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CUSTOMER RELATIONSHIPS AND MARKETING FOR A PET CLOTHING PRODUCER

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**Abstract**

The objective of this thesis was to understand different aspects of customer-driven marketing and apply the theory to the research findings that were related to relationships between the commissioning party's German retailers and German distributor, and what the retailers think about one of the commissioning party's brands.

The commissioning party was Best Friend Group Oy which produces and sells pet products and food in the Nordic countries. However, this thesis was made for one of its brands, Hurtta, which focuses on producing and selling clothing and accessories for dogs. The focus of the thesis was on the German market since the objectives of the thesis were to find out and analyze what was the relationship between Hurtta's distributor in Germany and the retailers in Germany, and how the retailers felt about Hurtta as a brand.

The theoretical background of the thesis covered the basics of the customer-driven marketing which included themes about customer relationships; understanding the needs of the customer, how to build the customer relationships, how to create customer value, and lastly what is partnering and what does that involve. Moreover, the second theoretical part included aspects about customer-driven marketing mix; products, brand, marketing channels, and integrated marketing channels.

Both quantitative and qualitative research methods were used in this thesis. As the quantitative research method, a survey was used. The survey was conducted electronically with Webropol among the retailers. The qualitative method was an email interview which was held with three retailers that were chosen based on the survey results.

The results showed that the operations in Germany would need improvement in order to maintain or improve the customer relationships and marketing in Germany. However, it is a long and complex process which requires a deep understanding of the situation and possible consequences.

**Keywords**

Customer relationships, B2B, distribution, brand image, customer satisfaction
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1 INTRODUCTION

The topic of the thesis is related to customer relationships and marketing, and therefore this thesis aims to describe what customer-driven marketing mix is because it is an important strategy in today's competitive world. The basic concept of marketing comprises of attracting valuable customers whereas customer-driven marketing aims to engage the customers and create value for them through several steps to get in turn value for the company itself. An emphasis is on satisfying the customer needs better than competitors so therefore it is crucial to understand the customer needs and behaviour thoroughly, and based on those aspects create market offerings for the customers. If a company is able to create value for customers, it will get value for itself but also reach better profits. (Kotler & Armstrong 2016, 30-31; Fahy & Jobber 2015, 4-6.)

The commissioning party in the thesis is Best Friend Group Oy which is a Finnish company producing and importing pet products and food in the Nordic countries. However, this thesis will focus on one of its brands called Hurtta which concentrates on producing and selling outdoor clothing and accessories for active dogs. The wide product range consists of rainwear, warm clothing, training products, leashes, harnesses and collars. The Hurtta products are exported to 28 different countries all over the world. In order to get the products to international markets it is essential to have good relationships with distributors. Moreover, the relationships between the distributors and retailers are important in order to keeping up a positive brand image.

The thesis is focused on Hurtta’s German markets and the relationship between the distributor and retailers in Germany. The first objective in the thesis is to find out what is the current situation between Hurtta’s German distributor and the retailers in Germany. The second objective is to research the retailer’s opinions about Hurtta as a brand. For getting a base for an upcoming examination some theoretical aspects need to be first covered. First the basics of customer relationships will be examined; understanding the customer needs, how to build business-to-business customer relationships, and how to create value through
the relationships. Moreover, the first theoretical part covers partnering and especially supplier-distributor relations to get an image of what it comprises.

The other theoretical part focuses on the customer-driven marketing mix which enables to understand about products, brand, marketing channels and integrated marketing communications in detail. These all are commonly known aspects of the marketing mix which in turn increases the level of value. It should also help to give aspects about what is needed to have proper relationships.

For researching the objectives, two research questions need to be answered which are:

*RQ1: What kind of relationship is there between Hurtta’s German distributor and the retailers?*

*RQ2: What the retailers think about Hurtta as a brand?*

The reason for limiting the topic to the German markets resulted from the commissioning party's suggestion on account of willingness to improve the relationship with the distributor. When considering the fact that Germany is a big country with millions of inhabitants, it is a great opportunity for Hurtta’s sales. Therefore, it would be important to have functional selling and marketing channels. For getting answers for the research questions Hurtta’s market situation in the German market will be examined by conducting a survey among Hurtta’s retailers in Germany. The survey should clarify the market situation and give an idea of how the distributor is doing his work in Germany. Moreover, it should also define Hurtta’s overall brand image in Germany for getting the idea if something needs to be changed. After analysing the survey results, the aim is to interview 3 to 5 main retailers to get even deeper information about the distributor and the overall situation. After the market situation is researched, the next concern is to find solutions for how to improve the relationship between Hurtta and the distributor, and if the brand image needs to be improved.
2 CUSTOMER RELATIONSHIPS

“No company can succeed without customers. If you don’t have customers, you don’t have a business. You have a hobby”, state Peppers and Rogers (2016). The citation imparts the role of customers in the business. In other words, companies are not able to survive without customers due to the fact that they are the source of a revenue. Therefore, customers and customer relationships are the most valuable assets for companies. (Peppers et al. 2016, 3.)

For making the relationships work properly it is first essential to understand the customer needs, then how to build decent relationships, and finally how the customer value can be created. All these aspects are explained in the next sub chapters. Moreover, partnering is defined for giving the base for upcoming chapters.

2.1 Understanding customer needs

Organizational purchases constitute on consumer demand meaning of how much the end-buyers are buying the products so therefore companies who are able to meet customer needs will create more value to the company but also show the commitment to the market. Therefore, understanding the customer needs is the corner stone of every company. In this thesis, the customer for Hurtta is the distributor in Germany whereas for the distributor the customers are the retailers. Since the research questions are related to the customer relationships, both aspects about the relationships between Hurtta and the distributor, and the distributor and the retailers need to be covered. Hence, this chapter describes the customer needs between a supplier and the distributor but also between the distributor and the retailers (Manning et al. 2014, 257-258; Fahy & Jobber 2015, 78).

Understanding the customer needs starts with segmentation, meaning categorizing the already existing customers and potential customers to the segments based on the company’s business goals. The segmentation helps the company to forecast the customers’ needs and preferences, and therefore the
company can make sure that the resources are focused in a proper way. The customer segments can be divided in multiple different ways such as: strategic customers who are always chosen before anyone else, key customers who are worth to keep as customers and their expectations should be met, regular customers who keep the cash flow ongoing, and lastly the customers who are affecting negatively on the company’s future. With the last segment, the company should think whether the customer should be excluded so that the resources can be focused in a better way. This segmentation strategy applies for both relationship types, meaning that Hurtta can make segmentations about the distributors whereas the distributor can make segmentations about the retailers (Kurvinen & Seppä 2016).

For being able to know a customer thoroughly, a company should understand that every customer is a real person with personalities. Therefore, the customer needs are shaped by different influences which can be categorized for four different groups; environmental, organizational, interpersonal, and individual influences. The environmental influences consist for example of culture, supply conditions, political aspects and competitive environment. The organizational influences cover all the objectives, procedures and systems within the business. In turn, the interpersonal influences are more related to personal aspects such as authority, status and empathy. Lastly, the individual influences comprehend of the person’s age, income, education or personality (Kotler & Armstrong 2016, 204).

In business-to-business relations and sales, the major influence is economic, which means that the supplier or company with the lowest prices or the best products beats the competitors especially when the economic situation is difficult. However, some environmental and organizational influences can affect the needs and buying decisions. The environmental influences are for example cost of money, delivery reliability, and product’s safety and the organizational influences are company’s strategies, structure and systems. A company can have an influence on some of these factors such as delivery, products, company structure and strategies and, systems. Therefore, for making sure that the customer can be served properly, the company should take into account the organizational
influences and make suitable offerings for each customer segment (Kotler & Armstrong 2016, 204).

As already said, the business-to-business transactions are comprised of individuals that make the decisions. Thus, there are also some interpersonal and individual factors influencing which are shaped by personal characteristics. According to Kotler and Armstrong (2016) as well as Jobber and Lancaster (2012), the influential interpersonal factors can be for instance age, income, professional identification, attitudes towards risk, and convenience. The psychological influences are important especially when there are similar products offered from different suppliers. Then the choices are made based on the supplier’s capability to convince the buyer by proposing the most suitable product offering (Kotler & Armstrong 2016, 203-204; Jobber & Lancaster 2012, 108).

Usually in the organizational buying situations, the need for buying occurs as a result if all the items are sold out or the product is broken and therefore new products need to be bought. For that reason, the organizational buying is always premeditated, which means that marketed products need to be well targeted (Bergström & Leppänen 2016, 111-113). As in the case of Hurtta, the distributor as well as the retailers make analyses of the market in Germany and estimate which products would be good in the German market, and based on that, the products are offered. For getting the customer buy over and over again requires mutual connections and strong relationships between all the intermediaries.

2.2 Building customer relationships

All business relationships start with seeking up information about prospective customers. For example buyers will search information about different suppliers and rank them based on different features. The most negotiated issue in the business relationships is price. Therefore, if the supplier is able to convince the buyer whose products’ life-cycle costs are lower than the competitors’ products’ or in turn is able to offer superior value by customized products or services, the buyer might want to start the relationship (Kotler & Keller 2016, 110).
For building and maintaining strong and profitable customer relationships, loyalty and satisfaction should be implemented. Companies need to be able to meet the customers’ expectations to make them satisfied, otherwise the customers will be dissatisfied, which might have a negative effect on the company’s brand image. Kotler and Armstrong (2016) state that as a result of a high level of customer satisfaction, customers will become more loyal and companies performance will improve (Kotler & Armstrong 2016, 38). The same aspect has been expressed by Raab et al. (2010) by stating that when a company can get satisfied customers rather than unsatisfied customers, the chance of long-lasting customer relationship is 300 percent higher. Moreover, he states that the satisfaction is directly proportional to rebuys which is required for having a successful business.

In this thesis, the relationships have been investigated due to the fact that Germany is a big country with a lot of business possibilities so in the case of Hurtta, it is important to think what could be done differently in order to improve activities.

Satisfaction can be reached for example by mutual communication which increases the level of trustworthiness, empathy but also adaptability. Moreover, being able to monitor one’s own and others’ feelings, motivate others, and manage emotions helps to build the relationships. In other words, this set of activities is called emotional intelligence (Manning et al. 2014, 81). The same finding is verified by Serrat (2017) who states that the emotional intelligence “moderates conflicts, promotes understanding and relationships and fosters stability, continuity and harmony”. Therefore, can be said that the emotional intelligence acts in a significant role when aiming to build successful relationships.

One way of managing the business-to-business relationship is the concept of vertical coordination, meaning functional and unified relationship between all the channel members such as producer, wholesaler and retailers who all work together in a unified way. According to Kotler and Armstrong (2016, 381), in the vertical marketing system one channel member owns the others, has contracts with them or wields so much power that they must all cooperate. Figure 1
illustrates the difference between the already mentioned vertical marketing system and the conventional marketing system.

![Comparison of Conventional and Vertical Marketing Systems](image)

Figure 1. Comparison of Conventional and Vertical Marketing System (Kotler & Keller 2016, 381).

