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WHY IS PARFOIS NOT SELLING AS WELL IN GERMANY AND AUSTRIA AS IN OTHER COUNTRIES?

A problem-based analysis of the Portuguese accessory brand Parfois in the German and Austrian market

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I. Abstract

The fashion accessories brand Parfois is facing difficulties in the German and Austrian market. Low traffic and conversion rates in current operations hinder the brand to expand its store network. This Work Project aims to identify potential issues and local consumer preferences and derive marketing recommendations to increase future sales and enable a more effective allocation of the marketing budget. A triangulation methodological approach combined in-store observations and qualitative in-depth interviews with consumers and employees, identifying low awareness and ineffective communication, inconvenient locations and a discrepancy between the target and actual visitors as critical issues. The primary recommendation is to attract and bond the millennial generation.

II. Key Words

Parfois, Fast fashion, Accessories, Retailing

III. Acknowledgments

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1. Introduction and Main Objective of the Project

Parfois is a Portuguese fast fashion accessories brand operating more than 800 stores and an e-commerce platform. Driven by its mission of offering a dynamic assortment of fashionable accessories at affordable prices, the brand inspires women across the world. For the last decade, the company has continuously increased its global sales at a stable growth rate. Parfois entered the German market in 2014 and the Austrian market two years ago, however, performing in all stores below expectations. In comparison to other markets, the footfall[1] and conversion rates[2] are low. The weak performance stands in sharp contrast to the success Parfois is generating in other European countries, with Portugal and Spain leading in sales volume but also Italian and French stores ranking high in sales per store. Parfois intends to stay in the German and Austrian market and improve its sales guided by the ultimate goal of establishing the brand equally strong as in the other markets. Therefore, Parfois contacted Catherine da Silveira to suggest an analysis of the German and Austrian stores as part of a collaborative master thesis to gain a better understanding of potential issues and local consumer preferences.

The Work Project follows a problem-based consulting approach addressing the following management questions: *Why is Parfois not selling as well in Germany and Austria as in other countries? How can Parfois increase its sales in both markets?* The Thesis aims to identify the causes of the weak sales. The objective is to discover the reasons for the limited number of visitors and high number of walkouts and derive marketing recommendations. Key to gain such insights is to understand the perception of the brand by customers and those who prefer competitors, the perception of the (middle range) accessories category, merchandising of the stores, in-store experience, and Parfois' local competitors. The project initiated by Parfois is of considerable practical relevance for the firm as it identifies how to tackle the low sales rates and enable a more effective allocation of the marketing budget. In the long term, the project's insights may allow Parfois to refocus on its primary goal of expanding its store network and thereby achieving a stronger penetration of the German and Austrian market.

[1] Footfall describes the number of people visiting a store or shopping area (Longman, 2018b).
[2] The conversion rate reflects the number of sales in relation to the number of store visits (Longman, 2018a).

2. Contextual Background

2.1. The Fast Fashion Business Model

The business of fast fashion is based on offering fashionable clothes at accessible prices (Caro and Martínez-de-Albéniz, 2015). To fulfill this value proposition, all operations are focused on providing up-to-date styles and keeping prices low. The ability to respond quickly to market developments and emerging trends is crucial for this business model, enabled by rapid design-to-sales processes using near-shore suppliers for the final assembly. Fast fashion brands are characterized by their dynamic assortment that is periodically changing independently of traditional seasonal cycles (Caro and Martínez-de-Albéniz, 2015). Regular feedback on sales and consumer opinions is critical, impacting the product allocation and directly communicated to the design department. Main industry players like Swedish Hennes and Mauritz (H&M) and the Spanish Inditex brand Zara combine highly fashionable products of short lead time with basic items in large quantities and marked by long lead times, representing up to 70% of the assortment. While former produce traffic, basics generate revenue.

2.2. Accessory Retailing in Germany and Austria

Cumming, Cunnington, and Cunnington (2010) define accessories as articles completing an outfit and selected to complement it. Euromonitor International (2017, 2018a, 2018b) differentiates between ‘personal accessories’ (e.g., bags/luggage, jewelry, watches) and ‘apparel accessories’ (e.g., belts, gloves, hats/caps, scarves, ties). Due to the small size of the Austrian market, most of the available information on accessories is based on the German market. In 2017, personal accessories grew in retail value by 2.7%, mainly driven by jewelry and bag sales (Euromonitor International, 2017). Jewelry and bags also registered growth in volume despite stagnating sales of the entire accessories category (Appendix A). Premium accessories are increasingly popular, driving sales in value due to consumers trading up from mid-priced articles. Seen as entry-level luxury items, they serve as status symbols, especially for younger consumers. The personal accessories landscape in Germany and Austria is highly competitive and fragmented, dominated by the market leaders Fossil, Cartier, and Pandora.

The fast fashion chain H&M is ranked eighth (1.8%) in brand shares by retail value, accessory specialist Bijou Brigitte eleventh (1.6%). If not targeting a niche trend or communicating a unique selling proposition, small and newly emerging firms encounter difficulties to succeed. Specialist retailers such as jewelry and watch retailers are valued amongst customers due to their high level of customer service, considered particularly important for the purchase of premium articles. In contrast, online retailing is often deemed impersonal and unreliable. Emerging industry trends are digitized accessories and men's accessories, a potential growth market due to the increased fashion-consciousness of men. With disposable incomes forecasted to stay high, consumers' request for high-quality accessories is expected to remain strong (Euromonitor International, 2017). Apparel accessories grew in retail value by 1% in both markets (Appendix A). Increasingly relevant as fashion items, scarves perform best in Austria. In Germany, the category 'others' reflecting accessories for athleisure wear (e.g., wristbands, headbands) lead the way. While s.Oliver dominates the German market with a 9% value share, H&M is the market leader in Austria (6%) (Euromonitor International, 2018a; 2018b).

2.3. Parfois

2.3.1. Identity, Mission, and Values

Since its first store opening in 1994, Parfois has grown into a company operating 849 stores in 60 countries in Europe, Middle East and Africa, Asia and Central/South America. Guided by the vision to be "the best fashion accessories brand, wherever PARFOIS decides to operate" (Parfois, 2017), it aims to become the reference brand for neo-traditional and trendy women by offering "exceptional and irresistible" (Parfois, 2018b) designs. Good value for money and a broad and dynamic range of fashion accessories is what the brand strives for while enhancing the buying experience within a pleasant and dynamic space (Parfois, 2017). According to the brand management, Parfois leads its business by three main values: ambition to be better than the others and to continually improve, humility to know how to learn what others do better, and rigor to substantiate and take better decisions, be more efficient and effective and commit fewer mistakes (Parfois, 2018). Implied by the brand name (French for ‘sometimes’), the firm operates under the premise that fashion has neither rules nor limits as long as it reflects the personal style. Figure 1 gives an overview of Parfois’ brand identity according to Kapferer’s (2012) conceptual framework (see Appendix B for a description of the framework).

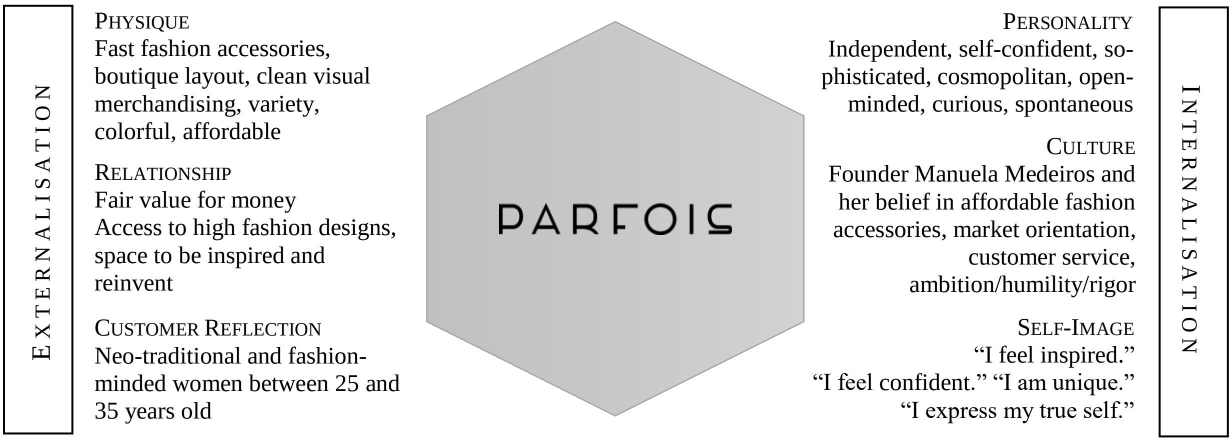

FIGURE 1. PARFOIS’ CURRENT BRAND IDENTITY. Author, based on company data (2018) and adapted from Kapferer (2012).

2.3.2. Strategy and Performance

Parfois applies a psychographic and demographic segmentation of its consumers according to their age and gender as well as their attitude and lifestyle. The brand targets female, young adults, 25 to 35 years old, that are urban, self-confident and who love traveling and discovering new things. Parfois wants to address women that dress for themselves and not for others. This Parfois Persona is used for all communication towards the customer such as the seasonal video and photo campaigns characterized by their narrative format, rewarded fine art photography and catchy slogans (e.g., ‘undefined is my definition,’ ‘nowhere can be somewhere’). The brand positions itself as an affordable fashion accessories brand (Moreira Costa, 2018). Parfois applies the fast fashion business model, designing and developing 3500 stock keeping units (i.e., product styles, sizes, colors) per season, distributed in specialty and department stores. The store locations play a crucial role as the company’s strategy is to be where its consumers are. While the company owns and operates all stores in Portugal, Spain, France, Italy, Poland, Germany, and Austria, it follows a franchising strategy for other countries in Europe and around the world (Parfois, 2018a). In-store, a free-form or boutique layout is used, providing an intimate ambiance with asymmetrically arranged aisles (Levy, Weitz, and Grewal, 2014).

Parfois applies three different store design concepts in its markets. While wooden furniture marks the V5 design, the V6 layout reflects a more urban and sophisticated style due to the use of iron and grey tones (Botelho, 2016). In Amsterdam, the company recently introduced the newest store concept V6.2. The allocation of the store concept depends on the opening date. ‘Older’ stores carry the V5 layout. The assortment range is based on the store size and sales within each category. Each store is assigned a specific quantity of products in each category. Regarding the pricing, Parfois follows a market-penetration strategy with Everyday Low Prices (EDLP). The prices are defined on the basis of a seasonal market study and competitor analysis and differ between countries. Due to the application of zone pricing – the third degree of price discrimination – prices in French, German and Austrian stores are around 20-30% above the base price applied in the Portuguese and Spanish market (Levy & Weitz, 2014). Following this strategy, the company has increased its sales for the last eleven years registering a total of 247 million Euros in 2017 and a CAGR of 20% (6 years). Parfois’ most successful market is Spain, followed by its home market Portugal. It also inherits a strong position in France and the Middle East (Parfois, 2018a). Main KPIs used by the firm are the number of visitors, conversion rate, number of tickets, average ticket value and units per ticket.

