Don’t wait, Let’s integrate!
A study on how small Swedish fashion brands handles omnichannel sales and marketing
Title: Don’t Wait, Let’s Integrate!
A study on how small Swedish fashion brands handles omnichannel sales and marketing

Publication year: 2017

Authors: Isabelle Nordgren, Julia Johansson

Supervisor: David Goldsmith

Abstract
During the last decades, fashion brands and retailers in Sweden have experienced the effects of technological advancement and changes in customer behaviour, which have opened up new ways of doing business. Customers expect online and offline marketing and sales channels to be integrated through instant interaction, which have made the concept of omnichannel retailing, gain momentum. This thesis explores this concept in relation to four small Swedish fashion brands based in Gothenburg, Sweden. Using a qualitative method, in-depth interviews have been made with the companies in order to understand what these companies are focused on and in what way omnichannel strategies are encouraged in their business. A solid theoretical framework was collected in the early stage of the process and has worked as a foundation for relating previous studies to current developments. This research presents a literature review that is based on topics such as brand identity, omnichannel marketing and customer experience in order to investigate this topic further. The findings in this research shows that these small fashion brands are integrating channels through working with a few media channels and do not put significant attention on data analyses. Their focus has proved to be on finding a few, right channels and enforce the brand values in all activities, which creates a connection between channels, rather than on creating technologically advanced solutions between online and offline channels.

Key words: Customer Experience, Omnichannel Marketing, Small Fashion Brands, Integrating Channels, Social Media, Brand building, Brand Identity
Acknowledgement

During our master year at The Swedish School of Textiles we found a strong interest for the current trend of integrating different sales and marketing channels into a seamless process. Furthermore, our curiosity for small businesses lead us to investigate the concept of omnichannel marketing in relation to small fashion brands from Gothenburg, Sweden. This thesis has been possible because of the participating companies and interviewees and we would like to take this opportunity to acknowledge them for their cooperation and willingness to share their experiences. The insight in these companies has been invaluable for our thesis and given great comprehensions in the specific area of research. We would therefore like to give a big thank you to; Nicklas Fahlström from Nic and Mel, Malin Kiriazidou from Elvine, Fredrik Alexandersson from Thrive and David Andréas from Velour by Nostalgi.

We would also like to acknowledge our supervisor David Goldsmith who has challenged us in our discussion and given interesting inputs throughout this process.

Borås, 4 June 2017

________________________________________

Isabelle Nordgren                Julia Johansson
# List of Content

1. INTRODUCTION .................................................................................................................. 6
   1.1 BACKGROUND .................................................................................................................. 6
   1.2 PROBLEM DISCUSSION ................................................................................................... 8
      1.2.1 Research gap ........................................................................................................... 9
   1.3 PURPOSE .......................................................................................................................... 10
   1.4 RESEARCH QUESTION .................................................................................................... 10
   1.5 LIMITATIONS ................................................................................................................. 10
   1.6 OUTLINE .......................................................................................................................... 11

2. METHODOLOGY .................................................................................................................. 12
   2.1 RESEARCH METHODOLOGY .......................................................................................... 12
   2.2 RESEARCH APPROACH .................................................................................................... 12
   2.3 RESEARCH DESIGN ......................................................................................................... 13
      2.3.1 Purposive Sampling .................................................................................................. 13
      2.3.2 Cases ....................................................................................................................... 14
   2.4 DATA COLLECTION ......................................................................................................... 15
      2.4.1 Primary data ............................................................................................................. 15
      2.4.2 Secondary data ......................................................................................................... 15
      2.4.3 Semi-structured interviews ....................................................................................... 15
      2.4.4 Operationalization .................................................................................................... 16
   2.5 QUALITY OF RESEARCH ............................................................................................... 17
      2.5.1 Reliability ................................................................................................................ 17
      2.5.2 Validity ..................................................................................................................... 18
   2.6 ETHICAL CONSIDERATIONS .......................................................................................... 18

