



**Customer Brand Loyalty: Development of Customer Retention Strategy for Nomad Shop**

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## Abstract

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<p>Changing consumer preferences and trends challenge brands to maintain a loyal customer base. This thesis examines methods for strengthening customer retention in the dynamic fashion industry. The case company is Nomad Shop, a retailer that focuses on high-quality multi-functional clothing. The research aimed to study how understanding branding and consumer behavior could strengthen customer loyalty. Outcomes guided the development of a loyalty program centered on transparency and community-building.</p> <p>The study employed a structured, three-phase research method. To identify current consumer trends and preferences, Nomad's consumers were surveyed in the first phase. Interviews with professionals in the field were conducted in the second phase to learn more about the significance of building a brand. The last phase involved strategic evaluation of Nomad Shop's strengths and weaknesses and competitor analysis through interviews with the founder, secondary research, and benchmarking. Findings were analyzed using Aaker's strategic brand analysis and Keller's &amp; Swaminathan's brand equity frameworks. Results have been integrated into a loyalty strategy.</p> <p>According to the research findings, customers of Nomad Shop place a high value on quality, transparency, and sustainable fashion. The outcomes reveal that by establishing consumer trust, a clearly defined brand identity may reduce dependency on advertising and promote loyalty. To develop a loyal client base, Nomad should introduce a loyalty program with personalized rewards and special member advantages. Future research should examine changes in consumer loyalty trends over time and broaden the demographic scope of the study, especially in light of the fashion industry's evolving standards and the emergence of digital marketing tools.</p>
<b>Key words</b> Customer loyalty, consumer behavior, branding, brand analysis

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## **1 Introduction**

This paper is a research type of a bachelor's thesis for the Degree program in International Business in the major specialization of Customer Relationship Management and Communication at Haaga-Helia University of Applied Sciences. The topic of the thesis is brand loyalty, and the aim of the thesis is to develop a customer retention strategy for a case company.

This chapter provides the topic's background, research question, investigative questions, and general demarcation. It also discusses the potential benefits for the party involved in the research. This section introduces key concepts and theories essential for the reader's understanding of the paper.

This chapter concludes with a detailed introduction of the commissioning company and the reasons for their interest in this research. Understanding the commissioning company's perspective adds depth and relevance to the study and provides a foundation for exploring the potential practical implications of the findings.

### **1.1 Background to the topic**

Global financial slowdowns and increasing price competition have put strong pressure on customer loyalty. Fifty-five percent of consumers stated that they would choose the best price over the best brand, even in an improving economy. (Kotler, Burton, Deans, Brown & Armstrong 2013, 42) Even though it is less convenient, more than half of them said they would shop at a different store with lower prices. Moreover, the growing tendency of combining brands, such as pairing expensive and cheap items, local and foreign, as well as the rising interest in second-hand and vintage clothing, also demonstrates the shifting consumer behavior. The phenomenon is supported by the simplicity of access to platforms facilitating the resale of clothes, emphasizing cost-effectiveness, and promoting sustainability. Nowadays, businesses need to pay particular attention to how they design their value propositions and handle their profitable customers. (Kotler & al. 2013, 42.)

According to Aaker (2002, 21-23), considering loyalty as an asset supports and encourages loyalty-building campaigns, which in turn promote the development and improvement of brand value. When evaluating the worth of a brand to be purchased or sold, brand loyalty is a crucial factor to consider because a highly devoted client base is likely to produce predictable sales and profit margins. Furthermore, brand loyalty can often have a significant impact on marketing expenses because it is simply less costly to keep existing customers than to

find new ones. The loyalty of existing customers also represents a major entry barrier to competitors in part because the cost of attracting customers to change loyalties is often expensive. (Aaker 2002, 21-23.)

Building a strong brand is essential for developing a strategy for maintaining customer loyalty. The brand is increasingly becoming the center of what consumers want, need, and value. And it is a brand that clients and consumers trust and have an ongoing relationship with. (Zehir, Sahin, Hakan, Kitapçı & Özahin 2011, 2.) Consequently, branding is what aims to increase brand loyalty by increasing consumer attachment to the brand to strengthen the consumer's relationship with the brand over time. It is crucial in terms of brands to recall and familiarity, favorability, strength, and uniqueness of associations with brands in consumer memory (Panda 2004, 9).

However, at one time, being consistent across media and markets was easy. There were a limited number of media options and only a few national media vehicles. Mass markets were the norm, and micro-segmentation did not exist. Now, companies face a very different environment, one in which it is difficult to achieve the consistency that is needed to build and maintain strong brands. (Aaker 2014, chapter 1.)

To affect the minds of the customers, it is important to understand consumer behavior since it reveals how and why people seek, purchase, use, evaluate, and dispose of products or services that meet their needs. Consumer behavior studies how individuals, families, and households allocate resources like time, money, and effort to consumption. By analyzing what products consumers buy, their motivations, when and where they shop, and the frequency of their purchases, marketers can tailor strategies that align with consumer preferences, ultimately enhancing customer satisfaction and brand loyalty. (Schiffman, O'Cass, Paladino & Carlson, 2014, Chapter 2.)

## **1.2 Research questions**

The thesis aims to develop a customer loyalty strategy for the case company by investigating branding importance and analyzing consumer behavior.

The commissioning company benefits from the research in several ways, including increased brand value, cost-effective marketing, and better client retention. Examining customer buying patterns helps the business build customer loyalty, which in turn reduces the need for large-scale marketing campaigns targeted at attracting new clients. In addition to

increasing the brand's perceived value, creating a strong brand identity and efficient communication channels also improves the brand's competitiveness and market positioning. (Aaker 2002, 21-23.)

Moreover, the research makes an important contribution to the marketing industry. The study provides valuable insights into current branding challenges, making an important contribution to the marketing industry. These results can be shared within the marketing community via several channels, improving the collective understanding of branding practices.

Finally, the author derives own advantages from the research, such as industry recognition and career advancement. Deep study and analysis improve essential skills, including problem-solving and data interpretation, which are crucial for job growth. The accomplishment of the thesis effectively positions the author as someone with deep knowledge of branding and consumer behavior in the fashion business, understanding the local Finnish one.

The international aspect required by the degree program for all theses is covered by investigating brand communication strategies of multiple competitive to commissioning company brands as well as overall branding tactics used by a range of brands from different countries. The international aspect is also covered by the thesis author, who is originally a Russian student gathering data in the English language for a Finnish commissioning company.

**The Research Question (RQ) of the thesis is “How to keep customers more loyal to the brand in the changing fashion market?”**

The research question is divided into the following investigative questions:

**IQ1. What role do current consumer dynamics play in shaping customer preferences?**

**IQ2. Why is it important to establish a strong fashion brand?**

**IQ3. In what way can a company address its strengths & weaknesses to retain customers?**

Table 1 below presents an overlay matrix of this thesis. The aim is to give an overview of this thesis, its targets, the methods that the author is going to use to achieve them, and the anticipated result.

Table 1. Overlay matrix

Investigative questions (IQ)	Theoretical Framework	Research Methods	Outcomes
IQ1. What role do current consumer dynamics play in shaping customer preferences?	Customer analysis (Aaker 2002) including current trends, segmentation, motivations	Literature review  Case Company's customer survey	Comprehensive understanding of how external factors influence and shape customer preferences
IQ2. Why is this important to establish a strong fashion brand?	Brand Equity Pyramid (Keller & Swaminathan 2019)	Interviews with marketing & fashion experts	Identification of key factors contributing to a strong fashion brand and insights into effective brand management strategies for a case company
IQ3. In what way can company address its strengths & weaknesses to retain customers?	Self-Analysis of the brand (Aaker 2002) including soul of the brand and SWOT analysis  Competitor Analysis (Aaker 2002) including brand image & position analysis and strengths & weaknesses analysis	Secondary research  Benchmarking  Interview with the case company's owner	The foundation for creating an informed, strategic customer retention plan that is suited to the brand's advantages and competitive positioning

### 1.3 Project scope

The thesis will focus on empirical research and theoretical frameworks related to customer loyalty, consumer behavior, and branding.

Specifically, the following project tasks will be completed :

1. Studying theoretical aspects of consumer behavior;
2. Studying theoretical aspects of branding;
3. Studying theoretical aspects of customer loyalty;
4. Conducting the Case Company's current customer survey and implementing customer analysis to identify the main trends affecting the purchasing patterns, understand segmentation of the customers and their motivations for buying products;
5. Conducting interviews with marketing and fashion experts to understand why it is important to create a strong brand;
6. Conducting an interview with a Case Company's owner & doing secondary research and benchmarking to implement the Case Company's Self-analysis and its competitors' analysis;
7. Based on the results of the study, providing a customer retention strategy aimed at developing brand loyalty for a commissioning company.

Certain aspects fall outside the scope of this thesis due to either their tangential relevance or the need for more specialized research. These include a detailed exploration of general marketing principles and strategies unrelated to customer loyalty, branding, and consumer behavior in the fashion industry; comparative analysis of branding practices across different industries beyond the fashion sector; an in-depth examination of legal or regulatory frameworks governing branding and consumer protection laws, extensive discussion on macroeconomic factors influencing consumer behavior and detailed analysis of operational or logistical aspects of retail management.

Table 2. Project tasks and methods

<b>Project task</b>	<b>Knowledge base</b>	<b>Methods</b>
1.	Trends in Consumer Behavior (Solomon 2019) Model of buyer behavior (Kotler & Armstrong 2018)	Secondary Research

	The buyer decision process (Kotler & Keller 2016)	
2.	Strategic Brand analysis (Aaker 2002) Brand Equity Pyramid (Keller & Swaminathan 2019)	Secondary Research
3.	Core elements of a loyalty program. (Butscher 2016). The foundation of customer retention (Butscher 2016).	Secondary Research
4.	Customer analysis (Aaker 2002) including current trends, segmentation, motivations	Case Company's current customer survey
5.	Brand Equity Pyramid (Keller & Swaminathan 2019)	Interviews with marketing & fashion experts
6.	Self-Analysis of the brand (Aaker 2002) including soul of the brand and SWOT analysis Competitor Analysis (Aaker 2002) including brand image & position analysis and strengths & weaknesses analysis	Secondary research  Benchmarking  Interview with the case company's owner
7.	Core elements of a loyalty program. (Butscher 2016)	Applying project tasks 4, 5 and 6 results to the chosen framework

### Benefits

The commissioning company benefits from the research in several ways, including increased brand value, cost-effective marketing, and better client retention.

Examining the dynamics of communication and branding techniques helps the business build customer loyalty, which in turn reduces the need for large-scale marketing campaigns targeted at attracting new clients. In addition to increasing the brand's perceived value, creating a strong brand identity and efficient communication channels also improves the brand's competitiveness and market positioning.

Moreover, the research makes an important contribution to the marketing industry. The study provides valuable insights into current branding challenges and practical approaches to effectively handle them, making an important contribution to the marketing industry. These results can be shared within the marketing community via a few channels, improving the collective understanding of branding practices.

Finally, the author derives own advantages from the research, such as industry recognition and career advancement. Deep study and analysis improve essential skills, including problem-solving and data interpretation, which are crucial for job growth. The accomplishment of the thesis effectively positions the author as someone with deep knowledge of branding and communication in the fashion business, understanding local Finnish.

#### 1.4 Key concepts

**Consumer Behavior** is the behavior that consumers show in looking for, buying, using, assessing, and getting rid of the products and services that they expect will satisfy their needs.

The way that individual, family, or household consumers choose to allocate their available resources—such as time, money, and effort—to consumption-related goods is the subject of consumer behavior. This covers the items people purchase, their motivations for doing so, when and where they buy them, how frequently they buy and use them, etc. (Schiffman, O'Cass, Paladino & Carlson 2014, chapter 2.)

**Branding** is a process that creates mental structures and helps consumers set up their knowledge about products and services in a way that clarifies their decision-making and, in the process, provides value to the firm. A key to branding is getting customers to perceive differences between brands within a given product category. (Keller & Swaminathan 2019, 39.)

**Brand equity** is the varying impact, the commercial value, that recognition of the brand name has on customer opinion of the product and its marketing. It serves as an indicator of a brand's capacity to maintain control over customers' loyalty and preferences. (Armstrong, Kotler & Opresnik 2017, 250.)

**Customer Loyalty** is a behavior displayed by customers that is dependent on the decisions they make sometime in the future. According to Daniel Kahneman, the vast majority of the decisions people make are based on expectations of future experiences and/or memories of past experiences. Meaning, that customer loyalty compounds understanding customer expectations, experience, and memory management. (Daffy 2019,12-14.)

## 1.5 Commissioning company

Nomad Shop was chosen as a commissioning company for this thesis.

Born and based in Helsinki in 2022, Nomad Shop currently operates within the Scandinavian region, offering a single branch as its physical appearance. Despite its early stage, Nomad Shop demonstrates promising potential, offering a selected choice of stylish clothing items. At the moment, the product portfolio consists of six different goods: blazer, bomber jacket, dress, zip-up hoodie, trousers, and jacket.

Nomad embodies the spirit of exploration and the quest for authenticity. Items are designed according to the concept that clothing must be multifunctional and basic to support customers every step of the way, also highlighting the sustainable approach of the brand. The colors used in the collection are primarily black, grey, and white. The choice of such a color palette is justified by the willingness of the brand to fit items into every wardrobe.

Nomad Shop's first accounting period, which ran from August 8, 2022, to July 31, 2023, reported a net sales turnover of €3,742.55, indicating that the company began to gain progress in the market early on. Despite not having formal employment currently, the company is sustained by the commitment of two volunteer assistants who are passionate about promoting the growth direction of the brand.

With its growing achievement, Nomad Shop faces the essential challenge of establishing solid customer retention strategies to develop loyalty in an affordable landscape. Nomad Shop has commissioned this thesis to investigate and create complete strategies suited to its distinct character and market positioning because it realizes that brand communications and branding concepts have crucial significance in influencing consumer perceptions and creating long-lasting relationships.

In order to create specific approaches that both fit Nomad's principles and appeal to its customers, this thesis explores the specifics of consumer behavior and branding concepts. This thesis aims to provide Nomad Shop with the resources it needs to build lasting relationships

and improve its journey to long-term success in the Scandinavian market and beyond through careful analysis and strategic insights.

## 2 Theoretical Framework

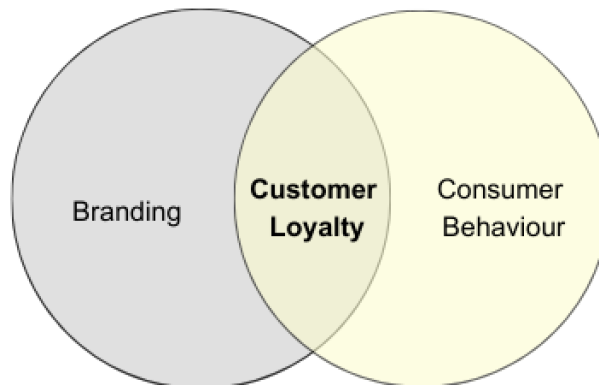


Figure 1. Concepts Shaping Customer Loyalty

Among the academic publications that formed the theoretical basis of the study, the following works can be distinguished.

First of all, theoretical aspects of consumer behavior are presented in “Consumer Behavior: Buying, Having, and Being” by Solomon, M. (2019); As well as by Kotler & Armstrong in “Principles of Marketing” (2018) and by Kotler & Keller in “Marketing Management” (2016).

Secondly, works devoted to modern branding concepts, such as “Building Strong Brands” (2002) by David Aaker, also including discussions on strategic brand analysis; “Strategic Brand Management: Building, Measuring, and Managing Brand Equity” (2019) by Kevin Lane Keller & Mankombu Sambasivan Swaminathan will be studied.