2.4. Parfois in Germany and Austria

Parfois entered the German market in 2014 and opened its first store in Austria in March 2016, currently owning and operating five mono-brand stores in Germany and two in Austria. Online, the company distributes its products through its German website and via the e-commerce platforms Zalando and Amazon Fashion. Apart from one store at Munich airport, most physical stores are located in shopping malls. While the newest store opened in spring 2017 in an underground shopping mall in Munich, Parfois closed two stores in Dusseldorf and Vienna in 2016 and 2015 due to low sales, high rents, and unsatisfying management. The V5 store design concept is applied for all stores except for the new one carrying a V6 layout. While sales increased by 1% in Germany and 7% in Austria over the last year, the difference to the defined objective is still significant. In 2017, Parfois' largest store in Berlin performed best, the latest opening in Munich's Stachus Passagen worst (Table 1).

TABLE 1. GERMAN AND AUSTRIAN STORE CHARACTERISTICS AND KPIS IN 2017

Store location		**Sales area size**	**KPIs** #visitors/year, #tickets/year, conversion rate	**Benchmark store** (*)	**Sales vs. objective**
Berlin	Alexa SC	99.0m^2	265k, 30k, 11.7%	370k, n/a, 15%	-9%
Munich	Airport	96.3m^2	208k, 23k, 11.6%	360k, n/a, 11%	-19%
Munich	Stachus Passagen	67.6m^2	161k, 14k, 9.5%	320k, n/a, 11%	-23%
Munich	Olympia SC	64.3m^2	n/a	n/a	-15%
Dortmund	Thier-Galerie	76.4m^2	220k, 21k, 9.9%	270k, n/a, 12%	-6%
Salzburg	Europark	76.3m^2	n/a	n/a	-6%
Dornbirn	Messepark	70.8m^2	n/a	n/a	-5%

*Note (*): B*enchmark stores are stores similar in size and location in comparable markets.
Source: Author, based on company internal data (2018).

As the budget for the German and Austrian market is restricted, Parfois does not apply above-the-line marketing strategies. Main channels used are in-store, social media and email marketing. Regarding its communication mix, Parfois mainly focuses on sales promotion. Besides a two-month seasonal sale twice a year, sales campaigns are frequently conducted in all local stores, mostly linked to special days such as the Women's Day. The methods vary between direct discounts, vouchers or campaigns as 'take 3, pay 2', following a 'trial and error' methodology (i.e., iteratively testing different tools and eliminating unsuccessful ones to detect the optimal strategy). Parfois pursues this strategy stronger than in other markets in which the firm limits discounts to sales seasons. Instead of offering EDLP, the tendency in German and Austrian stores is towards high-low prices. Regarding digital marketing, the brand intends to reach its target via paid ads on Instagram and Facebook. Parfois' social media accounts are managed by the headquarters and follow a global structure. The number of local followers and engagement with organic posts is, however, relatively low.

3. Addressing the Work Project Challenge

3.1. Methodology

Aiming to gain different perspectives and a broader knowledge of the potential issues, a triangulation approach combining several qualitative techniques (direct, indirect) and observations was applied (Flick, 2009). Table 2 provides an overview of the techniques used. The data was collected at three locations in Germany and one in Austria with the strategic importance for the market being the primary selection criterion. As agreed upon with the Parfois management, the interviews and observations were conducted in Dortmund (Thier-Galerie), Berlin (Alexa Shopping Center), Munich (Stachus Passagen), and Salzburg (Europark Shopping Center).

TABLE 2. TRIANGULATION APPROACH – METHODS, SAMPLE, ANALYSIS TECHNIQUES

Sources of information							
Out-of-store				In-store			
Technique	*Sample*	*Topics*	*Analysis*	*Technique*	*Sample*	*Topics*	*Analysis*
Pre-recruiting questionnaire	**N = 47** n = 47 purchased accessories n = 30 know brand n = 13 purchased n = 11 visited store n = 6 never visited ° Female ° German or Austrian residents	° Category preferences ° Brand recognition ° Brand portfolio ° Residence	° Statistical measures	**In-store observations**	**N = 250** ° Female ° Age: 2.8% <= 18 20.8% 19 to 24 43.2% 25 and 34 17.6% 35 to 44 15.6% 45+	° Time spent in-store ° Approach to assortment: attention behavior, category dynamics, interaction, evaluation criteria ° Final purchasing outcome, purpose, loyalty status	° Statistical measures ° Pattern identification & interpretation
Qualitative in-depth interviews w/ consumers	**N = 30** ° Female ° Age: 53.3% 19 to 24 36.6% 25 and 34 9.9% Other ° Nationality: 66.7% German 16.7% Austrian ° Education: 66.7% university 20% vocational	° Accessories category ° Competitor brands ° Parfois: image & perception, user expectations, purchase behavior, consumption behavior ° Projective technique	° Transciption of audio tapes ° Review of data ° Definition of frame by pre-set topics ° Content analysis: topic analysis (opinion & frequency)	**Follow-up questionnaire**	**N = 250** ° Female ° Age: 2.8% <= 18 43.2% 25 and 34 20.8% 19 to 24 17.6% 35 to 44 15.6% 45+	° In-store experience ° Satisfaction ° Brand portfolio	° Cluster analysis & interpretation
Qualitative in-depth interviews w/ staff	**N = 13** n = 1 Area mgr n = 4 Store mgr n = 8 Assistants ° Female and male	° Brand perception ° Consumer behavior ° In-store experience ° Competitors	° Transciption ° Review of data ° Frame definition ° Content analysis				

Source: Author, based on primary data from qualitative interviews and in-store observations.

In-store observation: The indirect method attempted to provide insights on the decision-making process of the consumers. During a two-day observation period in each of the selected stores, the actual shopping behavior was analyzed, applying a naturalistic approach with consumers being unaware of the research situation. The data gained from each in-store observation was gathered on an assessment grid in Excel, structured along pre-set topics (Appendix C). Besides consumer-oriented aspects, the general shopping atmosphere of each store was registered (e.g., range, size, layout). **Follow-up questionnaire:** Regardless of the purchase decision, the consumers previously observed were interviewed after leaving the store on their in-store experience, satisfaction and brand portfolio using a short questionnaire with unstructured questions (Appendix C). The data collected from each respondent was matched to the corresponding store observation on the assessment grid. **In-depth interviews with**

consumers: Semi-structured, qualitative in-depth interviews with consumers living in the targeted cities were conducted to gain insights on the brand perception of German and Austrian consumers towards Parfois and their accessories shopping behavior (Appendix E). Spontaneous and assisted brand associations were collected by presenting the company website and sample products as stimuli (Appendix F). The projective technique aimed to access underlying attitudes and perceptions. A pre-recruiting questionnaire filtered participants that frequently buy accessories, live in the respective markets and know Parfois at least by the name (Appendix D). **In-depth interviews with management and staff:** Semi-structured, qualitative in-depth interviews with the area manager, store managers, and sales staff were conducted in person during the store visit period and recorded (Appendix G).

Central insights of the study are presented in the following section, starting with the identified accessories purchase behavior and Parfois' competitive frame and proceeding to brand specific issues. Table 2 outlines the sample specifics.

3.2. Main Insights

3.2.1. <u>Accessories Purchase Behavior</u>

Frequency and purpose: Asked for the frequency of their accessories purchases, most respondents of the qualitative interviews stated that they buy at least once a month. However, the majority of those that have visited or bought at Parfois go to a store on a regular basis but less than once a month or went, as of yet, only once. Purchasing accessories is rather an impulsive decision made while browsing than based on targeted search. For a few, buying accessories is directly linked to shopping apparel. Accessories are purchased for both own usage and gifting, while the findings show a clear tendency towards the former. Interviewees that purchased Parfois accessories have bought them predominantly for themselves. Also, 85.6% of the purchases during the observations were for private consumption. As far as gifting is concerned, many interviewees mentioned they find it challenging to meet the accessory taste and, thus, prefer gift coupons. Only specific items such as jewelry, small bags, and scarves are targeted for gifting while some believe that accessories that are gifted need to be of a higher quality. Parfois is perceived as a good brand for gifts.

Category preferences: German and Austrian consumers have a strong preference for handbags, jewelry, and footwear – the categories most frequently purchased according to the pre-recruiting questionnaire. The actual weight in sales at Parfois and the results of the follow-up interviews reflect these preferences, except the affectation for shoes (Table 3). 56% of the store visitors highlighted specific categories in the follow-up interviews, 28% valued the general catalog and selection (Appendix I).

TABLE 3. CATEGORY PREFERENCES OF CONSUMERS AND PARFOIS CLIENTS

Rank	**Pre-recruiting:** ***"What did you purchase?"***	n=30	**Parfois Germany**	Weight in sales	**Parfois Austria**	Weight in sales	**Follow-up:** ***"What did you like?"***	n=164
1	Handbags, Jewelry, Footwear	86.7%	Handbags	29.9%	Handbags	30.7%	Handbags	47.6%
2	Scarves	73.3%	Jewelry	19.1%	Jewelry	18.9%	Jewelry	37.2%
3	Sunglasses	70%	Wallets	8.0%	Wallets	9.2%	Scarves	6.7%
4	Watches	50%	Night	7.4%	Night	7.3%	Wallets	4.3%
5	Hair accessories	36.7%	Scarves	6.4%	Scarves	5.6%	Sunglasses	4.3%

Source: Author, based on company internal data (2018) and primary data from consumer and follow-up interviews.

During the observation period, most consumers approached specific categories (84.4%), while 10% were interested in the entire assortment without noticeable focus and 4.8% focused on a particular product. A direct approach of the staff was somewhat unusual (3.2%). In line with the identified preferences, the data indicates an apparent tendency towards jewelry and bags being the categories of main interest in-store. Of all consumers that approached specific categories or a particular product (n=225), 37.8% first approached jewelry, 35.1% walked towards bags, 5.3% headed for wallets and 4.4% for footwear. Of those who further approached a second category (n=109), 26.6% approached jewelry, 20.2% handbags, 13.8% wallets, 9.2% scarves and 7.3% watches.

Evaluation criteria and purchase decision: Based on observations, the consumers mostly interacted with the products by touching (82.4%) and picking them up (63.2%). Less dominant were fittings (36.4%), interactions with the staff (14.4%) and the pure observation of the articles (4.4%). The material is the first criterion to evaluate a product for 35.2% of the consumers. For others, it is the price (23.2%) or the general availability of a specific product (21.6%). Functionality is the decisive factor for 8% of the consumers. Clients spent on average six minutes in-store. Of all observed consumers, 71.6% did not make a purchase, 27.2% bought at least one article and 1.2% entered the store to return a product. Those that made a purchase bought on average two units. Due to two sales campaigns taking place during the time of the store visits (Women's Day: 20% on assortment, Spring campaign: 20% on bags at minimum purchase value of 30€), 31.7% of the units sold were on discount. The categories purchased most frequently were jewelry (37.5%, earrings: 26%) and handbags (29.8%) – reflecting the identified category preferences.

3.2.2. Competitive Landscape

According to the insights gained through the qualitative interviews, accessory consumers in the German and Austrian market are reluctant to try out new stores they are not familiar with. Most have a specific brand or set of brands they frequently approach.