The conventional marketing system consists of the same channel members as the vertical marketing system but the difference is that in the conventional marketing system all the members work separately and focus on maximizing their own profits. Therefore, companies should strive for the vertical coordination. It requires mutual trust since there are many forces influencing the business relationships such as an availability of alternatives, importance of supply, complexity of supply, and supply market dynamism but in turn both parties get more value. However, if the company is big and operating internationally, it might be difficult to implement the vertical marketing system, because the company has a wide range of intermediaries to work with (Kotler & Armstrong 2016, 381-382; Kotler & Keller 2016, 110-111). Therefore, according to the author of this thesis, the vertical marketing system might be challenging for Hurtta since it has over 100 retailers in Germany. Nevertheless, if some problems arise in the conventional system and the vertical system is too complex to handle, in the author's opinion some other systems should be taken into consideration in order to improve the activities in the German market and to make sure that the customers stay satisfied.
However, as in every relationship, there are also some risks in the business relationships. In the business world all incidents cannot be predicted, which requires flexibility from the companies. Therefore, incidents might have an effect on specific investments which means all the agreed investments between parties such as operating procedures, systems or equipment. All the specific investments help companies to increase profits and keep their place in the market so both parties should be flexible in the case of some incident. If the other party is not able to perform as required or is violating the contractual obligations intentionally, the relationship will suffer or in the worst case eventually end (Kotler & Keller 2016, 110-111).

2.3 Creating customer value

Kotler and Keller (2016) define “value” from marketing point of view as a combination of quality, service and price. In other words, it is a sum of tangible and intangible benefits and costs. Manning et al. (2014) also express that value can be created with feature-benefit strategy, meaning translating product features into benefits that meet a specific need expressed by a customer. Especially focusing on specific benefits that meet the stated needs enables the successful value creation. Therefore companies should work hard to find out what are the benefits that meet the customer needs (Kotler & Keller 2016, 30-31; Manning et al. 2014, 157-158). By offering a unique combination of products and services for every distributor, Hurtta can make sure that the retailers but also the end-buyers will stay loyal and satisfied. It requires profound knowledge of the customer and his or her situation so that the needs can be fulfilled in a superior way. The same issue concerns the relationship between the distributor and the retailers. The distributor needs to find out the best offerings for every retailer, which requires that he knows the retailers and can communicate with them.

Moreover, companies can also use a value chain for identifying ways to create more value. It consists of nine activities which all are strategically relevant. The value chain model is divided into two groups: primary activities and support activities. Figure 2 illustrates these two groups of activities.
The primary activities consist of inbound logistics which means bringing materials into the business, operations mean converting materials into final products, and outbound logistics mean shipping out the final products. Moreover, it comprises of marketing which includes also sales and lastly it includes a service. In turn, the support activities consist of procurement, technology development, human resource management, and a firm’s infrastructure which includes general management, planning, finance, accounting and legal affairs. Companies need to analyze the costs and performance of each activity, benchmark against competitors, and find out ways for improvements in order to creating the customer value (Kotler & Keller 2016, 43).

When thinking about Hurtta, the first primary activity which might have an effect on the distribution in Germany is outbound logistics. For instance, if Hurtta is not able to ship the products on time, the sales in Germany might suffer and the customers, both the distributor and the retailers might not be satisfied. Additionally, if marketing is not targeted effectively to the distributor or the service is lacking, them might effect on the operations in Germany. Therefore, the support activities are having an important role because for instance decisions about human resources or firm’s infrastructure have an effect on the primary activities; what kind of person is responsible for sales or marketing, how much money is used for distribution, which technological devices or platforms are used in order to keep track of the operations in Germany and so on.

To sum up, all the company’s characteristics, actions, elements and components have an effect on the value creation. The following chapters show that every action, channel member, and behavior add value on the company but also on the
customers and the products. Accordingly, companies should make sure that all areas are working properly.

2.4 Partnering

The products can be entered into markets in several different ways by using distribution channels, which consist of different intermediaries such as distributors, wholesalers or retailers. Smaller firms usually sell directly to the retailers whereas larger firms sell to the distributor and they resell the products to retailers. However, companies can develop their own distribution channels, which means not necessarily all the intermediaries take part in the process. In order to have a successful distribution channel, companies need to interact together but also gain trust towards others to reach the set goals (Kotler & Armstrong 2016, 380).

According to Chicksand (2015) who has made a study about partnerships between suppliers and buyers, the partnership is “an on-going collaborative relationship between two legally separate organizations, based upon a commitment to the equal sharing of the costs, risks and rewards derived from working together”. He points out that all the business-to-business relationships are shaped by a power dynamics. By that he means “the ability of one actor to affect the behavior of another actor in a manner contrary to the second actor's interest” (Lukes 1974). Practically, the power can mean a resource dependency or asymmetrical interdependence. Therefore, it is essential to understand that the power dynamics can affect the relationship and different aspects of it such as trust, conflict levels, collaboration, commitment and satisfaction. Thus, there should be equal power resources or interdependence between the parties, as the study shows. However, if there is not a possibility to have a balanced power relationship, Chicksand (2015) states that “the weaker party must accept the terms of the more powerful party in return for a long-term commitment”. All in all, he states that partnering is beneficial for both parties in many ways such as having lower transaction costs, improved management of complex purchases, improved business stability, and increased organizational legitimacy.
The same aspect has been stated by Manning et al. (2014, 105) that both parties need to know and understand what they are doing together in order to get a long-term relationship. There are several aspects that need to be clarified such as price policies, conditions of sale, territory rights, and other conditions. Along with the mutual understanding, qualified products and services are needed if the aim is to achieve repeating sales. The supplier needs to be able to add value on the products in different ways such as delivering on time, invoicing accurately or having social contacts. If these aspects cannot be fulfilled, some concerns might arise, which in turn might affect the quality of the relationship (Manning et al. 2014; Kotler & Armstrong 2016, 388).

Speaking about motivation, channel intermediaries should be motivated so that they will perform in an adequate way. First of all, motivation starts with understanding the needs and problems of the intermediary in order to offer suitable guidance and support. According to Fahy and Jobber (2015, 233) the motivation can be done by offering financial rewards, territorial exclusivity, providing resource support such as sales training, advertising and promotion support or management training, and finally developing strong work relationships by assurance of long-term commitment, appreciation of effort and arranging conferences with the intermediary (Fahy & Jobber 2015, 233).

Finally, one important part of successful partnering is evaluating the intermediaries. The evaluation should include for instance sales quotas, average inventory levels, customer delivery time, treatment of damaged or lost goods, and finally cooperation in company promotion and training programs. If there arises problems as a result of the intermediary’s lack of motivation, the reasons for that should be investigated. If the intermediary is not able to perform as required, the company should help the intermediary or in the worst case replace the intermediary. One way of managing a conflict is to build that strong relationship with the intermediary that the mutual connection and understanding is axiomatic. In addition, if the problem is a consequence from poor performance, the company should find out the ways for improving the performance for a desired level (Kotler & Armstrong 2016, 392; Fahy & Jobber 2015, 233-235).
When thinking about Hurtta, if some problems would appear between Hurtta and the distributor, some evaluation about the situation should be done in order to find out the reasons for the problems. First, the internal elements should be evaluated such as were the products delivered on time, were the products qualified or were the invoices correct. If all these elements are working properly, some external evaluation should be done. If the evaluation shows that the reason for the problems are external, some changes and improvements should be made by Hurtta.

3 CUSTOMER-DRIVEN MARKETING MIX

In today’s highly competitive business environment, companies need to focus on serving the right customers to create more and better customer value than competitors do. With the help of the customer-driven marketing mix, companies can create value and build relationships with the right customers (Kotler & Armstrong 2016, 220-222). In the thesis the distributor is considered as a customer since the thesis describes the relationship between the commissioning party and its distributor in Germany who is the customer for the commissioning party. However, also the relationship between the distributor and the retailers is covered since the retailers are customers for the distributor.

The marketing mix requires tactical tools so that it can be implemented. The following chapters discuss the tools that are used for building lasting relationships and creating value; product, brand, marketing channels, and integrated marketing communications. The sub chapter about marketing channels focuses on an international aspect and especially retailing. Moreover, the chapter about integrated marketing communications focuses on sales promotions and personal selling. There was made a limitation regarding pricing which is usually part of the marketing mix. The limitation was made due to the fact that the commissioning party did not require to research that topic for this thesis.
3.1 Products

In the marketing mix products are the key competitive tools because with the help of them customer needs can be satisfied. In order to satisfy the needs properly, products should consist of more than just the product itself; services, experiences, events, persons, places, properties, organizations, information, and ideas which all add value on the final product. Especially nowadays when companies are more customer centric, even products are designed and shaped based on customers' individual needs to create more value (Bergström & Leppänen 2016, 146-147; Kotler & Keller 2016, 163).

For meeting the customer needs and expectations companies need to create an offering which is the combination of the tangible product but also the features around the core product such as quality, design, packaging, payment conditions and warranties. When designing the offering, companies need to follow a product policy, which means all the terms and principles concerning the decisions of the product, assortment and selection. Especially in the retail trade, decisions about an assortment and selection are having a big role due to the fact that the goal is to create an offering which differentiates between the competitors (Bergström & Leppänen 2016, 151-152). Therefore, Hurtta should create a unique offering for every distributor based on their needs in order to maintain a good relationship but also to create value for both parties.

Moreover, being able to innovate new products over time, companies make sure that changing customer needs are satisfied, and increased domestic and foreign competition can be rivalled. The changes for new products can be made for using new technologies, different raw materials or modifying the current selection. However, the changes should be continuing and systematic to keep the business alive. For generating new products, companies need to have knowledge about current but also upcoming trends and market situation. Nowadays especially sustainability, ethicality and safety are important trends that need to be taken care of when aiming to produce new products due to the level of the value they add (Kotler & Keller 2016, 171; Bergström & Leppänen 2016, 153-156, 158). In the case of Hurtta, it has taken sustainability into account. It has invented a new
jacket which is made of recycled plastic bottles. When taking ethicality into account in today’s world, a company can attract that kind of end-buyers who are interested in green living and world’s situation, and therefore a company is able to add value even more on the brand.

However, even though the products are the key for satisfying the customer needs and wants by providing benefits and value, it requires the whole brand around the products and the company to distinguish from the competitors. Brands have the power of make their products commonly known by the brand name rather than the product name. Therefore, for differentiating between the other brands, companies should strive for building a strong brand (Fahy & Jobber 2015, 147, 150).

### 3.2 Brand

The first thing that comes in people mind when talking about a brand is that it composes of a name, logo and trademark. However, besides on the above mentioned aspects, Slade-Brooking (2016) states that a brand composes of many other aspects such as a set of unique values that guide the brand’s behavior in the market, a promise of satisfaction by offering consistently qualified products, and lastly an emotional connection with the end-buyers to make sure that they are always the first and only choice. There are also some associations related to the brands concerning the shape, performance, price, personality and symbolism. Therefore, all the elements related to the brand should be memorable and meaningful so that consumers, in this case end-buyers, can build a relationship with the brand (Slade-Brooking 2016, 12; De Pelsmacker et al. 2018, 43).

It is difficult to build a strong brand, and therefore it requires a lot of work and time to achieve the place in the market and distinguish between the competitors. For building a strong brand position, companies should analyze six elements which are affecting the strong brand’s position in the market.
Figure 3. The anatomy of brand positioning (Fahy & Jobber 2015, 156).

