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Customer Journey of Generation Z in Fashion Purchases

Case LMTD

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ABSTRACT

Consumer behavior is a dynamic field of social studies. Consumers who are born during a certain time period share values and behavior patterns with each other that affect on purchasing decisions. The tweens and teens of today are known as the generation Z. One of the first purchasing decisions that young consumers start making independently are clothing purchases. From the marketer's point of view, there are different touch points along the way of a customer's decision making journey, where they can either win or loose. This thesis aims to point out the critical touch points on a customer journey of generation Z in Finland when buying clothes. The information is important for the case company, because generation Z is a new target group for them and the preferences are constantly changing.

This thesis is using qualitative methods of research and a deductive approach. Qualitative methods were chosen in order to get a deeper understanding of the behavior under examination. Both secondary and primary sources of data are used. First part of the thesis uses secondary data and discusses some of the main theories connected to consumer behavior, purchasing fashion items and the specific characteristics of generation Z as consumers. The empirical part uses primary data that was collected in two focus group events and in a survey.

The primary data was used in the analysis that pointed out the key results of the research. Social media plays a big role in generation Z's lives. That makes it natural for them to also seek fashion inspiration from social media. Number one platform for clothing inspiration is Instagram. A good content for a fashion brand is a combination of fashion photos, promotions, competitions and featured celebrities. Brands that offer athleisure type of relaxed clothing were most popular and number one factor to affect on store atmosphere is store interior.

Key words: consumer behavior, customer journey, fashion, generation Z, social media

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TIIVISTELMÄ

Kuluttajakäyttäytyminen on tieteenala, johon kuuluu osana jatkuva muutos. Samana aikakautena syntyneet kuluttajat jakavat keskenään arvoja ja käyttäytymismalleja, joilla on vaikutusta ostopäätöksiin. Nykypäivän esiteinit ja teinit tunnetaan nimillä sukupolvi Z. Vaatteiden osto kuuluu ensimmäisiin ostopäätöksiin, joita nuoret alkavat tehdä itsenäisesti. Markkinoinnin näkökulmasta yritykset voivat tavoittaa kuluttajan ostopäätösprosessin monissa eri vaiheissa. Tärkeintä on erottua kilpailijoista ja tavoittaa oikea kohderyhmä. Tämä opinnäytetyö on tehty yhteistyössä Name it-lastenvaatemerkin kanssa. Tavoitteena on tutkia sukupolvi Z:n vaateostoksiin liittyvää kuluttajakäyttäytymistä Suomessa. Tutkimuksesta saatava tieto on yritykselle tärkeää, koska esiteinit ja teinit ovat brändin uusi kohderyhmä.

Tämä opinnäytetyö käyttää kvalitatiivisia tutkimusmenetelmiä ja deduktiivista lähestymistapaa. Kvalitatiiviset menetelmät soveltuvat tähän opinnäytetyöhön, koska tavoitteena on saada kokemusperäistä tietoa kohderyhmän käyttäytymisestä. Tutkimustieto on kerätty sekä sekundääreistä että primääreistä lähteistä. Opinnäytetyön ensimmäinen osa käsittelee kuluttajakäyttäytymistä, muodin ostamista ja Z-sukupolven tyypillistä ostajaprofiilia sekundäärisiä lähteitä käyttäen. Empiirinen osa perustuu primääriin tietoon, jota kerättiin kahdessa kohderyhmätapahtumassa ja kyselytutkimuksessa.

Tutkimustulosten analysointiin käytettiin primääristä tietoa. Sosiaalisella medialla on iso rooli Z-sukupolven elämässä, ja se on myös suosituin muoti-inspiraation lähde. Suosituin kanava on Instagram. Vaatebrändin sosiaalisen median sisällön tulee olla monipuolista ja trendikästä. Suosituimpia brändejä ovat sporttiset ja rennot brändit. Myymälän sisustuksella on asiakaspalvelun ohella merkittävä vaikutus koko myymälän tunnelmaan.

Asiasanat: kuluttajakäyttäytyminen, markkinointi, muoti, Z-sukupolvi, sosiaalinen media

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1 INTRODUCTION

The purpose of this chapter is to help the reader to get familiar with the research topic of this thesis. The chapter starts with explaining research background and continues to thesis objectives, research questions and possible limitations. Theoretical framework introduces the main theories used in this study and it is followed by the research methods and data collection methods. The first chapter finishes with the structure of the thesis.

1.1 Research Background

Consumer behavior is a dynamic field of social studies. What triggers consumers to buy a certain product is affected by their feelings, thoughts and actions, all of which can easily change over a short period of time. Companies need to keep up with the latest trends and that is why it is important to conduct ongoing consumer research and analysis. (Peter & Olsen 2008, 6-7.)

Before, during and after a person is making a purchasing decision, there are certain touch points where the marketer needs to capture the consumer's attention. Customer journey describes these opportunities that marketers cannot afford to miss if they want their product to succeed. (Edelman 2011.) Lately there has been a change in the model of how the customer journey is being seen. The linear funnel model has been replaced by the circle model, which takes into account the interaction between companies and the consumers better. (Court, Elzinga, Mulder & Vetnik 2009.)

According to Gregory Stone (1962,92.), people use fashion as an instrument through which they are expressing their identity. He argues that whenever we make fashion decisions we want to address an audience that plays a role in our establishment of our self. Compared to other consumption decisions, people usually pay more attention to what they wear because these consumption choices are visible to all people around

them. The importance of expressing yourself through your clothing is even greater when you still have not fully defined your identity. This is the case when consumer is placed into an unfamiliar role. (Solomon & Rabolt 2009, 165.) Teenagers often find themselves trapped in between the worlds of children and adults. They start to gain independence and responsibility but still want to clearly separate themselves from their parents. Fashion therefore plays a key role in the self-impression of teenagers.

The time period during which a consumer is born affects a lot to their purchasing behavior. A marketer needs to be able to speak to a certain age group with their own language and through their own channels. (Solomon & Revolt 2009, 200.) This means that the customer journeys of consumers from different age groups can have big differences with each other. The case company in this thesis is Bestseller and more specifically their children's clothing brand Name it. Name it has several retail and wholesale locations around Finland. The researcher has worked for the case company during spring and summer 2016 as a sales trainee and the need for this research was realized during that time. The company is facing challenges with a new brand and a new target group. The new brand is called LMTD and it is targeted to consumers aged between 10 to 16. This age group has grown up to be constantly present in the social media and their preferences change a lot faster compared to older target groups.

The case company needs this study to understand what are the critical touch points during the customer journey of a teenage consumers that they should put their focus into. Also, they want to find out how to actually get the attention of this age group and differ themselves from the competitors. LMTD collections are small compared to other sub-brands inside of Name it and the styles need to be carefully selected to meet the preferences of tweens and teens. In order to collect data from teenagers, the company organized two focus group events during the summer and fall in 2016. This research is based on the data collected in those two events and on a survey that was answered by 19 individuals from the target group.

1.2 Thesis Objectives, Research Questions and Limitations

This thesis aims to help the case company to get a better understanding of the customer journey of a tween and teenager consumers in Finland. The focus will be in the clothing purchasing decisions. This is a new target group for the case company and the findings of this research will help the company with their future collections, marketing campaigns and planning of events targeted for teenagers.

A foundation for a well-conducted research is a carefully selected research question. The aim of the research question is to clarify the research problem and make it clear for the reader what is the topic under examination. After the main research question the researcher usually sets sub-questions to follow. The purpose of the sub-questions is to define the focus points of the main question. They also help the researcher in the beginning of the research process to set purpose and goals for the study. (Saunders, Lewis & Thorn hill 2009, 32-33.) Below are stated the main research question and the sub-questions chosen for this thesis.

The main research question:

What are the critical touch points in a customer journey of a consumer aged from 10 to 16 in Finland when buying clothes?

Sub-questions:

Where does the target group look for fashion inspiration?

What is good content for a fashion brand in social media?

Which attributes the target group values the most in a piece of clothing?

Which attributes the target group values the most in a clothing store environment?

The customer journey has multiple different touch points where the marketer and the consumer can interact with each other. The purpose of the sub-questions in this study is to determine where should the case

company focus their limited resources. Also, the attributes of the actual products and the store environment are under examination. A new brand needs this information in order to meet the demand of the young consumers.

Every research has limitations. The limitations of this research have to do with a strong case company focus and a focus to a specific country and age group. Because this research is conducted and designed to specifically help the case company the results may not be applicable to other fashion companies that do not operate in the Finnish market and have a different kind of age group as their target consumers. Also the preferences of young consumers can change in a short period of time and the findings of this study may therefore not be valid after few years. That being said this research is important for the case company because they need specific information from a certain market area and they will use the findings of this research in the near future.

1.3 Theoretical Framework

The key theories used in this research are chosen to lead the reader to the topic of customer journey of teenagers when buying clothes. First it is important to understand what triggers people to make purchasing decisions. In the first theory chapter researcher introduces theories of needs and wants using Maslow's theory about hierarchy of needs. Theories of perception and customer decision-making journey are covered next.

The second theory chapter focuses in consumer behavior in fashion. It uses trickle-up theory and discusses the decision making process of clothing purchases. The case company needs new data about the current state of customer journey of young consumers. The third theory chapter describes the characteristics of generation Z and their relationship to social media. Also, the role of parents on purchasing decision is discussed.

1.4 Research Methodology and Data Collection

In the beginning of the research process, the researcher needs to define which research approach to use. The different approaches differ from each other in the role of theory in the research. (Saunders, Lewis & Thornhill 2009, 124.) There are two commonly used research approaches: deductive reasoning and inductive reasoning. In deductive reasoning the first source of knowledge is theory. Using the theory, hypothesis is created and the empirical analysis is testing the hypothesis. Inductive reasoning is the opposite of deductive approach. In inductive reasoning empirical research is the source for new theories. Pure induction is not often seen in business research. (Eriksson & Kovalainen 2008, 22.) In this research the researcher has decided to use a deductive approach.

After the research approach is decided the researcher needs to define which methods of research will be used to collect the data. The research method should be chosen keeping in mind that it is the best method to answer the research question the researcher has formulated earlier in the process (Eriksson & Kovalainen 2008, 27.). The research methods are divided into qualitative and quantitative methods of research.

Qualitative methods of research focus on getting detailed and big amount of data from fewer sources. These methods are usually used to get a deeper understanding of human behavior. Observing and interviewing are typical ways of collecting qualitative data and the participants need to be carefully selected. (Glenn 2010, 95-96.) Qualitative research leaves room for surprising changes in the research process and data collection (Eriksson & Kovalainen 2008, 30).

