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# - Helly Hansen -

## **Bachelor of International Marketing**

Innleveringsdato:  
08.06.2018

This paper is done as a part of the undergraduate program at BI Norwegian Business School. This does not entail that BI Norwegian Business School has cleared the methods applied, the results presented, or the conclusions drawn.

BACHELOR THESIS IN  
INTERNATIONAL  
MARKETING

# HELLY HANSEN

8 JUNE 2018



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## 1.0 Summary

In this thesis, we have analysed the possibility for Helly Hansen to increase sales in the Spanish market, where they are already established. Currently, Helly Hansen is operating in the professional skiing and sailing business. However, we wanted to examine the potential to reach a wider consumer group. To achieve a greater insight into the Spanish market, we started to collect data from secondary sources. By utilizing the Pestle model and considering at trends, we gained more knowledge about external factors that influence the market.

After conducting the secondary research, we still lacked significant information regarding the industry Helly Hansen operates in, and about consumer behaviour. To gather this information, we used the two models *Porter's Five Forces* and *Kotler's Consumer Decision Making Process*. To further examine the consumer behaviour of the Spanish market, we conducted in-depth interviews, focus groups and observations.

With support from our secondary and primary research, we found three attractive segments for Helly Hansen to target. Furthermore, we developed suitable segmentation- and positioning strategies for these segments. This led us to the marketing mix with our recommendations. If Helly Hansen decide to implement these strategies, they will be able to reach a wider consumer group and increase their sales in the Spanish market.

## **2.0 Company Information**

### **2.1 Helly Hansen**

Helly Hansen is a Norwegian producer of textiles and gear for sports and work on the ocean and in the mountains. The company was founded in 1877 by Helly Juell Hansen and his wife Maren Margrethe and is today headquartered in Oslo, Norway. The core values of the company include authenticity, dynamism, honesty, integrity, teamwork and pride in our heritage.

Helly Hansen has one official store in Barcelona. The products are also sold through retailers such as El Corte Inglés and concept stores etc., located in 60 cities in Spain. (Helly Hansen official website, 2018-c).

### **2.2 Why Helly Hansen?**

Helly Hansen is a brand known for their high quality and high price strategy. They operate in a highly competitive market with competitors offering similar outdoor apparel in Spain.

In Norway, Helly Hansen possesses a large market share and have high brand recognition. Although they are positioned in Spain, we assume that they are less known among Spaniards. Our impression is that the clothes are more attractive to “professional” consumers like sailors and skiers who use the clothes frequently, making the price worth the investment.

## **3.0 Problem Area Definition**

“Is there potential for Helly Hansen to increase sales in the Spanish market?”

## 4.0 Secondary Research

### 4.1 Scope

Helly Hansen is in the sportswear industry. This industry includes accessories, clothes and footwear worn for sports or activities, for practical, comfort or safety reasons (Marketline, 2018). Sportswear can also be worn as fashionable street wear.

In this thesis, we decided to target outdoor- and indoor clothing and accessories and exclude the skiing, sailing and children clothing categories. Helly Hansen is also in the workwear and safety wear industries, however we have chosen not to focus on these industries.

### 4.2 Industry Data and Figures

#### 4.2.1 Size

The sportswear industry is separated in different markets. The revenue in the *fashion* market in Spain amounts to 6.2 million EUR in 2018. The industry's largest market is the *clothing* market with a market volume of 4 million EUR in 2018 (Statista, 2018-a).

The Spanish sports equipment market includes retail sales of sportswear, sports shoes, bags, and all equipment associated with sport. This market grew by 2% in 2017 to reach a value of 923 thousand EUR. The compound annual growth rate (CAGR) of the market in the period 2013–2017 was 1.6% (Marketline, 2018).

#### 4.2.2 Forecast for the coming 3-5 years

According to Marketline (2018), the Spanish sports equipment market is forecasted to have a value of 1,011 million Euros in 2022. This is an increase of 9.5% since 2017. In the period 2017-2022, the CAGR of the market is predicted to be 1.8%.

### **4.3 Main Players**

In the clothing industry, the supply chain consists of manufacturers, distributors, wholesalers and retailers. The manufacturers produce the goods, often in a large scale. The distributor buys noncompeting products or product lines and warehouses them. Wholesalers buy goods from the distributors and sells them to the last leg of the supply chain, the retailers. Retailers sell the products to the end-consumer through various channels like department stores and online stores. An example of a Spanish department store is El Corte Inglés.

The entrance of online retailers has in many instances changed the supply chain, as people now can order goods directly to their homes instead of going to a physical store. Amazon and Zalando are popular online stores.

### **4.4 Types of Customers**


The sportswear market is attracted by athletic consumers, both for indoor and outdoor usage, and for different seasons. It may differ in various geographic areas. Sportswear is also worn as leisure and casual clothing.

### **4.5 Competitors**

The key when considering the competition is to learn what makes the customer choose one product or service over another. When customers do not find what they are looking for, the option they consider are usually competitors.

Competition can either be direct (competing by selling same products) or indirect (competing for the same market) (Oman, 2018). The direct competitors for Helly Hansen in the sportswear industry in Spain are businesses offering similar products and services, i.e. Columbia, The North Face, Patagonia and Quechua. The indirect competitors however, are companies that offer slightly different products and services, but target the same group of customers with the goal of satisfying the same need, such as H&M, Oysho and Uniqlo. These are also often known as substitutes.



Direct Competitors		Indirect Competitors
The North Face Quechua* Columbia Patagonia, inc Timberland Trangoworld Nike Adidas		Oysho H&M Zara Uniqlo Wed'ze* Oakley Burton Illegal street sellers

*Table: Direct and indirect competitors in the sportswear industry*

*\* Subsidiaries under Decathlon Group*

## 4.6 PESTLE

### 4.6.1 Political factors

After the political crisis in Catalonia developed in the fall and winter of 2017-2018 there have been major changes in the political landscape. Several of the biggest companies that were headquartered in Catalonia chose to relocate to different regions due to the political uncertainty (Belen, 2017). As a result, the economical and political prospect for the future in Catalonia is highly uncertain. This may impact trade and business in Spain as this region is among the most profitable in the country (Belen, 2017).

#### 4.6.2 Economic factors

The fashion industry in Spain is relatively big, where the Inditex Group is a major player. The industry accounted for 2,8% of the country's GDP and 4,3% of total employment in 2016 (Marcaespana, 2018).

Due to the economic crisis in 2008-2012, the value-added tax (VAT) increased from 18% to 21% (Vatlive, 2012). As a result, household incomes and consumer spending dropped (Arbour, 2012). However, statistics show that consumer spending has increased in recent years, and is projected to increase in the coming months (Trading Economics, 2018).

#### 4.6.3 Social factors

60% of the Spanish population is shopping online, which makes Spain the largest e-commerce market in Southern Europe (Kulach, 2016). In 2015, 30% of all retail sales took place online. Spaniards spend on average 513 EUR per person online annually (Xopie, 2015). Two of the main product categories represented were *fashion* and *footwear and accessories* (Observatorio Cetelem, 2015). At the time, there were around 85 000 online shops in Spain.

According to findings from Landmark Global (Kulach, 2016), the average online shopper is in the age between 25-49. The shoppers live mainly in urban areas and have full time jobs. They have university degrees and have a background from medium to high professional social class (Kulach, 2016).

Spanish online shoppers often appreciate the insurance of returns, easy ways of communicating with the producer and/ or seller, webpages in Spanish and discounts (Kulach, 2016).

Brands such as TAG Heuer, L'Oréal and H&M are using social media influencers to promote their products and brands. The influencers motivate their followers by promotion codes. They have become drivers to consumer purchases. This is used as a marketing strategy and in effect, consumption and brand awareness increase (Coresight Research, 2018).

The median age of the Spanish population is increasing. In 1950, the median age was at 27,5 while in 2015, it had increased to 43,2. In 2050, the median is predicted to be 52,3 (United

Nations, 2018). An increased ageing population presents challenges such as declining labour force, but also increased demand for products for this group (Euromonitor, 2018).

#### 4.6.4 Technological factors

In recent years, innovative clothing technology has started to hit the market (Sawh, 2018). Techwear is clothing for everyday life with special fabric, for instance by being water-resistant, constructed in a way that allows for breathability, movement or comfort (Li, 2016). This type of clothing generates innovation and creativeness, connecting technology with textile.

Recently, techwear has become more trendy and can be worn as streetwear. The ideal product should be the perfect blend of style and function. One example of technical clothing is Gore Tex, originally associated with being practical. By using social media to reach the consumers, they have created an Instagram account called @GoretexStudio which is more lifestyle-oriented. On this account, they have revealed a collaboration with fashion house Prada. Functionality is no longer necessarily a synonym for uncool (Greenwood, 2018).



Source: @goretexstudio via Instagram

#### **4.6.5 Legal factors**

As of May 2018, the General Data Protection Regulation was set in motion. There is one common set of data protection rules for all companies operating in the EU. Stronger rules on data protection signify that people have more control over their personal data. On the other hand, businesses benefit from a level playing field. In effect, all businesses which store information about customers must follow the new EU rules (European Commission, 2018).

#### **4.6.6 Environmental factors**

Environment consciousness is increasing (Fernando, 2016). More consumers prefer to buy more sustainable items, as the chemicals and water needed to produce non-eco-friendly clothing is immense and not sustainable for the planet.

Moreover, people tend to buy clothes of higher quality, as the clothing have a longer lifespan. Repeatedly buying low-priced clothing, will in the end make it more expensive for the consumer. This argument is also complemented with the fact that buying one product of higher quality may be more environmentally friendly than buying several cheap ones (Allan, 2016).

Due to increased environmental challenges, companies are selling environmentally friendly products. Certain companies use recycled material in the textile production, to decrease the amount of waste and simultaneously reduce expenditure of natural resources (Sobrado, 2013).

### **4.7 Trends and Habits in the Spanish Market**

#### **4.7.1 Health and Wellness**

The sportswear industry could benefit from the ongoing trend “health and wellness”, where people are increasingly more concerned about living healthier in terms of exercise and diet (Fernandez, 2017). Sportswear trends will focus on comfort, flexibility and design based on fashion trends.

#### **4.7.2 Techwear**

The global clothing industry is evolving as we speak, and therefore innovation is essential to stay relevant. Customers tend to search for options to make their experiences better and easier to use. Hence, companies need to innovate their products, which has already been done

by for instance releasing breathable jackets and waterproof fleece clothing. This trend is helping to build a future growth in the sportswear industry (Fernandez, 2017).

#### **4.7.3 E-commerce**

E-commerce is also a considerable trend in the Spanish market, especially after the financial crisis in 2008. In fact, the financial crisis was barely visible in the e-commerce sector at that time and was one of the few sectors that experienced a double digit-growth in 2011 and 2012 (Ecommerce News, 2017). Statistics show that in the first three months of 2017, online sales accounted for 4.7% of total sales in the Spanish fashion sector. Statistics also show that there is an increase nearly every year in this sector, which is a trend that will impact the sportswear industry (Modaes, 2018).

#### **4.7.4 Global Sportswear Market**

The global sportswear market has grown with approximately 30 % in the period 2012-2017 (Trefis, 2018). As the trend to be healthy motivates more people to be active, consumers are requesting products which will benefit them and retailers need to innovate their products and produce new styles.

#### **4.7.5 Outdoor activities**

Exercising and fitness in open air are becoming more popular. To practice cycling, kayaking, hiking, climbing, skiing, sailing or surfing is a growing trend and this will continue to grow in the next few years in Spain (Fernandez, El Saleh & Bustos, 2017).

#### **4.7.6 Hiking jackets**

As mentioned earlier, innovative jackets and other apparels will be great to the outdoor activity trend. More specifically, hiking jackets are expected to emerge as the fastest-selling product segment in the global sportswear market in the period 2017-2022 (Kailiya, 2018). In addition, anorak jackets are trending this year (Bowden, 2018). These jackets come in various styles and materials and are considered appropriate to outdoor activities in all kinds of weather, as well as in the everyday life.

#### 4.7.7 Sportswear as casual wear

Another trend worth mentioning is the increasing popularity of wearing sportswear as casual wear. As *Forbes* magazine (2016) have stated, “The athleisure trend is here to stay”. Globally, to mix sportswear with casual wear for everyday life, either at work, at school or at home, is an increasing trend. This trend has also reached Spain. In 2017, a Passport (Euromonitor, 2017-b) report on menswear claimed that there was a noticeable shift towards using sportswear for daily use and that sportswear saw a considerably stronger performance in current value in comparison to non-sports apparel in 2016.

## 5.0 Research Problem Development

### 5.1 Porter’s Five Forces



Model: Porter’s Five Forces illustrated

By utilizing Porter's Five Forces, we can get a deeper understanding of the competitive nature of the market.

#### **5.1.1 Competitive Rivalry**

It is challenging for retailers to differentiate themselves effectively as many brands stock the same types of products, which increases the rivalry. The sportswear market consists of players like The North Face, Patagonia and Nike. Revenue stagnation in Spain in recent years does little to soften rivalry (Marketline, 2018).

#### **5.1.2 Threat of New Entrants**

There are opportunities to create niches as specialists online, i.e. focusing exclusively on golf or tennis.

For any potential new entrants in the sportswear market, one must consider the emerging trends in the market (Marketline, 2018).

Stagnation in the market will implicate the threat of new entrants, as the market will become less attractive for newcomers. As the population growth in Spain is stagnating, fewer consumers enter the Spanish market, which also reduces the threat of new entrants to the Spanish market (Marketline, 2018).

#### **5.1.3 Buyer Power**

Companies like Adidas and Nike have increased their forward integration in recent years, can to some degree control prices and buyer power by reducing alternatives through selling exclusive products (Marketline, 2018).

Customer loyalty tends to be significant, and is generally directed towards the manufacturer brand as opposed to the retailers (Marketline, 2018).

Consumers are relatively price sensitive, as most retailers stock multiple brands (Marketline, 2018). Switching costs for buyers are insignificant which again strengthens the buyer power (Marketline, 2018). The number of online players and the growing trend of ordering clothes online increases the buyer power (Marketline, 2018).

#### **5.1.4 Supplier Power**

Supplier power varies in the sportswear market and consumer demand dictates (Marketline, 2018).

Suppliers can be affected by seasonal sporting events, i.e. during the Olympics, Regatta and X-games, thus the manufacturers can release “official” sportswear for these events. Therefore, there is an increasing demand for these kinds of products by consumers (Marketline, 2018).

An issue for sportswear suppliers at the moment is how they tend to introduce new models frequently, pushing prices of previous, yet relatively new models of sportswear, down. As a consequence, consumers may delay a purchase of an item to when it has a reduced price. This practice is hurting profits and reduces supplier power (Marketline, 2018).

#### **5.1.5 Threat of Substitutes**

Substitutes for sportswear include other leisure clothes and accessories, for instance a t-shirt from H&M, a pair of Converse or sweatpants from Oysho (Marketline, 2018).

Customers of specialist sport stores will often not consider the alternatives “advantageous”, because of their personal preference to sportswear. On one hand, this gives the sportswear market advantages over substitutes, on the other hand, this will also make it harder for the specialist retailers to generate revenues from those potential customers who remains loyal to their personal preferences.

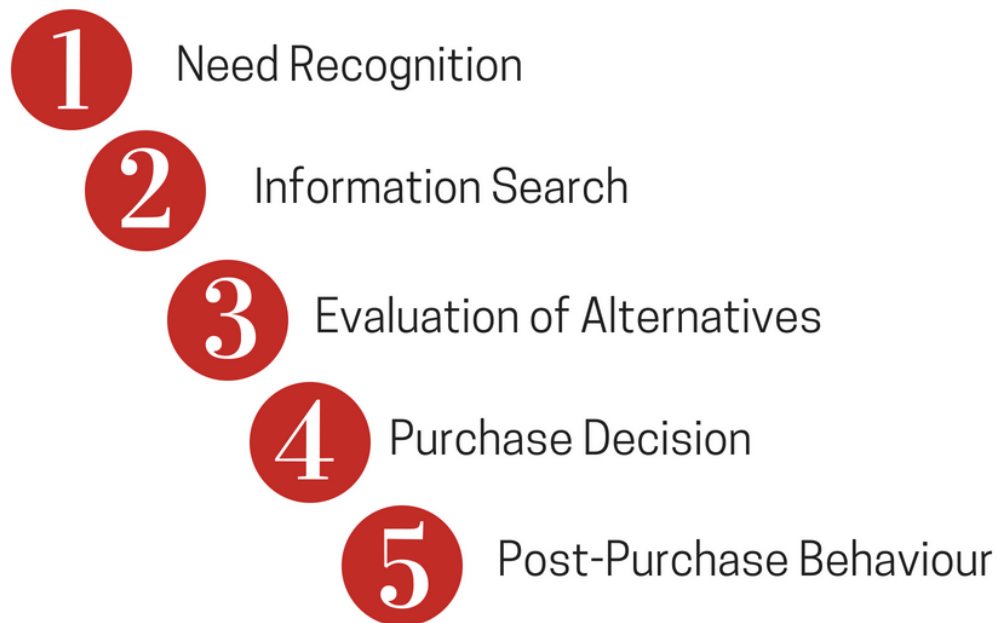
In the case of sportswear, it is likely that people wear normal trainers or a casual jacket for playing sports (Marketline, 2018). These products will however not offer the same quality or benefits as products from specialist sport store.

Another point of interest with regards to the threat of substitutes is that we see a decrease in the amount of physical activity the younger segments of the society engage in (Marketline, 2018). This is mainly because the popularity of other activities such as the internet, video gaming or computer gaming is increasing.

Copied sporting goods are a legitimate issue for the sportswear market. Illegal vendors are selling fake substitute sportswear all over Spain and this increases the threat of substitutes (Marketline, 2018).



## 5.2 Kotler's Decision Making Process



Model: Consumer decision making process

We have chosen to use Kotler's consumer decision making process in order to find out more about the consumer behaviour. By utilizing this model, we can learn about how customers behave and how they decide to purchase a product. The model consists of five steps on how a consumer makes the decision to purchase a product.

### 5.2.1 Need Recognition

In the first stage, *need recognition*, the consumer recognizes what need to satisfy and what product will be able to meet this need. Internal and external stimuli can trigger needs.

### 5.2.2 Information Search

Next, the consumer searches for internal or external information. If the consumer knows enough about the product or the brand, and the need is satisfied, this might be enough to purchase a new item.

### 5.2.3 Evaluation of Alternatives

During the *evaluation of alternatives* stage, the consumer evaluates all the products available on a scale of chosen attributes. First, the consumer will exclude brands that he or she is not

aware of. Then, the customer will eliminate options that are unacceptable or overlooked. Finally, the choice is between a limited amount of alternatives. The consumer will compare and evaluate attributes like for instance price and brand, and finally decide which alternative will satisfy the need the most.

#### **5.2.4 Purchase Decision**

The product or brand the customer chooses, is the most desirable alternative. Which product will be purchased, and when, might be influenced by unforeseen situations.

#### **5.2.5 Post-Purchase Behaviour**

After buying a product, purchasers evaluate the product, comparing it to previous experiences. If the product succeeds in fulfilling the customer's needs and expectations, they can become a product ambassador. This means influencing other consumers to buy the product through their social network or word of mouth.

## 6.0 Summary of Secondary Research

- Helly Hansen is in the sportswear industry. The market size has been steady for the past four years. Statistics show that there will be an increase of 9.5% in the Spanish sports equipment market, and the CAGR of the market is predicted to be 1.8% in the period of the next five years.
- 60% of the Spanish population is shopping online, making Spain the largest e-commerce market in Southern Europe. Moreover, clothing and apparel brands are using social media as marketing.
- Techwear is becoming more trendy and can easily be worn as streetwear. The ideal product should be a mix of style and function.
- Environment consciousness is increasing, and more sustainable items are being launched into the market. People tend to buy clothes of higher quality with longer lifespan and which are more environmentally friendly.
- There are various trends in the sportswear market. One trend is to be active and find products that will complement the performance and experience. Outdoor activities are growing in popularity and simultaneously, hiking jackets are trending. Another current trend is to wear sportswear as casual wear.
- As for the Porter's Five Forces, buyer power indicates that customer loyalty tends to be significant in the sportswear market. Switching costs are low for buyers which strengthens the customer power. There is a stagnation in the Spanish market which implicates threat of new entrants. There are many well established brands in the market, such as The North Face, Columbia and Trangoworld.

## 7.0 List of Information Needed

Based on findings from our secondary research, we have made a list of information that we are missing in order to carry out our primary research. This list is based on our two selected models: *Porter's Five Forces* and *Consumer Decision-Making Process*.

### 7.1 Porter's Five Forces

Forces	What did we look for?
Supplier Power	<ul style="list-style-type: none"><li>• Number of suppliers in the industry</li><li>• Cost of changing supplier</li></ul>
Competitive Rivalry	<ul style="list-style-type: none"><li>• Main players in the sportswear market</li></ul>
Threat of New Entrants	<ul style="list-style-type: none"><li>• Barriers to entry (time and cost of entry)</li></ul>
Threat of Substitution	<ul style="list-style-type: none"><li>• If fake substitute products are a threat</li></ul>

## 7.2 Kotler's Consumer Decision Making Process

Stages in Process	What did we look for?
Need Recognition	<ul style="list-style-type: none"> <li>• When does the need occur</li> <li>• Purchase motivation</li> </ul>
Information Search	<ul style="list-style-type: none"> <li>• Where does the customer search for information (friends/family, social media, blogs, magazines, product reviews etc.)</li> <li>• General preferences</li> <li>• Design preferences</li> </ul>
Evaluation of Alternatives	<ul style="list-style-type: none"> <li>• What makes the customer choose one brand over another</li> <li>• How important is other's opinions when purchasing a product</li> <li>• Price sensitivity</li> </ul>
Purchase Decision	<ul style="list-style-type: none"> <li>• Attributes that are important when purchasing a product</li> <li>• How frequently does the customer buy sportswear</li> <li>• Where does the purchase take place (online/in store)</li> </ul>
Post-Purchase Behaviour	<ul style="list-style-type: none"> <li>• Repurchasing habits</li> <li>• Cognitive experiences</li> </ul>

## **8.0 Primary Research**

### **8.1 Research Design and Methods**

Based on the list of information needed, we have identified that we need to utilize a qualitative research design to gather the necessary information needed. We used both in-depth interviews and focus groups in order to get as much comprehensive information as possible. In addition, we also wanted to do observations to get an impression on how their stores are presented.