Finally, since one of the main objectives of the study is to develop a strategy for retaining consumers, the scientific works “Creating Customer Loyalty” by Chris Daffy (2019) and “Customer Loyalty Programmes and Clubs” by Butscher, S. (2016) will allow to identify core elements of a loyalty program and the foundation of customer retention.

### 2.1 Consumer Behavior

Consumer behavior is the study of how consumers, whether they are individuals, families, or households, decide to divide up their available resources, including time, money, and effort, among consumption-related products. This includes the things that people buy, why they buy them, where and when they buy them, how often they buy and use them, and so on. (Schiffman, O’Cass, Paladino & Carlson 2014, chapter 2.)

### 2.1.1 Trends in consumer behavior

For marketers, staying informed about consumer trends is essential to align with the changing values that influence purchasing behaviors. Solomon (2019, 41) states that consumer trends are the fundamental motives that drive customers towards or away from particular product and service categories, not temporary brand preferences. These values are dynamic, reflecting changing priorities and larger societal shifts. Because experiential purchases tend to generate better fulfillment and give possibilities for social connection in an increasingly impersonal society, research shows that customers are increasingly prioritizing experiences above tangible products. (Solomon 2019, 41.) A brand may greatly increase its chances of success by aligning with current customer values. It usually takes a long period of time to create and launch a new product or to reposition an existing one. Therefore, rather than only responding to current behaviors, it is important that businesses predict future customer preferences. (Solomon 2019, 41.)

There are a number of key consumer trends that will have a big influence on future marketing tactics. According to Solomon (2019, 42), there is a heightened demand for *authenticity and personalization*. Customers are becoming more and more appreciative of transparency and prefer brands that offer authentic principles and distinctive, customized experiences. People are now prepared to pay more for goods with a clear origin and personal touches.

Another important trend is diversity and multiculturalism. Racial and ethnic divides are diminishing as societies become more linked, which is why consumers are increasingly choosing companies that represent inclusive and varied ideals. Customers prefer businesses that recognize and value different family arrangements and origins, according to surveys. (Solomon 2019, 42.)

Solomon (2020, 42) also suggests that the idea of social shopping has also become popular since people increasingly base a lot of their purchasing decisions on peer and internet evaluations. Further highlighting the social component of consumer behavior, video material has become an increasingly common tool for sharing and influencing purchasing decisions.

Additionally, there is a lot of emphasis on leading a healthy and ethical life, with customers giving sustainability, wellness, and moral behavior top priority when making purchases (Solomon 2019, 42).

A popular trend towards clutter reduction and minimalism is reflected in simplification. Customers are choosing businesses that make their lives easier and provide meaningful connections because they place a higher value on experiences than material goods. (Solomon 2019, 42.)

Lastly, according to Solomon (2019, 42), rising concerns about data privacy are highlighted by the emergence of anonymity as a consumer issue. With customers increasingly supporting laws that protect personal data and privacy, problems like data hacking and cyberbullying have increased demand for platforms that prioritize user privacy and permit restricted data monitoring.

### 2.1.3 Model of buyer behavior

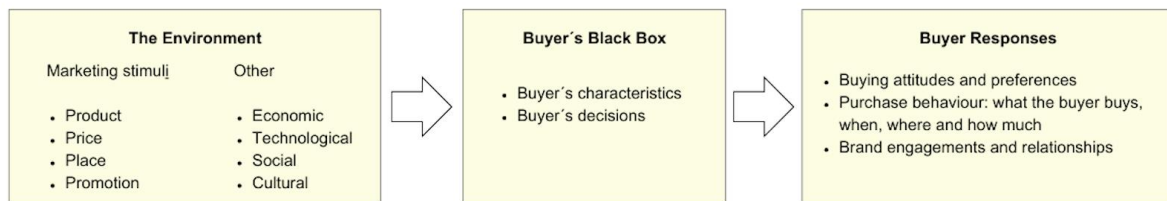


Figure 2. The model of Buyer behavior (adapted from Kotler & Armstrong 2018, 158)

The consumer buyer behavior model developed by Philip Kotler and Gary Armstrong (2018, 158) aims to explain the elements that affect consumers' decisions to buy. The theory focuses on the idea that a person is impacted by a variety of outside factors, including cost, location, and advertising. Individual characteristics have a significant impact on the stimulus's effects, which in turn affect the claimed person's decision-making process. In the end, all these elements combine to create the behavior that leads to a purchase and more contacts with a company. The characteristics that impact customers' behavior are very individualistic. Numerous demographic factors, such as age, employment, and economic standing, as well as social factors like culture and social class, are associated with these personality traits. Psychological factors, motivation, perception, learning, beliefs, and attitudes all have an impact on an individual's actions. (Kotler & Armstrong 2018, 158–173.)

### 2.1.4 The buyer decision process

Kotler and Keller (2016, 194) claim that consumers go through a decision-making process prior to making a purchase. Need identification, information search, alternative evaluation,

purchase choice, and post-purchase behavior are the five phases in the model that was developed to illustrate this process.

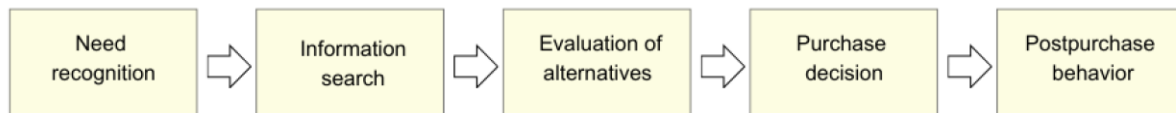


Figure 3. The buyer decision process (adapted from Kotler & Keller 2016, 195)

Not every customer goes through all five of these stages, depending on whether they have ever used the products and services before.

Need recognition is the moment when a customer recognizes a need triggered by either internal or external stimuli. Through advertising, businesses may successfully persuade their customers to identify desires. For example, a consumer may discover they need a new coat for the upcoming season after seeing a fashion ad for a new winter coat. Marketers must identify the many issues and circumstances that lead to consumer wants. (Keller & Kotler 2016, 195.)

If a customer is already familiar with a brand or product, they can bypass the information search phase. Nonetheless, it is crucial to keep in mind that throughout the information search phase, the customer frequently gathers information from four different sources: personal, commercial, public, and experimental. Consumers most often rely on information from commercial sources, such as advertisements and corporate websites, as well as information gleaned from the experiences of their peers. (Keller and Kotler 2016, 196.)

When consumers make a purchase, their preferences that have grown throughout the entire decision-making process are taken into consideration. These choices are based on the benefits and projected value for the client. In addition to their benefits, most brands and products have drawbacks, such as negative impacts on the environment or ethics. The consumer evaluates the benefits and drawbacks of a purchase using the available data to decide which is more compelling. (Keller and Kotler 2016, 201.)

## 2.2 Strategic Brand Analysis

Understanding strategic analysis is crucial for a fashion brand in its early stages of development since it enables a thorough assessment of the critical factors that influence the company's market presence and growth potential. Aaker (2002) introduced a methodology for strategic brand analysis to help companies in developing their brand identities. Three separate components form this analysis: self-analysis, analysis of competitors, and customer analysis. "The aim of the brand is to create a business that resonates with customers, avoids competitors' strengths and exploits their weaknesses, and can build on its own strengths and neutralize its weaknesses," states Aaker (2002, 190). The specifics of each of the three areas are fully understood through a strategic brand study. (Aaker 2002, 190.)

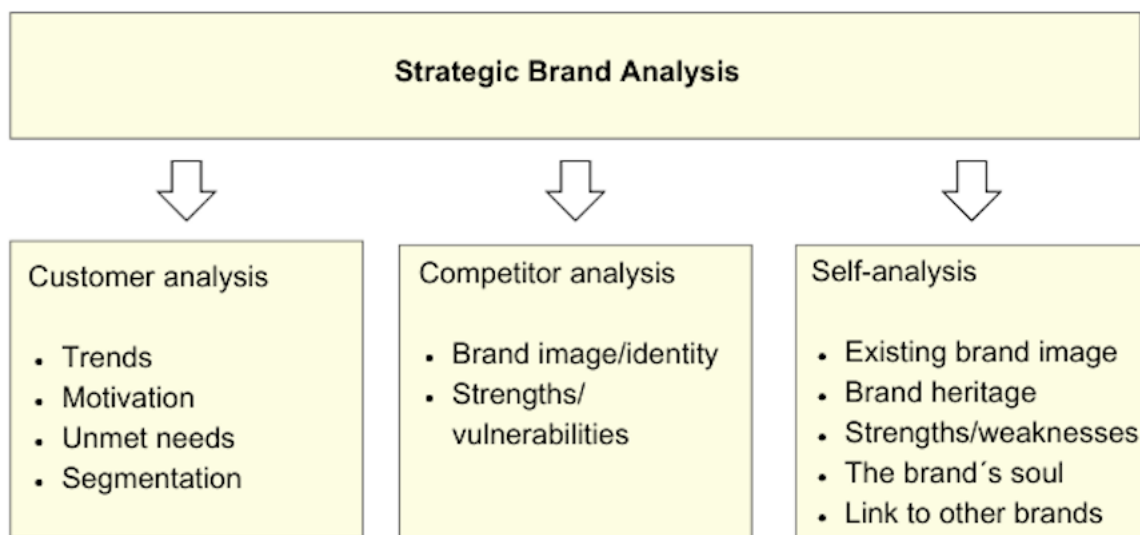


Figure 4. Strategic brand analysis (adapted from Aaker 2002, 190)

### 2.2.1 Self-analysis of the brand

1. The objective of existing brand image analysis is to comprehend the current brand image in its current state. It assists in answering inquiries about how customers perceive a brand. It's also useful to ascertain whether a brand has personality. (Aaker 2002, 196.)

2. Brand heritage analysis concentrates on the early history of the brand. It illustrates how understanding a brand's past helps a company gather data for developing future brand strategies. (Aaker 2002, 196-197.)

3. To figure out if the organization's strengths complement the brand identity is the aim of the strength and weakness study. Finding the benefits and drawbacks of the already offered product, as well as those pertaining to the business, is the first stage of the investigation. In this process, it is important to differentiate what brand identity is wanted and also what can be realistically achieved with the current resources available. (Aaker 2002, 197.)

4. The brand's soul may be used to identify the core principles of a brand and the characteristics that helped in its development. A brand's overall personality is defined by these traits taken together. (Aaker 2002, 200.)

5. Connections to other brands include assessing the brand's position in the marketplace with the position of its competitors (Aaker 2002, 201).

For this thesis, only two parts of self-analyses are used in Chapter 3. These form the core of both strengths/weaknesses (SWOT) and the brand soul's analyses. These were chosen since the case company, Nomad Shop, has just recently begun operations. It thus lacks a brand identity, a brand heritage, and ties to other companies. Although it is outside the scope of this research, these studies can be implemented later once the brand has thoroughly established itself.

### **2.2.2 Competitor analysis**

Competitor analysis is performed to identify both the brand image and positioning, along with the strengths and weaknesses of leading competitor brand. Understanding how rivals appear to consumers, including determining their brand personality and the unique advantages they provide to clients, is the main goal of brand image and position analysis (Aaker 2002, 194).

According to Aaker (2002, 195), a good brand strategy may be informed by concentrating on the target market's competitor vulnerabilities. Making use of a rival's weaknesses gives a clear competitive edge that is difficult to overcome or duplicate. Customer reviews of the competitor's brand, annual reports, and marketing materials may all provide information about the company's advantages and disadvantages (Aaker 2002, 195).

### **2.2.3 Customer analysis**

Customer analysis is divided into three sections: trends, segments, and motivations. (Aaker 2002, 190.)

Trend analysis is the study of market dynamics. Included are analyses of sales volume trends and the possible profitability of submarket groups. (Aaker 2002, 191.)

This research covers the following subjects: what are the consumer trends, which submarkets are growing, and which are declining.

An investigation of customer motivation helps identify the specific functional, emotional, and self-expressive advantages that drive a customer to buy from the brand. Emotional benefits are studied through qualitative research, whereas functional benefits are assessed according to how well they apply to a certain clientele. When evaluating functional benefits, it's critical to determine which functional benefits are relevant to the consumer and how to group these clients based on the functional benefits they value most. (Aaker 2002, 192.)

Customer motivations are also relevant to assess through the buyer decision process that describes five steps in consumer decision-making, developed by Kotler & Keller (2016) and discussed earlier in this thesis. (Figure 3)

Finally, segmentation analysis looks at which client categories the business should concentrate on. There are several segmentation schemes available for this purpose. Usually, these campaigns are based on brand loyalty, price sensitivity, or the benefits that particular relevant groups want. (Aaker 2002, 193.)

### **2.3 Brand Equity**

Brand equity is the value that brands generate. According to Keller & Swaminathan (2019, 68), customer-based brand equity is defined as the effect of brand knowledge on the consumer's reaction to different brand marketing campaigns. Connecting the desired emotions, perceptions, and brand experiences of the customer is the key to developing customer-based brand equity. In conclusion, marketing efforts for similar items are more well-received by customers of a brand with high customer-based brand equity. In contrast to marketing efforts for an unbranded product or a comparable brand, consumers react unfavorably to a brand with little customer-based equity. (Keller & Swaminathan 2019,68.)

The brand equity model (figure 5) provides a framework for developing and comprehending brand equity from the viewpoint of the customer and sees the process of building a brand as a sequence of phases, each of which is dependent on the objectives of the preceding step

being achieved. (Swaminathan & Keller 2019, 107). Four phases reflect a set of basic queries that consumers always ask—at least unspoken ones—about businesses. The following are the four questions (with the matching brand steps enclosed in parentheses):

1. Who are you? (Identity of the brand)
2. Who are you? (meaning of the brand)
3. How about you? How do I feel or think about you? (Reactions from brands)
4. How about me and you? How much of a relationship and what sort of association do I want with you? (brand relationships) (Keller & Swaminathan 2019, 107)

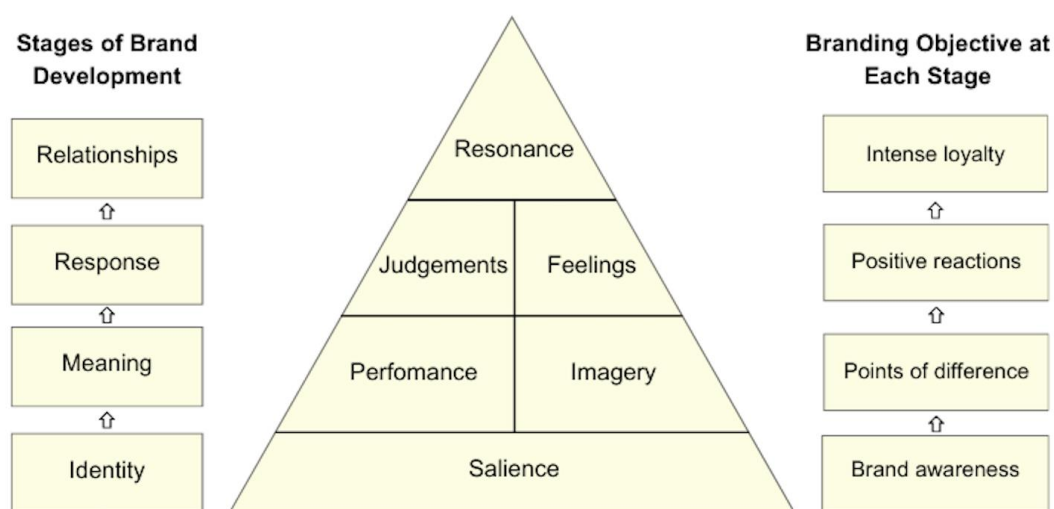


Figure 5. Brand Equity Pyramid (adapted from Keller & Swaminathan 2019, 108)

The initial step in developing brand equity, which involves establishing brand salience, is brand identity. It measures several aspects of brand awareness as well as how frequently and readily the brand appears in different contexts. Customers' capacity to remember and identify a brand in a variety of situations and to associate the company's name, logo, symbol, and other elements with specific connotations in their minds is known as brand awareness. Increasing brand awareness, in particular, aids consumers in understanding the product or service category in which the brand operates, as well as the goods and services offered under the brand name. Additionally, it guarantees that buyers are aware of the "needs" that the company is trying to fulfill with these products. (Keller & Swaminathan 2019, 107-108.)