Quantitative methods of research focus on getting a small piece of data from many different participants. A survey is a typical way of conducting a quantitative research and the data is often analyzed using statistical methods. (Glenn 2010, 95-96.) Quantitative methods of research do not usually leave room for changes during the research process. The answers of the participants are often precoded which makes it easier for the

researcher to organize a large amount of data later in the process. (Eriksson & Kovalainen 2008, 32.)

In this research the researcher has decided to use qualitative methods of research. The case company organized two focus group events in different locations where the researcher collected the data for this study. A focus group is a group of individuals who are gathered to talk about their personal experiences of the topic that is under examination. The difference between a group interview and a focus group is that in focus group setting to goal is to get the participants to interact with each other, not only with the person who is conducting the interview. (Powell & Singel 1996, 499.) Also, 19 individuals from the target group answered a survey that covered the same topics that were under discussion in the focus group events.

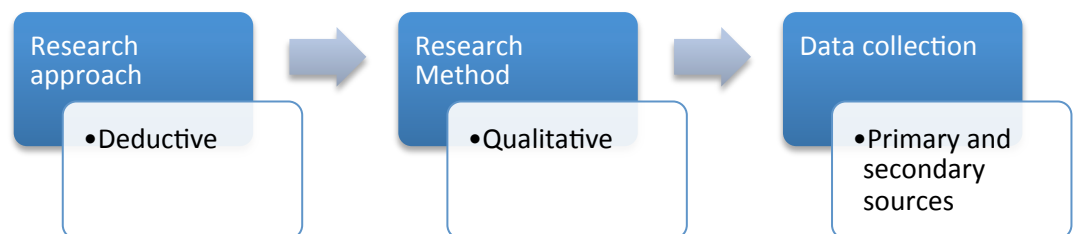


FIGURE 1. Research Methods of this thesis

The data for this research was collected from primary and secondary sources. Data that is collected by the researcher is called primary data (Eriksson & Kovalainen 2008, 77). In this research the primary data is collected from two focus group events where the researcher is observing the conversation of participants. Also, additional primary data was collected with a survey. All empirical data that is not collected by the

researcher and already exist is considered secondary data (Eriksson & Kovalainen 2008, 77). Secondary data is used as a literature review in the theory part of this thesis.

1.5 Thesis Structure

In the FIGURE 2 is illustrated the structure of this thesis.

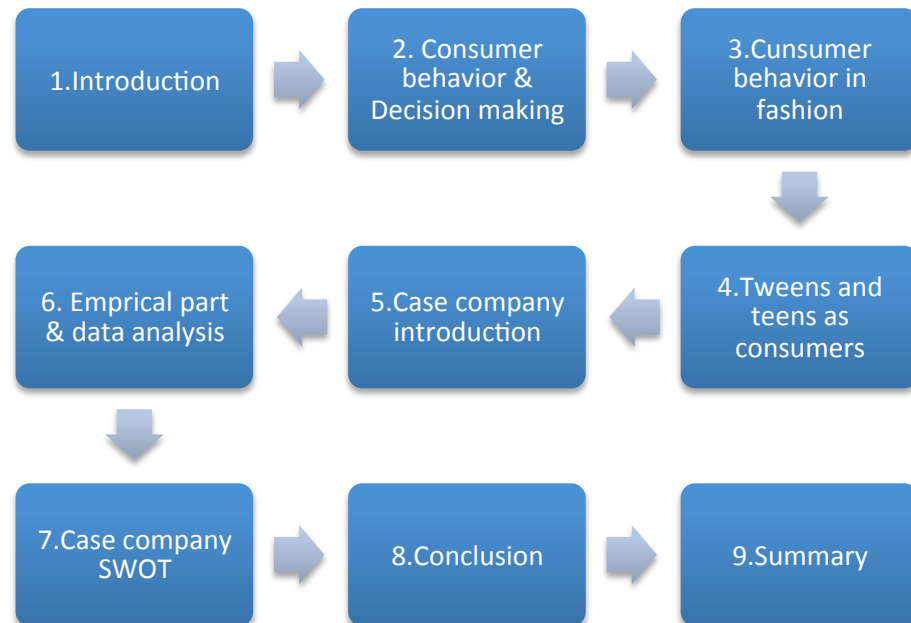


FIGURE 2. Thesis structure

This thesis starts with an introduction chapter. The purpose of the first chapter is to explain for the reader why the topic under examination in this thesis is important and also introduce the key theories and research methods used in this work. After the first chapter the thesis can be divided into theoretical and empirical part. The theory part includes chapters two, three and four. Chapter two starts the theory part with discussing basics of consumer behavior theory and moving on to the customer journey models. Chapter three points out the motives and thoughts that consumer go through when making fashion decisions. Chapter four focuses on the target group of the case company and discusses consumer behavior of tweens and teens.

Chapter five gives an introduction to the case company Name it, and the new sub-brand LMTD. The main competitors and their core competences are explained. Chapter six is the empirical part and the data analysis. It starts with the description of the research process and the data collection. After that, the data is analyzed and organized. The empirical part is followed by chapter seven, where the author uses SWOT-analysis to explain, what the results of the research mean for the case company.

Chapter eight is the conclusion of the thesis. It provides answers to research questions and discusses validity and reliability of the thesis. Also, suggestions for further research are given. The thesis finishes with chapter nine, which is a summary.

2 CONSUMER BEHAVIOR & DECISION MAKING

The American Marketing Association has the following definition for consumer behavior: *'the dynamic interaction of affect and cognition, behavior, and the environment by which human beings conduct the exchange aspect of their lives'*. This means that consumer behavior studies the feelings and actions people go through during purchasing processes. The process is interactive and the decisions consumers make are highly affected by their surroundings. (Peter & Olsen 2008, 5-6.)

2.1 Needs and Wants

Consumers are motivated to use part of their disposable income to purchase certain products because they have needs, wants and demands. People have physical, social and individual needs. Physical needs are those such as food and shelter that keep us alive. Social needs fulfill the feelings of belonging and affection. Individual needs have to do with ones desire to gain knowledge and get new experiences. Marketers cannot affect to these needs, they are part of the human nature. (Kotler & Armstrong 2014, 28.)

Maslow (1943) argued that the needs all humans have can be illustrated with a hierarchy. He divides the needs into five different categories and states that an appearance of a certain need usually relies on a satisfaction of a prior need that is more important in the hierarchy. Physiological needs are the base for all other needs and if they are not satisfied no other needs should be present. Once physiological needs are satisfied needs for safety and security follow. Third in the hierarchy are the needs of love and belonging and fourth come the need for self-esteem. At the very top of the hierarchy are the needs for self-actualization.

Maslow's hierarchy of needs is highly bound to Western culture. In many of the Asian cultures the welfare of the group is what matters the most. Also if a person is very religious and has taken a vow of celibacy they might not think that all physiological needs must be fulfilled before a

person can find self-fulfillment. Marketers should realize that consumers' needs and the priority of those needs might change in different stages of their lives. (Solomon & Rabolt 2009, 128.)

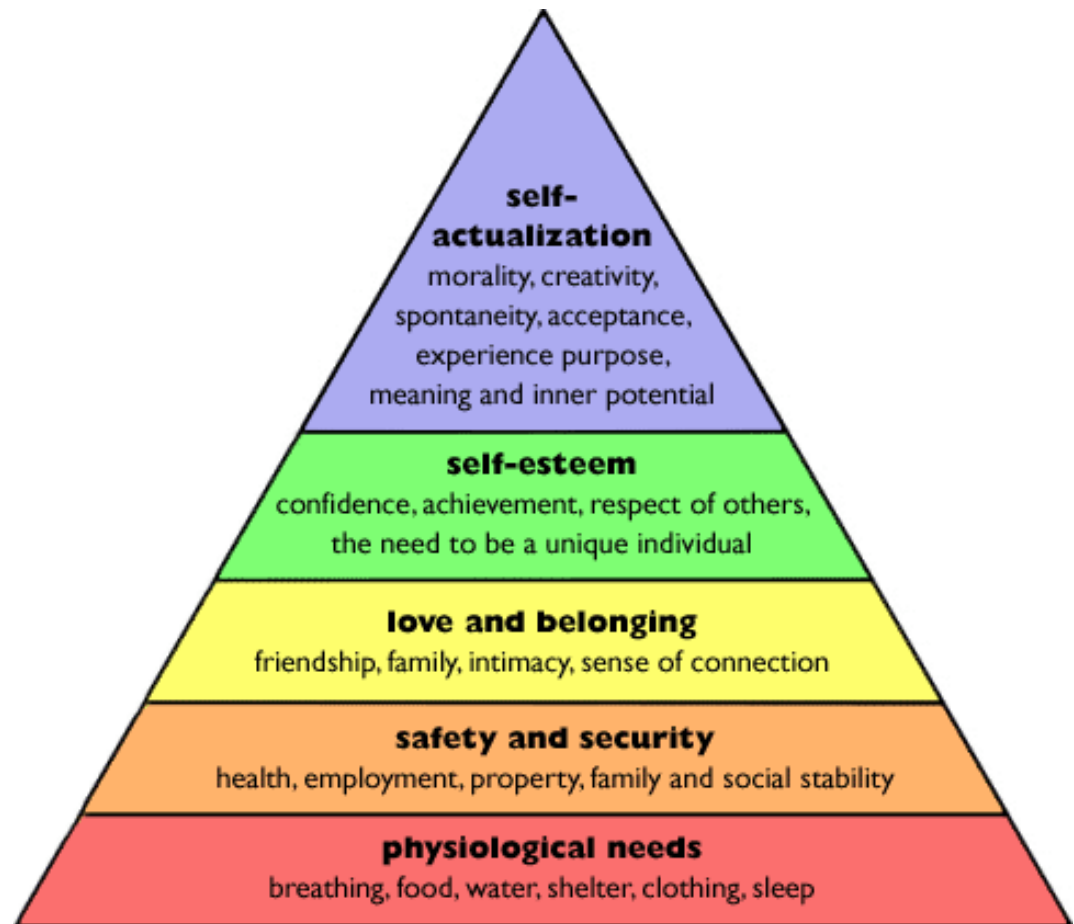


FIGURE 3. Maslow's hierarchy of needs (Maslow 1943)

Wants are person's needs that are affected by their culture and also by their own personality and interests. This means that two people can have the same need but they want to fulfill it in a different way. Marketers try to affect to consumers and make them want to choose the specific products when facing a need that could be fulfilled with multiple options. (Kotler & Armstrong 2014, 28.)