#### **8.1.1 In-depth interviews**

To get the information we need we will conduct in-depth interviews with different types of Spanish consumers, one competitor and one retailer. Hopefully this will help us get a diversified insight of the sportswear market in Spain and furthermore, solve our problem definition.

#### **8.1.2 Focus groups**

To collect opinions, thoughts and inputs we will organize focus groups. Here we want to gather individuals' thoughts about the sportswear market, their attitude towards different sportswear brands, including Helly Hansen and sportswear clothes itself. The focus groups will consist of people who could become potential customers for Helly Hansen.

#### **8.1.3 Observations**

By doing observations, we hope to get an overview of how Helly Hansen appear in the Spanish market. We will visit and study El Corte Inglés, where Helly Hansen has a department, in addition to Helly Hansen's official store in Barcelona.

## 8.2 Observations

### 8.2.1 El Corte Ingles Barcelona

- Helly Hansen is situated on the fourth floor in El Corte Inglés. When we arrived at the floor with the escalator, Helly Hansen was the first brand that met our eyes.
- In El Corte Inglés, every brand has their own area with their own sales desk. Helly Hansen's brand is located on the right hand, close to the escalator, which is a very good placement, exposed to everyone that arrives on the floor.
- There were few people shopping.
- When we browsed the sections in the Helly Hansen, we were not greeted or asked if we needed assistance.
- Every brand was marked with its brand logo, therefore it was easy to see the different brands. Helly Hansen's red and white logo was visible from a short distance and from further away. All the clothes were presented nicely in the area, which overall gave us a positive first impression.
- However, we did notice that their duffel bags were not opened and displayed, but still inside their external wash-bags. This makes it difficult for the consumers to know how the bag looks, how to use it and its functions.
- We also noticed that the price of the products were relatively high, where the average price of a jacket was around €160 , and the average price for a t-shirt was about €40.

### 8.2.2 Helly Hansen Official Store Barcelona

- Helly Hansen's official store is located close to one of the most popular shopping areas in Barcelona, Passeig de Gràcia. The facade is visible and inviting.
- The store was bright and tidy when we entered.
- Both the window display and the first visible part inside of the store only demonstrated professional gear/ products for sailors. This can be intimidating to non-professionals and potential new customers.
- In the back of the store, the rest of the sportswear and accessories like windbreakers, fleece jackets, base layers, rainwear, tights and breathable t-shirts, shoes, duffel bags and water bottles etc. were displayed.
- There were three employees. They were talking to each other during the visit, and we were not offered any help.

- Our overall impression is that the store is welcoming, well-organized and clean. Generally, the products and the colours are well-displayed. They have exploited the room in the store, and decorated the high walls with quotes and pictures. We think the store reflects Norway, the nautical style and good quality of Helly Hansen.

## 8.3 In-depth Interviews

### 8.3.1 Interview subject 1

*Interview subject: Jordi, consumer.*

This interview was conducted at a gym in Barcelona, where the respondent works. The key elements we wanted to obtain from this interview was what influences him and which attributes are the most important to him when purchasing sportswear.

#### *About the respondent*

Jordi is a 33 year old male, who works as a manager at a gym in Barcelona. During his spare time, he likes to spend time with his girlfriend and to go to the beach. He is sporty; he likes to run in the mountains and at the beach during the summer, but prefers the gym in the winter. Additionally, he practises crossfit.

#### *Preferences in Sports Apparel*

The subject has certain preferences when looking for sports apparel. He likes to do online research before going to a physical store and try on the clothes. For him, it is important to be able to try items on, especially products like shoes and trousers. Another important aspect he mentioned was that it is important that his sports apparel is technical (breathable and sweat resistant), comfortable and of high quality. When asked if he wears sportswear as fashionwear, Jordi stated that since he works at a gym he prefers to wear jeans and shirts on a normal day. However, his windbreaker is an item he wears on a normal day, when it is raining and when he uses his motorcycle.

#### *Influences and Social Media*

Jordi gets influenced by the Internet, magazines he reads and additionally his girlfriend. He does not consider his friends' opinions when it comes to buying sports apparel, as he does not think they have knowledge in that field. Jordi uses social media platforms like Instagram,



Snapchat, Facebook and Twitter, but not to find clothing inspiration. He says he rarely gets influenced by celebrities and influencers, but he likes to follow them on social media.

### *Brands*

His favourite brand for outdoor usage is The North Face, while Nike, Adidas and Reebok are his favourite brands for indoor usage. When we mentioned Helly Hansen, he said that he associated Helly Hansen with the “double HH” (referring to the logo), and that he thinks they have ski clothes. He did not know that they have an official store in Barcelona.

## **8.3.2 Interview subject 2**

*Interview subject: Marta, consumer*

### *About the respondent*

Marta is a 23 year old student, who is a part time shop attendant at the mall *Glories* in Barcelona. She likes to ride her bike whenever she can. She works a lot during the week, so she likes to go out with her friends on the weekends. She goes skiing once a year with her family, and even though she enjoyed it when she was younger, she now goes to spend time with her family. Marta sometimes goes to the gym to workout with her friends. She plays tennis at least once a week, where she wears certain outfits due to the dress code when playing tennis. This sport has been played in her family for many years, and she likes to play it as it makes her feel unique from her friends who do not play the sport.

### *Preferences in sportswear*

When choosing clothes for tennis, Marta is quality conscious. However, when it comes to buying clothes for hiking, skiing, the gym etc., we sense from her tone and body language that she is price sensitive. When it comes to i.e. running, she can use t-shirts from H&M, as they do not have to be technical. She prefers to use clothes she has inherited from her mother, or to buy cheaper options from Decathlon. There is a level of dissonance in her answers as Marta states that she mostly cares about attributes like quality and the design over price, but at other points in the interview she says she prefers the items to be as cheap as possible and even states “the cheaper the better” (when it comes to brands).

### *Influence*

The respondent states that she does not get influenced by her circle (friends, family) or social media. She considers herself as an impulsive buyer, and does not consult her friends/ family before making a purchase. Normally, she does not buy from brands that advertise their items on social media. The respondent does however rely on help from shop assistants when making purchases. They can influence if she will buy an item or not. Receiving customer service could influence her purchase. It is important for her to try clothes etc. on before buying, and for this reason she prefers to buy in stores over online.

### *Brands*

She considers brands like H&M, Decathlon, El Corte Inglés, Adidas and Nike as brands that she normally looks for when purchasing sportswear. She is loyal to Decathlon, as this is often her place of choice to go shopping if she needs sportswear because the prices are lower than other places. She considers the clothes as “good enough” for hiking and light exercise. She has previously heard of Helly Hansen, and her perception of the brand is professionalism and good quality.

## **8.3.3 Interview subject 3**

*Interview subject: Ana, consumer*

### *About the respondent*

Ana is a 35 year old woman working at a motorcycle shop in Barcelona. In her spare time, she likes to spend time with her husband, whom she lives with. They like to go to the mountains, as they are active hikers.

### *Preferences in sportswear and influences*

When they buy apparel for activities, they normally visit shops like Decathlon and El Corte Inglés, who offer a selection of brands and products. They also like to use the Internet, both for purchase and for gathering information before purchasing products. Along with considering ratings online, she likes to listen to the shop attendants. The most important for her and her husband is finding apparel of high quality, followed by design and comfort. If she were to repurchase a product these attributes must be fulfilled.

### *Perception of Helly Hansen*

The interviewee has heard of Helly Hansen and likes the brand a lot. To her, Helly Hansen is very famous here in Spain and mentions that their items are normal for mountain, ski and sailing use. They have more technical clothes and for that reason she thinks the price is quite normal for the quality. She has noticed the brand in El Corte Inglés for example, and already owns a jacket and a pair of ski pants. When asked how she thinks the clothing fits in the Spanish market, she says the design and the material they use is very different than what the other players are using. For example, she specifies that Helly Hansen has more colours and is “more shiny”. Although The North Face is more famous here, which she thinks is because they have a broader selection of products, she actually likes Helly Hansen’s products more. Training is very popular here in Spain, and in Catalonia for example, they have the Pyrenees that is popular for hiking and skiing. If she was going there, she would definitely use brands like Helly Hansen due to their high-quality tech wear.

### **8.3.4 Interview subject 4**

*Interview subject: Alvaro, employee of The North Face, competitor*

Our in-depth interview subject is a 35 year old male, working at The North Face, one of Helly Hansen’s main competitors. What we wanted to obtain from this interview was to get insight into the sportswear industry, learn about competitors in the market, as well as customers’ behavior. Additionally, we wanted to learn if street sellers are a legitimate problem in the industry.

### *Main competitors in the market and fake products*

For The North Face’s main competitors the interviewee mentioned Salomon and Columbia. He also wanted to add Barrabes and Balmat as big competitors, despite that they are more technical mountain stores. The interview subject does not think that illegal street sellers and fake sportswear products is a threat to the industry. However, he thinks that big companies like Zara and Uniqlo on every corner in town is a bigger problem.

### *Establishing a sportswear company in Spain*

He does not mention any numbers when asked if he knows how expensive and time consuming it is to establish a company in the sportswear market. However, he says that it is a

industry with a lot of competitors, and that you need a lot of money and resources to establish a business. He thinks that it is more expensive to establish a store in Catalunya compared to the rest of Spain, because the taxes are higher in Catalunya.

#### *Customers*

As for customers' behaviour, most of The North Face's customers do research before they come to the store. They are usually very consistent and know beforehand what they want to buy. We also asked what customers usually buy in the store, where his answer was that they usually come for clothes and accessories, and that the bags are among their bestselling items. He mentioned that Columbia, Osprey, Millet and Helly Hansen also sell similar types of bags.

### **8.3.5 Interview subject 5**

*Interview subject: Juan, employee of ActionSports\*, expert/competitor/retailer*

*\*Has been anonymized*

The key elements we wanted to gain from this interview was how consumers act and chooses brands and learn about the distribution process in the industry. We also wanted to know how online shopping is influencing the industry.

#### *About the retailer*

We conducted an interview with one of the owners of a family shop located in Eixample, Barcelona. At first look, ActionSports does not seem very large. The shop is separated in different rooms, categorized by sports activity. The rooms further in are more chaotic than the first, which we later learn is a result of the ongoing change of inventory. ActionSports is one of the oldest shops (of this type) in Barcelona, which indicates that they have a lot of experience and knowledge in the outside sports market. It is evident that the interviewee is passionate and feels a close connection to his family business.

The shop sells action sports apparel and changes the range of products between the summer and the winter season. Moreover, they have trendy clothes like swimming shorts, bikinis and dresses. During the winter season, they specialize in ski- and snowboard wear, while during the summer they have more hiking and mountain outdoor apparel. However, to meet the demand of clients who are travelling to the colder areas of the world (Argentina and the

Alps), they sell a lower quantity of winter clothes during the rest of the year. The shop has tech apparel; “luxury products”. Like he said, “*it’s better to sell the best, than the good*” to differentiate themselves. They sell products with high prices, but people come anyway because what they offer is of good quality.

#### *Spanish consumers*

Juan feels that his clients buy their products mostly due the technology offered, but also design. He emphasizes that shops need to have a wide variety of products with various colours and models to survive in the industry. Spain is a country with high temperatures where sports jackets are often bought for special occasions. However, he specifies that this may differ between price sensitive consumers and does who are not. People with more money may only use a windbreaker for the mountains, while people with less money may choose to use it in the city also. Mountain jackets are sold with plain colours which are more attractive to use in the city. Ski jackets are intended more for skiing occasions.

#### *eCommerce*

ActionSports are currently in the process of setting up an online shop, and he specifies that the tendency of online shopping is a threat to them. However, his experience is that his clients come to the shop to hear their opinion, as they test all types of skis and have a lot of knowledge of the products sold. Online you have to read comments, and the positive comments are highlighted. In the future, he thinks physical shops will only exist in cities with a lot of tourism. He mentions a trend where stores are closing down, in for example the US. And again, this is due to the ongoing trend of online purchase. Generally, he thinks that Spanish people will like one brand more than another, and they are likely to be loyal to that brand.

#### *Distribution in the sportswear industry*

Different brands use distributors for different areas, not each country. The respondent attends showrooms to choose products he wants to sell in his shop, both for Spanish and foreign companies. He chooses products that are good, and “the best” and never “bad”. He does not want to sell products he cannot represent. The most luxurious products sold in ActionSports are imported from outside Spain. According to the retailer, there are a lot of companies in England and France who distribute to all European countries.

### *Players in the industry*

We suggested brands to the respondent to get an idea of how he perceived them.

Napapijri: They used to be a mountain brand (5 years ago +/-), but they have now become more casual wear for “people in the disco”, and therefore mountain people do not want to buy Napapijri anymore.

Helly Hansen: They are a very good brand, but it is not the best time for them in Spain at the moment as they are not fashionable now. More nautical company. Their underwear is very popular.

Mountain companies: Trangoworld is suitable for Spanish consumers, while The North Face is better for taller people, like Americans.

## **8.4 Focus Groups**

### **8.4.1 Focus Group 1**

#### *Participants*

Two girls in the age 19-21 who are students, a 28-year old male who works at a gym and lastly a 55-year old woman who works as a teacher.

#### *Sports- and clothing preferences*

The respondents come from different backgrounds and prefer to do sports in various ways. The younger respondents prefer to go to the gym or run outside, while the older one prefers walking or hiking outside.

The quality of the clothes they wear to workout is important, especially when it comes to sports bras and workout leggings. For t-shirts however, the material does not have to be technical, as they prefer regular cotton t-shirts from i.e. H&M. For one of the respondents, having weather resistant and sweat resistant items is very important. One of the interviewees states that she is likely willing to spend more money on sports accessories than on clothes.

For the most part, the group as a whole do not wear sportswear on normal days, but most of them wear sneakers or running shoes casually. However, in times of stress (like exam periods), one of the girls prefer to wear sportswear like sports bras as casual wear as it provides more comfort. For the woman, it is important that the shoes she uses is of good

quality because she needs support for her back. Asics is a brand she mentions and will likely use again.

### *Purchasing habits*

The group agrees that when they enter a store looking for i.e. shoes they often know what they want to buy, as shoes tend to be expensive. However, the respondents generally prefer to make purchases in-store as it enables them to try the items on before buying and receive professional help, though they have noticed a trend where more people shop online instead of in physical stores. The females agree that they are often loyal to a brand if they have worn a product for a long time and it remains in good quality. Parts of the group prefer to buy products of higher quality that is more expensive, as it will last longer and fit better.

### *Customer service*

Good or bad customer service can in fact play a role to whether or not the group will make a purchase. One of the younger girls mentions that she can get influenced by shop assistants with sufficient knowledge about the brand and products when making a purchase. For the woman, receiving customer service is especially important if she does not have too much previous knowledge about the product she is purchasing. The man sometimes appreciates customer service, but is overall a slightly sceptical as he feels that store assistants are not trustworthy because they have the objective to sell. However, he does believe that the service he receives when making a purchase can definitely make him repurchase a product.

### *Influences*

While one of the younger girls mentions that she gets influenced by her family who has more knowledge, the whole group agrees that online reviews are the most important factor to consider before making a purchase. Previous experiences they have had with products from a brand may also be a factor that matters when deciding what to buy. In addition, the reputation the brand already has i.e. the consumer's perceptions, may influence their purchase. The group states that they do not get very influenced by billboards in the streets, but the woman states that advertisements in magazines is something that she notices.

### *Brands*

The two younger girls like to shop at Nike and Oysho for sportswear that looks “cute.” The females like to shop at places like Decathlon, El Corte Inglés and Asics. The man also likes Asics as their products have good quality. When we showed the interview subjects pictures of different clothing/sportswear brands, the response was different depending on the brand. The North Face, Patagonia, Timberland and Quechua had good reputation among the respondents. None of the respondents knew of Helly Hansen. When we showed them the Spanish Helly Hansen website, girl 2 said that they have a lot “secure” colours, colours that almost everyone likes. Girl 1 said it looked expensive. The man said that compared to The North Face, the price was not bad if it was good quality. The respondents were positive to visit the Helly Hansen store.

### *Trends in Spain*

The group agrees that in general a healthy lifestyle is important for Spaniards, by that they mean working out, being active outside and eating healthy. A big part of the daily life in Spain includes spending time outside in the sun to go on walks, play with one’s children, and do activities. In general, sportswear especially for women, is more available now than before and this is something that that whole group appreciates.

## **8.4.2 Focus Group 2**

### *Participants*

Two of us conducted a focus group interview with five participants of different ages and from different backgrounds. All are Spanish. There were two boys that we named Boy 1 and Boy 2. Boy 1 is a 22 year old student from Sitges. Boy 2 is 24 years old and works full time at a hospital. Girl is a 21 year old business student at ESADE. Man is a 27 year old construction worker. Lastly, Woman is a 42 year old teacher at ESADE.

### *Sports- and clothing preferences*

The group have different sports interests, but most of them like to go to the gym or run outside in the summer. Everyone like to spend time outside, in mountains, at the beach and in parks. One of them likes to be active during vacations as well. Two of them prefer to use “normal” clothes on a day-to-day basis, but Girl uses rain jackets for hiking, and Nike shoes for everyday use. Boy 2 likes to wear vintage training apparel as fashion clothing, from



brands like Fila. The woman on the other hand, likes to use clothing suited for different occasions, so she often wears traditional sportswear items on a daily basis.

#### *Purchase habits*

Some of them do not mind wearing t-shirts from non-sportswear brands. The consumers tend to shop where it is the most convenient for them. One specifies that he goes to multi brand-retailers like Intersport and Decathlon to find what is most attractive product for him. Man prefers shopping online, and Girl has recently started exploring this alternative as well. The rest go to the physical shops. Most of the group like to get input from staff in the shops they are visiting. They find it useful as they like customer service and they trust the staff's opinions.

#### *Important attributes*

The users have different needs, some of them think it is important that the clothes are cheap, while others value technical clothing. However, everyone agrees that comfort is the most important attribute. The group considers quality, design, durability as important attributes to look for in sportswear. However, they also mention that they are price oriented. Woman mentions that she is very environmentally conscious and likes buying brands that are more sustainable, while price is less important.

#### *Influences*

Most of them find information before buying sportswear online, but Girl is more impulsive and goes straight to the shops and buys what she likes. Everyone in the group uses social media. Boy 2 specifies that he uses Instagram and Reddit a lot for inspiration on how to dress in general. The male participants agree that famous people/ celebrities influence them when they post clothing that they use on social media. However, they do not necessarily buy the exact products, but tend to feel inspired. Woman uses Pinterest for inspiration while Girl does not use social media for this purpose. Again, she is more of an impulsive consumer. Some of the consumers consider the input from friends and recommendations/feedback online before purchasing. Three of the consumers claim to be indifferent to other people's opinions related to sportswear.

### *Brands*

Two of the consumers mention Decathlon as their go-to shop. Boy 1 thinks they have a good variety and good prices. Boy 2 goes to the shop for advice as he is not usually a hiker and therefore do not have sufficient information about the various products available, and what is important in jackets of this type. Girl does whatever is the most accessible and convenient for her. The two others prefer to search the internet first and then buy in-store. They do not feel loyal to products/ brands they have bought from before, but Man says that he feels somewhat loyal to Nike and Adidas.

### *Helly Hansen*

In general, the consumers do not have much knowledge of Helly Hansen, and one has no knowledge. Two of them recognize the logo, but cannot place the brand in terms of what products they sell. Girl mentions that she has seen the shop in Barcelona, but has never entered. However, Boy 2 recognizes the brand immediately as his father is a leisure time sailer who owns a Helly Hansen jacket.

### *The North Face*

Most of them agree that they offer high quality products, for example long durability, sweat resistant and heat-generating technologies. Overall, they think the price of The North Face products are acceptable as long as the quality is good. However, due to the price, they evaluate the purchase longer than a low-budget purchase.

# Strategical Part

## 9.0 Frame of Reference

### **What business are we in?**

Helly Hansen is in the professional sailing and skiing niche market in Spain.

### **What business should we be in?**

Helly Hansen should reach a wider consumer group, the trendy non-professional consumers who like to be active.

### **What business should we not be in?**

We want Helly Hansen to keep their core identity as a brand for professionals, while also target non-professional consumers. However, we do not recommend Helly Hansen to compete with mainstream athletic- and fashion companies like for instance Nike and Adidas.

## 10.0 Mission

Helly Hansen's current mission is: *"Helly Hansen continues to develop professional-grade gear that helps people stay and feel alive"* (Helly Hansen official website, 2018-a).

In our opinion, we agree that they should include "professional-grade gear" in their mission as we want Helly Hansen to continue to offer high quality products. However, we find the part "helps people stay and feel alive" somewhat abstract. Thus, we suggest the company to word their mission with direct language which can be understood across cultural- and country borders.