Figure 3 shows the elements of the brand positioning strategy which are stated by Fahy and Jobber (2015, 155-156). Below are brief explanations of each of the elements:

1. Brand domain: where it competes in the marketplace
2. Brand heritage: the background to the brand and its culture
3. Brand values: the core values and characteristics of the brand
4. Brand assets: what makes the brand distinctive from other competing brands
5. Brand personality: the character of the brand described in terms of other entities
6. Brand reflection: how the customer perceives himself as a result of buying/using the brand

What comes to Hurtta as a brand, it already has a strong and wide marketplace even it started as a small company from a small city. Therefore, Hurtta might be seen as a successful brand among the end-buyers. Moreover, Hurtta’s products are qualified and functional because of qualified and safe materials, which allows Hurtta to differentiate from the competitors. However, the competition is hard so Hurtta needs to make sure to differentiate also in the future in order to maintain a successful upturn. Because of all these reasons, can be said that Hurtta has positioned its brand effectively.
Besides the fact that a successful brand should be differentiated, it should be positioned on quality and added value. Qualified products are the base for the strong brand but it often requires qualified additional services such as helpdesk offering superior service or being able to react and find solutions for complaints. All the employees in the company should fully understand the brand’s values and aims, and work towards the brand’s goals. Besides the employees within a company, also distributors and dealers can be trained and encouraged in order to serve their customers well and keep up a positive brand image (De Pelsmacker et al. 2018, 47; Kotler & Armstrong 2016, 283-284).

A strong brand is beneficial not only for the brand itself but also for intermediaries and end-buyers. For the intermediaries a strong brand can provide loyal customers who are willing to buy the brand’s products over and over again, which in turn increases the company’s profits but also adds value. Especially retailers can benefit from the strong brands because they improve the image of the store and therefore attract the end-buyers. Accordingly, the brand’s marketing support such as advertising, sales promotion and in-store communications are beneficial for the retailer since them increase the level of attracted end-buyers (Fahy & Jobber 2015, 150; De Pelsmacker et al. 2018, 64). For instance in the case of Hurtta, according to Hurtta’s Export Manager (2018b) Hurtta has a manual for the distributor related to branding and marketing. It includes a lot of pictures, guidance about visuality, advertisements and banner layouts, point-of-sale materials such as displays and so on. With the help of these materials, the German distributor makes his decisions related to the marketing in Germany. (Miettinen 2018b.)

Brands provide benefits also for end-buyers. It helps the end-buyers to make buying decisions more easily because they have the image of certain level of product quality and characteristics. These features also reduce the risk in purchasing such as financial, functional and social risks. The financial risk indicates that the product is not worth of the paid price, the functional risk indicates that the product is not performing as expected, and lastly social risk
means that the product causes social embarrassment (Fahy & Jobber 2015, 152).

From the brand’s point of view, benefits are even higher. A good product performance and quality enable to charge a premium price but also help the company against the future price competition. Therefore, in the case of Hurtta, the prices are higher compared to its competitors because the products are made of qualified materials and the product range is wide. When the brand image is already strong, and the retailers and the end-buyers already have an association of what kind of products the brand offers, it is easier to bring new products to the market. Finally, a brand loyalty reduces the marketing costs because it is cheaper to retain an existing customer rather than win over a new one. Furthermore, the company will get support from the distribution channel, which in turn makes the company less vulnerable for the competition. However, the most important benefit is a stable profit the company gets as a result of the strong brand (De Pelsmacker et al. 2018, 64-65).

3.3 Marketing channels

Functional marketing channels, in other words distribution channels, affect the customer value but can also create a competitive advantage for the company. The basics of the marketing channels are explained in the chapter 2.4 but this chapter explains marketing channels from a different perspective. For clarifying the aim of the marketing channels, companies use it for creating a recognizable brand image, give information about the products, prices, from where the products can be found but also for maintaining the customer relationships. Products are marketed with the help of channel members such as a distributor and retailers (Kotler & Armstrong 2016, 376; Bergström & Leppänen 2016, 259).

Building a long-lasting marketing channel is difficult, especially if the aim is to sell internationally because every country has its own distribution systems and norms. Accordingly, a company needs to adapt a country’s conditions when planning a marketing strategy. That is why companies need to choose the intermediaries carefully by evaluating the intermediaries’ location, growth and
profit record, cooperativeness and also reputation. Once the decision is made about the channel members, the company needs to motivate, train and evaluate them (Kotler & Armstrong 2016, 388, 607).

According to Bergström and Leppänen (2015, 260) there are two communications strategies that companies can use for implementing the communication, of which the first one is a push strategy, meaning “pushing” the products and advertisements through a distribution channel members to final consumers using personal selling and trade promotion. In other words, an aim in the push strategy is that the distributors and retailers try to advertise the products for the final users. In this strategy, a company can offer product training in order to make sure that the products will be advertised correctly. Moreover, it requires trade support to make sure that the products will get a desired shelf space. The other strategy is the pull strategy, which in turn means targeting the marketing communications straight to the final consumers, and therefore start to acquire the product. However, the pull strategy is an expensive strategy to implement, especially if the target group is wide because it consists of an advertisements, consumer promotions, and direct and digital media. When launching the new products, both of these strategies can be used so that both, the distribution channel and the final consumers get information about the products (Bergström & Leppänen 2016, 260-261; Fahy & Jobber 2015, 228; Kotler & Armstrong 2016, 463).

Marketing communications are different for a different target groups or products that are on sale. In a business-to-business marketing is used targeted direct marketing and personal selling which are explained more detailed in a chapter 3.4. In order to make sure that the marketing communications are effective, a company needs to express that products and all of the features are qualified and worth to buy. That requires that a seller is professional and really stands for the products and is able to create customized offerings for all the customers. In addition, an effective marketing requires that the customer can be convinced about a reliability of delivery times and quality of the delivery, in order to make him buy. Finally, it is desirable to give information about warranties and possible
return conditions in case of any problems appear, so that the customer is fully convinced about the fact that a company is trustworthy and worth to have a relationship with (Bergström & Leppänen 2016, 115).

As for retailing, the marketing communications should pay regard to the fact that especially in specialist retailers, the shop space is restricted and the sold items are focusing on quality products. In addition, the specialist retailers are vulnerable for changing tastes and increasing competition, which in turn affect the type of the marketing communications. Besides the traditional marketing, the end-buyers seek information from the company’s website and might do the buying decision based on that. Hence, the company’s own webpage but also retailer’s webpages should be clear, informative but also attractive to make sure that the end-buyer really buys the product either from the retailer or from the online store if the company has one (Fahy & Jobber 2015, 236; Kotler & Armstrong 2016, 411).

3.4 Integrated marketing communications

Integrated marketing communications is the process of using multiple different communication programs with the customers to build a stronger brand image, to be more effective, to impact more or differentiate from the competitors. The techniques used in the integrated marketing communications are also known as “promotional mix” which includes advertising, sales promotion, publicity, sponsorship, direct marketing, digital marketing and personal selling. When these techniques are used consistently, a company ensures a positioned marketplace. This chapter will focus only on the sales promotion and personal selling because they are having an important role when talking about the supplier-distributor relationship or the distributor-retailers relationship (De Pelsmacker et al. 2018, 6, 26; Fahy & Jobber 2015, 252).

A sales promotion is mainly used in a short run for improving sales and distribution channel power, but it can also be used for a brand activation. It is efficient especially nowadays when the number of offered products is increasing all the time and companies need to promote themselves to get customers’ attention. A type of the promotion is determined based on a target group whether
it is a distributor, retailers or end-buyers. When the aim of a producing company is to convince a distributor to take the company’s products on sale, give them a shelf space they require, and assist the distributor to promote it, the company should use trade promotions. It gains support towards the distributor and retailers and helps to get new products to market. There are couple ways of managing the trade promotion such as an off-invoice allowances, meaning price reductions to the trade for a certain time period, other allowances, competitions, or free goods (De Pelsmacker et al. 2018, 360; Fahy & Jobber 2015, 264). According to Hurtta’s Export Manager (2018b), Hurtta uses a graduated volume discounts, campaign suggestions, and offers marketing support for the distributor in Germany in order to motivate activities in Germany. (Miettinen 2018b.)

There are many effective results regarding on the sales promotion which can be seen from Figure 4.

Figure 4. Effective results of sales promotion (De Pelsmacker et al. 2018, 376).

As Figure 4 shows, there are many positive results when implementing a sales promotion technique, such as improvement in profitability and brand image, increase in brand sales, product category sales and market share, and repeat
buying. However, the sales promotion is effective especially for the products that can be held easily in stock or the products that are bought by large number of end-buyers. All in all, the sales promotion is meant for a shorter time periods for ensuring the effectiveness (De Pelsmacker et al. 2018, 376-377).

What comes for personal selling, it is a process of creating relationships by discovering customers’ needs, and matching these needs with appropriate product offerings. Usually, personal selling is related to only selling but it includes more than that, for example prospecting, providing service, handling complaints, relationship management and self-management. In order to be able to keep track on a made sales, companies have customer records for having information about the buyer, tracking the sales, contracts, payments, and other issues related to the made purchases. It helps a company to plan the sales, manage customer relationships and implement marketing communications (Manning et al. 2014, 37, Fahy & Jobber 2015, 294; Bergström & Leppänen 2016, 329).

With the long-term customers, it is crucial to keep relationships functional, so therefore it requires that all complaints and problems can be handled quickly and in a satisfying way. The same thing applies with end-buyers. The easiest way how the end-buyers can contact the company is a social media. If a company has social media channels, it needs to follow comments and posts in order to deal with the possible complaints or other comments. That also maintains a positive brand image and shows that a company really cares of its end-buyers. Besides on taking care of the complaints, the company need to manage other follow-up procedures such as taking care of deliveries, quality inquiries, informing about upcoming releases, and develop the relationship (Bergström & Leppänen 2016, 339-340).

In the case of Hurtta, an export department takes care of a relationship with the distributor in Germany. Therefore, the export department needs to know the distributor in person, and communicate with him in order to make sure that products will find their ways to end-buyers. However, even Hurtta is principally in charge of Hurtta’s performance in Germany, also the distributor has an influence
on results. For that reason, working for functional relationships applies on both, Hurtta-distributor, and the distributor-retailers relationship, because when all the intermediaries are working together, effective results can be achieved.

4 THE COMMISSIONING PARTY

Best Friend Group Oy is a company that produces and imports pet products. It is operating in the Nordic countries but the head office is located in Kuopio, Finland. However, it has expanded its business abroad for example to North America and Hong Kong where its subsidiaries are located. Moreover, it is exporting its products to 28 countries (Best Friend Group 2018).

Best Friend Group wants to ensure that pet owners’ lives become easier by providing premium quality products that are easy to identify. Accordingly, the company offers a wide range of safe and high-quality products for different target groups and usages. The main brands Best Friend Group has are Best Friend, Hurtta and Racinel. Along with these brands, it has also other international brands such as Flexi, AlmoNature and Pet Safe (Best Friend Group 2018). However, this thesis focuses only on one brand, Hurtta which is introduced below.

Hurtta

Hurtta is a dog clothing brand which focuses on developing, marketing and selling functional and protective dog clothing for active dogs. The products are designed for training and outdoor activities in changing climate conditions. Hurtta has over two decades of experience in a professional product development which ensures an innovative product range (Miettinen 2018a).

Products

The product range consists of 600-800 well designed, specialized, top quality items of which 100-200 items are annually renewed according to Hurtta’s Export Manager Marjut Miettinen (2018a). By having the possibility to correspond to the
latest outdoor trends, Hurtta updates the products by seasonal colors and technical elements. The inclusive product range with different product groups, sizes and colors enables clothing for most of the dog breeds (Miettinen 2018a).