"Meaning" is the second step. According to Keller & Swaminathan (2019, 112-113), performance and imagery are the two main kinds of brand connections that make up brand meaning. Customers can build associations with a brand directly via their personal experiences and interactions with it or indirectly through advertising or other information sources like word-of-mouth. (Keller & Swaminathan 2019, 112-113.)

How successfully a product or service satisfies customers' more functional demands is referred to as brand performance. For instance, the brand's performance on unbiased quality evaluations. Brand performance encompasses aspects that set the brand apart in addition to the product's components and attributes. (Keller & Swaminathan 2019, 112-113.)

The way a company tries to satisfy the social or psychological demands of its clients determines its image. Therefore, customers can create imagery associations directly from their own experiences or indirectly through advertising or other information sources like word-of-mouth. Imagery thus relates to more intangible qualities of the brand. (Keller & Swaminathan 2019, 112-113.)

What influences brand reactions, or what consumers believe or feel about the brand, is known as brand meaning. There are two types of brand reactions: brand feelings and brand judgments. Customers' subjective assessments of a brand are known as brand judgments. Consumers may form many kinds of opinions about a brand, but four categories stand out as being very significant: superiority, quality, credibility, and consideration.

Customers' emotional reactions to a brand are known as brand emotions. Brand feelings are also connected to the social capital that the brand inspires. These can be mild or intense and can be positive or negative. (Keller & Swaminathan 2019, 117-119.)

The model's last stage focuses on the customer's ultimate relationship and level of brand identification. The nature of this relationship and the point to which consumers are connected with the brand are characterized by brand resonance. The degree of activity generated by this loyalty (repeat purchase rates and the degree to which customers seek out brand information, events, and other devoted customers) and intensity, or the depth of the psychological bond that consumers have with the brand, are two characteristics that define resonance. (Keller & Swaminathan 2019, 120.) Brand resonance can be broken down into four categories, as presented in Table 3.

Table 3. Brand Resonance categories (adapted from Keller & Swaminathan 2019, 124)

Category	Description
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<b>Behavioural loyalty</b>	Reflected in repeat purchases and share of category volume for the brand. Brands need consistent purchase frequencies and volumes for profitability, and the lifetime value of loyal consumers can be significant
<b>Attitudinal attachment</b>	Customers with strong attitudinal loyalty may view the brand as something special, and creating this attachment can turn satisfied customers into brand advocates.
<b>Sense of community</b>	A brand can convey a sense of community, creating a social bond among customers. This community develops favorable brand attitudes and can exist both online and offline.
<b>Active engagement</b>	The strongest loyalty is demonstrated through active engagement, where customers invest extra resources in the brand, such as joining brand-centered clubs or purchasing branded merchandise.

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## 2.4 Customer Loyalty

The development of a customer loyalty program demands the same level of detailed planning and dedicated effort as a new product launch, emphasizing its strategic importance (Butscher 2016, 31). Relationship marketing, the foundation of loyalty, seeks to establish a bond between the client and the business based on emotional involvement as well as competitive price. When clients feel appreciated, see special benefits, and gain trust from satisfying encounters, this emotional connection is clear. These kinds of relationships last because they are founded on pride, affection, and mutual trust. (Butscher 2016, 31.)

Butscher (2016, 32) asserts that when clients feel appreciated, see special benefits, and gain trust via satisfying interactions, an emotional connection is formed. These kinds of relationships last because they are based on affection, mutual trust, and happiness.

Neglecting client connections may result in large losses in a market that is becoming more and more competitive. Businesses must put a high priority on interacting with consumers, providing them with experiences that increase loyalty and make them feel appreciated. (Butscher 2016, 32.)

#### 2.4.1 Elements of a customer loyalty program concept

Daffy (2019, 71) claims that successful loyalty programs are built on a foundation of careful preparation, consideration of consumer viewpoints, thorough assessment, and a firm commitment from the business to devote the required time, resources, and funding.

The essential components of a loyalty program are shown in Figure 6. Employee usability and sustainability are crucial factors for the business to take into account at every level. Overly complicated programs run the danger of alienating staff members who may find them challenging to administer as well as consumers who may find it difficult to appreciate their worth. In the end, an effective loyalty program doesn't have to be difficult to provide significant benefits. (Butscher 2016, 32.)

Butscher (2016, 33) has also presented the most important questions to be answered while developing a customer loyalty strategy and gives a brief overview of what is going to be considered as a framework for Chapter 5. The table with the questions is placed in appendices (Appendix 1).



Figure 6. Core elements of a loyalty program (adapted from Butscher 2016, 32)

## 2.4.2 The foundation of customer retention

As Figure 7 illustrates, customer happiness is the foundation of client retention. However, Butscher (2016, 33-35) asserts in his study that when a loyalty program seeks to serve a larger product line or the entire organization, a corporate-level review is required because consumer happiness alone does not guarantee retention. It is crucial to do a thorough study of the present state of issues, considering market obstacles, sales patterns, and perceived product value. Program objectives and target audiences should be clearly identified when the current situation has been comprehended. Target group selection is linked to suitable benefit offers since each segment has distinct preferences. These perks are the foundation of the loyalty program, and their success depends on how well they meet client expectations. (Butscher 2016, 33-35.)

Financial considerations are critical due to the costs of loyalty programs, necessitating a financial plan to manage expenses and revenue potential. Such a program should ideally function as a profit center by increasing sales, which may be monitored by a measurement system working together with financial controllers. (Butscher 2016, 33-35.)

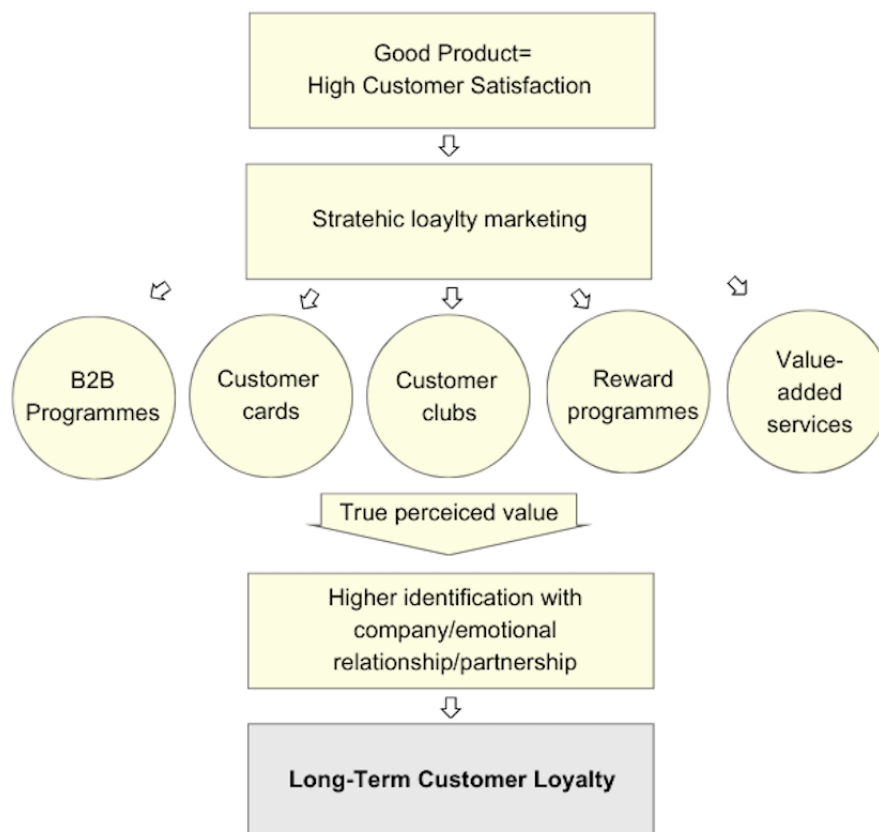


Figure 7. The foundation of customer retention (adapted from Butscher 2016, 33)

Additionally, planning the frequency and methods of member contact, advertising the program outside, and gaining internal support are all components of a good communication strategy. Program objectives and operations must be communicated inside the organization as employee comprehension and belief in the program are essential to its success.

(Butscher 2016, 33-35.)

Organisationally, the loyalty program should specify its service center, as well as its resource requirements, outsourcing needs, and benefit distribution logistics. A well-organized database is also an essential marketing tool that helps divisions like product management and research and development. Regular evaluation of the program's effects and potential areas for development will guarantee that it achieves its goals and continues to be a significant company asset. (Butscher 2016, 33-35.)

### 3. Research Methods

This chapter introduces the research design and explains the collection methods used to conduct this study. The chapter also justifies data analysis methods.

#### 3.1 Research Design

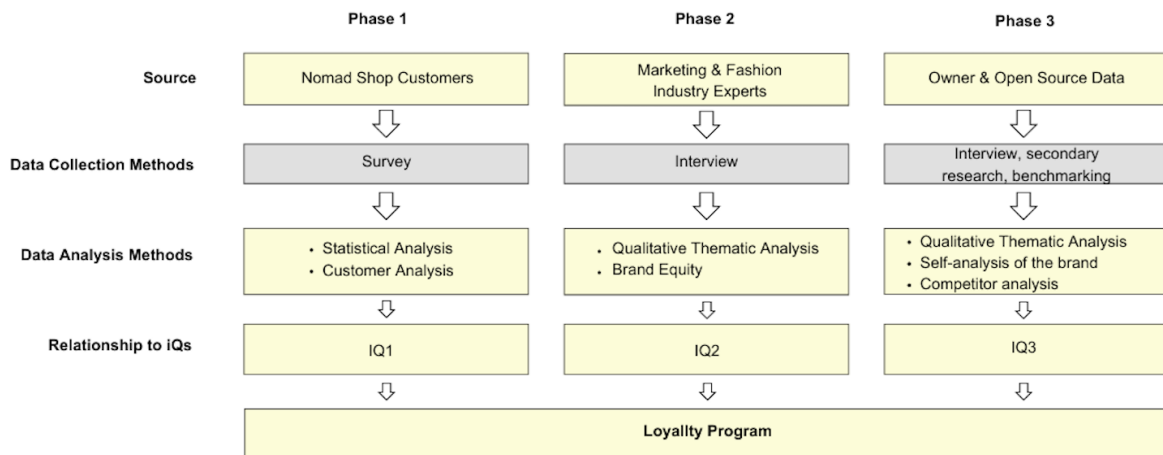


Figure 8. Research Design

The Research Method Includes three phases, each adapted to gather specific insights from various groups within the context of creating a customer loyalty program for the Nomad Shop case company. Since the main goal of this work is to understand how to keep customers more loyal to the brand, it is essential to study current consumer dynamics and branding, as well as conduct a self-analysis of the brand.

The first phase involves employing a survey-based method to interact with the company's customers. At this stage, an idea is formed of understanding customer's needs and preferences: the fashion patterns they follow, preferred communication channels, factors influencing their loyalty, etc.

The survey includes closed-ended questions for quantitative analysis. These questions will be in line with Investigative Question 1. The closed-ended responses will be analyzed using statistical methods and further used in customer analysis, which is aimed at revealing trends and motivations. Throughout the entire data-gathering process, ethical factors such as voluntary involvement, informed consent, and confidentiality will be crucial.

During the second phase, the primary objective is to include professionals in the marketing field and fashion business by conducting interviews. Experts selected based on their extensive background within the fashion industry will offer valuable perspectives on the role of current consumer dynamics in shaping customer preferences and the role of establishing a strong brand, aligning closely with Investigative Question 2 (IQ2). In order to derive important themes from the collected data and provide a more nuanced knowledge of the topic, a qualitative thematic analysis will be utilized.

The third phase focuses on the case company's internal stakeholders, specifically the owner and studying the open-source data. This phase aims to explore Investigative Question 3 (IQ3) through the interview with the Nomad Shop's founder. It will look at the Nomad Shop's brand itself and explore competitors via secondary research and benchmarking as a data collection method. Like the first phase, a qualitative thematic analysis will be performed on the acquired data, but in addition to it will include a self-analysis of the brand and competitor analysis.

Data insights gathered during phase 1, phase 2, and phase 3 will be used to develop a customer loyalty strategy for the Nomad Shop.

In terms of risks, potential biases in participant selection and non-response bias are prevented through clear sampling criteria random selection where possible. Data validity is ensured by thoughtful question design and connection with study objectives, while reliability is maintained by consistent data collection and analysis methods. Transparency in disclosing methodology and findings will increase the reliability of the research results by allowing interested parties to review and duplicate the findings. This mixed-methods approach promises a thorough examination of customer loyalty by collecting data from a range of stakeholders and data sources inside the fashion industry environment.

### **3.2. Data Collection Methods**

The data collection methods part is divided into subchapters in accordance with the three phases of the research. Phases are presented in the research design figure in subchapter 3.1 (Figure 8)

### 3.2.1 Phase 1

A self-completed questionnaire, also known as a survey, was used for the first phase of the study. This type of questionnaire requires the respondents to complete it independently without the interviewer's help. (Saunders, Lewis & Thornhill 2023, 509). Surveys offer a quick, affordable, effective, and precise way to gather data from an extensive sample. Since they are also an excellent means of learning about the attitudes and preferences of customers (Zikmund, Babin, Carr & Griffin 2010, 186–187), a survey was selected to gain information on the consumer behavior of current Nomad Shop customers.

The survey employed a structured questionnaire of 11 questions in total, incorporating Likert scales, rating scales, multiple-choice questions, and categorical responses. No open-ended questions were included.

It is important to mention that participants were asked to express their opinions on various statements and factors using a 5-point Likert scale. This scale ranged from 1 to 5, with 1 indicating the lowest level of agreement or importance (e.g., "Strongly Disagree" or "Not Important") and 5 representing the highest level of agreement or importance (e.g., "Strongly Agree" or "Very Important"). Also, participants were asked to rate the importance of the factors on a scale from 1 to 4 (where 1-not important at all... 4-very important). This approach allowed respondents to convey the intensity of their opinions, providing nuanced data that enabled a more detailed analysis of consumer attitudes and preferences.

Customers of the Nomad Shop group consist of people who have bought something from the Nomad Shop or actively engaged with the brand on social media. According to the survey results, which in detail will be discussed in chapter 4.1. Although 38% of the respondents had not bought the products, 62% of them have, and they follow the company on social media, which provides a solid foundation for the study because they are the target audience. Customers are at the center of the study because their preferences, attitudes, and loyalty habits have a direct impact on the brand's ability to retain customers. Their viewpoints provide valuable information on satisfaction, expectations, and factors influencing repeat purchasing habits.

A convenience sampling approach was chosen for selecting Nomad Shop customers. This method allowed for ease of access to participants who had previously interacted with the brand and could readily provide feedback on their experience. On the period from the 8th of October to the 22nd of October 2024, customers were reached through email and social me-

dia channels associated with the Nomad Shop, inviting them to participate in an online survey. In order to gather relevant data about current consumers for statistical and customer analysis, a small sample size of 21 participants was reached. According to internal statistics, number of current active customers is 50, consequently, the response rate of 42% was achieved. In this study, a question regarding gender was deliberately excluded from the survey due to the target audience of the case company comprising women. Given the company's primary focus on female consumers, it was deemed unnecessary to collect gender information, allowing the survey to concentrate on other factors influencing brand engagement and consumer behavior.