Based on our research, in line with their objectives, we recommend the following mission: *"Helly Hansen continues to develop trendy, professional-grade gear for people in the mountains, in the streets, in worksites and in oceans."*

### **10.1 Objectives**

- To be the brand professionals trust, use and recommend to their peers and clients.
- To be consumer reference for professional grade gear on mountains, oceans, worksites and on the street.
- To create must-have products through unique technologies and consumer centric designs that reflect the experiences, insights and spirit of the professionals.

Comment: We agree with the content of these objectives and that these represent the main priorities for Helly Hansen. However, we think that they should implement strategies to improve their current position on being the consumer reference for the Spanish consumers in the streets.

## 11.0 Risk Profitability Binomial

The risk profitability binomial in the *sportswear industry* is affected by different factors which we will underline here:

Criteria	Level of risk	Justification
Operates in 40 countries	Medium	Helly Hansen has already entered, and are present in 40 countries, which indicates that they are willing to take risks. However, one of their competitors, Columbia, is present in over 90 countries, which indicates that Columbia have taken an even higher risk than Helly Hansen (Vault, 2018)
Large sized company (Amadeus, 2016)	Medium	Large sized companies tend to prefer maintaining things as they have always been, which may indicate low risk (Lindegaard, 2011). However, they may possess the resources to take higher risk. An example, Helly Hansen has acquired sports brand Musto to further grow in the British market and strengthen their position as a sailing clothes specialist (Reuters, 2017)
Wide range of products	Low	When having only one product, companies concentrate all their resources on this product. This equals high risk. However, Helly Hansen offer several products in various categories, which equals low risk
Highly competitive market	Medium/high	Many competitors in the market makes it harder to stand out, which could mean low visibility. Hence, high risk. On the other

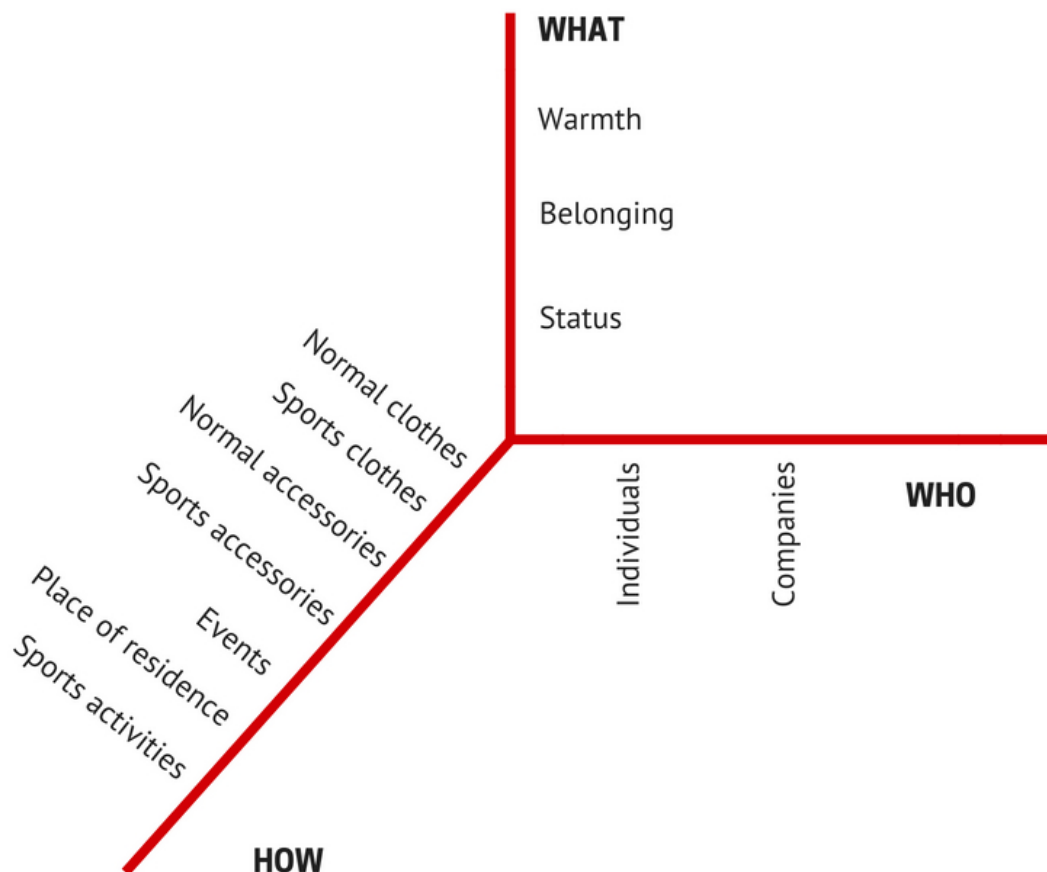
		hand, the players need to make sure to survive in a highly competitive market, which lowers the risk
New owners who possess high level of knowledge within the industry*	High	The new owners are more positively inclined to invest in relevant areas of the business (Hopland, 2018)
Innovative management	Medium	Big companies are often reluctant to take any sort of risk associated with entering a new field. High level of bureaucracy results in longer processes (Lindegard, 2011). However, one of Helly Hansen's objectives state that they wish to create products of unique technologies, which may indicate they seek to be innovative

*\*During the process of writing this thesis, Helly Hansen was acquired by a new Canadian company, Canadian Tire (Hopland, 2018).*

Based on these factors, we assess the risk profitability binomial as: **Medium**

## 12.0 Target Market

To identify what needs the different macro segments in the market has, we applied the Who/What/How model. *What* is type of need. *Who* means what kind of customer. *How* is what type of technology is needed. From this we identified the most attractive macro segments for Helly Hansen to further focus on.



Model: Frame of Reference

## 13.0 Macro Segments

After looking at the risk-profitability binomial, which is assessed as medium, we believe the two following macro segments are the most attractive segments for Helly Hansen to focus on:

### 13.1 Macro Segment 1

#### **Macro segment 1**

**Who:** Individuals

**What:** Status

**How:** Sports clothes

- Product design and quality material have the ability to improve the consumer's self-esteem and status.
- Based on our primary research we found that consumers like to follow celebrities on social media, and tend to get influenced by what they like and wear. E.g. one of our interview subjects gets influenced by Gerard Piqué.
- To validate their need for status, they like to wear and use the same products and clothes as their influencers. Consequently, they identify themselves with their idols.
- Most of our consumers like to be active, for example by hiking or going to the gym.
- Another consumer says she likes to be unique, and to stand out from her social circle. The subject plays tennis as a way to achieve this and will gain status in her reference group as a result.



## 13.2 Macro Segment 2

### **Macro segment 2**

**Who:** Individuals

**What:** Belongingness

**How:** Sports accessories

- From our primary research, we see that people tend to like what their friends like.
- There is a market for backpacks in Spain. Considering the examples below, we believe people like to own products similar to what their social circle own and that consumers get influenced by each other
  - The Swedish bag brand Fjällräven experienced a sales increase of 45% in 2016, in Spain. The company expects a continued growth of above 30% within 2020 (Diffusion Sport, 2017)
  - In our in-depth interview with Helly Hansen's competitor, The North Face, they mentioned that one of their best-selling products is their base camp duffel backpacks
- Some of our consumers like to practice team sports and activities such as CrossFit and football and this make them feel like they are part of a group.

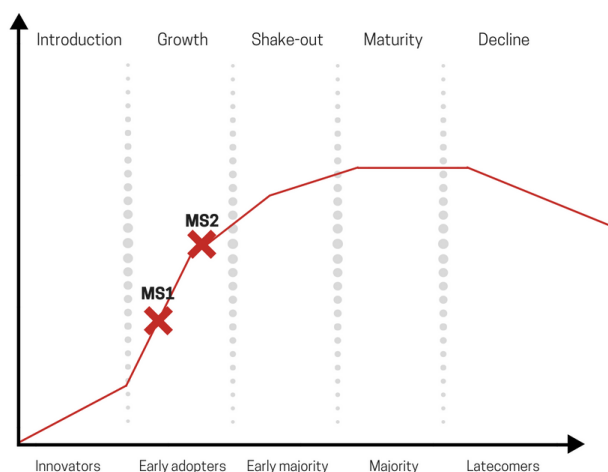
## 14.0 Solution Life Cycle

<p><b><u>Macro segment 1</u></b></p> <p><b>Who:</b> Individuals</p> <p><b>What:</b> Status</p> <p><b>How:</b> Sports clothes</p>	<p><b><u>Macro segment 2</u></b></p> <p><b>Who:</b> Individuals</p> <p><b>What:</b> Belongingness</p> <p><b>How:</b> Sports accessories</p>
<p><b>Environmental Factors</b></p> <p>We have chosen to place macro segment 1 in the <i>Accelerated Growth Phase</i>. Based on our research, the sportswear market has increased by approximately 31% in the period 2012-2017 (Statista, 2018-b). Adidas is an example of this, as their sales has increased from 14.883 million to 21.218 million euros in the same period as above (Adidas, 2018).</p> <p>Based on secondary research, there is an increasing trend to be healthy and sporty, as well as wearing sportswear as casual wear (Fernandez et.al, 2017). In our primary research, the consumers emphasize that technology, quality and design are important attributes when buying sportswear. This means that they are conscious about how they are perceived when they are active. They tend to be early adopters of new products.</p> <p><b>Objectives</b></p> <p>Helly Hansen should strengthen their position in the market by maximizing their market presence. Furthermore, develop their products to attract new customers.</p>	<p><b>Environmental factors</b></p> <p>Macro segment 2 is in the <i>Slow Growth Phase</i>. Our data indicate that consumers feel belonging when finding inspiration from friends, and that they appreciate help from their social circle. Consumers like to feel a part of a group. According to our secondary research we have found that the global market of team sports has increased (Businesswire, 2018). In addition, our primary research shows that several of our respondents play team sports like football and CrossFit.</p> <p>The bags and luggage market in Spain is increasing due to the trend of having an active lifestyle, consumers are looking for bags that can be used at any occasion. Backpacks experience strong value growth due to the fashion trend of athleisure and functionality. Value sales of bags and luggage are expected to grow at a CAGR of 2% (Euromonitor, 2017-a). Additionally, several companies are launching duffel bags into the market. (Euromonitor, 2017-d)</p>

### Marketing program

Helly Hansen needs to improve their products technologically to be able to increase their product range. To expand their market, they should implement communication directed to include new clients. They should do this by differentiating themselves.

*Solution Life Cycle graph of MS1 and MS2..*



The sports accessories market consists of established competitors like The North Face and the Inditex Group.

Although we have found the sales of bags and luggage in the Spanish market to be accelerating, we have chosen to place macro segment 2 in the *Slow Growth Phase*. After looking at the characteristics of the various growth phases, we see that macro segment 2 has components that fits into this specific phase. For example, the global sports shoes market has a revenue of slow growth (Statista, 2018-c).

### Objectives

Helly Hansen should consolidate the market, and strengthen their position in the market by maximizing the market share. By doing this they should be able to continue to create a stronger brand image.

### Marketing program

Helly Hansen should communicate the quality and design among the consumers, aimed to create a strong brand image. They should adjust the prices according to the demand and improve product solutions.

## 15.0 Strategic SWOT

Environmental Data			
<p><i>There are few large players and several smaller players in the market</i></p> <p>(Euromonitor, 2017-c) *based on our secondary research</p>			
Opportunities	Threats	Strengths	Weaknesses
Competition in the market makes the market bigger, as the players are always pushing to improve themselves	Competitors can seize your market share	Helly Hansen differentiate themselves with their colourful design and technology	Low brand awareness
Actions to take			
Launch a promotional campaign directed at non-professional consumers			

Environmental Data			
<p><i>Increased trend of e-commerce. “60% of Spaniards shop online”</i></p> <p>(Kulach, 2016) (Ecommerce News, 2017) (Modaes, 2018).</p> <p>*based on our secondary research)</p>			
Opportunities	Threats	Strengths	Weaknesses
Increased demand for online shopping which causes higher sales and increased revenues	Consumers may be hesitant to make bigger purchases online	Helly Hansen’s webshop has a strong global presence and have adapted their webshop to different languages and currencies	<p>As people shop more online and consequently do not visit stores, the cost of keeping a brick and mortar store open increases</p> <p>In addition, certain things on their website is in English</p>
Actions to take			
Further improve their webshop and adapt to Spanish language			

<b>Environmental Data</b> <i>People like to try and see the products in a physical store</i> “In store, because I like to try on before buying and see if the size fits me, as well as the material quality. “ *based on our in-depth interviews and focus groups from our primary research			
Opportunities	Threats	Strengths	Weaknesses
Opportunity for attendants to conduct upselling in physical stores, which may result in higher sales and increased revenues	Longer purchase process due to factors such as customer service, cashier line and trying the products may influence sales negatively	Helly Hansen has points of sales across 60 cities in Spain	Certain products are not displayed in stores and customers may not know how to use them correctly
<b>Actions to take</b> Display products in the stores and make them more visible for customers. Make the non-professional gear apparel more approachable for non-professional consumers (in stores)			

<b>Environmental Data</b> <i>Increasing lifestyle trend to be active</i> (Euromonitor, 2017-c). *based on our secondary research, trends and habits in the market			
Opportunities	Threats	Strengths	Weaknesses
Consumers buy more products related to being active, resulting in higher demand in the market	Trends are fluctuating, which causes lower demand in periods	Helly Hansen offer a wide range of products for sports- and outdoor activities	Due to low brand awareness, there may be a misperception among consumers that Helly Hansen only offer professional level gear
<b>Actions to take</b> Through communication campaigns, demonstrate how their products fit an active lifestyle			

Environmental Data			
<p><i>Consumers tend to research online before going into a physical store/ making a purchase</i></p> <p>“Yeah, I like to read blogs, to find inspiration, and some specialized web sites”</p> <p>*based on our in-depth interviews and focus groups from our primary research</p>			
Opportunities	Threats	Strengths	Weaknesses
Positive reviews/feedback on products can trigger purchases	Negative reviews/feedback on products can prevent purchases	Helly Hansen has a webshop in Spanish, as well as global social media platforms such as Instagram	<p>Low brand awareness, many Spanish consumers may not be aware of Helly Hansen’s webshop</p> <p>In addition, they do not have social media platforms in Spanish</p>
Actions to take			
<p>Establish social media accounts (Facebook, Instagram etc.), adapted to the Spanish market</p> <p>Encourage customers to share their post-purchase experience by reviewing products</p>			

Environmental Data			
<p><i>Consumers prefer quality over price</i></p> <p>“Quality is the most important thing for me when buying sportswear”</p> <p>“The most important thing for me is finding apparel of high quality!”</p> <p>*based on our in-depth interviews and focus groups from our primary research</p>			
Opportunities	Threats	Strengths	Weaknesses
<p>Consumers are willing to pay more for higher quality.</p> <p>Increased demand for high quality products</p>	Consumers may not have sufficient knowledge to recognize high quality	Helly Hansen offer high quality products	The products have prices that are not accessible to all customers
Actions to take			
Continue to demonstrate how the product’s price reflects the quality through promotion			

<b>Environmental Data</b> <i>“Hiking jackets are projected to be the fastest-selling product in the global sportswear market in the period 2017-2022”</i> <b>(Kailiya, 2018) *based on our secondary research</b>			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
Increase the offer of hiking jackets in the market	Other companies will also offer similar hiking jackets	Helly Hansen has a wide range of jackets that are appropriate for hiking	<p>The low brand awareness among Spanish consumers means that Helly Hansen is not the brand people consider when they need to buy a new hiking jacket</p> <p>The high price may also be a reason that can make their products only accessible only for some people</p>
<b>Actions to take</b> Helly Hansen is flexible, hence they should to launch a new collection/new models to promote benefits			

<b>Environmental Data</b> <i>Increasing trend among Spaniards to wear sportswear as fashion wear/daily clothes</i> (Euromonitor, 2017-c) *based on our from secondary research			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
Low switching costs, easier for companies to attract new customers	Low switching costs, more resource intensive to retain customers	Helly Hansen is already established in the Spanish market. They have resources to innovate and keep customers satisfied	Helly Hansen Has low brand awareness among customers
<b>Actions to take</b> Customer loyalty program to create incentives for the customers to choose Helly Hansen			

<b>Environmental Data</b> <i>Low degree of brand loyalty in the Spanish market</i> “The design is more important than the brand, together with the quality and comfort of the product” *based on our in-depth interviews and focus groups from our primary research			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
A growing market attracts more consumers, which results in higher sales and increased revenues	This increases the threat of new entrants and substitutes, as more players want a piece of the pie	In 2017, Helly Hansen’s revenue increased by 18% (Helly Hansen official website, 2018-d), this indicates that they have acquired a greater market share	Low brand awareness in Spain means that this growth do not affect Helly Hansen as positively as it does in the global market
<b>Actions to take</b> Increase the marketing budget in Spain to initiate more communication campaigns			



<b>Environmental Data</b> <i>The global sportswear market has grown with 30% the last 5 years</i> (Trefis, 2018) *based on our secondary research)			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
A growing market attracts more consumers, which results in higher sales and increased revenues	This increases the threat of new entrants and substitutes, as more players want a piece of the pie	In 2017, Helly Hansen's revenue increased by 18% (Helly Hansen official website, 2018-d), this indicates that they have acquired a greater market share	Low brand awareness in Spain means that this growth does not affect Helly Hansen as positively as it does in the global market
<b>Actions to take</b> Increase the marketing budget in Spain to initiate more communication campaigns			

<b>Environmental Data</b> <i>Size differences in clothing in geographic areas</i> "Trangoworld is for Spanish people, The North Face is for tall people, like Americans." *based on interviews with Action Sports, from our primary research)			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
People choose products that are designed for their own body type, brands should adapt their sizes to the market they operate in to further satisfy and attract more customers	If brands do not adapt their sizes to physical differences, customers will choose other brands who fits them better	Helly Hansen possesses the resources to produce the clothing sizes to fit Spaniards	Helly Hansen design their items in Norway, based on a "Norwegian" body type which may not fit the Spanish body type
<b>Actions to take</b> Increase size range for their products according to geographical areas			

Environmental Data			
<p><i>People tend to value techwear, such as water resistant clothing</i> (Greenwood, 2018)</p> <p>“It is important for me that it is good trousers and technical t-shirt that breathes well.”</p> <p>*based on our primary and secondary research</p>			
Opportunities	Threats	Strengths	Weaknesses
Increase the offer of techwear in the market	Other competitors and substitutes will also offer techwear	Helly Hansen offer techwear products. The techwear product category is one of their core categories	Low brand awareness among the Spanish consumers and little knowledge about Helly Hansen and their products and techwear
<p><b>Actions to take</b></p> <p>Launch a demonstration campaign where customers can learn about their technologies</p>			

Environmental Data			
<p><i>Fashion trends are fluctuating</i></p>			
Opportunities	Threats	Strengths	Weaknesses
Demand increases paralleled to when the trend is growing	The demand decreases when the trend goes down	Helly Hansen is updated on trends, by offering products with trendy colours and design while keeping their own style	Helly Hansen’s style can be described as nautical, they have a defined style that can be perceived as a differentiate style that does not fit all consumers
<p><b>Actions to take</b></p> <p>Continue to bring out collections that resonates with the trends in the different markets</p>			

<b>Environmental Data</b> <i>Brands tend to collaborate with designers, influencers and other brands</i> (Coresight Research, 2018) *based on our secondary research			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
Companies can attract new customers and gain from the other party's reputation	Collaborators' / ambassadors' poor reputation harms the brand in various ways	Helly Hansen collaborates with Winter Olympic teams, Mapfre as well as influencers online, which helps them reach new customers	In Spain, Helly Hansen have not collaborated with many actors who can influence the Spaniards everyday consumers to purchase their products
<b>Actions to take</b> Do proper research and choose wisely before collaborating and/or choosing ambassadors			

<b>Environmental Data</b> <i>The median age of the population is increasing</i> (United Nations, 2018) *based on secondary research			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
New demands of products and services to accommodate this age group	Older people tend to be sick more often, firms need to pay out more sick pay	Helly Hansen offer products which fit different age types	Low brand awareness means this population are not aware of Helly Hansen
<b>Actions to take</b> Launch marketing campaigns to target the older consumers			

<b>Environmental Data</b> <i>A growing trend of environment consciousness</i> (Fernando, 2016) *based on our secondary research			
<b>Opportunities</b>	<b>Threats</b>	<b>Strengths</b>	<b>Weaknesses</b>
Higher consumption of environmentally friendly products	Increased resistance towards non-environmentally friendly companies	Helly Hansen implements measures to minimize pollution, promote efficient and sustainable use of resources, and minimize greenhouse gas emissions in production and transport (Helly Hansen official website, 2018-b).	Helly Hansen do not focus on promoting their eco-friendly strategy on their website or in their marketing
<b>Actions to take</b> Further focus on sustainable methods in production to target a larger consumer group. Promote this in communication campaigns to demonstrate for stakeholders			

**From this, we gather that low brand awareness is the most substantial weakness for Helly Hansen.**

## 16.0 List of Actions

### 16.1 Criteria for list of Actions

#### 1. Importance

How important are these actions for Helly Hansen?

#### 2. Urgency

How urgent is it for Helly Hansen to implement these actions immediately?


















#### 3. Resources

Does Helly Hansen possess the necessary resources to implement these actions? Both in regard to human- and economical resources.