Hurtta has divided the products into five groups as follows: Outdoor clothing, outing and high visibility accessories, gear for exercising and hobbies, protective and hygienic products, and lastly training equipment. Due to the changeable product concept, it is easy to sell the products for different sizes of shops. However, 85% of overall sales comes from clothing, harnesses and collars (Miettinen 2018a).

**Pet products in Germany**

Over the past 10 years, cats and dogs have got a higher status among German consumers. For example in 2014 there were 6.8 million dogs and 11.8 million cats when in 2017 there were 7.9 million dogs and 12.9 million cats. Due to the great amount of pets, the pet products are in demand in Germany. Particularly special walking and running gear for dogs are in demand due to people’s interest towards wellness and fitness (Euromonitor International 2017a; Euromonitor International 2017b).

What comes to selling pet products, pet specialist retailers are valued more than grocery stores in the pet trade market. The special trade is valued as 70% whereas the grocery is valued as 20%. The rest 10% comes from online sales. While Germans prefer buying from the pet specialist retailers, they also prefer domestic companies rather than foreign. Therefore the top five leading companies of pet products are German (Euromonitor International 2017b; Miettinen 2018a).

However, according to the annual report from the Hurtta’s distributor (2017) the retailers’ conditions decreased in 2017 due to the consumers’ low income and negative economic prospects. Nevertheless, when comparing these aspects with the findings from Federal Statistical Office of Germany (Destatis), Statista and
GfK (The Society for Consumer Research), it can be seen that the finding differs from the report. According to GfK (2017), German consumers as well as companies and economic experts are expecting an economic growth since for example consumption and increased investments have affected the GDP positively. At the same time, an income level has increased and an unemployment rate decreased. Average gross monthly earnings grew from €3,703 (2016) to €3,771 (2017). The unemployment rate decreased from 4.12% (2016) to 3.74% (2017) (GfK 2017; Destatis; Statista 2018). Therefore, there might arise a question about the sources of the distributor’s report findings and why they differ from the other findings.

**Hurtta in Germany**

Hurtta has a good brand image and fairly strong position in the pet product field, having over 400 retailers all over Germany. In addition, several new chains are interested to take Hurtta products into their selection. The reason for such a good success is that the concept comprehends of combinable product groups so the concept is “easy to sell and scale into different sizes of shops” (Miettinen 2018a).

On the other hand, the competition in Germany is high due to the amount of competitors and the similarity in the product ranges. The main competitors for Hurtta are Trixie, Karlie, HUNTER and Wolters who all are producing similar products than Hurtta. However, Hurtta is the leader in the clothing segment. One reason for the leadership in the clothing segment is Germans’ preference to buy dog clothing rather than collars or harnesses (Miettinen 2018a).

Nevertheless, producing high quality products usually leads to higher prices. Compared to the main pet clothing brands in Germany, Hurtta is one of the brands who has the highest prices. It might cause problems for the specialist retailers because if consumers are not willing to pay much for the products, the retailers’ trading suffers (Miettinen 2018a).
5  RESEARCH METHODS AND DATA COLLECTION

The following chapters discuss research methods in general; explain briefly the difference between quantitative and qualitative research methods, how they can be used, and moreover how they are used in this thesis to get data for answering to the research questions. The chapter 5.1 explains a theoretical aspect about the methods that were used in this thesis which are a survey and an interview. Chapter 5.2 describes how the data should be collected and how it was collected by conducting the survey and having the interview. Lastly, the chapter 5.3 focuses on analyzing the data; how it should be analyzed and how it was analyzed in this thesis.

5.1  Research methods

This chapter describes the research methods that were used in this thesis which were a survey and an interview. First, a theory about the survey is explained and after that an explanation why the survey was chosen as a research method in this thesis. After that follows the theory about the interview method and then the reasons for choosing it in this thesis.

Survey

Cowles and Nelson (2015) define survey method as a process of asking questions from people and collecting and analyzing answers. The survey method should clarify people's opinions, behaviors, views and attitudes towards a research problem. A research starts by framing a research area. A researcher needs to search literature related to the research area, define basic concepts, and think about a context of the research. Those aspects determine more specific topic for the survey, for instance the topic could be customer satisfaction (Punch 2003, 18-20).

When the topic for the survey is clarified, the next step is to design questions. The questions need to be designed and expressed in a clear way in order to a respondent understands every part of them. Therefore, any additional questions
should not be included in one question. In order to make sure to get wanted results, a type of the questions cannot be leading, due to possible biased answers. Moreover, too long or complicated questions should avoid because the respondent might lose his interest to answer to the questions. For instance open questions, when the respondent has possibility to write his own opinion related to the questions, might induce that he is not answering to the questions because that takes more time. Therefore, the open questions with numerical answers are good way to get detailed data, and moreover they are easier to handle when analyzing a data (Heikkilä 2014, 47-48, 54-55).

The next step is to design a form of the survey. The questions are categorized by themes, but also by a degree of difficulty. The easiest questions are placed at beginning of the survey, and for instance the open questions are placed at the end of the survey. In order to keep the survey pleasant to answer, it shouldn’t be too long or unclear. Therefore, a layout is an important part of a pleasant answering experience, but also for getting a higher response rate. Especially, when implementing an online survey, it is easier to design visually pleasant layout. Furthermore, the online surveys can include voice or video material that make answering easier. Finally, the response rate is affected also by how informative and definite a survey instructions are. The respondent should not feel confused when starting to answer to the questions, otherwise he might not answer to the survey at all (Valli 2015, 26-29).

When talking about the online survey, a researcher needs to test it by answering to the questions own his own. After the test and deleting test answers, the survey can be send to actual respondents. The online survey is a beneficial option compared for example to the survey that is sent by a mail, because all the answers come straight to an online system where the survey has been made and designed. Therefore, a data can be analyzed fast and easily because the system creates automatically a summary about results, and makes complete tables and figures that can be used in a report. For that reason, a traditional data entry is not needed as with the postal surveys. When analyzing the data, the aim is to find answers to the research questions that have been defined at the beginning of the
research process. The data needs to be demonstrated with tables and figures in order to a final report is informative and describes clearly the results. Moreover, the researcher needs to be careful that the data doesn’t change when editing the tables and figures, and that all the important aspects can be seen from them (Heikkilä 2014, 66-67, 119-120, 139).

In this thesis, two research methods were used of which the first one was the survey. The survey was conducted among the German retailers in order to find out the level of the relationship between the retailers and Hurtta’s distributor in Germany. The survey was conducted by using Webropol because of a large number of retailers. By implementing an online survey, it is easier to handle the results because all the results will be in one place, and the platform changes the data automatically into reports.

**Interview**

An interview as a research method is used when one would like to find out what an interviewee thinks about a specific issue or why one is acting in a certain way. It is especially beneficial when talking about individual experiences, languages and communication, and a society and culture. Therefore, interviewing is a good method for getting answers. Accordingly, the first thing is to determine questions that need to be asked from the interviewee so that a research goal can be achieved. The steps after defining the research questions are rather similar than in the survey research; a literature review, defining the most suitable methods and technologies, defining a target group, collecting data, analyzing the data, and finally putting the data into practice (Tuomi & Sarajärvi 2018, 63; Brinkmann 2013, 47; Walle 2015, 27-28).

A literature review is a base for a research and guides a process forward. It justifies the investigation through the whole process and helps to frame the research. Based on the literature findings and research questions, a researcher can find the most suitable methods for an interview. There are multiple different types of interview methods that differ from each other but still the main
component in the all interview methods is that they are always systematic, meaning knowing a purpose or the goal of the interview in advance (Walle 2015, 28, 71-72; Vilkka 2015, 77). However, the different types of interview methods are not presented in this thesis since the aim is to implement an email interview.

When the methods and technologies have been defined, the next step is to define a target group. A researcher needs to evaluate whether one interviewee is enough or are more interviewees needed. The aim is to find persons that have the most experience of the topic because a gathered data represents an overall situation and opinions. When the data is gathered it needs to be analyzed. All the data is changed into the same form such as a written document. That makes analyzing easier because the data can be divided into different groups for instance by similarities. Finally, when the data is analyzed it can be put in to practice and a conclusion can be drawn (Kananen 2014, 95-97, 99-100).

A decision about implementing an interview among the retailers was decided on an early stage due to the commissioning party’s wish to get profound information about Hurtta’s situation in Germany. The email interview method was chosen because it allows that all the retailers can answer whenever it suits them best. The email method was also chosen because the retailers were German, and speaking in English might had been hard for some people, so when writing the answers they could think the answers a longer time than when having the interview on the phone.

5.2 Data collection

This chapter describes how the data should be collected in the survey and the interview. Furthermore, it describes how the data was actually collected by the author. Since the aim was to find out what kind of relationship there was between Hurtta’s retailers and Hurtta’s distributor in Germany, the survey was conducted among the Hurtta retailers in Germany. Moreover, the survey clarifies how Hurtta performs as a brand in Germany. The survey provides a basic understanding about the situation and gives a base for using the other research method, which is in this case interviews with the retailers. The retailers for the interviews were
chosen based on the survey results, depending on who had given fundamental insights about the situation or who would wanted to share more information. The following sub chapters describe all the steps of the survey and interview implementation, and how they were conducted.

Survey

The data collection process for a survey can be started when all the prepared steps are done such as pre testing and electronic surveys are uploaded on the internet. After that the survey can be sent to the chosen respondents and the data can be collected (Snijkers et al. 2013, 433-434). The survey process might require that the respondents are contacted more than once in order to make sure a higher amount of responses (Stopher 2012, 211). However, a respondent rate composes of several issues such as the target group, the topic of the survey, the number of the questions, the form and design of the survey, and finally if a repeat survey is conducted. Nonetheless, if the topic is not familiar or interesting for the respondents, they might not answer at all (Heikkilä 2014, 64).

When conducting the online survey, the researcher needs to make sure that all the respondents get information about the survey, and how and when the survey is conducted. According to Heikkilä (2014) the most used method to send the link to the respondents is an email. Convenient time for answering is 7-10 days. After a response time, the online link needs to be closed so that the results can be analyzed (Heikkilä 2014, 63-71).

In this thesis, the survey was conducted online using a Webropol platform due to the large number of the respondents who were Hurtta’s retailers in Germany. The online survey is good when the number of respondents is high because it helps with the work load by analyzing and making graphs and figures on its own based on the answers. The next step was to design the questions for the survey. By reading literature about how to plan the survey questions, it was easier to find the suitable ways to ask the questions. The first raw version was written to the Word-document and it was sent to the thesis supervisor on 12 September so that she could gave improvement ideas. After the improvements were made, the raw version was sent to the commissioning party in case they had something to add
there. The email conversation was carried out and some ideas were shared together with the commissioning party and the author of the thesis, between 8 September and 1 October. Based on the commissioning party’s feedback, the survey was improved and it was sent to 185 retailers on the 1st of October by the commissioning party. The final version included both closed and open questions in order to get different answers and aspects. Since the retailers were German, a cover letter was translated from English to German so that the retailers could understand what the aim of the research was. At the end of the survey the retailers were asked if they would like to take part on the interview which investigated the same aspects than the survey but in a deeper manner. The retailers who were willing to take part on the interview could left their contact information at the end of the survey form.

After one week, on 8 October a reminder message was sent to the retailers to get a higher amount of responses. The commissioning party sent the reminder message to the retailers. Again, the reminder message was translated from English to German so that the retailers could understand what was the point of the message and the survey. Finally, the survey closed on 14 October and analyzing the survey results started.