The age distribution of respondents, as presented in the only demographic question, indicates a significant part of younger participants. Figure 9 shows that 76% of respondents are between the ages of 18 and 29, 14% are between the ages of 30 and 39, and 10% are between the ages of 40 and 54. No one was younger than 18 or older than 55. This distribution aligns well with the company's marketing focus on younger adults and suggests that the collected data accurately reflects the perspectives of the primary age demographic interested in the brand.

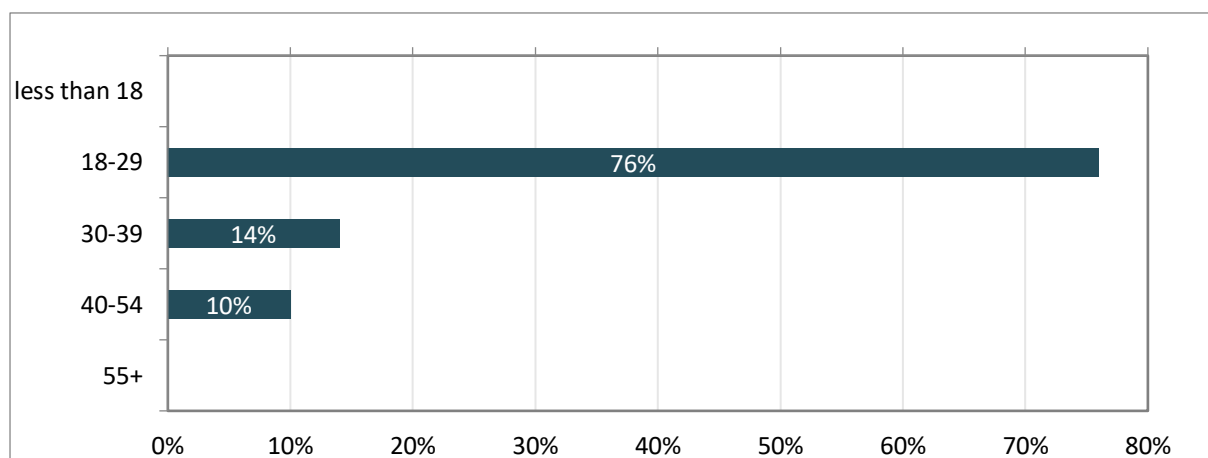


Figure 9. Age of the participants

### 3.2.2 Phase 2

The second phase of the research includes interviews as a data collection method. The reasons as to why a qualitative research method approach was chosen is because qualitative interviews provide insight into participant perspectives, social interactions, and the textures of daily life (Edwards & Holland 2013, 96). According to Edwards & Holland (2013,

96), interviews complement quantitative data by providing depth and are particularly useful for understanding connections between the topics.

The interviews were executed online via zoom platform and consisted of 9 questions, contributing to a deeper knowledge of the branding affecting consumer loyalty in the fashion industry.

Professionals with expertise in the marketing field and fashion industry, including stylist, fashion enthusiast, and marketing expert, make up the interviewed Marketing & Fashion Industry Experts group. Individuals were chosen due to their expertise in industry trends and brand-building strategies. Suitability was evaluated by reviewing professional profiles and marketing experience. The sample size of this group was kept limited to three to five experts to allow for in-depth qualitative analysis and a manageable amount of data collection within the scope of the study.

### **3.2.3 Phase 3**

As for the third phase, an important source of information for this study is also the owner of the Nomad Shop, who offers insights into the positioning, strategy, and customer engagement initiatives of the business. This perspective is essential to conduct the self-analysis of the brand, which aims to understand its soul and strengths & weaknesses. The interview with the case company director includes thematic category questions about the Nomad Shop brand, its strengths, and weaknesses.

Secondary research and benchmarking are the data collection methods also employed for this phase. Aaker's (2002) framework serves as the foundation for this choice as it provides the most reliable information about the competitors. Those approaches involve gathering the website's annual reports of rival companies. One of the trustworthy data sources cited is competitor consumers. However, because of the study's limited scope and time constraints, this source is not employed.

## **3.3 Data Analysis Methods**

The data analysis methods part is also divided into subchapters in accordance with the three phases of the research. Phases are presented in the research design figure in subchapter 3.1 (Figure 8).

### 3.3.1 Phase 1

This chapter focuses on the methods required for the first phase, which involves conducting a Customer Analysis of the Current Nomad shop Customers based on the Strategic Brand Analysis Framework considered in Chapter 2.

A productive customer study considers market trends, consumer motives, and segmentation structure (Aaker 2002, 190). Clarifying the brand customers, their wants, and the market dynamics influencing their purchasing decisions is made possible by this analysis. To give a comprehensive picture of the buying habits and motivations of current Nomad Shop consumers, the survey questions are categorized into three groups, as shown in Table 5. Subchapter 4.2 will provide a detailed discussion of the findings.

The trends section focuses on identifying some of the most important consumer trends, as well as the causes of these trends and how they affect different markets. For the aim of this study, growing trends in fashion retail have been looked into.

Aaker (2002, 193) asserts that segmentation is yet another essential component of customer analysis. The survey that was delivered to existing clients contained questions. Lastly, the motives section aids in determining the precise advantages—be they utilitarian, sentimental, or self-expressive—that drive consumers to choose a certain brand. (Aaker 2002, 191.)

Table 5. Customer survey analysis framework according to Strategic Brand Analysis (adapted from Aaker 2002,190)

Category	Questions
<b>Trends</b>	3. Which fashion trends do you tend to follow most? 5. To what extent do you agree with the following statements? (e.g., interest in second-hand or vintage fashion) 11. How likely are you to recommend a fashion brand to others if they communicate their values effectively and transparently?
<b>Segmentation</b>	1. How would you describe your interest in fashion?

8. Which communication channels do you usually prefer for receiving updates and promotions from fashion brands?

### **Motivation**

4. How important are the following factors when purchasing fashion items? (e.g., price, brand reputation)

6. Which fashion brands do you follow on social media or other channels?

9. How important are the following factors for you to stay loyal to a brand? (e.g., exclusive offers, high quality)

10. What factors would make you switch from one brand to another in the fashion industry? (e.g., price differences, unethical practices)

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### **3.3.2 Phase 2**

The analysis of the second phase of this study involves examining the insights gathered from interviews with marketing and fashion industry experts. The Brand Equity Model developed by Keller and Swaminathan (2019, 108) serves as the foundation for applying the responses, allowing for a structured assessment of brand value.

Based on the Brand Equity Model, as presented in Table 6, interview questions were separated into four primary categories in order to methodically examine the data. These categories are as follows: brand identity, meaning, responses, and relationship. The categories were explained in detail in chapter 2.3.

Recurrent themes and concepts in expert remarks were analyzed for their frequency and context in order to organize the data and find patterns. The incorporation of content analysis with the Brand Equity Model provides a comprehensive study of the data by linking professional perspectives to specific elements of brand equity. This method gives useful insights into brand importance, which will be covered in the subchapter 4.2.

Table 6. Marketing & Fashion industry experts Interviews analysis framework according to Brand Equity Model (adapted from Keller & Swaminathan 2019,108)

**Brand Equity****Model Component****Questions**

<b>Identity</b> (Who are you?)	<p>1.How would you define a strong fashion brand?</p> <p>3. From a design perspective, how does a brand's visual identity (logo, colors, packaging) contribute to its strength and success?</p> <p>7.What are the key challenges fashion brands face today in establishing and maintaining a strong brand identity?</p>
<b>Meaning</b> (What are you?)	<p>2. In your experience, why is it important for a fashion company to establish a strong brand?</p> <p>5. In the current fashion market, what external factors (e.g., sustainability, digital presence, social media) do you believe are most important for building and maintaining a strong brand?</p>
<b>Responses</b> (What about you?)	<p>4.What role does storytelling or emotional connection play in strengthening a fashion brand?</p> <p>9. In your opinion, how do communication strategies (e.g., social media, advertising, influencer marketing) impact the strength of a fashion brand?</p>
<b>Relationship</b> (What about us?)	<p>6.Based on your experience, could you rank the following reasons for establishing a strong fashion brand in order of importance?</p> <ul style="list-style-type: none"> <li>- Customer loyalty</li> <li>- Market differentiation</li> </ul>

- 
- Trust and credibility
  - Long-term growth and profitability
  - Adaptability to trends and market changes

8. How do you think a strong brand can help a company during times of change or crisis (e.g., economic downturns, shifts in consumer preferences)?

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### 3.3.3 Phase 3

To analyze the brand and its competitive positioning, as a phase 3 analysis methods, a multi-layered methodology is used. Among the techniques employed are competition analysis based on Aaker's (2002, 190) Strategic Analysis and brand self-analysis, which focuses on the core qualities of the brand, and a SWOT analysis. These techniques offer both comparative and reflective insights essential for developing client loyalty plans, which are presented in subchapter 4.3.

#### **Self-analysis of the brand (soul of the brand+SWOT)**

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 2002,200). Consequently, understanding the overall character of a brand is vital for developing a customer loyalty strategy because the brand's character serves as the foundation of its identity, values, and emotional appeal. Customers' perceptions of a brand are influenced by its unique characteristics, values, and personality, which also affect how well it aligns with their own identities and values. (Aaker 2002, 200.) According to Daffy (2019, 7), customers are more likely to develop a sense of loyalty when they strongly identify with a brand's values because the brand becomes more than just a product or service; it becomes something that they can relate to on a personal level. The brand self-analysis of Aaker, which is detailed in Chapter 2.2.1, serves as the foundation for this analysis.

#### **Soul of the brand**

According to Aaker (2002,200), brand self-analysis is a blend of five different sorts of analyses, any of which can be used based on the state of the brand at the time. Existing

brand image analysis, brand heritage analysis, brand linkages analysis, strength and weakness analysis, and soul of the brand analysis. (Aaker 2002, 200.) As was previously mentioned, for the purpose of this study, it is most important to concentrate on the two former types of analysis. These are the soul of the brand analysis and strengths and weaknesses analysis.

Nomad Shop is still in the early stages of development. As a result, it lacks the significant brand heritage and powerful current image that Aaker describes. Therefore, the brand's self-analysis mostly relies on the outcomes of the interview with Nomad's founder, Kate.

An interview frame was designed in order to get ready for the interview with the founder of the case company. Table 7 displays this frame, as seen below. Both the primary and follow-up questions, which are intended to deepen the scope of the data being gathered, are included in the table.

Table 7. Interview with the founder frame-Soul of the brand

	<b>Thematic category Questions</b>	<b>Additional Questions</b>
	1. What core values do you want your brand to represent?	1. How do these values shape the experiences you want to create for your customers? -
<b>Company</b>	2. If your brand were a person, how would you describe its personality?	2. What qualities do you want customers to associate with it?
<b>Self- Analysis</b>	3. What unique story or purpose defines your brand?	

## **SWOT**

Additionally, a SWOT analysis is carried out to better understand strong and weak aspects as well as the upcoming trends that are likely to have an impact on the brand. The analysis is done through interviews with the case company's founder (the frame for the interview and analysis, accordingly, is presented in Table 8). The director is the one who knows the

company's internal environment and present situation the best. Secondary research for the SWOT was also conducted in order to fulfill the Opportunities and Threats field since they are perceived as external factors.

Table 8. Interview with the founder frame-company SWOT

	<b>Thematic category Questions</b>	<b>Additional Questions</b>
<b>Company Strengths and Weaknesses</b>	1. What are the strengths of your company?	1. How can you capitalize on these strengths? How would you cover up your weaknesses?
	2. What are the weaknesses of your company?	

### **Competitor analysis**

As defined by Aaker (2002, 194-195), competitor analysis is a fundamental component of strategic brand analysis intended to examine the primary competitor for the case company, Nomad Shop. Effective competitor analysis, according to Aaker (2002, 194–195), necessitates assessing the brand's positioning and image as well as its strengths and weaknesses. The methods used for conducting these analyses are outlined in detail below.

In this study, competitor analysis will concentrate specifically on a thorough evaluation of the Makia brand, which was identified as the primary competitor in collaboration with Nomad Shop's founder. Gaining a better understanding of Makia's brand image, competitive advantages, and weaknesses is the goal of this emphasis.

### **Brand X's brand image and positioning analysis**

Aaker (2002, 194-195) suggests evaluating secondary data from competitor-driven marketing as well as consumer feedback to examine brand X's image and positioning. While assessing customer viewpoints shows how the brand is seen, articles and the media presence of brand X are examples of secondary data sources for this purpose.

The advantages that a brand provides, the relationship between the brand and its customers, and brand personality comprise the three main characteristics of the entire examination of brand image and positioning (Aaker, 2002, 194-195).

### **Analysis of brand X's strengths and weaknesses**

According to Aaker (2002), the second component of the competitor analysis framework is the evaluation of strengths and weaknesses. The goal of this study is to offer insights that can be used strategically. Aaker (2002, 194-195) emphasizes how crucial it is to understand that while taking advantage of a competitor's weaknesses can provide competitive advantages, directly contesting their strengths is frequently not beneficial (Aaker 2002, 194-195). A variety of secondary data sources have been employed to obtain a thorough grasp of brand X's current position and development trajectory, guaranteeing that the analysis collects pertinent and varied information.

## 4 Results

This chapter presents the results of the customer survey, marketing & fashion experts interviews results, and results of the interview with the owner as well as the open-source findings with further implementation of company analysis and competitor analysis. The results are divided into subchapters according to investigative questions.

### 4.1 Role that Current Consumer Dynamics Play in Shaping Customer Preferences

This subchapter contains data that answers the first investigative question regarding the role that current consumer dynamics play in shaping customer preferences. As explained earlier in 3.3.1 subchapter, customer survey questions were divided into segments according to Aaker's strategic brand analysis model (2002, 190) and included three categories: trends, segmentation, and motivation.

The first segment "trends" included questions about the most significant consumer trends.

The respondents were asked to choose which fashion pattern they tend to follow from the following categories: fast fashion, second-hand or vintage clothing, sustainably produced clothes, Mix & match styles, and other. Figure 10 below demonstrates the popularity of "mix & match" fashions, in which people incorporate aspects of luxury and used clothing into a single ensemble. This trend, followed by 86% of respondents, indicates a strong inclination toward personalized and eclectic fashion choices. Additionally, 33% of people follow second-hand or antique apparel, indicating a growing demand for eco-friendly and unique fashion items. It is also supported by the "sustainably produced clothes" option favored by 29% of participants, reflecting an awareness and preference for environmentally responsible options. Nevertheless, just 19% of people are interested in fast fashion, which may be because of growing worries about ethical and environmental difficulties in the sector. 10% of respondents mentioned extra particular preferences not included in the primary categories.

According to these statistics, customers are adopting more individualistic and ecologically sensitive fashions, indicating a movement in fashion consumption towards sustainability and individuality. The results might help the Case organization emphasize and prioritize ideas

including ethical behavior, unique fashion statements, and sustainability.