### 16.2 Actions to take

List of Actions	Criteria	Short term (0-1 year)	Medium-long term (3-5 year)
Launch a promotional campaign directed at non-professional consumers	I U R	X	
Further improve their webshop and adapt to Spanish language	I U R	X	
Display products in the stores and make them more visible for customers. Make the non-professional gear apparel more approachable for non-professional consumers (in stores)	I U R	X	
Through communication campaigns, demonstrate how their products fit an active lifestyle	I R		X

Establish social media accounts (Facebook, Instagram etc.), adapted to the Spanish market. Encourage customers to share their post-purchase experience by reviewing products	I U R	X	
Continue to demonstrate how the product's price reflects the quality through promotion	I R		X
Helly Hansen is flexible, hence they should to launch a new collection/new models to promote benefits	I U R	X	
Continue to make promotional campaigns on social media, collaborating with influencers or other fashionable brands to demonstrate the products' different function areas	I U R	X	
Launch a customer loyalty program to create incentives for the customers to choose Helly Hansen	I R		X
Increase the marketing budget in Spain to initiate more communication campaigns	I R		X

Increase size range for their products according to geographical areas			
Launch a demonstration campaign where customers can learn about their technologies			
Continue to bring out collections that resonates with the trends in the different markets			
Do proper research and choose wisely before collaborating and/or choosing ambassadors			
Launch marketing campaigns to target the older consumers			
Further focus on sustainable methods in production to target a larger consumer group. Promote this in communication campaigns to demonstrate for stakeholders			

## 17.0 Strategic Problem Definition

Strategic Problem Definition	Key Success Factors	Needed Distinctive Competences	Is it a Distinctive Competence for H.H?
<b>Macro segment 1</b> <b>Who:</b> Individuals <b>What:</b> Status <b>How:</b> Sports clothes	1. Techwear 2. Design 3. Wide range of products 4. Customer service	1. Research and development department who continuously innovate and release new products 2. Designers and a development department who follow trends closely and design thereafter 3. Possess a development department consisting of a sufficient number of employees to produce various products 4. Webshop with public reviews and, educated store attendants who are in assistance to the consumer	1. Yes 2. Yes 3. Yes 4. Yes, but needs improvement
<b>Macro segment 2</b> <b>Who:</b> Individuals <b>What:</b> Belongingness <b>How:</b> Sports accessories	1. Accessibility 2. Environmentally friendly products 3. Customer service 4. Design	1. Have different point of sales; physical stores, webshop, department stores 2. Research and development department who focuses on sustainable methods in production 3. Webshop with public reviews and, educated store attendants who are in assistance to the consumer 4. Designers and a development department who follow trends closely and design thereafter	1. Yes 2. Yes, but products should be further developed 3. Yes, but needs improvement 4. Yes



## 18.0 Conclusion of Porter's Five Forces

**Supplier power:** Low/moderate

**Buyer power:** High

**Threat of new entrants:** Moderate

**Threat of substitutes:** High/moderate

**Rivalry degree:** High

Overall, the industry rivalry is assessed as *high/moderate*.

The competitiveness of the sportswear industry is set as high to moderate. Helly Hansen is already present in the market, where Nike and The North Face are strong players. According to our secondary research, we found that brand loyalty in the industry is high. However, findings from our primary research indicated the opposite. The more attractive attributes were quality and design.

Additionally, we found from our secondary research that illegal street sellers and fake sportswear are a legitimate issue for the sportswear industry. However, after interviewing a representative from The North Face, he rejected this as a big threat in the market. In his opinion, big chains like Zara and Uniqlo are perceived as bigger threats.

High availability and product selection in the market indicate that there are low switching costs for consumers. Helly Hansen can benefit from this, although customers could choose another brand. This is also a threat to the company.

From an internal view, the risk-profitability binomial for Helly Hansen in the sportswear industry is medium because by taking a risk the company can benefit from profits if they succeed, but also face equal risk if failing. The industry rivalry, the buyer power and the threat of substitutes is assessed as high, and therefore the sportswear industry is an unattractive industry to enter. On the other hand, the supplier power and threat of new entrants is assessed as low/moderate, which makes the industry more attractive to infiltrate. To conclude, the overall attractiveness of the sportswear industry is low/moderate.

## **19.0 Development Strategy**

### **19.1 Definitions**

#### **19.1.1 Cost-leadership**

The strategy is based on productivity and is generally related to the existence of an experience effect. It could imply close scrutiny of overhead costs, of productivity investments intended to enhance the value of experience effects and of product design costs (Lambin and Schuiling, 2012 p. 313).

#### **19.1.2 Differentiation**

The objective here is to give distinctive qualities to the product that are significant to the buyer which create something that is perceived as being unique (Lambin and Schuiling, 2012 p. 314).

#### **19.1.3 Focus**

This strategy focuses on the needs of a particular segment without claiming to address the whole market. The objective is to take a restricted target and to serve its narrow strategic target more effectively than competitors who are serving the whole market (Lambin and Schuiling, 2012 p. 314).

### **19.2 Choice of Competitive Strategy**

#### **19.2.1 Differentiation**

We have chosen differentiation as our competitive strategy. This strategy focuses on quality in the product, which is important to customers in a highly competitive market. Helly Hansen wants to be associated with being a unique brand of high quality and they achieve this by offering advanced technological sportswear. Primary research and key success factors like techwear, design and customer service, as well as Helly Hansen's objective "to create must-have products through unique technologies (...)" lead us to believe that differentiation is the appropriate option. Currently, Helly Hansen possesses low brand awareness in the market, however, by choosing a fitting differentiation strategy, they may be able to increase brand awareness and thereby increase sales in the Spanish market.

### **19.2.2 Cost-leadership**

While cost-leadership is an effective approach to cut costs, we do not believe this is the right strategy for Helly Hansen. In the sportswear market, customers tend to value high quality products. Companies with low costs may choose a low pricing strategy, and low prices are often associated with poor quality.

### **19.2.3 Focus**

Focus specializes on the needs of a particular segment, group of buyers, or geographic market, without claiming to address the whole market. As we want Helly Hansen to attract a larger consumer group, without excluding certain types of customers, we do not recommend this strategy.

## **20.0 Growth Strategies**

### **20.1 Definitions**

#### **20.1.1 Market penetration strategies**

A market penetration strategy, consists of trying to increase or maintain sales of current products in existing markets (Lambin and Schuiling, 2012 p. 316).

#### **20.1.2 Market development strategies**

“A market development strategy refers to a firm’s attempt to increase sales of its present products by tapping new og future markets” (Lambin and Schuiling, 2012 p. 317).

#### **20.1.3 Horizontal integration**

The objective here is to reinforce competitive position by absorbing or controlling competitors. Neutralizing a dangerous rival, reaching the critical volume to benefit from scale effects, benefiting from complementarity of product lines and having access to distribution networks or to restricted market segments are some arguments for this (Lambin and Schuiling, 2012 p. 320).

#### **20.1.4 Vertical integration**

Backward and forward integration are two forms of vertical integration (Lambin and Schuiling, 2012 p. 320).

##### Backward integration

This strategy is driven by the concern to maintain or to protect a strategically important source of supplies, materials, components or services. Reasons to implement could be lack of resources, technological know-how or materials which are necessary to the firm (Lambin and Schuiling, 2012 p. 320).

##### Forward integration

Firms are motivated by this strategy when they need to control outlets, to prevent being “choked”. For a consumer goods firm it could be controlling distribution through franchising or exclusive contracts (Lambin and Schuiling, 2012 p. 320).

#### **20.1.5 Diversification**

A strategy of growth by diversification is justified if the firm’s industrial chain presents little or no prospect of growth or profitability. This may happen if competitors occupy a powerful position, or because the reference market is in decline. Diversification implies entry into new product markets (Lambin and Schuiling, 2012 p. 320-321).

### **20.2 Choice of Growth Strategy**

#### **20.2.1 Market penetration strategy**

In our opinion, *the market penetration strategy* is the right choice for Helly Hansen. They are present in the professional sailing, outdoor and skiing markets and in the non-professional market. However, the latter is yet to reach its full potential. One option within this strategy is *market share increase strategy*: “to increase sales by attracting buyers from rival brands, through significant spending on marketing mix variables” (Lambin and Schuiling, 2012 p. 316). Due to the fact that Helly Hansen has low brand awareness in the Spanish market, they should use more resources on their marketing mix in order to increase their sales with their current products.

### 20.2.2 Market development strategy

*The market development strategy* is not beneficial for Helly Hansen at this moment, as they already are present in their desired markets. They should rather focus on maximizing sales in their current markets.

### 20.2.3 Horizontal integration

As for the *horizontal integration*, to acquire other companies should not be prioritized at this moment, as improving brand awareness should be the main focus.

### 20.2.4 Vertical integration

*Vertical integration* is risky and comes with financial- and human resource costs. Helly Hansen should not devote their resources on this integration strategy.

### 20.2.5 Diversification strategy

To enter new markets with new products is not an advantageous strategy for Helly Hansen. Instead of implementing a *diversification strategy*, they need to further focus on increasing the market shares in the markets that they are presently in.

## 21.0 Competitive Attitude

### 21.1 Definitions

#### 21.1.1 Market leader strategies

The market leader is the firm that holds a dominant position and is acknowledged as such by its rivals. The leader is often an orientation point for competitors, that rival firms try to attack, to imitate or to avoid (Lambin and Schuiling, 2012 p. 325-326).

#### 21.1.2 Market follower strategies

“A follower is a competitor with modest market share who adopts an adaptive behavior by falling into line with competitors’ decisions. Instead of attacking the leader, these firms pursue a policy of “peaceful coexistence” by adopting the same attitude as the market leader” (Lambin and Schuiling, 2012 p. 327).

### **21.1.3 Market niche strategies**

“A nicher is interested in one or few market segments, but not in the whole market. The objective is to be a large fish in a small pond rather than being a small fish in a large pond” (Lambin and Schuiling, 2012 p. 328).

## **21.2 Choice of Competitive Attitude**

### **21.2.1 Market follower attitude**

We want Helly Hansen to adopt a follower attitude, as we believe they can benefit from utilizing the same attitude as the market leader. By doing this, they are facing a lower risk as they adapt similar products as the market leader and make the necessary adjustments to improve the products. This is beneficial for Helly Hansen, as they do not need to invest as much resources in R&D as the market leader, i.e. when Helly Hansen imitated The North Face's duffel bags.

### **21.2.2 Market leader attitude**

Based on this, and the fact that Helly Hansen do not hold a dominant position in the sportswear market, we do not recommend them to adopt a market leader attitude.

### **21.2.3 Nicer attitude**

We do not recommend Helly Hansen to adopt the market niche attitude, because they are already present in the niche markets with their professional apparel for sailing and skiing and have a quite high market share in these markets. However, we want them to target and focus on the non-professional consumers and with that, expanding their customer group.

## **22.0 Micro Segmentation**

### **22.1 Definitions of Variables**

#### **22.1.1 Macro segment 1**

##### **Family Life Cycle**

*Single or in a relationship:* They have the flexibility to spend money on desired products or services. They do not have extra expenses or responsibilities other than themselves which means more spare time. They are more impulsive consumers. They tend to have less job stability. Influenced by social circle and social media, especially Instagram.

*Early Parenthood:* Family with children in the age 0-12. More expenses due to young children. Less time to themselves. More dependent on job stability. Non-impulsive consumers. Mostly influenced by social circle.

*Later Parenthood:* Family with children in the age 13-18. Tend to have higher incomes and more job stability than other segments. Choices are influenced by social media as well as the children's needs and opinions. Somewhat impulsive consumers. More spare time than early parenthood.

*Empty Nest:* Single or with partner. Children have left the house. More time and money to spend on themselves or with their partner/ friends. Influenced by social circle and social media, especially Facebook.

### **Benefit Sought**

*Acceptance:* The segments seek status through their purchases, to feel accepted amongst their reference group.

*Image:* The segments want to convey a certain image to achieve status.

*Success:* The segments want to achieve status by being successful. They want to be perceived as accomplished through their skills and by having clothes that reflect their success.

## **22.1.2 Macro segment 2**

### **Place of Activity**

*Gym:* The segments prefer to exercise at gyms.

*Team sports:* The segments enjoy practising team sports as their main activity.

*Outdoors:* The segments appreciate doing physical activities outside, like hiking or beach sports.

### **Ability level**

*Amateurs:* The segments are occasionally active, they have knowledge about sports equipment and sports trends to a certain degree. They do not buy sports accessories frequently.

*Enthusiasts:* The segments enjoy spending time being active more than average, and frequently buys new sports accessories to match their activity level.

*Professionals:* The segments are highly committed to training, and needs equipment of top quality that will enhance their performance in some way.

## 22.2 Micro Segments

### 22.2.1 Macro Segment 1

**Who:** Individuals

**What:** Status

**How:** Sports clothes

Life cycle Benefit Sought	Single or in relationship	Early Parenthood	Later Parenthood	Empty Nest
<b>A C C E P T A N C E</b>	<p><i>Establishers</i></p> <p>This group has recently started on a new path in life, i.e. a new job. They will therefore seek acceptance from a new group of people, and will do this by having the clothes and lifestyle that reflects the reference group. Due to unstable incomes, they do not tend to buy products too often</p>	<p><i>Healthy Ones</i></p> <p>They are frequently active, both indoor and outdoors. Due to this, they are concerned about nutrition and their health. Occasionally, they buy new clothes to reflect their healthy lifestyle. They are concerned with how their friends perceive and consider them as parents</p>	<p><i>Functional Ones</i></p> <p>They seek acceptance through purchasing and wearing clothing of high quality. These parents are influenced by the opinions of their children who follow trends. They buy new apparel for different occasions and are not very price sensitive</p>	<p><i>Self Conscious</i></p> <p>This group is concerned with how they are being perceived by their friends and family. They acknowledge that they do not look as they did in their younger days, but will try to enhance their appearance by frequently buying youthful sports clothes and make-up. They enjoy trying new workout trends with their friends to fit in and stay in shape</p>
<b>I M A G E</b>	<p><i>Trend Followers</i></p> <p>They are above average concerned with how they are being perceived by others, especially on social media, and will consequently closely follow fashion trends to achieve a feeling of status.</p> <p>Regardless of their income, they prioritize purchasing good looking sports clothes frequently to stay updated on new trends</p>	<p><i>Super-parents</i></p> <p>These people appreciate showing off their new apparel and wearing stylish clothes that are distinct in their reference market.</p> <p>They are busy and spend time with their children and therefore do not always have time to plan, and therefore are somewhat impulsive buyers when in need of new products</p>	<p><i>Wannabe Pro's</i></p> <p>These people strongly desire to appear like professionals when being active.</p> <p>They buy the newest, most expensive items available on the market to conceal that they are not professionals. They love to show off new sportswear and - equipment.</p>	<p><i>Modernizers</i></p> <p>They are in need of new projects. This may come in terms of practicing a new sport.</p> <p>They need a new wardrobe of clothing to fit this change of lifestyle. They are frequent buyers of new apparel to motivate for exercising. They are less price sensitive as they do not have kids to tend to.</p> <p>They like to publish updates on social media to impress friends and acquire a sense of status</p>



S U C C E S S	<i>Backpackers</i>	<i>Strivers</i>	<i>Eco-friends</i>	<i>Explorers</i>
	<p>This group of people lives an active lifestyle, and tend to not be at the same place too long. They also like to update others about their daily life on social media. These consumers normally buy clothes rarer, but of higher quality. They tend to be more interested in the actual experience than the clothes</p>	<p>Those who are above-average interested in training and who strive to be “the best” and who wear clothes that top athletes use when working out. This contributes to the feeling of success</p>	<p>This group is very concerned with preserving the environment and how climate change can affect the lives of their children. As a result, they will buy sports clothes less often, but will choose items that have high durability and that is made in an environmentally friendly way</p>	<p>Due to having more spare time, this group of people enjoys going on adventures and expeditions. Outdoor activities are considered a part of their lifestyle. They tend to want on-trend clothes to enhance their experiences/activities. This group normally buy clothes less frequently, but of higher quality</p>

### 22.2.2 Macro Segment 2

**Who:** Individuals

**What:** Belongingness

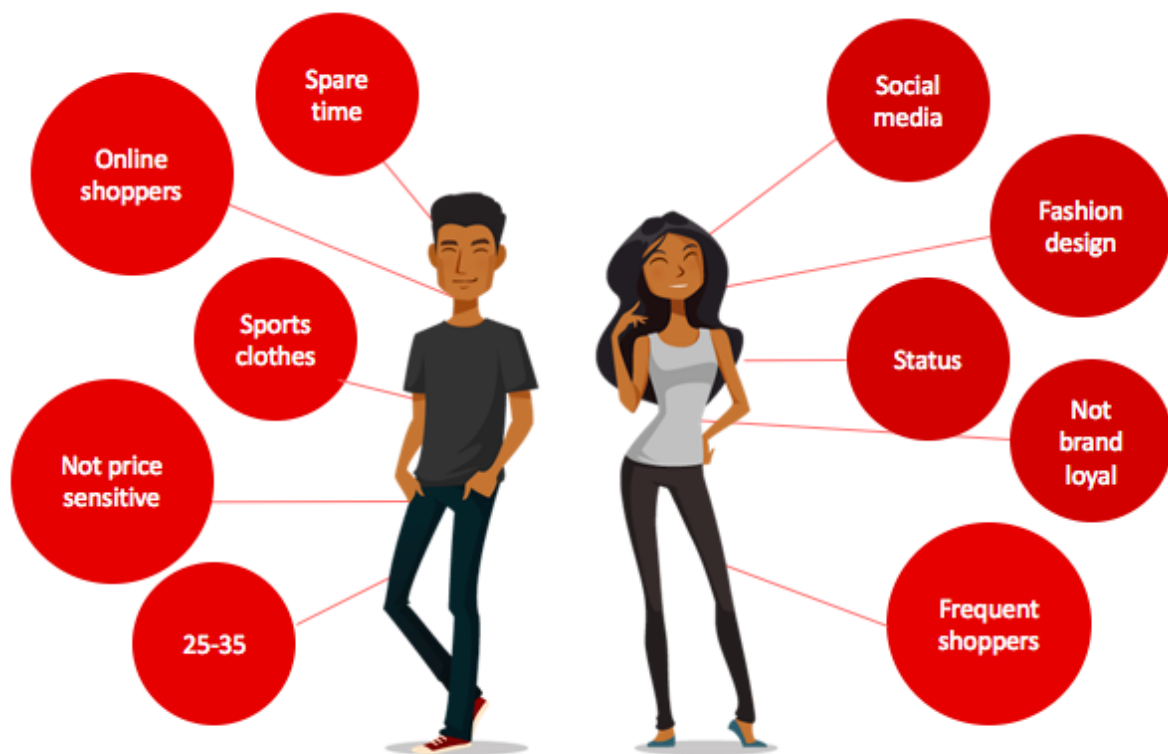
**How:** Sports accessories

Place of Activity Ability Level	Gym	Team Sports	Outdoors
<b>A M A T E U R S</b>	<p><i>Fashionistas</i></p> <p>This group buys sports accessories and once in a while goes to the gym. They are updated on fashion trends and copies other gymmers when buying sports accessories, and therefore care more about the look of the apparel than the quality and durability</p>	<p><i>Supporters</i></p> <p>They idolize sports teams and members, and identify themselves as a part of a group and purchases items when inspired. They are not frequent customers of sports accessories. They buy accessories in the same colour as their team</p>	<p><i>Weekenders</i></p> <p>They are mostly active during the weekends and they enjoy outdoor activities often with their friends and/or family. Products are only bought when necessary, especially if they have a trip or an event coming up</p>
<b>E N T H U S I A S T S</b>	<p><i>Sports Idiots</i></p> <p>People who love to talk about their active lifestyle with their reference group and frequently buy new apparel for their workouts. They tend to value technology in their choice of accessories</p>	<p><i>Variety Seekers</i></p> <p>They are in need of new experiences. These types of people tend to seek new activities or sports to enjoy with others and buy new apparel accordingly. Get motivated to work out after buying new apparel</p>	<p><i>Marathoners</i></p> <p>People who enjoy training outside, and need to feel part of a training environment with likeminded people. For these people, having accessories that will enhance their experience and give them support is important. They appreciate products with technological features</p>
<b>P R O F F E S I O N A L S</b>	<p><i>Achievers</i></p> <p>They are committed to training. Fellow gymmers become “family” and they influence each other in terms of exercises. They need top quality apparel and accessories that handles frequent usage</p>	<p><i>Team Members</i></p> <p>These people like to feel a part of a sports team and wear the same items as the people in their reference group. These people need equipment that can contribute to excellent performance, they value products with long durability</p>	<p><i>Winners</i></p> <p>People who love to train outside and gets motivated by being part of a group, but who are very goal oriented and focused on winning. These people need the right equipment to practice sport outside the best way possible, regardless of price</p>

## 22.3 Choice of Micro Segments

We have chosen to target and develop strategies for the three micro segments *Trend Followers*, *Modernizers* and *Marathoners*. We perceive these segments as highly attractive for Helly Hansen, as they differ from their current target groups in Spain. To further increase sales in the market, they need to expand their customer groups.

### 22.3.1 Status: Trend Followers



We have chosen *Trend Followers* as one of Helly Hansen's main focuses. These consumers tend to be young adults between 25-35 years old, either single or in a relationship. As they have more spare time, they have the flexibility to spend money on desired products or services. *Trend Followers* are updated on fashion trends. They are concerned about how they are perceived, and wear trendy clothes to achieve a feeling of status, both when they are active and when they are not. When products become "untrendy", they do not use them as often. This also indicates that they are not necessarily brand loyal. Because of this desire to be trendy, *Trend Followers* are frequent shoppers of sports clothes, regardless of their income.