**Interview**

When implementing an interview, the interviewer needs to make sure that the words used in the questions are understandable and slang words are not used. If respondents are familiar for the interviewee, it is easier to design proper questions but also ask them in a way that the respondents understand what is meant. One question should not include more than one issue or aspect in order to make sure that the answers are clear and measurable. If the interview is implemented face-to-face or on the phone, some important words can be asked from the respondent to ensure that both are talking about the same thing. However, the interview starts by explaining the aim of the interview, and where and how the interview results will be used in order to increase the trust between the interviewer and the respondent (Vilkka 2015, 81-83).
If the interview is made on the phone or face-to-face, the interviewer can change the order of the questions so that the discussion is smooth. Moreover, the interviewer can ask additional questions if something is not clear. Along with understanding the words used, the interviewer should pay attention to how the respondent is acting when answering. All the expressions, voice tones, silence and other elements can mean something or tell something about the respondent, so therefore they should be noted. When talking about the email interviews, observation cannot be done so only written words are significant. If the interview is made orally and recorded, it needs to be mentioned to the respondents. Once the interviews are implemented and recorded, the results can be analyzed (Pitkäranta 2014, 91-93; Valli 2018, 30).

In this thesis, an email interview was first chosen as the other research method. The interview questions were developed based on the survey findings and they were written to the Word-document. Once the questions were developed by the author of this thesis, they were sent to the commissioning party to get their ideas and opinions for the interview. The questions were sent to the commissioning party on 15 October. However, after two weeks the interview questions were sent again to the commissioning party since they didn’t answer to the first email about the interview. Finally, after the commissioning party’s reply, the interview questions were modified based on their feedback and the interview questions were sent to the retailers in Germany on 31 October by the author of the thesis. The due date for the answering was 7 November, so the retailers had one week to answer to the email interview. However, after almost a week, on 5 November, a reminder message was sent to the retailers since no one had not replied yet. The reminder message included the same things than the original email message. Although the reminder message was sent, any replies didn’t arrive. Therefore, together with the commissioning party a decision about a phone interview was decided on 8 November. The interview questions were sent to the retailers once more on 8 November and they were informed that they are contacted on 14 November concerning the interview. On 13 November a retailer A answered to the interview questions via email so only the retailers B and C were contacted on the 14 November. The retailers B and C were contacted two
times during the day but either of them didn’t answer. Therefore, only the retailer A’s answers were analyzed.

5.3 Analyzing data

The next step after conducting a survey and an interview is to analyze the results. This chapter describes how the data should be analyzed in both the survey and the interview method, and how they were analyzed in this thesis. At first, a theoretical aspect and actually used analyzing methods for the survey are covered, and after that how a data from the interview should be analyzed, and how it was analyzed in this thesis. However, both of the research methods have been analyzed based on the research questions which are “What kind of relationship there is between Hurtta’s German distributor and retailers?” and “What the retailers think about Hurtta as a brand?”

Survey

The analyzing process starts by thinking questions that need to be answered by using the results from the survey. In this thesis, they are the above mentioned research questions. While keeping the research questions in mind, the results can be analyzed by picking first those answers that have got the most of the votes but also those that have got the least. The two aspects can be considered as facts since they are clear impressions of the opinion. Nevertheless, they still require an explanation of why the survey respondents have answered in that way. The explanation needs to be verified with the theoretical framework which is covered before the actual study has started. When the most distinguishable answer results have been analyzed, they can be compared with background variables, meaning for instance respondents’ genders or ages. Then can be identified if there are differences between males or females and how they feel about the topic. If there is a clear difference between the genders’ answers and the results are statistically remarkable, the results need to be stated. When talking about the questions that measure the respondents’ attitudes or opinions and there is an answer option “undecided”, the researcher should consider if those answers need to be left out due to the fact that the respondent might have
chosen that option because he didn’t understand the question or he doesn’t have proper knowledge in order to answer to the question (Heikkilä 2014, 189-190, 175).

Additionally, the number of respondents who have actually answered, need to be taken into account when analyzing the results. If the number of the respondents is not high, the answers cannot be considered as a full truth. Therefore, the reasons for not answering need to be found and reported. However, it needs to be remembered that using percentages in the report when the number of respondents is low gives biased information since the answers cannot be interpreted as the full truth (Heikkilä 2014, 76-78).

In this thesis, analyzing the survey results started by distributing the results on 15 October from Webropol to Excel where the analyses were made. All the answers were processed one by one in order to find issues that have the most variation but also the same answers. First the basic information about the respondents were analyzed so that the idea about the respondents could be got. The analysis of the basic information consisted of the respondents’ ages, what kind of store they had, the location and the area of the stores, and the product assortment.

After analyzing the basic information and getting an image of the respondents, the distribution and the distributor-retailer relationship were analyzed. That in turn included the years of operating with Hurtta’s distributor, the nature of the relationship, and also analyzing some statements concerning the distributor. Moreover, the open questions about a positive and negative characteristics of the distributor’s actions were analyzed. Lastly, the results about Hurtta and its brand image in Germany were analyzed by going through the statements about Hurtta's overall brand image, products, and the open questions about what needed further development or which actions or issues were satisfying, and how Hurtta differentiates from its competitors. From all of these three categories some figures were made to illustrate the answers. The figures were made in Excel based on the results and explanations of the figures, and the situations behind them were explained.
Interview

As when analyzing the survey results, also with the interview results the aim of the thesis needs to be taken into account. It is important to define when analyzing the interview results what the differences between experiences and opinions are because they are not necessarily related to each other. Moreover, all different meanings, voice tones, words and signs must be analyzed due to the fact that they might compose a coherent overall picture of the interviewee’s experiences and opinions. However, if the interview is implemented without seeing the interviewees, for example via email, the signs and expressions cannot be seen. Therefore, it is even more important to analyze the words used which in turn requires that the interviewees’ culture and operating environment are familiar for the interviewer (Vilkka 2015, 75-83).

An oral interviews can be analyzed in a very detailed manner by littering the discussion, which means changing an oral discussion in to text. The discussion needs to be written and all voice tones, emphases, silences and other expressions have to be marked to the written text by using signs and characters (Hyvärinen et al. 2017, 367). Besides understanding what was said, it is essential to understand the context of the research, meaning how the research problem is related to its research environment. When the context is clear, it is easier to interpret the results. Lastly, a field work and the process need also to be analyzed. Analyzing the field work includes an analysis of the chain of events, situation, interaction relations and all the minor details related to them, whereas analyzing the process focuses on a nature of the research. The process analysis aims to describe what and how something is changed and evolved, and what are the circumstances and functions of the interview and the interviewees. Together with the theoretical background, the analysis and the final results can be comprised and the results can be presented (Pitkäranta 2014, 100, 105).

Since only the retailer A gave answers to the interview, only those results are analyzed. First the whole text was read through to get an idea what was his/her
situation with the distributor and Hurtta. Since the aim of the interview was to go through the same aspects as in the survey, the results from the survey and the interview were combined but also compared to find similarities and differences. However, because there was only one person giving the answers, it cannot be considered as a full truth about Hurtta’s situation in Germany, but together with the survey answers some kind of idea about the situation can be formed. Therefore, it is important that all the details in the email are analyzed such as how the sentences were written, were there any words emphasized and so on. The interview questions were categorized into four groups: the overview about the distributor-retailer relationship, the current situation with the distributor, overview about the brands, and lastly Hurtta as a brand. Consequently, the interview answers were also divided into these categories.

6 RESULTS

This chapter aims to describe the results of the survey and the interview. First the survey results are presented and after that the interview results. The survey results include the results about the respondents, distribution and the distributor, and lastly about Hurtta.

6.1 Survey

This chapter presents the results that have been gathered from the survey. The results about the respondents are explained, after that follows the results about the distributor, and lastly the results concerning Hurtta are described.

Respondents

The survey was sent to 185 retailers by the commissioning party. The survey was in English but the cover letter was translated to German in the hope of getting more answers. However, the number of respondents remained very low, being only 9. The reason for the low response rate might be the language. If the survey had been completely in German, probably the response rate would have been higher.
A clear majority of the respondents (N=9) were females. Eight of the respondents were females while one of the respondents was male. The age was distributed equally between two groups; 41-50 and 51-60 years old, both having three respondents (N=9). Two of the respondents were 31-40 years old and one respondent 18-30. None of the respondents were 61 or more.

From the nine respondents, five of the respondents had both a store and an online store while two of the respondents had only a brick and mortar store, and other two had only an online store. None of the respondents had a chain or a franchise store. In turn, three of the respondents (N=9) operated in West Germany and other three in South Germany, while two of the respondents operated in East Germany and one of the respondents in North Germany. When describing the area where their stores operated, the answers distributed evenly (N=9); three answers for a city-area, three answers for a neighborhood area, and two answers for a countryside. Additionally, one of the respondents answered that he/she operated only in agility events.

What comes to the product assortment, all the respondents (N=9) had rain wear and warm clothing in their selection. Moreover, eight of the respondents had leashes, collars, harnesses, cooling products and safety products for sale. Hygiene and protection products were included in six respondents’ assortment.

**Distributor**

At first the years of operating with Hurtta’s distributor was described. Figure 5 shows how many years each respondent had been operating with the distributor.
Figure 5. The years of operating with Hurtta’s distributor

As the figure 5 shows, three of the respondents had been operating with Hurtta’s distributor for nine or more years (N=9). In turn, two of the respondents had been operating from three to four years, and other two respondents from five to six years. Additionally, one respondent had been operating only from one to two years and the other one from seven to eight years.

What comes to communication and interaction between the retailers and the distributor on a weekly basis, five out of the nine respondents said that they were not interacting every week with the distributor. Two of the respondents said that they were interacting once a week and other two answered that they were interacting two to four times per week. Figure 6 shows the results for how much the retailers were communicating with the distributor on the weekly basis.
Furthermore, the retailers were asked how much they were interacting with the distributor on a monthly basis. Figure 7 illustrates the results related to that question (N=9).

As the figure 7 shows, the results distributed equally between the answers “once in a month” and “every week” with having three answers in both options. Moreover, the results showed that two of the respondents were not
communicating with the distributor at all within a month. Lastly, one respondent was interacting with the distributor two to three times per month.

What comes to the level of satisfaction, the answers were distributed sporadically. The figure 8 shows the results when the statement was "I am satisfied with operating with the distributor".

![Satisfaction to operate with the distributor](image)

Figure 8. Retailers' level of satisfaction to operate with the distributor

From the figure 8 it can be seen that the satisfaction to operate with the distributor was dissenting (N=9). One of the respondents was not satisfied at all to operate with the distributor and the other respondent also disagreed to be satisfied. The undecided option was selected by two of the respondents, and somewhat agree by one respondent. Still three of the respondents agreed to be satisfied with operating with the Hurtta’s distributor, and one respondent even strongly agreed.

When going to the details about the level of satisfaction, two of the nine respondents strongly agreed that the distributor’s service was functional and trustworthy. Moreover, three of the respondents agreed these statements whereas two respondents somewhat agreed. On the other hand, one respondent disagreed that the distributor’s service was functional or trustworthy and one respondent even stated that he/she strongly disagreed, so these statements
divide the opinions. However, three respondents strongly agreed that the distributor’s service was friendly and also five respondents agreed the same statement about the friendliness.

The next positively distinguishable statement was about whether the retailers agreed that the distributor delivered the products on time or not. The figure 9 illustrates how the results were distributed between the nine respondents.