2.2 Perception

Consumers make decisions and act based on the perceptions they have. Perception is a process that people go through consciously or

unconsciously in their mind when they are exposed to new stimuli. During this short process, individuals interpret new information and create a meaningful picture of the stimuli into their minds. Two different people can have very different perceptions of the same product and once a perception is created it can be difficult to change. (Schiffman & Wisenblit 2015, 86-87.)

Perception process starts with a stimulus that is detected by one of our five senses. One stimulus can also trigger many senses at the same time. The world around us is full of stimuli and not all of it is interpreted by consumers. The minimum amount of stimulation that can be detected and interpreted by a person is called the absolute threshold. The absolute threshold of a certain stimulus can vary according to different situation and marketers should make sure that consumers are exposed to their messages. (Solomon & Rabolt 2009, 328-329.)

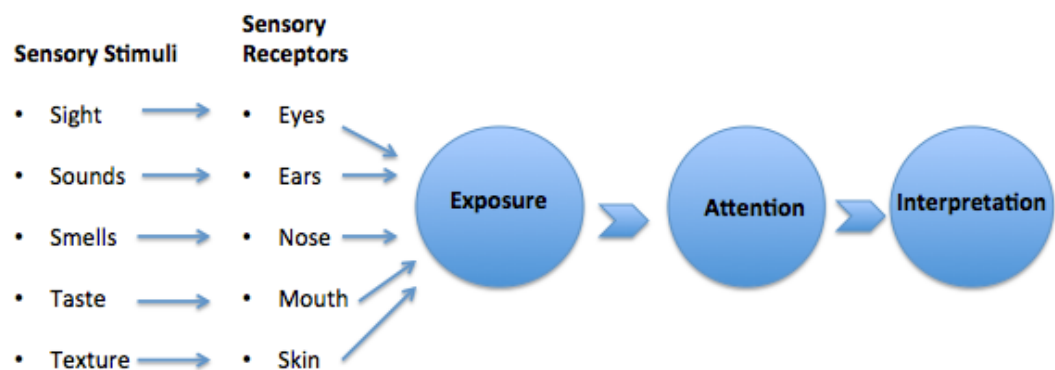


FIGURE 4. Perception process (Solomon 2009, 53.)

The differential threshold means that differences between two stimuli are big enough for consumers to detect. This information is important when changes are made to the products and marketers either want or do not want consumers to be aware of them. People's ability to notice a difference between two stimuli is relative and depends on the situation where exposure is taking place. (Solomon & Rabolt 2009, 328-329.)

After a consumer is exposed to a stimulus, they need to decide whether or not to pay attention to it. Consumers often face a sensory overload and it

is getting harder for the marketers to actually get the attention. The last phase of perception process is interpretation. Interpretation takes place when a consumer connects meaning to exposed stimuli. People often see what they want to see and the interpretation is a result of their past experiences and personal needs. (Solomon & Rabolt 2009, 328-335.)

2.3 Consumer Decision Making Journey

From the marketers point of view, the decision making process can be described as a consumer decision-making journey. The main goal of a marketer is to gain the attention of the consumer. The moments when consumers are open to influence during the decision making process are called touch points. (Edellman 2011.) The consumer journey was traditionally explained with a linear funnel model but there has been a change to a circle model.

Today, the media mix is bigger than it used to be, but the marketing budgets of the companies often remain the same. This means that the companies need to think carefully about their strategies in how to distribute their marketing budget. Different target groups can value different touch points more than others. (Edelman 2011.)

2.3.1 Funnel Model

Before, the touch points that marketers can use were understood with a “funnel” model. This model argued that when consumer wants to buy something from a certain product category, they first have a certain number of potential brands in their mind. It is then the marketer’s task to apply marketing actions that help the consumer to differ the brands from each other and finally choose only one brand. (Court, Elzinga, Mulder & Vetnik 2009.)

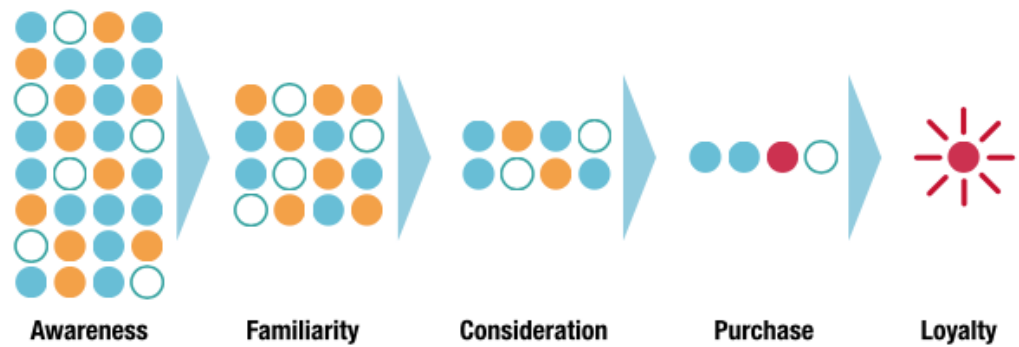


FIGURE 5. Funnel model (Court, Elzinga, Mulder & Vetnik 2009.)

Marketers task was to push people through the funnels and make their brand to be the one to gain loyalty from the consumers. It is a reductive linear process and through out the process communication only runs one way from the marketer to the consumer. (Edelman 2011.)

2.3.2 Circle Model

Today, the “funnel” model no longer reaches all the touch points that consumers go through in the process of making purchasing decision. The variety of products available has rapidly increased through the years and consumers are more aware of their options and choices. (Edelman 2011.) Consumers interact with companies also before and after the purchasing action and with social media people can easily share their experiences about a product with other consumers. (Court, Elzinga, Mulder & Vetnik 2009.)

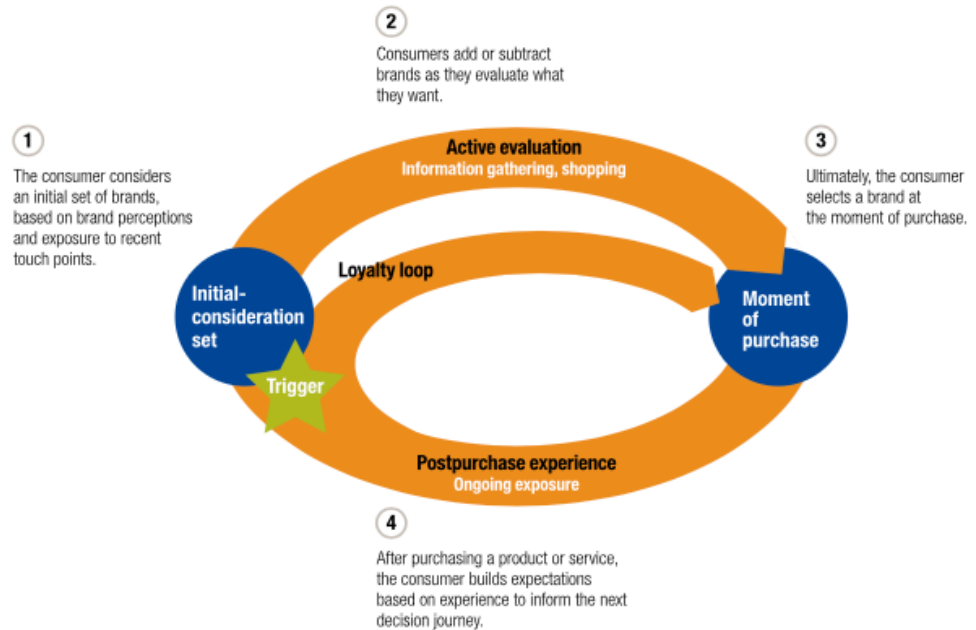


FIGURE 6. Circle model (Court, Elzinga, Mulder & Vetnik 2009.)

Above is illustrated the circle model. A circular customer journey approach is more suitable tool for today's marketers. In the circle there are four critical phases where the marketer has to win the competitors: consideration, active evaluation, closure and post purchase. (Court, Elaina, Mulder & Vetnik 2009.)

2.3.3 Initial Consideration

In the first phase of decision-making journey, consumer has detected a need for a purchase and considers an initial set of brands. The initial consideration is based on the existing perceptions of different brands and recent exposure to touch points of marketers. Other brands can enter later in the process but studies have shown that consumers are three times more likely to choose a brand that was included in the initial set compared to brands entered later in the process. (Court, Elzinga, Mulder & Vetnik 2009.)

2.3.4 Active Evaluation

The second phase can be called active evaluation. This phase has changed a lot over the years. Before it was all about marketers reaching consumers but nowadays consumers are active and reaching out for the marketers too. Two-thirds of the touch points during active evaluation are consumer-driven. These include internet searches, recommendations from friends and family, remembering past purchases and physically going to the stores to evaluate the products. (Court, Elzinga, Mulder & Vetnik 2009.)

The consumer usually starts the evaluation with searching his or her own memory and only after that turns to external sources of information. Past experiences and word-of-mouth have an influence on the amount of external search that is needed to make a decision. Another factor that affects on the length of evaluation phase is the degree of perceived risk. Perceived risk means the uncertainty that consumers have to accept, when they cannot be sure of the consequences of their decision. The total risk can have functional, financial, physical, social, psychological and time connected elements. The definitions of the different elements are explained in the TABLE 1 below. (Schiffman & Wisenblit 2015, 115.)

TABLE 1. The elements of perceived risk (Schiffman & Wisenblit 2015, 116.)

The elements of perceived risk

Type of perceived risk	Definition
Functional risk	Product will not perform as expected
Physical risk	Product can harm self and others
Financial risk	Product will not be worth its cost
Psychological risk	Poor product choice will bruise the consumer's ego
Time risk	Time spent in product search might be wasted
Social risk	Product can harm ones status

The amount and elements of a risk perceived with a product can vary between different consumers. The active evaluation phase of a decision making journey helps the consumer to reduce the risks. The most common

methods for reducing risks are seeking information, brand loyalty or relying on the brand/store image. The information seeking method includes word-of-mouth, visiting websites and reading reviews and physically going to stores and comparing options. When a consumer thinks the purchase includes a high risk they use more time for the information seeking. If time is an issue or past experiences with a certain brand have been good, remaining brand loyal is an easy option. If the person has no experience with a product, they often trust a brand that is well known and they have experience from other products from that brand. Also, the store image helps the consumer to judge if the product sold in there are carefully picked or not. (Schiffman & Wisenblit 2015, 116.)

2.3.5 Closure & Post-purchase

Next phase is to win the in-store battle. Merchandising, packaging and store staff can all have big impact on the final decision. This is true in both online and physical stores. In physical stores consumers usually have a chance to test the product and that affects their final decision on many cases. Up to 40 percent of consumers can change their mind when in store because of something they see or because of the interaction with the salesperson. (Court, Elzinga, Mulder & Vetnik 2009.)