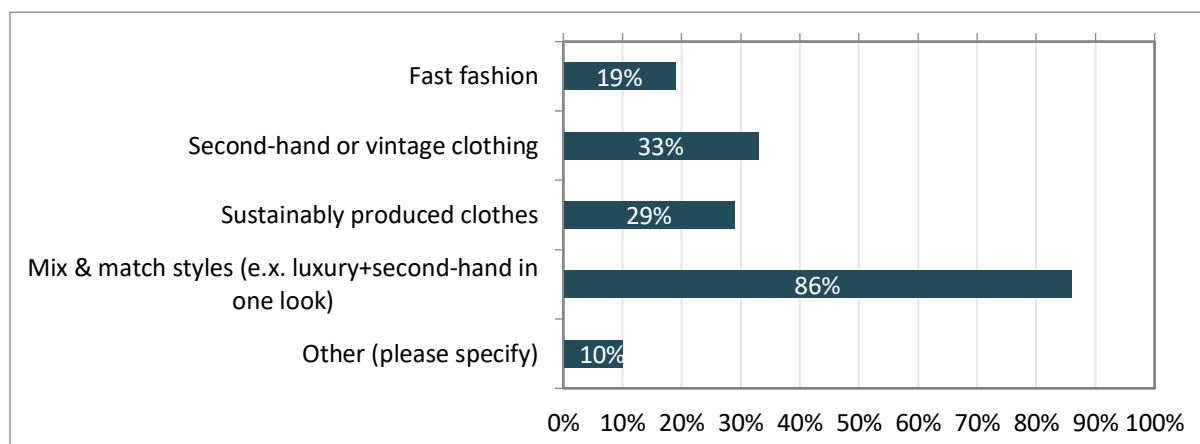


Figure 10. Fashion patterns that consumers tend to follow

On a scale of 1 to 5, the respondents were asked how much they agreed with the following statements: 1-strongly disagree, 2-disagree, 3-neutral, 4-somewhat agree, and 5-strongly agree. With an average score of 4.2, Table 10 indicates that mixing and matching different styles is the most popular option, indicating a strong desire for individualized, adaptable fashion choices. With an average score of 4.4, customers then demonstrate a strong preference for long-lasting, high-quality apparel, suggesting that durability and quality are more important than trends. With an average score of 3.3, interest in vintage or second-hand clothing comes in third, indicating a moderate but noticeable interest in eco-friendly and distinctive design options. These findings suggest that current Nomad Shop customers prioritize unique styling and quality.

	1	2	3	4	5	Average	Median
I am interested in second-hand or vintage fashion.	19,1%	9,5%	23,8%	14,3%	33,3%	3,3	3,0
I like to mix and match different fashion styles.	9,5%	,0%	14,3%	14,3%	61,9%	4,2	5,0
I consider the environmental impact when buying clothes.	19,1%	28,6%	33,3%	19,0%	,0%	2,5	3,0
I prefer to invest in higher-quality clothing that lasts longer.	4,8%	,0%	4,8%	33,3%	57,1%	4,4	5,0

Table 10. Consumer preferences in styles

Finally, as an additional follow-up question to the priorities, participants were asked how likely they are to recommend a fashion brand to others if it communicates their values. If a fashion brand effectively conveys its values, 66% of the people surveyed indicated they are very likely to suggest it, according to the statistics in Figure 11. The result suggests that transparent communication of brand values is highly effective in generating positive word-of-mouth among consumers.

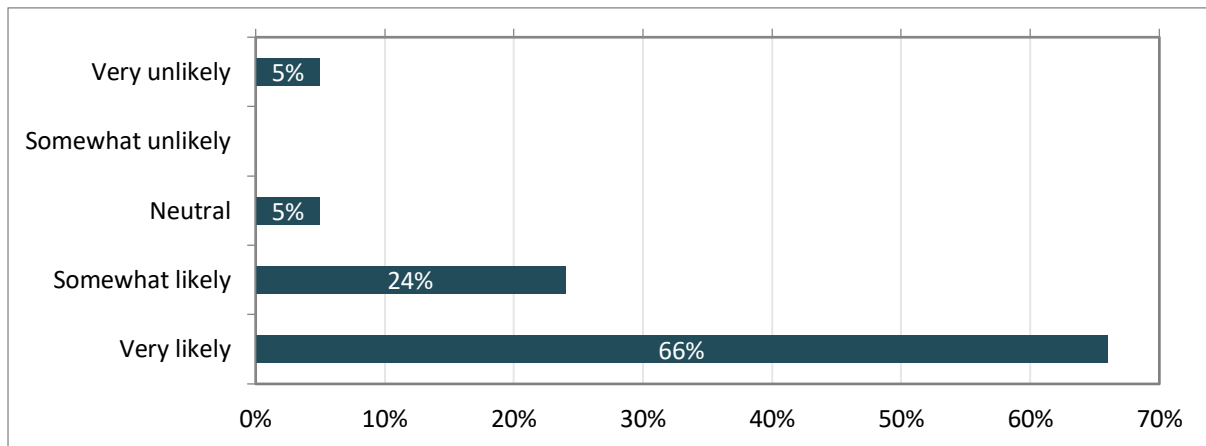


Figure 11. Recommendation of the fashion brand likeliness

The second segment of the customer analysis to figure out the current consumer dynamics according to Aaker (2002, 190) is the segmentation of the customers. The first segmentation question was presented as follows: "How would you describe yourself? With the options: Fashion enthusiast, casual fashion fan, practical dresser (Figure 12). As a result, the majority, 57%, identify as Casual Fashion Fans, showing moderate interest in fashion balancing trends with practicality. 38% of people identify as Fashion Enthusiasts who are very interested in fashion and use it as a way to express themselves by closely following trends.

Overall, the firm may successfully market its basic clothing line to appeal to both casual fans and practical dressers by highlighting comfort, versatility, and the potential to construct fashionable outfits with basic items, as 95.2% of respondents indicated some interest in fashion.

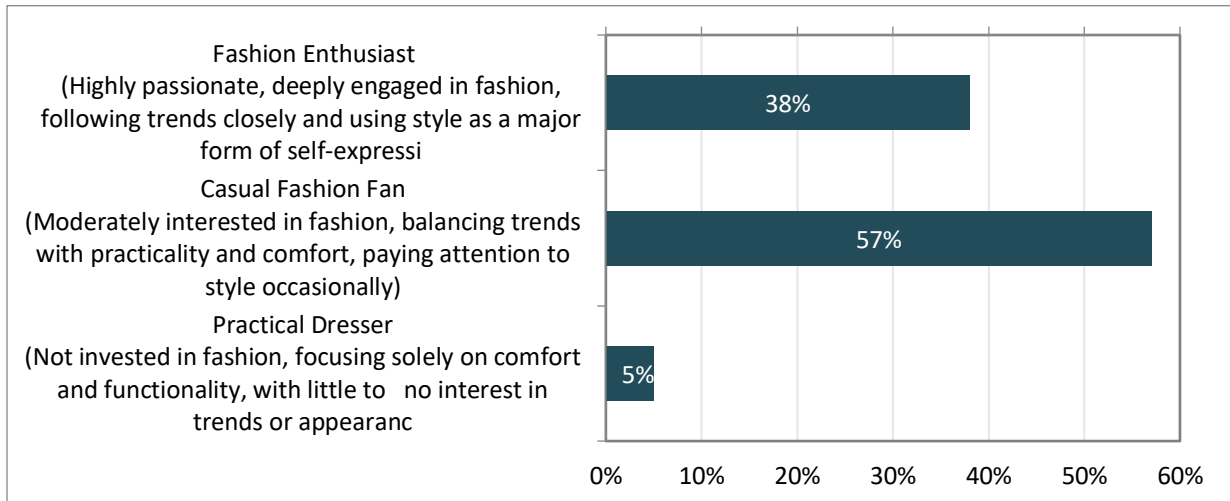


Figure 12. Customer segmentation based on their fashion interest

The next question in the category indicated preferred communication channels for the customers (Figure 13). With 90% of respondents choosing Instagram as their favorite communication route, it is clear that the platform is important for engaging with customers through interactive and visual content. Following behind, 52% of participants said they preferred brand websites, highlighting their significance in offering comprehensive information and streamlining consumer interactions. Additionally, email newsletters are important because 38% of respondents choose this conventional marketing strategy, demonstrating its ongoing value in direct customer connection. Facebook and Twitter, on the other hand, are the least preferred channels, with only 5% of respondents saying they prefer them. This suggests that they may not be as successful at reaching this demographic as the other platforms.

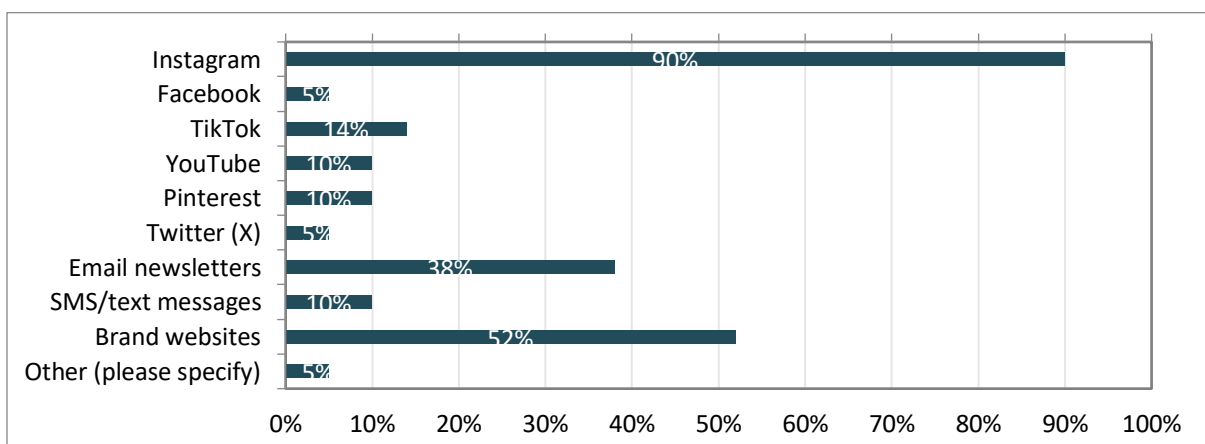


Figure 13. Preferred communication channels

The third part of the customer behavior analysis is the motivation of the customers.

Participants were asked to rate the importance of the factors on a scale from 1 to 4 (where 1-not important at all and 4-very important). The result reveals (Figure 14) that the quality of materials emerges as the most significant consideration, with 90% of respondents rating it as very important. Comfort follows in second, with 76% of people rating it as very important. Additionally, practicality is considered important by 62% of respondents, with the notion that practical characteristics significantly influence the purchasing decisions of the Nomad Shop customers. This finding demonstrates the importance of durability in consumer decision-making, suggesting that shoppers prioritize high-quality fabrics in their clothing choices. Additionally, it shows a strong preference for cozy clothing, which is consistent with the current market's general trend towards practical and casual styles.

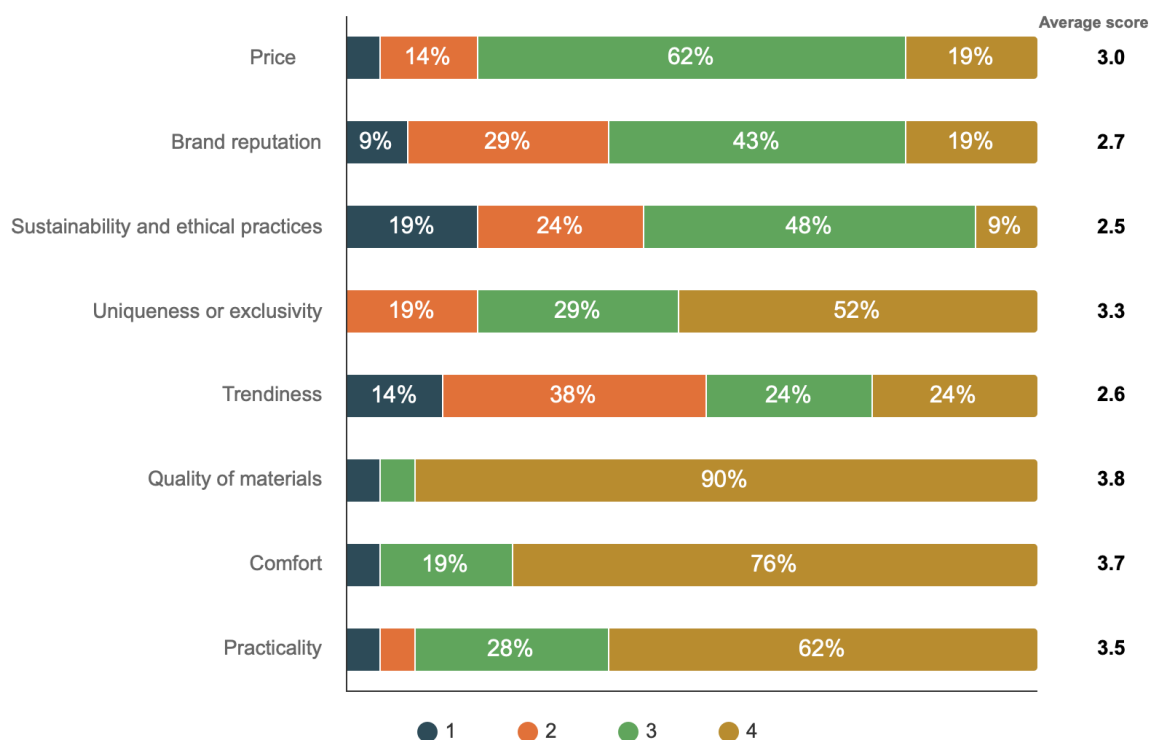


Figure 14. Factors that motivate consumers to purchase clothing items

The results of the question which brands respondents follow on social media reveal that 62% of participants favor luxury or designer brands, reflecting a desire for exclusivity and status. Additionally, 71% comply with independent or small designers, indicating a strong

appreciation for individuality. Finally, 29% of people shop in second-hand or vintage marketplaces, which shows that people are becoming more interested in sustainable consumerism and the distinctive qualities of vintage goods. This suggests that consumers have a strong incentive to support independent producers, maintain uniqueness, and practice sustainability.

In the next question, where customers were asked to rate the factors from least important to the most important ones on a scale from 1 to 4 (1-not important at all... 4-very important). High-quality items stand out as the most crucial factor, as evidenced by the 86% of respondents who rated it as such, highlighting the importance of product quality in ensuring customer happiness (Figure 15). Closely behind, 81% of participants evaluated "meeting my expectations" as extremely important, suggesting that customers place a high value on brands keeping their word. Furthermore, 62% of respondents said that transparency about materials and sourcing is extremely important, indicating a growing desire for ethical practices in the fashion sector.

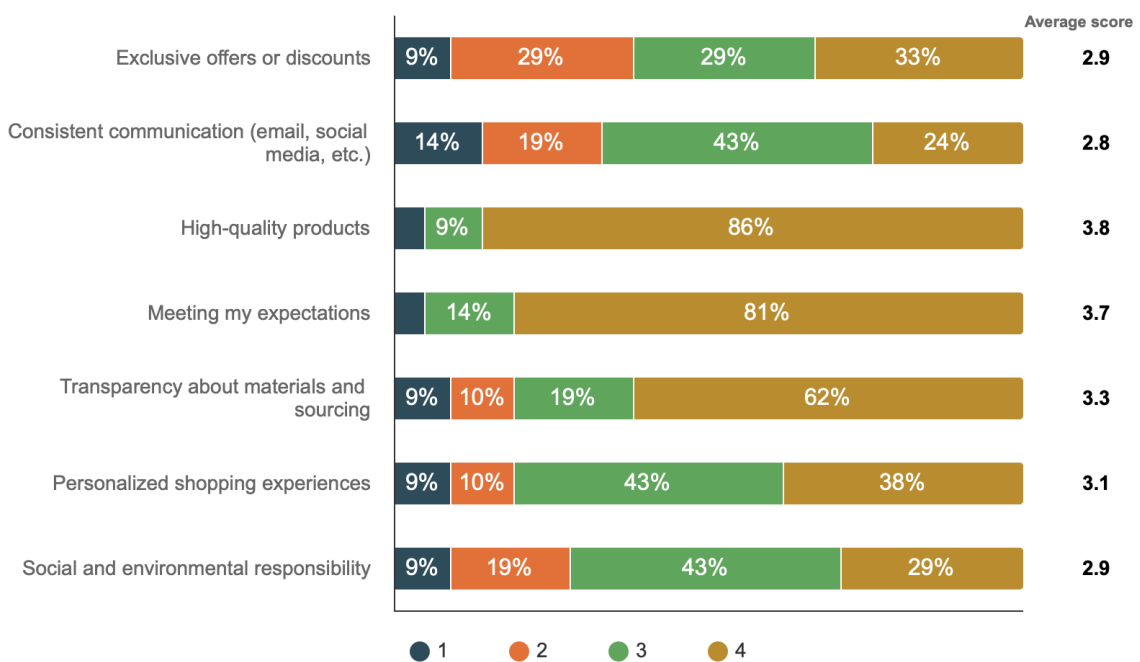


Figure 15. Factors that motivate customers to stay loyal to a brand

Finally, the main factor that makes customers switch from one brand to another in the fashion industry, as presented in Figure 16, is issues with product quality, with 95% of answers, highlighting the importance of quality in consumer loyalty. Additionally, according to 48% of respondents, switching companies is motivated by both a change in personal style and better customer service from another company. This suggests that individual preferences and

service experiences are equally important components in preserving customer loyalty. Furthermore, 43% of participants said that price differences force them to switch, indicating that competitive pricing is a major factor in customer choice. All things considered, these results highlight how important product quality, cost, and consumer satisfaction are to brand loyalty and switching behavior.