3. THEORY AND LITERATURE REVIEW .............................................................................. 19
   3.1 BRAND IDENTITY .......................................................................................................... 19
   3.2 MULTICHANNEL .............................................................................................................. 19
      3.2.1 Traditional retail ....................................................................................................... 20
      3.2.2 Social Media channels ............................................................................................. 20
   3.3 OMNICHANNEL .............................................................................................................. 21
   3.4 CUSTOMER EXPERIENCE ............................................................................................... 23
   3.5 OMNICHANNEL AND PURCHASE EXPERIENCE ........................................................... 25
   3.6 INTEGRATING OMNICHANNEL ...................................................................................... 26
   3.7 SMALL AND MEDIUM SIZE ENTERPRISES AND MARKETING CHANNELS .................. 27
   3.8 CHALLENGES IN OMNICHANNEL ................................................................................. 28

4. EMPIRICAL DATA ................................................................................................................. 29
   4.1 PRESENTATION OF THE BRANDS ................................................................................. 29
   4.2 SALES AND MARKETING CHANNELS .......................................................................... 32
   4.3 CUSTOMER EXPERIENCE ............................................................................................... 39
   4.4 CHALLENGES AND OPPORTUNITIES ........................................................................... 42

5. DISCUSSION .......................................................................................................................... 45
   5.1 BRAND BUILDING .......................................................................................................... 45
   5.2 SALES AND MARKETING CHANNELS .......................................................................... 46
      5.2.1 Social Media ............................................................................................................ 46
      5.2.2 Omnichannel and channel integration ..................................................................... 47
      5.2.3 Personalization and newsletter ............................................................................... 48
   5.3 CUSTOMER EXPERIENCE ............................................................................................... 50
      5.3.1 Customer service and feedback to the customer ..................................................... 50
      5.3.2 Supply chain and delivery options .......................................................................... 51
      5.3.3 Role of the Physical store ....................................................................................... 52
5.4 CHALLENGES AND OPPORTUNITIES .................................................................................... 53

6. CONCLUSIONS .......................................................................................................................... 54
  6.1 RESEARCH QUESTION ........................................................................................................ 54
  6.2 CONTRIBUTIONS .................................................................................................................... 55
  6.3 RECOMMENDATIONS ........................................................................................................... 56
  6.4 LIMITATIONS AND FURTHER RESEARCH ....................................................................... 57

7. LIST OF REFERENCES .................................................................................................................. 59

8. APPENDIX 1 .................................................................................................................................. 63
1. Introduction

The first chapter presents a background about the designated topic and introduces the reader to the concepts of omnichannel marketing and customer experience. This chapter includes a problem discussion, which considers current trends and issues in connection to these concepts, thus culminating in defining a research gap. Finally, this chapter defines the purpose of this research, outlines a specific research question and discusses the limitations of this study.

1.1 Background

One of the most essential intangible assets that retailers possess has, during the last decades, become the brand. The increasing importance of the brand has been driven by the competitive intensity, where companies now more than ever must create long lasting and loyal relationships with customers. Building a strong brand is often described as a possibility to communicate values and promises, which may evoke feelings or attributes that customers can or want to identify themselves with (Keller & Lehmann 2006). Brands are not only facing an intensely competitive market, but must also cope with rapid advancement in technology and changes in customer demands and behaviour. These developments have led to the formation of new business models and in many ways changed the way business is carried out (MacArthur 2014).

One of the biggest game changers in fashion continues to be the technological advancement, which provides new opportunities and challenges in the market. Using technological devices such as phones, computers and apps has become an essential part in business as well as in society and in customer’s life which have changes our way of interacting and communicating (Cook 2014). The customer’s shopping journey now includes using multiple channels, to search for information, communicate with the brand or make purchases (Juaneda-Ayensa, Mosquera & Sierra Murillo 2016).