In retail locations and especially on shopping mall environment consumers are often exposed to so many stimuli that impulse buying can occur. Impulse buying refers to a situation when a person suddenly decides to buy an item that he or she did not plan to buy and did not really have a need for the purchase. (Pentecost & Andrews 2010, 44.) In recent years there has been a significant increase in the amount of in-store stimuli that marketers place in the physical stores. Advertisement on the floor, pop-up displays and free samples are all ways to increase impulse buying. These stimuli's also influence the final stage of decision making for a consumer that has done some prepurchase search but has not yet decided which option to buy. (Inman, Winer & Ferraro 2009.)

Marketer's job does not end when the consumer has made the purchasing decision. Everything that happens after the purchase affects on the overall experience of the product. That explains why the customer journey is described with a circle. The old funnel model did not consider the fact that later phases of the process affect on the former ones. (Court, Elzinga, Mulder & Vetnik 2009.)

The post purchase phase does not only mean the user experience of the actual product. Many consumers continue their search about the product they have bought for example online also after purchase. The reason for that could be cognitive dissonance. Cognitive dissonance refers to a situation where consumers want to convince themselves that they have made a right purchasing decision. To do so they might seek advertisement, blogs and discussion forums about the product. Individuals also discuss their experiences with their friends and family and that way take part in the active evaluation phase of other consumers. (Schiffman & Wisenblit 2015, 346.)

Both funnel and circle model recognize the need for loyal customers at the end of the decision making journey. However, the funnel model did not recognize that there are two different types of loyalty. Consumers can be either actively or passively loyal to a company or brand. The individuals who are actively loyal choose the brand over its competitors over and over again and also spread a good word-of-mouth about it. Individuals who are passively loyal have chosen the brand several times but for no particular reason. They are not recommending it and are open to marketing messages from the competitors. Marketers should put their focus on expanding the group of actively loyal customers. (Court, Elaina, Mulder & Vetnik 2009.)

2.4 Customer Experience

As discussed above, consumer decision making process is no longer seen as a linear path and the amount of touch points a marketers can use have increased rapidly. Multichannel marketing offers companies the

opportunity to surround their customers with their messages throughout the decision circle. When multiply different channels are used for marketing, it is important to remember that in many cases it all comes down to customer experience. (Marta & Smith 2014, 22.)

During recent years, many companies have shifted their focus into customer experience. The expectations of consumers are constantly rising and companies need to meet those expectations and still make a profit. The key is to find out what are the critical touch points that make a difference concerning the overall experience. Once those touch points are clear, the company should focus their resources into those areas. A recent study made by McKinsey&Company proved that every 10 percent uptick in the customer satisfaction reflects to 2-3 percent uptick in the revenue of the company. The same study also argues that from 15 different characteristics that make up the overall experience of a company there are usually only three characteristics that give most value and create the overall experience. (Dias, Ionutiu, Lhuer & Ouwerkerk 2016.)

Customer experience is shaped by consumers and there are aspects of it that the companies cannot control. Rather than designing ready experiences, companies should focus on shaping their stimuli in a way that it leads a consumer to a pleasant experience. (Stein & Ramaseshan 2015.) Consumers today have so many options, that they tend to choose the one that offers most convenience. Long customer decision journeys are not desired but instead anything that shortens an individual journey is usually seen to increase customer experience. This is especially true when consumers are shopping online. (Dias, Inuit, Lhuer & Ouwerkerk 2016.)

3 CONSUMER BEHAVIOR IN FASHION

This chapter examines literature of consumer behavior in fashion. The term fashion is often used to describe trends in consumer behavior (Bakewell, Mitchell & Rothwell 2006). Usually, people connect fashion with clothing and accessories but since fashion reflects our culture, it can also be used with other phenomenon that is under change in a society. In the clothing industry, fashion refers to a certain style that is admired by a group of people at a specific time. Fashion therefore is context dependent and the same style can be interpreted differently in another time, age or culture. (Solomon & Rabolt 2009, 5.)

3.1 Motives

In the previous chapter, it was introduced that people have different kind of needs that according to Maslow can be arranged to a certain hierarchy. The clothes people decide to wear can satisfy many different levels of needs. Physiological needs are met when clothing helps to keep people warm. Social needs are met, because fashion is something we want others to see and by wearing the latest fashion, we boost our self-esteem. Some consumers use a big portion of their disposable income to clothes because they feel that their clothes express who they are as a person. How people feel about fashion affects on their purchasing habits. (Solomon & Revolt 2009, 128.)

Hedonic consumption is typical for fashion buying. Hedonic shopping occurs when a consumer is enjoying the act of shopping and it might be more important than the need for a specific product. Bargaining is a good example of a shopping experience that consumers often connect with enjoyment. (Park, Kim & Forney 2006.)

3.1.1 Trickle-up Theory

In the history of fashion, the new fashion trends were always set by the higher social classes. Lower classes then tried to adopt the status symbols

established by the higher classes because they wanted to feel more appreciated in the society. When a certain trend became too popular among the lower classes, the upper classes then abandoned it and replaced it with something that again separated them and made their higher status clear. This was called the trickle-down theory. In today's society the role of fashion has changed. A more appropriate model is now the trickle-up theory. Nowadays fashion usually originates from subcultural groups and the lower classes and only after that is adapted by the higher classes who no longer have the power to decide the trends. (Solomon & Revolt 2009, 23.)

3.2 Decision Making

Some purchase decisions are more important to consumers than others. That reflects on the amount of effort that they put into each decision. The fastest and easiest decision can be called routine response behavior. The opposite of those are decisions that take a lot of time and effort to make and can therefore be called extensive problem solving. Most of the everyday purchases fall between those two opposites because they require limited problem solving. (Schiffman & Wisenblit 2015, 338.) The factors that affect on the effort put on decision-making are presented in the FIGURE 7 below.

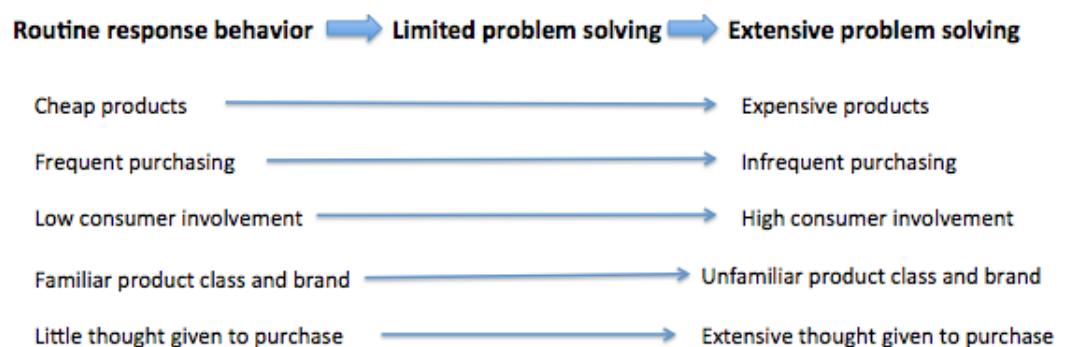


FIGURE 7. Types of consumer decisions (Solomon & Rabolt 2009, 383.)

Buying clothes does not often require extensive problem solving. Some items such as accessories that are cheap are usually either routine

response behavior or impulse buying. More expensive pieces of clothing or clothing picked for a special occasion usually involve limited problem solving. Studies have been made to find out what kind criteria consumers use to make fashion decisions. The most important criteria are listed below:

1. *Suitability to personal style*: is the piece of clothing suitable for consumer's personality, proper fit, occasion, comfort
2. *Economy*: price, is it easy to care/wash, does it match existing pieces consumer owns
3. *Aesthetics*: color, fashionable, beautiful, pleasing other people
4. *Quality*: fabric, fiber, quality of sewing
5. *Image directed to others*: sexy, brand, store name, label, fashionable
6. *Country of origin*
(Solomon & Revolt 2009, 395.)

3.2.1 In-Store Decision Making

In the retail locations, consumers can often make un-planned purchasing decisions. Impulse buying occurs when a person suddenly decides to buy an item that he or she did not plan the purchase ahead. For fashion retailers impulse buying is a significant part of the revenue and it increases the total expenditure. (Pentecost & Andrews 2010, 44.) For consumers impulse buying can satisfy emotional needs for fun and social interaction. Studies have proved that the amount of fashion-oriented impulse buying is strongly related to individual's fashion involvement. Fashion involvement refers to the extent to which individuals feel that fashion is an important and meaningful part of their life. The consumers who are highly involved in fashion are important to marketers and fashion researchers because they are usually the first ones to adopt new trends. (Park, Kim & Forney 2006.)

In fashion purchases, the store environment has a huge impact on the final decision-making. The factors that affect on the environment are music, decoration, staff, promotions and even scents. Research has

proved that store displays are one of the main sources of information woman use when they are not sure what is fashionable and what clothing they should buy. (Solomon & Rabolt 2009, 475.) Music, decoration and the energy of the staff should all be carefully selected to guide the consumers towards wanted emotions. Positive emotions have been linked together with the urge of buying impulsively. If the store has a positive atmosphere it can change consumers perception of quality and value of the product for the better. (Park, Kim & Forney 2006.)

3.3 Gender Differences

In general, men tend to take more risks than woman. Choosing a familiar brand includes lower risk for a consumer and therefore woman are more brand loyal than men. (Tifferet & Hernstein 2012.) A study made by O'cass (2004) compared involvement of male and female consumers in fashion. The findings of the research supported the hypothesis, which stated that females are more interested in fashion than men and are therefore more involved in the trends. This reflects on the amount of fashion magazines, brands and fashion advertisement that are directed only to women. (O'cass 2004.)

The fact that woman tend to be more involved in fashion is connected to the time spend in making fashion decisions. Women usually like to consider a variety of options, before they choose which one to buy. Also women are more likely than men to be aware of sale periods and may want to wait for the item to be discounted before buying. Hedonic consumption of clothing is more common among women than men. Because men tend to be faster in their clothing buying decisions, some retailers have designed special areas inside their stores where male consumers can relax when their female partner is shopping. (Tiffered & Hernstein 2012.)

4 TWEENS AND TEENS AS CONSUMERS

The segment of teenage consumers is growing. One third of the world's population is expected to be younger than 18 before we reach the year 2020. The market for the products targeted for children and teenagers is growing and companies need to identify the critical touch points for this specific target group. Teenagers are starting to wonder and experience who they are as a person and how you look is a big part of that. (Gentina, Butori, Rose & Bakir 2013.)