![Figure 9. Statement about the distributor delivering on time](image)

The results were positive since no one didn’t disagree or didn’t choose “undecided”. Even five of the respondents agreed that the products were delivered on time. Besides, two of the respondents strongly agreed the products being delivered on time and two respondents somewhat agreed.

Even though the results showed that the distributor’s service had been friendly and the products had been delivered on time, rather negative results can been found from the survey results. For instance, two respondents out of nine disagreed and one even strongly disagreed that the distributor informed the retailers well about the latest news and changes. While two of the respondents chose undecided for this statement, two respondents still strongly agreed that they have got information about the changes, and two respondents agreed and somewhat agreed. Furthermore, the statement about whether the distributor
communicates with the retailers a lot distributed the opinions because two respondents out of nine stated that they agreed that the distributor communicated a lot but still four disagreed, and strongly disagreed about the communication as the figure 10 illustrates.

![Diagram](image)

**Figure 10.** Statement about whether the distributor communicates with the retailer

However, one respondent strongly agreed that the distributor communicated with him/her a lot, one somewhat agreed, and one chose option “undecided”.

**Hurtta**

When focusing on what the retailers think about Hurtta as a brand, the first thing was to find out how long they had been Hurtta’s retailers. Five out of the nine respondents had been Hurtta’s retailers for six or more years and one had been for five years. Moreover, two of the respondents answered that they had been Hurtta’s retailers for three years and one respondent answered that has been two years. The overall satisfaction about Hurtta seems to be positive among the retailers. The figure 11 illustrates the answers for three different statements about Hurtta as a brand (N=9).
As can be seen from the figure 11, Hurtta was strongly considered as a qualified and trustworthy brand by six respondents. The other three respondents agreed these statements and no one disagreed the statements. In turn, five respondents strongly agreed that Hurtta was a respected brand whereas four respondents agreed that.

More specified aspects about Hurtta’s products’ features and the retailer’s level of satisfaction can be seen from the figure 12 (N=9). Seven respondents stated that they were satisfied with Hurtta products’ quality, functionality and durability, and six respondents stated to be satisfied with the design of the products.
Figure 12. Retailers’ level of satisfaction for different aspects about the products

What comes to price, six of the respondents chose a neutral option and three respondents were satisfied. The factors that chose to be dissatisfying or very dissatisfying were delivery and an accuracy of information. The delivery was marked by one respondent dissatisfying whereas the accuracy of information was chosen to be very dissatisfying one respondent. However, still five respondents were satisfied about the delivery and four respondents were satisfied about the accuracy of information.

At the end of the survey the retailers had a possibility to answer to open questions related to Hurtta’s distributor as well as Hurtta as a brand. First of all, the retailers said to be happy to have a new B2B-online store which makes placing the orders easier. Moreover, they stated that the service of Hurtta’s distributor was friendly and complaints were handled well. When talking about the issues that needed further development in the retailers’ point of view was communication. According to the retailers they were not getting enough or promptly information about the products that were no longer available or were not produced any longer.
What comes to Hurtta as a brand in the retailers’ opinion, it was innovative and functional and the products’ fit and suitability were good. Development ideas for the future were related to the products that the retailers would like to get back into the assortment but also related to pricing. Since pricing and product assortment were not part of this thesis, they are not covered in a detailed manner.

6.2 Interview

In this chapter the results from the interview are presented. The interview questions were categorized into four different groups: the overview about the distributor-retailer relationship, the current situation with the distributor, the overview about the brands, and lastly Hurtta as a brand.

Distributor-retailer relationship overview

The first question was “What does a functional distributor relationship mean to you and what should it be like?” The retailer A answered that it would be important that they get the information about the latest news and changes immediately, before the end-buyers do so that they can change their operations based on the news or changes. Moreover, the retailer A answered that updated price lists should always be available so that the retailer can sell the products for the end-buyers. The next question was what makes the distributor-retailer relationship functional but the answer was rather similar than in the first question: functional and friendly communication, detailed information about the changes, and seeking mutual advantages.

In this section, the last question was what kind of contacts the retailer wished to get from the distributor and how often. The retailer A said that if the B2B webpage is updated and all the information can be found there, then only short emails about the availabilities or changes are enough. Nevertheless, in the retailer A’s opinion it would be good to get someone to show the new products twice a year so that they can see the products and get better information about them.
Current situation with the distributor

At first the level of communication with the distributor was asked and what was good and what needs to be improved. According to the retailer A, the level of communication was low and the distributor was not easily available when trying to reach him via phone for example in urgent issues. Therefore, some end-buyers had chosen some other products than Hurtta’s because the retailer had not had enough information about the products or availabilities, and when the retailer had tried to reach the distributor he had not answered to the phone. Related to the availability, the retailer A added that there had been longer periods when some products had not been available. Moreover, Hurtta’s webpage has different items and in different colors than the distributor has for the retailers and the distributor had not informed if those items can be ordered so therefore, according to the retailer A, some end-buyers had bought competitor’s products instead of Hurtta’s. The next question was that if those things that needed improvement could be changed, how would it affect the retailer’s store and its actions. The retailer A said that the sales would improve.

Overview about the brands in Germany

When the retailers were asked what kind of brand activates or draws the end-buyers’ attention in their store and why, the retailer A gave examples of brands Ruffwear and Wolters who have big pictures above their products in order to draw the end-buyers’ attention. Additionally, the retailer A said that these brands have German speaking area managers who visit them every now and then so that they can exchange ideas about how to place the products, what the brands could improve, what the end-buyers want or not, and why they buy or not something. According to the retailer A, the area managers take all the ideas into account and based on them they have improved some of the items. What comes to the competing brands in the retailer A’s area, he/she stated that other brands were able to provide for example better treat bags or leashes and for example Ruffwear offers more colorful outdoor clothing which is pleasant for the end-
buyers. However, there was not any new brands with potential or new products in the market, in the retailer A's opinion.

**Hurtta as a brand**

The first question is this section was “What role does Hurtta have in your company/ What does Hurtta mean for your company?” The retailer A answered that Hurtta is the one offering high quality and functional coats. She/he stated that especially the autumn and winter have been high seasons for Hurtta. By having Hurtta products in the store, the retailer A said that they were able to show that they were high quality store. After that, the questions about how Hurtta products were placed in the store were asked. The retailer A answered that they had divided especially the coats in the sections based on seasons: rain, wind, cold, freeze, and all the products from different brands are mixed with others. The retailer A would not change anything about how the products were displayed.

The last two questions in the interview were “Have the end-buyers been interested to buy/ have the end-buyers bought Hurtta’s products based on Hurtta’s advertisements?” and “Have you faced problems with the end-buyers when selling Hurtta products to them? (e.g. having problems with understanding a sizing or usage of the product correctly)”. To the first question the retailer A answered that no one in his/her store had bought Hurtta’s products based on the advertisements. What comes to the other question, the retailer A have had problems with sizing and especially about the leg length of the coats because they have not possibility to have the coats in every leg length in their selection, so they had problems when consulting the end-buyer about the coats. Moreover, all the end-buyers had not understood why the coats had long sleeves. The reason for having the long sleeves is because it is important to keep the dog's legs and muscles warm, but the end-buyers had not understood the benefits and uniqueness of the coats so therefore they had been wondering a high price of the products, according to the retailer A.
7 CONCLUSIONS AND IMPROVEMENT PROPOSALS

This chapter describes the conclusions and proposals that are made based on the theory and the research findings in this thesis. Moreover, in the chapter 7.3 is explained a theory about what things make the research reliable and valid, and then the author’s own thoughts about the reliability and validity of this thesis are given.

7.1 Conclusions

This chapter aims to answer to the research questions that are: “What kind of relationship there is between Hurtta’s German distributor and retailers?” and “What the retailers think about Hurtta as a brand?” At first, the conclusions about the distributor-retailer relationship are covered. That also includes the conclusions about relationship between Hurtta and the distributor due to the fact that it affects Hurtta as a brand. After that more conclusions about Hurtta as a brand are given.

Customer relationships

Since the first research question was “What kind of relationship there is between Hurtta’s German distributor and retailers?” it is essential to cover theory about customer relationships and therefore give proposals for the future. Kotler and Armstrong (2016, 38) stated about how to build a customer relationship, that the strong and profitable customer relationship requires loyalty, satisfaction towards the operations, mutual communication, mutual trust, and motivation. However, the findings from the survey showed that not all of the retailers were interacting with the distributor monthly. Moreover, not all of the retailers were satisfied operating with the distributor or not all agreed that the distributor was communicating a lot with the retailers. What comes to the interview, the results from the responded retailer showed that he/she wanted that the distributor would informed about availabilities and changes more. In addition, the retailer wished that the communication with the distributor would be functional, friendly and detailed in order to seek mutual advantages. Lastly, it was said by Bergström and
Leppänen (2016, 151-152) about the products that the company should be able to create a special offering to its customers in order to meet the customer needs. The special offering is essential especially in a retail trade because they have multiple different brands in their selection so standing out as a brand is difficult (Bergström & Leppänen 2016, 151-152). In the case with the distributor and retailers, it might be challenging to create suitable offerings to the retailers since the communication is lacking. Therefore, it might affect negatively the retailers’ sales but also the relationship with the distributor.

What comes to partnering, it was said that the supplier should deliver on time, invoice accurately, and offer qualified products and services in order to add value to both parties and make sure repeating sales (Manning et al. 2015; Kotler & Armstrong 2016, 388). However, this aspect applies also into distributor-retailer relationship where the distributor should deliver on time, invoice accurately and offer qualified services. The results from the survey showed that the distributor was delivering the products on time. On the other hand, the interview results indicated that according to the retailer A, there had been longer periods when some products had not been available or the distributor had not offered the same products for the retailers that are in the Hurtta’s webpage. That might cause problems for the retailers if their customers, in other words, the end-buyers have seen the products in the Hurtta’s website but they cannot find it from the retailers’ shops. That leads to the problem that the end-buyers might choose the competitors’ products instead of that Hurtta product they would have wanted to buy. Moreover, the service cannot be stated qualified if the information is inadequate and not up dated. Both the survey and the interview results showed that the retailers didn’t have the latest information available which affects also their sales because they cannot advice the end buyer correctly about the prices or the products.

Lastly, the theory shows that companies should use sales promotions such as price reductions, competitions or free goods in order to improve the sales and brand image (Fahy & Jobber 2015, 264). Hurtta is already using sales promotions with the distributor such as offering discounts, campaign suggestions, and
marketing support. Nevertheless, it is stated by Fahy and Jobber (2015, 233) that the intermediaries should be motivated in order to make sure they are acting in a proper way. Despite Hurtta’s attempts to motivate the distributor by offering support and trade promotions, the distributor’s actions are not sufficient if Hurtta aims to compete in the German market. When thinking about the consequences, Kotler and Keller (2016, 110-111) have stated in Chapter 2 that if the other party is not able to perform as required, the relationship might suffer, and in the worst case the relationship can eventually end. Besides the other issues about the distributor’s actions, one last questionable issue is the annual report from the distributor which had differing statements about the German market than the author of this thesis found from different research and statistics webpages.

**Hurtta as a brand**

The second research question was “What the retailers think about Hurtta as a brand?” and therefore conclusions and proposals regarding branding are given. The theory about the brands described that a strong brand is able to offer qualified products and services to its customers. The results from the survey showed that Hurtta was actually considered as a qualified and trustworthy brand with functional, well-designed, and adjustable products. However, the interview results showed that the brands with unique and influential pictures and displays over their products drawn the end buyers’ attention. These example brands that were mentioned in the interview have area managers that take care of how to place the products in the store and how the brand image could be improved in every store.

