Strategic Brand Building for the Fashion Company Bizzarro in Finland

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The importance of having a strong brand is becoming increasingly important in the modern business environment. Due to increased competition and customer demands, many companies struggle to compete. In order to diversify, Bizzarro wants to develop a new niche brand, Cuvee, and enter the Finnish market.

To help the case company achieve its goal, the main objective of this thesis is to create a comprehensive brand building manual that helps Cuvee to start progressing with its branding strategy. For this reason, the thesis is a product-based thesis developed for a company operating in the field of female fashion.

This thesis is a study of brand building that focuses on two core processes required for successful brand development. These are a strategic brand analysis and a 6-step brand building model. Based on these models, the manual also combines the theoretical framework strategies with modern day marketing and consumer trends to provide comprehensive, well-structured and clear guidelines. Additionally, the manual visualises and summarises all the strategies and trends discussed in this thesis. The implementation of the manual is not included in this project. Instead, it is left for Cuvee’s consideration.

To achieve the main objective of this thesis, a wide range of methods was used for each specific project task. Secondary research, email interviews, qualitative research, benchmarking and competitive analysis are some of the methods that were utilised in this study.

The ultimate outcome of this thesis is a brand building manual that summarises all of the key findings and provides clear guidelines for the case company.

**Keywords**
Brandung, strategic brand analysis, 6-step brand building process
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1 Introduction

The fashion industry is currently known as one of the most competitive industries. There are many players in the market and too few opportunities for them. As a result, many companies struggle to reach the market share goals that they set for themselves. This challenging and quickly changing environment has fierce competition and highly demanding customers. However, there is a tool that companies can utilise to become a true success despite all the challenges. This tool is known as brand building. A strong brand improves and enhances the demand for a company’s products. This is achieved by providing the benefits of both increased sales volumes and higher prices (Baisya 2013, 1). For these reasons, the power of branding in modern times cannot be overestimated.

This study is a project-based thesis and the outcome is a brand building manual for a fashion retail company.

1.1 Background

The main focus and initiative for this topic comes from the fashion retail company, Bizzarro, that I used to work for whilst I was living in Russia. Bizzarro has recently been experiencing a downward trend in its sales. In fact, the same downward trend can be seen in the overall Russian fashion retail market. For example, an overall decline of over 20 percent can be seen between the years 2014 and 2016 (Retail.ru 2017). This decline can be observed in Figure 1 below. The figure is based on the data provided by the largest Russian Media Group – RBK.

Figure 1. The dynamics of the volume of the Russian fashion retail market 2009-2016, billion roubles, % (Adapted from Shopolog.ru)
According to Figure 1, the fashion retail market in Russia was declining at its fastest yearly rate in 2016 and was therefore performing worse than during any other time since 2008.

The overall economic situation in the country has also proved to have a direct effect on purchasing decision making, including the decisions on clothing purchases. The Russian research group RBK has researched the purchasing behaviour of clothing by Russian women during the crisis years. According to the published statistics, the purchasing behaviour was primarily rational in 2015 and 2016. As a response to the challenging economic situation, Russian women were either buying less clothing or buying clothing from cheaper brands. However, the situation slightly improved in 2017 as the number of women who intended to purchase less clothing than before had dropped by 10 percent, when compared to the previous year. However, the newest statistical data shows that the Russian fashion retail market dynamic in 2017 had around zero percent growth (FashionUnit-ed.ru 2018).

![Figure 2. The variable trends of clothing purchasing behaviour by Russian women, March 2015-2017, % (Adapted from Shopolog.ru)](image)

The most recent forecasts regarding the future of the Russian fashion retail market have been rather pessimistic. According to Inga Michaelyan, the leader of the analytical group RBK, the Russian fashion retail market is not forecast to experience any significant growth in the next 3-5 years (Retail.ru 2017). The forecast by the Russian Ministry of Economic Development anticipates that the real income of Russian citizens will grow by a maximum of 1-2 percent per year (Economy.gov 2017). This also means that the product prices will grow at a faster rate than the rate of the citizens’ real incomes.

From Bizzarro’s perspective, these economic forecasts mean that there are not currently enough opportunities for expansion in the Russian market. As a result, the management of Bizzarro is looking into the possibilities of working in the European fashion market,
which in contrast is predicted to grow by 8.7 percent annually in the near future (Statista.com 2017). The company has recently founded a new brand called Cuvee, which better reflects the differing tastes of the European women, when compared to the standard company's collections. Cuvee is inspired by Italian minimalism and the product range is designed in classic and simple colours and materials that reflect this. Therefore, it was decided that Cuvee would be the most suitable collection to market in Finland. The company's CEO and I believe that a brand building manual will play a big role in helping this brand to succeed in the new market.

This project has the potential to be beneficial for both myself and the company. On a personal level, it gives me a chance to develop myself both professionally and academically. Having a personal interest in fashion retail and branding, the thesis topic is a relevant project for me. I believe that this challenging task will help me to develop my managerial skills, as well as to obtain a more detailed understanding of brand building and its importance that it plays in the fashion retail industry. For Bizzarro, this project will also be an opportunity to develop its new sub-brand and get an in-depth understanding of the European market.

1.2 Project Objective

The thesis aims to improve Cuvee's brand identity, whilst it is preparing to enter the Finnish market. Throughout the project, I will analyse the company's brand at its present state and compare it to the competitor brand in the Finnish market. I will also analyse the potential customer base for Cuvee in Finland. Finally, I will create a brand building manual for my case company brand, which will capitalize on the weaknesses of the competitors, the current company's strengths and the modern-day trends that appeal to the customers.

The project objective is to create a brand building manual for a fashion retail brand, Cuvee. To achieve this objective, seven project tasks were created:

PT1. Designing the theoretical framework (Chapter 2)
PT2. Analysing Cuvee's brand at its present state (Chapter 4.1)
PT3. Analysing Cuvee's competitors (Chapter 4.2)
PT4. Conducting a potential customer analysis (Chapter 4.3)
PT5. Creating a brand building manual for Cuvee based on the previous findings (Chapter 4.4)
PT6. Presenting the brand building manual to the commissioning company for feedback
PT7. Evaluating the project (Chapter 5)
Table 1. Overlay matrix

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1.3 Project Scope

The need for a clarification of the project scope is consequential - the brands of today are often viewed as a multifaceted phenomenon, and therefore require careful consideration. As modern branding practices regularly tend to expand into many various areas of marketing, it is important to narrow the project scope so that it becomes more refined. As the name of the thesis suggests, the main focus of this thesis will be on the brand building.

It was also decided that the brand building manual will be based on the Philip Kotler’s 6-step branding conceptual model. Consequently, the topics such as: brand purpose, brand positioning, brand differentiation, brand identity, brand trust and brand beneficence will be discussed and analysed. (Kotler 2016.)
Additionally, in order to increase the general understanding of the study, the following topics were included into the theory part: diverse approaches to brand definition, defining strategic brands and strategic brand analysis.

The geographical area for the study has also been narrowed down. As previously mentioned, the brand building manual will only be orientated within the female Finnish fashion retail market.

1.4 International Aspect

The project itself is international in its nature, and this can be shown from several different perspectives. First, from the company point of view, Bizzarro is an international company. It is presently operating in Russia, Belarus and Kazakhstan. In addition to that, Bizzarro’s new brand, Cuvee, which I am going to analyse in this study, was designed by the Russian designers in cooperation with their Italian partner – Marco Nicolli. For this reason, Cuvee can be perceived as a brand that is a result of an international collaboration.

From the project point of view, this paper is focused on developing a brand management manual, specifically for the Finnish market. Based on the economic forecasts that were discussed in Chapter 1.1 of this thesis, Bizzarro firmly believes that there are business opportunities in the European market. They maintain that these opportunities can take the company into an increasing market, instead of trying to develop in a decreasing market.

Having lived in Finland for almost 4 years now, I have my own personal experience in the Finnish fashion retail industry, as I have shopped here, observed fashions on the street, and have identified the different types of fashion retail outlets. Consequently, it was agreed with the case company Bizzarro that this paper will focus only on the Finnish fashion retail market.

Such a multidimensional approach to internationality in my study should be sufficient for the international aspect requirement.

1.5 Benefits

My thesis project brings multiple benefits to the various stakeholders. From the company’s own perspective, the company will have a clearer understanding of the importance of brand building, and also the options it has to create a strong brand. After identifying these important facets of brand building, Cuvee’s launch in the Finnish market can then be thor-
oughly prepared. In the short term, brand building will require a significant amount of investment. In the long term, it will give the company valuable experience of operating in the European market. By utilising this experience, the company will then be able to continue its expansion into other European countries.

From a financial point of view, it has been proved that successful brands guarantee future income streams, and as a result an increase in profits. This is the reason why successful brands are perceived as very valuable. This is also the reason why it is important for Cuvee to build up a well-thought-out brand. (de Chernatony & McDonald 2003, 23.)

From the customers’ perspective, brands serve as risk reducers. When a buyer faces the challenge of choosing between similar brands, they can feel that there is a risk of wasting their time and money on a product that does not work for them. As a result, to mitigate this potential risk, the customers will often choose to buy from the brand that they already have experience with. (de Chernatony & McDonald 2003, 45.) For Cuvee it means that creating a brand that provides value to the target group could help to increase the number of returning customers.

In principal, brands should be able to form a number of differing relationships with their customers. For example, brands can create long-lasting and trust-based relationships that in turn will make the customer feel more committed to the company. This principle is a relevant example that Cuvee could use, to build up a large customer base. (de Chernatony & McDonald 2003, 32.)

From my own perspective, doing this project is very beneficial for developing my professional and academic skills. I believe that having a deep knowledge in branding is beneficial for any business - regardless of the industry. Hence, the knowledge gained during the project will be ultimately beneficial for my future career. In addition to that, independently managing a project of such a scope helps to further enhance and develop my own managerial skills.

1.6 Key Concepts

In this paper a number of specific terms are being used. To make it easier for the readers to understand the meanings of them, all of the main concepts are briefly explained below.

A **brand** is a cluster of functional and emotional values which promise a unique and welcomed experience (de Chernatony 2006, 8).
**Brand building** can be defined in several different ways. The Cambridge dictionary defines brand building as “a process by which a company creates or improves customer's knowledge and opinions of a brand” (Cambridge Dictionary 2017). In this paper the term "brand building" will be defined as a creation process rather than an improvement process. The reasoning for this decision is based on Cuvee’s brand not having yet been established. The brand was officially registered; however, the brand creation process has not been started yet. The ideas regarding Cuvee’s brand vision are coming primarily from the Bizzarro brand owner as discussions only and are not yet explained in writing. As a result, many aspects of the brand will be created from scratch during this study.

**Brand purpose** - the brand purpose answers the question “How is the world going to be a better place as a consequence of the brand and will this inspire and guide staff” (de Chernatony & McDonald 2003, 110).

**Brand positioning** – the act of designing the company’s offering and image, so that they occupy a meaningful and distinct competitive position in the target customers’ minds. (Kotler 1997).

**Brand differentiation** – the process of finding the methods to perform in one or more ways that the competitors cannot match (Kotler & Keller 2012).

**Brand identity** – is a unique set of brand associations that the brand strategists aspire to create or maintain. These associations represent what the brand stands for and imply a promise to the customer from the organisation. (Aaker 2002, 68.)

**Brand trust** – the customers believe that the brand will deliver what it claims (Kotler 2016).

**Brand beneficence** – the term beneficence itself is defined as the doing of good (Cambridge Dictionary 2017). In the brand context, beneficence means that the brand shapes its offerings to minimise negative personal and societal effects (Kotler 2016).

1.7 Risk and Risk Management

As with any other type of project, my small-scale project can be affected by various risk factors. To recognise these risks and create a risk management strategy, Reardon (2006) introduces a five-step model. According to this model, it is first important to identify the potential risks. As a second step, the likelihood that the risk will occur should be estab-
lished. After this, it is important to estimate what can be done to reduce the chances of the risk event taking place. Next, the impacts of the risks on the project are assessed. Finally, the consequences of the risk event occurring are established. (Reardon 2006, 112-115.)

Reardon defines risk as a random event which has a negative effect on the desired outcome of the project when it occurs (Reardon 2006, 112-115.)

There are several risks that are likely to occur during my project. One of them is personal risk – these are risks that are related to me or to the case company management. One example of that could be a lack of motivation or time from the management side to answer my interview questions. As a result, this may extend the thesis writing process. To minimise this risk, I plan on keeping the company management updated, by keeping them engaged and offering regular updates on my project. I will also try to arrange the time for email interviews so that it is convenient for the company’s management. By doing so, I will be able to allow enough time for both myself and the case company management to follow the project schedule. In addition to that, I will keep emphasising the benefits of my project for the company, so that the case company management stays committed. (Reardon 2006, 115-117.)

Another high-risk factor could be from information and data capture. This risk arises from the inability to use the chosen methods, or from a lack of satisfactory response. (Reardon 2006, 118-120.) For this project, there is a possibility that the data that is being collected from the company management might change. This is likely to happen if the management changes their mind on one of the discussed issues. Such a risk would have a big effect on my working process as I would have to go a few steps back to adjust the frameworks that I used and the conclusions I made. To avoid this risk, I will make sure that the questions I ask are clear and are fully understood the first time of asking. I will also ensure that I elaborate on the responses that are not clear to me by asking additional questions. By maintaining a sufficient communication level, I will be able to eliminate the occurrence of misunderstandings.

1.8 Case Company

Bizzarro is a brand founded in 2000 as a Russian-Italian women’s boutique. Today the brand has 10 shops of its own - this is in addition to a further 45 franchises across Russia who run 57 shops in total. In fact, Bizzarro does not only operate in Russia. It also has partners in Belarus and Kazakhstan. (Bizzarro.ru 2017.)
The company is renowned for using high quality European fabrics and for producing stylish and high-quality clothing. The company sells several collections that are orientated on different customer categories. In this paper I will analyse the company’s most recent collection called Cuvee. The primary reason for choosing this specific collection is because Cuvee was inspired by Italian minimalism and is therefore highly suitable for the tastes of the European women - especially in Finland. Considering that the company is planning to expand into the Finnish market, both the company’s CEO and I agreed that the Cuvee collection will be the best collection to market in Finland. As the collection was developed recently, the management of the company has not yet created a brand building strategy for it. Hence, in my project I will be creating the Cuvee brand in cooperation with the company management.
2 Theoretical framework

As a phenomenon, branding has been known to mankind for centuries. It can be traced back to the ancient times in the form of a trademark - when the pottery craftsmen were applying special marks to their goods to make the goods easily identifiable. These stamps (or what could also be described as branding) on the back of the product, made it easy to quickly identify the works of specific craftsmen that the customer was looking for. (Keller 2008, 43-45.)

Today, the core of a branding principle still remains the same. A brand is now considered to be the single most important asset that a business can possess (Lindeman 2003). This is mainly due to the significant economic influence that brands have on a company’s performance. In fact, depending on the market, up to 70 percent of the shareholder value can be attributed to brands. (Lindeman 2003.) A well-managed brand can be an excellent source for gaining respected reputation. It was noted by Fombrun and van Riel (2004) that a favourable reputation helps to achieve higher financial results.

In this chapter, the focus is on the implementation of PT1- creating a theoretical framework. Therefore, several brand related topics will be discussed. These will be: approaches to defining a brand, strategic brand analysis and 6-step brand building model.

2.1 Approaches to Defining a Brand

The basic concept of a brand has been known to people for centuries, however the approach to defining a brand as a concept that is known today started to form only around 60 years ago. For example, one of the very first brand definitions can be found in the American Marketing Association (1960). It defines a brand as “A name, term, sign, symbol, or design, or a combination of them which is intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of competitors” (American Marketing Association 1960). When comparing this definition to the much more recent works on branding, it can be seen that this definition is rather narrow in its scope, as it only focuses on the visible brand building elements.

Three decades later however, a dramatic change can be observed in the approach to defining a brand in the works by Keller (1998). Keller (1998) created a wholly customer-focused brand definition, according to which a brand is defined as being “a set of mental associations held by the consumer, which add to the perceived value of a product or service”.
However, modern day brands are mostly promoted to be understood as a balanced, broad, and holistically based concept. For example, Kotler & Armstrong (2012) together provide the following definition: “Brand is not merely a collection of names & symbols but a key element in company’s relationship with consumers because brand represents consumers’ perceptions and feelings about a product and its performance”. This definition unites all of the previously discussed definitions, and truly represents the concept of brand as being diverse and significant.

Given the above, most of the marketing and branding experts have their own interpretations and definitions of a brand concept (Kapferer 2008). However, for the purpose of this thesis I have chosen a definition by de Chernatony (2006, 8). De Chernatony refers to a brand as “a dynamic interface between an organisation’s actions and customer interpretations. It can be regarded as a cluster of functional and emotional values which promise a unique and welcomed experience” (de Chernatony 2006, 8). I find this definition to be most appropriate for my project, as one of my project goals is to develop and improve Cuvee as a brand. Hence, it is important for me to focus on the brand elements and company-customer relationships, as well as to perceive a brand concept as a broad and complex phenomenon.

This definition can be summarised in Figure 3 that replicates a brand triangle created by de Chernatony (2006, 8). This model shows a close connection between the functional and emotional values that function as the foundation of the triangle. The visualisation of de Chernatony’s brand definition also makes it clear that a promised experience is defined by how emotional and functional values are communicated by the company, and also how they are perceived by the customer.

