
the time, Tarja Halonen. Therefore it could be an effective method in Sweden as well. The key is to find celebrities interested in the cause.

Even though magazines are an effective method of promotion according to the primary data analysis, they can not be used because of the budget. Magazine adverts cost too much for GBS, as the budget for promotion was set at zero.

The primary data analysis also suggests that Instagram and Pinterest should be used as promotional methods. This is because they were a source of inspiration when buying jewelry for most survey respondents. Instagram was clearly more popular than Pinterest, but both were significant. GBS should launch an own Instagram profile. This could also be used as a promotion method by bloggers, as most bloggers have their own Instagram profile. Pinterest is also a widely used platform of inspiration seeking. Therefore Pinterest promotion should be done by GBS. It could happen directly by GBS or using an intermediary, such as a blogger, to post photos that feature GBS jewelry.

The secondary data analysis suggests GBS could promote itself in Sweden by yearly campaigns for the protection of the Baltic Sea. This strategy worked with the Pink Ribbon cause and each year it raised more awareness. Everyone would have the possibility to contribute to the cause and be a part of protecting the environment. A campaign could be set up in department stores and jewellery shops as well as sailing and sea related stores. This would raise public awareness and visibility for GBS.

7 Conclusions

This Bachelor’s thesis contains suggestions for a marketing plan for Guardian of the Baltic Sea. The main objective of the thesis was to find the right type of distribution channel and possible retailers as well as effective promotion tools. This was implemented with theoretical background, knowledge base as well as research methods. Concepts of marketing, promotion mix and market entry gave the authors more knowledge on how to proceed during the thesis process.

The research and development methods used in the thesis were online surveys and secondary data analysis. The survey data results were concise as only 31 people living in Sweden answered the survey questions. This reduces the reliability of the research. As there were only 31 respondents to the survey, generalisations for the whole of Sweden’s market could not be made. Suggestions for the marketing plan were made despite this.

Results from the secondary data showed that the cause-related marketing approach was a success. The approach could be used by GBS in the future. All the suggestions for the mar-
marketing plan were based on the results from the surveys and the secondary data that were analysed. Before entering the Swedish market, GBS can use these suggestions for designing a marketing plan.
References

Books


Electronic sources


http://www.guardian.fi/designers/?lang=en

http://www.guardian.fi/?lang=en

http://www.investopedia.com/terms/d/distribution-channel.asp


http://www.kehrainterior.fi/kehra-team/

http://www.kehrainterior.fi/palvelut/

http://www.fsd.uta.fi/menetelmaopetus/ristiintaulukointi/ristiintaulukointi.html

http://www.fsd.uta.fi/menetelmaopetus/paattely/paattely.html

http://www.fsd.uta.fi/menetelmaopetus/kyselylomake/laatiminen.html

http://www.fsd.uta.fi/menetelmaopetus/ristiintaulukointi/khi2.html

http://www.fsd.uta.fi/menetelmaopetus/intro.html

http://www.fsd.uta.fi/menetelmaopetus/paattely/paattely.html

http://blogs.baruch.cuny.edu/com9640epstein/?p=105


http://www.thenonprofittimes.com/management-tips/3-types-of-cause-marketing/

http://ebn.bmj.com/content/2/2/36.full

http://www.quickmba.com/strategy/global/marketentry/

Illustrations

Illustration 1: Guardian of the Baltic Sea pendant .................................................. 8
Figures

Figure 1: Main Media Types (Kotler et al. 2011) ........................................... 16
Figure 2: Channel members (Francis 2010) .............................................. 19
Figure 3: Types of questionnaire (Saunders et al. 2009, 363) ....................... 21
Figure 4: Age of survey respondents ......................................................... 30
Figure 5: Type of jewelry bought by respondents ........................................ 32
Figure 6: Responses to survey question 14 ................................................. 35
Figure 7: Responses to survey question 8 .................................................... 37
Figure 8: Responses to survey question 9 .................................................... 38
Figure 9: Responses to survey question 16 .................................................. 39
Figure 10: Responses to survey question 17 ............................................... 40
Figure 11: Responses to survey question 18 ............................................... 41
Figure 12: Responses to survey question 19 ............................................... 42
Tables