> *"When I go shopping I always go to the same stores. I feel comfortable,* […] *know what they are offering and that the articles are of good quality* […]*."* (18-24 years old, apprentice)

The tendency is towards purchasing accessories in stores carrying both apparel and accessories. While 6.4% of all consumers observed in-store buy accessories exclusively at Parfois, the majority of 90.8% also purchases from other brands, especially at Zara (28.2%). 13.2% further shop at Mango, Bijou Brigitte (11%), H&M (10.6%) or SIX (10.1%). 37% mentioned that they have no specific brand they target. Also, the results of the pre-recruiting questionnaire indicate a preference for apparel retailers. More respondents bought accessories during the previous year at H&M (80%), Zara (63.3%) and Mango (46.7%) than in specialized stores like Bijou Brigitte (36.7%), Accessorize (36.7%) and SIX (33.3%). More than half of the qualitative interviewees that stated they are loyal to a specific brand or set of brands regarding accessories exclusively mentioned apparel stores (Mango, Zara, H&M, Bershka). Based on insights from the consumer and staff interviews, these brands, however, compete on an indirect level. While Zara was described as alike regarding style and target group, it only carries a limited accessories selection. Specialty stores like SIX mainly offer jewelry, more delicate designs and differ in visual merchandising. Young consumers often seem to desire bags from premium brands like Michael Kors. Consumers valuing genuine leather buy at Liebeskind, however, at a different price level. The majority of the staff agrees on Parfois' unique position regarding variety and style.

> *"I think Parfois is different. We have more bags. I think it is a very nice brand that could work much better here because if I think of another shop with the same products, I cannot find any."* (area manager)
>
> *"We have almost every day customers that say that you cannot find jewelry collections like at Parfois in other stores."* (store manager)

Although Parfois does not seem to have direct competitors in the German and Austrian market, the success of big apparel brands carrying accessories poses a relevant threat and the frame of comparison for consumers (Appendix J).

3.2.3. Identified Issues

In order to understand Parfois' difficulties to gain traction in the examined markets, a combination of different factors needs to be taken into consideration, outlined and discussed in this section.

3.2.3.1. Low Brand Awareness and Ineffective Communication

The brand awareness in Germany and Austria seems to be relatively low according to the insights from the qualitative interviews. Several participants of the pre-recruiting process were not qualified to proceed as they did not know the brand although being approached in the mall in which the store was located. A Parfois enthusiast stated she was not aware of the brand's operations in Germany. Another was inquiring about a store in Munich. Some consumers approached for the follow-up interviews did not recall the brand name despite their previous store visit. Staff members of all locations reported that consumers frequently ask if the store has recently opened:

> *"Many people do not know the store or the brand. Every day we hear consumers asking: 'Since when is this store here?* […] *I have never seen it.'"* (sales assistant)

While the low awareness is partly due to the low penetration in the market, little communicational measures are taken to change the situation. Parfois does not apply long-term strategies (e.g., advertising, public relations, direct marketing, sponsorship) in the German and Austrian market. The frequent sales promotions might increase traffic in the short term but lack an effective communication. Campaigns are usually communicated via social media channels, the newsletter, website, and a window vinyl. The interaction with German and Austrian consumers on social media is, however, relatively low, and the staff does not actively communicate the presence on Instagram and Facebook in-store. Nevertheless, the qualitative interviews revealed that the consumers who know the brand use online rather than offline sources to inform themselves about the latest accessories trends. Online, Instagram plays a significant role in inspiring these consumers as confirmed by a respondent (18-24 years old, student) stating that if she sees a beautiful piece on Instagram, it is likely that she buys it. Bloggers and sponsored ads were mentioned most frequently as sources of inspiration. Major offline channels are the store itself and friends. Besides the lack of interaction on social media, the majority of the store staff is neither aware of the existence of the newsletter nor communicating it in-store despite being listed in the marketing plan as one of the main channels used to communicate campaigns. The number of subscribers is relatively low with 54 300 German and only 23 Austrian consumers. None of the observed visitors in-store were subscribers. Moreover, various interviewees stated that they did not notice the vinyl in the store window. Intending to attract new potential clients, this is critical as Parfois does not use any additional communication out-of-store except two former campaigns with products distributed out-of-store. Furthermore, the firm does neither actively participate in campaigns organized by the shopping centers (e.g., Thier-Galerie Black Friday, Europark discount brochure, Europark magazine) nor use internal advertising platforms (e.g., Thier-Galerie sample exhibitions).

3.2.3.2. Weak Positions in Good Locations

Parfois aims to raise awareness with its philosophy of being located wherever the consumers are. However, asked for the main obstacle potentially hindering interviewees to revisit the store, the location was mentioned most frequently. Consumers in Munich and Berlin argued it is not on their usual path or close to where they live. Yet, each store has its own specifics:

Salzburg: While the staff considers Europark shopping center an excellent location in the Austrian city, the position itself within the mall seems to have many downsides. The store is surrounded by brands with an open, bright and big storefront (SIX and edc by Esprit) limiting the visibility of Parfois. The assistant store manager further mentioned the position close to the corner makes it stand out less than other stores in the same area. Additionally, the juice bar located in front of the store on the aisle hides it for center visitors entering from the opposing entry, one of two main doorways (Appendix H).

> *"We are a bit cramped* [between SIX and edc] *and directly in front of us is a bar. If you take the entrance next to the Intersport, you do not see us. When you pass by, you hardly see us because we are positioned right at the bend."* (assistant store manager)

Dortmund: The staff considers Thier-Galerie as an excellent location in Dortmund and the entire Ruhr area. Some highlighted the position close to the main entrance with much passing trade. A sales assistant, however, argued that consumers usually either shop on the main shopping street or inside the mall with fewer people frequenting the main entrance that connects both. People arriving by car are not likely to take this path either. Most visitors stay at the main triangular circuit (Appendix H).

> *"I think there are people that shop in the Thier-Galerie and those who shop on the shopping street.* […] *Most of the shops that are here inside are also outside. They are no reason to enter the shopping center* [and use the main entrance]. […] *There are various entrances. The idea of being on the main path is misleading.* […] *I think being located in the central area would be better."* (sales assistant)

Munich: Einkaufszentrum Stachus München (2018) advertises on its website that up to 250 000 people are passing the mall per day. The store visit and qualitative interviews revealed that this data refers to the central circuit directly connected to the metro access. The underground shopping area consists of one main circuit while the aisle on which Parfois is located is leading from this area to one exit out of many (Appendix H). Both the team and consumers confirmed that the store is very hidden:

> *"The location is very unfortunate. You are just not aware of the store.* […] *I took a whole walk around, but it was not there. It is difficult to find. Nobody passes by. I think the location is one of the reasons I am never there."* (25-34 years old, student)
>
> *"It is an extreme coincidence to pass by this store."* (18-24 years old, student)
>
> *"It would just be better if it were outside. Many other stores in Stachus Passagen do not sell well either. It is not only us not reaching the target. If I would be a costumer and not be working here, I would have never taken this aisle."* (sales assistant)

In addition, the neighboring health-food and chocolate stores are attracting little relevant traffic:

> *"Near here we only have supermarkets. You come here if you want to buy food. Otherwise, you do not come.* […] *The shop next to us just sells chocolate."* (area manager)

The opposing entrance of the big department store Kaufhof is only a little-frequented side entry in the basement. The aisle is leading away from the busy metro traffic and the main exits to the pedestrian zone. Talking to the interviewees and other locals, it became further apparent that Stachus Passagen is – despite its central location – not a place locals keep in mind when going shopping. One respondent

(25-34 years old, skilled worker) stated that she is “[…] only at Stachus Passagen when taking a metro but never went there with the thought to enter a store.” Another interviewee (18-24 years old, student) is convinced that if “[…] Parfois was on Kaufinger Strasse, people would buy out the store.” Tourists, targeted due to their strong purchasing power, and locals mainly browse the main shopping street above ground with a large variety of stores connecting Karlsplatz and the famous Marienplatz.

Berlin: The staff agrees on Alexa shopping center being a good location and the position on the ground floor surrounded by appealing neighbors attracting much passing trade. One interviewee, however, stated that the mall is usually highly frequented by tourists and less by locals. Negative comments on the location (2.8%) during the follow-up interviews mostly referred to the low penetration and distance to the store. Both are particularly an issue in Berlin due to the size of the city.

Online: The majority of the qualitative interviewees prefers to purchase accessories offline as they want to see the exact sizes and touch the material to evaluate the quality better. Many interviewees made the experience that the impression gained online can be deceptive and the return of small pieces complicated. This opinion, however, differs regarding footwear. The findings of the follow-up interviews support the preference for offline shopping of accessories. For 11% mentioning they purchase accessories online, convenience is the decisive factor. Despite the positive feedback on the website design, purchasing at Parfois Online was stated to be inconvenient and costly as free delivery to Germany and Austria requires a minimum purchase value of 40€. The respondents of the qualitative interviews perceived the fees for delivery (4.50€) and return (depending on size and weight) as expensive. Consumers living in a different city can hardly use the free delivery option to a Parfois store. No interviewee mentioned the availability of the products on Zalando and Amazon Fashion.

In conclusion, Parfois generally seems to operate in good locations, but the stores’ positions in the respective locations are weak, negatively affecting consumer footfall. Especially in case of the newest but worst performing store in Munich, the position is likely to be the main reason for the low traffic. Due to its limited market share, Parfois is rather perceived as independent boutique than as a fast fashion chain with trendy and changing merchandise.

3.2.3.3. Actual Visitors vs. Projected Target

Consumers who discovered the stores despite the issues previously mentioned seem to differ from the brand's projected target – a critical issue affecting the footfall but also conversion rate. During the store observation period, it became evident that consumers at the age of 40 years and older seem to dominate the client profile. This tendency was especially apparent in Salzburg but also other locations. The in-depth interviews with the staff confirmed the first impression gained in-store. On the question what the typical customers are like, four staff members stated that the typical Parfois client is 40 years or older, four said 30 to 60, three up to 50 and one even 50 to 70 years old. Women aged 20 to 30 years were only mentioned by five out of 13 staff members that differentiated between two client groups. The majority confirmed that Parfois has more clients of older than younger age.

> *"We do not have many young people. I think the average age is between 30 and 50."* (area manager, Munich)
>
> *"I think Parfois tries to attract the younger customers, but it is actually older women that come to our store and buy a lot."* (sales assistant, Salzburg)

Also, the loyal customers reflect the high average age.

> *"We have many regular customers. It is mostly the older customers that always return rather than the younger ones."* (sales assistant, Munich)
>
> *"All of the loyal customers I can think of are older women. They come in to see which new things we have. I think they kind of like our style. They tend to like the more colorful and interesting things, not the crazy, big things but the more interesting ones that you cannot get anywhere else."* (store manager, Salzburg)

Exceptions are shopping mall employees. Only the store staff in Dortmund commented about many young, loyal customers. Compared to the Spanish and Portuguese average, the findings are surprising. 30.4% of the Portuguese and 30.6% of the Spanish clientele is between 25 and 35 years old, 33.7% and 33.5% respectively between 35 and 44 years (Couture, 2017). Only a small percentage exceeds this age. While a broader group of consumers might be beneficial for footfall and sales, reaching a good representation of the defined target is crucial to achieving the expected rates. Also concerning the style, the actual visitors differ from the desired target. It proved difficult to define the typical Parfois client in the German and Austrian market. According to the staff, the styles of store visitors largely vary. While some like it extravagant, the majority is more casually dressed reflecting an elegant but clean and basic style. Many visitors are internationals or residents of different cultural backgrounds.

According to the company's website, 70% of Parfois' clients visit the store at least twice a month. However, in Germany and Austria, passing trade outweighs the number of regular customers that – according to the staff – purchase at least once a month. Parfois has not yet established measures to engage its loyal local consumers. The overall engagement on social media is low. The strong demand for a loyalty card remained unanswered despite a sales assistant confirming that "[…] if a German [customer] opens her huge wallet, it is full of customer cards."