According to Fahy and Jobber (2015, 155-156), a brand should estimate how it could be distinguished from the other brands, and Slade-Brooking (2016) stated that the brand should strive for building an emotional connection with the end buyers. When thinking about Hurtta’s competing brands who have area managers, the brands are able to differentiate from the competitors better because the area managers see the situation in stores and therefore are able to improve the brand’s performance. In addition, the retailer can tell to the area
manager the latest comments and feedback from the end buyers, which in turn adds value on the brand and its services because the end buyers feel that they are important.

A strong brand requires well planned and targeted marketing in order to attract customers, and therefore functional marketing channels are essential for getting a recognizable brand. That requires that the brand adapts a country’s conditions when planning a marketing strategy (Kotler & Armstrong 2016, 376). However, in the case of Hurtta, according to the Hurtta’s Export Manager (2018b) the German distributor is in charge of marketing in Germany and he is allowed to localize the marketing material, meaning for example translating the marketing texts from English to German. However, based on the interview results, no one has bought Hurtta’s products based on the advertisements. Since there was only one respondent in the interview, it cannot be considered as a full truth but if there is even a slight possibility that Hurtta’s advertisements are not well targeted or planned in Germany, it might affect negatively the sales or the brand image.

7.2 Proposals

The proposals and development ideas are constituted based on the conclusions. For making sure to keep the upturn in the market and maintaining a strong brand image in Germany, Hurtta needs to make sure that the customer relationships, both Hurtta distributor and distributor retailers are functional. Even though the respondent rate of the survey and the interview remained low, some concerns could be seen. Therefore, the proposal regarding the customer relationships is that if Hurtta has tried to motivate the distributor without visible results and the aim is to maintain or improve the brand image in Germany, it might require considering the replacement of the distributor. Germany is full of market potential so for Hurtta it would be beneficial if the operations in Germany were working properly among the distributor and the retailers. The distributor should be loyal, trustworthy and be able to communicate properly about changes and availabilities for both the retailers and Hurtta. For the retailers the change could mean improved sales, loyal end buyers and improved store image if all the products were available for the end buyers and all the information were correct and up
dated. That in order would affect Hurtta’s sales and brand image in Germany. Hurtta, the retailers and the distributor would get more value for their activities if everything was working properly. Hurtta is already considered as a trustworthy and qualified brand in Germany but new brands are arising all the time and the competition is hard, so therefore it is essential for Hurtta to try to improve the activities in order to compete in the market.

In addition, regarding Hurtta as a brand, for making sure that the retailers get enough guidance about the products and Hurtta can get enough shelve space in the retailers’ stores, Hurtta could hire a German speaking area or brand manager who takes care of the brand image in Germany. Besides on the brand, the area manager would also take care of customer relationships with the retailers because the strong brand requires that all the features around the brand, such as services are working effectively. Therefore, the distributor could focus more on the operations with Hurtta, and the retailers and the area manager could focus on the brand. However, it requires a bit more work from Hurtta since it needs to inform both the distributor and the area manager but it would be beneficial for Hurtta especially on long-term because then it can make sure that the marketing is done properly and the retailers know more about the products.

To sum up, Hurtta should strive for multi-channel distribution which means that it had distributors, retailers and own web page for selling the products for the end buyers. An effective multi-channel distribution helps to reach new end buyers, and the market can be covered better (Fernandez 2008, 27, 37). Hurtta already has the distributor, the retailers and the web page for selling the products in Germany but the system of ordering is confusing for the end buyers and the retailers. The retailers are ordering the products to their stores from B2B- online store. However, as the survey and the interview showed, the retailers had not got information about availabilities and not all the same products had been available in the B2B- online store than Hurtta’s own web site, which might cause problems and questions. The question is, among the distributing and retailing, would Hurtta have capabilities to sell the products to the end buyers via own web page? The web page could include both B2B-online store and the online store for the end
buyers, of which both would have the same products available. In that way if all the information about the availabilities, inventory, new products and orders were in one place, operating would be easier. However, the multi-channel distribution has its own risks such as complexity to manage it and dropping sales in physical stores, so therefore it requires good coordination and mutual trust among all the distribution channels if the aim is to implement the proposal.

7.3 Reliability and validity of research

This chapter describes first a theory about validity and reliability of a quantitative research, in this thesis the survey, and what those mean. Then the validity and reliability are covered but from a qualitative research point of view. Lastly, the author of the thesis gives her own critical outlook of the research process. The validity of the quantitative research means that the research doesn’t include any systematic mistakes and it is measuring the right things. If the researcher has not been able to ask the questions in a survey in a clear way or they are questionable, the results might become distorted. In turn, the reliability of the quantitative research means accuracy of the results, meaning of that if the same survey would be done to the same person again the results remained the same. The reliability can be lower if the respondent remembers some things wrong when answering or he understands the questions in a different way than the researcher (Vilkka 2015, 124).

In the qualitative research such as in the interview, the researcher needs to remember that one should only generalize interpretations, not the research material. That requires mutual communication between the researcher and the interviewee. The research is valid if the results are corresponding with the set goals and aims of the research. What comes to the reliability of the qualitative research, it is reliable when the target of the research, in this case the interviewee and the interpretations are matching. In other words, the reliability is addressing the researcher’s own acts, choices and decisions. Therefore, the researcher needs to describe in the research why one has made the choices regarding the research (Vilkka 2015, 124-126).
What comes to the author’s own critical outlook, first of all there were some problems when writing the theory. It was difficult to remember that the topic is related to the B2B-customer relationships, not consumers. Therefore, the theoretical background needed to be changed a couple of times in order to make it comprehend to the research questions. More improvement ideas were found from the survey and the interview. First of all, the language of the survey was English even though the retailers were German speaking. If the survey had been done in English maybe the respondent rate would have been higher. However, since I don’t have fluent German skills, it would have required someone to translate the whole survey from English to German, and that in turn would have made it more complex. What comes to the survey questions, there were statements for example related to the distributor and how he was operating with the retailers. Nevertheless, all the statements were expressed in a positive way and there was not any negative statements. Probably it would have been more interesting for the retailers to answer if there had been variation of the type of the statements.

Some questions in the survey were not clear enough. For instance, there was a statement about Hurtta’s displays such as “Hurtta has given clear information about products’ display” or “Hurtta is too strict with the products’ displays?” Since almost all of the respondents answered “undecided” on the statements, they probably didn’t understand what was meant by the statements and therefore the statements should have been clarified better. Additionally, there were questions about the quality of Hurtta’s customer service. However, most likely they are not interacting with Hurtta’s customer service because all the complaints or questions about a delivery goes straight to the distributor and therefore that was not relevant to ask. Also, the questions about Hurtta’s webpage, such as how informative, visual or clear it is, were unnecessary since most likely they are using the B2B-online store. Therefore, the question should have been related to the B2B-online store, not the consumer webpage in order to find out the functionality of the B2B-online store. In the survey, the retailers were asked how informative and attractive Hurtta’s Facebook page was. When thinking that question now it has nothing to do with the B2B-customer relationships because it
is mainly targeted for the end buyers, and therefore that was not relevant to ask. After all, it was good that the survey was sent by the commissioning party in order to gain trust with the retailers.

What comes to the interview, it was a bit tricky to organize. First of all, there were 14 questions in the interview so answering via email would take quite a lot of time especially if the interviewee had a lot to say. Therefore, the interview should have been done on the phone. However, then the problem is the language since it should have been in English but not all the Germans are fluent in English. For that reason, if there had possibility to motivate the retailers by offering for example free products from Hurtta’s webpage, maybe they would have answered to the email interview. In turn, the interview was confusing in the retailers’ point of view because it was sent by me, not the commissioning party as the survey was. If the commissioning party would have sent the questions to the retailers and all the answerers would have got the free products probably more answers had arrived. As for the total generalization of the survey and the interview, the research cannot be generalized due to the fact that the respondent rate remained low in the both methods. However, even the results are not showing the total truth about Hurtta’s situation in Germany, it gives a glimpse of possible problems and the targets of improvement, and based on that Hurtta can start to think whether improvements and changes needs to be done.

When thinking about a future research for Hurtta, it could investigate profitability of the new multi-channel distribution system, and especially the new online store for the business customers and the end-buyers. That requires investigation of capabilities, resources, costs but also benefits and risks. Moreover, if Hurtta decides to hire the area manager to take care of the brand and to replace the distributor, it needs to search new potential persons for fulfilling these positions. These all changes are remarkable and requires time and careful research so prioritizing the options is important, especially if the resources doesn’t allow to execute the both of the changes.
REFERENCES


Eine Untersuchung zu Hurtta in Deutschland und der Kundenzufriedenheit

Sehr geehrte Damen und Herren,

Mit dem nachfolgenden Link können Sie an der Befragung zu Hurtta Deutschland teilnehmen. Es geht darum, wie Hurtta die Kundenzufriedenheit und das Markenimage in Deutschland verbessern kann.

Die Umfrage ist in Englisch verfasst, wir hoffen aber, dass Sie trotzdem an der Umfrage teilnehmen.

Die Umfrage ist anonym und die Antworten werden vertraulich behandelt.

Das Beantworten der Fragen dauert ca. 10–15 Minuten.


Link zur Umfrage: https://www.webropolsurveys.com/s/456FB930A69005D0.par

Vielen Dank für die Zusammenarbeit und das Ausfüllen der Umfrage!

Mit freundlichen Grüßen

Mona Pietikäinen
South-Eastern Finland University of Applied Sciences
Hurtta
A research about Hurtta in Germany and the customer satisfaction

Dear Sir or Madam,

From the link below you can take part on the survey which aims to investigate how Hurtta could improve its customer satisfaction and brand image in Germany. Unfortunately the survey is in English but we would appreciate a lot if you can still answer. Answering is done completely anonymously and all the answers will be treated confidentially. Answering to the survey takes 10-15min.

At the end of the survey it is possible to leave your contact details in turn to take part on the interview for Hurtta concerning the same aspects as the survey but in deeper manner. The contact details will be treated completely separately from the research and the given answers cannot be interrelated with the contact details.

The research that I am implementing with Hurtta is part of my Bachelor’s thesis which I am executing in Finland, in South-Eastern Finland University of Applied Sciences, in the field of Business Management.


The link to the survey: https://www.webpropsurveys.com/S/456F830A69005D0.par

Thank you for cooperation and answering!

Best Regards

Mona Pietikäinen

South-Eastern Finland University of Applied Sciences

Hurtta
A Research about Hurtta in Germany and customer satisfaction

Background information - The information will be treated strictly confidential and evaluated statistically
Please answer to the following questions by choosing one option
Questions marked with "*" are compulsory questions

1. Gender *
   - Male
   - Female

2. Age *
   - 18-30
   - 31-40
   - 41-50
   - 51-60
   - 61 or more

3. The type of your store *
   - One "brick and mortar" store
   - Store and online store
   - Online store
   - Franchise store
   - Many stores, how many? [ ]
   - Chain, what chain? [ ]
   - Other, what? [ ]
4. The location where your store operates in *
   - North Germany: Bremen, Hamburg, Mecklenburg-Vorpommern, Lower-Saxony, Schleswig-Holstein
   - East Germany: Berlin, Brandenburg, Saxony-Anhalt, Saxony, Thuringia
   - West Germany: North Rhine-Westphalia, Hesse, Rhineland-Palatinate, Saarland
   - South Germany: Baden-Württemberg, Bavaria
   - Nationwide

5. The area where your store locates in *
   - City area
   - Built-up area/Neighborhood (=the area of a town around the city)
   - Countryside
   - Something else, what?