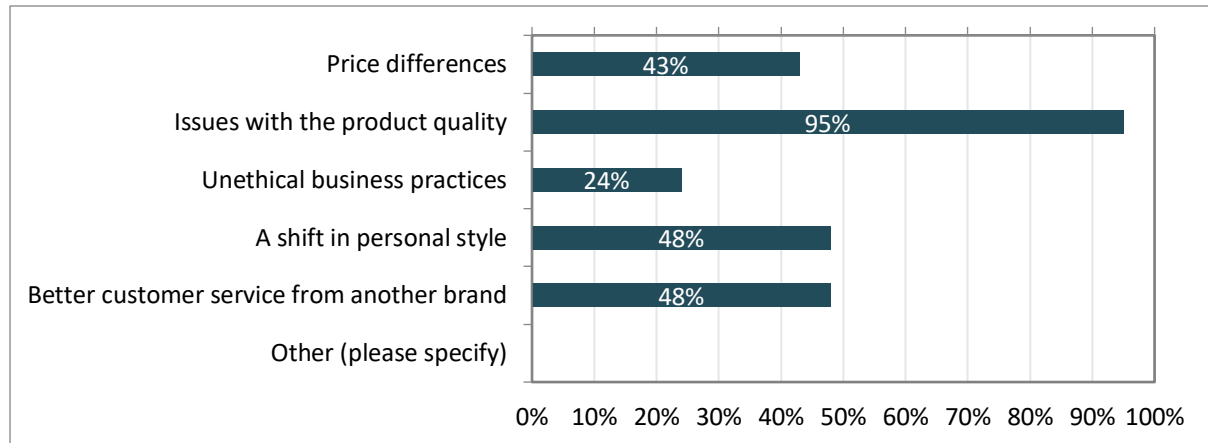


Figure 16. Factors that make customers switch from one brand to another

## Summary

In summary, the current consumer dynamics in the fashion industry significantly shape customer preferences, as evidenced by the survey findings. The rise in popularity of "mix & match" styles, supported by 86% of respondents, indicates an intense preference toward personalized and diverse fashion choices. This trend is complemented by a notable interest in sustainably produced clothes (29%), reflecting consumers' growing awareness of sustainability and the desire for unique, environmentally responsible options. In contrast, only 19% expressed interest in fast fashion, likely due to increasing concerns over environmental and ethical issues.

Furthermore, 86% of consumers rank high-quality items as extremely important, and 81% stress the need for businesses to perform according to their expectations, highlighting the significance of quality in consumer priorities. The fact that 95% of participants said that problems with product quality would cause them to switch brands further highlights the importance of product quality. Furthermore, 62% of respondents favor transparency in terms of materials and sources, which is consistent with a larger need for ethical fashion practices.

Current consumer dynamics are also reflected in communication preferences; 90% of respondents prefer Instagram for brand engagement, indicating that visually stimulating platforms are essential for building relationships with customers. According to the data, values like exclusivity, uniqueness, and sustainability are becoming more and more important to customers. Brand should take this into account to increase customer loyalty and retention. By emphasizing quality, individualized experiences, and open communication of their principles, Nomad Shop fashion can adjust to changing consumer demands.

## 4.2 Importance of Establishing a Strong Fashion Brand

This subchapter contains data that answers the second investigative question. As earlier explained in 3.3.2. subchapter, Interview questions were divided into categories according to the Brand Resonance Pyramid presented by Keller & Swaminathan (2019, 108).

The first segment of the interviews was dedicated to the first stage of brand development is "Who are you?" or brand identity (Keller & Swaminathan 2019, 108). This stage focuses on establishing a unique identity that corresponds with the target audience, communicating an image and purpose that differentiates the brand (Keller & Swaminathan 2019, 108). The insights from each responder highlight how successful businesses build out a unique place in consumers' perceptions, reflecting the essential elements of brand identity.

From the collected responses, a **strong fashion brand** is consistently characterized by uniqueness, strategic identity development, and alignment with consumer aspirations. These responses highlight the necessity of establishing an identity that resonates with consumers beyond individual collections or seasons. One interviewee, for example, emphasizes that "strength in branding isn't confined to a single collection; it is a continuously evolving identity built across collections," citing companies like Vetements as examples. Furthermore, according to the experts, exclusivity and targeted appeal to particular demographics are crucial for fashion firms to build a loyal customer base despite fierce competition.

**The role of visual identity**—such as logos, color schemes, and packaging—also appears central to brand recognition. Effective use of images, such as the classic black and gold color scheme of Yves Saint Laurent, can increase memorability and give the impression of exclusivity, especially as consumers look for unique brands in a market that is overflowing with trends. Consistency in design elements, not just in logos but even in silhouettes, builds a recognizable and inviting brand presence across various platforms.

**The challenges of maintaining brand identity** in a saturated market seem closely related to the need for innovation and transparency. Competition drives brands to follow trends, but by adopting similar tactics, they run the risk of losing their uniqueness. The wide range of fashion labels makes it difficult to establish a unique identity because commonly used marketing techniques are frequently the same for all firms. According to a marketing expert, "a brand must prioritize product quality and offer unique concepts in the current market; relying solely on marketing and PR efforts is insufficient." To keep up with this, brands should integrate transparency, such as sharing values and production methods via social media, to build credibility and advance product quality and manufacturing processes, as advances in technology provide a way to distinguish from competitors in a market.

The second segment of the interview questions was designed to align closely with Keller's & Swaminathan's (2019, 108) second stage of brand development— "Meaning (What are you?)"— which aims to build a brand's emotional and functional associations in order to give customers a sense of identity. Beyond only its products, this stage seeks to establish a brand's values and experiences, as well as what it stands for and represents in the minds of consumers.

The responses explain the **importance of a strong brand for a fashion company**. According to interviewees, it enables the development of deep connections with customers, develops loyalty, and provides operational benefits. A brand is more than simply a logo or product; it's an experience that resonates with its audience on an emotional and functional level. One respondent notes, "A strong brand evokes emotions in customers and forms a connection with them," highlighting that successful, strong brands are created through ongoing, relevant engagement and consistent presence in customers' lives. From the point of view of operations, successful brands benefit from special advantages, including lower costs and less dependence on intensive advertising since devoted consumers act as natural ambassadors for the brand. This loyalty also extends to employees, who may be attracted to the brand's prestige, sometimes even prioritizing it over higher wages—a phenomenon that underscores brand value internally as well as externally.

The responses further emphasize the **role of external factors**, particularly in today's market, where sustainability, digital presence, and social responsibility are crucial. According to one of the respondents, "a strong brand must maintain its core identity to differentiate itself effectively in a dynamic marketplace," yet "flexibility to respond to societal trends is essential." For example, it has been observed that combining a sustainable and compact approach

to collections is a modern expectation since it is consistent with principles that increasingly influence consumer behavior.

The fourth and final part of the interview was correlates with the fourth stage of brand development— “Relationship (What about us?)”—which centers on the relationship between a brand and its consumers (Keller & Swaminathan 2019, 109).

Interviewees were asked to rank the factors that help in establishing a strong brand from the most important to the least important. Across responses, customer loyalty and trust emerge as a foundation for brand strength. The interviewees rank these factors as main advantages, citing that a strong brand identity maintains consumer loyalty, even in volatile markets or during crises.” When a brand is perceived as essential to a consumer's lifestyle, loyalty becomes deeply ingrained, helping the brand remain a priority even in economic downturns or shifts in preferences.” This is consistent with Keller's paradigm for brand creation, which claims that emotional connections create enduring client relationships that protect the brand against fluctuations (Keller & Swaminathan 2019, 109). The respondents identify differentiation as another important consideration, as it helps brands stand out in a crowded market and maintain relevance in evolving trends.

However, the least significant factor was determined to be the ability to adjust to changes in the market and trends. Additionally, the responses collectively illustrate how important a strong brand is for maintaining relevance and stability in times of crisis or change. The interviewees stress that successful brands can flourish by retaining a devoted customer base in addition to surviving economic downturns and shifts in consumer preferences.

## **Summary**

A strong brand provides significant advantages that extend beyond just recognition. It allows companies to “sell products without additional advertising costs and raise prices” while also ensuring successful collaborations with influential figures. In order to achieve long-term loyalty and stand out in a crowded market, the interviewees emphasized that “the most critical advantage of a strong brand is its ability to foster genuine connections with its audience through authenticity and unique identity.” Additionally, by reducing marketing costs and increasing customer loyalty and trust, a strong brand “offers significant cost advantages.” Although building a brand requires careful investment, “subtle, strategic approaches rather than large advertising expenditures” are sometimes used to accomplish this goal.

In the end, a strong reputation is a priceless commodity that frequently adds more to brand strength than promotional expenditures alone, highlighting the significance of branding in creating long-lasting connections with customers.

When Keller's and Swaminathan's (2019, 108) four-step brand development model is applied to the description of the significance of effective branding, it becomes clear how each stage helps create a powerful and memorable brand.

1. **Identity (Who are you?):** A strong brand allows companies to "sell products without additional advertising costs," reflecting the necessity of having a distinctive and recognizable identity. This identity makes a lasting impression and lays a foundation for consumers to comprehend the brand's values, making recognition and recall simpler.
2. **Meaning (What are you?):** In this stage, brands must create meaningful connections with their audience. This stage is effectively illustrated by an understanding that "the most critical advantage of a strong brand is its ability to foster genuine connections with its audience through authenticity and unique identity." In a competitive market, brands can successfully set themselves apart by communicating their values and connecting with consumer identities. Customers' perceptions of the brand are strengthened by this authenticity, which increases engagement.
3. **Responses (What about you?):** The third step revolves around how consumers respond to the brand. This stage is directly related to the claim that "a strong brand offers significant cost advantages by reducing marketing expenses and building consumer trust and loyalty." Positive brand experiences and impressions increase customer loyalty and trust, which naturally leads to advocacy. According to this answer, successful companies can sustain their visibility and attractiveness without resorting to extensive advertising by relying on word-of-mouth and reputation.
4. **Relationship (What about us?):** Finally, the relationship stage emphasizes the connection between the brand and its consumers. This stage is summed up in the statement that "a solid reputation is an invaluable asset for any brand." Long-term relationships are promoted by a strong brand reputation because customers see the brand as essential to their daily lives. Because of this relationship, companies can endure changes in the market and stay relevant, demonstrating the value of cultivating a devoted following of customers who feel a personal connection to the brand.

### **4.3 The Way That the Company Can Address its Strengths & Weaknesses to Retain Customers**

This subchapter contains data that answers the third investigative question, creating a foundation for developing an informed, strategic customer retention plan that is suited to the brand's advantages and competitive positioning. As earlier explained in 3.3.3. subchapter, methods include brand self-analysis, which emphasizes the essential characteristics of the brand, a SWOT analysis, and competitor evaluation based on Aaker's (2002, 190) Strategic Analysis.

#### **4.3.1 Self-analysis of Nomad Shop**

Self-analysis of Nomad Shop includes the Soul of the brand and SWOT analysis.

##### **Soul of the brand analysis**

The interviews with the Nomad director form the basis of the brand analysis, which is based on the techniques outlined in Chapter 3.2.3. According to the information gathered through the interview, Nomad upholds values of resilience, authenticity, and the journey of self-discovery. The brand is designed to accompany individuals as they navigate life, embracing both its challenges and opportunities. Nomad seeks to empower its customers, encouraging comfort and confidence as they progress through various stages of their journey. Each piece of clothing is crafted to be a reliable companion, offering quality, comfort, and style, whether customers are at home or exploring the world.

If Nomad was personified, it would represent strength, adaptability, and a sense of confidence. This persona would be grounded, with a deep appreciation for both function and form. A Nomad is viewed as someone who finds beauty in simplicity, demonstrating curiosity, open-mindedness, and refusal to submit to the pressures of conformity. For its customers, Nomad represents durability, dependability, and a touch of sophistication—qualities that enhance their lives, providing confidence and empowerment.

Nomad was born from the idea that life is a journey, often marked by unexpected turns, challenges, and achievements. Its purpose is to create apparel that supports customers as they move forward, providing the comfort and confidence needed at every step. In a fast-paced,

ever-changing world, Nomad is committed to crafting timeless, adaptable pieces that people can rely on—items that seamlessly fit into their lives and resonate with their individuality.

Overall, the soul of the brand analysis provides an overview of what the brand aims to communicate to the customer and based on which principles the communication style should be based to retain the current consumer base.

## SWOT analysis

Potential brand **strengths** are discussed first when talking about the SWOT Analysis outcomes. According to the interview, the following issues are crucial: commitment to quality and thoughtful, purposeful designs. Also, the brand puts an emphasis on both durability and style, ensuring that every piece meets high standards and can withstand the test of time. Additionally, being in Finland allows Nomad Shop to connect with customers uniquely, understanding their lifestyles and needs in a Nordic context that values both functionality and minimalism.

Building broad recognition and loyalty in a very competitive business is one of Nomad's primary **weaknesses**. It is challenging to gain visibility and trust as a smaller brand. Additionally, maintaining sustainable production at an accessible price point is always a delicate balance.

When discussing external factors, there is increasing consumer interest in sustainable, ethical fashion. Recent trends include sustainability-focused initiatives that highlight quality over quantity of fashion items (Samuels 2024, 13).

Customers increasingly demand more transparency about how fashion goods have been sourced and manufactured (Hickins 2023). Nomad has the **opportunity** to leverage its commitment to quality and sustainable practices to attract a growing segment of eco-conscious consumers.

Moreover, McKinsey's consumer-sentiment surveys show that consumers are paying closer attention to how companies treat their employees—and taking note of companies that demonstrate care and concern for people (McKinsey & Company 2020). Social media platforms offer a chance to highlight Nomad Shop's commitment to its employees and internal operations in order to win over clients' trust and loyalty.

Another possible opportunity for the company is growing Nordic-inspired aesthetics and functional minimalism. According to Vogue (2023), fashion has entered a period of minimalist obsession. By taking advantage of this trend, Nomad might potentially reach a wider audience outside of Finland and attract foreign consumers who value Nordic design concepts. The clothing line offered by Nomad Shop fits in perfectly with the idea of Scandinavian minimalism style because it is made to be simple and practical.

In general, consumers are encouraged to engage with brands using technology. By raising awareness, involvement, and engagement, these consumer interactions strengthen the brand, boosting recall and encouraging sales. (Mohr 2013, 17–22.)

Social media is now viewed as an opportunity to improve customer relationships and ultimately capture a larger audience (Ahmad, Salman & Ashiq 2015, 2-4). Increasing Nomad's online visibility and brand recognition could be beneficial. Putting money into social media, influencer relationships, and digital marketing could help the brand attract new clients and cultivate a devoted online following.