3.2.3.4. Misleading First Impression and Inconsistent Brand Perception

Asked for their spontaneous brand associations in the qualitative interviews, the respondents linked Parfois – in order of descending frequency – to its style, variety, distinctive store design and affordable prices. However, the perception concerning these aspects proved inconsistent while the first impression of the brand was found to contradict Parfois' identity of an affordable fashion accessory brand, evoked by the store and website design.

Store & website design: In the qualitative interviews the design of the physical stores was more often mentioned in a positive than negative context, described as modern and clean with the visual merchandising giving an organized and structured impression. This is in line with 28.4% of the store visitors highlighting the layout and visual merchandising during the follow-up interviews – the third most frequent aspect mentioned (Appendix I). The in-depth interviews revealed that due to the store design many customers obtain the overall idea of a premium brand of better quality and higher prices:

> *"I had the feeling that the articles I have seen were a bit more premium, also because of the way they were presented."* (25-34 years old, skilled worker)
>
> *"I thought it would be more expensive. Then I saw the bag for 25€, earrings for 6€ and was really surprised. It just seems way more premium because of the store layout."* (25-34 years old, small business owner)

Especially the storefront seems to cause the premium appearance as reflected by a student (18-24 years old) stating that the store "[…] seemed noble from the outside, like it is not my level" and is likely to deter younger and price-conscious consumers to enter. The premium impression aligns with the feedback on the website, introduced as a stimulus in the qualitative interviews and largely described as clean and clear, well-structured with an appealing product presentation. Some consumers see, however, a sharp contrast between the store and the website design:

> *"The website is just less 'golden, wooden, playful' and more 'clean, stylish, hip.'"* (25-34 years old, student)
>
> *"To be honest, it looks of higher quality, more than in-store. (...) It could almost be a shoot by Hermès."* (25-34 years old, student)
>
> *"I think the website is more modern than the impression I obtained in-store.* […] *The website is more appealing."* (18-24 years old, skilled worker)

These comments are exclusively from visitors of the V5 stores. More in line with what the brand wants to communicate and consumers request seems to be reflected by the new V6 concept:

> *"I think it is something about the concept of the store. We have V5 with much wood. That makes it look more expensive. It looks like kind of a posh jewelry shop.* […] *I think V6 is much more like Parfois, more what we are. The windows are a lot more interesting.* […] *It does not look so kind of old-fashioned,* […] *like it is* [a store] *for older people from the design of the store and the window."* (store manager)

Almost the entire feedback on store layout and visual merchandising of V6 visitors was positive. While the store layout giving the impression of a premium boutique might generally deter price-conscious consumers to enter the store, the wooden design going contrary to the hip and more industrial design of competitors like Zara might particularly discourage the younger target. Negative comments were among others linked to the small store size. Downsides of the V6 concept are – according to the staff – the darker illumination of the logo and window and tall scarves racks covering bag shelves. In the V5 stores, some visitors felt irritated by a perceived overload of products, as indicated by the negative comments on visual merchandising and store atmosphere in the follow-up interviews (7.6%). Respondents of the in-depth interviews referred to cluttered bag shelves such as one consumer (25-34 years old, small business owner) stating that "Bags just appeal more if shelves are less crammed."

> *"The store was quite crammed. There was something everywhere. I would not say it was chaotic, but there were around ten bags on one shelf right next to each other."* (18-24 years old, student)

Prices & product quality: Regarding the price, perceptions proved inconsistent. The consumers can be split into two groups, the dominant one considering the prices as good and adequate. Half of the respondents of the qualitative interviews highlighted the excellent value for money. In the follow-up interviews, 20.8% of the visitors mentioned the prices as a major aspect they like. This group would perceive higher prices as deterring:

> *"I think if it were more expensive, I would not buy it. Especially as I often buy a colorful bag I don't like anymore after a while, I just don't want to spend that much money on it."* (18-24 years old, skilled worker)

The second, less dominant group considers the prices as being too low and thus disappointing as they indicate a lower product quality than perceived:

> *"I think it is really beautiful, but I would spend more money on it. The low prices irritate me as I start wondering how the quality might be like."* (18-24 years old, student)

Quality and quality appearance were positively highlighted by 23.6% of the observed visitors in the follow-up interviews contrasting with 15.2% disliking the quality and material and mostly requesting genuine quality. These comments reflect the tendency of German consumers towards purchasing quality accessories, willing to pay more for better quality (Euromonitor International, 2017).

> *"Now I pay more attention to good quality. I would rather buy a genuine leather bag for 100€ than four bags for 20€."* (25-34 years old, student)

The request for a broader offer of genuine jewelry and leather bags is also reflected by 18% of the visitors negatively commenting on variety in the follow-up interviews. Differentiating between older and younger visitors, quality is primarily an issue for the former. Almost one third (28.2%) of older visitors criticized the product quality compared to 12.8% of the younger ones – a potential explanation for walkouts of both groups expected to decrease with a broader representation of the younger target.

As evidenced by the feedback on the introduced product stimuli (Appendix F), the quality and price perception seems not only to depend on consumers but also products. Despite those inconsistencies, most respondents of the qualitative interviews who purchased at Parfois were satisfied with their products. The majority of respondents stated they are likely to revisit the store or are already loyal clients, while only one excluded to return due to her disappointment of the product quality. Few negative comments referred to specific quality issues (e.g., ripped handles, defect fasteners, bent jewelry). The staff confirmed an overall satisfaction of the clients and an average level of reclamations. Selected collections seem to stand out due to manufacturing defects causing an increase of returns, mostly linked to zippers and handles. While some consumers react more understanding than others, an assistant store manager is convinced that complaints would increase with higher prices.

Style & variety: The perception of the brand's style – the predominant spontaneous brand association referred to in the qualitative interviews – proved to be inconsistent but not necessarily contradictory. Perceptions differ between consumers describing the style as modern, fashionable and extravagant/edgy and those defining it as feminine, elegant and chic. These associations are not contradictory as they align with Parfois' notion of neo-traditionalism and a woman that continually reinvents herself (see 2.3.1). Most respondents value the variety of styles, a "[…] mix of elegant and mature but also youthful designs." (18-24 years old, student).

> *"You can get cool accessories for a feminine party look, but also if you want to style boho vintage during the daytime. I think more classy women that are a bit stuffy would also like it."* (25-34 years old, student)

On the follow-up question about what the store visitors liked about Parfois, the style was the feature referred to second most frequently by 30.4% (Appendix I). They seem to agree on its distinctness to other brands describing it as unique and special. Besides the style, Parfois is characteristic for its broad product variety, the second dominant association stated in the qualitative interviews. Respondents mainly linked the brand to jewelry and bags while some directly referred to scarves, shoes, and wallets. Less dominant was the association with a colorful assortment, supported by an interviewee highlighting that it is "[…] fun to look around as everything is colorful" (25-34 years old, small business owner) and by 19.6% of the store visitors that emphasized the colors in the follow-up interviews.

The overall positive spontaneous brand associations obtained are in line with the reactions to the website presented as assisted stimulus during the in-depth interviews. The dominant perception of the product offering was positive, referring to variety, prices, and style. Many were surprised by the offer of footwear and apparel. Asked for the impression of the brand gained through the website, participants predominantly described Parfois as being fashionable and trendy. Less common but still frequently mentioned was the idea of a classic, traditional and elegant brand. Reflecting the discrepancy between the store and website design, consumers redefined their view after being introduced to the stimulus, subsequently regarding Parfois as more fashionable than previously expressed in the 'spontaneous' part. Being asked for their buying interest, nearly all participants stated they would purchase:

> *"It is where I would go shopping. It matches my style: classic elegant, but still feminine and trendy."* (35-44 years old, skilled worker)

Negative spontaneous and assisted brand associations were less frequent and mainly related to the style. In the follow-up interviews, 11.6% of the visitors disliked the style describing it as "too crazy" carrying articles that are "too big," requesting a broader basic collection. Some interviewees argued that Parfois would not carry a clear line regarding its assortment and style. Several respondents of the qualitative and follow-up interviews perceived the apparel category as confusing and redundant:

> *"I am a bit surprised. I didn't think it would be part of an accessory store.* […] *What is the point?* […] *It does not fit.* […]*"* (25-34 years old, skilled worker)
>
> *"To be honest, I think the apparel in this store is absolutely redundant."* (25-34 years old, student)

Besides the aspects previously outlined, some interviewees further linked Parfois to Southern Europe or France when asked for their spontaneous brand associations. However, most were unaware of the actual origin of the brand such as the meaning and pronunciation of the brand name.

The identified inconsistencies concerning the brand perception also seem to affect the underlying attitudes of local consumers towards Parfois. According to the insights from the projective technique, the perception of Parfois is not entirely consensual, contrasting with the consistent image consumers seem to have of Zara, H&M, and Mango. This discrepancy is particularly apparent when comparing the broad spectrum of associations linked to Parfois' style and personality to those of its competitors (Appendix J). Table 4 provides an overview of the most frequently mentioned features.

TABLE 4. PARFOIS AND COMPETITORS – RESULTS OF THE PROJECTIVE TECHNIQUE

Parfois	**Zara**	**H&M**	**Mango**
- Female, between 25 and 35 - office job in fashion or sales assistant or teacher - living in a city in Southern Europe or France - driving a BMW 1 or Fiat 500 - classic and elegant style, colorful, fashionable, extravagant accessories, changing styles, boho look - open-minded, friendly, self-confident, standing out, reserved	- Female, between 25 and 30 - PR/advertising agency - living in the city - driving a BMW - stylish, elegant look, clean designs - open-minded, self-confident, arrogant	- Female, between 18 and 25 - school student or student - living in a city - using public transport - casual look, variety of styles, fashionable - open-minded, easy-going, price-conscious, reserved	- Female, older than 25 - businesswoman - living in the city - driving a Mini Cooper - chic and elegant style - reserved, open-minded

Source: Author, based on primary data from qualitative consumer interviews.

The present findings suggest that the misleading premium impression of Parfois might negatively affect the footfall. Consumers being disappointed by the style, price, and quality after entering a store might be the reason for the low conversion rate. As those aspects are distinctive of the current consumers in-store, the rate is expected to improve with a more substantial number of visitors reflecting the desired target. Generally, there seems to be a preference of local consumers towards a broader variety of genuine quality and basic colors and designs.

3.2.3.5. Global Strategy vs. Local Consumer Wants and Needs

Availability: Store visitors evaluated the product availability almost twice as often negatively (16%) than positively (9.2%) in the follow-up interviews. It was the second most frequent feature visitors disliked. Most of them searched for a specific color or size. Referring to the different body structure in comparison to Southern Europe, some customers commented negatively on Parfois' one-size belts and shoes of small size and tight shape. Others were disappointed by the lack of functionality of bags, mainly requesting zippers or missed entire categories (e.g., socks, piercings, and headbands).

Customer service: In the follow-up interviews, 10.8% of the respondents gave positive feedback on the staff and service in contrast to 4% who had a negative experience. Compared to the frequency of other topics, customer service was recalled relatively little. During the qualitative interviews the staff and service in-store was mainly referred to positively, linked to the impression that the sales assistants give space, do not pressure and act reserved while still being helpful and friendly.