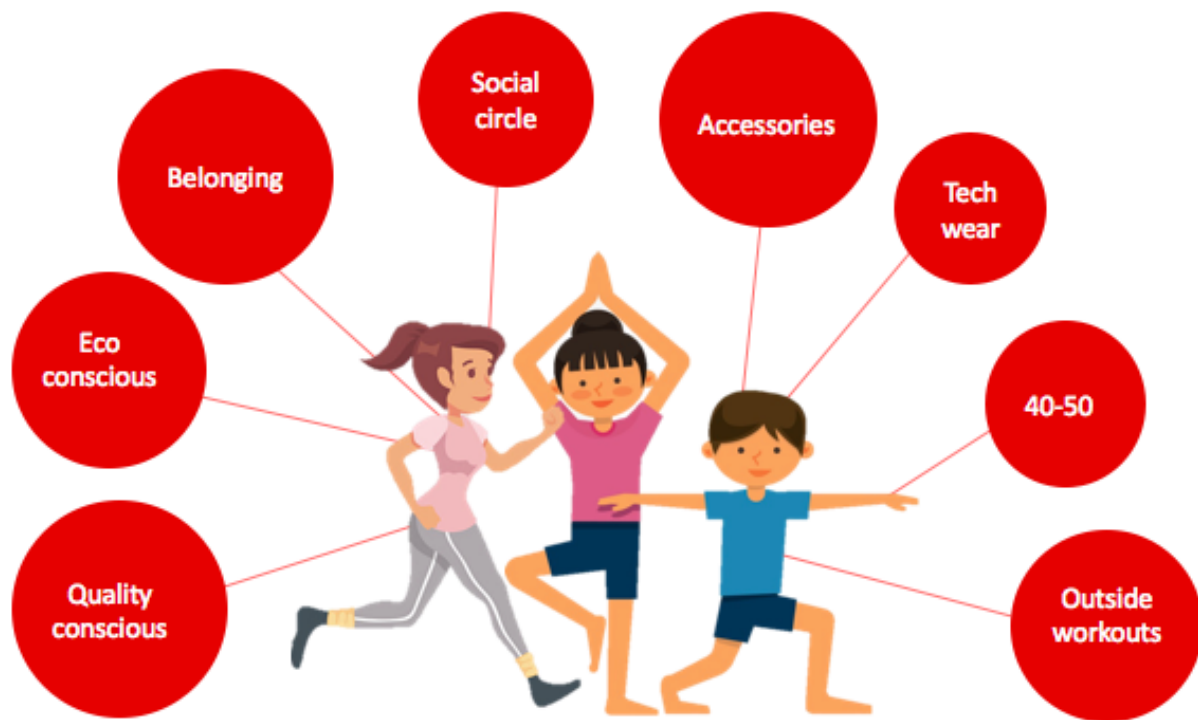
### 22.3.2 Status: Modernizers



The *Modernizers* is another elected segment for Helly Hansen. They are either single or in a relationship and tend to have solid incomes. In the age group 50-65. As their children have moved out of the home, they are in need of new projects and they have more time and money to spend on themselves. This initiates new interests and for instance practicing new sports activities, *Modernizers* need a new and better wardrobe to fit this change of lifestyle.

They are active social media users (Statista, 2018-d). They want to project an image of for example being sporty by posting updates on what they are doing in their spare time, as well as observing what their friends and acquaintances are up to. The apparel they buy should be of high quality as they look for clothes with technical traits like breathable and waterproof fabric. Therefore, *Modernizers* are usually less price sensitive as they do not have kids living at home anymore, thus they have more spare time and more money to spend. As *Modernizers* often are indifferent to new trends and brands, they tend to be loyal to brands they know and appreciate. Moreover, *Modernizers* are receptive to suggestions from store attendants. They are frequent consumers of tech clothes to motivate them to exercise more.

### 22.3.3 Belongingness: Marathoners



We have chosen *Marathoners* as Helly Hansen's third main focus. These consumers are people who enjoy training outside, whether it is hiking, jogging, water sports, biking etc. They feel the need of belonging in a training environment with likeminded people. Having accessories means enhancing their experiences. Additionally, features that give them support is important, for instance shoes with back support or backpacks with padding.

This segment includes established adults in the age between 40-50, who enjoy being active and the environment that comes with it. As *Marathoners* tend to spend more time outside, they are not frequent internet- and social media users. However, they like to be updated on current events through reading newspapers both online and in print. These consumers purchase brands they prefer and like. However, they are influenced by their social circle and when a new product is introduced, *Marathoners* tend to copy their friends. They are often environmentally friendly consumers, they do not tend to purchase new products with high frequency. They look for products of high quality and with long durability. Because of this, price is not the most important attribute.

## **22.4 Criteria for Efficient Segmentation**

### **22.4.1 Differentiated response**

“The segments must be different in terms of their sensitivity to one or several marketing variables under the control of the firm” (Lambin and Schuiling, 2012 p. 207-208).

### **22.4.2 Adequate size**

“Segments should be defined so that they represent enough potential customers to provide sufficient sales revenue to justify the development of different products and marketing programmes. Identified segments must represent a market potential large enough to justify developing a specific marketing strategy” (Lambin and Schuiling, 2012 p. 208).

### **22.4.3 Measurability**

“Before target segments can be selected, the size, purchasing power and major behavior characteristics of the identified segments must be measured” (Lambin and Schuiling, 2012 p. 208).

### **22.4.4 Accessibility**

“Accessibility refers to the degree to which a market segment can be reached through a unique marketing programme.” There are two ways to reach prospects: customer self-selection and controlled coverage (Lambin and Schuiling, 2012 p. 208).

Criteria Segments	Differentiated Response	Adequate Size	Measurability	Accessibility
<b><i>Trend Followers</i></b>	<p>Adults in the age 25-35 with no children, single or in a relationship. Newly educated, in jobs. Due to this, they have less expenses/ responsibilities and more spare time and money to spend on themselves. Use brands which will increase their status, which are popular and/ or expensive. Their purchasing habits are heavily influenced by social media, either in store or online.</p>	<p>We do not have exact numbers of potential customers, however, research suggests that approximately more than 50% of Spanish internet consumers, between 18 and 44 y/o, access social media daily (Statista, 2018-d).</p> <p>This indicates that the segment has an adequate size.</p>	<p>The variables we used in this segment are <i>single or in relationship</i> and <i>image</i>.</p> <p><u>Single or in relationship</u> Helly Hansen can gather this information via quantitative research.</p> <p><u>Image</u> The image can be measured through conversations between an employee and a customer. Through conversation, the employee get a better impression of what the customer needs and wants.</p>	<p>These consumers are relatively easy to target as this group is active Internet users, especially social media.</p> <p>As these customers tend to not be brand loyal, switching costs are low and therefore it may be easier to acquire them. The main channel to reach these consumers is through social media.</p>
<b><i>Modernizers</i></b>	<p>Older adults in the age 50-65, single or in a relationship. Their children have recently moved out, due to this, they have less expenses/ responsibilities and more free time and money to spend on themselves. They are in need to join new projects, and therefore frequently buyers of new apparel.</p>	<p>The median age of the Spanish population is increasing and was in 2015, 43,2 years (United Nations, 2018). This implies that this growing market is of adequate size. Helly Hansen will benefit from satisfying the demands of this segment.</p> <p>Research suggests that approximately more than 30% of Spanish internet consumers, between 45 and 64 y/o, access social media daily (Statista, 2018-d).</p>	<p>The variables we used in this segment are <i>empty nest</i> and <i>image</i>.</p> <p><u>Empty nest</u> Helly Hansen can gather this information via quantitative research.</p> <p><u>Image</u> The image can be measured through conversations between a employee and a customer. Through the conversation the employee get a better impression of what the customer needs and wants.</p>	<p>This group of people are accessible, as they are frequent social media users (Statista, 2018-d). However, as they tend to be indifferent to new trends, it may be difficult to target them.</p> <p>Nonetheless, we believe the best way to reach these customers is through promotional campaigns on social media.</p>

<b>Marathoners</b>	<p>Adults between 40-50 y/o, without or with kids (above 12 years old).</p> <p>With or without a partner. In jobs.</p> <p>High brand loyalty. Use brands they have discovered to like and prefer, and who their social circle also use to feel belonging.</p> <p>Purchasing behaviour is influenced by their social environment. They are conscious about the environment.</p>	<p>We do not have exact numbers of potential customers, but we have found relevant data to support our suggestion.</p> <p>According to research, 46,2% of adults play sports or exercise once a week. Higher educated men are most likely to practice sports or exercise.</p> <p>Some of the most popular activities are running (23%), cycling (22,2%) and hiking (10,5%). One of the most common motivations for being active is enjoyment (23%) (Euromonitor, 2017-e).</p> <p>Further, 25,6% spend their leisure time with friends every day and 43,4% spend their times with friends weekly (Euromonitor, 2017-e).</p> <p>This large consumer group may have a need of feeling belonging and this is being fulfilled when practicing sports with friends. These adults are likely to need sports accessories.</p>	<p>The variables we used in this microsegment is <i>outdoor</i> and <i>enthusiast</i>.</p> <p><u>Outdoor</u> These variables is difficult to identify and measure. But customers tend to appreciate and trust the employees' opinions and advice, to find the best equipment available. This gives the employees the information needed to find out how and where the customers need to the products for.</p> <p><u>Enthusiast</u> Normally, the people buying sports accessories have a special interest in the outdoor environment, and this information needs to be gathered from sales.</p>	<p>It can be challenging to reach these consumers as they tend to spend more time outside and usually get influenced by their social circle through word of mouth. However, they tend to be updated on events through newspapers both in print and online.</p> <p>We therefore believe that the best way to reach these customers is through advertising on newspapers online, as more than 54,5% of the Spanish population between 35-49 years old reads newspapers online. (Statista, 2018-e)</p>
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\* As we have not conducted a quantitative research method, our measures will be taken with estimation from our primary and secondary research.



## 23.0 Segmentation Strategy

### 23.1 Definitions

#### 23.1.1 Focused Strategy

“This is the strategy of the specialist seeking a high market share in a narrow niche. The firm is concentrating its resources on the needs of a single segment or on a few segments, adopting a specialist strategy.” The specialization can be based on a function or on a particular customer group (Lambin and Schuiling, 2012 p. 278-279).

#### 23.1.2 Undifferentiated Marketing Strategy

“By adopting an undifferentiated marketing strategy or a mass marketing strategy, the firm ignores market segmentation differences and decides to approach the entire market as a whole and not take advantage of segmentation analysis. It focuses on what is common in the needs of customers rather than on what is different” (Lambin and Schuiling, 2012 p. 279).

#### 23.1.3 Differentiated Marketing Strategy

“In a differentiated marketing strategy or a mass customization strategy, the firm also adopts a full market coverage strategy but this time with tailor-made programmes for each segment. (...) This strategy enables the firm to operate in several segments with a customized pricing, distribution and communication strategy” (Lambin and Schuiling, 2012 p. 280).

### 23.2 Choice of Segmentation Strategy

#### 23.2.1 Macro segment 1: Status

##### **Differentiated strategy**

We chose two micro segments for Macro segment 1, therefore we recommend Helly Hansen to pursue a differentiated marketing strategy for *Trend Followers* and *Modernizers*. Macro segment 1 is currently situated in the *Accelerated Growth Phase* in the Solution Life Cycle. When a macro segment is located in this phase, one of their objectives is to strengthen their position in the market by maximizing their market presence. The company's risk profitability binomial has been assessed as medium, this implies that they are willing to take some risks. By successfully differentiating themselves through design and technologies, consumers are more likely to accept higher prices and in result, Helly Hansen will increase their sales. By doing this, they are able to improve their products in order to target the two different micro segments.

**Focused strategy**

This strategy focuses on narrow niches and requires that Helly Hansen concentrate their resources on a single micro segment. Therefore, we do not recommend this strategy for macro segment 1.

**Undifferentiated strategy**

An undifferentiated strategy focuses on what is common in the needs of the customers. Therefore, it is not recommended for Helly Hansen to choose this segment strategy, as the needs in our segments *Trend Followers* and *Modernizers* are not the same.

**23.2.2 Macro segment 2: Belongingness****Focused strategy**

We chose to focus on one micro segment from macro segment 2, therefore we recommend to use a *focused marketing strategy* for the micro segment *Marathoners*. In order to capture this segment, we need a specialized strategy. As these consumers are loyal to established competitors and as mentioned, difficult to reach, Helly Hansen needs to focus parts of their resources on attracting this segment. They should do this by emphasizing their high-quality products with long durability and supporting features. Furthermore, give priority to highlight actions they are implementing to satisfy the environmentally conscious consumers.

**Undifferentiated strategy**

We have chosen to target only one micro segment in macro segment 2. Therefore, Helly Hansen cannot adopt the undifferentiated marketing strategy.

**Differentiated strategy**

We have chosen to only target one micro segment in macro segment 2. Therefore, Helly Hansen cannot adopt a differentiated marketing strategy.

## 24.0 Positioning Strategy

By developing and using a perceptual map, we can identify how the consumer perceive the market and how the competitors are positioned compared to Helly Hansen. The perceptual map implies where Helly Hansen should focus their resources in order to increase brand recognition and thereby increase their market share. We will utilize two different dimensions in our perceptual map: *Functionality/Design* and *Premium/Budget*. These dimensions are based on our primary research regarding the sportswear industry in Spain.

### ***Functionality/Design***

Based on our research, we see that customers tend to value the attributes functionality and design when purchasing sports apparel. Additionally, we have chosen a differentiation strategy where Helly Hansen should focus on technology and design.

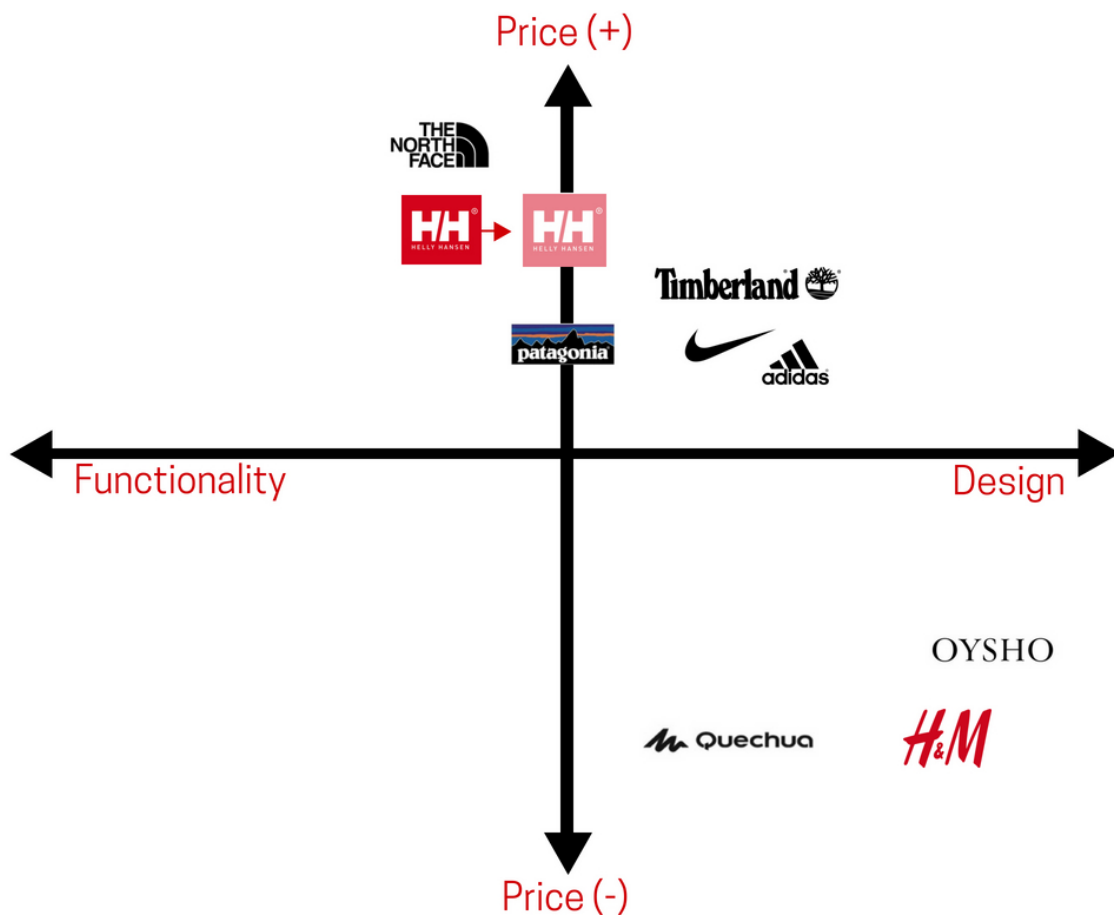
To the left on the horizontal line we have placed functionality, while on the right side we have located design. Functionality means range of capabilities. Seeing that consumers appreciate quality, comfort and technology in clothes we believe that functionality will be a suitable dimension. In addition, consumers mention design as an important attribute, therefore we see this as an appropriate dimension.

By using two different dimensions on the horizontal line we are able to separate the brands based on how the consumer perceive them, either as more functional or as more concerned about the design. Brands that are placed towards the design dimension are brands perceived as having high variation in colours, incisions and added features. Brands with high perceived functionality offer products with various areas of usage and of high technological material.

### ***Price High/Low***

Another aspect we found from our primary research is the price range. Although quality and design are evident factors, consumers also consider price during their decision process. Due to this, we have chosen price as one of our dimension. The vertical line ranges from high to low. Brands that are perceived to have low prices in the industry are positioned at the bottom of the vertical line. Brands that are perceived as more expensive, are placed further to the top.

## 24.1 Perceptual Map



Graph: Perceptual Map

## 24.2 Conclusion Perceptual Map

Currently, Helly Hansen is positioned on the left side of the vertical line, as they are being perceived as more functional than a brand with trendy design. In our primary research, the consumers have the perception that Helly Hansen is a quality brand. Additionally, they also tend to perceive Helly Hansen as a brand with high prices.

The North Face is the most recognized brand among the consumers. They are positioned highest on the dimension *price*. However, the respondents claimed that the products were of high quality and that the price was therefore affordable and they accepted the price. One respondent said that as Helly Hansen offered similar products as The North Face, they would be willing to pay the same amount of money for the products.

We want Helly Hansen to position themselves in the centre, between *functionality* and *design*, as we want consumers to associate Helly Hansen as a brand with high functionality in addition to having trendy and appealing design.

## 25.0 Marketing Mix

Since we have chosen a differentiated segmentation strategy for two of our microsegments, *Trend Followers* and *Modernizers*, and a focused segmentation strategy for our micro segment *Marathoners*, we have developed three different marketing mixes to these segments.

### 25.1 Trend Followers

#### 25.1.1 Product

##### *Specifically for Trend Followers*

Due to the estimated trend that hiking jackets will be the most sold sportswear product in the period 2017-2022, and that anorak jackets are trending this year, we recommend Helly Hansen to further focus on developing and releasing their jacket lines.

We want to aim the *Loke Packable Anorak* jacket from the spring/ summer 18 collection to this segment. The jackets are waterproof, and exist in various colours. They are lightweight and easy to transport. The female jackets have feminine incisions.



Source: [hellyhansen.com](http://hellyhansen.com)

### 25.1.2 Place

#### ***Generally for all three micro segments***

Currently, Helly Hansen has one official store, as well as department stores in El Corte Inglés, an online store and concept stores throughout Spain. They are also represented in other sport stores. We are satisfied with the locations Helly Hansen currently has in Barcelona, both official- and department store.

However, not all of their department stores in El Corte Inglés are present in the Store Locator function on Helly Hansen's official website. The only El Corte Inglés present on their store locator is in Madrid, however Helly Hansen also have El Corte Inglés department stores in in eight other locations around Spain that are not displayed. Because of this, we recommend them to update the store locator function. By not being available on the store locator, this can cause a potential loss of customers in some areas.

As the trend of shopping online is increasing in Spain, having a well-designed website is crucial. Helly Hansen's online webshop has clear indications on where to find various items like jackets, shoes or duffel bags. The website is also mainly adapted to Spanish, which is very important to Spanish consumers.

However, some of the topics are in English, like the company history and reviews. As our research suggests that reviews are essential for Spanish consumers when making a purchase, we suggest that the reviews that are available on the site can be translated (through for instance the Google translating service) to the local language. Additionally, the webshop enables shoppers to pay via either a credit/ debit card or through PayPal. The process from choosing an item to purchasing is easy, straightforward and quick. This is positive for the consumer as it is considered more trustworthy.

#### ***Specifically for Trend Followers***

The storefront in the Helly Hansen Barcelona store is designed in a way that makes the brand look like it is solely for professionals, thus excluding the non-professional customers. A window display that is designed in an unfamiliar way can look intimidating. For the customers who are familiar (professional or not) with Helly Hansen, the window display is

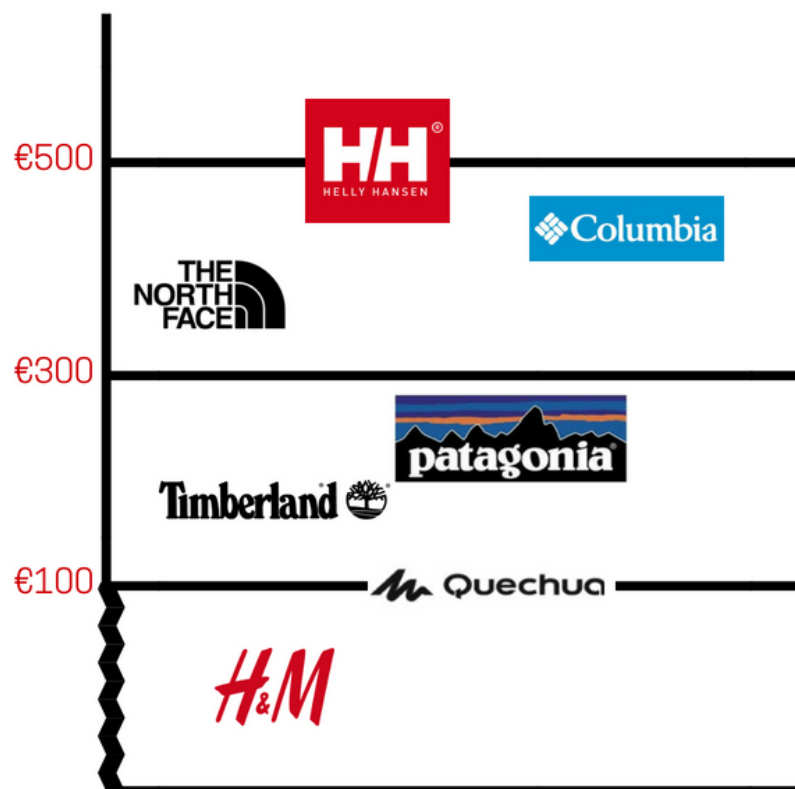
likely not what will determine if they will enter the store or not.