![Figure 3. Brand triangle (Adapted from de Chernatony 2006, 8)](image)

Another model that clearly illustrates this holistic approach to defining a brand is the Branding Iceberg. The Branding Iceberg is a concept that was introduced by Davidson (1997), and it promotes a balanced perspective on brands. The iceberg reveals the com-
ponents of a brand that are visible - for instance the logo, the name and the website. At the same time, the model also shows the aspects that are non-visible to the customer. (Davidson 1997.) Some examples of these could be the values, the intellect, or the culture. The top of the iceberg represents approximately 15 percent of the brand, whilst the bottom part of the iceberg is equal to around 85 percent of the brand. (Davidson 1997.)

Figure 4. Branding iceberg (Adapted from Davidson 1997)

The models created by both de Chernatony (2006) and Davidson (1997) clearly emphasise the importance of having brand values as the key brand components. The significance of communicating these values inside the company to achieve a better brand perception externally is also highlighted. The brand iceberg by Davidson (1996) emphasises the importance of working on the component at the bottom of the iceberg, to create a stronger overall brand. A similar idea is also expressed by de Chernatony (2006). His brand triangle also stresses the importance of communicating the values in the triangle both externally and internally, to provide a clear brand image to the customers.

To conclude, in this study a brand will be referred to as a holistic model due to the reasons stated above.

2.2 Strategic Brand Analysis

To build a brand, a strategic analysis is first needed. Aaker (2002) introduced a strategic brand analysis framework that helps companies to develop their brand identity. This analysis consists of three divergent parts: customer analysis, competitor analysis and self-analysis. According to Aaker (2002, 190), “The aim of the brand is to create a business
that resonates with customers, avoids competitors’ strengths and exploits their weaknesses, and that exploits its own strengths and neutralises its weaknesses”. To understand fully the specifics of all three parts, a strategic brand analysis is used. (Aaker 2002, 190.)

2.2.1 Self-analysis of the Brand

Self-analysis of the brand is an important step towards understanding the current brand position. This analysis is focused on the following areas: current brand image, the brand heritage, a brand’s strengths and weaknesses, the soul of the brand and the links to other brands. (Aaker 2002, 196.) A concise summary of all the analysis areas is presented below.

1. Existing brand image analysis is aimed at understanding the current brand image in its current state. It helps to answer the questions related to the way a brand is perceived by its customers. It also helps to reveal whether a brand has a personality. If it is found that a personality exists, then the personality type can then be defined. (Aaker 2002, 196.)

Figure 5. Strategic brand analysis (Adapted from Aaker 2002, 190)
2. *Brand heritage analysis* is focused on how the brand originally started. It shows that understanding the origins of a brand helps a company to create an insight for developing a future brand strategy. (Aaker 2002, 196-197.)

3. *Strength and weakness analysis* is orientated on identifying whether or not the brand identity is supported by the strengths of the organisation. The analysis starts with identifying the strengths and weaknesses of the product which is currently offered, as well as those related to the company itself. In this process it is crucial to distinguish precisely what brand identity is desired, and also what can be realistically achieved with the current resources available. (Aaker 2002, 197.)

4. *Soul of the brand analysis* helps to identify what features help to create a brand vision and also the basic values of a brand. Together, these features define the overall character of a brand. (Aaker 2002, 200.)

5. *Links to other brands analysis* is focused on comparing the brand position and the competitors’ positions in the market place. The imperative idea is to make sure that the brand is functioning within the context of other company brands. (Aaker 2002, 201.)

In summary, for the purpose of this particular study, only two types of analyses will be utilised in Chapter 3. These are the soul of the brand analysis and strengths and weaknesses analysis. These have been chosen because the case brand Cuvee is currently at the start-up stage. Therefore, it does not have an existing brand image, a brand heritage or any links to the other brands. These analyses can be implemented sometime after the brand has properly established itself, however this is beyond the scope of this study.

### 2.2.2 Competitor Analysis

Competitor analysis is aimed at identifying both the brand image and position, and also the strength and vulnerabilities of the main competitor brands.

*Competitor brand image and position analysis* is focused on identifying how the competitor is being perceived. This can be achieved by both identifying the brand personality of a competitors’ brand, and determining any customer benefits that are provided. There are two main sources from where this information can be obtained. The first source is from the competitors’ customers, and the second is the competitors’ annual reports, advertising and other company accounts. (Aaker 2002, 194.)
Competitor strengths and vulnerabilities analysis helps to reveal the strong and weak points of the competitors (Aaker 2002, 195). Aaker (2002, 195) recommends to focus on the weaknesses of the competitors within the target market in particular, as these are the key to a successful brand strategy. Capitalising on a competitor’s weaknesses gives a company a distinct advantage that will be difficult to exploit or replicate. The potential sources of information on competitor strengths and vulnerabilities can be customers’ opinions regarding their customer experience with a competitor brand, annual reports or promotional materials. (Aaker 2002.)

2.2.3 Customer Analysis

Customer analysis is subdivided into three parts. These are: trends, motivations and segments. (Aaker 2002, 190.)

Trends analysis is the analysis of the dynamics of the market. It also includes the analysis of the sales volume trends and profitability prospects of submarket categories. During this analysis the following questions are answered: what the customer trends are; which submarkets are growing; which submarkets are declining; and why all of the above is occurring. (Aaker 2002, 191.)

Customers’ motivation analysis is an analysis that helps to reveal precisely which functional, emotional and self-expressive benefits motivate a customer to use a particular brand. Emotional benefits are analysed from qualitative research, whilst functional benefits are assessed on the matter of relevance to a customer segment. When analysing functional benefits, it is important to answer the following questions: what functional benefits are relevant to the customer, and also how these customers can be grouped based on the functional benefits they value the most. (Aaker 2002, 192.)

When analysing the customer motivations, it is also relevant to assess these based on the theoretical framework for the Consumer Decision Process (CDP) developed by Blackwell, Miniard & Engel (2006). The framework focuses on how the purchasing decisions are made and illustrates the stages that a customer goes through when making these decisions. The model includes seven stages and starts with a need recognition that is followed by search for information, pre-purchase evaluation of alternatives, purchase, consumption, post-consumption evaluation and divestment. These stages can be grouped into three distinct categories. The first category is the pre-purchase – this includes the first three of the above-mentioned stages. The next category contains only the purchase stage. This is followed by the post-purchase category - which is comprised of the final
three stages. When conducting the qualitative research for this paper, these three categories will be utilised to better understand how customer motivations vary, depending on the CDP stage.

Figure 6. CDP model by Blackwell et al. 2006

Segmentation analysis is oriented on analysing which customer segments are the best for the company to focus on. A variety of segmentation schemes can be used for that purpose. These schemes are generally based on the benefits sought after by different relevance groups, price sensitivity or brand loyalty. (Aaker 2002, 193.)

2.3 6-Step Brand Building Model

6-step brand building model was first introduced by Kotler in 2016 in an article published by him, in The Marketing Journal (Kotler 2016). Kotler explains that this model does not simply refer to the general brand building that most of the companies use, but it instead completely reconceives the process. Traditionally many companies start building their brand by designing a brand identity first. However, Kotler suggests that a brand purpose should first be established. Next, when it has been identified that there is a possibility that
there are competitors with a similar brand purpose, Kotler recommends that the company should then start to develop its *positioning* and *differentiation* strategies. Positioning and differentiation help businesses to better communicate their brand purposes as well as to enhance the image of the brand. Consequently, the next step in a brand building process concentrates on a *brand identity* development. Two more steps were later added to the process. These aim to add more considerable value to the company, by developing an attractive and sustainable brand. These two steps are *brand trust* and *brand beneficence*. (Kotler 2016.)

![Figure 7. 6-Step brand building process (Kotler 2016)](image)

This model highlights the importance of emotional marketing that targets the emotions of people instead of only their minds. For the modern-day business, the relevance of this model can be explained by the rapid growth in digital and social media. (Kotler 2016.) As the information concerning various disciplines is freely available online, customers become more demanding and critical whilst making their purchasing decisions. Customers rely more on the opinions shared online as well as the opinions of their close acquaintances. In such an environment where the word-of-mouth becomes the new advertising medium, it is especially important to both be and stay authentic. (Kotler 2016.)

In this chapter the phases of the *6-step brand building model* and the actions required for their development and implementation will be considered.

### 2.3.1 Brand Purpose

As stated by Kotler (2016), brand purpose is the first thing that any company should consider when starting a new brand. This has never been more important than in the modern day. According to multiple consulting agencies, the generation of the so-called Millennials represents a significant proportion of the target audience for an increasing number of brands. When discussing the traits of Millennials' buying behaviour, the same consulting agencies highlight the importance of authentic brand purpose for deciding on which company to buy from. (Forbes 2016.) In accordance with the research conducted by Millennial Branding (2015), 75 percent of Millennials claim that it is very important that the company contributes to the society, or in other words that it is fulfilling its brand purpose.
To better understand the true meaning of brand purpose, it is important to consider a range of definitions given to this term. Brand purpose has been given various definitions by different authors and business gurus throughout the last decade. As early as in 1996, Collins & Porras (1996b) defined brand purpose as “the organisation’s reason for being”. Later on, de Chernatony & McDonald (2003) expanded this definition to be more reflective of the holistic brand approach. As it was discussed in Chapter 1.6, a brand purpose in this paper will be referred to in accordance with the definition by de Chernatony & McDonald. It is defined as a statement that answers the question “How is the world going to be a better place as a consequence of the brand, and will this inspire and guide staff?” (de Chernatony & McDonald 2003, 110.) The definition provided by de Chernatony & McDonald is still relevant today, as the majority of Millennials define brand purpose as a means of making a world or a part of it, a better place (Liquidint 2018).

From this definition, two main characteristics of a sufficient brand purpose can be distinguished. First, brand purpose is inherently more than just making a profit. It is the approach that a business takes to contribute to a society. Secondly, a brand purpose is motivational - meaning that it inspires the employees to work hard to deliver this purpose. (de Chernatony & McDonald 2003, 110-111.) When applied to the modern day, the principal of motivational brand purpose is especially crucial to any business whilst they are acquiring their workforce. According to a study by Cone Communications (2016), 64 percent of Millennials consider social and environmental commitments of the company when deciding where to work. A similar percentage of interviewed Millennials stated that they would not work for a company with weak corporate social responsibility. This study perfectly illustrates the point that a brand purpose is not only significant for attracting new customers, but also for attracting the workforce.

Certain techniques are used to help to determine a brand purpose. Collins & Porras (1996b) describe one of the used methods for formulating a brand purpose as “five whys”. The process starts with formulating a descriptive statement that describes what products or services the company offers. At this stage, examples of this can be “We create X products” or “We deliver X services”. However afterwards, when the question, “Why is that important”, has been asked five times, the company usually creates a statement which is descriptive of its true brand purpose. (Collins & Porras 1996b.)

To make sure that the statement that is formulated with the help of “five whys” technique is a true brand purpose, de Chernatony & McDonald (2003) offer a list of questions that should be answered:
• “Does this purpose make a change and bring about a better world?”
• “Does this excite staff?”
• “Does it provide a clear sense of direction for staff?”

If the questions are answered positively, it means that the brand purpose was correctly identified. (de Chernatony & McDonald 2003, 113-114.)

An alternative approach to establishing a brand purpose could be answering the following questions, whilst giving careful consideration to each:

• “What was the driving force for the business to get started?”
• “What is the good that we are trying to do to our community?”
• “What modern day issues do we care about in our company?”

2.3.2 Brand Positioning

Brand positioning is the second step in the Kotler’s model for building a successful brand (Kotler 2016). As previously discussed, brand positioning in this paper is defined as the act of designing the company’s offering and image so that they occupy a meaningful and distinct competitive position in the target customers’ minds (Kotler 1997).

The concept of positioning was first introduced by Al Ries and Jack Trout in 1972, when they realised that marketing plans should not be designed around the 4Ps marketing mix. Instead, it was suggested that a company should first focus on something that would unify the 4Ps (Ries & Trout 2001,1). This new concept of positioning became a revolutionising way of adding consistency to the marketing mix, or simply as a means of communicating a message in an over-communicated society (Ries & Trout 2001, 3). In this chapter, positioning will be the primary topic that is considered from different perspectives.

According to Kotler & Keller (2012, 156), three distinct steps should be undertaken to establish a competitive brand positioning. First of all, a competitive frame of reference should be determined. It helps to firstly identify the main competitors that would become the focus group of a competitive analysis. Secondly, points-of-parity and points-of-difference should be identified. Finally, brand mantras are summarised to further expand the brand positioning understanding. (Kotler & Keller 2012, 156.) The ultimate result of a successful brand positioning process is a customer-focused value proposition that can be used to show the potential customers reasons that they should buy the company’s product.

The options for the implementation of each of the brand positioning steps will be discussed below.
1. **Competitive frame of reference**

Competitive frame of reference defines the main competitors that a brand has. Later, these companies become a focus group for a competitive analysis. To define the main competitors, it is advised to first determine the category membership. Category membership is defined as “a set of products with which a brand competes, and which can be considered to be close substitutes for a brand”. (Kotler & Keller 2012) For example, Coca Cola is an obvious direct competitor for Pepsi, and Burger King would likewise be an obvious competitor to McDonalds. However, not all the competitors are as obvious as this example shows. A list of a company’s potential and actual competitors can be much more extensive. A relevant example of this could be a company which is actively entering new markets. The list of potential competitors for this company would be influenced by potential competition in each of its target markets. (Kotler & Keller 2012)

The competitive frame of reference that is determined at this stage will become the basis for a competitor analysis that was described in Chapter 2.2.2.

2. **Points-of-difference**

*Points of difference (POD)* are defined as the benefits that are strongly associated with a brand and which cannot be fully satisfied by a competitor brand (Kotler & Keller 2012, 302). A brand can have multiple points-of-difference which make it unique. Most importantly, these brand benefits can function as the point-of-difference, only if they comply with three main criteria.

PODs have to be desirable, deliverable and differentiated. This means that the PODs chosen by the company have to be viewed by the consumers as relevant; the company itself needs to have enough resources to maintain the PODs; and finally, these associations have to be distinct and superior to the competitors. (Kotler & Keller 2012.)

3. **Points-of-parity**

Points-of-parity (POP) are the benefits which are not always unique to the brand and which are often shared with competitor brands. These points-of-parity can be divided into two categories: category points-of-parity and competitive points-of-parity. The former is viewed as essential by the consumers. They represent the conditions that are absolutely necessary; however, they are not fully sufficient for a brand choice. The latter are the associations that help to overcome the weaknesses of a brand. (Kotler & Keller 2012.)

4. **Brand mantras**

According to Kolter & Keller (2012, 306), brand mantra is a three to five word-long memorable phrase that articulates the brands’ essence and promise, as well as highlights its uniqueness. They also help to clearly communicate what a brand is and what it is not. Commonly, brand mantras are used for internal purposes to communicate the brand’s points of difference. To communicate similar points-of-difference externally, slogans are generally used. A brand slogan and a mantra can be formulated differently; however ultimately, they communicate the same message. (Kotler & Keller 2012, 308.)

To create a successful brand mantra, three criteria have to be satisfied. First, brand mantra has to communicate the uniqueness of the brand. Secondly, it should inspire employees. Finally, brand mantra should be concise simplified and easy to remember.

Once the competitive frame of reference, POD, POP and brand mantras are defined, it is important to communicate this strategy to everyone in the organisation. To achieve this in
the most simplified and straightforward manner, a *brand positioning bull’s-eye* schematic was introduced. (Kotler & Keller 2012, 309.) This schematic is a perfect tool for summarising and visualising the brand positioning strategy. It will be used later in this paper.

![Brand Positioning Bull’s-Eye Schematic](image)

Figure 8. Brand positioning bull’s-eye (Adapted from Kotler & Keller 2012, 309)

### 2.3.3 Brand Differentiation

Brand differentiation is considered by Kotler as the third step in the brand building process (Kotler 2016). It is an important tool that helps companies to stand out in highly competitive marketplaces. According to Henderson (1989), competitors that make their living in the same way cannot co-exist. As a result, they must differentiate themselves to maintain their competitive advantage. (Henderson 1989.)

Grant (2005, 271-275) defines differentiation as not only the action of offering different product features, but also as the means of identifying and understanding every possible interaction between the firm and its customers. Additionally, Grant defines it as the means of finding the way to improve these interactions, and to deliver extra value to the customers. He claims that the understanding of what customers want, how they make decisions,
and what makes them motivated, will be an opportunity to identify the means for profitable
differentiation. (Grant, 2005.) This definition developed by Grant also corresponds with the
Kotler & Keller (2012, 311) idea that customers must see any competitive advantage of-
fered by the company as their own customer advantage. Otherwise, if the consumers
cannot identify any specific customer advantage, they will consequently not be able to see
any value in the product that the company offers. (Kotler & Keller 2012, 311.)

To create a differentiated product offering, the company should consider various means of
differentiation.

One of the most common differentiation means and the one that is most apparent to the
customers, is product differentiation (Kotler & Keller 2012, 312). A product can be differenti-
tiated by the means of its form – for instance size and shape, its features, durability and reliabil-
ity, performance quality and style.