Deciding what to wear is often one of the first purchasing decisions that older children start doing independently from their parents. Shopping for clothes is the number one choice of using disposable income among teenage girls. In the Western societies it is often the youth that are not afraid to try the new fashion trends and in some cases even set them. Marketers need to be able to identify the needs of this segment that is still highly connected to their parents but does not necessarily want to show that. (Solomon & Rabolt 2009, 204.)

4.1 Generation Z

Different generations have different motives that affect their buying behavior. Consumers who are born during the same time period usually share similar attitudes and values with each other. A study made in the United States in 2003 proved that generation X and generation Y have similarities but also differences in their consumer behavior of fashion items. Generation X is defined as people born between the years 1962 and 1980 and generation Y as those born between 1981 and 2000. (Portolese Dias 2003.) The tweens and teenagers of today (born between the years 2000 and today) are known as the generation Z. This particular age group living at this particular time also has its own characteristics that marketers should not ignore. (Schiffman & Wisenblit 2015, 299-301.)

The generation Z has grown up surrounded by technology and these individuals are known to be highly connected with each other. This

generation can be divided into two different markets: teens and tweens. Teens are the ones who fall between the ages 13 to 16. Tweens are the younger ones from ages 8 to 12. When marketing to generation Z the companies need to keep in mind that the preferences of this target group change very quickly and sometimes unpredictably. Teens and tweens are not alike and you cannot assume that same marketing strategies can be used for both of them. (Schiffman & Wisenblit 2015, 299-301.)

Teens and tweens both appreciate companies who have taken the effort to target their messages straight to their age groups. Tweens have a tendency to be more loyal to the brands that they are consuming compared to older teens who tend to be more skeptical towards brands. (Schiffman & Wisenblit 2015, 299-301.) Because the generation is constantly exposed to marketing information they prefer marketing messages that are short and usually in a form of a picture or video (Hulyk 2015).

4.2 Social Media

The generation Z is the first generation that cannot recall the time before social media. They have grown up to think it is natural to share your interests and find inspiration online from people they know or from complete strangers. 81 percent of generation Z uses the social media and 70 percent watch more than an hour of videos on YouTube every single day making YouTube the most visited website by this age group. (Hulyk 2015, 32.)

A recent study made by Ebrand in Finland measured the use of different social media channels among the Finnish youth and young adults. In FIGURE 7, the results of the study are presented. The most popular channel is currently whatsapp. Currently Whatsapp does not offer many opportunities for marketers, because it is focusing on personal communication between people who know each other. All the other social media channels that are followed by Whatsapp are great opportunities for brands and they all have their own strengths.

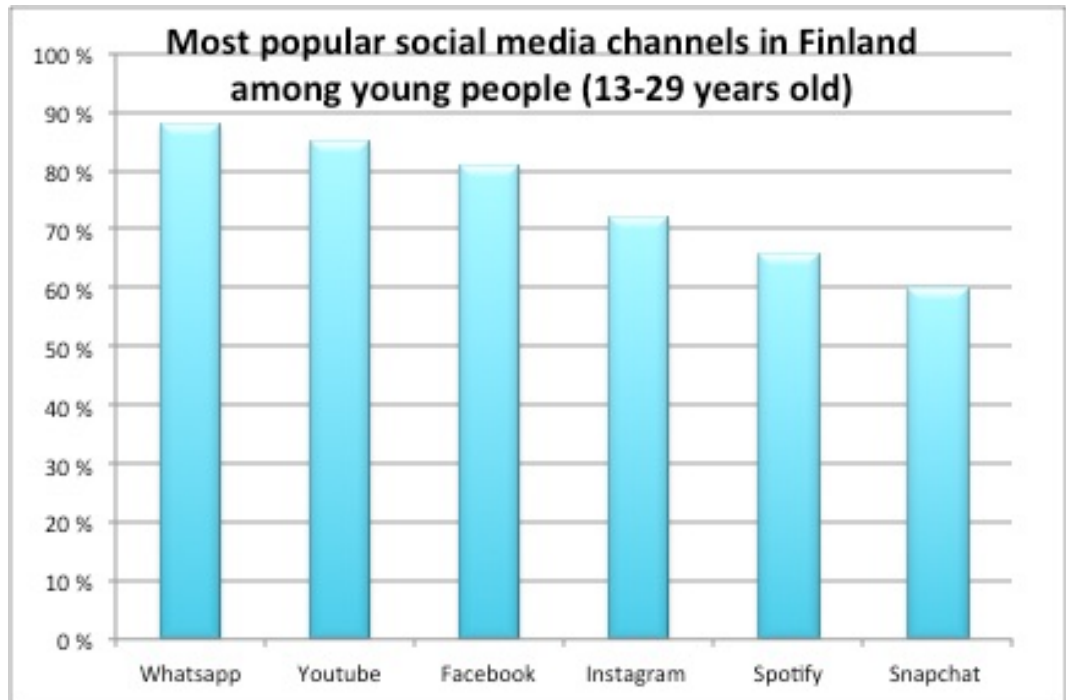


FIGURE 8. Social media channels (Ebrand 2016.)

Studies have shown that the younger the user is on social media the bigger is the impact of it in their lives and how they see themselves. Figure 8 below illustrates the difference between different generations and the impact of social media on how they feel about themselves. 42 percent of the generation Z think that social media has direct impact on how they feel about themselves. (The Center of Generational Kinetics 2015.)

Does social media have an impact on how you feel about yourself?

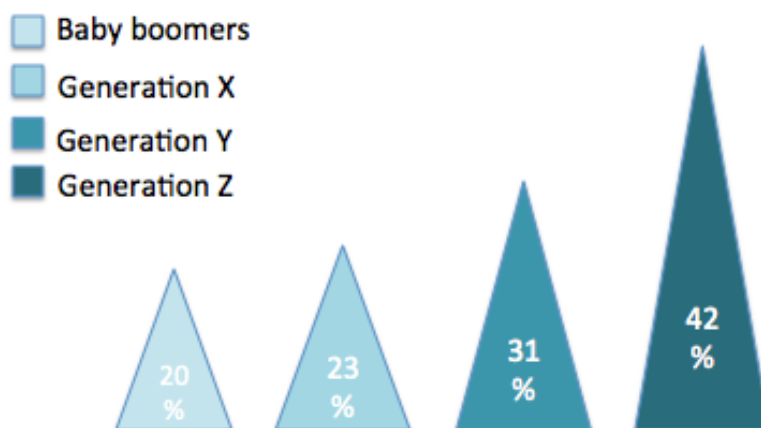


FIGURE 9. Generational impact of social media (The Center for Generational Kinetics 2015.)

Since social media has such a big role in the lives of generation Z, marketers need to be careful with their messages. Also parents of these young consumers might follow the pages that their children follow and make their own conclusion whether they want to buy that brand for their child or not.

4.2.1 Social Media Influencers

The generation Z seeks influencers from social media. Platforms such Instagram, Snapchat, Twitter and YouTube all have their own celebrities who have managed to create content on their accounts that attracts also people they do not personally know. People do not only follow these celebrity accounts but also create their own content and interact with the users they admire. The older generations don't have similar chances to communicate with the people they considered influencers or celebrities. (Mastroianni 2016.)

Social media influencers (also known as SMIs) are an independent third party, who marketers can view either as a threat or as an opportunity. Through their posts and videos, SMI's can shape consumers' attitudes. (Freberg, Graham, McGaughey & Freberg 2010.) A study made for the generation Z in United States in 2014 interviewed 1,500 individuals to find out if they think celebrities or YouTube stars have more influencing power. The results made it clear that YouTube stars are more approachable, more authentic and more relatable compared to celebrities. Generation Z also believes that YouTube stars have their best interests in mind when publishing videos more than other celebrities. This gives SMI's a lot of power when they are testing products and stating their opinion to their followers. (Hulky 2015.)

4.3 Role of Parents in Purchasing Decisions

Generation Z is influencing almost all of the household purchasing decisions. A study made in 2015 found that in about 94 percent of the purchases made for the household the parents let their children affect on

their decisions. (Hulyk 2015.) Parents are still the main source of income for generation Z. Teens are older than tweens and are therefore more independent in their decisions. They might already have earned some of their own disposable income and are able to do independent consumer decisions apart from their parents. Teens are becoming to act more like adults in their everyday life and this also translates into their purchasing decisions. Tweens on the other hand are still too young to make their independent purchasing decisions. Families are still very important to tweens in terms of their social life. (Schiffman & Wisenblit 2015, 299-301.)

The act of shopping when buying clothes is usually very important for teenagers. It is a way of passing time with friends and many times teenagers hang around shopping malls even though they are not planning to make purchasing decisions. According to studies teenagers enjoy the shopping experience more and have more hedonic pleasure when they can shop with their friends instead of their parents. Even though the money comes their parents the teenagers feel that they can express their independence when they go shopping without the parents. (Gentina, Butori, Rose & Bakir 2013.)

5 CASE COMPANY INTRODUCTION

Bestseller is a Danish, family-owned company that operates internationally. The CEO of the company is Anders Holch Povlsen and the Povlsen family owns 100 % of the company. Bestseller provides fashion for men, women, teens and kids under variety of brands which include Jack & Jones, Junarose, Mamalicious, Name it, Vero Moda, Vila, Only, Only & Sons, Pieces, Selected, Noisy May, Object collectors items, Y.A.S and Jacqueline de yong. The products of these various brands are sold online, in almost 3000 branded chain stores and in more than 15,000 different multi-brand department stores in Europe, The Middle East, North and South America, Canada and India. The Polson family also owns a share of Bestseller fashion group China that is an independent company that designs the collections and marketing campaigns to be suitable for the Chinese market. Bestseller fashion group China has more than 6000 stores located all around China. (About Bestseller 2015.) In the financial year 104/15 the turnover of the company was 2.93 billion euros. The result before taxes was 134 million euros. (EPR retail news 2015.)

5.1 Name it

This thesis deals with Bestseller's children's brand Name it and the new sub-brand LMTD. Name it offers consumers affordable children's fashion that always keeps an eye on the latest trends. The brand is divided into four sub-brands according to age groups. Baby collection provides clothing and accessories for newborns (0-9 months). Mini collection is for children from 1 to 4 years old and the Kids collection is targeting children from 5 to 12 years old. The fourth sub-brand LMTD is a new addition to Name it. LMTD is targeted for tweens and teens (10-16 years old). The brand offers clothing for both girls and boys and many styles can be considered unisex. The goal of this new brand is to offer trend-forward fashion for young people who no longer want to dress like their younger siblings but still want to separate themselves also from the adult world. (LMTD 2016.)