6. Product assortment in the store *
   Multiple answer options can be chosen
   - Leashes
   - Collars
   - Harnesses
   - Rain wear (Coats, overalls)
   - Warm clothing (Overalls, jackets, warmers, boots)
   - Cooling products (Harnesses, vests)
   - Safety products (Life vests, hunting clothing, high visibility clothes and accessories)
   - Hygiene and protection products (Sun & Bug blockers, hygiene pants, marking protection pants)

7. Please estimate the location of your consumers by using percentages
   The total amount is 100%. For example: North Germany: 20% East Germany: 80% West Germany: 0% South Germany: 0% Nationwide: 0%
   - North Germany: Bremen, Hamburg, Mecklenburg-Vorpommern, Lower-Saxony, Schleswig-Holstein
   - East Germany: Berlin, Brandenburg, Saxony-Anhalt, Saxony, Thuringia
   - West Germany: North Rhine-Westphalia, Hesse, Rhineland-Palatinate, Saarland
   - South Germany: Baden-Württemberg, Bavaria
   - Nationwide
8. Please estimate the lifestyle of your consumers *
Multiple answer options can be chosen

- City people
- Country people
- Sporty
- Sophisticated
- Urban
- Fashionable
- Something else, what?

**About distribution**
Please answer to the following questions by choosing one option

9. How many years you have been operating together with Hurtta's distributor? *

- 1-2
- 3-4
- 5-6
- 7-8
- 9 or more

10. On weekly basis I am interacting with Hurtta's distributor *

- Not at all
- Once a week
- 2-4 times per week
- 5-6 times per week
- Everyday

11. On monthly basis I am interacting with Hurtta's distributor *

- Not at all
- Once in a month
- 2-3 times per month
- Every week
12. Please indicate whether you agree or disagree the following statements *

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<th>Agree</th>
<th>Somewhat agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
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<td>Hurtta’s distributor is easily available when contacting via phone</td>
<td></td>
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<tr>
<td>Hurtta’s distributor is easily available when contacting via email</td>
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<tr>
<td>Hurtta’s distributor answers quickly to your attempts of contact</td>
<td></td>
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<tr>
<td>Hurtta’s distributor informs you well about the latest news and changes</td>
<td></td>
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<tr>
<td>Hurtta’s distributor communicates with you a lot</td>
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</tbody>
</table>

**About Hurtta**

13. How many years you have been Hurtta’s retailer? *

- 1
- 2
- 3
- 4
- 5
- 6 or more
14. Please indicate whether you agree or disagree the following statements *

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Somewhat agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hurta is a qualified brand</td>
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<td>Hurta is a trustworthy brand</td>
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<td>Hurta is a respected brand</td>
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<td>Hurta has a good reputation for high quality</td>
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<td>products</td>
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<tr>
<td>Hurta has a good reputation for innovative</td>
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<td>products</td>
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<tr>
<td>Hurta products are suitable for all dog breeds</td>
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<td>Hurta offers competitive prices</td>
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<td>Hurta products have good price-quality ratio</td>
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<td>Hurta can meet the consumer expectations</td>
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<tr>
<td>I get a feeling of quality from the packaging</td>
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</tbody>
</table>

15. Please indicate your level of satisfaction about the following statements *

<table>
<thead>
<tr>
<th>Statement</th>
<th>Very satisfied</th>
<th>Satisfied</th>
<th>Neutral</th>
<th>Undecided</th>
<th>Dissatisfied</th>
<th>Very dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td></td>
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<tr>
<td>Design</td>
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<tr>
<td>Quality</td>
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<tr>
<td>Adjustability</td>
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<tr>
<td>Functionality</td>
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<tr>
<td>Product life-cycle/Durability</td>
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<tr>
<td>Product range</td>
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<tr>
<td>The range of colors</td>
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<tr>
<td>Delivery</td>
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<tr>
<td>Accuracy of information (e.g. related to returning)</td>
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</tbody>
</table>

16. Please indicate whether you agree or disagree the following statements *

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Somewhat agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Packaging is clear</td>
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<tr>
<td>Packaging is informative</td>
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</tr>
<tr>
<td>Packaging is functional</td>
<td></td>
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<tr>
<td>Packaging is visually attractive</td>
<td></td>
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</tbody>
</table>
17. How would you improve the packaging?

18. Please indicate whether you agree or disagree the following statements:

- Hurtta has given clear information about products' display
- Hurtta is too strict about the products' display
- There is enough POS and in-store material available

19. The customer service of Hurtta is:

- Friendly
- Helpful
- Trustworthy
- Quick

20. The web page of Hurtta is:

- Clear
- Informative
- Helpful
- Functional
- Visually attractive
- Easy to find

21. The content of the Hurtta's Facebook page is:

- Informative
- Influential
- Visually attractive
Additional questions

Please answer on the following questions using your own words. The answers can also be written in German.

22. Which activities are you especially satisfied with Hurtta’s distributor?

23. Which activities with Hurtta’s distributor need further development?

24. In your opinion, which brands are Hurtta’s main competitors?

25. How Hurtta differentiates from the other brands that are in the market?

26. Which activities are you especially satisfied with Hurtta?
27. Which activities with Hurtta need further development?

28. In your opinion, who do you consider as your best distributor partners in the pet clothing/accessory field? Why?

Taking part on the interview

29. Please mark whether you are willing to take part on the interview *
This survey is one part of the whole research for Hurtta. The other part is an interview which covers the same aspects as the survey but in a deeper manner. The interview will be conducted by sending questions in English via email to the chosen interviewees during October 2018. All the participants and results will be treated with complete anonymity and confidentiality. Please answer to the questions below whether you can take part on the interview and help Hurtta to develop its activities. If you answered “Yes” and you have been chosen to take part on the interview, we will contact you via email during October. Thank you!

- Yes
- No

30. If you answered “Yes” to the question 29, please write your contact information here so that we can contact you concerning the interview.

Name ____________________________

Lastname ____________________________

Email ____________________________

By agreeing to take part on the interview you accept that your contact information can be used in this research. The contact information is used only for contacting you regarding the interview and they will not be distributed elsewhere. The contact information as well as the survey answers will be deleted at the end of November 2018.

I want to submit my answers

<- Previous  Submit
Eine Untersuchung zu Hurtta in Deutschland und der Kundenzufriedenheit

Sehr geehrte Damen und Herren,


Wenn Sie die Umfrage bereits ausgefüllt haben, ist diese Mitteilung für Sie nicht mehr von Belang und wir bedanken uns ganz herzlich für Ihre Antworten!

Ihre Antworten sind sehr wertvoll für uns um diverse Informationen zu erhalten.

Falls Sie die Umfrage noch nicht ausgefüllt haben, bitten wir Sie mit Hilfe des folgenden Link daran teilzunehmen https://www.webropolsurveys.com/S/456FB930A69005D0.par

Vielen Dank für die Zusammenarbeit und das Ausfüllen der Umfrage!

Mit freundlichen Grüßen

Mona Pietikäinen

South-Eastern Finland University of Applied Sciences

Hurtta
Dear Sir or Madam,

I would like to remind you about the research which is part of my bachelor thesis in South-Eastern Finland University of Applied Sciences. The survey aims to investigate how Hurta could improve its customer satisfaction and brand image in Germany. If you already have answered to the survey, this message is not concerning you and we would like to thank you for your answers!

Every answer is valuable for us to get diverse information. If you haven’t answered yet to the survey you can find it from the following link: [https://www.webropolsurveys.com/S/456FB930A69005D0.par](https://www.webropolsurveys.com/S/456FB930A69005D0.par)

Answering to the survey ends on 14.10.2018 at 16.00.

Answering is done completely anonymously and all the answers will be treated confidentially. Answering to the survey takes 10-15min. At the end of the survey it is possible to leave your contact details in turn to take part on the interview for Hurtta concerning the same aspects as the survey but in deeper manner. The contact details will be treated completely separately from the research and the given answers cannot be interrelated with the contact details.

Thank you for answering!

Best Regards,

Mona Pietikäinen

South-Eastern Finland University of Applied Sciences

Hurtta
Hallo!

My name is Mona Pietikäinen and I am now contacting you concerning Hurtta’s email interview which you agreed that you could take part. At this point I would already like to thank you about taking part on the survey and the interview! As mentioned already on the survey, the survey as well as this interview are part of my Bachelor’s thesis in Finland and the aim is to improve Hurtta’s customer satisfaction and brand image in Germany so all the answers are valuable for us.

You can find the interview questions below from this email but also attached as a Word-document. You can answer straight to this email or to the Word-document. All the answers will be treated confidentially and the answers will not be distributed elsewhere. The contact details will be treated completely separately from the research and the given answers cannot be interrelated with the contact details.

I would appreciate if you could answer within one week, on 7th of November at the latest. Please answer in English and if possible try to answer to all the questions. If you have any questions don’t hesitate to contact me!

1. What does a functional distributor relationship mean to you and what should it be like?
2. Which elements/factors make the distributor-retailer relationship functional?
3. What kind of contacts do you wish to get from the distributor and how often?
4. How would you describe a communication between you and Hurtta distributor? What is good and what needs improvement?
5. If those things that need improvement in your opinion could be changed, how would it effect on your store and your store’s actions?
6. What kind of brand activates/ draws consumers’ attention in your store? Could you explain why?
7. Who are Hurtta’s main competitors in your area and why?
8. Who is “the new brand with potential” in your area and why?
9. What role does Hurtta have in your company? What does Hurtta mean for your company?
10. What kind of value Hurtta brings to your company?
11. Please describe how do you display Hurtta in your store? (e.g. does Hurtta have an own corner or is it mixed with others)
12. Are you satisfied how the display looks like? Could you give any examples what would you change in order to improve it?
13. Have the consumers been interested to buy/ have the consumers bought Hurtta's products based on Hurtta's advertisements?
14. Have you faced problems with the consumers when selling Hurtta products to them? (e.g. having problems with understanding sizing or usage of the product correctly) If yes, could you please describe the situation/situations.

Vielen Dank für die Zusammenarbeit und das Ausfüllen der Umfrage!

Best Regards,

Mona Pietikäinen

South-Eastern Finland University of Applied Sciences

Hurtta
Hurtta – email interview about customer satisfaction and brand improvement in Germany

1. What does a functional distributor relationship mean to you and what should it be like?
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14. Have you faced problems with the consumers when selling Hurtta products to them? (E.g., having problems with understanding sizing or usage of the product correctly) If yes, could you please describe the situation/situations?
Dear Hurtta retailer,

I am contacting you again concerning Hurtta interview. All the answers are valuable for me and Hurtta to improve their distribution in Germany. Since the number of interview answers is low at the moment, I am sending you the questions again. You can find them from attached word-document. My wish is that you go through the questions and think some answers in your mind. I will call you during Wednesday 14.11. and then we can go through together the answers on the phone.

The phone call will be recorded so that I can listen the answers later and analyze them. All the answers and your contact information will be treated confidentially and they will not be distributed elsewhere. The recorded phone calls will be deleted after analyzing them.

Thank you for your cooperation!

Best Regards,

Mona Pietikäinen

Student of South-Eastern Finland University of Applied Sciences

Hurtta