Nowadays, a new product differentiation method known as mass customisation is becom-
ing more widely used by the companies, and also more widely expected by the customer
(Forbes 2017). For example, a brand called Wiivv offers its customers an opportunity to
order custom fit shoes and shoe insoles. Wiivv collects orders via its mobile application
that allows its users to take pictures of their feet and afterwards place orders. (Wiivv
2018.) This trend for producing tailor-made goods is currently spreading to multiple indus-
tries such as jewellery, fashion retail and cosmetics whilst shaping a new future for shopping experiences (Forbes 2017).

At the same time, re-organising business operations around tailor-made services is not
always possible for already well-established modern-day businesses. However, to seize
the opportunity of increasing demand for custom fit products, businesses can personalise
their in-store experiences. For example, fashion retail companies can provide highly per-
sonalised in-store recommendations that would help customers to buy clothing items that
are perfectly suited for them. This will require hiring and training shop assistants that are
capable of providing fashion advice based on the customers budget, body type, lifestyle
and personal preferences. (Forbes 2017.)

This takes us to another brand differentiation strategy known as employee differentiation.
This means that a company has employees that are better trained and that provide a su-
perior customer service. (Kotler & Keller 2012, 312.) Today, as previously discussed, Mil-
lenials have become the largest consumer demographic, and they have increasingly high expectations for the customer service they receive. When compared to previous genera-
Millennials are almost twice as likely to leave a negative review for a company whose service did not satisfy them. (Entrepreneur.com 2017). This is because they believe that brands should be customer-centric and should take customer’s feedback seriously. For this reason, companies should pay particular attention to their human resource functions.

Additionally, over the last years, traditional means of differentiation were challenged by a totally new dimension of competition known as artificial intelligence (AI). Machine learning has enabled the possibility of bringing customer service experience to a completely new level of excellence. For example, virtual assistants such as Alexa, Siri and Google Home already help their users with simple day-to-day tasks such as setting appointments, creating shopping lists and checking weather forecasts. (Genesys Blog 2018.)

Chatbots are another new technology that is also becoming increasingly popular. Chatbots help to provide 24/7 customer service in a cost-effective manner, by eliminating the need for employing real people. In other words, due to the ability of AI to process large amounts of data as well as to learn from it, AI delivers endless possibilities for optimisation and cost reduction. (Forbes 2018.)

Some other options for the means of differentiation can be channel differentiation, image differentiation, service differentiation and innovation (Kotler & Keller 2012, 312).

### 2.3.4 Brand Identity

Brand identity is defined as the fourth step in the brand building process by Kotler (2016). To create a successful brand identity, it is first important to understand what the term means as well as to discuss the importance of it. In this paper brand identity is defined as “a unique set of brand associations that the brand strategists aspire to create or maintain. These associations represent what the brand stands for and imply a promise to customer from the organisation” (Aaker 2002, 68).

This definition created by Aaker (2002, 69) highlights the importance of having a broad scope of a brand identity definition. In Aaker’s opinion, a broad understanding of the concept of brand identity helps to build strong brands as it enhances strategic thinking and provides significant insights into what can and cannot be classed as brand identity. (Aaker 2002, 69.) Additionally, “the brand identity must express the particular vision and uniqueness of the brand, and the brand identity must be of a long-lasting or permanent nature” (Heding, et al., 2009).
To create a successful brand identity, it is necessary to study and understand different theories and approaches to brand identity planning. The concept of the brand identity was for the first time mentioned by Kapferer (1986) and was quickly embraced as a new breakthrough in marketing. This concept later became the basis for multiple conceptual brand identity frameworks such as Brand Identity Prism (Kapferer 1992), Brand Identity Planning Model (or BIPM) (Aaker 1996) and Identity Reputation Gap Model (de Chernatony 1999).

When comparing the models, it is important to note that Kapferer’s (1992) model focuses solely on the brand identity structure, whilst de Chernatony’s (1999) model is based on external and internal brand elements including the nature of their interaction with one another. At the same time, Aaker’s (1996) BIPM is an exhaustive step-by-step model that clearly explains brand identity creation process. As the aim of this thesis is to create a brand building manual, it is important to use the models that are both logical and holistic at the same time. This is the reason why Aaker’s BIPM will be further discussed in this chapter.

Figure 9 shows Aaker’s BIPM that is aimed towards helping companies to create a clear, different and enriched brand identity. The model is divided into three stages – strategic brand analysis that has already been discussed in Chapter 2.2; brand identity system that will become the main focus of this chapter; and brand identity implementation system. The latter will not be discussed in this paper as it functions as a tool for already existing brands, and therefore it cannot be used for the purposes of this study.

Aaker’s Brand Identity System provides four different perspectives for a brand identity that is presented as a complex and multi-layered phenomenon. Looking at Figure 9, it can be seen that the brand identity is formed by three separate layers - the brand essence, the core of the brand and the extended identity. (Aaker 2002, 86.) The core of the brand represents the essence of the brand that stays the same through time as the brand extends to new markets and into new product categories. It includes the fundamental values of the brand, its soul, or in other words all of the elements that fundamentally make a brand unique and valuable. (Aaker 2002, 87.)
Figure 9. Brand Identity Planning Model (Adapted from Aaker 2002, 79)

Extended identity is something that helps to complete the holistic image of brand identity. This is crucial for a brand because core identity does not provide enough detail to perform all of the functions of brand identity. (Aaker 2002, 86.) Brand identity elements such as brand personality, logo, retail experience and slogan fall into extended identity category, amongst the others.

As mentioned previously, the brand identity is formed by four different perspectives which are as follows: (1) brand as a product, (2) brand as an organisation, (3) brand as a person, and (4) brand as a symbol. These perspectives are very different and diverse and they help to enrich brand identity when they are carefully studied. (Aaker 2002, 78.)
However, Aaker (2002, 79) also notes that not all the brand identity perspectives have to be implemented in one brand at the same time, but instead only the most relevant ones should be utilised.

**Brand as a product** perspective includes six sub-elements that can be seen in Figure 9. According to Aaker, (2002, 78) it is an important part of brand identity, as it is directly linked to the brand choice and the user experience. Brand as a product perspective can also be compared to the brand physique aspect of Kapferer's Brand Identity Prism.

**Brand as an organisation** perspective is comprised of 2 different sub-categories focusing on the attributes of the organisation itself rather than on the product that it provides. Organisational attributes are also described as more resistant to copying, when compared to product attributes. This is because organisational attributes are hard to measure and communicate. As a result, it makes it more difficult for the competitors to narrow the perceived associations’ gap. (Aaker 2002, 83.)

**Brand as a person** perspective can be best described as a set of human characteristics. For example, gender, age and social status can be attributed to a brand. These characteristics create self-expressive benefits that help customers to express their personalities. They also help to communicate functional benefits through product attributes. For example, the strong Michelin man represents strong tyres. (Aaker 2012, 84.) This particular brand perspective is commonly named to be the most important aspect of brand identity due to multiple modern-day trends.

According to Edelman research (2018), consumer trust in brands dropped from 58 percent to 48 percent in the United States in 2018. Nowadays, brands are often perceived as corrupt, profit-focused and impersonal. To overcome these problems, companies are generally advised to humanise their brands. Brand humanisation means that a brand behaves in the same manner, alike an authentic individual. This can be achieved by exhibiting empathy and strong personality, being able to listen to the customer and portraying a strong set of brand values. (Persona Design 2018.)

**Brand as a symbol** perspective consists of two key elements. These are visual imagery, metaphors and brand heritage. Brand as a symbol is an important perspective of a brand because it provides cohesion and structure to brand identity. (Aaker 2002, 84.) Some examples of brand symbols can be McDonalds’ golden arches or IBMs logotype.
After brand identity has been created, it is important to find a certain method of communicating this brand identity to the target customer group. To do this, a brand can consider some of the following techniques.

*Storytelling* as a technique helps to build an emotional connection with the customers. A well-designed story that is emotionally appealing and that is connected to the brand image can encourage customers to take action and share the content, or even directly invite people to engage with a brand. (Forbes 2018.)

A trendy marketing tactic known as *influencer marketing* helps to bring a brand and its customers together through influential people in specific industries. The main idea of this technique is to find influential people who would be willing to promote a brand via their social media accounts. (Forbes 2018.)

<table>
<thead>
<tr>
<th>Number of posts for the last 30 days = 25</th>
<th>Overall number of likes and comments = 5430</th>
</tr>
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<tbody>
<tr>
<td>Number of followers = 5400</td>
<td></td>
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</table>

What is the average **Engagement Rate**?

<table>
<thead>
<tr>
<th>1. Number of posts for the last 30 days = 25</th>
<th>2. Overall number of likes and comments = 5430</th>
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</thead>
<tbody>
<tr>
<td>3. 5430/25 = 217.2</td>
<td>4. 217.2/5400 = 0.0402</td>
</tr>
<tr>
<td>5. 0.0402*100 = 4.02% <strong>(high engagement rate)</strong></td>
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</tr>
</tbody>
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Figure 10. Calculating 30-day average engagement rate (Adapted from Blog Scrunch 2018)

When choosing an influencer for a brand, it is important to pay attention to the real audience engagement (for example, likes, comments and shares) and content authenticity versus fake followers and generic content. It is more important that an influencer has a highly engaged audience, than having a very big following without high engagement levels. This is because when choosing an influencer, the quality of the connections they have is valued more than the number of connections themselves. To calculate the engagement level of an influencer, this technique can be used as presented in Figure 10.
2.3.5 Brand Trust

Brand Trust is a concept that was chosen by Kotler as a 5th component for creating an attractive and sustainable brand. According to Kotler's (2016) definition, brand trust helps the customer to believe that the brand will deliver exactly what it promises. In other words, brand trust is a feeling of security by the consumer and their confidence that the brand will commit to what it promises (Delgado & Munuera 2001, 1238).

Brand trust as a concept is considered to have a significant value in brand building as it contributes considerably to the creation of brand loyalty and customer commitment. In turn, brand loyalty generates a wide range of values for the company. These include substantial entry barriers to the competition, increased sales and revenue, and a customer base that is less sensitive to the marketing efforts of the competitor brands. (Delgado & Munuera 2001, 1240.) For these reasons, achieving brand trust is an important objective to accomplish for any company.

To achieve brand trust, it is first of all important to understand what the principle sources of brand trust are. Traditionally, multiple studies show that brand trust is transferred onto a person from another person who belongs to our close social environment (Elliot & Yannopoulou 2007, 991). For example, a study conducted by Elliot & Yannopoulou (2007) shows that people tend to trust recommendations about brands that are coming from others who they trust. As a result, these recommendations usually result in an increased brand trust.

Nowadays, the previous concepts of brand trust are now transferring into a new dimension of social media. It can be commonly observed that an increasing number of people are shifting from traditional communication sources to social media. This can be attributed to their desire to share their opinions and experiences online. For example, a study that was conducted by a group of Indian scholars proves that customers that are highly involved in social media are more likely to become loyal customers as well as spread more information about the brand, when compared to their non-involved counterparts (Jain, Kamboj, Kumar & Rahman 2018). This statement is especially true when applied to the customer group with the highest penetration of Internet use at 93 percent – the Millennials (Wharton Magazine 2015).

Millennials are often considered to be an indecisive customer group due to their desire to carefully weigh all of the available options. In other words, they are crowdsourcing their decision by assessing available information via social media. According to a report that
was released by Bazaar Voice (2012), 84 percent of Millennials stated that user-generated content (for example reviews) has influenced their purchasing decision to some extent. Some of the interviewees were also reporting that they will not make any purchasing decisions at all without first checking the user-generated reviews (Bazaar Voice 2012). These research findings show that Millennials are the only customer group that is more likely to trust complete strangers than their immediate network (Bazaar Voice 2012). Another research conducted by Mc Carthy Group (2015) found that 84 percent of Millennials do not like traditional advertising and simply do not trust it.

Based on these research findings, certain suggestions are given to the companies that have Millennials as one of the main target groups. Some of them are as follows:

- Making customers feel that their opinion is valued
- Showing Millennials the opinions of people they value the most
- Taking action to implement the suggestions on how the product can be improved
- Actively involving Millennials into the creation process of marketing strategy (Bazaar Voice 2012).

With the growing importance of social media, an increasing number of companies heavily invest into their social media presence. However, there are certain challenges that have arisen from recent scandals involving various social media channels. One of the biggest challenges is the widespread decline in trust in social media platforms. For example, the study by Edelman (2018) shows that trust in social media in the United States dropped by 11 percent over one-year period. Additionally, around 40 percent of respondents said they deleted at least one of their social media accounts. This was caused by the distrust in the platforms abilities to properly handle personal information. (Edelman 2018.)

Such a change in the attitudes towards social media means that brands are missing out on communicating with their customers. However, there are certain things that a company can do to decrease the ill-effects of the declining trust in social media. (Forbes 2018.) Some of the options are as follows:

- Making regulated user-generated content to avoid hate speech and inappropriate content
- Respecting intellectual property rights
- Being transparent about data collection and its use
- Focusing on specialised or niche content to position a company as an expert in the industry (Forbes 2018)

2.3.6 Brand Beneficence

Brand beneficence is the final stage in the brand building process designed by Kotler (Kotler 2016). The Oxford Learner’s Dictionaries defines the term beneficence as “the quality
of giving help and showing kindness” (Oxford Learner’s Dictionaries 2018). When applied to the context of a brand, beneficence is instead defined by Kotler (2016) as “serving well the society”. It is the social responsibility of the company that shapes its offering so that it would minimise personal or societal ill-effects of it (Kotler 2016). In this chapter the phenomenon of corporate social responsibility and different approaches to it, will be discussed.

The term corporate social responsibility has been used in many different contexts – to the point that it is sometimes hard to understand its true meaning (Sethi 1975, 58). However, it is generally used to refer to transparent business practices that are based on ethical values, conformity with the legal requirements and respect for people, communities and the environment (Sethi 1975).

The definition by Sethi (1975) is also supported by the works of Elkington (1999) and by his triple bottom line (TBL) for sustainability in particular. This TBL includes environmental considerations as well as the social and economic implications of a business. Elkington’s TBL illustrates the point that the main goal of any business should not simply be to create economic value, but rather they should focus on the extended goals that include social and environmental values.

As discussed previously, corporate social responsibility has become very important in the modern day due to multiple societal changes. For example, one of these changes is the growing power of Millennials. They already represent 60 percent of the world’s population and would represent 70 percent of the workforce by 2025 (Launchbox 2018). In accordance with the research conducted by Millennial Branding (2015), 75 percent of Millennials claim that it is very important that the company contributes to the society in one way or another, and 76 percent consider a business as a force for positive change in a society. Such increased corporate social responsibility awareness determines how Millennials make their purchasing decisions, as well as decisions about their employment. In other words, to attract Millennials a company is required to have a strong focus on corporate responsibility and also to significantly contribute to an important societal cause. (Millennial Branding 2015.)

Another upcoming trend in terms of corporate social responsibility that is predicted to become increasingly important in 2019 is brand activism. In accordance with Edelman’s Earned Brand study (2018), 64 percent of consumers worldwide make their purchasing decisions based on the social and political positions of brands. This study highlights that modern-day brands are now expected to go beyond traditional business interests and are
expected to participate in political activism. (Edelman 2018.) Multiple articles have been published by the Marketing Journal, Harvard Business Review and The World Economic Forum discussing the importance of CEO activism as a part of the increasing brand activism movement. They state that governments fail to efficiently address topical societal concerns, and as a result, businesses must step up and solve arising problems. As CEOs are the main public figures that are representing various companies, they are particularly expected to act. (Marketing Journal 2017.)

Kotler and Sarkar describe brand activism as an organic evolution of corporate social responsibility. Companies were previously focusing their efforts on marketing driven and corporate driven initiatives, and now with the rise of brand activism, companies focus on value driven initiatives instead. (Kotler & Sarkar 2017.) To better understand the opportunities that brand activism brings, Kotler and Sarkar developed a comprehensive brand activism framework that helps to measure brand’s commitment to various issues (Kotler & Sarkar 2017).

In this framework, brand activism has six different domains. These are: social activism, cultural activism, political activism, legal activism, environmental activism and economic activism. Each of these domains can be measured based on their progressive or regressive nature in the company that is being evaluated. The main benefit of using this framework is the visualisation of brand activism domains that are often hard to measure or visualise.

Figure 11. Brand activism framework (Adopted from Kotler & Sarkar 2017)
2.3.7 6-Step Brand Building Process Summary

To summarise everything that has been discussed previously, a conclusion can be made that 6-step brand building process is an extensive and holistic framework that helps companies to develop their brands. The process itself is rather straightforward. However, the implementation of each stage of the process is open to interpretation. Depending on the industry, company size and resources available, companies can utilise various tools to implement the six steps of brand building. As this thesis focuses on developing a brand building manual for Cuvee, the theory presented in this chapter was chosen on the basis of its relevance to the case company.

As many various theoretical approaches and modern-day trends were discussed in Chapter 2.3, it is important to combine them all into one framework to provide more clarity. Figure 12 visually summarises the essence of each brand building stage for Cuvee based on the theories discussed in Chapter 2.3. Therefore, this model will become the primary framework for Cuvee brand building manual design.