Social media user-generated content would create a brand community. Sharing experiences or clothes is an example of custom-er-created content that increases engagement and builds trust. (Ahmad et al. 2015, 2-4).

Furthermore, as the studies have shown, prompt and comprehensive responses to consumer complaints or questions are important factors in retaining customers (Ahmad et al. 2015, 2-4). Providing a flawless client experience is essential in the cutthroat industry of today. It is accomplished by incorporating customer support into blogs, websites, and social media platforms to enable ongoing interaction. (Anad 2021.) By using prompt and comprehensive responses across many channels, the Nomad Shop has the chance to improve customer happiness and retention.

One possible **threat** that might affect the brand's development is intense market competition. The latest research by Digital Research, one of the prominent and leading providers of digital market research, shows that the presence of fashion retailers on social networking websites has significantly grown in comparison to any other fashion retail sector. (Ahmad et al. 2015, 2-4). In the highly saturated fashion sector, there are many well-known and developing brands. There can be intense rivalry from larger businesses with more resources and devoted customer bases, particularly in terms of visibility and customer loyalty (Ahmad et al. 2015, 2-4).

Fashion retail stores, internet retailers, and mobile applications are just a few of the alternatives available to consumers today. Consumers of today, therefore, anticipate a wide range of unique clothing that reflects current fashion trends. (Businesswire 2018.) Another significant threat for Nomad is the pressure of fast fashion. Fast fashion has greatly stimulated the consumer to go to stores more often, where he/ she is certain to discover something new every time according to short fashion trend. Fast fashion's ability to offer new items at reasonable prices is fueling the practice of mix & match, in which the consumer pairs costly brand-name articles with fresh, cheap items not likely to last long but that are in tune with the current fashion and allow for renewing one's look every day. (Misani & Capello 2017, 12-13). Since Nomad Shop's items are designed to be classic and everyday wear, fast fashion trend might affect the sales in a negative way.

#### **4.3.2 Competitor analysis**

The implementation of the study of one competitor brand that Nomad Shop founder Kate has discovered is the main emphasis of this chapter. Consequently, a comprehensive brand analysis of the Maria brand is provided below. However, it is crucial to provide a brand overview of Makia and explain why it is Nomad's primary competitor before beginning the competitor analysis.

The Helsinki-based apparel company Makia Apparel, or simply Makia, was established in 2001. Makia was founded by Jesse Hyväri and Joni Malmi, and its current products are sold in around 600 stores and dozens of online stores in more than 20 countries. Their brick-and-mortar store was opened in 2017 in the Glass Palace in the center of Helsinki. (Makia 2024.) Makia designs and produces clothing collections for men, women, and children. From t-shirts and beanies to collared shirts and parka jackets, the product assortment offers an extensive selection of clothing and accessories.

Makia's purpose can be summed up in their brand statement: "We have stood long enough in the cold rain to favor a simple and functional design that focuses on materials respecting the harsh Northern climate." (Makia 2024.)

The idea lies in the thought that Finnish people have stood in the cold rain long enough to prefer a simple and functional clothing style that takes into account the conditions brought by the severe climate. The company wants to solve the dressing issue and other problems that arise in daily life. By providing clothing options appropriate for various circumstances,

weather conditions, and individuals, Makia hopes to lessen the time-consuming issue of choosing clothes on a weekday morning. The goal of Makia is to provide consumers with high-quality, dependable, and safe clothing options. Makia wants to be a trailblazer in the streetwear culture and achieve global success. (Makia 2024.)

### **Makia's brand Image and positioning analysis**

Makia has established a unique brand identity that is based on a set of core principles that influence all aspects of its business operations. The brand's slogan, "Through the Rough Seas," which captures a strong mindset marked by stubbornness and determination in the face of challenges, is essential to its identity. This tagline represents the persistence and authenticity that characterize the brand's culture while also referencing Makia's two-decade journey through business difficulties and the harsh Nordic climate. (Mäkikyrö 2019, 42-47.)

Makia's core values are centered on Finnish heritage and a strong identification with Helsinki. These values are fundamental to Makia's brand and are expressed in various aspects of the brand's visual identity, such as its port and sea motifs and a distinct color palette that reflects its Nordic roots. To further celebrate Finnish heritage, Makia collaborates with iconic Finnish brands like Alvar Aalto and Moomins, reinforcing the brand's cultural alignment with Finland. Additionally, select products are manufactured domestically, underscoring the importance of local identity in Makia's brand positioning. (Mäkikyrö 2019, 42-47.)

Key values such as honesty, authenticity, sustainability, timelessness, responsibility, and ecological commitment form the foundation of Makia's brand positioning. The brand stays loyal to itself without trying to please every customer, which promotes an organic and genuine brand presence. Makia's dedication to these ideals is demonstrated by its purposeful, unforced authenticity. (Mäkikyrö 2019, 42-47.)

Makia's commitment to long-lasting and sustainable fashion is a clear example of its ideals of responsibility and environmental awareness. In order to encourage decisions that put long-term utility ahead of trends, the company aims to create apparel that can endure both physical wear and fashion trends. Makia resists the short-term fashion model in favor of long-lasting items. (Mäkikyrö 2019, 42-47.)

The materials, packaging, and logistics choices made by Makia further demonstrate their ecological concern. The company works with PureWaste, a company that makes fabric from textile waste and uses recycled materials into its products. Makia established a target to use

75% eco-friendly materials by 2025 and had incorporated recyclable materials into over half of its jackets by 2019. (Mäkikyrö 2019, 42-47.)

### **Makia's strengths and weaknesses analysis results**

Analyzing the Makia brand reveals some of the company's **strengths**. The main advantages of Makia are its distinctiveness and strong feeling of Finnish identity, which set it apart in the fashion sector. By highlighting these components, Makia sets itself apart with goods that speak to Finnish values and culture, appealing to a particular market with similar cultural preferences. Additionally, because Makia is a relatively small business, it enjoys flexibility and a more controlled, cooperative team dynamic, which allows for quick changes in branding and product design. Makia's integrity and dependability have been established in the eyes of its devoted clientele by its capacity to uphold its principles in challenging circumstances. (Mäkikyrö 2019, 64-68.) Additionally, Makia has invested significantly in brand-building efforts, aiming to reinforce its reputation and mitigate any remaining associations with past quality issues. Recent feedback suggests that a greater percentage of respondents view the brand's material quality as a strength despite previous issues with product quality. This change implies that Makia has mainly been effective in maintaining and improving quality, which has strengthened the brand's reputation in the present market. (Mäkikyrö 2019, 64-68.)

However, Makia faces several notable **weaknesses** that impact its competitive positioning. Firstly, the brand's approach to maintaining originality through bold and unconventional methods can polarize public perception. While such initiatives are intended to underscore authenticity, they occasionally provoke criticism or negative responses from consumers who may view these actions as overly provocative. Additionally, past quality issues could remain a challenge for the brand, as certain segments of the consumer base continue to associate Makia with quality concerns despite improvements. (Mäkikyrö 2019, 64-68.)

Product pricing emerged as another significant weakness. According to the study (Mäkikyrö 2019, 54), 60.5% of customers identified it as a barrier. Perceptions of product one-sidedness also indicate that Makia's range may lack diversity, especially within its men's collection, which appears overly dominant in comparison to the women's offerings. Respondents have expressed that the brand's women's collection is limited and tends toward unisex styles, which some consumers feel do not sufficiently cater to women. Furthermore, re-

spondents identified limited availability as an issue, with Makia products being less accessible in retail locations, constraining the brand's potential reach and customer acquisition. (Mäkikyrö 2019, 54.)

Concerns about Makia's ethical and ecological commitments also surfaced, with respondents indicating that there is room for improvement in both areas. (Mäkikyrö 2019, 54.) Recent issues, such as accusations of plagiarism, have affected Makia's brand reputation, potentially diminishing the perception of its ethical stance. Finally, the perception that Makia has become "too department-store-like" may reflect concerns among consumers who fear the brand could lose its unique identity and niche appeal as it grows. (Mäkikyrö 2019, 64-68.)

## **Summary**

To address both its strengths and disadvantages in terms of customer retention, Nomad Shop should focus on leveraging its strong commitment to quality and design. Its emphasis on fashionable, long-lasting apparel appeals to Finnish customers who value simplicity and functionality. By emphasizing these qualities and its eco-friendly operations, Nomad can strengthen its relationship with clients who care about the environment and are growing more interested in sustainable, ethical design.

Nomad may focus on fostering brand loyalty by highlighting employee care on social media and being open about sustainable manufacturing, given its challenges as a new company, such as low awareness and competition from well-known businesses. This may set Nomad apart from rivals, especially in a market where Nordic-inspired design is becoming more and more popular worldwide.

Furthermore, Nomad may capitalize on the weaknesses of competitors like Makia, whose problems with pricing, product diversity, and ethics provide Nomad an opportunity to position itself as a trustworthy, value-driven business. Nomad's emphasis on authenticity and a customer-centric approach may help it develop a loyal following that upholds its values of excellence, dependability, and transparency. Because of this, it will be able to thrive despite competition pressure.

## 5 Customer Loyalty Program for Nomad Shop

The customer Loyalty program for Nomad Shop is developed based on the models presented in subchapter 2.4.1. and 2.4.2, which include key elements of a loyalty program. (Butscher 2016, 32) and a checklist for the development of a customer loyalty program concept. (Butscher 2016, 33).

Customers' demands for both utility and aesthetics are met by Nomad's high-quality products, which embody the principles of authenticity, comfort, and durability. According to the SWOT analysis, customers value Nomad's thorough design, high standards, and Nordic-inspired aesthetic, all of which complement the expectations and lifestyle of the target market. Long-lasting materials and practical, minimalist designs that blend well with the Nordic way of life are the foundation of Nomad's strong sense of quality. The brand must maintain sustainable manufacturing at a fair level, grow its recognition, and compete with the variety and pricing of fast fashion. Prioritizing production transparency and sustainable practices is expected to increase customer loyalty and trust, which is consistent with consumers' growing interest in eco-friendly fashion. Customers who value classic, adaptable pieces that go well with both daily wear and outdoor activities are drawn to the brand's emphasis on authenticity, dependability, and practical style. This value offer meets the expectations of customers, particularly since it meets the growing need for sustainability and simplicity in fashion. There is a chance to enhance the entire experience by increasing brand connection, accessibility, and visibility. Consistent engagement on social media and prompt, reliable responses to client inquiries are essential for maintaining high customer satisfaction and fostering loyalty.

Nomad Shop's loyalty program's primary goal is to reward and keep devoted consumers by strengthening their bond with the company. Nomad will broaden its customer base and draw in new customers who enjoy eco-friendly, Nordic-inspired apparel by becoming involved in the community and implementing social media campaigns (such as influencer partnerships and user-generated content). By collecting consumer data from the loyalty program, Nomad will be able to better understand purchase patterns, preferences, and engagement levels to improve customized marketing and customer relationship management. The brand must set up a variety of communication channels, including social media interactions, live events, and unique web content. These channels allow Nomad to stay in close contact with its customers, soliciting their feedback and updating them on initiatives, new products, and brand developments. The information from the software will assist the marketing team in tailoring campaigns and the customer service team in identifying consumer needs.

The target groups identified in the analysis can be classified into several segments. Based on the preferences and behaviors of the customers, the business can consider regular customers, occasional customers, and potential customers who have a clear interest in fashion. The brand may also aim to attract VIP customers who exhibit a strong interest in fashion and sustainability. In particular, the survey's results indicate that Casual Fashion Fans (57% of respondents) and Fashion Enthusiasts (38%), respectively, represent significant target groups due to their common interest in comfort, style, and environmentally friendly practices. Building stronger relationships between manufacturers and customers may be the main objective of the loyalty program. This strategy is supported by the poll's findings on customer priorities, which include quality, transparency, and customized brand communication.

Talking about the type of loyalty program, a community-based loyalty program would best support Nomad's goals. In addition to Nomad's brand identity of originality, authenticity, and resilience, creating a community fosters ongoing engagement, a sense of belonging, and shared values. Customers may be encouraged by this kind of program to provide user-generated material on social media about their experiences with Nomad products, such as travelogues or style tips. This would foster customer loyalty and raise the brand's online presence. A unique membership structure that offers top-tier members specific benefits like early access to new collections, exclusive discounts, or invitations to events could be advantageous for Nomad. More involved consumers would be drawn in, while casual buyers' loyalty and aspirational purchasing would be encouraged. Emphasizing lifestyle and unique interests is the main goal of the loyalty program. For instance, Nomad might produce unique events or material focused on themes like Nordic minimalism, sustainable fashion, or styling advice for travelers. A lifestyle-focused approach like this would draw in like-minded people and strengthen their bond with the company.

It would be advisable to separate hard and soft bonuses in Nomad's loyalty program. One of the useful benefits is the Reward Points System. Members could earn points for each purchase, which could then be redeemed for savings. Soft perks would first provide access to local activities and experiences. Events such as fashion workshops, sustainability seminars, or travel-themed activities will appeal to Nomad's target audience and offer a unique, valuable experience. These events can be held online or in partnership with local cultural organizations or eco-friendly locations. Participants in the program would also advise members on styling based on their preferences. Finally, by working with groups who care about the environment, Nomad may provide exclusive access to sustainability events or local green projects.

Concerning the Long-Term Financial Concept for Nomad's Loyalty Program, staffing needs will include marketing and communication specialists, and representatives from customer service to support engagement, handle inquiries, and handle customer relations. The expected costs, which may vary based on the program's initial scope and growth, will be determined by the number and expertise of the staff. The expenses related to technology resources include creating and managing the digital platform for the loyalty program, including website updates. A portion of the marketing money ought to go towards the loyalty program. Through regular assessments, Nomad will be able to ascertain whether adjustments are necessary to enhance program effectiveness and maximise returns.

Strong member relationships and increased brand loyalty depend on efficient avenues for engagement and communication. Exclusive social media groups promote peer-to-peer engagement and brand connection, while a support hotline or live chat improves member satisfaction by offering prompt assistance. A quarterly email or digital newsletter featuring member stories and lifestyle guidance preserves engagement and reinforces brand values.

Effective advertising and promotion of the loyalty program would involve integrating a "Members Bring Members" referral structure that draws confidence and recommendations from peers. The unique benefits of the program are emphasised by targeted ads in fashion and environmentally concerned magazines as well as digital promotions throughout Nomad's platforms. Collaborations with sustainability-focused influencers raise the program's profile among environmentally conscious consumers.

Since the founder handles most of the work and Nomad only has a small staff, running the loyalty program requires a simple, efficient plan to ensure that it works with the available resources. At first, it would not be feasible to have an internal service centre; instead, Nomad could hire outside help for specific duties, including responding to customer enquiries and comments, while the founder handles core management.

The CRM system should be straightforward and automated, giving priority to important performance measures like average expenditure, frequency of transactions, and customer feedback in order to cut down on the time spent on data collecting and interaction analysis. An online portal with self-service elements, including a FAQ section and automated incentive monitoring, would allow the founder to maintain control without being overburdened by daily operations by cutting down on direct management time.

Although creating a database for a loyalty program is crucial, it should be managed with easy-to-use, reasonably priced solutions that complement existing sales techniques. An automated CRM platform such as Salesforce or HubSpot may facilitate segmentation, communication, and analytics, making it easier for the entrepreneur to monitor engagement patterns and adjust benefits as needed. By using digital loyalty cards, Nomad may be able to lower the quantity of physical membership card upkeep, which will assist the business in achieving its sustainability goals.

## 6 Conclusions

This chapter reviews the main project results and considers the lessons learned during the project. It also gives further recommendations for the case company and explains the reliability of the research.

### 6.1 Key Outcomes

In this subchapter 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.