> *"They were nice, but reserved, which is what I like. I think especially in such a small store where you get that many impressions it would just be too much if a salesperson would stand next to you. I think it is perfect that they are a bit more reserved. If you have a question, they directly help you."* (25-34 years old, student)

This statement reflects the strong desire of German and Austrian consumers for a calm and undisturbed shopping experience with the substantial majority of the interviewees stating they like to be greeted but not further interrupted unless they ask for help or support.

> *"Mostly, I only have a look around to get inspired and find it annoying if somebody imposes something on me."* (18-24 years old, student)
>
> *"Regarding accessories, I prefer to look around by myself. As it is only about individual taste, I do not need any advice."* (25-34 years old, student)
>
> *"If I enter the store and I am instantly approached, it annoys me, and I would like to leave the store."* (18-24 years old, student)

Only a few interviewees expressed a more open-minded attitude towards staff advice reflected by a consumer stating that "[…] customer service is important and that somebody is around to advise you" (25-34 years old, small business owner). Almost all interviewed staff members in Austria and

Germany confirmed this preference considering it to be a cultural peculiarity. They argue that many consumers feel immediately pressured or annoyed when approached, making it challenging to live up to Parfois' philosophy of constant client interaction.

> *"The customers get easily annoyed. Today I had somebody who directly told me that she is not interested although I only wanted to communicate the sales promotion. They are partly a bit impolite regarding that."* (sales assistant)
>
> *"The customers in Germany are susceptible. You have to be careful not to talk too insistently or approach them too aggressively.* […] *Some give a testy reply as they feel like you want to sell them something.* […] *Sometimes you just greet, and they say 'I am only looking and don't need any help.' before you even say something else."* (assistant store manager)

Nonetheless, the staff considers it necessary to go up to each consumer and let them know that they are available in case of questions or concerns. Most adapt their service to the behavior and attitude of each consumer as they do not want to scare somebody off. This can likely happen, as is shown by the feedback of 4% of the visitors that commented negatively on the service in the follow-up interviews. The main reason for this evaluation was that customers felt less comfortable when approached more aggressively by the sales personnel, as it has happened in the Berlin store. Three interviewees mentioned negative encounters with the staff in different stores anticipating more attentiveness.

3.2.3.6. Internal Processes

Various indicators as defined by the headquarters measure the performance of the German and Austrian stores. In addition, each store has to meet a specific sales target per day, defined by the headquarters and based on the historical sales of the previous year. An analysis of the target sales tables during the store observation period has shown that some weekdays required a very high target while on other busy days the target was unusually low. None of the store staff could explain the reasoning behind some of the targets. Moreover, it became apparent that the in-store returns of online purchases negatively affect the daily target sales of the specific store without being connected to the performance. The interviews with the staff further revealed that each store has little freedom to adapt the visual merchandising to local selling structures. Most employees find it useful to have a guideline they can follow. However, as the head office usually develops the same guidelines for all Parfois stores, the staff has to adapt the plan to local shelf sizes. Often, the required products do not arrive in time delaying the implementation or require taking local bestsellers off the shelf. Many staff members would advocate more flexibility. Complaints were also expressed about a general lack of personnel and, thus, difficulties in implementing the guidelines while running the daily store business.

Low brand awareness, location issues and a mismatch between the targeted and actual consumers have been identified as the most critical aspects causing low footfall. Only insufficiently represented in-store, younger consumers are deterred by the perceived premium look. The low conversion rate can be explained by consumers being disappointed by the low variety of genuine quality items, style discrepancies, and a product overload – partly linked to the inadequate representation of the desired target. Due to the predominantly positive feedback of consumers that visited the store and were exposed to the brand, increasing traffic is of primary importance. It seems like the brand has much unused potential in the German and Austrian market.

4. Recommendations

In accordance with Parfois' Brand Identity, the main recommendation is to be where the German and Austrian millennials are, both off-line and online. Therefore, aimed at increasing customer footfall and conversion rates in the local stores, five guidelines along the objectives awareness, image, interest, purchase, and loyalty are proposed below.

***1) Catch the target & spread the word* – Awareness, Image & Interest**: While Parfois should not give up on its current customer group, the firm needs to focus more on attracting the millennial generation to gain a stronger position in their consideration set. Therefore, Parfois needs to overthink its channel strategy in the German and Austrian market. To be where the millennials are, Parfois should consider changing its positions in the malls. Particularly the store in Munich's Stachus Passagen should be relocated as little improvement can be expected. The target location should be an inner city flagship store above ground to capitalize on attractive neighbors and the region with the currently strongest penetration in the German market. Aiming at locations with high pedestrian traffic, Parfois should further consider increasing its presence at airports and train stations and integrating shop-in-shops in popular multi-brand stores (e.g., Breuninger) – both strategies are already applied in other markets. Additionally, the firm should consider distributing its products via AboutYou.de, a fast-growing e-commerce platform in Germany and Austria targeting young and fashionable consumers (About You GmbH). Pioneer in decoding influencer marketing, the marketplace was recently honored as the best online shop in the main category 'pure player' outdoing Zalando (Zimmer, 2018). ASOS is a second successful platform Parfois should consider to cooperate with, targeting "fashion-loving 20-somethings" (ASOS plc). To get back on track, Parfois needs to weigh investing in excellent locations against a more aggressive communication approach.

Parfois stands out due to its strong and unique seasonal campaigns. An effective communication strategy is vital to ensure that their message reaches German and Austrian consumers. Existing below-the-line activities should be enhanced and combined with above-the-line approaches. The current price promotions should be reduced to the level applied in other markets and the entire budget invested in raising awareness. A critical element to reach the young target are collaborations with German and Austrian fashion influencers reflecting the Parfois style (e.g., @carmushka, @ninasuess, @fleurdemode, @ohhcouture). Collaborations should be based on paid product placements on Instagram. An extensive PR sampling initiative to a variety of influencers should be launched and combined with personalized promo codes for their followers. Prospective blogger trips (e.g., Parfois & Friends Global Event) need to include local influencers. Parfois should further organize one of its 'Home is...' showcasing events of new collections in Germany. Out-of-home advertising by spreading the expressive fine art photography and video campaigns on analog and digital billboards in the respective malls and at metro and bus stops would attract publicity. A suggestion for a new cross-channel campaign on Instagram and out-of-home in the examined markets is #thisisme. The core of the campaign is to link the diversity of each person with all its different characteristics and moods to the diversity of the brand reflecting different colors, patterns, and shapes. The idea is to contrast phrases the target group can identify with and thereby communicate the brand's personality:

Sometimes she finds herself being sharp & witty. Sometimes she finds herself alluring.
Sometimes she dresses up. Sometimes she just can't be bothered.
Sometimes she prefers small scales. Sometimes she likes wide spaces.
Sometimes she closes her eyes and sees stars. Sometimes she breathes in & out and tries to keep still.
Sometimes she wants to stay at home. Sometimes she wants to see the rest of the world.
Sometimes she wants to be many, But in the end she is just one. (Parfois, 2018b)

A second potential campaign targets the idea that happiness comes in different shapes, materials, colors, patterns, and sizes communicated by hashtags like #AllShapesOfHappiness.

***3) Meet the needs* – Preference & Purchase:** In German and Austrian stores, genuine jewelry and bags should always be prominently positioned and visibly tagged. While – according to staff information – the current genuine bag collections mostly reflect a boho style, Parfois should launch a clean collection of genuine shoppers in catchy colors and include them in their basics assortment driving revenue. Satisfaction could be increased by including zippers and introduce more variety in sizes of handles, shoes, belts, and apparel. Apparel should only be offered in new stores that include changing rooms. Regarding winter textiles, Parfois should consider adding headbands and gloves to their assortment. By stronger highlighting trend items such as sunglass chains and belt bags in-store and through promotion, Parfois could further differentiate itself in the German and Austrian market.

4) Make them buy* – Image & Purchase*: Parfois should invest in a seamless shopping experience by aiming for an omnichannel approach. Instead of forwarding consumers to the website in case a product is not in stock and, thus, complicating the purchase and risking conversion, the staff should be able to order online for its clients (e.g., via tablet). The minimum purchase value online for free delivery should be decreased or the delivery fee reduced. In-store, Parfois should consider diminishing the amount of bags to provide a cleaner impression and highlight product specifics. Keeping the store in order needs to remain the top priority at all times, also during merchandise changes. In the long term, switching to V6 layouts in all stores is crucial for a consistent experience across channels.

4) *Bond who buys* – Loyalty*:* Promoting the social media channels and the newsletter in-store is critical to increase the engagement with the consumers. Counter-advertising and a store window vinyl should encourage clients to follow or subscribe online. A short-term initiative should be launched to collect email addresses and extend the database in exchange for a small gift. Moreover, Parfois should consider implementing a loyalty program to draw consumers into the loyalty loop (Court et al., 2009). A bonus point system would allow loyal customers to be rewarded with benefits after reaching a defined quantity of purchases, ultimately aiming to become a 'Parfois & Friends' member with access to exclusive campaigns and discounts. Parfois is strongly recommended to get local support from a PR agency as done in other markets or employ German speaking marketing personnel to ensure an effective implementation of campaigns and engagement with consumers.

5. Work Project Limitations and Outlook

A significant limitation of the primary research is the underrepresentation of older consumers in the sample of both qualitative interviews and store observations. Due to the recruiting of personal contacts, most interviewees reflect the age of the author. For in-store observation, potential target customers were primarily selected as their opinions were expected to be most valuable. Further research should collect representative data on the actual age range of consumers to support the assumptions made. Another limitation is the bias caused by social desirability in the follow-up interviews. While some consumers were very receptive to share their experience, others were surprised by the approach and reluctant to express negative experiences. Due to the strong budget restriction for the German and Austrian market, some recommendations are difficult to implement as the management is averse to risk a negative annual result. Furthermore, the global scale of the brand complicates the adaption to and incorporation of local market needs and preferences (e.g., sizes). Additionally, the resources of the team are limited and keeping up the day-to-day business is the priority. The importance of a change in strategy needs to be communicated to the top management to evaluate the strategic importance of the markets and gather further financial support.

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WHY IS PARFOIS NOT SELLING AS WELL IN GERMANY AND AUSTRIA AS IN OTHER COUNTRIES?

A problem-based analysis of the Portuguese accessory brand Parfois in the German and Austrian market

APPENDICES

Ina Gabriele Dillig

3603

A Project carried out on the Master in Management Program, under the supervision of:

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Appendix A: Accessories Sales by Category

% Volume Growth

Personal Accessories Germany

	2016/17	2012-17 CAGR	2012/17 Total
Bags and Luggage	2.0	2.5	13.3
Jewellery	1.5	2.4	12.5
Watches	-0.1	-2.1	-10.1
Writing Instruments	-0.2	-0.4	-2.0
Personal Accessories	0.0	-0.1	-0.7

Apparel Accessories Germany

	2016/17	2012-17 CAGR	2012/17 Total
Belts	1.0	0.6	2.9
Gloves	0.5	1.2	6.3
Hats/Caps	1.3	1.6	8.3
Scarves	1.7	3.6	19.2
Ties	-1.2	-0.7	-3.5
Other Apparel Accessories	6.7	4.5	24.6
Apparel Accessories	1.1	1.8	9.3

Apparel Accessories Austria

	2016/17	2012-17 CAGR	2012/17 Total
Belts	0.2	-0.1	-0.3
Gloves	-0.3	0.6	2.8
Hats/Caps	-0.1	0.6	2.8
Scarves	0.3	0.9	4.5
Ties	-0.1	0.1	0.6
Other Apparel Accessories	-0.1	0.1	0.5
Apparel Accessories	0.1	0.5	2.3

% Value Growth

Personal Accessories Germany

	2016/17	2012-17 CAGR	2012/17 Total
Bags and Luggage	2.6	3.5	18.8
Jewellery	3.7	0.7	3.4
Watches	1.5	-0.4	-1.8
Writing Instruments	0.4	0.5	2.7
Personal Accessories	2.7	1.1	5.8

Apparel Accessories Germany

	2016/17	2012-17 CAGR	2012/17 Total
Belts	1.7	2.1	11.0
Gloves	1.0	2.6	13.5
Hats/Caps	1.3	2.4	12.8
Scarves	1.2	4.2	22.8
Ties	-1.3	0.1	0.6
Other Apparel Accessories	6.3	4.6	25.2
Apparel Accessories	1.1	2.6	13.6

Apparel Accessories Austria

	2016/17	2012-17 CAGR	2012/17 Total
Belts	0.6	0.5	2.8
Gloves	0.5	1.1	5.6
Hats/Caps	0.5	1.0	5.4
Scarves	0.7	1.2	6.3
Ties	0.4	0.6	3.2
Other Apparel Accessories	0.4	0.5	2.5
Apparel Accessories	0.5	0.9	4.7

Source: Euromonitor International (2017, 2018a, 2018b).