Table 1: An example of contingency table ......................................................... 25
Table 2: Example of contingency table with expected values .......................... 27
Table 3: Yearly income compared to highest education completed of survey respondents 31
Table 4: Respondents who buy charitable/eco logically friendly jewelry .............. 32
Table 5: Responses to question 12 vs. question 13 ........................................... 33
Table 6: Ages and income of potential customers of GBS according to survey questions 12 and 13 ................................................................................................. 34
Table 7: Importance of price and material of jewelry for survey respondents ....... 35
Table 8: Potential customers of GBS according to survey questions 10, 11, 12 and 13 .... 36
Table 9: Responses to survey question 2 vs. question 18 ................................ 41
Appendix 1: Survey

1. What is your gender?
   - Male
   - Female

2. What is your age?
   - 15 to 24
   - 25 to 34
   - 35 to 44
   - 45 to 54
   - 55 to 64
   - Over 65

3. What is your relationship status?
   - Single
   - In a relationship
   - In a relationship (cohabitation)
   - Married
   - Divorced
   - Widowed
   - Other

4. What is your employment status?
   - Student
   - Employed, working part-time
   - Employed, working full-time
   - Unemployed
   - Retired
5. What is the highest level of education you have completed?
   - Comprehensive school
   - High school
   - Vocational school (prägelärd)
   - University Bachelor's degree
   - University Master's degree
   - PhD

6. What is your yearly income in SEK?
   - 0 - 150 000 kr
   - 150 001 - 250 000 kr
   - 250 001 - 350 000 kr
   - 350 001 - 450 000 kr
   - 450 001 - 550 000 kr
   - Over 550 000 kr

7. What kind of jewelry do you buy? You can choose more than one option.
   - Street fashion jewelry (e.g. H&M)
   - Design jewelry
   - Luxury brand jewelry (e.g. Chanel)
   - Charitable / ecologically friendly jewelry
   - Handmade jewelry

8. What kind of retailer do you prefer to buy expensive (over 1 500 kr) jewelry from?
   - Department stores
   - Online stores
   - Boutiques
   - Jewelry shops
   - Brands own store

9. What kind of online stores would you use if buying expensive (over 1 500 kr) jewelry online?
   - Ashley
   - Nelly.com
   - Shopbop
   - Not a factor
   - Straight from the brand's online shop
   - Other

10. How important is the price when making your buying decision of jewelry?
    - Extremely important
    - Quite important
    - Neutral
    - Not important
11. How important is the material of the product when making your buying decision?
- Extremely important
- Quite important
- Not important
- Neutral

12. The Baltic Sea has been in great danger during the past years. As living in Scandinavia, would you consider buying jewellery made from recycled silver that contributes to its protection?
- Yes
- No
- Maybe

13. Are you willing to pay more for jewellery that contributes to protecting the Baltic Sea?
- Yes
- No
- Maybe

14. In your opinion, what aged people would be interested in buying high-end ecologically produced jewellery that contributes to protecting the Baltic Sea?
- 15-25
- 26-35
- 36-45
- 46-55
- Over 50

15. Have you ever bought jewellery that contributes to a good cause?
- Yes
- No
16. Where do you mostly get the inspiration when buying jewelry?
   - Celebrity fashion
   - Current trends
   - Magazines
   - TV
   - Blogs
   - Friends
   - A good cause/charity
   - Other

17. How often do you read interior- or fashion magazines?
   - Daily
   - Weekly
   - Monthly
   - Yearly
   - Never

18. How often do you read fashion- or interior related blogs?
   - Daily
   - Weekly
   - Monthly
   - Yearly
   - Never

19. Do you get inspiration for your buying decision of jewelry from any of the following (please tick):
   - Facebook ads
   - Instagram
   - Pinterest
   - None of these