The thesis was designed to develop a customer loyalty strategy for the case company by investigating branding importance and analyzing consumer behavior. As a result, Nomad Shop's loyalty program is intended to strengthen client involvement by rewarding loyalty, prioritizing production transparency and sustainability. Through user-generated content and exclusive member benefits, it intends to build a community of like-minded people, who value simplicity, comfort, and style. Nomad will use a simplified CRM system and contract out certain work to maximize resources, guaranteeing efficient administration and encouraging the expansion of the brand.

The Research Methods, based on which the program was created, included three phases, each adapted to gather specific insights from various groups within the context of creating a customer loyalty program for the Nomad Shop case company. Since the research question of this work addressed how to keep customers more loyal to the brand in the changing fashion market, it was essential to study current consumer dynamics and brand equity, as well as conduct a self-analysis of the brand and competitor analysis. Data insights gathered during phase 1, phase 2 and phase 3, were used to develop a customer loyalty strategy for the Nomad Shop, which was described earlier in this chapter.

The first phase involved employing a survey-based method to interact with the company's customers. This phase addressed Investigative Question 1, which aimed to understand **what role current consumer dynamics play in shaping customer preferences**. Responses were analyzed using statistical methods and further used in customer analysis (Aaker 2002, 190), which is aimed at revealing trends, segmentation, and motivations of current Nomad Shop customers. The study revealed strong consumer preferences for personalized, high-quality, and sustainable fashion, with 86% supporting "mix & match" styles and 29% favoring eco-friendly clothing. The quality is the primary concern, as 95% are willing to

change brands over quality issues, while 62% desire transparency in products. Instagram is the platform of choice for 90% of engagement, which is indicative of a shift towards visually appealing brand interactions that highlight exclusivity and ethical behavior.

During the second phase, the primary objective is to include professionals in the marketing field and fashion business by conducting interviews, aligning closely with Investigative Question 2, which addressed **the reasons why it is important to establish a strong fashion brand**. Qualitative thematic analysis was utilized for interviews, and the results were applied to the brand equity framework (Keller & Swaminathan 2019, 108). Based on the findings, it can be concluded that strong brand provides benefits beyond recognition, allowing businesses to sell without additional advertisements, raise prices, and build genuine relationships with their audience through authenticity. Identity, meaning, responses, and relationship are all stages of brand development that contribute to the development of a memorable brand that encourages trust and loyalty.

The third phase of this study focused on the case company's internal stakeholders, specifically the owner and studying the open-source data. This phase aimed to explore Investigative Question 3 designed to investigate the **way a company can address its strengths & weaknesses to retain customers** through the interview with the Nomad Shop's founder. It looked at the Nomad Shop's brand itself and explored competitors via secondary research and benchmarking as a data collection method. Like the first phase, a qualitative thematic analysis was performed on the acquired data, but in addition to it included a self-analysis of the brand and competitor analysis based on Aaker's strategic brand analysis model (2002, 190). The findings obtained from the third phase reveal that in order to enhance client retention, Nomad Shop should leverage its commitment to quality, sustainable processes, and Nordic-inspired design, appealing to Finnish customers who value simplicity and long-term viability. Nomad may increase brand loyalty and differentiate itself in an increasingly competitive sector by showcasing ethical practices and care on social media. Furthermore, establishing itself as a reliable, value-driven competitor for rivals like Makia may draw in a loyal customer base that appreciates openness and genuineness.

## 6.2 Recommendations

Some areas for further investigation can be recommended in order to ensure that Nomad Shop has all the knowledge necessary for a successful loyalty program implementation.

Firstly, it's recommended that Nomad build an Instagram strategy that focuses on well-known Finnish fashion bloggers and Instagram influencers. In addition to reaching its target market in Finland, this would help raise brand awareness. To make an effective plan, Nomad should examine the Instagram techniques of its rivals in Finland and come up with a special method for telling its brand's narrative.

Secondly, the business should choose a larger group of competitors in the Finnish market and conduct a more thorough analysis of them. This will give Nomad Shop a more comprehensive understanding of the advantages and disadvantages of other companies, which it can then use to create a more advantageous offering. The organization can use the same competition analysis framework used in this thesis to organize the data being gathered.

Additionally, as the business grows, Nomad should think about experimenting with advanced CRM systems that incorporate AI-driven personalization to improve client interactions and maximize resource allocation. Furthermore, looking into partnership possibilities with businesses or influencers that prioritize sustainability could broaden Nomad's audience while enhancing its identity based on values.

Lastly, Nomad Shop would benefit by expanding its knowledge of changing consumer demands and fashion industry trends in a long-term study. The brand should monitor customer loyalty over time and evaluate the effects of sustainability and transparency on customer retention. Increasing qualitative insights from various consumer categories can provide useful information for improving the brand's approach to client loyalty.

### **6.3 Reliability of the research**

Reliability was taken into account at every stage of the study, which included several data collection phases to develop a customer loyalty strategy for Nomad Shop, in order to guarantee reliable information.

To enhance reliability, organized and standardized methods were used throughout the research phases. The survey was created in Phase 1 with thoughtfully constructed questions that matched Investigative Question 1. Consistency in analyzing consumer trends and preferences was guaranteed by the application of statistical analysis to Nomad Shop's customer evaluations.

An interview framework discussed in Chapter 3.2.2 was used to ensure reliability for Phase 2, which involved interviews with marketing and fashion professionals. This produced comparable data by guaranteeing that the fundamental questions were the same throughout the interviews. Using pre-established themes derived from Keller and Swaminathan's brand equity framework, the qualitative thematic analysis was carried out thoroughly, which helped to ensure consistency in the interpretation of the replies.

A structured interview with Nomad's creator and a methodical competitor study using Aaker's strategic brand analysis technique was used to address reliability in Phase 3. To guarantee consistency in assessing Nomad's place in the market, data from the founder's observations and publicly available information about rivals were linked. The findings were more reliable as a result of this triangulation, which involved several data sources.

It is recognized, yet, that several elements can have an impact on the research's overall dependability. In the fashion industry, consumer preferences and behaviors are ever-changing and can be influenced by market competition, cultural trends, and economic conditions. As a result, even though the techniques used produced trustworthy results for the current study, the results might require reevaluation on a regular basis to account for modifications in the market environment.

#### **6.4 Limitations and Further Research**

Although the thorough strategy used to investigate client loyalty tactics for Nomad Shop, several limitations need to be noted. These restrictions affect the findings' generalizability and point to areas where this work should be further investigated in the future.

The study's sample size and demographic focus are two major limitations. The results might not accurately reflect larger consumer segments, particularly those outside of Nomad's core market in Finland because the primary customer data was obtained through a survey of current Nomad Shop customers. Furthermore, preferences and loyalty practices might differ significantly between age groups and cultures, which makes it difficult to extrapolate results to new or foreign markets.

The quick speed of change in the fashion sector is another drawback. Consumer preferences are always changing, especially when it comes to digital involvement and sustainability. Although the study offers insights pertinent to the dynamics of the industry now, these

tendencies may change dramatically in the future, which could limit the findings' long-term relevance. To make sure they stay current, consumer analysis and loyalty plans may need to be updated on a regular basis.

Additionally, although informative, the qualitative information gleaned from speaking with Nomad's founder and marketing experts is up to personal interpretation. Even though the goal of theme analysis was to minimize bias, different researchers may classify and interpret replies in various ways, which could affect how consistently results are reached.

### **6.5 Reflection on Learning**

When considering the learning experience during the project it can be described as educational. It combines the author's love of fashion with a thorough examination of customer behavior and brand loyalty tactics. Exploring these topics in the fast-evolving fashion industry has broadened the understanding of the complex factors that influence consumers' relationships with brands.

First of all, the author acknowledges that this thesis is the largest and most challenging project she has ever had to plan and carry out. Planning of the theoretical framework and research methods, specifically, consumed more time than anticipated. As a result, the author has learned a lot about time management and planning as a result, making it a valuable experience.

Additionally, the author is proud to have reviewed an impressive book, journals, and articles in order to perform in-depth research on the subject. By combining data from other sources, this method was able to obtain the "bigger" picture of the subject. It is important to mention that some of the data was sometimes challenging to find and investigate due to limited access to the platforms with educational materials. However, this further allowed the author to develop skills in research, critical thinking, and time management.

Moreover, it was crucial to understand how to create interview formats and ask questions that help gather relevant details about the study topic because many of the analyses done for this thesis were based on survey and interview data. Due to busy schedules and restricted timelines, the challenge to the author was to contact and get the right people to participate in the project. This kept her motivated to expand the network during the study process and resulted in beneficial connections.

All things considered, it can be said that this project assisted me in acquiring and improving a variety of skills that would eventually apply to the author's chosen professional path.

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## Appendices

### Appendix 1. Checklist for the development of a customer loyalty program concept (Butscher 2016, 33)

Question	Details
1. Is my product good enough?	<p>Does it have a sufficient well-perceived quality or what are the main problems?</p> <p>Does it have a value to the customer, and does it meet the customer' expectations?</p> <p>How high is the customer satisfaction?</p>
2. Which primary goal does the loyalty program pursue?	<p>Keep customers/reward loyal/important customers, find new customers, support other company departments, build up a database, create communication opportunities, other/secondary goals?</p>
3. Which are the target groups?	<p>Regular customers, VIP customers, A, B or C customers, occasional customers, potential customers, retailers/distributors?</p> <p>All target groups, Some target groups, Selected segments of a target group?</p> <p>Between which parties should the loyalty program help establish a better relationship? manufacturer-retailer, manufacturer-consumer, retailer-consumer?</p>
4. Which loyalty programme type would best help to achieve the goals?	<p>Customer club, customer card, bonus program, community or other, open loyalty program, limited loyalty program, conditions for membership, differentiation of membership (for example, special VIP membership), possible focus of loyalty program (for example, special interest, lifestyle, and so on)?</p>

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**5. Which benefits should the loyalty program offer?**

Hard benefits: rebates, discounts, two-for-ones and so on., special prices?

soft benefits: special services, insurance policies, travel and entertainment, seminars, conferences, loyalty program merchandise, culture, and sports, and so on in principle, whether product-related or not, value measurement, with or without extra payment, self-organized or in co-operation with external partners, cost, practicability, legal issues?

**6. What is the long-term financial concept?**

What costs will occur? human, technological, logistical resources? run through different scenarios to prepare for unexpected developments. How can the costs be covered? in case of a membership fee, amount and period of validity, co-operation with external partners, commission, merchandise, loyalty program benefits liable to fee, budget out of the overall marketing budget, close co-operation with controlling to measure program's effect on sales, revenue, profit?

**7. What should the communication concept of the loyalty program look like?**

Concept and design of loyalty program magazine, mailings, hotline, meetings, Web page? How can the members actively communicate with the loyalty program among each other? How can the loyalty program be advertised in the loyalty program environment? How can it support the company's PR (for example, point-of-sale promotions, members bring in members, ads in specialized media of the industry, and so on)? How must the loyalty program and its activities

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	be communicated internally to have the full support of management and employees (for example, training of workforce, briefing of sales reps, company internal media, and so on)?
<b>8. How should the loyalty program be organized?</b>	Internal or external loyalty program service center, personnel (number of employees, training, and so on.), technology (computers, database, telephone system, and so on.), logistics of the loyalty program benefits (storage, shipping, co-operation with external partners), co-operation with external service providers, definition of processes for all relevant activities, online or offline activities?
<b>9. How should the database be set up?</b>	What data should/will be collected, and in what quantity? demand from other departments, detailed analysis of certain segments, and so on)? What are the hardware and software requirements for that? Should loyalty program card with a magnetic stripe or chip be used? purchasing data and so on? If yes, what kind of card? with or without credit card function? co-operation with which financial service/credit card company?
<b>10. How is the loyalty program best integrated within the organization of the company?</b>	To whom does the loyalty program management report? How do you ensure that other company departments can co-operate closely with the loyalty program and can contribute to/benefit from its performance?

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**11. How can the success of the loyalty program be measured?**


Which factors can be used to measure success? Which scales must be used to measure these factors, and which levels on these scales indicate success/lack of success? How can these factors be recorded? How must they be interpreted? Who is responsible for success measurement?

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**Appendix 2. Survey**

“

## Customer Loyalty Survey

 Mandatory questions are marked with a star (\*)

Hello, dear respondent!

This survey is conducted to **improve Nomad Shop's brand loyalty strategy!** Your insights will play a key role in helping us attract new customers and retain our loyal community.

The survey consists of **11 quick questions** and will take **less than 5 minutes to complete**. Your feedback is valuable and will help us create a greater shopping experience.

Your response is very valuable for gathering insights and we would really appreciate your help.

Thank you!

Best wishes,  
Research Team | Nomad Shop

### 1. How would you describe yourself? \*

- Fashion Enthusiast**  
(Highly passionate, deeply engaged in fashion, following trends closely and using style as a major form of self-expression)
- Casual Fashion Fan**  
(Moderately interested in fashion, balancing trends with practicality and comfort, paying attention to style occasionally)
- Practical Dresser**  
(Not invested in fashion, focusing solely on comfort and functionality, with little to no interest in trends or appearance)

## 2. What is your age?

- less than 18  
 18-29  
 30-39  
 40-54  
 55+

## 3. Which fashion pattern do you tend to follow? (select all that apply)

\*

- Fast fashion  
 Second-hand or vintage clothing  
 Sustainably produced clothes  
 Mix & match styles (e.x. luxury+second-hand in one look)  
 Other (please specify) \_\_\_\_\_

## 4. How important for you are the following factors when purchasing clothing items?(Rate on a scale from 1 to 4, where 1-not at all important, 2-somewhat important, 3-important, 4-very important)

\*

	1	2	3	4
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand reputation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sustainability and ethical practices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Uniqueness or exclusivity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trendiness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality of materials	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comfort	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Practicality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**5. To what extent do you agree with the following statements?  
(Rate on a scale from 1 to 5, where 1-strongly disagree, 2-disagree, 3-neutral, 4-somewhat agree, 5- strongly agree)**

\*

	1	2	3	4	5
I am interested in second-hand or vintage fashion.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like to mix and match different fashion styles.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I consider the environmental impact when buying clothes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I prefer to invest in higher-quality clothing that lasts longer.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**6. Which fashion brands do you follow on social media or other channels? (Select all that apply)**

\*

- High-street brands (e.g., Zara, H&M)
- Luxury or designer brands
- Sustainable fashion brands
- Second-hand/vintage marketplaces (e.g., relove)
- Independent or small designers
- None
- Other (please specify) \_\_\_\_\_

**7. Are you familiar with brand "Nomad"? \***

- Yes, I have purchased their products.
- I follow them on social media but haven't purchased yet.
- I am familiar with the brand but haven't followed or bought anything.
- I am not familiar with the brand.

**8. Which communication channels do you usually prefer for receiving updates and promotions from fashion brands? (Select 1-3 options)**

\*

- Instagram
- Facebook
- TikTok
- YouTube
- Pinterest
- Twitter (X)
- Email newsletters
- SMS/text messages
- Brand websites
- Other (please specify) \_\_\_\_\_





**9. How important are the following factors for you to stay loyal to a brand? (Rate on a scale from 1 to 4, where 1-not at all important, 2-somewhat, 3-important, 4-very important)**

\*

	1	2	3	4
Exclusive offers or discounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consistent communication (email, social media, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High-quality products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Meeting my expectations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transparency about materials and sourcing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personalized shopping experiences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social and environmental responsibility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>





**10. What factors would make you switch from one brand to another in the fashion industry? (Select all that apply)**

\*

- Price differences    
- Issues with the product quality
- Unethical business practices
- A shift in personal style
- Better customer service from another brand
- Other (please specify)

**11. How likely are you to recommend a fashion brand to others if they communicate their values effectively and transparently?**

\*

- Very unlikely
- Somewhat unlikely
- Neutral
- Somewhat likely    
- Very likely