5.2 LMTD Positioning

Brand positioning is the act of designing the brand's image and offering in a way that it differs from the competitors. The goal of positioning is to make the consumer choose the specific brand, because they have a clear idea in their mind, what kind of unique value they will receive if they buy the product. (Kotler & Keller 2006, 310.)

LMTD is positioned to be the perfect choice for the consumers who are 10 to 16 years old, are no longer children but still want to separate themselves also from the adults and their fashion choices. The inspiration for LMTD collections comes from the trends in the adult's world but the styles are tailored for the younger target group. LMTD offers relaxed, sporty and comfortable styles for both boys and girls. The brand is separated from the other Name it sub-brands because teenagers demand new trends and phenomenon much faster than their younger siblings. Fashion plays a big role in the identity of young consumers and they are often more aware of the micro trends than the older consumers.

5.3 Competitors

Competition in the fashion industry is constantly increasing. Consumers make their purchasing decisions according to their personal taste and financial situation. This makes it possible for large amount of fashion brands to compete in the different consumer price points. The biggest brands in the field are usually manufacturing their products abroad and this highlights the importance of supply chain management.

Perceptual mapping is a tool used to clarify the positioning of a certain product or brand. It helps in analyzing the markets structure, designing new products and also gives advice on which marketing strategy fits the brand the best. Perceptual mapping is based on the cognitive functions that consumers use when they are evaluating certain products and comparing them with competitors. (Hauser & Koppelman 1979, 495.)

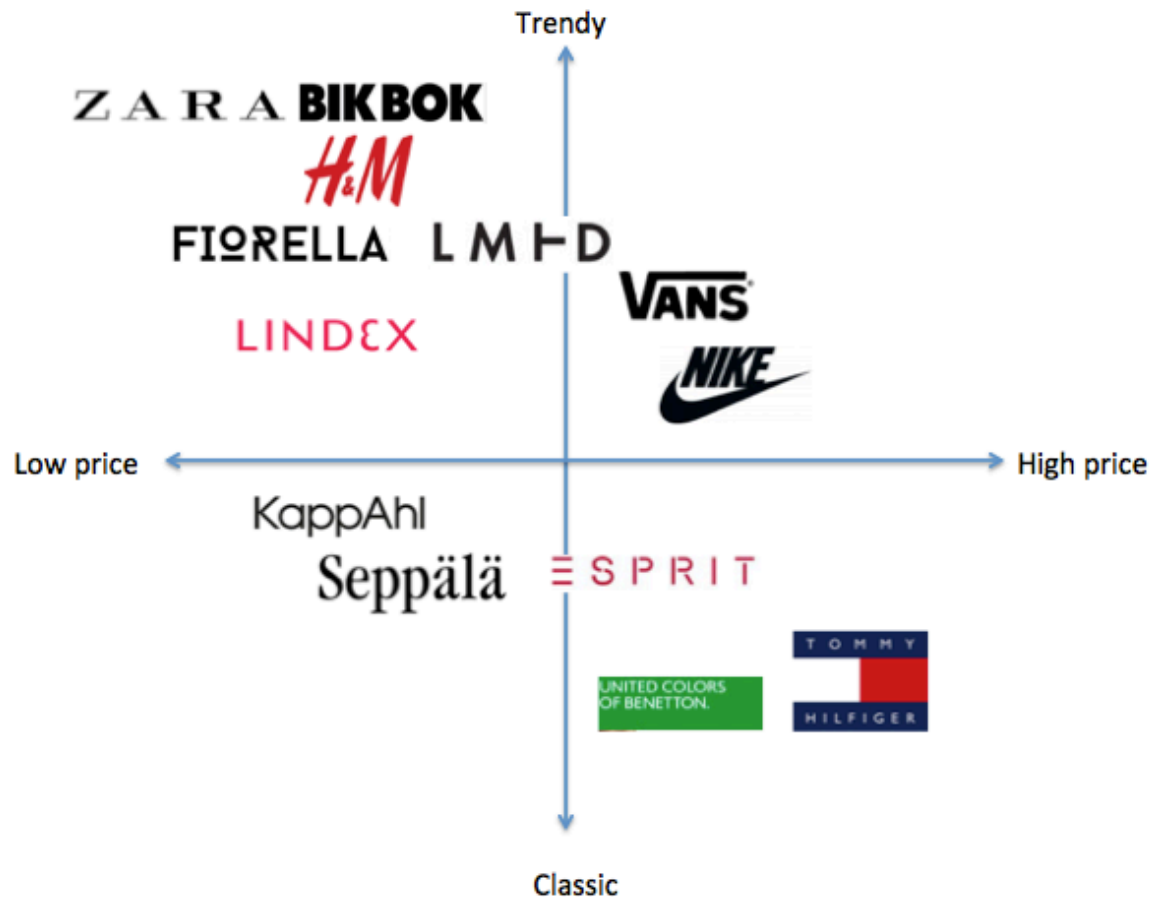


FIGURE 10. Perceptual map of competitors

In the illustration above LMTD and its main competitors are placed in the map according to certain attributes. In the left side of the vertical axis are located the competitors that want to be known as highly affordable brands. On the right side of the vertical axis are placed the brands that are more expensive. The horizontal axis describes whether the brand follows the fast-trends on the market or concentrates more on their own unique styles and brand identity.

5.3.1 Fast-fashion Brands

The competitors of LMTD are all those clothing companies in the Finnish market that offer collections for children aged 10 to 16. The main competitors of Bestseller company and also the LMTD brand are the international giants such as H&M and Inditex (includes brands such as Zara, Pull & Bear and Bershka). However these brands have a different

kind of positioning compared to LMTD. Zara and H&M are both known as fast-fashion brands. They operate under a huge organization and are therefore able to produce and distribute the goods into the stores in a matter of months or even weeks from the day they were seen on a runway. This gives these brands a remarkable competitive advantage against to their competitors.

5.3.2 Athleisure Trend

In the last few years it has become a major trend to look after your body and workout. The “fitness boom” is also seen in the fashion trends as people are using the sportswear also outside their workout hours. The market for relaxed sportswear is expanding and the attributes that consumers appreciate in these products are quality, brand and style. (Sherman 2014.)

Companies such as Nike, Adidas and Vans were established long before the “fitness boom” started. They already had a strong brand identity and when consumers started demanding more and more sportswear these brands could easily grow their markets. Since the products are designed for sport activities the quality is very important attribute when choosing between different styles. Because the quality is usually high the brands that succeed in providing athletic apparel tend to be more expensive than other brands. Also typical styles for at leisure trend show big logos of the brands. In Finland teenagers are highly involved in the at leisure trends which makes these companies competitors for LMTD.

5.3.3 Other Competitors

Besides the fast-fashion and sportswear brands there are also few other competitors that take their own slice from the same market with LMTD. Companies such as Kappahl and Seppälä are known for their affordable clothing for all age groups. They do not offer the latest trends but can often be the choice of a parent when they are choosing the clothes for their children.

On the higher price range there are brands such as Esprit, Benetton and Tommy Hilfiger who also have their collections for children. They tend to be very similar styles compared to the adults pieces. These brands are usually offering products that are classic and have good quality and can therefore ask for a higher price.

5.4 LMTD's Competitive Advantages

The most important fact that differentiates LMTD from all the major competitors is that the sizes for tweens and teenagers are under their own brand. Every single competitor uses the same brand for all the age groups. LMTD products can be found in the Name it shops but the consumers can clearly see that when the product is labeled with LMTD, the product is especially designed for the older children and teenagers. Also LMTD is sold in various wholesale locations across the country and it is located between the children and adults clothing areas, not mixed with Name it styles. LMTD brand has the entire infrastructure from the Name it and Bestseller but consumers can still identify the brand with its own identity.

6 EMPIRICAL RESEARCH AND DATA ANALYSIS

This chapter introduces the reader to the empirical research that was conducted for this thesis. The aim of the research is to find answers for the main research question of this thesis: *What are the critical touch points in a customer journey of a consumer aged from 10 to 16 in Finland when buying clothes?* The chapter starts with describing the data collection process and the methods chosen for collecting the data. After that, the data is analyzed and the results are presented.

6.1 Data Collection

The Gantt chart below describes the data collection process of this thesis with a timeframe.

TABLE 2. Gantt chart of the data collection process

Activity	June 2016	September 2016	October 2016	November 2016
Desk research				
Designing the 1st focus group event				
1st focus group event				
Designing the 2nd focus group event				
2nd focus group event				
Survey via email				
Data analysis				
Results & suggestions				

The data collection process for this thesis started in June 2016. First, desk research was necessary. The desk research helped to clarify what kind of methods of research should be chosen to find answers for the research question. Together with the case company it was decided that three focus group events would be organized and the data would be collected during those events.

During week 26 the first event was planned together with the representatives of the case company. The first focus group event took place in a showroom at Espoo 29th of June. It lasted for two hours and there were 12 participants. All participants were between 12 to 15 years old. It was according to plans that the two other events would be organized during fall 2016. Because of that there was a two-month break during July and August when no data was collected.

The research process continued in September when the two remaining focus group events were planned. It was decided that the events would take place in case company's retail locations in Helsinki and Tampere. During week 41 the plan changed because there were not enough participants signed up for the event held in Tampere. Because of the lack of data that was supposed to be collected from Tampere, the researcher decided to interview more teenagers via email. The focus group event in Helsinki was held 19th of October and it had 9 participants. During week 42 the researcher sent and got back 22 questionnaires via email that covered the same topics that were discussed in the focus groups.

The collected data was analysed during weeks 43 and 44. The results and suggestion were stated week 44.

6.1.1 Focus Groups

The main source of data for this research was chosen to be focus groups. In a focus group setting the individuals who are participating are carefully selected because they have experience of the topic that is under examination. The person leading the event is introducing the topics but the

goal is that the participants also interact with each other. A typical focus group has about three to ten participants and the participants are not pressured to give fast answers. Instead they can take time to think and comment the issues others have raised. (Eriksson & Kovalainen 2008, 173-175.)

The first focus group event was held 29th of June 2016 and it had 12 participants (12 to 15 years old, both genders represented). The location for the event was a showroom of the case company, where the participants were able to see the collection of the new brand. The event started 9 in the morning and the participants were offered breakfast before that. First there was a short introduction to the event and the participants were told about the new brand that was targeted for their age group. After the introduction followed a discussion that was led by a representative from the case company. The discussion lasted for about 45 minutes. The topics covered during those 45 minutes were: inspiration, social media behavior and fashion buying behavior. The event finished with the teenagers commenting and trying on the pieces from the new collection. It was noticed that when the teenagers got up from their chairs and physically touched the clothes they became more open and talked more.