Appendix B: Kapferer's Brand Identity Framework

Brand identity is a concept pointing out various facets of a brand's uniqueness and value. While a brand image reflects on how consumers perceive the brand, brand identity focuses on the sender's side. Jean-Noël Kapferer (2012) distinguishes six facets of a brand's identity: Physique, Personality, Culture, Relationship, Reflection, and Self-Image. Placed alongside a hexagonal structure this concept is referred to as 'brand identity prism.' Two dimensions dominate the different aspects of the prism. Kapferer differentiates between externalization and internalization as every brand has facets which describe its external or social expressions as well as elements that the brand incorporates. The second dimension is based on communication theory, distinguishing between sender and recipient. As brands speak about and are the source of a product, they are pictured as a person with specific attributes and characteristics. The prism further pictures the recipient, the stereotypical user.

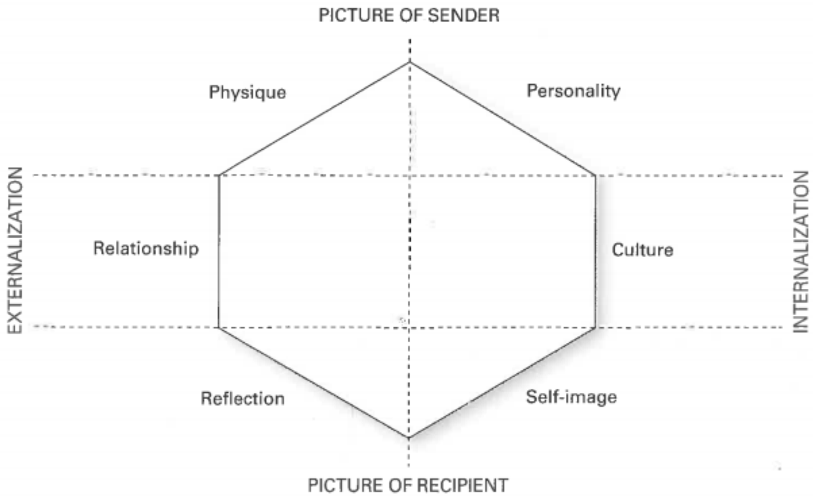


FIGURE A1. BRAND IDENTITY PRISM (Kapferer, 2012)

Physique: The 'physique' of a brand describes its main physical specificities and qualities, the most salient features related to the brand. It can be regarded as 'backbone' of a brand, the tangible value a brand adds.

Personality: Due to its role as communicator every brand develops an individual character. The facet describes the kind of person the brand would be if it were human. Creating a personality serves a psychological function by enabling consumers to identify with or project themselves into it.

Relationship: The facet focuses on the exchanges and transactions, the mode of conduct for which the brand stands. It describes the counterpart the brand gives to its consumers.

Culture: Every brand reflects a vision of the world, an ideology. As the most important element of the brand identity and core of the brand, this facet is critical to differentiate brands of the same segment. Culture is understood as the set of values that feed the brand's inspiration.

Reflection: A brand can be regarded as a reflection of its ideal receiver. This facet defines the desired consumer type the brand wants to address.

Self-Image: This facet is considered as an internal mirror of consumer aspired attitudes towards the brand. It outlines what consumers should feel when purchasing and using the brand.

Appendix C: Assessment Grid and Follow-up Questionnaire – Store Observations

# Observ.	Store	Date	Time	Demographic Information								
				Gender		Age (approx.)						
				F	M	<18	19-24	25-34	35-44	45-54	55-64	>65

(continued)

Approach to Assortment																												
Overall Approach					Category Approach (Rank)															Interaction (low, medium, high)				Evaluation Criteria (Rank)				
Product	Category	Assortment	Promo	Staff	Handbags	Jewelry	Wallets	Party	Scarves	Apparel	Watches	Travel	Footwear	Hats	Sunglasses	Hair	Belts	Umbrellas	Other	Touch	Pickup	Fitting	Staff	Promo	Price	Material	Product Availability	Other

(continued)

Purchasing Decisions																
Purchase													Newsletter Subscription		Total Time Spent In-store (min.)	Observational Annotations
Yes	# Items	No	Category	Product	Price (€)	Promo	Gift	Category	Product	Price (€)	Promo	Gift	Yes	No		

Follow-up Questionnaire

Question 1: Please tell me about your store experience.

a. What did you like?

b. Was there something that you didn't like? If yes, what?

Question 2: Do you buy accessories such as the ones carried by Parfois in other places in Germany / Austria? If yes, could you please tell me where?

Appendix D: Pre-recruiting Questionnaire – In-depth Consumer Interviews

Pre-recruiting Questionnaire

Filter 1: From the following list of product categories, which have you purchased for yourself or for gifting at least once over the last year in Germany or Austria? **(Appx. 1)**

a. Purchased at least one category → Filter 2
b. Purchased NONE → Stop interview

Filter 2: Have you been living in Germany / Austria for the last three years?

a. YES → Filter 3
b. NO → Stop interview

Filter 3: I am going to show you now a list of brands that sell accessories such as the product categories you have seen before. Which of these brands that sell accessories do you know, at least by the name? **(Appx. 2)**

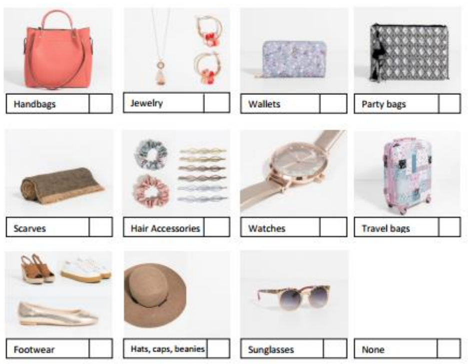
a. Knows Parfois → Filter 4
b. Does not know Parfois → Stop interview

Filter 4: From which of the brands listed below have you bought accessories such as bags, jewelry, scarves etc. for yourself or as a gift at least once within the last year in Germany or Austria? **(Appx. 3)**

a. Marks Parfois and/or competitors → Set up interview
b. Marks OTHERS → Stop interview

Appx. 1

From the following list of product categories, which have you purchased for yourself or for gifting at least once over the last year in Germany or Austria?



Appx. 2

Which of the following brands that sell accessories such as bags, jewelry, scarves etc. do you know, at least by the name?

ZARA | BIJOU BRIGITTE | SIX | MANGO
Zara | Bijou Brigitte | SIX | Mango
I am | H&M | PARFOIS | Accessorize
I AM | H&M | Parfois | Accessorize
FOREVER 21 | claire's | orsay | PIECES
Forever 21 | claire's | Orsay | Pieces
pimkie | PULL&BEAR | Bershka
Pimkie | Pull&Bear | Bershka

Appx. 3

From which of the brands listed below have you bought accessories such as bags, jewelry, scarves etc. for yourself or as a gift at least once within the last year in Germany or Austria?

ZARA | BIJOU BRIGITTE | SIX | MANGO
Zara | Bijou Brigitte | SIX | Mango
I am | H&M | PARFOIS | Accessorize
I AM | H&M | Parfois | Accessorize
FOREVER 21 | claire's | orsay | PIECES
Forever 21 | claire's | Orsay | Pieces
pimkie | PULL&BEAR | Bershka
Pimkie | Pull&Bear | Bershka | Sonstige

Appendix E: Interview Guide – In-depth Consumer Interviews

Interview Guide

1. **Warm-up**

I would like to interview you using a particular research technique: the non-directive method. This means that I will not ask you specific questions about the subject, as in a standard questionnaire. After the first question that I will introduce to you now, you will be free to tell me whatever comes to your mind on the subject. Keep in mind that there are no right or wrong answers, so feel free to talk about your experiences.

If you don't mind, I would like to record our conversation as this helps me to analyze the interview at a later stage. The interview will last approximately 45 to 60 minutes. It remains anonymous and you will not be contacted further after this interview.

2. **Initial Question**

Last time you bought accessories such as bags, jewelry, scarves etc. in Germany or Austria, could you please tell me which product you bought, of which brand and why?

3. **Topics to be developed**

Part 1: ACCESSORY CATEGORY/IES

a. Perception
b. Purchase behavior
    - Drivers
    - Purpose (self vs. gifting, occasion)
c. Consumption behavior

Part 2: OTHER BRANDS

a. Image and perception
b. User expectations (including customer-employee interaction)
c. Purchase behavior
d. Consumption behavior

Part 3: PARFOIS

- spontaneous –

And what about Parfois? What do you think of the brand?

a. **Brand image and perception**
    - Main associations
    - Influences
    - Understanding of the offer

- assisted –

Website:

Do you like the product offering and why? What at do you think about the design of the website? What impression of the brand do you get/What does it make to think about the brand? Could you imagine yourself buying from Parfois?

Product samples (bags, jewelry):

These are some accessories by Parfois. Feel free to take and try them on. What do you think of these products? Do you like them and if yes, why? Would you buy these products?

- Parfois clients only -

For interviewees more familiar with the brand gain further insights on:

b. Users expectations

- In-store experience (including customer-employee interaction)
- Product availability and variety

c. Purchase behavior

- Product choice
- Purpose (self vs. gifting)
- Frequency
- Place (location, online vs. offline)
- Price
- Promotion
- Information channel
- Obstacles and incentives

d. Consumption behavior

- Satisfaction
- Loyality

4. Projective Technique

We have been talking for quite some time now and it has been very interesting. Before finishing the interview I would like to use a very specific technique we call the projective technique. I know it is not easy but this is how it works:

Imagine that Parfois Accessories were a person. How would you describe this person? Would it be a man or a woman? Which age would that person have? How would he/she look like and be dressed? What car would he/she drive? Where would the person work and live? What would his/her personality be like?