Technological advancement has also lead to an opportunity for retailers to enhance customer experience through creating a seamless shopping experience (Grewal, Roggeveen & Nordfält 2017). Customers are in higher degree expecting an integrated experience that incorporates various sales channels, both online and offline. Ailawadi and Farris (2017) argues that meanwhile the buying experience has become easier for the customer, it has from a marketers’ perspective increased the complexity of that experience. The strategies have
progressed from single channel, to multichannel and finally towards omnichannel. The concept of omnichannel has during the last few years been given attention in industry articles and is recognized as one of the largest ongoing trends in retail. Juaneda-Ayensa et al. (2016) describes omnichannel, as the integration of sales and marketing channels, where the customer should have the same experience across channels. From a more practical perspective channels refer to for example; website or an online store, mobile channel, physical store and social media that are integrated through different touch points and centered on the customer, which may affect the customer relationship to the brand. Customer however, rarely thinks in these terms, but instead focus on what value it provides and how convenient the buying process is at the time and places that suits them according to Cook (2014). The use of channel integration has become a way for retailers to improve the customer experiences and create greater engagement to the brand. The concept is from a marketing perspective strongly connected to Social Media, which have changed the relationships between retailers and customers through dynamic conversation (Grewal et al. 2017). Social Media can according to Hassan (2014) be described as a developed type of marketing that includes social interaction.

The implementation of omnichannel may however be a challenging task, Cook (2014) argues that one of the major challenges is to deliver consistency when using multiple channels. Another issue with implementing these strategies is the cost barrier for instance in the supply chain (Chopra 2016). In industry reports and articles, the importance of implementing omnichannel strategies effectively is explained as crucial for both large and small companies to start doing right away. If not, they risk to be outperformed by their competitors, confuse or not live up to the demands of the customers (Bell, Gallino & Moreno 2014).

In Sweden, the prosperity of the society and economic development significantly rely on the creation and growth of small business (Ekonomifakta 2016). Not least in the fashion industry, the Swedish market has faced rapid growth and establishment of new companies in recent years (Expertvalet 2017). Small to medium sized business (SMEs) is defined as companies that has 0-250 employees and with a maximum turnover of 50 million Euro (European Commission 2017). Some of the challenges found in SMEs are by Pal, Torstensson and Matilla (2014) discussed through previous studies to be that these companies often have limited resources or lack of capabilities, even tough they simultaneously possess the strength of high flexibility. This leads us to the question how small brands encourages omnichannel strategies in relation to that they are small and how they cope with the shift towards
omnichannel marketing. Is it possible also for small brands to implement such strategies and in what way can the channels be connected.

1.2 Problem Discussion
The background has already implied that the current trends and developments towards omnichannel retailing include complex processes and transformational decisions. In order to integrate the different channels, companies are required to fully integrate the customer's desires and experience. According to Herhausen, Binder, Schoegel (2015) and Levans (2014) it is still only few retailers that fully have managed to accomplish this objective. On the Swedish market, Avensia (2014), in their report of some of the largest companies in Sweden, Norway and Denmark presented that only a low proportion of the companies have managed to implement omnichannel retailing. In the follow up report in 2015 it was still only few that are fully omnichannel even in some of the largest companies in Sweden, even though Sweden is in the forefront compared to many other countries (Avensia 2015).

The technological development and increasingly digitized society has as already mentioned meant probable opportunities for companies as well as changed our interaction patterns. The rapidness of this development may however be challenging to handle, not least for start up companies or small companies. One of the biggest challenges in this is to create a consistent experience across channels and to make the buying process as convenient as possible for the customer (Cook 2014). Another challenge that has been recognized with omnichannel strategies is that it requires time, resources and knowledge. Small business faces the challenge of often having more limited resources than the big brands. Biswas (2016) argues that there are several challenges in implementing Omnichannel models in small businesses. The first challenge is to manage the availability of inventory that must be the same across channels and media. The next one, which has already been mentioned, is the rapid developments and changes in technology and customers’ preferences that lead to how the retailer can stay relevant. Small business that implements such models may however also face several opportunities such as the ability to redefine, find new markets or reinvesting your business. Enhancing customer experience, making it easy to purchase and gaining loyalty as well as driving more sales. If companies do not implement omnichannel strategies they tend to lose or risk sales and customers (Biswas 2016). From this discussion this thesis has discovered a practical issue that concerns small businesses ability to implement Omnichannel marketing.
1.2.1 Research gap
As the concept of omnichannel retailing is a relatively new topic, it has so far limited space in academic literature (McCormick 2014). There is existing research that includes several of the aspects that are discussed in this study, such as customer experience, integration of channels that relates to omnichannel retailing. Several authors have conducted previous studies in regard to this topic. For example, Bell et al. (2014) investigated in their study, how both traditional (physical store) and nontraditional (online commerce) retailers can implement winning strategies in an omnichannel world from a customer perspective. In their study, they concluded that the use of online and offline channels can have significant gains in traffic and sales if the customer's demand is satisfied through the right combination of information together with fulfillment in the overall customer experience. In another article made by Chopra (2016) the topic of omnichannel retailing was approached through looking at the effectiveness of cost and responsiveness in the supply chain with focus on emerging markets. The implementation of omnichannel was by Striker and Wrigley (2016) furthermore discussed through the perspective of luxury brands. Brynjolfsson, Hu and Rahman (2013) investigated the competition between online and offline channels in women fashion in order to find out if digital tools can give an advantage in both channels in medium sized companies. There have been previous studies on the implementation of seamless integration in larger companies or brands for example in the research conducted by Avensia (2014 and 2015).