It was mentioned earlier in this chapter, that according to original plan there was supposed to be two more events during fall 2016 organized in retail locations of the case company. The selected locations were Helsinki and Tampere. Finding volunteers from the right age group who are willing to participate in a two-hour event turned out to be harder than expected. Due to the lack of participants the event planned for Tampere was cancelled. Many teenagers seemed to think that it was not worth of their time, even though at the end of the event they could buy the collection with a 50 percent discount.

The second focus group event was organized 19th of October 2016 in Helsinki. There were 9 participants (14 and 15 years old, all females). The event followed similar schedule than the first event with one exception. This time after the introduction, the teenagers first looked at the collection

and after that followed the discussion phase. The order was changed because it was detected at the first event that the teenagers were more open after the collection review.

The goal of the focus group events was to get the participants to interact with each other in a relaxed atmosphere. One of the problems connected to the collecting data in focus group setting is observation effect. Observation effect occurs when the presence of the observer affects on the answers of the participants. (Saunders, Lewis & Thorn hill 2009, 308.) During both of the focus group events it was easy to detect that the teenagers were not totally comfortable. The researcher was able to collect the needed data but discussion did not often continue on its own and the leader of the event needed to constantly add more specific questions. A great feature about focus groups compared to for example surveys is that the interviewer can ask many following question as they wish according to the first answer of the participants.

6.1.2 Survey via Email

Due to the cancellation of the third focus group event the researcher decided to collect more data with a survey. The main reason for that was that the event held in Tampere was supposed to give the case company information outside the Helsinki area. Also, since all the participants of the second focus group were female, more male participants were needed.¹⁹ individuals from the target group answered the survey via email (x females and y males). All the participants currently live in Päijät-Häme region. The survey was designed to cover the exactly same topics that were under discussion in the focus groups. The survey can be found in appendices of this thesis.

All the questions used in the survey were open-ended. Open-ended questions were the best choice because they place no restrictions to the respondent and they can answer in their own words. Also, the goal of this research is to find out what the teenagers value the most and giving them options to choose from could leave out the real answers. Open-ended

question provide rich information but the participants need to put more time and effort into completing the survey (Hair Jr., Celsi, Money, Samouel & Page 2011, 256).

6.2 Data Analysis

The purpose of data analysis is to use the collected data to find answers for the research questions. With qualitative research, the data analysis process involves organizing data into categories. (Hair Jr., Celsi, Money, Samouel & Page 2011, 32.) Because the focus group events and the survey had identical topics, all the results are analysed together. The analysis is based on the transcripts that the researcher typed during the focus group events and on the sorted answers from the survey.

6.2.1 Interests & Social Media

The first set of questions had to do with the interests and free time of the teenagers. Most of the individuals said that their free time is a mix of hobbies and spending time with their friends. Among boys the most popular sports were ice hockey and football. Girls had more variety in their sport activities; floor ball, horseback riding and downhill skiing were mentioned. In the focus group discussions it became clear that teenagers value relaxed time with friends, there does not need to be specific activities involved.

When asked whom they admire, there were not many answers. Some singers and vloggers were mentioned but more individuals found it hard to name anyone that they would truly admire. Also, it was hard for them to name an individual that has a good sense of style. Few of them mentioned themselves or their own friends, which tells about a great confidence.

The number one source of inspiration when looking for what to wear was Internet. In both of the focus groups and also in the survey answers almost every single individual mentioned that it is common for them to seek apparel inspiration online. Other sources mentioned were: from their

friends, from the streets or from retail environments. When internet plays such an important role in the beginning of customer journey of teenagers, it is important to find out which platforms are most popular and what kind of content is liked and shared.

Almost every single individual used Snapchat, YouTube, Instagram and Whatsapp. Also, many of the boys said they used twitter, which was not equally popular among girls. Most of the teens in the focus groups had Facebook but they explained that they do not use it nearly as much as the other platforms. When asked about the platform they choose when they are looking for fashion inspiration, they all mentioned Instagram. The reason why Instagram is so important for fashion brands is because it is a picture platform with now also short videos included. Girls also found inspiration from YouTube. In YouTube it is popular among vloggers to show their viewers what kind of clothing they have bough. If the viewer finds the clothes nice they can go and buy the same ones. In focus group one the girls also mentioned they if they have a certain style in mind they use Google to find option.

TABLE 3. Social media and fashion brands

Social media and fashion brands	
Platform	Instagram, Youtube
Attributes of a brand they would follow	new, not available in Finland, small
Content	competitions, fashion shots, celebrities, promotions
Language	English or Finnish

Among girls it was more popular to follow a fashion brand on social media than among boys. The most popular platform where they usually follow fashion brands was Instagram. It became clear in the discussion and also in the survey answers that teens follow more persons than brands when they seek fashion inspiration. They see a person that has a great sense of style and see what they are wearing. In Instagram it is popular the tag the brands you are wearing into your pictures. The ones that followed a fashion brand on Instagram discussed that there needs to be something interesting about it in order for them to follow it. They clarified this with

examples of brands that are not sold in Finland, small lifestyle brands or new brands. It was agreed that it is okay if the profile is in English. The content of fashion brand's social media page should be a mixture of competitions and fashion updates. Competition was agreed to be a good way of getting likes and shares but there should also other content in the profile. This other content should be inspiring the teens on how to dress. According to the answers this can mean pictures with celebrities or re-posting pictures where customers have tagged the brand.

6.2.2 Buying Behavior

The brands that most often bought buy the target group are listed in figure 10 below. The size of the rectangle reflects the amount of times the brand was mentioned. The brands that were mentioned the most have the biggest rectangles.



FIGURE 11. Most bought brand among the target group

The most popular brands among the target groups and survey participants were the athleisure brands such as Nike and Adidas. This indicates that the athleisure trend described in the previous chapter is popular among teenagers. Other brands that were mentioned several times were H&M, Jack & Jones, Zara and Sinne Store. H&M and Zara are fast-fashion brands and serve those consumers that want the latest trends fast and with low cost. Jack & Jones is Bestseller's brand for men and Sinne Store is a small lifestyle store located in Lahti.

The most important attributes in a piece of clothing that affect on the buying decisions were named to be quality and trendiness. Boys were more concerned about the quality factor compared to girls. Both genders agreed that the price is also important but they would not buy anything just because the item is cheap. If the piece of clothing is fashionable and of a good quality it does not matter if it's a known brand or unknown brand.

The target group goes shopping with their friends or with their parents. The younger respondents (10 to 12 years old) said they more often go together with their parents. The older ones (13 to 16 years old) still shop with their parents but also spend time shopping with their friends. Boys said they only go to stores when they really need to buy specific item. Girls like to pass their time in shopping malls looking for inspiration. Everyone agreed that even though parents can be present when the target group is choosing what clothes to buy, parents do not buy clothes for them without the tween/teen seeing it first. Only exceptions to that are small accessories such as socks and presents. Even with presents the style is often wrong size or just does not suit the individual taste of the young person.

The last set of questions had to do with store atmosphere and decorations. The atmosphere of a clothing store was more important for the girls than for the boys. Some of the boys thought it don't matter at all where they buy; it is all about the product.

Below are listed in decreasing order the factors that the target group mentioned are most important for the store atmosphere:

1. *Store interior*: The most important factor to affect on the atmosphere of a clothing store was seen to be interior design of the store. Many thought that keeping it simple is the answer and that the clothes should be presented clearly and in a good light. The clothes need to be easily accessed. The style chosen for the store needs to reflect the philosophy of the brand and little details make the difference.
2. *Customer service*: The target group thinks that friendly customer service is an important part of the shopping experience. However they do not like aggressive customer service and prefer looking at the clothes by themselves or with their friends.
3. *Music*: Music should be relaxed and not too loud.

The second focus group was organized in Name it retail location in Helsinki. The participants there was asked if it matters to them that the brand targeted for tweens and teens is sold in store that is known for their children's clothing. All the participants agreed that since LMTD has it's own area inside Name it store, the brand does not need it's own store.

7 CASE COMPANY SWOT-ANALYSIS BASED ON THE RESULTS

This chapter uses SWOT-analysis as a tool to identify how the results of this research can be interpreted by the case company. SWOT-analysis is used to describe overall strengths, weaknesses, opportunities and threats of a company. (Kilter & Armstrong 2014, 78.)

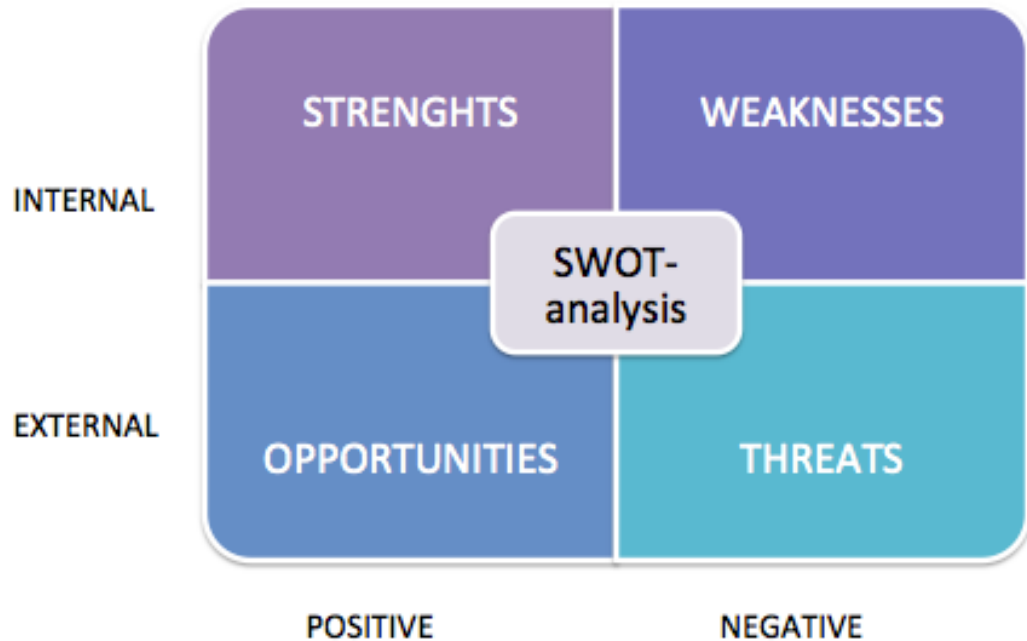


FIGURE 12. SWOT-analysis

Strengths and weaknesses are internal factors inside the organization. These are the factors that they are able to change or maintain depending on the success. Opportunities and threats are external factors. The organization cannot change these factors but it needs to take advantage of them and learn how to deal with threats. (Kilter & Armstrong 2014, 78.)