![Figure 12. 6-step brand building process implementation model for Cuvee based on 6-step brand building process by Aaker (2002)](image)

2.4 Theoretical Framework Summary

To summarise everything that has been discussed in this chapter, it can be concluded that branding has become an integral part of modern business practices. Today’s brands are perceived as multifaceted phenomena that bring added value to organisations. When developing a brand, a strategic brand analysis is first needed to understand the current sit-
uation with the brand itself, its competitors and its potential or existing customers. After a strategic brand analysis has been implemented, it is recommended to proceed to a new stage of brand development. This is known as 6-step brand building process (Kotler 2016).

As shown in Figure 12, 6-step brand building process is comprised of 6 distinct focus areas that have to be developed one at a time. It starts with brand purpose, which can be defined as when a company finds its own unique approach to making the world a better place. This step is then followed by brand positioning, which requires defining brand’s PODs and POPs that become a basis for a brand mantra. After this step, brand differentiation can be considered. Some of the contemporary differentiation means include mass customisation, personalisation and employee differentiation. Defining brand identity is the fourth step in the brand building process. It was explained that brand identity is currently defined as experiencing trends for brand humanisation, storytelling and influencer marketing. The second to last step is brand trust - which is mainly considered through the prism of social media and unique culture of Millennials. Finally, brand beneficence step is discussed with the main focus on brand activism.

As the primary goal of this thesis is to create a brand building manual for Cuvee, all of the theories and modern-day trends mentioned above will be used in Chapters 3-5. Most importantly, these theories discussed in Chapter 2 shape a holistic step-by-step framework that will help to create a comprehensive manual for Cuvee. This simplified framework of brand building process that includes all of the steps discussed previously is shown in Figure 13.

Figure 13. Comprehensive brand building process for Cuvee
3 Methods

This chapter will explain how all of the project tasks are implemented and what methods are used for this purpose.

First of all, it is important to say that the project heavily relies on the theoretical knowledge and the theoretical frameworks discussed in Chapter 2. These frameworks give a solid basis for a detailed brand analysis. This is because they were developed by the most prominent figures in the theory field of modern branding and marketing, who view brands as multifaceted phenomena. When using these frameworks, I will be able to systemise the results of various analyses types and combine them with some ideas presented by the Cuvee brand director. It will also help to create a holistic picture of the brand, and later on create a brand building manual based on these results. I will further present the findings to the company and analyse the final outcome of the project.

The project is divided into seven stages. Firstly, a theoretical framework is created (PT1). This framework is based upon the principles developed by the leading authors in modern branding theory.

Next, an analysis of Cuvee’s current brand state (PT2) is performed based on both the analysis designed by Aaker (2002) and the materials provided by the company. This step involves conducting online interviews with the company's director. Additional email communications are also used to obtain supplementary information and further expand the understanding of the data that is collected during the primary interview sessions. The qualitative interview was chosen as one of the main project management methods, because it is considered to be an effective method of collecting the own words and perspectives of people, as well as their opinions, beliefs, feelings, values and attitudes (Saldan, Leavy & Beretvas 2011, 32).

This paper is a product-based thesis that is aimed at developing a brand manual for a case company. The director of the company is the main person to be interviewed as he is the main stakeholder who has a vested interest in the success of this project. Therefore, he is the main decision maker and opinion leader for this project. It is especially important to have the right information about his opinions on the brand vision and image, as they will be the guidance for the brand self-analysis.

The next step is conducting a competitor analysis (PT3). During this stage the competitors of the company in the Finnish market are first identified, and then analysed. The analysis
is based on the competitor analysis framework introduced by Aaker (2002). Benchmarking and secondary research is used as the project methods for this task. This decision is based on Aaker's (2002) framework, as the best means of getting reliable information about the competitors. These means include the collation of annual reports, websites and advertisements of the competitors. Competitor customers are also mentioned as one of the reliable data sources. However, this source is not used in this study due to the limited scope and time resources available.

The fourth stage in this project is the potential customer analysis (PT4). This analysis focuses on identifying current trends in the fashion retail market, identifying existing opportunities for satisfying the needs of the customers which are not met at the moment, understanding the customer motivations for buying clothing, and choosing the customer segment. As suggested by Aaker (2002), the customer analysis in this paper is performed in a similar manner to the market analysis that includes customer segmentation criteria. The required information is gathered by the means of the qualitative research with the potential brand customers, secondary research and the interviews with the case company management. This is again based on Aaker (2002) recommended methods for designing and implementing a customer analysis.

The next stage is the actual brand building manual creation (PT5). It is based on all the materials gathered during the previous tasks. These materials are then applied to the 6-step brand development model as discussed in Chapter 2.3. This brand development model will later serve as a holistic framework for the manual. This was decided because this framework incorporates a wide range of aspects that are crucial for the case company brand building.

After the brand building manual is created, it is presented to the case company for consideration and feedback (PT6). Depending on the case company management evaluation, the brand building manual either remains the same, or is otherwise altered to fully satisfy the case company vision.

Finally, the project is concluded by summarising a number of different topics. These are a discussion of the results (PT7) that were achieved, the usefulness of the findings and the recommendations that help to facilitate the branding process.

In Table 2, all the project tasks and data sources used to implement these, as well as the project management methods and end results, are summarised.
Table 2. Project tasks and design

<table>
<thead>
<tr>
<th></th>
<th>PT1</th>
<th>PT2</th>
<th>PT3</th>
<th>PT4</th>
<th>PT5</th>
<th>PT6</th>
<th>PT7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project task</td>
<td>Designing the theoretical framework</td>
<td>Analysing Cuvee’s brand at its present state</td>
<td>Finding competitors in the Finnish market and comparing them to the case company</td>
<td>Potential customer analysis (Aaker 2002)</td>
<td>Creating a brand building manual for Cuvee</td>
<td>Presenting the brand building manual to the commissioning company for feedback</td>
<td>Evaluating the project</td>
</tr>
<tr>
<td>Data source</td>
<td>Relevant books, research papers and articles</td>
<td>Cuvee internal database; interviews with the company management</td>
<td>Competitors’ websites; competitors’ advertising and social media web pages; annual reports; online reviews; relevant news articles about the competitors</td>
<td>Qualitative interview with potential customers; articles on current fashion trends; interviews with the case company director</td>
<td>All the data collected previously</td>
<td>Case company</td>
<td>All of the above</td>
</tr>
<tr>
<td>Project management method</td>
<td>Secondary research</td>
<td>Application of the data collected during the interviews with the management to the brand self-analysis framework</td>
<td>Secondary research, benchmarking. Application of the collected data to the competitor analysis framework</td>
<td>Secondary research, interviews with the company management</td>
<td>Application of the data collected during three previous project tasks to the 6-step brand building model (Kotler 2016)</td>
<td>Presentation of the results</td>
<td>-</td>
</tr>
<tr>
<td>Task outcome</td>
<td>A comprehensive theoretical framework</td>
<td>A clear and structured picture of the present state of the brand</td>
<td>A table of comparison for the competitor companies and their main features</td>
<td>Clear picture of who the potential customers are and what are their motivations for purchasing clothing</td>
<td>Brand building manual for Cuvee</td>
<td>Finalised brand building manual that considers the feedback provided by the case company</td>
<td>Project evaluation</td>
</tr>
<tr>
<td>Project outcome</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>A strategic brand building manual for Cuvee</td>
</tr>
</tbody>
</table>
Based on the information on various components of strategic brand analysis provided in Chapter 2, it can be seen that some components are rather complex in their nature. Therefore, to provide full information on the methods used for their implementation, it is necessary to explain them in separate chapters. For this reason, Chapter 3.1, Chapter 3.2 and Chapter 3.3 will focus on specific methods that are used for the implementation of PT2, PT3 and PT4.

3.1 Analysis of the Company Brand

Analysis of the company brand (PT2) is similarly a brand analysis of Cuvee’s current brand state. This analysis is based on Aaker’s brand self-analysis described in Chapter 2.2.1.

Aaker (2002) defines brand self-analysis as a combination of five various analyses types – any of which can be used, depending on the current brand’s situation. These analyses types include existing brand image analysis, brand heritage analysis, links to other brands analysis, strength and weakness analysis and soul of the brand analysis. (Aaker 2002.) As discussed previously, it is most relevant to focus on the two latter analysis types for the purpose of this study. These are strengths and weaknesses analysis and soul of the brand analysis.

3.1.1 Soul of the Brand Analysis Methods

Soul of the brand analysis aims at creating a brand vision, the basic values of a brand and most importantly the overall character of a brand (Aaker 2002). For the purpose of this study, the analysis primarily focuses on the desired brand identity for Cuvee – which is also the main focus of this thesis. The reason for this choice is because Cuvee as a brand is still in its development stage. Consequently, it does not have an existing image or a significant brand heritage that is described by Aaker. However, the management team already has certain ideas regarding the core concept of the brand and its first collection. As a result, the brand’s self-analysis mostly relies on the outcomes of the online interview with Cuvee’s director and the management team.

To prepare for the interviews with the case company director, an interview frame was designed. This frame is presented in Table 3, as below. The table includes both the main and follow-up questions that are aimed at broadening the depths of the information that is being collected.
Table 3. Email interview framework design – company self-analysis

<table>
<thead>
<tr>
<th>Interview frame</th>
<th>Questions</th>
<th>Additional Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thematic category</td>
<td>Questions</td>
<td></td>
</tr>
<tr>
<td>Company Self-Analysis</td>
<td>What <strong>personality</strong> would Cuvee have if it was an individual? What is the <strong>soul of the brand</strong>? What do you consider to be the <strong>purpose of the brand</strong>? How do you want the brand to be perceived by the customers? What <strong>emotional values</strong> do you want to provide to the customers?</td>
<td>If your employees won a lottery, would they still continue working for the company to deliver the brand purpose? What other values do you want to communicate to the customers?</td>
</tr>
</tbody>
</table>

3.1.2 SWOT Analysis Methods

Additionally, to better understand some of the strong and weak points of Cuvee’s brand and also to understand the upcoming trends that are likely to affect the brand, a SWOT analysis is conducted. The analysis is performed by means of secondary research and a brief email interview with the case company director. This is because the secondary research is a useful source of information for external positive and negative industry trends, and Cuvee’s director is the person with the most expertise regarding the company’s current situation. Therefore, it was beneficial to combine the two analyses methods to obtain a comprehensive picture.

Table 4. Email interview framework design – company SWOT

<table>
<thead>
<tr>
<th>Thematic category</th>
<th>Main question</th>
<th>Follow-up question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Strengths and Weaknesses</td>
<td>What are the <strong>strengths</strong> of your company? What are the <strong>weaknesses</strong> of your company?</td>
<td>How can you capitalise on these strengths? How would you cover up your weaknesses?</td>
</tr>
</tbody>
</table>

3.2 Competitor Analysis

This chapter focuses on the methods required for the implementation of PT3 that involves performing a competitor analysis.
As defined by Aaker (2002), competitor analysis is an indispensable part of a strategic brand analysis. Its primary goal is to analyse the main competitors in various markets for the case study brand. According to Aaker (2002), when conducting a competitor analysis, there are two aspects of a competitor brand that have to be analysed. These are the brand image and position, and the strength and vulnerabilities. Therefore, the methods needed for the implementation of both analyses are described below in detail.

Additionally, it is important to mention that competitor analysis in this paper focuses on a detailed analysis of COS as a brand. This was decided together with the company management, as they believe that COS is their main competitor. Therefore, they want to know more about the COS brand image and its strong and weak points.

### 3.2.1 COS Brand Image and Position Analysis Methods

To perform a competitor brand image and position analysis, Aaker (2002, 194) advises to analyse secondary data that can be obtained from both competitor communication sources and the competitors’ customers. Analysing the former source helps to understand how COS desires to be perceived, whilst understanding the latter helps to understand what customers think about the brand. For the purpose of this study various articles, interviews with COS management, as well as COS brand media are used as a source of secondary data. Additionally, the customers’ opinions about COS are gathered through online reviews and feedback platform. Due to the limited resources available for this study, it is not possible to conduct face-to-face interviews with the competitor customers. Therefore, online feedback is the second-best option for the collection of COS customers’ opinions.

The overall brand image and position analysis is comprised of three distinct dimensions. These are: the benefits that COS provides, the brand-customer relationship and the brand personality (Aaker 2002). In this paper, certain dimensions are discussed from the perspectives of the brand itself, and also the customers when possible and relevant.

### 3.2.2 COS Strengths and Weaknesses Analysis Methods

A strengths and weaknesses analysis is the second part of the overall competitor analysis developed by Aaker (2002, 195). This analysis helps to get a new perspective on competitors, which can be used to a company’s advantage. Aaker explains that going against competitor strengths is risky and is not usually profitable, whilst capitalising on a competitor’s vulnerabilities is usually advantageous. (Aaker 2002.) Therefore, a variety of secondary data has been used to obtain the most diverse, comprehensive and relevant information on the current COS brand situation, as well as the brand’s development.
3.3 Customer Analysis

This chapter focuses on the methods required for the implementation of PT4 which involves conducting a potential customer analysis. Aaker (2002) describes a productive customer analysis as one that involves the examination of market trends, customer motivations and segmentation structure. This analysis helps to better understand who the brand customers are, their needs and also the industry trends that shape their purchasing behaviour.

3.3.1 Trends Analysis Methods

The trends analysis aims to identify some of the main customer trends, how they affect different markets and why. For the purpose of this study, increasing trends in fashion retail have been researched and analysed. To gather relevant information, secondary research is used as the primary analysis method. For this reason, a wide range of articles published by reputable media is analysed.

3.3.2 Segmentation Analysis Methods

Segmentation is another important component of customer analysis as defined by Aaker (2002). Although he does not specify the best method for conducting a segmentation analysis, he suggests that using certain segmentation criteria that can vary depending on the company, is a useful strategy. Therefore, an interview with Cuvee’s director is used as the basis for the segmentation criteria. The director’s opinion is an important factor as the first collection that is currently being created is designed for a specific target customer. To find out this information, a few interview questions were sent via email to the brand director. These questions are detailed in Table 5.

<table>
<thead>
<tr>
<th>Thematic category</th>
<th>Main question</th>
<th>Follow-up questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Analysis</td>
<td>How do you see your <strong>potential customers</strong>? What is the customer’s <strong>age range</strong>? What <strong>clothing tastes</strong> do these people have?</td>
<td>Describe these people, giving details on their <strong>values, wealth, occupations and lifestyle habits</strong>.</td>
</tr>
</tbody>
</table>

Table 5. Email interview framework design – customer analysis

3.3.3 Customer Motivation Analysis Methods

According to Aaker (2002), the goal of customer analysis is to determine precisely which functional, emotional or self-expressive benefits encourage the consumers to use a par-
A particular brand. To do this, Aaker (2002) suggests that a qualitative research has to be implemented. This research focuses on the buying behaviour and motivations of the target customer group chosen for Cuvee. To reflect the core idea of a customer motivations analysis, the main research question for the study can be formulated as: what are the consumer motivations that affect their brand choice during different stages of the decision-making process?

A face-to-face semi-structured in-depth interview is chosen as the data collection method for this research. Interviews are described as a relevant method for collecting elaborate and in-depth information from the interviews, by Seale, Gobo, Gubrium & Silverman (2007). The authors suggest that the interview does not have to follow a strict plan, as the nature of the interview is a collaborative conversation. Therefore, a certain degree of flexibility should be allowed to obtain the most detailed information from interviewees. (Seale & et al. 2007.) The interview structure is based on three types of interlinked questions. These are the main questions, probes and follow-up questions. To elaborate on the function of these question types, it can be defined that the main questions reflect different parts of a research question and make sure that they are answered. On the contrary, probes encourage an interviewee to keep talking, whilst the follow up questions lead interviewees to further discuss key concepts and ideas. (Rubin & Rubin 2012.) Additionally, qualitative interviews help to understand the variety of different perspectives towards an issue that is being studied. This helps to arrive to more thoughtful and detailed conclusions at the end of the research (Rubin & Rubin 2012).

The sample for the research is chosen based on the purposive sampling method. The chosen sample reflects the variety of opinions that potential Cuvee customers have with regards to the product benefits that affect their purchasing decisions. A small sample of 7 female individuals aged 25 - 34 was interviewed. The interviewees were chosen based on their personal characteristics that are in line with the potential Cuvee customer. For example, all 7 interviewees have an interest in music, design, art or architecture and have studied or worked in this field. Additionally, all interviewees are the holders of university diplomas and were either studying to obtain a higher-level degree or working in their specialisation field. This sample satisfies Cuvee’s management idea of a target customer who is a 25 to 35-year-old female that is well educated and who enjoys artistic disciplines.

This qualitative research relies on the theoretical model known as CDP developed by Blackwell et al. (2006). It has been described in detail in Chapter 2.2.3 and visually illustrated in Figure 6. To answer the main research question, an interview framework was
designed. The framework is also based on the CDP model for the purpose of interview structure clarity and comprehensive data collection.