We recommend Helly Hansen to display their anorak jacket collection in the windows to appeal more to the non-professional customers. We do not consider this as costly, as this falls under the job description of the store employees. Therefore, it is not included in the budget.

### 25.1.3 Price

#### *Generally for all three micro segments*

We do not recommend a new pricing strategy for Helly Hansen. We advise them to continue to align their prices with the demand, as well as considering the prices of online and non-online competitors. Below is a graph illustrating the different prices in the market, comparing the different brands by pricing level. We have compared the prices of the most expensive rain jackets for males. Helly Hansen are positioned as the most expensive brand of this graph, however, they have a wide range of products and offer more affordable options.



#### **25.1.4 Promotion**

##### ***Generally for all three micro segments***

Through our primary research we have found that there is generally a low brand awareness of Helly Hansen in the Spanish market. We therefore see it as necessary to improve brand awareness through promotion. As we have found from our secondary and primary research, Helly Hansen do not have marketing specially designed for the Spanish market. We consider this as an opportunity to increase brand awareness through marketing promotions directed specific to the Spanish market.

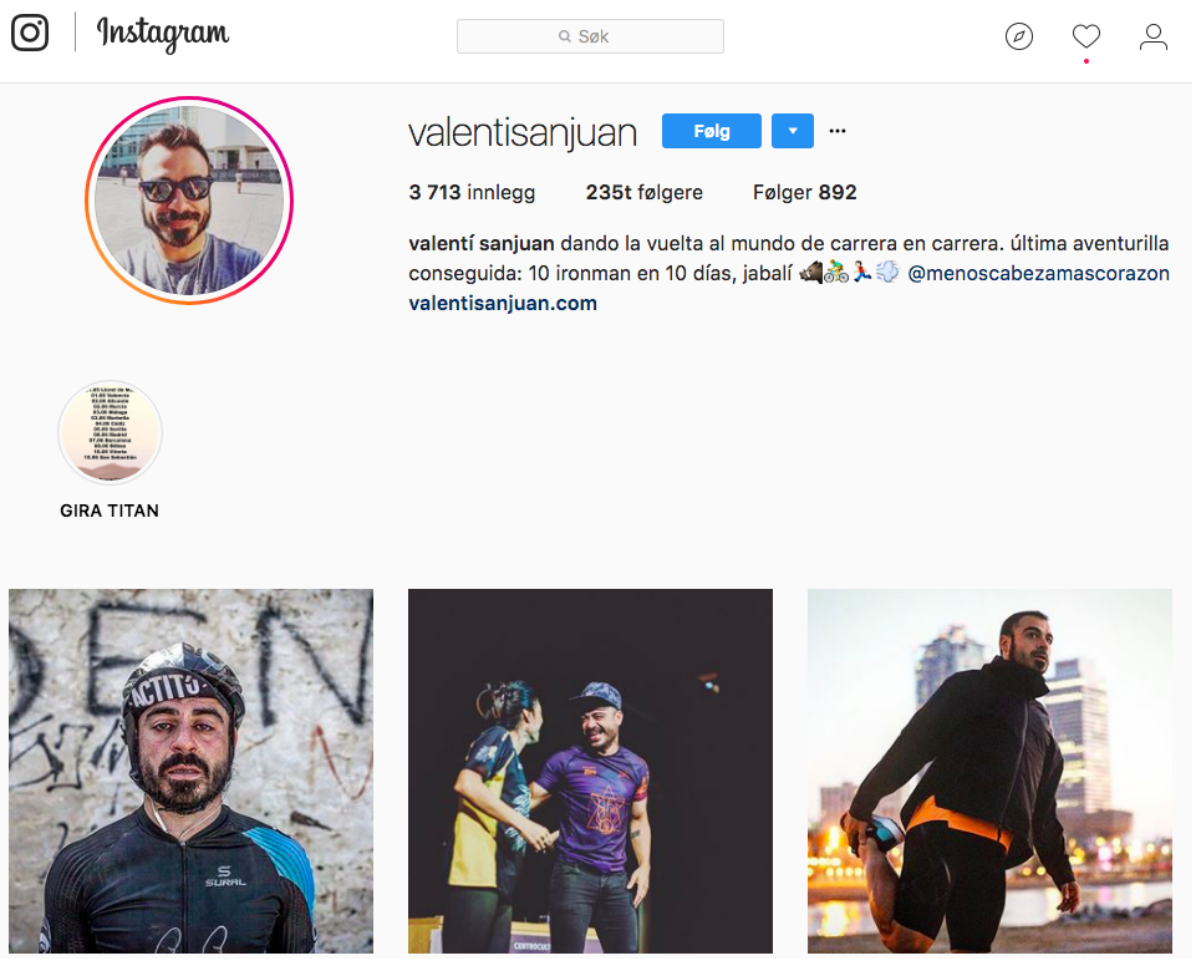
As mentioned earlier, more than 50% of Spanish Internet consumers between 18 and 44 years access social media daily (Statista, 2018-d). In our research, we found that Helly Hansen Chile has an Instagram account with 8000 followers adjusted to Chilean consumers with Spanish language and Chilean culture. We can see from this that there is a potential to appeal to Spanish consumers, using the local language. Currently, Helly Hansen do not have any Spanish social media platforms. We consider this as one of their areas to enhance brand awareness. Due to this, we recommend Helly Hansen to hire a content manager to establish and manage these channels, including Facebook and Instagram.

##### ***Specifically for Trend Followers***

Currently, Helly Hansen is sponsoring Spanish freeskier Adriá Millan. As Trend Followers are highly influenced by social media, we recommend Helly Hansen to continue collaborating with athletes in order to reach a wider audience and influence this segment through social media.

Our suggestion is to collaborate with the sporty influencer Valenti Sanjuan. He currently has 235.000 followers on Instagram and over 400.000 YouTube subscribers. We propose doing a collaboration with Sanjuan. The benefits of sponsoring Valenti Sanjuan with the Men's Spring/Summer 2018 collection *Loke*, is that he will promote this collection in his social media platforms and thereby we can reach a wider consumer group.





Source: @valentisanjuan via Instagram

### 25.1.5 People

#### *Generally for all three micro segments*

In addition to place, product, price and promotion, we have decided to include people as one of our p's. We defined customer service as one of Helly Hansen's key success factors and "educated attendants who are in assistance to the consumers" as one of their needed competencies. We believe that to maintain existing customers, to attract new customers and to create a positive word of mouth, having employees that provide comprehensive and thorough customer service is vital for Helly Hansen.

When we were doing observations in Helly Hansen's official store in Barcelona, we experienced the customer service as poor and not accommodating, as they seemed uninterested and we were not offered any help. Based on this, we consider this as one of their improvement areas. We recommend Helly Hansen to run internal sales competitions as an incentive for the employees to perform better customer service.

## 25.2 Modernizers

### 25.2.1 Product

#### *Specifically for Modernizers*

We recommend Helly Hansen to focus on promoting the collection *Lifa Active Base Layers* to the micro segment *Modernizers*. This collection reflects the quality and technology that Helly Hansen wants to be associated with. As *Modernizers* often value quality, we believe *Lifa Activa Base Layers* will suit them. This collection is trendy, colourful and user friendly, as they can use the base layers for different areas and activities. The material is made for medium/ high activity where light warmth is needed. (Helly Hansen, 2018-e).



“

“The Lifa® technology in the base layers is something I can't do without. It's the base of all my outfits for fall and winter. It takes the sweat away from my skin therefore keeping me dry, warm and comfortable. Goodbye cotton. Genius!”

Guillaume Otis, mountain guide

”

Source: [hellyhansen.com](https://hellyhansen.com)

### 25.2.2 Place

#### ***Generally for all three micro segments***

We suggest the same place as in *Trend Followers*.

### 25.2.3 Price

#### ***Generally for all three micro segments***

We suggest the same price as in *Trend Followers*.

### 25.2.4 Promotion

#### ***Generally for all three micro segments***

We suggest the same promotion as in *Trend Followers*.

#### ***Specifically for Modernizers***

One of our actions to take for Helly Hansen is to continue to demonstrate how the product's price reflects the quality. A recommendation is to release a promotional campaign on YouTube and Facebook, where we show consumers how the material is breathable, warm and comfortable. Additionally, it will demonstrate to consumers that *Lifa Active Base Layers* can be used for various activities.

### 25.2.5 People

#### ***Generally for all three micro segments***

We suggest the same people as in *Trend Followers*.

## 25.3 Marathoners

### 25.3.1 Product

#### ***Specifically for Marathoners***

One of Helly Hansen's key success factors is *environmentally friendly products*. In order to attract a wider customer group, they should concentrate on being more eco-friendly. Another KSF is *techwear*. According to our secondary research, the bag market is increasing in Spain and duffel bags are being introduced to the market. Considering this, we advise Helly Hansen to further focus on developing their current bag collection, being more eco-friendly and apply more technologies.

After examining Helly Hansen's product range at their webshop, we consider their shoe collection to be limited. We suggest that they invest more in R&D to further expand their product lines.

### **25.3.2 Place**

#### ***Generally for all three micro segments***

We suggest the same place as in *Trend Followers*.

#### ***Specifically for Marathoners***

Based on the observations in our primary research we noticed that Helly Hansen have some improvements to make to be able to increase sales in their physical stores. By for instance displaying the duffel bags in a more appealing and visible way, the customer will be able to understand their functions.

We do not consider this as costly, as this falls under the job description of the store employees. Therefore, this is not included in the budget.

### **25.3.3 Price**

#### ***Generally for all three micro segments***

We suggest the same place as in *Trend followers*

### **25.3.4 Promotion**

#### ***Generally for all three micro segments***

We suggest the same promotion as in *Trend followers*.

### ***Specifically for Marathoners***

We recommend Helly Hansen to advertise their products in online newspapers, as more than 54,5% of the Spanish population between 35-49 reads newspapers online and Marathoners is in this group. The ad should demonstrate how products fit the consumers' lifestyle. An important element is to include Helly Hansen accessories like bags or shoes. This can be done by using different banners such as a skyscraper advertisement, for instance in the newspaper *La Vanguardia*. This is a tall and narrow banner, usually placed to the right of the content on a web page. This ad remains at least partly visible as the viewer scrolls down the page (Rouse, 2007). When clicking on the ad, consumers will be directed to Helly Hansen's website, which will result in both higher brand awareness/recognition and sales. Below we have made an example of a skyscraper ad:

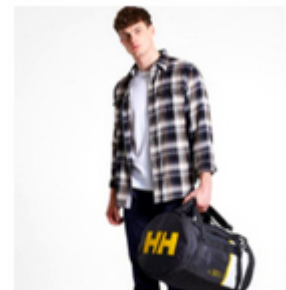
*Image: example of a skyscraper banner ad*

### **25.3.5 People**

#### ***Generally for all three micro segments***

We suggest the same people as in *Trend Followers*.

HELLYHANSEN.COM



*Shop now*

## 26.0 Proposal for Budget

Helly Hansen's 2017 global revenue was estimated at 308,535,179 euros (Helly Hansen, 2018-d). We estimate that the needed actions for the marketing mix can use maximum 1% which equals 3.085.351,79 euros.

Action	How	Costs (€)
<b>Generally Place</b>	<ol style="list-style-type: none"> <li>1. Update El Corte Inglés locations on the Store Locator function on Helly Hansen's official website</li> <li>2. Translate customer reviews that are available on Helly Hansen's website to the local language (through for instance a translating service like Google Translate)</li> </ol>	<ol style="list-style-type: none"> <li>1. Estimated to be maximum 1 day of work for the IT department</li> <li>2. Free to install. Estimated to be 1 day of work for the IT department</li> </ol>
<b>Generally Promotion</b>	Hire a content manager who can establish and manage social media accounts adjusted to the Spanish language (Facebook and Instagram in particular)	Yearly salary of €25.000,-
<b>Generally People</b>	Run internal sales competition as an incentive to perform better customer service	€50,- per quarter
<b>Trend Followers Product</b>	<ol style="list-style-type: none"> <li>1. Release and develop their hiking jacket line</li> <li>2. Aim the <i>Loke Packable Anorak</i> jacket to the micro segment Trend Followers</li> </ol>	Not able to estimate costs
<b>Modernizers Product</b>	<ol style="list-style-type: none"> <li>1. Aim the <i>Lifa Active Base Layers</i> to the micro segment <i>Modernizers</i></li> </ol>	Not able to estimate costs

<b><i>Marathoners</i></b> <b>Product</b>	<ol style="list-style-type: none"> <li>1. Focus on developing their current accessories and being more eco-friendly</li> <li>2. Invest more in R&amp;D to further expand their shoe collections, and apply more technologies to their bags</li> </ol>	Not able to estimate costs
<b><i>Trend Followers</i></b> <b>Promotion</b>	Collaborate with Valenti Sanjuan through social media channels like YouTube ( <a href="https://www.youtube.com/user/valentisanjuan/featured">https://www.youtube.com/user/valentisanjuan/featured</a> ) and Instagram (@valentisanjuan)	<p>Sponsor him with the <i>Loke</i> collection. Estimated cost at €860,-</p> <p>In addition, we estimate to pay €1.500,- to compensate him for posting on his social media channels.</p>
<b><i>Modernizers</i></b> <b>Promotion</b>	Release a promotional campaign on the <i>Lifa Active Base Layers</i> collection on Youtube and Facebook	<p>Extras (Volunteers) <u>Free</u></p> <p>Production of campaign: €70.000,-</p> <p>Facebook campaign: (cost €0.85*5000) <u>€4.250,-</u> (Daciuk, 2017).</p> <p>Youtube campaign: (cost €0.80*20.000) <u>€16.000,-</u> (Influencer Marketing Hub, 2018).</p> <p><u>Total cost = €90.250,-</u></p>

<b><i>Marathoners</i></b> <b>Promotion</b>	Banner advertisements on newspaper <i>La Vanguardia</i> online (Godo Strategies, 2018)	Skyscraper banner online (€60 per day*28 days) <u>Total cost = 1.680,-</u>
		<b><u>Total estimated costs = €119.340</u></b>

## 27.0 Conclusion

### Is there potential for Helly Hansen to increase sales in Spain?

To answer our problem definition: yes, there is potential, however there are improvements Helly Hansen needs to focus on.

- The main thing Helly Hansen should do in order to increase sales in the Spanish market is to develop brand awareness.
- Because of ongoing trends, it is currently an appropriate time to increase brand awareness in the market through promotion and products.
- We recommend Helly Hansen to focus on targeting three micro segments: *Trend Followers*, *Modernizers* and *Marathoners*. We perceive these as the most attractive segments. The two first should be targeted through a differentiated marketing strategy, while they should implement a focused marketing strategy to the latter.



## 28.0 Evaluation: Do's and Don'ts

### 28.1 Do's

- Pick a group that you know you will work great with. It is a big advantage to have the same work methods
- Write about a company that interests you. That way, writing the thesis will be much more fun and easy to work with
- Work together as a group, not individually. That way, the entire group is always updated. Working together will also result in a thesis with higher quality
- Work on *Google docs* or other cloud based platforms so that every group member has access to the project at all times
- Use the tutorials efficiently. Prepare questions prior to tutorials to remember to ask about everything you need help with
- Make sure the questionnaire to in-depth interviews and focus groups are done thoroughly, to get the information you need
- Create an agenda for every time you meet. That way, the whole group works more efficiently
- Always bring a recording device. That way, it makes it a lot easier to do the transcripts and summaries

### 28.2 Don'ts

- Don't wait too long to search for a company. Companies tend to reply late. If you can, check potential companies in Norway before you leave
- Don't postpone the primary research. In-depth interviews and focus groups is a crucial part of the thesis. You will want to have enough time doing it right
- Don't write misleading/ unnecessary information, be as consistent and direct as possible
- Don't underestimate the time spending on going over the thesis, correcting and doing the last finish before submitting

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## 30.0 Appendix

### 30.1 Transcript: In-depth interview 1

Interview subject: Jordi (McFit), consumer

**Q.1 - How old are you?**

33 years old

**Q.2 - Do you have any family or do you have any kids or something?**

No, no kids, but I have a girlfriend and a cat.

**Q.3 - What do you like to do during the weekend?**

I am working, go out to eat with my girlfriend, and go to the beach.

**Q.4 - So you like spending time outside?**

Yes, I like to run

**Q.5 - You like hiking, like in the mountains?**

Yes, there is a nice place here in Barcelona, where I like to run, but in the summer i prefer the beach.

**Q.6 - In the fall and the winter, when it is a little bit colder, do you prefer to spend more time outside?**

No, in the winter I prefer the gym.

**Q.7 - When you do sports, either outside or here, is it important to you that you wear clothes that are meant for the gym, like for examples technical, sweat resistant etc.?**

For running, yes, it is important for me that it is good trousers and technical t-shirt that breathes well.

**Q.8 - Do you go shopping for sports clothes a lot?**

No, maybe 2 times a year, and sometimes I get for my birthday. I like Decathlon and Nike Store.

**Q.9 - Before you go shopping for new clothes, do you like to talk with your friends and family, to see if they have any suggestions, or do you like to look at the internet for inspiration?**

Yes, maybe the Internet more than my friends, because my friends are not so sporty.

**Q.10 - Imagine you were going on a hike or a run outside in the mountains and it was raining, and you needed a new jacket, where would you go to get this?**

I have clothes for raining, and I have wind stopper, because I drive motorcycle, so I think I have clothes suited for the weather. (Did not quite understand the question)

**Q.11 - What is most important for you? Is it the quality, the design?**

That it is comfortable, and the brand is important for me, that it looks good.

**Q.12 - So do you also like Nike for this reason?**

Yes, Nike, Adidas, Reebok, because they have clothes for CrossFit, I like that very much.

**Q.13 - Do you normally like to go shopping on the internet, or do you like to go in the actual stores?**

I like the Internet, but for trousers and shoes, I like to go in the stores to try.

**Q.14 - Do you use Social media?**

Yes, I have Instagram, Facebook, Twitter, Snap chat. Twitter is the best.

**Q.15 - Do you follow any profiles that include sports?**

Yes, I follow FC Barcelona and some athletes from CrossFit.

**Q.16 - Do you like to buy items that they wear, or they recommend, because you like them?**

Yes, maybe Gerard Pique, and the other players. They have a business and they travel a lot (?).

**Q.17 - Are you most likely to buy items he puts his name on?**

No, I don't use social media to buy clothes.

**Q.18 - Are you more inspired by?**

I am more influenced by some marketing, or my girlfriend. And in magazines.

**Q.19 - Where do like to look for shoes?**

Footlocker, and Internet. Normally I like to look at the shoes at the Internet, then go to the store and try them on.

**Q.20 - Do you talk to the people that work in the stores to get help sometimes?**

No I prefer to look at the Internet, and just go in and out of the store.

**Q.21 - Do you normally wear sportswear on a normal day as well?**

No, because I work at gym, I like to wear jeans and shirts on a normal day.

**Q.22 - So you said you had some Wind breakers and thing like that, would you wear them even if you were not doing anything sporty on a normal day?**

Yes.

**Q.23 - Do you have any trends that you have noticed today in the gym?**

For indoor – Nike, Adidas and Reebok, and for outdoor maybe the North Face.

**Q.24 - Have you ever heard about a brand called Helly Hansen?**

Yes, the double HH? Yes, I have seen it. They have ski clothes, haven't they?

**Q.25 - They have a store near Paseo de Gracia? Have you ever been there?**

No, not yet.

**Q.26 - When you see two items, and one is much more expensive than the other, but it has better quality as well, would you buy it?**

Yes, I can pay a little bit more for good quality. Quality is important for me, so yes.

## **30.2 Transcript: In-depth interview 2**

Interview subject: Marta, consumer

**Q.1 – How old are you and what do you do?**

I am 23 years old, and I'm a student at ESADE, I also work at a shop in Glories every day.

**Q.2 – Do you live with your parents or alone?**

I live home with my parents in Sant Marti.

**Q.3 – What do you like to do during the weekend?**

I work almost everyday from Monday to Friday, on the weekend I like to relax with my friends out on bars and party sometimes. I also do sports.

**Q.4 – Do you like to work out when you have time or do activities outside?**

Hmm.. I sometimes go to the gym with my girlfriends, aah for outside activities I only go to the mountains with my family during the winter break for skiing. Every year. Which is very boring to me.

**Q.5 – Oh so you mentioned skiing, do you enjoy doing it with your family?**

Oh well when I was little yes, but not now I feel it is more for the family.

**Q.6 – Okay, so before these vacations, do you go shopping for new clothing for the different sports and weather or?**

Well no, mostly I use old stuff of my mom or if I need something I go to Decathlon to buy a new jacket that is cheap, it doesn't matter to me.

**Q.6 – So price is what is important to you? Not design and quality?**

I mean yes, because Decathlon is a cheap sports wear shop but they only have sportswear so I know its good. But for other sports I do, I buy quality stuff.

**Q.7 - What sports do you practice? And why do you like these activities?**

I play tennis once a week. I like to play tennis because not many people around me play it, so it makes me feel unique. Tennis has also been an activity in our family for many years, so it is very special to me. I also bike every day, and sometimes i like to go hiking and running as well. I do this because it is good exercise, and it's healthy for me.