Benchmarks: two competitor brands previously mentioned by interviewee (e.g. Claire's and Mango)

5. Socio-demographic Data

a. Age:

☐ Under 18 years
☐ 18 to 24 years
☐ 25 to 34 years
☐ 35 to 44 years
☐ 45 to 54 years
☐ 55 to 64 years
☐ Age 65 or older

b. Nationality: ________________________

c. Education

☐ Completed primary school
☐ Completed 9th grade | Hauptschulabschluss
☐ Completed 10th grade | Mittlerer Schulabschluss
☐ Completed 12/13th grade | Abitur, Matura
☐ Professional degree
☐ Incomplete undergraduate degree
☐ Undergraduate degree

☐ Post-Grad or Masters

☐ PhD

d. Occupation

☐ GO1 – Middle and Top Management

☐ GO2 – Specialized Technicians and Small Business Owners

☐ GO3 – Employees of Tertiary Sector

☐ GO4 – Qualified / Skilled Workers

☐ GO5 – Unqualified / Unskilled Workers

☐ GO6 – Retired / Unemployed

☐ GO7 – Students

☐ GO8 – Housewives

Thank you very much for your time and feedback. Your opinion is really important to make improvements. Have a great day!

Appendix F: Stimuli Products – In-depth Consumer Interviews

Party Earrings Item No. 156779_TPU 12.99€	Blog Earrings Item No. 151545_GDU 6.99€	Honey Stones Ring Item No. 139925 6.99€
		
Skylight Necklace Item No. 144336_PMU 14.99€	Silver Delicates Necklace Item No. 153784_SVU 9.99€	
		
Melania Cross Bag Item No. 155999 23.99€	Juliette Shopper Item No. 155481 29.99€	
		

Source: https://www.parfois.com/de/de/homepage/

Appendix G: Interview Guide – In-depth Staff Interviews

1. **Warm-up**

Good morning / afternoon / evening. My name is Ina and I'm currently writing my Master thesis at NOVA School of Business and Economics in Lisbon in collaboration with Parfois. For this purpose, I am conducting a research on how the brand is perceived in Germany and Austria.
I would like to interview you using a particular research technique: the non-directive method. This means that I will not ask you specific questions about the subject, as in a standard questionnaire. After the first question that I will introduce to you now, you will be free to tell me whatever comes to your mind on the subject. Keep in mind that there are no right or wrong answers, so feel free to involve yourself and talk about your experiences.

If you don't mind, I would like to record our conversation as this helps me to analyze the interview at a later stage. The interview will last approximately 45 to 60 minutes. It remains anonymous and you will not be contacted further after this interview.

2. **Initial Question**

When did you start working for Parfois and why did you choose to work for this brand?

3. **Topics to be developed**
   a. **Initial brand image and perception**
   b. **Consumer behavior**

   Now let's talk about your consumers. How would you describe them considering their…?

   - Consumer characteristics
   - Category preferences
   - Purchase behavior
   - Price perception
   - Satisfaction
   - Loyality

   c. **In-store experience**

   Could you tell me a bit more about your experience as a manager / sales person at Parfois?

   - Product range German/Austrian market *(area/store manager only)*
   - Merchandise mix: selection strategy and responsibility *(area/store manager only)*
   - Product availability
   - Pricing and discount strategy *(area/store manager only)*
   - Promotion
   - Customer-employee interaction

   d. **Competitors**
   e. **Current brand image and perception**

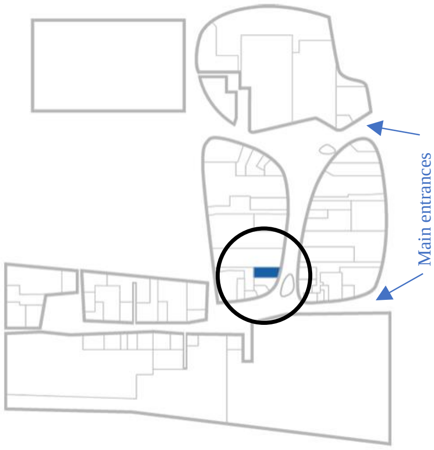
4. **Socio-demographic Data**
   a. **Current position:**
   - ☐ Sales person (full-time)
   - ☐ Sales person (part-time)
   - ☐ Store manager
   - ☐ Area manager
   - ☐ Others: ____________________

   b. **Store location:**
   - ☐ Dortmund
   - ☐ Berlin
   - ☐ Munich
   - ☐ Salzburg

   c. **Previous occupation:** ____________________

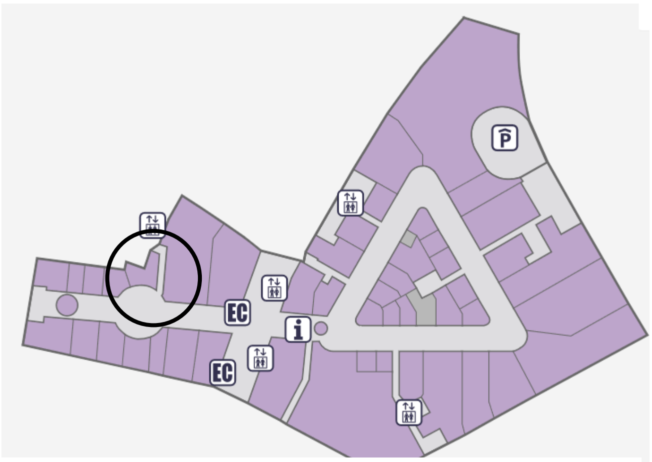
Appendix H: Storefronts and Locations

Salzburg: Europark



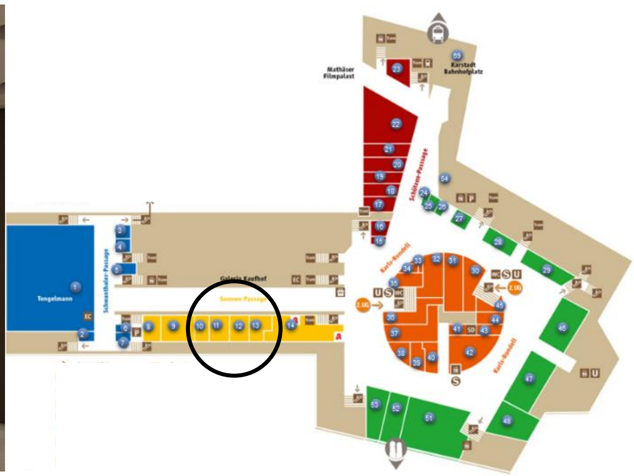
Source: Photo by the author; https://www.europark.at/de/shops-gastro

Dortmund: Thier-Galerie



Source: Photo by the author; https://www.thiergalerie.de/das-center/centerplan/lageplan/

Munich: Stachus Passagen



Source: Photo by the author; http://www.stachus-passagen.de/aktuelles/neueroeffnung-parfois/; http://www.stachus-passagen.de/lageplan/

Berlin: Alexa Shopping Center

Source: Photo by the author; https://www.alexacentre.com/grundriss/

Appendix I: Parfois Store Experience – Results of the Follow-up Questionnaire

Likes		Dislikes	
1. Specific category *- see Table 3*	56%	1. Variety	18%
2. Style	30.4%	2. Product availability	16%
3. Store layout/window and visual merchandising	28.4%	3. Quality and the material	15.2%
4. General catalog and selection	28%	4. Style	11.6%
5. Quality/quality appearance	23.6%	5. Store experience - visual merchandising - atmosphere	7.6%
6. Price	20.8%	6. Colors	5.6%
7. Colors	19.6%	7. Lack of functionality	5.6%
8. Staff/service	10.8%	8. Staff/service	4%

Source: Author, based on primary data from the follow-up interviews with store visitors.