Table 6. Interview question framework

<table>
<thead>
<tr>
<th>Interview stage</th>
<th>Main questions</th>
<th>Follow up questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction</td>
<td>What is your age, occupation and education level? What kind of a shopper would you describe yourself as?</td>
<td>How often do you buy new clothing items? How would you describe your clothing style?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>How important are current fashion trends to you?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>How much are you influenced by what people around you wear?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>How does your work affect your style?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>How does pricing affect your purchasing decision?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>How do environmental, ethical and sustainability issues affect your purchasing decisions?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Name the clothing brands that you like and buy your clothing from.</td>
</tr>
<tr>
<td>2. Pre-purchase</td>
<td>Describe your typical shopping routine What is your main motivation for shopping? How do you arrive to a conclusion that you need to do some shopping? Do you do any research before buying an item?</td>
<td>What encourages you to go shopping?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What kind of research do you do?</td>
</tr>
<tr>
<td>3. Purchase</td>
<td>Can you describe your thinking process when making a purchasing decision? Do you mostly shop in store or online? Why? Can you describe your perfect shopping experience?</td>
<td>What are the factors that positively affect your purchasing decision?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What are the factors that negatively affect your purchasing decision?</td>
</tr>
<tr>
<td>4. Post-purchase</td>
<td>After you have used the new item for some time, what are the factors that make you satisfied or dissatisfied with your purchasing decision? What are the main reasons for you to come back to the same clothing brands that you used before?</td>
<td>How does a dissatisfactory experience affect your relationship with the brand?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What are your actions when you are unhappy with the item that you purchased?</td>
</tr>
</tbody>
</table>
4 Results

This chapter is focused on the implementation of strategic brand analysis (PT2, PT3, PT4) and the creation of a brand building manual for Cuvee (PT5). The implementation of both tasks is based on the theoretical framework discussed in Chapter 2 and the methods discussed in Chapter 3. The findings of the strategic brand analysis are presented first, as they are the foundation for the creation of a brand building manual for Cuvee.

4.1 Analysis of the Company Brand

This chapter focuses on the implementation of PT2 based on Aaker’s (2002) recommendation to conduct a company analysis as the first stage of strategic brand analysis. This is because it is crucial that a company knows its internal strengths and weaknesses, its own goals as well as external factors that might affect a company’s operations. As previously discussed in Chapter 2, company analysis is comprised of five sub-analyses that are used for different purposes. Aaker (2002) also highlights that each of these sub-analyses has to be used when it is relevant to the case company. Therefore, as it was concluded in Chapter 2, only two sub-analyses are implemented for the purpose of this study. These are the soul of the brand analysis and SWOT analysis.

4.1.1 Soul of the Brand Analysis Results

Based on the methods described in Chapter 3.1.1, soul of the brand analysis is based on several interviews with Cuvee director. According to the information collected during the interviews, the ultimate goal or purpose of the brand is to promote minimalism as a lifestyle. The company wants to enter a market niche that focuses on quality clothing that is clean, modern and timeless. The management team also has a vision for Cuvee’s personality. They describe the brand as female, young, confident, educated, introvert and having a sense of style. (Zelenov 13 September 2018.)

The target customer for the brand is described as a 25 to 35-year-old female with a university degree. She is creative, confident and intelligent. She enjoys subjects like arts, fashion, architecture and music. She is selective in all respects and she likes to choose the best for herself. She likes to have her personal space and she carefully chooses the places she goes to. It is important for her to feel comfortable in her surroundings as well as in her outfits. She focuses on spiritual things rather than on material wealth and uses clothing as a means to communicate that. Overall, she likes to be simple but different. (Zelenov 13 September 2018.)
The discussion about brand purpose and the target customer group provides us with a better understanding about the brand’s identity. These key findings are summarised below in Figure 14.

As previously mentioned, the company wants to see fashion minimalism as the essence of their brand. The core of the brand is comprised of superb quality, futuristic designs and young, educated female customers. (Zelenov 13 September 2018.) The extended identity helps to finalise the brand identity picture, and at this point it includes four different elements.

First, the product scope is defined as lifestyle female apparel. Secondly, customer service is described as personal, helpful, non-pushy and friendly. Additionally, the brand personality is defined as laid back, stylish, confident and introverted. (Zelenov 13 September 2018.) Finally, a potential brand slogan is defined as “Less is more”. Overall, this brand identity schematic provides us with an idea of what the management team wants to communicate to the customer.

Figure 14. Cuvee’s brand identity (Based on Aaker’s brand identity model 2002)
4.1.2 SWOT Analysis Results

When discussing the results of SWOT Analysis, first of all, potential brand strengths are discussed. It is important to mention that as the Cuvee brand is not yet established - the strengths presented in this SWOT analysis are the strengths that the company wants to focus on. As revealed by the interview, the company finds the following matters important: buying high quality fabrics to create high quality clothing; creating a variety of clothing styles; training competent shop assistants that provide superior customer service; and finally creating a unique retail experience that would stand out from the rest of the modern-day shops. (Zelenov 13 September 2018.)

![Figure 15. Cuvee SWOT analysis](image)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>High quality fabrics</td>
<td>Low brand awareness</td>
</tr>
<tr>
<td>Variety of clothing styles</td>
<td>No financial capabilities to compete with well-established brands</td>
</tr>
<tr>
<td>Competent shop assistants</td>
<td>Clothing items are produced in Russia, and import duties have to be paid on them when exporting into Finland</td>
</tr>
<tr>
<td>Potential to create a unique retail experience</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing demand for e-commerce and online shopping in fashion sector</td>
<td>Pressure of fast fashion</td>
</tr>
<tr>
<td>Growing expectations amongst the consumers for unique retail experiences</td>
<td>Oversupply in the fashion market</td>
</tr>
<tr>
<td>Millennials are becoming the largest market</td>
<td>Intense market competition</td>
</tr>
</tbody>
</table>

The main weaknesses of Cuvee’s brand can be attributed to the limited financial resources available, and the fact that the brand is new. As a result of these two factors, Cuvee has low brand awareness and limited or no financial capability to compete with well established brands. (Zelenov 13 September 2018.) Additionally, Cuvee’s production is located in Russia, and this brings certain challenges. For example, Cuvee will have to go through a complex and possibly expensive procedure when exporting its clothing to Finland. This is due to tax duties and other export obligations.

When discussing positive external trends, it was agreed that the growth of e-commerce and online shopping is a significant opportunity for Cuvee. According to Shopify (2018) research, the fashion e-commerce market in Europe is expected to grow by 8.7 percent by 2020, creating a projected $154bn market.
In addition to this, there is a growing expectation among customers to receive a unique retail experience. This opinion is influenced by the trend for an exponential growth of e-commerce. (Forbes 2017.) Previously, many experts predicted the demise of retail due to an increasing number of people shopping online, instead of visiting retail shops (Shopify 2016). Despite this, certain retail brands decided to take advantage of the new trend and have reinvented the retail experience that they provide (Forbes 2017). For instance, some brands decided to use their retail spaces as a part of their marketing effort. The purpose of which was to create loyal customers by utilising new technology, that offers greater potential for personalisation of the retail experience. (Shopify 2016.) Two examples of these brands would be Ralph Lauren - that introduced interactive mirrors in the changing rooms, and Nike’s Soho store in New York - that offers instant laser engraving, custom printing, adjustable lighting in the changing rooms and various “trial zones” with treadmills and a football field court. (Shopify 2016.)

Another possible opportunity for the company could be Millennials that are quickly becoming the largest market group. According to the Financial Times media outlet (Financial Times 2018), the Millennials’ global spending power will overtake generation X by 2020 and will continue to increase further. As mentioned previously, the Millennials have a particular set of traits that determine their shopping behaviour. (Financial Times 2018.) For example, Millennials prefer smaller independent brands that have a strong focus on organic, craft and locally-made products. They also spend more time on social media than any other generation, and their purchasing decisions are often affected by social media influencers. All of these factors have to be considered when designing a company strategy that has Millennials as the main target group. (Financial Times 2018.)

One possible threat that might affect the brand’s development is intense market competition (Businesswire 2018). Fashion retail is traditionally considered to be one of the most competitive industries. Nowadays, consumers have an increasing number of options to choose from, including fashion retail shops, online shops and mobile applications. As a result, modern day consumers expect to have a large variety and also originality of clothes that reflect the latest fashion trends. This makes it difficult for emerging businesses to get a substantial share of the market. (Businesswire 2018.)

Another significant threat for the Cuvee brand is the pressure of fast fashion (Buxton 2018). Companies such as Zara and H&M have managed to significantly improve their supply chains to be able to deliver new trends within a matter of weeks. This has altered the previous approach to the traditional four distinct clothing seasons - which are not perceived as such anymore. As a result of this, brands are now expected to renew their col-
lections every other month instead of four times a year. The dominance of fast fashion also led to oversupply in the fashion market, which is another factor that contributed to making fashion customers more demanding. (Buxton 2018.)

When analysing the obtained results from a theoretical point of view (Chapter 2.2.1), particular attention should be paid to the following matters. The analysis has to identify whether the brand identity is supported by the strengths of the organisation and whether the company can realistically achieve its vision with the resources available (Aaker 2002).

When applying this theory to Cuvee’s current situation, SWOT analysis shows the following:

- Cuvee’s strengths highly support the brand identity that it wants to portray. As it was identified in Chapter 3.2, the brand wants to be associated with fashion minimalism, high quality clothing, friendly customer service and potentially lifestyle apparel suitable for young and educated women. These goals find support in the strengths that the brand possesses. For example, Cuvee buys high quality fabrics, trains shop assistants to be competent and helpful and focuses on the creation of a positive customer experience.

- When analysing the adequacy of Cuvee’s resources, it can be concluded that they are sufficient for the implementation of the majority of aspects of Cuvee’s vision. This is for a number of different reasons. First of all, the company has enough resources and well-established connections with reliable suppliers to ensure that the sourcing of high-quality fabrics is in place. Additionally, the company has a positive experience of employee training that is based on its parent company - Bizzarro. Bizzarro has been known for its high levels of customer service for the last 10 years and this knowledge and experience is naturally passed onto Cuvee’s brand.

To summarise everything that has been said previously, it can be concluded that currently Cuvee is in a strong position in terms of its strengths and weaknesses. The company has a clear vision described in Chapter 3.2 and has sufficient resources to implement it. The only aspect of its vision that might be difficult to implement, taking into consideration the current brand state, is creating a unique brand experience. Due to a lack of financial resources available, it is recommended for Cuvee to have a clear plan on how this can be achieved within the available budget.

4.1.3 Company Analysis Summary

To briefly summarise the state of Cuvee brand, it can be seen that the company has a clear vision of what it wants to achieve. Based on the soul of the brand analysis, Cuvee wants to be perceived as a female minimalist fashion brand that offers superb quality and friendly service.
Cuvee SWOT analysis also suggests that Cuvee has enough resources to achieve its brand vision. The company has well-established relationships with its fabrics suppliers, as well as the knowledge of employee training - based on its parent company experience.

The vision of Cuvee brand that is developed in this chapter is later used in a brand building manual. Based on the theoretical framework described in Chapter 2.3.4, the most relevant tools and approaches are selected, analysed and presented in Cuvee brand identity development stage of the manual.

### 4.2 Competitor Analysis

This chapter mostly focuses on the implementation of PT3 which is the analysis of one particular competitor brand that Cuvee management has selected. Therefore, a detailed analysis of COS as a brand is implemented below.

However, before implementing a competitor analysis, it is first of all important to give a brief introduction into COS as a brand and explain why it is the main competitor for Cuvee.

COS was launched for the first time in 2007 in London as a new clothing brand that promotes modern and functional design. The abbreviated brand name COS means a “Collection of Style”. (Fast Company 2017.) It offers high quality and affordability at the same time. Nowadays, COS is considered to be a mass market brand, although it is not generally described as fast fashion like H&M or Zara. This makes it very different from other major players in the fashion market.

COS sets itself apart from the rest of the competition by focusing on “intelligent visual communication” and completely abandoning the practice of bold advertising (The Independent 2012). COS draws its inspiration from micro-trends in artistic fields such as architecture, design and the arts (The independent 2012). This is unlike ZARA or H&M, who are bringing high fashion trends to the mass market. The brand follows the practices of high-end fashion brands and releases only two collections per year: one for spring and summer and one for autumn and winter. (Fast Company 2017.)

Overall, COS is generally considered to be a true success story as it managed to develop from a clothing brand into a lifestyle brand that actively engages with its customers. This was made possible by a successful creation of cultural identity that customers want to connect with. (The Independent 2012.) The success of COS can be illustrated by its figures on how many stores the brand currently operates. COS has managed to reach an
impressive number of 255 stores in 40 different markets worldwide. (H&M Nine Month Report 2018.)

COS was chosen as a main competitor brand for this study for a number of various reasons. First of all, the clothing style ideology is very similar to what Cuvee wants to promote. When looking through the COS and Cuvee clothing items, one can see an apparent similarity in the overall minimalistic and functional style created by both companies. Figure 16 visually illustrates this point.

![Figure 16. COS (left) and Cuvee (right), style comparison](image)

Both brands created similar looks with white blouses decorated with geometric elements and combined them with dark and loose trousers. This makes the overall look by both COS and Cuvee relaxed, classic and comfortable to wear.

Additionally, both companies use similar distribution channels. Both COS and Cuvee are trying to seize the opportunities arising from the growing online shopping trends. Hence, both companies are utilising their e-commerce websites to sell their merchandise.

### 4.2.1 COS Brand Image and Position Analysis Results

When analysing the benefits that COS provides to its customers, the information provided by its creative director, Karin Gustafsson in her interview to Fashionista (2017), can be first considered. According to Gustafsson, the team that worked on the initial launch of COS wanted to create a product that is accessible, and at the same time is appreciated by
many people. This became the reason why the minimalist aesthetic, high quality fabrics and affordable prices became the core of the COS brand identity. (Fashionista 2017.) This can also be seen through multiple brand communication channels. It shows that COS wants to put a customer at the core of the business by providing high quality service and an outstanding overall shopping experience. (Fashionista 2017.)

When comparing the original idea with the opinions of the brand's customers, it can be seen that COS has a big following of people who very much appreciate what the brand does. However, when reading online reviews for COS on one of the main review platforms for fashion retailers - Trustpilot.com (2018), one can come across some of the problems that COS customers are facing. For example, 7 out of 58 reviews stated that the quality of clothing was not satisfactory whilst providing an example of a clothing item that lost its high-quality look after the first wash, or that an item originally had visibly poor stitching. However, the poor quality of clothing is a minor reason for customer dissatisfaction. (Trustpilot.com COS 2018.)

The majority of unhappy customers were expressing their concerns about their unsatisfactory online shopping experience. 41 out of 58 reviews show overall dissatisfaction with the service received. Some of the reasons for consumer dissatisfaction include: long shipping time; slow order processing time; unfavourable returns policies; poor customer service when ordering online; receiving the wrong product instead of the one that was ordered, and the lack of stock that made ordering clothing of the right size difficult as well as causing multiple order cancellations. (Trustpilot.com COS 2018.) Some of the review examples can be seen in the Figure 17.

![Review Examples](image1.png)

![Review Examples](image2.png)

Figure 17. COS Trustpilot.com reviews examples

Overall, COS gets 2 stars out of 5 on trustpilot.com (2018). This is mostly due to its comparatively poor e-commerce performance, rather than the quality of goods that it provides.
In contrast, when talking about the COS retail performance, it can be seen that customer satisfaction in Helsinki is relatively high. Google reviews of a COS store in Espanadi show that customers like the shop’s design, location and shop assistants. This gives the brand an overall score of 4.3 stars out of five – which is more than double, when compared to Trustpilot.com reviews. (Google Reviews for COS Helsinki 2018.)

To summarise the findings discussed previously, it can be observed that COS certainly creates unique minimalistic designs that customers like, thus providing the core benefit that it offers. However, the company fails to fully deliver high customer satisfaction through its online channels.

Another important aspect of COS brand image and position analysis is brand personality (Aaker 2002). COS as a brand is known for creating minimalist and classic clothing items, that are of high quality and relative affordability (Fashionista 2017). The brand uses natural textiles and restrained colours to create long-lasting designs that do not go out of fashion. This key idea of designs from reinvented classics has truly become the real essence of the brand. (Fashionista 2017.) The core of the brand is comprised of the brands devotion to being price and quality conscious, and also to being modern and sustainable. These key aspects of the COS brand identity can be summarised in Figure 18.

![Figure 18. COS brand personality (Based on Aaker’s brand identity model 2002)](image-url)
It is important to highlight that as a unique brand, COS communicates its brand identity through several unconventional communication channels (Dezeen 2014). Unlike many fashion brands, COS does not use influencer marketing or celebrity advertising. Instead, the company uses its stores, employees and a bi-annual magazine to share its values (Dezeen 2014).

Additionally, COS portrays itself as an art and architecture inspired brand that initiates several artistic collaborations a year. For example, in 2018 COS supported a series of events organised at Serpentine Galleries Park, London (COS Projects 2018). The brand also initiated collaboration with a New Zealand based designer Clark Bardsley who had his art works installed in some COS shops around the world. (COS Projects 2018.)

4.2.2 COS Strengths and Weaknesses Analysis Results

When analysing the COS brand, certain company strengths become apparent. Over the ten-year period of its operations, COS managed to gain a strong international presence, with 255 physical stores in 40 different markets and 20 online store markets (H&M Nine-month Report 2018). International shipping is currently available in these same 20 markets, including most of Europe, China, United States, South Korea, Canada and Australia (COS 2018). Furthermore, COS is a part of the Stockholm based H&M Group. Although the brand itself is headquartered in London, it still has access to a wide range of valuable resources and fashion market knowledge in different regions of the world (Business of Fashion 2015).