**Q.8 - How important is clothes traditionally meant for sports to you? (Ex., do you ever use a shirt from H&M to run in?)**

Yes. I don't really care about sports clothes for running and hiking, but tennis yes because you need to wear a certain outfits.

**Q.9 - Do you wear sportswear as casual daily wear as well?**

No, I normally don't do that. Maybe a t-shirt for example to go shopping, hanging with friends or something.

**Q.10 - When searching for sportswear, where do you look for information?**

I don't really look for info, I don't get influence by others, I just impulsively buy whenever I find something. Hmmm, I know what I like.

**Q.11 - Whos input do you consider? friends, family, internet?**

I just buy what I see is cheap and I like.

**Q.12 - Have you ever chosen a sportswear item (ex. jacket) so that you can wear it day-to-day also?**

Yes.

**Q.13 - If so , what brand do you usually look for?**

H&M, Decathlon, El Corte Inglés, Adidas, Nike. The cheaper the better hehe.

**Q.14 - In shop or online?**

In store, because I like to try on before buying.

**Q.15- If in stores: do you prefer to be helped by staff, do you consider their knowledge before making a purchase?**

Yes. Service is important

**Q.16 - Are you normally loyal to this brand (if they mention a specific brand) To Decathlon?**

Yes.

**Q.17 - What are some attributes that makes you buy an item?**

Quality is the most important thing for me when buying sportswear. Good design is also important and I prefer these over price.

**Q.18 - Do you use social media? Do you think you get more influenced by traditional media like TV, magazines, newspapers or Social Medias? In what way does it influence your purchase decisions?**

In terms of design I get influenced, but I don't buy the same brands that are advertised on the internet.

**Q.19 – Do you know the brand Helly Hansen?**

Hm, yes. So I would say my perception of this brand is professionalism and good quality.

### **30.3 Transcript: In-depth interview 3**

*(this interview was first held in Spanish, and later translated to English)*

Interview subject: Ana, consumer

**Q.1 - Tell us about yourself**

I am 35 years old, I live in Barcelona and work in a shop selling motorcycle apparel. I live with my husband.

**Q.2 - What do you like to do in your spare time?**

Like to go out in the nature, and go to the movies. And to drive my motorcycle.

**Q.3 - What sports activities do you like to practice? What do you like to do in the nature?**

I like sports in general, but no sports activities in particular. I prefer active hiking and to go to the mountains with my husband.

**Q.4 - Where do you normally buy clothes for hiking and for being outside?**

Normally I use local shops, Decathlon and El Corte Inglés. And for running shoes, Asics, we love them. And we *(her and her husband)* use online a lot.

**Q.5 - What is the most important for you when buying clothes?**

The most important thing for me is finding apparel of high quality! And next, design.

**Q.6 - Who do you consider before buying clothes?**

Internet. I always look at ratings and feedback on Google. It's the same for restaurants, I don't go to restaurants if they don't have many stars. And as I work in a shop, I also trust the people who work there of course.

**Q.7 - What brands do you know of in the sports market?**

The big ones; Nike, Asics. And for smaller, I know North Face and Columbia. They are also important.

**Q.8 - What makes you repurchase a product?**

The quality, that it lasts over a long period. And the comfort. I always buy the same brands for shoes, like Asics, as I invest a lot in buying them. For clothes, it's more everywhere. The design is more important than the brand, together with the quality and comfort of the product.

**Q.9 - Do you know Helly Hansen?**

Yes. *The guy next to her in the shop shakes his head, "I have not seen it".*

Woman: It's very famous to me. It's normal for mountain, ski and sailing. More technical clothes. I have seen it in El Corte Inglés.

**Q.10 - What do you think about the price?**

Quite normal for the quality, in the market. For me, it's a bit pricey, but the quality is high and it is technic clothing.

**Q.11 - How do you think it fits in the Spanish market?**

I think it's quite popular here, the design and everything they are using is very different than what the others are using. More colourful, North Face is more flat and more brown/black. Helly Hansen is more shiny. The North Face is more famous here, but I like Helly Hansen more. The North Face has much more variety in their selection and therefore is more famous.

**Q.12 - Have you seen their bags?**

I have seen them, but I never bought one. But I have a Helly Hansen jacket and I have some ski pants, but they are too small now so I cannot use them.

**Q.13 - What do you think about the Spanish people's attitudes towards training?**

A very big trend. Here in Catalonia for example, we have Pyrenees that is super close. And

very nice. And if you like the mountains you want to go there, to see the view and in the winter it can be -20 degrees and you would need tech gear. So here, brands like Helly Hansen is very useful.

### **30.4 Transcript: In-depth interview 4**

Interview subject: Alvaro, employee of “The North Face”, competitor

#### **Q.1 - What do you think are your main competitors in the industry?**

Our main competitors are Salomon, Columbia. Here in Barcelona there is also two or three big shops that sells clothes for mountain like Barrabes and Balmat which is also big competitors for us. But they are more technical. We at the end sell a lot of jackets and other clothes but not so much for climbing.

#### **Q.2 - What do customers come in the store to buy? Clothing or more technical stuff?**

Always for the clothes and accessories. We don't have ropes and that types of technical material.

#### **Q.3 - What accessories?**

For instance the bags (e.g. The North Face bags) is very popular. They are one of our bestsellers.

#### **Q.4 - Do you know of any other brands that sell similar types of bags?**

Yes, I think Columbia, Osprey, Millet and Helly Hansen also have something similar. I don't know if it's true, but The North Face is one of the first brands coming out with that type of backpacks.

#### **Q.5 - When people are buying products here, do they often buy other products as well?**

##### **Like for instance if they come in for a t-shirt, do they usually buy more than one item?**

We try to sell more products of course, but sometimes the customers are very consistent, they know what they want to buy. But yeah, the typical example is that if we sell shoes, then we try to sell socks as well.

**Q.6 - Do you find that a lot of customers do research beforehand, before they come in the store?**

Yes, many use to look at reviews on the internet. But we have some kind of problems on the website, because it's different prices there, and they come into the store with conceptions that the price is that and that. We are a franchise, we are not official.

**Q.7 - So you are not the same store as in El Corte Inglés?**

The shop in El Corte Inglés, I think it is official. But we are one of the biggest in Europe. The biggest stores is in United States, China etc.

**Q.8 - Do you know how expensive and time consuming it is to establish a company in the sportswear market in Spain?**

To start a company? Well, yes. It is hard, difficult, you have to have a lot of money and resources to start a business like this. There is a lot of competitors in the market.

**Q.9 - Do you think it is more expensive to start a company here in Catalunya, or is it the same in all of Spain?**

In all of Spain it is expensive, but I think particularly here in Catalunya, because we pay a lot of taxes. It is higher here.

**Q.10 - Fake sportswear products, illegal street sellers, is that a threat to you?**

If it's a problem for us? No. I support it. All of the "manteros". They are organized in a worker collective. And it is very good. They get a lot of repression from the police. It is not fair, they are workers like me. But without papers, without any way to start something, it's difficult. I think that other shops' argument that they are a threat to their local shops, it's bullshit. It's not a problem.

**Q.11 - So you don't notice less sales because of it?**

No. It is a huge problem every corner with a Zara shop, with Uniqlo, all of these big companies. I hate Zara. Because their owner is from Spain, and it is a company that uses slavery to do their work. Amancio Ortega, one of the richest men on earth. Selling bad clothes, made in poor countries with less conditions.

**Q.12 - Do you think your customers value good quality that's made ethically?**



Yes. I am a little bit critical to North Face with this, because it's 50/50. They try not to use some toxic inks, they try to use responsible dyes for the jackets, but in another way for example there is a gas spray they put on the water proof jackets, it's very toxic. But all the brands use it.

**Q.13 - So it's difficult to change it, because everyone uses it?**

Step by step, they (The North Face) are trying to change.

**30.5 Transcript: In-depth interview 5**

Interview subject: Juan, employee of "Action Sports".

- **Can you talk about the shop?**

It is a family shop in Barcelona. We have different summer and winter products. Snowboard products, now it will be in magazines.

- **Okay, so you change seasons?**

Yes, we have all the action sports. Not any sports played with balls (football, basketball, tennis etc.)

- **I've seen that you have some winter jackets in the window, is it like all around the year products?**

Winter jackets are sold all around the year because people are going to Argentina, the alps, but not the same quantity as in the winter time. Only most important items.

- **As for your customers, are they loyal customers or random customers?**

Usually, they are not from this zone of Barcelona in the winter, around in Catalonia, including the rest of Spain. In summer it is different, there are more tourists and from this zone of bcn. In the winter the customers are more important and they are more loyal customers in the winter, because we (Alp sport) have good prices. Usually you have to sell at the same price, or cheaper, as the internet. Or you will have to close.

- **What kind of products do you offer?**

Brands, more expensive products. Decathlon is the cheapest in the market and is made for “crazy” customers who buy “everything”. They are not my client. My clientele look for more technical stuff, for more sports. All the technical shops in Barcelona have good products. It's better to sell the best, than only the good.

- **Do you consider Internet a big threat, a competitor?**

You have to adapt your prices to them, people prefer coming here and try it. Actually, we are making an online shop, but it is not only good. It is difficult and clients' perception is that the shop is selling products of the best quality. It is a longer buying process when you go through the webshop, as you read comments. Also, they know that the products sold in Alp Sports are tried and approved by “professionals” who know quality and technology.

- **Do you think people are looking for price?**

It depends on every person, but for example if I need water, I go to the bar next to my shop, I pay 1 euro. If i go to the supermarked, I will pay less. But I don't care if it is closer. Availability is important for clients, not only price and brand. Some people start buying in outlets, and finally they get crazy. People look for lower prices. But most often, people look for more, quality and design. Always, there are some people who buy the most expensive. For example, we sell this ski, we are the only one in BCN who sells this. It is made in the USA - it is from DPS and costs 200 euros. BUt always, there are people who wants to sell. It is easier to sell the best, than good. It is always easier to sell the most expensive, than a little cheaper. If you have the money, you prefer the best.

- **Where do you buy your products, what distribution channels do you use?**

Bueno, we buy brands from other companies. We imported this from Poland, and this from Portugal, and this from Malta. But most things we buy from Spanish companies. A lot of companies in England and France who distribute to all european countries. They come from different distributors. Actually I can ask for something and in 2 days there is delivery.

- **Do you have any other stores?**

We are the only here. Around the world, all shops are closing. Stores will only survive in cities where there are tourists. The rest will buy online.

- **Do people come here for technology or design? or both?**

People come because they know they will find what they are looking for and sometimes they come without knowing what they are looking for. But also design, technological product more than fashion. We sell really different kinds of product. You need to have a wide variety of what you sell. We have many models and many colours of skateboards for example.

- **People who buy a jacket here, do you think they wear it only to go skiing or wear it on a normal day?**

The weather in Spain is not a very cold country, we have jackets for the mountains with plain colours. But skiing jackets are mostly used to skiing. Those who have much money use different jackets, but those with less use it more.

- **I see that you have North Face, Element, what brands do you not have, that are in Spain?**

We sell only brands with its own technology and production, real brands. Not Quechua, it is for Decathlon. Within skis we sell Mammut, Spider and other cheaper brands. In mountain we sell Trango, very good quality. But Trango sell more because they fit better for Spanish people. The North Face fit for taller person like Americans. Trango is more for us (Spaniards). Sometimes people like the brands that fits you better.

- **Have you heard of Columbia and Helly Hansen?**

Columbia is medium brand. Helly Hansen is actually, it is a good brand, but a little nautical and snowboard. It is not a good time for Spain for Helly Hansen.

- **Why is that?**

It is not fashion now. We have sold it before, but we cannot sell all good brands. Those we have now sells more. We sell more Mammut now. But maybe later again. This weekend closed the last skiing resort in Sierra Nevada, for the season. Now, all the people will go swimming, windsurfing, and wear bikinis. In shops for this, you will find Helly Hansen. But sometimes it is not only brand that is important for Spanish people. For example, Napapijri, you know? They were sold in this kind of shop for 5 years ago. Now it is fashion, and you will not see it in clubs. It is too normal now, people wear it in the discotek and not in the mountain. And this is a mountain brand. Actually, Helly Hansen is more nautical, and the underwear is very famous. But now not, but always it is the same. Some years we sell, some years we don't, and some years we don't.

### 30.6 Transcript: Focus group 1

Interview subjects: Girl 21, student (1), girl 19, student (2), man 28, gym employee, woman 55, teacher

**Interviewer 1: We are just going to talk about sportswear and what you wear to the gym. We are going to record this, but it will of course be anonymous. Ok?**

*(Everyone says yes)*

**Interviewer 1: What kind of sports do you practice?**

**1:** I go the gym

**2:** I also go to the gym, but I like to run outside as well

**Interviewer 1: When you run outside, do you care what kind of weather it is?**

**2:** Emmm, no, I don't really

**Interviewer 1: You still run if it's raining?**

**2:** No, if it's raining, I don't go for a run but if I'm running and it starts raining I continue to run

**Interviewer 1: Oh, okay**

**Interviewer 2: How would you define your style? Sporty, casual, formal etc.**

**2:** I would say casual

**Woman:** Yes, casual. Sometimes formal

**1:** Sometimes I feel like dressing up a little bit more

**Man:** Elegant/ funky. I like to look smart, but change it up with a fun shirt, like one with flowers

**1:** I also really like accessories. I would pay more for accessories than clothes. Yeah that's really important

**Interviewer 2: Okay. Do you guys have any place that you buy sports apparel since you guys work out or is?**

**1:** You mean like a proper shop?

**Interviewer 2: Yes**

**Interviewer 1: Or what do you wear to the gym, or to work out or...**

**2:** I uh, I wear um, like, sport jeans, like..

**1:** Leggings?

**2:** Yeah leggings. And a t-shirt more um more

**Interviewer 2: Large sized or big sized, loose?**

**2:** Not big size but not tight you know. The t-shirt isn't especially for sports. Like it's a normal t-shirt I don't know, whatever. And trousers are as I said

**Interviewer 1: Do you have any brands that you like?**

**2:** Umm, Nike, I really like Nike. Or also Oysho

**Interviewer 1: Oysho. Cool**

**2:** Yeah

**Interviewer 2: And you? (*looking at girl 1*)**

**1:** It's like shoes, I really like can't remember.. They have an N on it

**Interviewer 1: New Balance?**

**1:** Yeah! Because they're made for running. I just to run a lot, but then I... I go through so many pairs, so I don't use New balance anymore, I use Nike since their shoes lasts longer. I have leggings and Nike sports bra. And t-shirt made for sports coming from uniqlo, cause they are like weather resistant types of clothes and I need that. So for the wind, for the rain and everything

**Interviewer 1: Oh, okay. So that's important for you that, when you buy sportswear items that you can use it outside as well?**

**1:** It's amazing cause it's sweat resistant. I hate those days when it sticks to you  
(*Everyone laughs*)

**1:** And also that its wind resistant, cause when you're working out and your muscles are being really warm and everything you running in the cold, and you have the wind on it, I don't like the fresh feeling of it, it keeps me warm that good. And uhh, regarding shirts I would rather use a cotton shirt that we were discussing, absorbs the sweat

**Man:** Yeah that's more comfortable

**1:** I don't like the t-shirts that are like... available for women I don't like, its more how they fit. I use this more.. They usually make those tank tops, and when I got to the gym, I want to look as covered as possible, cause I don't like people staring at me and my body, especially at the gym

(*Everyone laughs*)

**1:** So I use those XXL shirts that you never...

**Interviewer 1: Okey, ehm. How about you (*looking at the man*). You obviously work at a gym?**

**Man:** Yeah

**Interviewer 1: So do you only work out at the gym?**

**Man:** I don't work out

**Interviewer 1: You don't work out..?**

**Man:** I do work out in periods, but I don't tend be uhh consistent with it. I do one of those, what's it called. The phrase *(something in Spanish)*... Somebody who does something, and doesn't consume his product

**Interviewer 1: I understand... but do you guys like, like, to go.. like you said you like to run outside in the mountains, do you guys like to hike or? Have you ever been to Montserrat or...? Is that something that you like to do?**

**Man:** No, I don't, hehehe

**1:** I used to be a scout, so I used to hike a lot, like 20 km every weekend. Not anymore, thank God. But yeah

**2:** 20 km? Wow

**1:** Like have you seen my legs, they're amazing. Only thing I'm proud of  
*(Everyone laughs)*

**Interviewer 1: So do you go to a gym, or do you like to walk outside?**

**Woman:** Outside

**Interviewer 1: Is that something that you like to do on the weekends?**

**Woman:** Eh, in the week too. Both

**Interviewer 1: But umm, when you guys wear sports clothes, do ever wear like casually? Like Trinny are today wearing tights and a t-shirts, for school. Do you ever do that for comfort reasons?**

**2:** No not really...

**1:** Exams! Sports bra all the way.

**Interviewer 1: Okay**

**2:** Really? Usually it's like uhhh like its constraining and hard to breathe

**Interviewer 1: And why do you do that?**

**1:** Like I try to find the ones that are like really thin

**2:** Comfortable?

**1:** Yeah, comfortable

**2:** No I don't really wear sportswear as everyday clothes

**Interviewer 1: But you like to be comfortable? *(looking at girl 1)***

**1:** Yeah, I wish I had the money for the pretty sports gear, but I don't have the money, so I go for the cheap, but very resistant ones

**Interviewer 1: Okay**

**Interviewer 2: Do you *(looking at the man)* wear sports clothes to work for example?**

**Man:** Ehm, I don't normally do. Ehh, so no not really

**2:** So do you study at ESADE?

**Interviewer 2: He works at Corner Four**

**Man:** It's a family business that was started five years ago. We just rented at creapolis

**Interviewer 1: So we can talk a little about the trends that you see. Like clothing trends, is there anything that you've been noticing lately? Trends that you like or don't like?**

**2:** In sports gear? I've been noticing that girls used to.. Now, most of them just wear the bra..

**Interviewer 2: A sports bra?**

**2:** Mhm

**1:** Yeah, But I think its amazing, cause girls before they got nothing for going to the gym, and now they got the whole like gear stuff and everything. And there are these shirts that have been really famous, the really tight ones. But apparently they're really good since they're really thin. But the price is nuts

**Interviewer 1: Yeah**

**Man:** Still cheaper than before right, and more accessible like you can get it in chain stores now

**1:** Yeah

**Man:** So that's the main thing

**1:** But I don't think it's accessible enough

**Man:** Yeah okay, that's another

**Interviewer 2: So what do you like to wear to work out? (*looks at the woman*). Are there any specific clothes you wear?**

**Woman:** No? Gymnastic, bueno. Ropa de gimnasia normal.

**Interviewer 1: Zapatos?**

**Woman:** Zapatos si, es muy importante. Para caminar. Porque tener, ser buenas. Buen cansadas. Muy importante.

**1:** So many more shoes though

**Woman:** Good shoes, muy importante

**Man:** Good for walking too

**1:** Even now, I have sports shoes on. I wear them every day. I even though I'm not running now

**Interviewer 2: So do you guys have any specific place you shop? Like you mentioned, like el corte ingles, online?**

**Woman:** Decathlon, El Corte Inglés, or Asics

**Man:** Yeah, we love asics too. But I like to shop online and a lot of people they order, try and give back. So then you don't have to go to the shops. It happens a lot. We actually can't, we don't sell clothes in the gym (*talking about his job*). Because it don't really work out for us. It's so accessible and cheap and easy for our clients to get it (*clothes online*) that it doesn't really work out for us

**Interviewer 1:** Okay, that's interesting

**1:** I go in person

**Interviewer 1:** So you like to try?

**1:** Like I can not. If I buy online and everything then I am too lazy to send it back

(*Everyone laughs*)

**Man:** But you're not lazy enough to go to the shop so that's good

**1:** Yeah, I also like to try it on and sometime you get, they advice you in the stores, and I kinda like that, especially since it's getting more and more important to get the good gear to work out and, yeah

**Interviewer 1:** So when you go into a store do you know always what you're looking for, and what you want?

**1:** Yes always. It's so expensive so I know what I want

**Interviewer 1:** Okay!

**Interviewer 2:** So (*looks at the woman*) you like asics right? Do you have any specifics, how much you are willing to pay for a pair of shoes from asics?

**Woman:** They have to be very good shoes. Its is very important for my back

**Interviewer 2:** So you don't really care about the price? just that it's good for you?

**Woman:** No it's more important that the shoes are good

**Interviewer 2:** Okay! What bout you girls, do you have any preferences, do you need like a good one, or is a cheap one fine?

**1:** A cheap one is fine; cause the good one I never found. I never found a good enough one to spend money on

**2:** Yeah I have both. Like if I need a lot of pants, I can go for the cheap, and I buy more

**Man:** I buy less, but really good quality

**Interviewer 1:** So it'll last longer, yes?

**Man:** Yes. And because of the importance of the posture and everything. And I trust that the prices are reasonable within the market. Even though they are expensive

**Interviewer 1:** So do you buy, if you wear sports wear? Do you buy sports clothes a lot? Or is it maybe once a year, twice a year?



**Woman:** Yeah, once or twice a year

**1:** Yeah like them I buy less, but for good quality it's a big investment. I'd rather buy once, and it'll last me the whole year

**Interviewer 2:** So one to two times a year? So if I were to give you a pair of Asics or a pair of Adidas. What make you choose one pair over the other?

**Woman:** For shoes or for?

**Interviewer 2:** Anything!

**Woman:** What kind of?

**Interviewer 2:** For example if there's two kinds of, umm, shoes, but you like... They're both good, but you like Asics better, would you rather choose Asics cause you know the brand is good?