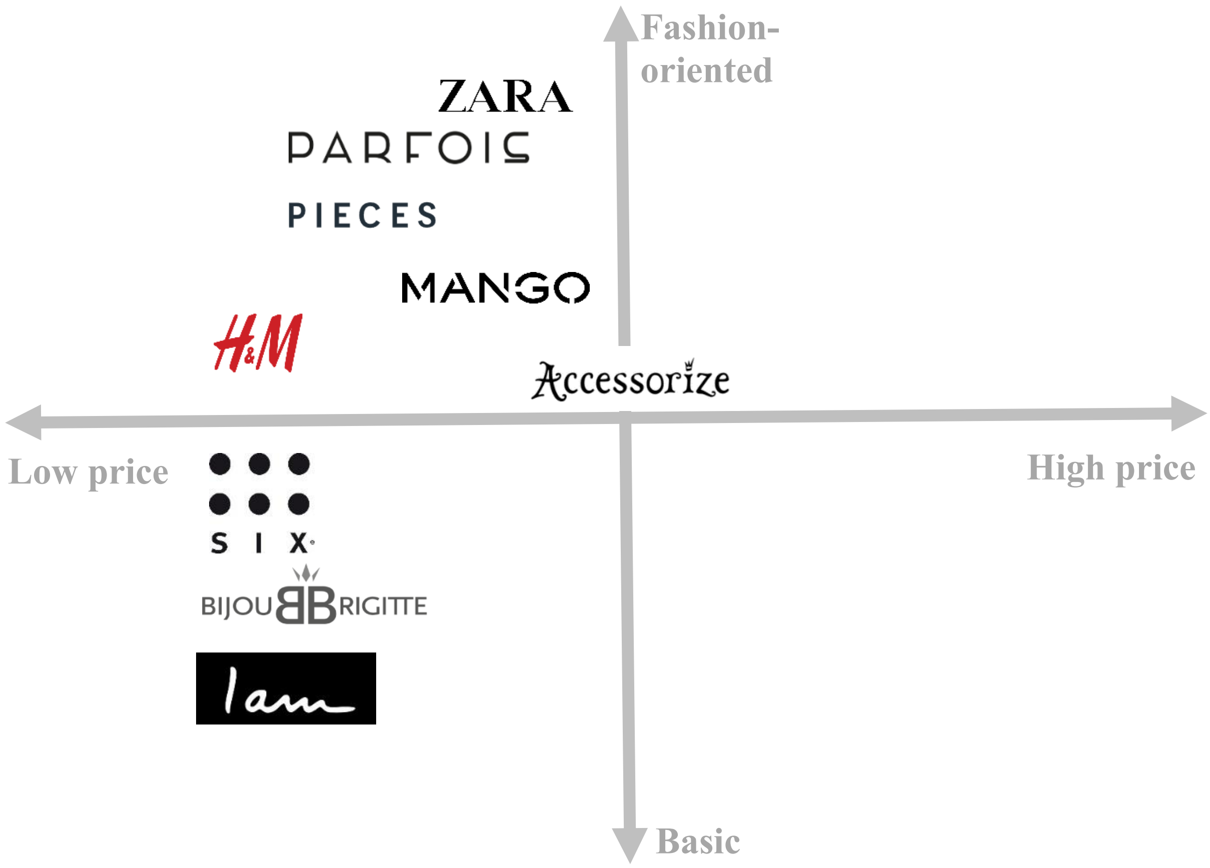
Appendix J: Parfois and Competitors

Projective Technique

		Parfois	N=30	Zara	N=15	H&M	N=10	Mango	N= 10
Dominant features named by at least 20%	Gender	female	30	female	13	female	10	female	8
	Age	25-35	23	25-30	9	18-25	6	>25	5
	Job	office job	7	office job, PR/advertising agency fashion industry	5 4	school student/student	5	businesswoman	9
	Residence	living in the city Southern Europe: Milan, Lisbon, Barcelona	21 6	living in the city	11	living in the city	8	living in the city	8
	Car	BMW 1, Fiat 500	6	BMW Mini Cooper	6 4	no car/public transport	6	Mini Cooper	3
	Style	classic/elegant colorful fashionable extravagant accessories	14 9 8 6	stylish/fashionable classic/elegant simplistic/clean designs	8 7 3	casual likes a variety of styles fashionable	5 4 3	chic/elegant	6
	Personality	open-minded friendly/pleasant self-confident	13 12 6	open-minded self-confident, arrogant	5 3	reserved, open-minded, easy-going, price-conscious	3	reserved open-minded	5 4
Marginal features named by less than 20%	Gender	/		male	2	/		male	1
	Age	18-24 <18	4 1	20-25, mid 30s	1	25-30	2	<25, 25, 20-30	1
	Job	fashion industry marketing/advertising, managing position, retailing, teacher	5 4	designer blogger, journalist, teacher, real estate management	2 1	apprentice, artist, barkeeper, customer consultant	1	student, mother	1
	Residence	countryside France, Berlin Germany, Paris, Munich, Los Angeles, London	4 2 1	abroad	1	countryside Germany	2 1	suburb New York, Barcelona	2 1
	Car	VW Golf Mini Cooper no car, sports car Audi A1 Range Rover, Seat, VW Tiguan, VW Beetle Porsche, Opel Adam, drive now, Vespa, Opel Corsa	5 4 3 2 1	Mercedes A-Class Audi A3 drive now, subway, Peugeot	2 2 1	Opel VW Van	2 1	Fiat 500 Cabrio, Mercedes, BMW	2 1
	Style	likes to change styles, ethnic/hippie look earth tones/muted colors quirky, playful feminine, casual chic, stuffy, French, tanned, strong makeup patterns, summer look, discreet jewelry, hip/urban	5 4 3 2 1	casual, mix premium look, well-dressed, stuffy, colorful, edgy, statement accessories, casual chic	2 1	neutral colors unremarkable, matching jewelry	2 1	floral, colorful, simplistic, fashionable conservative, pretty accessories	2 1
	Personality	stands out/attracts attention, quiet/reserved well-off/upscale outgoing/extrovert, adventurous, down-to-earth, easy-going/relaxed average, cheerful, Spanish, creative well-behaved, charismatic, stuffy, accurate, distant, decisive, fun-loving, arrogant, balanced, family-oriented, charming, educated, social, loud, direct, ribald, uneducated, positive	5 4 3 2 1	cheerful, friendly, social, cool, successful, outgoing conservative, crazy, creative, settled, serious, active, loud	2 1	extrovert responsible, crazy, naive, funny, down-to-earth, tolerant, insecure, friendly	2 1	self-confident friendly, Italian, well-off, spoiled, communicative, extrovert, decisive, serious, sophisticated	2 1

Note: Zara, Mango, and H&M were most frequently selected by consumers as benchmark brands during the projective technique and, therefore, listed for comparison.
Source: Author, based on primary data from qualitative consumer interviews.

Perceptual Map



Source: Author.

Appendix K: Parfois Brand Perception – Additional Quotes

Awareness	"I think many friends of mine would not know it." (25-34 years old, student) "I believe that if they promoted the sunglass chains a bit more, especially in cities like Berlin, a lot more people would wear them. Also, belt bags are very fashionable right now, but nobody expects them to be sold at Parfois." (25-34 years old, student)
	"Many still ask us after four years, if we are new." (assistant store manager) "If people ask me where I work and I say Parfois nobody knows it." (assistant store manager) "I think Parfois should do some more promotion in Munich. Many people do not know the store or the brand. We hear every day when consumers enter 'since when is this store here?', […] 'I did not know, I have not seen it.'" (store manager) "I think the best thing for Parfois to make a very good advertisement would be to open a store in the center, for example at Marienplatz, or also near here but upstairs. I know it is very expensive, but I think that would be a great advertisement. That is what they did in Rome." (area manager) "It's always like that. If you do not know it [the brand], you do not enter. […] Some purchase but don't know the brand name." (store manager) "I think many people just don't know the store and would definitely like it." (store manager) "It is not like they would think: 'Let's follows this big brand, they might have cool products.' Parfois is perceived as a small independent boutique." (sales assistant) "Parfois wants to be like Zara, wants to be a fashion store […], but people put it more in the same category with accessory stores like Accessorize and Bijou Brigitte." (store manager)

Location	"I am often in Europark, but the store never attracted my attention even though I bought at Zara Home on the other side. I am normally always aware of the new stores, but I passed it several times without noticing." (18-24 years old, apprentice) "Europark is the best location a store can have in Salzburg." (assistant store manager) "It is a little bit hidden. It is ok, but we could do much more if we were in the central area. […] Sometimes there it is crowded and here is no one." (area manager) "We do not have many entries every day. For the people that are here around, we should have three times more, and we should sell three times more." (area manager) "I think it is just the location." (area manager) "It is better to have fewer shops in the right location than having many shops in the wrong location." (area manager) "Sometimes you can have five people at once in-store, but if we would be in the central area, we could have 20 at the same time." (area manager) "Some people came to look for the shop and didn't find it." (area manager)
Target and Clients	"I think they target young people that don't have that much money but feel at home in the world of fashion and want to stand out." (25-34 years old, student) "Women with style, who want to pep up their outfit with accessories without spending 100€ for a bag." (25-34 years old, student) "I think Parfois' target customer is much younger than the customer that we have, maybe 25 to 30, […] in general people in their 20s, early 30s." (store manager) "I think people here are a little bit scared to draw attention to themselves or they find it hard to combine these kinds of things. We have many people coming in that need help to find matching things. They have a hard time doing by themselves." (store manager) "We do not have many fashionable people." (area manager) "Germans are very conservative concerning their style, very classic. Prefer the safe route than standing out." (sales assistant) "I imagined that lots of young and hip customers would enter, but it is rather older women. […] Maybe they are more confident with their style and know what they want, what they like. Here in Salzburg it is not like in Berlin with all those hipsters and bloggers." (sales assistant) "When I think about a young girl from Salzburg, I think of leather jacket, pearl earrings, and bun. Rather clean and modern." (sales assistant) "You really notice when a new tourist bus just arrived. Every five minutes a new group of five/six people of the same nationality enters." (sales assistant)
Price	"I am surprised, and I will definitely keep on following the brand. […] Especially for that price. Awesome! I am so happy that I discovered the brand." (25-34 years old, small business owner) "If I like something, I do not care about if it is on sale or not." (25-34 years old, small business owner) "I would order there, but for 40€ it just doesn't make sense." (25-34 years old, student) "The problem is that people think the store is more expensive than it really is. We often hear people passing by saying that they do not enter because it looks super expensive. […] Many believe that we are a store of the upper price range." (sales assistant) "Maybe we should only have it [sales period] for a month or a few weeks. After some time you kind of want to see the new stuff." (store manager) "I sold within one hour as much as I sometimes sell within half a day." (sales assistant)
Quality	"[…] where I think twice if I afford the bag, but I know it will also do it for a while." (35-44 years old, skilled worker) "German customers always ask about the leather products. The thing is, we do not have that much offer because I think that Parfois' leather collections all look the similar, a little bit more of a gypsy style. That kind of product is better for Spain […]. Here this style does not work." (area manager)
Style and Assortment	"Stylish accessories that are currently in vogue for a small budget" (18-24 years old, student) "I entered because of the extravagant pieces as they caught my attention" (18-24 years-old, student) "I only discovered it last week, but it looks really cool." (18-24 years-old, student)

	"[…] how it was worn in the past" (18-24 years old, apprentice) "It is trendy, modern but also carries many classic muted colors. It reminds me of summer, sun, and beach." (25-34 years old, student) "I could definitely imagine myself to order something from there." (25-34 years old, skilled worker) "They have fashionable products for little money." (25-34 years old, student) "I feel like there is no clear line." (25-34 years old, student) "If I see these [ring and silver/gold earrings], I would enter the store. If I see those [necklaces, tassel earrings], I would not." (25-34 years old, student)
	"The new jewelry collections are a bit over the top. […] There are some selected pieces our customers like to buy, but we will not sell the big and heavy necklaces with leather ribbon." (assistant store manager) "I would not sell apparel if we do not have a changing room." (store manager) "We can have a few slightly weirder and colorful pieces but maybe not as many as we do get now because I think it is too much. When people come in, they only see the big and crazy things and not the things around them they might like. But we should still have that stuff because it would be quite boring otherwise, maybe just less of it than in countries where these kinds of things sell." (store manager) "I believe the reason why jewelry does not go that well is that it lacks functionality. People do not wear it frequently. We need a broader basic line." (assistant store manager) "Parfois should better adapt to local habits and preferences." (sales assistant)
Store	"The store design seems different to the collections." (under 18 years old, school student) "The store seems very different to the website." (under 18 years old, school student) "It would be an obstacle if they would change their store window design. […] That is the reason why I regularly go there. I see the articles from the outside, I fall for them and cannot keep on walking" (18-24 years old, skilled worker)
	"I think with the new V6 store concept we could attract more customers. I think those stores are brighter than the ones with the wooden layout."(store manager)
Service	"Often you do not ask even though you would like to." (18-24 years old, school student) "I find it awful if I am approached when I am not even in-store yet and had a look around. […] When I need help I would say so." (18-24 years old, skilled worker) "If sales assistants directly ask you after entering a store if she can help it is a bit annoying." (18-24 years old, student) "Especially in big cities, you value anonymity as you are always surrounded by many people so that you just want to be on your own when shopping." (25-34 years old, student) "I think it is always a bit constricting because sometimes you just want to stroll and browse and then I think it is quite pushy if you are directly approached." (25-34 years old, skilled worker) "I think it is unnecessary to tell me about the bracelets on the counter. I mean I have seen them. I was standing right in front of them. If I wanted one, I would take one." (25-34 years old, student) "If I really need something, I can ask." (35-44 years old, apprentice)
	"Germans are very reserved. They do not like it at all if you approach them. One question is sometimes already too much." (sales assistant) "They are challenging." (store manager) "It is a German thing. They just want to be left alone. I am the same." (store manager) "Sometimes you just start talking, and they cut you short saying 'No, thank you.'" (store manager) "They do not come to talk, only to look around. That is all." (sales assistant) "Many just feel pressured or annoyed." (assistant store manager) "They get quite annoyed at us sometimes." (store manager) "I think it is still good to go up to everyone and let them know that we are there in case they do want something." (store manager) "They only want to have their peace and look around. That is a bit difficult because it goes against Parfois' philosophy." (store manager) "There was a very cool thing in Zara. […] I think it would be great if we could do something like that. It is that we can order for people online and have it delivered to the store. So many people asked for that. […] I think if we would have the option to do that for people it would really work well." (store manager)

Loyalty	"I am not somebody who tries out new stores thinking 'wow, let's check this one out."' (25-34 years old, skilled worker)
	"Here in Germany, all stores have it." (store manager) "When I did not know Parfois yet, I only went to the two stores I knew: H&M, Mango. I never looked at the smaller stores. I think many people are like me." (assistant store manager)
Internal Processes	"We know the store, we know the customers, we know what we sell." (assistant store manager) "But I think there is very little flexibility, and I think it is kind of a shame because I know, my team knows our customers better than anybody else. The visual merchandisers in Portugal are great. It looks really nice what they do, but it would be nice to have a little bit of flexibility to adapt it to our customers." (store manager) "I am noticing that we are missing many bags that we sold, but then we have so many bags that we are not selling." (area manager) "I do not really understand how they do the stock. Of some pieces I know we would sell very well we get three, and then sometimes they send us 20 of the same bag and it is something that we are just not going to sell here." (store manager)

Source: Author, based on primary data from qualitative consumer interviews.