Additionally, for its target market COS is able to provide an attractive price point. (Fashion United 2016.) For example, female coats are priced at 150 - 290 euros per item; dresses cost approximately 60 -150 euros depending on the material and cut; and trousers sell for 70 -100 euros. (COS 2018.) These prices are averagely higher than what fast fashion brands charge. However, they are also significantly lower than the prices of high-end clothing brands. Finally, one of the main strengths of COS products is their high quality. The brand purchases natural and high-quality fabrics and pays particular attention to the stitching and finishing of clothing items. (Fashion United 2018.)

However, when reading COS online reviews one can find a range of weaknesses that the brand has. Most of the complaints are directly related to the issues arising from the COS online shopping aspect of its business. For example, many customers express their concerns regarding unfavourable return policies, expensive delivery, a lack of stock, order cancellations and an overall poor online customer service experience. (Trustpilot.com COS 2018.) This can potentially lead to COS losing its e-commerce customers.
Similar complaints related to such poor online shopping experiences can be found for other H&M Group sub-brands such as H&M, & Other Stories and Monki. (Trustpilot.com 2018.) These logistical problems experienced by H&M Group can be attributed to a 32 percent increase in online sales, according to Fashion United (2018). The H&M Group has acknowledged that it has struggled with the implementation of its new logistics system that has partly caused the problems described above (Fashion United 2018).

The summary of the strengths and weaknesses of the COS brand can be found in Table 7, as shown below.

Table 7. COS strengths and weaknesses

<table>
<thead>
<tr>
<th>COS strengths</th>
<th>COS weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong international presence</td>
<td>Delivery options can be expensive</td>
</tr>
<tr>
<td>Shipping worldwide</td>
<td>Lack of flexibility with return policies</td>
</tr>
<tr>
<td>Part of H&amp;M Group</td>
<td>Poor online customer service</td>
</tr>
<tr>
<td>Affordable prices</td>
<td>Online orders are regularly cancelled</td>
</tr>
<tr>
<td></td>
<td>due to no stock being available</td>
</tr>
<tr>
<td>High quality clothing</td>
<td>Orders from e-stores are often faulty</td>
</tr>
<tr>
<td></td>
<td>or not what the customer ordered</td>
</tr>
</tbody>
</table>

To conclude this sub-chapter, it is important to summarise the meaning of the findings discussed above for Cuvee. First of all, it is necessary to mention the theoretical foundation for conducting competitor strengths and weaknesses analysis. As it was established in Chapter 2.2.2, capitalising on a competitor’s weakness gives a company a distinct advantage that would be difficult to exploit or copy. Therefore, based on COS strengths and weaknesses analysis, certain weak areas of COS that Cuvee can benefit from can be identified.

When looking at Table 7, it becomes apparent that most of COS’s weaknesses come from the poor online shopping experience that it provides. Therefore, developing a smooth e-commerce store can be a substantial advantage for Cuvee. To do so, the case company has to ensure that Cuvee customers have affordable delivery terms, receive excellent customer support online, get their orders on time and have a possibility for flexible and trouble-free returns. By creating a smooth customer journey through various online channels, Cuvee will gain a good reputation as an e-commerce brand, which is one of their long-term company goals.
4.2.3 Competitor Analysis Summary

To conclude this chapter, it can be seen that competitor analysis as described above shows that COS is a very strong and highly differentiated brand that has high brand awareness and international presence. As a part of H&M group, COS has access to extensive financial resources as well as to a wide distribution network. COS is perceived as modern, sustainable and stylish, which makes it popular amongst certain customer groups that like understated fashion.

In fact, COS has its own weaknesses. For example, according to customer reviews on Trustpilot.com, many customers experience problems when ordering online. There have been multiple reviews published that expressed high levels of dissatisfaction regarding, order processing, delivery times, return policies and online customer service.

Taking this into account, it can be suggested that Cuvee can capitalise on these weaknesses and develop its own online brand that provides excellent online customer experience. This will give Cuvee a strong advantage over its competition.

4.3 Customer Analysis

This chapter will focus on the implementation of PT4 - the implementation of customer analysis. It is the third and final component of strategic brand analysis as described by Aaker (2002). It is comprised of three sub-analyses types that are used to collect comprehensive data on brand customers. (Aaker 2002.) In this chapter the results of trend analysis, segmentation analysis and customer motivations analysis, are discussed.

4.3.1 Trend Analysis Results

When discussing important trends, it is first important to determine and discuss the main trends in the fashion industry that affect consumer buying behaviour. Today, one of the most important trends in the market is the increased concern for sustainability that leads to a shift by multiple companies, to the circular economy (Business of Fashion 2018). A recent article published by the BBC discusses in detail the problems of unsustainable fashion industry practices. The professor Dilys Williams who is managing the Centre for Sustainable Fashion described the fast fashion model as “broken”. (BBC 2018.) She is one of many people concerned with the increased throw-away attitude to clothing. According to statistical data, three-in-five garments end up in landfill within a year. This results in half a million tonnes of microplastics entering the ocean annually. (BBC 2018.) As a growing number of people are becoming more aware of unethical practices used by the fashion brands, more and more companies feel the need to change their operating models. These
examples of the current fashion industry state set a trend for a surging demand for durable, long-lasting, ethical, sustainably sourced and high-quality clothing.

The second most important trend that is shaping the fashion industry today is online shopping, and an increased use of online platforms (Business of Fashion 2018). McKinsey predicts that consumers would increasingly look online whenever they have a need to purchase an item. This is due to convenience and diversity of product ranges offered by multiple online platforms. As a result, companies have a need to engage with the customers through these online platforms to be able to reach them. (Business of Fashion 2018.)

This trend is also relevant in the Finnish market that Cuvee wants to focus on. According to Kauppakeskusyhdistys (2018), 50 percent of the Finnish population shop online, with 26 percent of purchases made in the fashion and footwear segment. Additionally, e-commerce in Finland is a fast-growing market, with an 8 percent growth in 2017 and estimated market growth of 6.4 percent in the upcoming years.

To finalise this chapter, it is important to understand how current trends affect Cuvee as a brand and what can be done to use the trends to Cuvee’s advantage. First, the company should acknowledge that these trends are important and that they are growing year on year. This will help the company to take these trends more seriously and develop a plan on how to deal with them. For example, when addressing the issue of sustainability, Cuvee can try to create a sustainable product range or use eco-fabrics for its clothing design. Additionally, the company can also focus on social sustainability and contribute to the local community.

When discussing online shopping as a trend, its significance for Cuvee can be once again highlighted. As discussed in Chapter 4.2, developing a successful e-commerce store is important for the company to develop a competitive advantage over COS. Considering that online shopping is an increasing market in Finland, it is advisable that Cuvee considers its e-commerce strategy as a high priority issue.

4.3.2 Segmentation Analysis Results

As previously discussed, Cuvee operates within the female fashion market. To narrow down the market scope of this study, the geographic boundaries are applied, narrowing the scope of the market to Finland. It was also agreed during the interview with Cuvee’s director that one of the main segmentation criteria of the market will be age. This narrows the market segment further to women who are 25-35 years old. Aaker (2002) recommends using “benefits sought” as a segmentation scheme as he describes it as one of the
more useful criteria. As Cuvee wants to position itself as a niche brand, a narrow market segment was chosen based on the "benefits sought" criterion. These are women in Finland 25-35 years old who are looking for simple, artistic clothing. Figure 19 visualises this segmentation.

![Diagram of Cuvee customer segmentation]

Figure 19. Cuvee customer segmentation

For this study, the customer base for this segment can be described as large enough in terms of its size. According to statistics Finland, the total number of 25-34 years old women residing in Finland in 2017 was 342,695 (Tilastokeskus 2017). Women in their 30s are also perceived as more financially stable when compared to 20-year olds, which makes them more financially attractive as a target group for Cuvee. Additionally, women aged 25-35 are considered a part of the Millennial generation, who are increasingly concerned with the quality and sustainability of the items they buy (Millennial Branding 2015).

Overall, Figure 19 summarises the basic attributes of a potential Cuvee customer. This information is important when examining the customer needs and benefits sought. Therefore, this customer profile will be used in Chapter 4.3.3 when a customer motivations analysis is performed. In the same chapter, Figure 19 will be used as a guideline for selecting suitable interview participants to collect the most appropriate data.

4.3.3 Customer Motivation Analysis Results

A total of 7 female participants with a mean age of 27.4 years, participated in the interviews. Throughout the interviews certain recurring themes discussed by the interviewees became apparent. These themes are differentiated into separate sub-chapters based on
the different stages of the interview process that correspond with the customer decision making process.

**Introduction Stage**

Based on the first selection of questions asked during the introduction interview stage, a certain shopping profile of a potential brand customer can be created. The participants who were interviewed described themselves as moderate shoppers that tend to make impulsive purchases from time to time. Participant 7 described herself in the following quote:

> I think that I am mostly a modest and pragmatic shopper. However, sometimes when I feel very down or very emotional, I can go shopping and buy something I might not necessarily need. It happens a lot during the Christmas sales, or occasionally when I am very stressed at work and I want to cheer up a bit.

At the same time, some of the respondents also claimed that they are mostly doing their clothes shopping based on their functional needs. Some examples of the situations that led to the respondents shopping activity were provided. For instance, the respondents will go shopping when the old shirt (or any other clothing item) that they had been using had worn out - meaning that it was no longer wearable. Other reasons for disposal of old clothing items included visible discoloration or tears that cannot be fixed. Another common example was going shopping when the clothing items that were used became too small or too big in size. However, some respondents acknowledged that they occasionally engage in social shopping, meaning that they go out to the shops to keep their friends or family company. Participant 1 gave the following answer:

> I enjoy going out shopping with my friends. It is like a therapy. I work a lot throughout the week, sometimes even on weekends, and it is nice to just relax and catch up with my friends. When we go shopping, I often end up buying something that I wasn’t planning to buy, but really liked in the store. It makes me feel good about myself - that I finally have time to enjoy spending my hard-earned money.

Additionally, most of the respondents said that they buy wardrobe basics the most. This is because these basic items are used almost every day due to the respondents' occupations or lifestyle choices. Therefore, these items wear out the fastest and also need replacing most frequently. Generally, the participants stated that they buy new clothing items 3 to 5 times per year.

When discussing their price sensitivity, all participants agreed that the price of a clothing item plays a big role in their purchasing decision making. Most of the participants buy the majority of their clothing from brands such as Zara, COS, Massimo Duty, Other Stories and Mango. Occasionally, they “treat” themselves and buy accessories from specific and
higher end designer brands. In addition to this, most respondents were not willing to spend more than they are prepared to spend on wardrobe basics items. However, when choosing outwear, accessories and special “party” items they were willing to spend a little more on an item that they liked very much.

Overall, the participants like to bargain shop and buy the best price-value items. The following quote from Participant 4 illustrates this point very well:

I like bargain shopping. I would go around several stores searching for nice looking and good quality items that are relatively cheap. The last time I did this, I managed to get a basic 100 percent cotton dress from Zara for 12.99 €. I don’t buy much from Zara really, but I pop in sometimes to see what is there.

This illustrates that interview participants perceive items that are of high quality (e.g. made from natural fabrics) and are comparatively cheap, as good value items. Additionally, most of the respondents said that they prefer natural fabrics and they are willing to spend a little more on a clothing item that is better quality and more natural.

**Pre-purchase Stage**

When discussing the pre-purchase behaviour of the interviewees, two different behavioural models were revealed. Some interviewees go clothes shopping only when they have an apparent need for a new item, whilst other respondents enjoy browsing the shops and buying something that they like spontaneously. Therefore, these two types of customers go through different stages of pre-purchase decision making. Both processes are illustrated in Figure 20.

The decision-making process of a spontaneous customer type starts at the point when they see an item that they like. Alternatively, the pragmatic and need-driven customers establish that they have a need to buy a new item first. Next, a spontaneous customer will examine the item and try it on, whilst the pragmatic customer will do an information search and decide on which particular brand or item she wants.

Additionally, nearly all interview participants mentioned that they use online resources for doing their information search. For example, e-commerce stores and favourite brand websites have been named as helpful for gathering information on new collections before taking a trip to a shopping centre or to a high street. Moreover, participants also stated that they are influenced by the brands’ window displays, promotional videos and other kinds of commercials.
Finally, when evaluating and comparing the products, certain product attributes were mentioned by the participants. As unanimously agreed by the interview participants, the style of the product was the very first thing they paid attention to. For example, Participant 6 explains:

When I am looking through all of the different clothing items in a store, I always look for something that matches my personal style. If I like the look of one item, I usually consider whether it will match any other items that I already have in my wardrobe or not.

The next most important product attributes were the price and the product attributes. At this stage the customers evaluate whether the price for the product that they liked is reasonable or too high for them. This decision is influenced by how the customers perceive the durability, functionality and the overall usefulness of the item. The decision is also affected by the product aesthetics that refers to how beautiful and stylish the item is. The quality of the item, the fabrics and the image that the item communicates to other people also affect the decision-making process at the pre-purchase stage.

As the next step, different participants prioritise different clothing attributes that they compare to the product price. Participant 4 describes her thinking process and the importance of the fabrics:

For me the second most important thing after the item’s style is the fabric. I only buy natural materials and occasionally with very little polyester added. But of course, I do pay attention to the prices because I am always on a budget. I would love to buy organic fabrics but they are way too expensive for me.
At the same time, Participant 2 explains that she prioritises the price and the image that the clothing item communicates over other product attributes:

I am very particular about what I wear, because I try to create my own unique style. I am a designer and I have to make a certain impression when I meet my clients (...). But at the same time, as a student, I can’t afford to spend too much money on clothing, so I mostly consider the price and the style of the item when making a decision.

Figure 21. The importance of product attributes as perceived by interview participants

**Purchase Stage**

When discussing the purchase stage, the interview participants mostly referred to the evaluation of product attributes that were discussed previously. At this stage, customers are evaluating whether the item that they have selected is a good purchase or whether they will be able to get something better elsewhere.

Additionally, the participants discussed several in-store factors that affect their purchasing decision. For example, several participants mentioned that they would not stay in an over-crowded store, especially if they have to queue to go to a changing room. Participant 5 summarised a common opinion in the following quote:

One thing that I hate the most when shopping is untidy and crowded shops. I always try to avoid the busiest shopping hours and go shopping early in the morning on a weekend. I am a quiet and tidy person myself, so this is also important for me when I go shopping.

Another in-store factor that can affect a purchasing decision is how well-trained and helpful the shop assistants are. Participant 3 explains:

I have certain expectations about customer service depending on the shop that I go to. When I go to Zara, I certainly don’t expect anything beyond the ordinary. However, when I go to Massimo Dutti where the prices are twice as high, I do expect the shop assistants to be helpful and attentive.
Other participants also expressed a similar idea that they might be put off buying something if the customer service is not as good as they expected. Alternatively, the customers mentioned that they are more likely to go back to a shop where they liked the customer service but didn’t find exactly what they wanted during their first visit.

**Post-purchase Stage**

During the post-purchase stage consumers are evaluating the performance of the item that they bought. This involves comparing the item’s performance to the expectations that a customer had at the time of making a purchasing decision. Participant 7 explains:

> After I buy an item, I always evaluate how well it performs and how its durability compares to the price that I paid for it. For example, two summers ago I was looking to buy a dress and I went to a COS store to look for one. (...) It was my first time visiting the shop and I found that the prices were slightly above what I usually pay. However, I still tried on the dress that seemed nice, and I absolutely loved it. It felt good quality and it was the best dress I found after looking everywhere else. So, I decided to buy it. Two years later the dress still looks brand new. Needless to say, I am really happy! Now I visit COS whenever I need something new.

Participant 5 describes an alternative experience that she had once before:

> I was looking for a woollen jumper a couple of months ago. I went to Stockmann and bought one that was something like 80 percent wool. (...) After the first wash loads of bobbles appeared all over the jumper, and I couldn’t do anything with it. Usually you can remove them with a shaver but this time it was way too bad. The worst thing of all - it wasn’t cheap, so I was really expecting a good quality jumper. I don’t think I’ll be returning to this particular brand again.

This example is very illustrative of what happens if a customer is disappointed with an item’s quality.

Overall, the interview participants agreed that during the post purchase stage they mostly consider how well the item that they bought has met their expectations. If the expectations are met, then the customer feels positive about the product and the company that produced it. However, if the product doesn’t perform as originally expected, this can result in a customer being dissatisfied with the company. Potentially, it can mean that the customer will not be returning to the same store again.

**Customer Motivation Analysis Summary**

The research that has been conducted offers a better idea of the benefits that are sought by the Cuvee target customer group throughout different stages of their purchasing decision making. These findings are summarised in Figure 22. They combine the theoretical framework of CDP by Blackwell et al. (2006) as discussed in Chapter 2.2.3 and the generalised interview data obtained from potential Cuvee customers.
When discussing the purchase stage of the customer decision process, four main benefits sought were mentioned. These are the store cleanliness and presentation, the quality of customer service and how crowded or empty the shop is. Based on these factors most of the interviewees would stay in the store, leave without a purchase or come back some other time.