**Woman:** I like many shoes, but Asics for me is really good

**Interviewer 2:** Okay, so you are loyal to the brand?

**Woman:** When I know that it's good

**Interviewer 1:** When you for example buy a new jacket for the wind, and it it's raining in the winter, do you talk to you friends, your family, or do you look online before, for tips?

**2:** For buying it?

**Woman:** For tips?

**2:** A raincoat?

**Interviewer 2:** A jacket, a windbreaker to walk outside

**2:** I usually talk to my dad or my mum, cause my dad knows about sports

**1:** Yeah, same here. Family

**Interviewer 1:** Do you look for ehm, reviews on the internet?

**Woman:** Yes, of course

**Man.** Brand reputation, definitely. And then reviews. Because it's true that when you know that Asics.. When you have a trust. Maybe there are aspects that you wouldn't appreciate at a simple glance, between Adidas. And you trust that Asics will be good

**Interviewer 2:** The customers at Corner Four, do you see any specific brand that you see a lot?

**Man:** Asics have increased a lot in the last few years. And mainly, they're working a lot in paddle, and response in a lot of places where you play paddle. And shoes that gone really strong in running shoes. So a lot of Asics, and Nike

**Interviewer 2: So we have some brands that we want to show you. We just want to know if you know them or have any association to them**

*(Interviewer 1 are showing them a picture of the brand Timberland)*

**1:** Hipster. I think about the suede bronze shoes. They are so expensive

**2:** I think mountain

**Interviewer 2: Do you have any association to them? (looking at the man)**

**Man:** Uhh, Justin Timberlake, Timberland, hehe

**1:** They're for the mountain, but I see more people wearing them on the streets

**2:** Streetwear!

**Woman:** To go camping or..?

**1:** I think they were originally made for camping and stuff

**Man:** They're great. I mean good quality

*(Everyone nods their heads and agrees)*

*(Interviewer 2 are showing them a picture of the brand H&M)*

*(Everyone are familiar with it)*

**2:** Diversity, and not expensive

**1:** It's very convenient

**Interviewer 1: Would you buy sports clothes from H&M?**

**2:** Not for sports, cause they don't have that many

**1:** I like bras maybe

*(Interviewer 1 are showing them a picture of the brand Oysho)*

*(Everyone are familiar with it)*

**Interviewer 1: You mentioned Oysho before, yes?**

**2:** Yeah

**Woman:** Yeah, nice clothes

**Interviewer 1: Maybe not for you? Hehe (looking at the man)**

**Man:** No, but I do know the brand. They have underwear and stuff

**Interviewer 2: Yeah**

**Woman:** Pyjamas and underwear

**1:** They're amazing

*(Interviewer 2 are showing them a picture of the brand The North Face)*

**Woman:** Very good quality

**1:** More for cold weather

**Woman:** Yes

**2:** For cold weather yeah

**1:** Very thick material

**2:** And I also have sports clothes from them

**Interviewer 1: Like to go running?**

**2:** Yes

**Interviewer 1: Would you go hiking in something from them?**

**Man:** Yes, definitely

**1:** It's expensive though

*(Interviewer 2 are showing them a picture of the brand Umbro)*

**Interviewer 1: Umbro, have you heard of them?**

**Man:** Yes, ehm, never had anything Umbro. Maybe in the second step of the brands that I trust a lot

**Interviewer 1: Yes, cause you don't know them much?**

**Man:** I mean, I haven't, I've never tried. Or I haven't seen many of my friends using the stuff

*(Interviewer 2 are showing them a picture of the brand Patagonia)*

**1:** They're amazing

**2:** Their jackets

**Interviewer 1: Where would you wear the jackets?**

**2:** Cold weather

**1:** Yes cold weather, like a windbreaker, but when you need a little more heat

**Interviewer 2: Do you guys have one?**

**1:** I used to, but I broke it

**Interviewer 2: Oh.. How long did you have it for?**

**1:** Oh, a long time. I think my mother bought when she was young. Its really, really good quality. Like the colors get a bit washed off, but it was really good quality

*(Interviewer 1 are showing them a picture of the brand Helly Hansen)*

**Man:** No..

**Woman:** I don't know it

*(No one has heard of it)*

**Interviewer 1: What do you think they have?**

**Man:** Insurance

*(Everyone laughs)*

**Man:** Because of the logo

**1:** It looks like uniqlo, you know

**2:** A shoe shop

*(Interviewer 2 are showing them a picture of the brand Burton)*

**Man:** Don't know it either

**2:** I'm not sure; I think it's more a guy brand

**1:** Oh yeah, I have pants from there!

**Interviewer 1:** Okay, so do you go skiing?

**1:** Yeah, but I use snowboard pants, for comfort

**Interviewer 1:** So what kind of jacket would you wear with that then?

**1:** Patagonia. Or like uh, Saint Clair. It's a French brand I think

*(Interviewer 1 are showing them a picture of the brand Quechua)*

**Woman:** Quechua, Decathlon

**Interviewer 1:** Do you like it?

**1:** It's like, I go through so many wind breakers in a year, cause I used to go hiking a lot, quechua would be my base.. Because I know I'm gonna break it, so I would rather go for the cheaper version. Tights are good there

**Woman:** Yes, I agree

**Interviewer 2:** Yes, that was all of them. So now we just have some follow up questions

**Interviewer 1:** You were talking about Patagonia, if you compare that to The North Face. In terms of quality, price, durability, how long it lasts. Which one do you think you would normally go for?

**2:** The North Face

**Interviewer 1:** And why is that?

**2:** Umm, because of the quality. And because they have things that last long. And esthetically I like it

**Interviewer 2:** So out of all the brands that we showed you, do you guys remember any advertisements from them? Are there any that specifically caught your eye or do you remember if they have any? Do you know if for example Patagonia have a lot of advertisements?

**Woman:** Nooo

**1:** Like I know Patagonia, are more like traditionally. They are really famous for being a really good brand throughout the years

**Interviewer 1:** So that's a reason why you would go back and buy from them, since you know about their reputation?

**2:** My mum used to buy from them, so now I do

**Interviewer 2:** So there's no advertisement that has affected you, and made you go "wow!"

**Man:** No

**Interviewer 2:** Do you know if there's a lot of advertisement in Barcelona about sports wear?

**Woman:** Nike

**1:** Yeah, the big brands

**Woman:** Maybe in the magazines

**2:** Yes

**Interviewer 2:** Not on TV?

**Man:** Like the inditex model that they don't do advertisements. I think H&M they do advertisements

**Interviewer 1:** If you're in a store, and trying on a product, has the customer service ever made you buy a product, or made you not buy a product. If you have ever received good or bad customer service. If you were unsure, and someone gave you a bad tip, would you be more unlikely to buy it?

**Woman:** Umm, I compare first to the internet, and then I go to the shop

**1:** Maybe Nike, they have helped me a lot. Cause like I have really small feet and, I can use the kid size. And the girl was like its cheaper, so go for the kid's size. So she was really helpful. She made me buy the shoe, cause it was really a little too expensive for me, but then she showed me the kids size, so then I bought them

**Man:** Yeah, it's important of course, I hadn't had that many cases that they have so bad at it, that I'm gonna re think my buying decision

**Woman:** Sometimes it's more important the service. Because if you don't know the material of the jacket or something, good customer service can help you to decide

**2:** Especially for sports shops, they are really bad at the rationale between price and quality. They always tell you that this is really good quality. But, compared to the price, it's not so good

**Man:** It's going to be a little bit more important of the reviews, peoples opinion is like, has a lot of weight and Really specialized professionals. Because the people that works in shops, are people that don't really know anything. They just work there, and they have the objective to sell. So people have already lost a bit of trust. So now the reviews are more important. Like the reviews of customers and specialized professionals

**1:** I found that whenever you go to a store, and they're like, "its good quality" it's not really. Like if you go to North Face, and you ask how long is this gonna last, they tell you that this is gonna last you XX years. Its obvious for them that it's good quality

**2:** But depending on what you want to do with that, one is better than the other. If you want to go skiing, you go somewhere other than if you are going hiking

**Woman:** Or in case you have very small feet and you need more help. Or if you need special kinds of shoes...

**1:** Also the design is very important, that it looks good

**Interviewer 2: So, one last question: what makes you re purchase a product?**

**2:** Hmm, I would definitely go for the same. Like Nike shoes they go really well with my feet, sand I know it, so I always buy Nike. Cause I know that asics are really good, since my mum also uses them, but I tried them and they're not good for me

**1:** I guess, I like to change, but I would stick to the brand, and the product was really good quality and they lasted me for a long time. You don't go to buy a Patagonia jacket every day, but if it lasted long, I would change jacket, but I would still stay loyal to the brand

**Woman:** Me too

**Man:** Experience at the end

**Interviewer 1: We're gonna show you a website. This is the brand that you didn't know about**

*(Showing the Spanish Helly Hansen Website, where there is a picture of a sailboat that is sponsored by Helly Hansen and Mapfre (Spanish insurance company))*

**Man:** Mapfre insurance, what's going on?

**Interviewer 1: This is a Norwegian skiing, sailing, outdoor brand. They have jackets, shoes, and bags. And I think this is they along with Mapfre are sponsoring a sailing brand here. I'm going to show you some of the jackets maybe**

*(Showing jacket for rain)*

**Interviewer 1: What do you think of the colors and the design?**

**Man:** They have the slim fit, italian style, like tailored

**Interviewer 1: Like in the waist you mean?**

**Man:** Yes

**2:** They go for the secure colors. Like they have dark colors, and colors that almost everyone likes

**Interviewer 1: Do the jackets remind you of any other brand?**

**2:** Maybe The North Face. The short ones only

**Man:** Doesn't remind you of anything

**Interviewer 2: Would you go to Helly Hansen? They have a store in Passeig de Gracia**

**2:** Yes

**Woman:** Oh, they have this brand. Yes I would go. Why not

**1:** It looks expensive

**Woman:** (*Points to a jacket that is €350*). This one is really expensive

**Man:** The North Face would be like 400 though, way more expensive. If its good quality its OK. It's really difficult to switch from one brand to another. Then I would have to be "wow"

**Interviewer 2: How would be that?**

**Man:** I would have to try it on for sure

**Interviewer 2: Do you have anything more to add about the sportswear market?**

**Woman:** I think it's very different now, since you have a lot of choices. But its is nicer now than before (*the clothes*)

**Interviewer 1: Do you think Spanish people, or people here in Barcelona in general like to be outside. Like walking, hiking, in the mountain, skiing?**

**Man:** Yes. That's the main thing of Spain that people are outdoors a lot. Like for example you see the buildings. If you go to London the buildings don't have balconies, while here every building has a balcony. The sun is so important

**Woman:** Yeah, it's important to always go outside

**2:** Especially for parents, and older people. Like younger people usually like to go the gym I think

**Man:** You (*young people*) don't appreciate it yet. You still like it

**Interviewer 2: Do you think this trend will grow, like going to the gym or do you think?**

**2:** Here, outside would still be the main option

**Interviewer 1: Do you think that it is normal for parents with children to go outside and play, hike?**

**Woman:** Yes. I see sometime, also here in Sant Cugat people running with the..

**Interviewer 1: The stroller?**

**Man:** Yes, this is trending. This is growing a lot. We started the gym because of the clear trend here, of the fitness. It's incredible no how people are conscious of their body condition. And it's even more and more and more. So that's like a main thing. So something that we did, we made an area that is semi-covered. Its outside, but its not completely covered. And this is going to be a tendency as well. And also the "hip training" like Crossfit, like the classes are very short, that you can do with very little materials. You don't need machines, you can train

with your own body weight. And that is a growing tendency. You can do that in the park, with friends, anywhere. Gym still is important, because it gives you motivation. When you go, and other people are doing the same thing that you are doing, it motivates you as well

**Woman:** And you can have a personal trainer too

**Interviewer 2: So people are using more money and sportswear, and food?**

**I:** The clothing motivates you as well. If it looks good

**Interviewer 1: Do you care more about the quality, or how it looks?**

**2:** Both

**Woman:** Yes

**2:** Actually, if it's a t-shirt, definitely the quality and how it looks both

**Interviewer 2: If you have old sportswear, but you need motivation, do you go to buy sports wear?**

**Man:** Yes, it definitely brings you up. New clothes help

### **30.7 Transcript Focus Group 2:**

Transcript:

Interviewer 1

Interviewer 2

Boy 1: Student, 22

Boy 2: Worker, 24

Man: Construction worker, 27

Girl: Student, 21

Woman: teacher, 42

We are gathered here today to talk about sportswear, and what to wear to the gym. We are going to record this, but it will be deleted when we have written all of this down. This interview will of course be anonymous. Are you ready, or do anyone have some questions before we start?

Everyone says: Yes.

**Q1. What sports do you practice?**

Boy 1: Eem, I play rugby, and tennis, I also swim.



Man: running outside or go to the gym(strength-training)

Boy 2: I practice lifting weights and sometimes soccer, but nothing serious.

Girl: I don't really do anything, I go to the gym once a month. Even though I know I should go there and spend more time. Depending on the season, like in winter I would go skiing for a week or a weekend. Or in the summer I would go hiking

Woman: I do yoga and bicycling. And gym like the rest.

## **Q2. Do you like to spend time outside?**

Man: Yes, I like to run outside by the beach or in parks, or sometimes go hiking.

Woman: me too, I love hiking in the mountains.

Boy 1: Yes I like to be outside, more hiking than running, and sometimes I bicycle back and forth from Sitges to ESADE.

Interviewer 1: Whaat, what did you say? Isn't that very far?

Boy 1: Haha, yes I do it sometimes. It takes a while, but I like it, and to have time for myself.

Interviewer 1: wow, that is very impressive.

Boy 2: Just soccer.

Interviewer 2: Anything else you like to do add?

B1: I like to have active vacations. I like windsurfing during the summer. And used to go skiing with my family before. But not anymore. It is expensive and far away.

## **Q3. If you are hiking, running - how important is clothes traditionally meant for sports to you? (Ex., do you ever use a shirt from H&M to run in?)**

Boy 1: The clothes are not so important for me, sometimes I use normal t-shirts, and sometimes I like to have better clothes that are meant for sports. In Spain, it is warm so normal wear often works for me. But I like comfortable clothes.

Girl: The clothes I wear has gotten more and more important to me, when I do go to the gym. I want to wear sports clothes that absorbs the sweat, something that is light and cheap and comfortable.

Woman: I also prefer sportswear that are good for sweating, and that they are comfortable! But it depends on the activity, i have special accessories for yoga.

Man: I normally wear sportswear designed for sports activities, but relatively cheap ones.

Boy 2: Sportswear seems to me essential for practicing sports comfortably. The most important is that the shorts are made for sports activities. The shirts I wear are usually from H&M or Mango, because they do not usually smell so much sweat.

**Q4. Do you wear the clothes you wear to the gym on your free time as well? (Example: going shopping, hanging with friends etc.)**

Boy 1: No I like to change, and I wear normal clothes in my free time, but I can sometimes wear sporty sweats when I am chilling at home. Comfortable clothing is important. Also I like to wear.

Man: I often wear sport shorts at home, or sporty sweats, yeah.

Boy 2: Sometimes I wear sports sweatshirts if I am going for a walk with friends. Apart from that I try to have clothes that are only meant for sports activities. When I go to buy sportswear I usually go to any sports stores like Intersport and Decathlon, and try what is most comfortable.

Girl: No, I don't really wear my normal t shirts because it doesn't absorb the sweat. I don't have a gym style, I don't wear leggings.

Woman: I always wear comfortable clothes and shoes. But not sportswear at work, too informal.

**Q5. When searching for sportswear, where do you look for information?**

Man: Mostly the internet.

girl: I don't look at reviews a lot, it's just more like going to a shop and see what I like, and trying it on and see if it is comfortable.

Boy 2: Internet for me too.

Boy 1: Yeah, I like to read blogs, to find inspiration, and some specialized web sites. Read feedback on products. blog or specialise web sites.

Woman: Yes. And i like magazines.

**Q5. Who's input do you consider? friends, family, internet?**

Boy 1: Friends I think. And internet.

Woman: Same for me.

Boy 2: Honestly, everyone, sometimes I use the internet to see what other people are using, but I never ask for advice.

Man: For me, I don't care that much for sports clothes, it's not very important, so I never discuss it with my friends or family. But yeah, internet of course.

Girl: I would definitely say friends and family impacts me the most.. But for sportswear it's not really a conversation I have with people I'm close to.

**Q6. Have you ever chosen a sportswear item (ex. jacket) so that you can wear it day-to-day also?**

Boy 1: No, like I said before, I like to wear normal clothes in my free time.

Man: me neither.

Girl: No I haven't.. unless it's like a rain jacket or coat that I can wear to hiking. Nike shoes

Woman: Yes, I don't have too much clothes so i like to buy clothes i can use for various causes.

Boy 2: I only use sportswear on a daily basis because their comfortable, like training shoes. I also wear vintage sweatshirts on a daily basis, like Fila.

**Q7. Imagine you are going hiking or on a walk in the winter and was missing the right clothes, where would you start looking?**

Boy 2: I would go directly to Decathlon and ask someone, because honestly I do not usually do a lot of hiking.

Man: first the internet, and then go to the store.

woman: Me too, i start with internet and look at brands that i like and know. For example Patagonia.

Boy 1: I would go to Decathlon or Intersport to find a jacket, because they have a good selection. They also have good prices.

Girl: I would probably go to normal ski shops , whatever most close and convenient.

**Q8. Where do you normally buy sportswear? Internet, physical stores?**

Man: for the most part, the internet.

Girl: Physical for sports wear, but I have been recently looking at online more just because it is easier, but I haven't made a purchase yet.

Boy 1: Normally I go to small shops for technical products or Intersport. Shops that are convenient.

Boy 2: I always buy in the actual stores.

Woman: same, always in the store.

**Q9. Do you prefer to be helped by staff, do you consider their knowledge before making a purchase?**

Man: I find it useful, but i mostly use the internet.

Boy 2: I prefer that they help me if I am going to buy clothes for sports, because I don't know so much about it.

Boy 1: I prefer being help by staff as they know what fits me and I trust their opinion.

Girl: Yes definitely, if I can tell that they are being kind of truthful, I would put their thoughts into consideration.

Woman: I like to get advice and input from the staff.

**Q10 Are you normally loyal to a specific brand? Boy 1, you mentioned the chain Intersport earlier.**

Boy 1: No, not loyal to Intersport, I like it. They have a variety of brands that fits my needs.

Man: I feel loyal to Nike and Adidas.

Boy 2: As for brands of clothing, I am not loyal to any in particular, I like some more than other, but not loyal.

Girl: Not loyal , but one brand I own the most is Nike

**Q11. What are some qualities that make you buy an item? Quality, price, durability, tech wear, design, brand?**

Girl: Quality price durability and tech wear the most. But all of them actually.

Design – had to look nice, the quality has to be worth it, not loyal to brands but if its good to other I could try it on.

Boy 1: Quality, durability and design.

Boy 2: I don't care so much about the brand, as long as the clothes has medium-good quality at have a good price, and of course not an awful design.

Man: Price, but I often care about quality too. And also with traditional colours and traditional design.

Woman: For me, design and quality. But also, environmental production is very important. So i would rather buy a product with higher price margins that I know is good for the planet, than just because it's cheaper. For me, it's important to think about the future!

Interviewer 1: What colours do you prefer in sports clothes?

Man: black, blue or white.

**Q12. Do you use social media?**

Man: Yes, instagram and youtube the most.

Woman: Instagram and Facebook. And Pinterest for inspiration and pictures.

Boy 1: I use snapchat, Instagram and Facebook. For funny videos and for connecting with friends.

Boy 2: I use Instagram and Reditt a lot!

Girl: Yes a lot

**Q13. Do you think you get more influenced by traditional media like TV, magazines, newspapers or Social Medias? In what way does it influence your purchase decisions?**

Boy 2: Honestly, Instagram and Reditt gives me a lot of inspiration for how to dress, but for sportswear there is not much that influences me more than for example people I see outside on the street or something. Since I like soccer, I can be influenced by some soccer players, who uses something I like.

Boy 1: Social media influences me more than traditional ones, because they show more specific aspect of the products. I am more exposed to Social media as a 20 year old (?).

Online you can read about positive and negative feedback and I trust other people's opinion.

Man: Definitely social media for me too, especially from celebrities/famous people who are brand ambassadors.

Girl: I do use social media, in term of how Im influence .I don't watch TV, same as newspapers. Makeup would influence more.

**Q14. What do you think about when we say Helly Hansen?**

Man: Only know the name.

Girl: I have seen the store in Passeig de Gracia, but never entered, so I don't know what they sell.

Boy 1: I don't know it.

Boy 2: Yes, my father has a jacket from Helly Hansen because he like sailing.

Woman: I have seen the logo, but I can not recall what they sell.

**Q15. And what about the North Face?**

Boy1: I know this one, they're good quality. I have a runner jacket from North Face.

Man: I've seen the clothes at El Corte Inglés or something, and they have really dark coloured clothes, I think.

Girl: They have good quality, yes, they have a lot of sweat proof clothing. And when I go to the mountains, I've had a pair of ski pants and they keeps me warm all day. But i don't buy them myself, they're really expensive. I've gotten them from my parents.

Woman: I don't have any clothes from them, but i think i have bought a backpack from them many years ago.

**Q16. Girl, you mentioned that they are expensive. What do the rest of you think?**

Woman: I don't remember the price, but I think the bag was 50 euros, but it is okay cause i had it for many years.

Boy2: I also have some clothes from them and I think the price is okay, but it varies. For example I have one t shirt to 20 euro, but also a hoodie to 70 euro.

Man: I don't know, I buy more from Decathlon and Nike.

Boy1: Yes, price is high but the products also last longer.