7.1 Strengths

LMTD is a new brand and in the research that was named to be one of the factors that increases interest towards a fashion brand in social media. New phenomenons are always interesting and it is easy to create hype around a new brand. The positioning of LMTD also suits the preferences

of the target group; a brand that offers trendy, high quality clothing that follows the trends from the adults' world.

Bestseller is a big company with decades of experience in the fashion business. All the brands have their own social media pages and the experience of handling those can be used with LMTD. YouTube is extremely popular among tween and teens. LMTD has so far co-operated with one YouTube channel in Finland. A channel called DitaBibiana has 48 521 followers and the video where she is modelling several LMTD styles has had 45 440 views. LMTD styles have also appeared in the Instagram account of DitaBibiana, which also has more than 40 000 followers.

Being a sub-brand of Name it also has its own advantages. It was clearly stated in the results of the research that tweens and teen want to decide themselves what to wear. Still, their parents know Name it as a trustworthy and high quality brand and may therefore recommend LMTD clothes for their children.

7.2 Weaknesses

At the moment LMTD does not have Instagram page for Finland. This is different from many other brands under Bestseller. The problem is not the language; it was found in the results that the target group thinks it is okay if the pages of a fashion brand are in English. The problem is that since LMTD is a new brand, it would be easier to post about retail locations etc. in a local Instagram account. The international page has only a little over 7000 followers globally and the content of the page could vary more. The target group finds competitions to be a good way of getting likes and shares in social media. So far there hasn't been any promotions or competitions that could easily create more followers.

The co-operation with Youtuber DitaBibiana could have continued for longer than with just one collection. Teens follow more persons than brands in social media and more posts about LMTD would have raised

brand awareness. Also, there were no promo codes shared by DitaBibiana, which could have boosted sales.

7.3 Opportunities

The targeting possibilities that social media advertisement offers should be fully explored. Targeted marketing should be focused on Instagram and Youtube. Also, search engine optimization could raise awareness of LMTD. For girls Google was mentioned to be one of the sources where they seek fashion inspiration.

Hype should be created around LMTD to get more tween and teen aware of the brand. This would be easier if the brand had their own social media pages for Finland. A competition with a specific hashtag connected to LMTD would encourage target consumers to like and share the posts. Also, there could be events organized in the retail locations with Youtube stars invited.

7.4 Threats

The clothing market is highly competitive and it is possible that the competitors can offer similar styles with a more affordable price. That is why it is important that the brand gets known among Finnish tweens and teens. The brand also needs to make sure to differentiate itself clearly from the competitors.

Tweens and teens are often among the first ones to adapt new fashion trends. This means that they can also abandon them just as fast. LMTD is not a fast-fashion brand and sometimes the collection can be out of style when they arrive to the store.

8 CONCLUSION

This chapter concludes the research and findings of this thesis. The first sub-chapter states answers for the research questions that were presented in the first chapter. After that validity and reliability are discussed. The chapter finishes with suggestions on further research.

8.1 Answers for Research Questions

The research in this thesis was conducted in order to get information about consumer behaviour of tween and teen consumers for the case company. Below are stated the answers for the research questions. The sub-questions are answered first. After that, the main research question of this thesis is discussed.

Sub-questions:

Where does the target group look for fashion inspiration?

The main source of fashion inspiration for tweens and teens in Finland is Internet. Instagram and YouTube are social media channels often described to be the source for fashion inspiration. Besides Internet, inspiration can also be found from friends and from the streets.

What is good content for a fashion brand in social media?

Good content for a fashion brand in social media is a mixture of fashion shots, products pictures, campaigns and competitions. Posting similar pictures one after another is not interesting.

Which attributes the target group values the most in a piece of clothing?

The target group finds quality and trendiness to be the most important attributes in a piece of clothing.

Which attributes the target group values the most in a clothing store environment?

Store interior is the most important factor that creates a pleasant shopping experience. Friendly customer service and music that suits the brand image are also considered important factors.

The main research question:

What are the critical touch points in a customer journey of a consumer aged from 10 to 16 in Finland when buying clothes?

When the target group is tweens and teens, social media has huge role in the customer journey. It is the first place where the information search starts and also a place where customers post pictures about the products they have bought. This means that companies who target their products for tweens and teens need to focus on social media and use it as a tool to create brand personality and awareness.

The risks connected to clothing purchases are psychological or social. Fashion is a way of showing your personality to others and especially to young people, the opinions of their friends matter a lot. To decrease the potential risks, the fashion brand needs to show the potential buyers how to style the products and use celebrity endorsement to convince them to buy. Together with social media, the displays in the stores are important source of styling information.

As discussed in chapter two, the brands that are involved in the initial consideration phase are more likely to be chosen compared to brands that enter later in the customer journey process. In initial consideration consumer has detected a need and starts wondering about the options to choose from. Teens and tween spend so much time in social media, that the exposure can be easily be done there. A good content in social media can also create needs for consumers that they did not feel they had.

8.2 Validity and Reliability

This thesis used both secondary and primary sources of data. Secondary sources were mainly books and peer-reviewed articles that discussed the topic related to the research question. Primary data was collected in two focus groups and with e-mail interviews. The focus group events were semi-structures and the e-mail interviews discussed the same topics with open-ended questions. Validity measures the degree to which the findings of the research truly answer the research question (Saunders, Lewis & Thornhill 2009, 157). Focus groups and interviews with open-ended questions are considered good methods for getting deeper understanding of the thoughts and experiences of the participants. That being said, the research can be considered valid.

A research has a high degree of reliability when the study could be made by other researcher or in a different occasion and still yield to the same results (Saunders, Lewis & Thornhill 2009, 156). The generalized findings of this research have high reliability in Finland at this time. The preferences of young consumers can change fast which means that the results could be different if the study would be repeated later. In focus group setting, it should be considered that the participants could be biased and answered according to what they think the interviewer wants to hear. The risk of this was decreased by making the atmosphere relaxed and telling the participants that there are no right or wrong answers.

8.3 Suggestion on Further Research

This research aimed to point out the critical touch points on the customer journey of tween and teen consumers. The results showed that social media plays a key role in marketing for generation Z all along the way of the customer journey. Further research could be conducted to deeper examine social media behaviour.

In the beginning of this research process it was planned that the study should cover different regions in Finland. Due to lack of time and

cancellations all the participants live in southern parts of Finland. A similar research conducted in more northern parts of Finland would show if the answers would be different in those regions. The results of this research are highly connected to this specific time, and there should continue in order to keep up with the latest trends.

9 SUMMARY

The purpose of this thesis is to give new information about the consumer behavior of generation Z when buying clothes. The information is needed by the case company, because tweens and teens are a new target group for them. There are certain touch points during customer journey that marketers can use to convince people to choose their products. This thesis examines which of those touch points are cuticle and valued the most at this time by tween and teen consumers in Finland.

This thesis uses a deductive approach. The theory part includes chapters two, three and four. Chapter two introduces main theories connected to consumer behavior and decision-making. The customer journey approach is also explained in that chapter. Chapter three focuses on fashion buying. The motives and decisions making specifically connected to fashion are discussed. Chapter four is about generation Z, the tween and teens of today, as consumers. This segment has some typical characteristics compared to other generation. Also, the role of social media and parents are covered.

Chapter five gives an introduction to the case company Name it, and the main competitors that the brand currently faces in the Finnish market. This is followed by the empirical part of this thesis. Chapter six includes the data collection process and the analysis of the results. In order to collect data for the research, two focus group events and a survey were organized. Chapter seven is the writer's recommendation on how the case company should interpret the results of the study.

The thesis finishes with stating the answers for the research questions. Validity and reliability are discussed and the writer suggests some ideas for further research. This thesis reaches all the objectives that were set and the validity is considered high.

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APPENDIX

APPENDIX 1. Survey

Hei! Tämän kyselyn tarkoituksena on kerätä tietoa nuorten (10-16 v) ostokäyttäytymisestä liittyen vaatteisiin. Olen Lahden ammattikorkeakoulun international business opiskelija ja kysely on osa opinnäytetyötäni. Tarkoituksena on selvittää nuorten kiinnostuksen kohteita/mieltymyksiä jotta heille osattaisiin suunnata oikeanlaisia mallistoja ja markkinointisisältöä. Teen opinnäytetyötäni Name it lastenmerkille, joka tänä syksynä lanseerasi uuden LMTD nuortenmalliston. Kyselyn voi täyttää täysin nimettömänä ja lähettää sähköpostiini annikapaakkari@gmail.com Kiitos osallistumisesta!

Perustiedot:

Ikä:

Sukupuoli:

Asuinpaikka:

Kiinnostuksen kohteet:

Mitä teet vapaa-ajalla (harrastukset yms):

Ketä ihaillet (urheilijat, laulajat, tubettajat yms.):

Kenellä on mielestäsi hyvä tyyli:

Mitä kautta löydät inspiraatiota pukeutumiseen (netistä, kaupoista, kavereista, lehdistä, mainoksista?):

Some

Mitä some kanavia käytät (Facebook, snapchat, Instagram, youtube yms.):

Mitä näistä käyttäisit vaate inspiraation löytämiseen:

Minkälaista vaatemerkkiä on kiva seurata somessa?

Seuraatko jotain vaatemerkkejä somessa? Ketä?

Minkälaista on hyvä vaatebrändin some sisältö? Tuotekuvia? Muotikuvia?
Julkkiksia? Kilpailuja?:

Mikä saa sinut tykkäämään tai jakamaan vaatemerkin postauksia?

Pitääkö vaatemerkin some sisällön olla suomeksi vai onko englanti ok?

Kuka julkis sopisi hyvin edustamaan 10-16 vuotiaita uuteen
vaatemerkkiin? Mieluiten suomalainen:

Ostokäyttäytyminen:

Mitä vaatemerkkejä käytät?

Millä brändeillä on parhaat vaatteet?

Mikä vaatteissa ratkaisee ostatko sen (brändi, laatu, trendikkyys, hinta):

Kenen kanssa käyt shoppailemassa (yksin, kavereiden kanssa,
vanhempien kanssa):

Ostavatko vanhemmat sinulle vaatteita ilman että olet mukana
valitsemassa niitä?

Minkälainen on viihtyisä myymälä (musiikki, sisustus, palvelu)?

Haluatko että sinua palvellaan vai haluatko katsella itsenäisesti?

Millä merkeillä on parhaat myymälät?