Figure 22. Customer purchasing decision making process and the benefits sought throughout each stage
The interviews determined that there are certain product attributes that are of higher importance to the potential customers of Cuvee during a pre-purchase stage. These product attributes are: product style, price, product aesthetics, overall quality, fabrics and the image communicated by the item.

Finally, when reviewing the post purchase stage, the primary benefit sought was unanimously named as durability and the overall performance of the item bought. All of the interviewees agreed that after a purchase is made, they evaluate how well the item lasts and compare the item performance to their original expectations. The interviewees explained that if the post purchase experience is positive, then they are likely to come back to the same shop.

Additionally, the interviews revealed that Cuvee might be working with two different types of customers. The two groups have differing original motivations during the pre-purchase stage. These are need-driven and fashion-driven customers - as illustrated in Figure 20. Depending on their original motivation, they will go through different stages of purchasing decision making. Therefore, it is important for Cuvee to understand what kind of customers they want to attract. For example, whether they want to focus only on fashion-driven or need-driven customers, or whether they want to focus on both customer types.

It should also be noted that the findings presented in Chapter 4.3 are specific to the potential Cuvee customers only and are completely based on the opinions of 7 people who were interviewed. Although this research provides certain clarity into what benefits potential Cuvee customers might be looking for, additional research based on a larger sample might be needed to confirm the accuracy of these findings.

As the primary goal of this thesis is to create a brand building manual, the topics of customer decision making process and customer motivations are beyond the scope of this work. Therefore, there is a limited amount of theory provided on these topics as well as a limited amount of resources allocated to the whole interview task. For this reason, if Cuvee needs to obtain detailed data on its potential customers' motivations in their buying decision making process, it is recommended that the case company conducts independent and more extensive research.

4.3.4 Customer Analysis Summary

The analysis conducted in the current chapter provides relevant insights into who exactly the potential Cuvee customers are, and what exactly influences their purchasing behaviour. Based on a theoretical framework of customer analysis designed by Aaker (2002),
this chapter provides extensive information on Cuvee customer profiles that will be utilised in a brand building manual.

First, it is important to summarise two increasing trends in the fashion industry. According to multiple sources, a strive for sustainability and an increase of online shopping are two primary trends shaping the global fashion industry today. Therefore, these trends should be taken into consideration when creating the Cuvee brand strategy.

Cuvee has also managed to choose a particular customer segment, which is 25 to 35-year-old females, who like simple and artistic styles.

Finally, the motivations of potential customers were analysed, as well as the benefits sought during different buying decision making stages. For the purpose of this study, only women living in Finland were surveyed on the matter of customer motivation. This study established that Cuvee is likely to come across two different customer types based on their original motivation. These are need-driven and fashion-driven customers. Additionally, a range of benefits that customers are looking for during different stages of making a purchasing decision, were summarised and described in detail in Chapter 4.3.3, Figure 22.

4.4 Creating a Brand Building Manual

This chapter will focus on the implementation of PT5 which aims to create a brand building manual for Cuvee. During the manual creation process all the theoretical models, current trends and various findings from different analysis types are combined together to form a comprehensive and holistic report.

To present these findings in a systematic and logical manner, PowerPoint was chosen as a report format. This is because PowerPoint is linear in its structure and it reflects the step-by-step nature of brand building.

4.4.1 Brand Building Manual Content

This chapter will explain how the brand building manual is structured, what content it includes and for what reasons.

As a form of a final report, Cuvee brand building manual has a typical layout structure that includes an introduction, the main body and a conclusion. The introduction part of the manual focuses mostly on the current state of the brand in terms of its strengths and
weaknesses, its social media presence, as well as the main goals of Cuvee. This is an important piece of information to mention because it explains what the company wants to gain from this study and at what stage it is currently at. Later, once the suggestions developed in this manual are implemented, the company will be able to analyse its progress. Additionally, Figure 12 and Figure 13 will be included into the introduction section to provide the company with clarity on how the whole project was done and what theoretical frameworks were used for its design.

The main body part of the manual consists of 6 chapters, each of which represents one step in a 6-step brand building model developed by Kotler (2016). The contents of each stage will be discussed in more detail below.

Finally, the conclusions section of the manual will focus on recommendations and suggestions for the company on what to do next and how to prioritise the tasks that are needed to be performed.

4.4.2 Brand Purpose

As defined in Chapter 2.3.1, brand purpose is the very first thing that a company should define when developing a brand. The combination of two approaches to defining brand purpose created by Collins & Porras (1996b) and de Chernatony & McDonald (2003) provide us with the following brand purpose definition. It answers the question “How the world is going to be a better place as a result of the brand”, and therefore defines the reason for the existence of an organisation.

When applying this approach to Cuvee case, the following brand purpose was formulated as a result of a discussion with the management team: “To promote conscious consumerism and minimalism as a way of living”.

To make sure that the statement mentioned above is a true brand purpose, this statement was checked against the questions developed by de Chernatony & McDonald (2003) that can be found in Chapter 2.3.1. This analysis showed that the brand purpose that was developed would indeed make this world a better place if it is achieved. This is because of the growing concern for sustainability that is closely linked with the fact that Millennials are becoming the largest consumer demographic. Additionally, this purpose would also encourage members of staff to work hard to achieve this idea, given that staff members themselves belong to the Millennial demographic, or simply that they have a similar set of values regarding consumerism.
Overall, taking into consideration the theoretical models mentioned above as well as relevant trends discussed in Chapter 2.3.1, it can be concluded that the brand purpose developed for Cuvee is true and relevant.

### 4.4.3 Brand Positioning

The concept of brand positioning is described in detail in Chapter 2.3.2. Given the definition of brand positioning by Kotler (1997), it is defined as the act of designing the company’s offering and image so that they occupy a meaningful and distinct competitive position in the target customers’ minds. This definition can determine three distinct components that are also included into brand positioning chapter of the manual. These components are the main competitor, target customer and Cuvee’s brand positioning.

The main competitor of Cuvee, namely COS, has been analysed in Chapter 4.2. Therefore, the summary of its brand identity and strengths and weaknesses is presented in the manual.

In addition to this, Cuvee customer segmentation summary is also included into the same manual section, to provide more clarity for Cuvee positioning strategy. Figure 19, presented in Chapter 4.3.2 is an accurate summary of what has been discussed and agreed when considering the target audience of Cuvee.

Finally, a Cuvee brand positioning bull’s eye is created to summarise the overall positioning strategy. This model is based on the work by Kotler & Keller (2012, 309) that is described in Chapter 2.3. The complete schematic is presented in Figure 23 below.

When designing the brand positioning bull’s eye, it is logical to start with identifying the brand mantra, which is essentially the essence of the company. In the case of Cuvee, this will be minimalism and simplicity. The next level up is comprised of POPs and PODs. When determining Cuvee’s POPs, it can be seen that the company’s quality, price and varieties of style are similar to its competitors. Alternatively, when it comes to unique PODs, Cuvee can be differentiated by providing relaxing, non-rushed and friendly in-store customer experiences. These PODs are supported by Cuvee’s so-called substantiators which are store design, staff training program and merchandising.

Finally, the outer layer of the bull’s eye shows the values of the company and how they are visually represented. For example, Cuvee has minimalism as its core value, whilst being stylish and simple is a part of its personality.
To visually communicate this, Cuvee uses a simple toned-down colour scheme for its web design and clothing design. It also creates minimalistic and clear-cut clothing designs and arranges the in-store space in a minimal but very functional manner. Finally, the company logo can be described as an appropriate visualisation of a company identity, as it is made in pastel colours with a simple bold font.

4.4.4 Brand Differentiation

The approach to brand differentiation that is used in this thesis was first developed by Grant (2005, 271-275) and is described in detail in Chapter 2.3.3. Grant defined differentiation as both a means of identifying and understanding every possible interaction between the firm and its customers, and a method of finding out how these interactions can be improved to deliver extra value to the customers. Grant also claims that it is important to understand what customers want, how they make decisions, and what makes them motivated to identify the means for profitable differentiation. (Grant, 2005.)
To apply this model to Cuvee’s case and create viable differentiation options, two separate models were combined in the brand building manual. These are the customer motivations that were analysed in Chapter 4.3.3, and the modern-day trends as discussed in Chapter 2.3.3. Based on the analysis of potential Cuvee customer motivations and benefits sought during the different buying decision making process stages, four differentiation types can be considered by Cuvee. These are *product differentiation, employee differentiation, service differentiation and customisation & personalisation*.

The interview findings presented in Chapter 4.3.3 give an idea about how *product differentiation* for Cuvee can be implemented. The majority of interviewees suggested that the quality of clothing, use of natural materials and the overall aesthetics of a clothing item play an important role in the purchasing decision making processes. Therefore, it can be suggested that product differentiation of Cuvee can be based on both the use of natural materials, and high-quality stitching and finishing. Additionally, when creating new collections, Cuvee should pay attention to developing clothing that is aesthetically pleasing. Collections should also be consistent in their style so that they form a unique image in the consumers’ mind.

As determined by interviews, many potential Cuvee customers find that the level of service that they receive in store is important to them. It was established that interviewees expect friendly, helpful but not pushy customer service, when shopping in higher-end clothes shops. Therefore, *employee differentiation* should also be considered as a form of differentiation by Cuvee. To satisfy the customer expectations, Cuvee should hire highly motivated and skilled employees and provide extensive training to achieve the highest standards of service. It is also recommended to use the services of mystery shoppers to check on the performance quality of shop assistants. Finally, when implementing the idea of creating an online shop, Cuvee might want to consider the possibility of using AI Chabot technology to provide 24/7 customer service. This is because the use of this technology is becoming very widespread amongst online retailers as explained in Chapter 2.3.3.

The same interview results presented in Chapter 4.3.3 suggest that customers are often paying attention to the quality of the store setup and maintenance. Interviewees expect the stores to be clean, well-presented and well-stocked. This offers an idea on how *service differentiation* can be achieved in the case of Cuvee retail. However, when focusing on an online shopping experience, it can be suggested that Cuvee can achieve service differentiation by providing customer-friendly return policies, and reasonable trouble-free
delivery terms. This is based on the competitor analysis findings described in Chapter 4.2 and summarised in Table 5.

Finally, one additional idea for a differentiation strategy for Cuvee can be **customisation & personalisation**. This is based on the modern-day trends - as discussed in Chapter 2.3.3. Some of the potential ideas within this differentiation strategy can be customising items in store to customers’ liking by laser engraving or custom printing. It is also possible to collect customer data to provide highly personalised service in store.

### 4.4.5 Brand Identity

The brand identity theory that is used for the implementation of the current brand building stage is discussed in detail in Chapter 2.3.4. It includes a description of BIPM designed by Aaker (2002), which became the main basis for brand identity creation. This is because it is a holistic framework that allows combining a variety of details and presenting them in a simple form. To fill in the framework, an analysis of Cuvee brand was conducted in Chapter 4.1. This chapter summarises the characteristics that Cuvee has as a brand, which is also reflective of its customer segment. To summarise all the aspects of Cuvee brand, Figure 14 was designed. This Figure presents the essence of Cuvee’s brand, its core and extended identities.

Based on this Cuvee brand identity summary, several suggestions can be given to the company on how to successfully communicate this message.

First of all, as described in Chapter 2.3.4, influencer marketing is becoming more and more popular. Today, it is commonly suggested that fashion companies should focus on their Instagram accounts first, as they provide a very visual image of the company and its offering. Therefore, Cuvee can consider doing influencer marketing when approaching their customers in Finland. To do this, Cuvee can look for Finnish-based fashion bloggers and fashion stylists by using certain relevant hash-tags. After that, influencers with relevant content can be analysed on the matter of brand engagement. Finally, the company can consider once again whether the influencer is representative of the company values and its demographics.

Additionally, Cuvee can take advantage of the increased trend for storytelling. This can also be achieved through social media. For example, Cuvee can develop an incentive scheme that would encourage customers to make Instagram posts about the company. For instance, this can be done by offering discount vouchers to those who made a post.
Alternatively, they can develop a range of behind-the-scene videos that show life within the company. This can be done by creating videos of company photo shoots, office workshops or even a clothing creation process at the factory.

4.4.6 Brand Trust

The theoretical foundation behind the concept of brand trust has been described in Chapter 2.3.5. As it was concluded, the core idea of brand trust is to convince the customer that a brand will deliver what it promises (Kotler 2016). In case of Cuvee, the company promises to deliver high standards of personalised customer service in-store, and high-quality clothing items that are long-lasting and minimalist in style.

To create trust amongst the customers in Cuvee’s ability to deliver its promises, the company can utilise an increasing trend for social media. According to Bazaar Voice (2012), many Millennials (the target customer group of Cuvee) rely on reviews that they find online before making a purchasing decision. To take advantage of this trend, Cuvee can include customer reviews to its product listings on its website in several customer touch points. This will help to create a feeling that Cuvee is transparent about its products and that it values their customer opinions.

Additionally, Cuvee can promote regulated user-generated content. For example, this can be achieved by encouraging the customers to make posts on Instagram with hashtag Cuvee - where they can also describe their positive customer experience in store or online. As an incentive, the customers who made the posts can be offered a discount for their next purchase.

Finally, to create value for the followers of Cuvee’s social networks, Cuvee can create certain content that reflects the company’s desire to promote minimalism as a lifestyle choice. This can be done by creating articles or videos that explain how to optimise the selection of items in someone’s wardrobe so that they don’t have to buy unnecessary clothing.

Another possibility for Cuvee can be inviting guest stylists to the company stores. The stylists will then be filmed, whilst offering simultaneous advice on how to combine different Cuvee items to create a look for a particular occasion. As Cuvee positions its clothing as universal, stylists can show how the same outfit can be adjusted, for instance, to be suitable for a formal meeting, a family gathering or a night out.
4.4.7 Brand Beneficence

The concept of brand beneficence has been described in detail in Chapter 2.3.6. As previously agreed, it is an increasingly important aspect of brand development that helps the company to consider its negative social, economic and environmental impacts, and how to minimise them.

It should be highlighted that brand beneficence is the very last step in the brand building process. For this reason, it has to be implemented only once all the other aspect of the brand building process are in place.

Based on the theoretical model developed by Kotler & Sarkar (2017), beneficence in modern day business is usually displayed in the form of brand activism. Figure 11 described in Chapter 2.3.6 features all the aspects of brand activism, and it shows a simple technique on how to measure them.

When applying this model to Cuvee’s case, certain areas of brand activism that are relevant to Cuvee’s brand identity and brand purpose can be considered.

One example of contributing to social activism can be organising workshops that teach about a minimalist lifestyle. As Cuvee’s brand purpose is to promote minimalism as a lifestyle, Cuvee can invite guest speakers who can share their experiences of leading a minimalist lifestyle and battling consumerism. These people can share their own stories and also provide advice for beginners on how to get started with a new minimalist lifestyle.

Another possibility to discourage consumerism can be organising upcycling workshops. The idea of upcycling is to create something new from something old. For example, during an upcycling workshop, customers can be creating new artistic pieces from second-hand accessories and clothing.

Cuvee can also focus on environmental activism. One possibility to do this is to work together with loncell - a Finnish company that produces wearable fabrics out of wood pulp. As a result of such collaboration, Cuvee can produce a special range of clothing that would be easily recyclable and eco-friendly. Additionally, Cuvee can have a collection point in stores, where customers can bring their second-hand items that are not needed anymore. Cuvee can then take them to particular recycling centres, or donate them to people in need.
5 Conclusions & Recommendations

This chapter summarises the key project outcomes, provides recommendations for the case company and reflects on learning that has been done through the course of this project.

5.1 Key Outcomes

In this chapter a summary and analysis of the key outcomes of all the project tasks described in Chapter 3 and implemented in Chapter 4 can be found.

It is most logical to start this analysis from the very beginning of the project which was the implementation of PT1 – developing a theoretical framework. Based on my opinion and also the feedback collected from the case company, it can be concluded that the theoretical framework design was successfully implemented. Cuvee’s management particularly commented on how logical and relevant all the steps in the brand manual are. I am also satisfied with the overall outcome, as in my opinion Chapter 2 of this thesis managed to provide comprehensive insights into branding and brand building in particular. Therefore, it is fair to assume that the case company will be able to use this information easily.

The second step of the project was PT2 – conducting a company analysis. Taking the nature of Cuvee’s current state of business into account, it was expected that there will not be any particularly detailed data on what the company has achieved in terms of branding. Instead, email interviews were used to collect the most essential data from Cuvee’s director, on his vision of the brand and the results he wants to achieve in the near future. Perhaps more time could have been allocated to obtaining additional information on Cuvee’s brand vision to get a different perspective from other company stakeholders. However, the information that was collected was sufficient and detailed enough to set the overall direction on brand building for Cuvee.

The following step in this project was PT3 – competitor analysis. During the implementation of this part of the project an in-depth analysis of one main competitor brand was conducted. Although it is generally advised that a competitor analysis should focus on a few competitors at once, this was not practical due to the time restraints and other resource limitations of this project. Additionally, it was also suggested by the case company that COS is the main competitor brand that the company has the most interest in. Taking this into consideration, it can be concluded that the implementation of this project task was also successful.
During the implementation of PT4, Cuvee customers were analysed. Considering that Cuvee does not have a customer base at the moment, the analysis was based on the potential Cuvee customers. This analysis was conducted in a detailed manner that also involved a qualitative research of a small sample of people that is representative of Cuvee target customer group.

Even though this analysis has given some insights into the consumer decision making process, it is still difficult to make any significant conclusions due to a small sample size used for the study. For this reason, it is recommended that the case company conducts its own customer research when necessary, if it needs to understand the purchasing behaviour of its customers in particular.

The next project stage reflects the brand building manual design, PT5. The overall feedback for the manual was very positive. It follows a clear visual style that is reflective of Cuvee brand. The manual is concise and designed in a manner that provides visual summary of the most important findings of the project without over-complication. The manual uses multiple visual aids to better explain the processes used in this project and also to showcase the key findings.

The second to last step of the project was PT6 - presenting the brand building manual to the commissioning company for feedback. As mentioned previously, the case company was overall happy with the results of the project. The management found most of the analysis and theoretical frameworks used were helpful. Additionally, they thought that the recommendations given to them were logical, and were also within their resource capacity. The director also commented on the design of the presentation, specifically that he found it to be very comprehensive, simple and visually illustrative.

Another main comment that the Cuvee director had was regarding competitor analysis. He wanted to know more about the smaller online and retail brands that are operating in Europe, and requested me to provide this information after this project is completed. Overall, after the end of the presentation the company director showed the most interest in creating a social media strategy for content creation and general online presence development. He indicated that he would like to discuss this after the completion of this project.

Finally, when evaluating the project and implementing PT7, I personally think that this thesis project was successful and has achieved the primary goals that were established at the beginning. Based on the case company feedback, it can be said that the main stake-
holders of this project were happy and were willing to cooperate on project-related issues in the future.

5.2 Recommendations

This chapter will focus on additional recommendations for the case company that will help to facilitate its brand building process.

It is highly recommended that Cuvee focuses on developing its social media presence further. Considering that Cuvee is a fashion brand, Instagram is a natural place for it to showcase its collections. By creating an Instagram-based development strategy, Cuvee can contribute to developing both visual and community dimensions, which are crucial for fashion customers. Not only can a successful Instagram strategy help to increase the visibility of the brand, but it can also increase sales in the long term. Therefore, focusing on developing a strategy for Instagram should be the top priority for Cuvee.

As a part of its Instagram strategy, Cuvee could also focus on establishing relationships with Instagram influencers and fashion bloggers. When considering which specific bloggers that Cuvee would choose to work with, Cuvee should pay careful attention to the bloggers' overall profile. This will allow the company to select the bloggers that fully reflect the Cuvee customer segmentation and brand personality. The company should also pay attention to the engagement rate that a blogger has to increase the chances of getting a better return on investment.

As a part of its Instagram development, Cuvee can also consider creating a brand story that can be promoted later. This brand story can focus on how the brand was created, for what reasons and what it stands for. Creating a successful brand story will help to connect with the customers and show the true identity of the brand, as well as make it more relatable and humane.

As one of the company goals is to increase its brand awareness, one of the methods to do this in the short-term can be organising a giveaway campaign or a contest where Cuvee subscribers can win something for their participation. It is important that give-aways are perceived as valuable and desirable by the customers because they serve as the main incentive for participation.

Finally, it is important to pay attention to brand identity and visual identities of Cuvee collections. It is imperative that Cuvee creates a distinctive and unique visual identity for its
clothing that is a true reflection of Cuvee’s core values. The company can also use its collections as support for certain environmental or social issues that once again reflect the company brand identity. For example, Cuvee can pick up a certain theme for each collection it releases and then promote it through various channels.

5.3 Further Research

To ensure that Cuvee has all of the required information needed for a successful market entry to Finland, certain topics for further research can be suggested.

First of all, the company should select a wider range of competitors in the Finnish market and analyse them more closely. This will allow Cuvee to have a broader picture of its competitors’ strengths and weaknesses that can be further utilised for developing a competitive offering by Cuvee. To structure the information that is being collected, the company can follow the same competitor analysis structure that is utilised in this thesis.

Additionally, it is recommended that Cuvee conducts a more extensive CDP analysis with the potential Cuvee customers. In order to provide increased data reliability, this sample should be larger than the sample that is used for this thesis. To structure the information in an orderly manner, the analysis can follow the same structure as the research that is described in this paper. For example, it can focus on the three CDP process stages, and also the motivators that different consumers have at every stage of the process. Overall, this research will help Cuvee to gain a better understanding regarding the possibilities to structure its service in a way that encourages the customers to buy from the company and feel satisfied with their decision.

It is also suggested that Cuvee would benefit from creating an Instagram development strategy with a specific focus on popular Finnish Instagram influencers and fashion bloggers. This would allow Cuvee to reach its target customer group in Finland, and also to increase its brand awareness. In order to create a successful strategy, Cuvee should analyse its competitors’ Instagram strategies in Finland, and develop its own and unique approach to communicating its brand story.

5.4 Reflection on Learning

When reflecting on my own personal learning experience throughout the project, I feel very positively about it.
First of all, it should be said that this project was an excellent opportunity for me to develop my project skills. This was the largest and most challenging project that I have ever had to undertake, organise and implement. As a project manager, I had to plan, execute and close the project on my own. For this reason, it was a worthwhile experience that taught me a lot about planning and time management.

Additionally, I have learnt about various approaches to branding and brand building which is very beneficial for my future career and personal attributes. I have done a lot of research that focused on modern branding trends as well as on upcoming trends, and consequently gained significant knowledge in that area.

I also had multiple opportunities for practicing my communication and interview skills. As many analyses implemented in this thesis were based on the outcomes of interviews, it was important for me to learn how to design interview frameworks and to ask questions that help to get relevant knowledge in the research subject.

Finally, I have developed my critical thinking skills throughout the implementation of the project. Due to the nature of the thesis, I had to do a lot of research and critically analyse the findings so that they can be utilised by the case company.

Overall, it can be concluded that this projected helped me to develop and practice a wide range of skills which will later be relevant to my chosen career path, particularly with gaining significant knowledge in certain aspects of branding.
References


Google Reviews for COS Helsinki 2018. URL: https://www.google.fi/search?q=cos+helsinki&oq=cos+helsinki&aqs=chrome..69i57j69i59j0l4.2521j0j7&sourceid=chrome&ie=UTF-8&lrd=0x46920bcc029c7bb1:0xbd0d281e537bd8f,1. Accessed: 3rd December 2018.


Attachment: Strategic Brand Building in Finland – Manual for Cuvee
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Introduction
Company Goals

- Clear brand identity and image
- Increased brand awareness
- Increased online sales
- Significant online presence
<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>High quality fabrics</td>
<td>Low brand awareness</td>
</tr>
<tr>
<td>Variety of clothing styles</td>
<td>No financial capabilities to compete with well-established brands</td>
</tr>
<tr>
<td>Competent shop assistants</td>
<td>Clothing items are produced in Russia, and import duties have to be paid on</td>
</tr>
<tr>
<td>Potential to create a unique retail experience</td>
<td>them when exporting into Finland</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing demand for e-commerce and online shopping in fashion sector</td>
<td>Pressure of fast fashion</td>
</tr>
<tr>
<td>Growing expectations amongst the consumers for unique retail experiences</td>
<td>Oversupply in the fashion market</td>
</tr>
<tr>
<td>Millennials are becoming the largest market</td>
<td>Intense market competition</td>
</tr>
</tbody>
</table>
## Current Social Media Presence

<table>
<thead>
<tr>
<th>Social Media</th>
<th>Username</th>
<th>Followers</th>
<th>Activity Level</th>
<th>Engagement rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instagram</td>
<td>Cuvee.russia</td>
<td>2333</td>
<td>Active</td>
<td>1.2%</td>
</tr>
<tr>
<td>Facebook</td>
<td>Cuvee.style</td>
<td>3</td>
<td>Low activity</td>
<td>0</td>
</tr>
</tbody>
</table>

*All posts are written in Russian language only.*
Step-by-step Brand Building Process Explained
Comprehensive Brand Building Process

- Brand self-analysis (Aaker 2002)
- Competitor analysis (Aaker 2002)
- Potential customer analysis (Aaker 2002)
- 6-Step brand building process (Kotler 2016)
6-Step Brand Building Process by Kotler (2016)

- Brand purpose
  - A statement that reflects how the world is going to be a better place as a result of the brand
- Brand positioning
  - Competitor analysis
  - Customer segmentation
  - Brand positioning bull's eye
- Brand differentiation
  - Personalisation and customisation trends
  - Employee differentiation
  - Service differentiation
  - Product differentiation
- Brand identity
  - Brand humanisation
  - Storytelling
  - Influencer marketing
- Brand trust
  - Millennial culture
  - Social media
- Brand beneficence
  - Brand activism
Step 1
Brand Purpose
Cuvee Brand Purpose

To promote conscious consumerism and minimalism as a way of living
Step 2
Brand Positioning
Main Competitor

- Launched in 2007
- Part of H&M group
- Abbreviation COS means “Collection Of Style”
- 255 stores in 40 markets
- COS does not use traditional advertising
- Draws inspiration from micro-trends in artistic fields
COS Brand Identity Analysis

Extended

Core

Superb *quality*, affordable *price*

*Heritage*: Scandinavian minimalism

*Culture*: Democratic, inclusive

Essence

Reinvented classics

*Culture*: Modernism, sustainability

*User*: mature, high-end, financially stable

*Personality*: Understated, sleek, modern, chic, timeless, trustworthy

*Cultural awareness*: Inspired by design and architecture, supporting art events
It was unexpectedly a bad experience of purchasing online. I ordered a tiny hood on Jan 4. It took COS 6 working days to process the order. They sent me a notification on shipping on Jan 12 and since then nothing although the estimated delivery time was indicated as 2-3 working days. To all my messages, the customer service reply that one day it will finally be with me - wise words, aren’t they? In addition, the tracking system does not actually tracks cause the status is the same since the very beginning saying "your parcel is in transport", just changing the date/time. Will try to avoid COS in future.

Unacceptable online experience. Never again!
Slowest processing and delivery of any brand-name online store. Impossible to get through to customer service by phone. 3 calls, each on hold for over 25 minutes, were never answered, despite the recording saying that wait time was 2 minutes. HA!
Placed my order 12 days ago. Still no delivery, despite an email 5 days ago saying it shipped. No way to track package. Their track & trace "service" doesn’t work if you follow the link!!!
Most frustrating online experience I ever had. NEVER AGAIN!
# COS Strengths and Weaknesses, Competitor Analysis

<table>
<thead>
<tr>
<th>COS Strengths</th>
<th>COS Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong international presence</td>
<td>Delivery options can be expensive</td>
</tr>
<tr>
<td>Shipping worldwide</td>
<td>Lack of flexibility with return policy</td>
</tr>
<tr>
<td>Part of H&amp;M Group</td>
<td>Poor online customer service</td>
</tr>
<tr>
<td>Affordable prices</td>
<td>Online orders are regularly cancelled due to no stock being available</td>
</tr>
<tr>
<td>Good quality clothing</td>
<td>Orders from e-stores are often faulty or not what the customer ordered</td>
</tr>
</tbody>
</table>
Cuvee Target Customer Segment

- Male
- Female
  - Finland
    - 25-35 years old
    - Simple style
    - Artistic

- Simple style
- Artistic

- Fashion
Cuvee Brand Positioning Bull’s Eye

VALUES, PERSONALITY

SUBSTANTIATORS

POD

POW

BRAND MANTRA

VALUES, PERSONALITY

EXECUTIONAL PROPERTIES/VISUAL IDENTITY

Simple

Stylish

Minimalist

Staff

Logo

Clothing design

Excellent merchandising

Training program

Relaxing, non-rushed in-store experience

Good quality

Reasonable pricing

Variety of styles

Store design

Store design

Colour scheme

Lighting design

Branding

Corporate design

Visual identity

Executional properties
Step 3
Brand Differentiation
Pre-purchase:
- Overall quality
- Quality materials
- Reasonable price
- Aesthetically pleasing and tasteful style

Purchase:
- The store itself is not overcrowded
- Store cleanliness
- Friendly and helpful shop assistants
- Well presented merchandise

Post-purchase:
- Durability
- Overall performance

Customer purchasing decision making process and the benefits sought throughout each stage
# Brand Differentiation Ideas

## Service Differentiation
- Convenient, well-presented stores
- Well-established process for delivering goods ordered online
- Customer-friendly return policy

## Product Differentiation
- Using natural materials or creating an organic product line
- Providing good quality stitching and finishing
- Visually aesthetically pleasing designs that are consistent and unique

## Employee Differentiation
- Hiring highly motivated and skilled employees
- Maintaining high service levels in-store
- Comprehensive employee training
- 24/7 Customer support with a possibility to utilise a Chatbot technology
Brand Differentiation Ideas

Customisation and personalisation

• Collecting customer information to provide highly personalised offers and in-store recommendations

• Using modern technology to customise products according to the customers idea. For example, by using custom printing or laser engraving
Step 4
Brand Identity
Cuvee Persona

- Female
- Young
- Confident
- Educated
- Introvert
- With a sense of style

- Creative
- Intelligent
- Artistic
- Simple
- Spiritual
- Minimalist
- Selective
Cuvee’s Brand Identity

**Extended**

*Service*: Non-pushy, friendly, personal

**Core**

Superb *Quality*

**Essence**

*Fashion*

Minimalism

**User profile:**

Young, educated woman

**Product Scope**: Lifestyle apparel

**Slogan**: Less

Is

More

**Personality**: Laidback

Confident

Stylish

Introverted
Influencer Marketing

- Working with Finnish-based high engagement fashion bloggers and fashion stylists on Instagram

9% Average Engagement Rate

sandraemiliah

1,103 posts  2,091 followers  784 following

SandraEmilia- Fashion Stylist
STYLIST & ENTREPRENEUR
- Personal shopper: Helping people look and feel their best!
- Business owner @vogastyling
- Follow my #vogastylenstylechallenges
youtbe/g9qJvNR5gaw

Tallinn  Yoga Styling  Style Challenge  Fashion  Blog Posts  2019
Finding Potential Influencers

By using the following hashtags:

• #stylisti
• #muoti
• #muotibloggaaja

Calculating average engagement level of a potential influencer for the last 30 days*

• Less than 1% = low engagement rate
• Between 1% and 3.5% = average/good engagement rate
• Between 3.5% and 6% = high engagement rate
• Above 6% = very high engagement rate

*The formula for engagement level calculation can be found in the Appendix 1 in this presentation
Finding Potential Influencers

Other important aspects to be considered:

- **Demographics** of an influencer (Does it reflect Cuvee customer segmentation?)
- Influencers **personality** (Does it match Cuvee personality?)
- **Platforms** other than Instagram that an influencer uses
Storytelling

- Develop an **incentive scheme** to encourage customers to make posts about Cuvee. For example, this can be done by giving discount vouchers to those Cuvee customers who made a post about the company on Instagram.
- Create **behind-the-scene videos** showing clothing creation process
Step 5
Brand Trust
Brand Trust

• Include **customer reviews** for products listed on the website and show them at different customer touch points with the website

• Promote regulated **user-generated content**

• Focus on **niche content** to position the company as an expert in a particular area. For example, make posts or videos that explain how to match items from Cuvee range depending on your figure type or colour theme

• Inviting **fashion stylists** to provide master classes on how to use Cuvee fashion for different occasions
Step 6
Brand Beneficence
Social Activism

- Organise **workshops** related to minimalist lifestyle
- Invite **guest speakers** who can share their experience of minimising waste and battling consumerism
- Organise **up-cycling workshops** that use old clothing and accessories to create new artistic pieces
Environmental Activism

- Potential to create a special collection in collaboration with a Finnish company named Ioncell, that produces fabrics made out of pulp
  https://ioncell.fi/
- Collect second-hand clothing items from customers to facilitate recycling
Conclusions & Recommendations
What to develop next to improve the branding process

- Focus on social media development and create an action plan. Instagram would be the number one priority as it is growing fast and it is very visual.

- Consider developing a brand story that can be promoted on social media.

- In order to increase brand visibility, consider organising a giveaway campaign or a contest.
What to develop next to improve the branding process

• Make sure that the brand identity and clothing collections are intertwined. Focus on creating a consistent and unique **visual identity** for new collections.

• Use clothing collections to promote your **support for certain environmental or social issues**. A specific theme can be chosen for each collection, then released and promoted through various channels.
References


Attachment 1. Calculating 30-day Average Engagement Rate

1. Count the number of posts for the last 30 days.
2. Add up the total number of likes and comments on all of these posts
3. Divide that number by the number of posts (this shows the number for average engagement per post)
4. Divide that number by the number of followers
5. Multiply by 100, to turn the number into a percentage - this is the engagement rate of the influencer on Instagram

Number of posts for the last 30 days = 25
Overall number of likes and comments = 5430
Number of followers = 5400
What is the average Engagement Rate?

1. Number of posts for the last 30 days = 25
2. Overall number of likes and comments = 5430
3. $\frac{5430}{25} = 217.2$
4. $\frac{217.2}{5400} = 0.0402$
5. $0.0402 \times 100 = 4.02\%$ (high engagement rate)

Engagement rate:
- $< 1\% = \text{low}$
- $1\% \text{ - } 3.5\% = \text{average/good}$
- $3.5\% \text{ - } 6\% = \text{high}$
- $> 6\% = \text{very high}$