In the study of Verhoef, Kannan and Inman (2015) they state that the retail cross the channels is an important research domain. They suggest that future research could be to investigate, to what measures retailer should strive to integrate the different channels. Also what role the brand has, how different marketing mix channels might have different effect, and experimental research on the behaviors of customers in different channels. Picot-Coupey Huré and Piveteau (2016) means that further research within omnichannel will lead to a deeper understanding how the channels should be synchronized in brick with click. Piotrowicz and Cuthbertson (2014) are suggesting that the their framework (Figure 1) that were the result of their focus group discussion could contribute to studies in the area of technology on retail strategy and operation. The themes in the framework are issues that need further research.

Through this type of extensive literature search, it was found that only few has studied this topic in relation to small to medium sized fashion brands. The reason for this is likely to due to the fact that small fashion business has, in general, not been able to implement these types
of systems or mature in this process. Relating omnichannel to small businesses has during the last few years been a discussed issue in articles and industry papers, even though it has only been found limited research in regard to this topic in literature. Finding this research gap resulted into formulating a research question that investigates omnichannel retailing in small Swedish fashion brands and retailers.

1.3 Purpose
The purpose of this study is to investigate how small Swedish fashion brands handles omnichannel strategies and how deeply they have integrated the retailing channels with each other. The aspiration is to contribute with academic knowledge in fashion management and on how other small fashion companies in similar situations can manage Omnichannel retailing.

1.4 Research question
This thesis early on formulated the following research question:

Main question

How do small Swedish fashion brands handle omnichannel strategies in their retailing channels?

In order to investigate this research question it was necessary to have two supportive sub-question that are presented below:

Sub-question 1

How is the brand identity incorporated throughout their omnichannel strategy to improve the customer experience?

Sub-question 2

In what ways are the channels integrated and what challenges are perceived in this process?

1.5 Limitations
This study is limited to investigating companies and their Omnichannel strategies solely in the Swedish market. The study investigates the topic from studying brands and retailers and do not include empirical data from customers, even though customers are part of the discussion from several perspectives. Since the use of omnichannel strategies may vary between
industries and companies along with the complexity of this process, this research applies mostly to the textile and apparel industry. This thesis was furthermore given a limited timeframe of ten weeks, which results in limited time to collect data and comprehend broader questions. It was therefore found important to narrow this study down to small fashion brands and aim to answer a specific research question. It has furthermore been geographically limited to brands from Gothenburg, Sweden.

1.6 Outline

- **INTRODUCTION**: In the first chapter, the reader is introduced to the main concepts and background in regard to the topic. The purpose of this research and the research question is further stated in this section.

- **METHODOLOGY**: The second chapter presents how this thesis has been conducted which includes methods and data analysis. It explains the process of gathering data as well as discusses the reliability and validity.

- **THEORY AND LITERATURE REVIEW**: The third chapter presents previous research and theories within the area of research. The section for instance presents Omnichannel and Customer Experience among other topics.

- **EMPIRICAL DATA**: The fourth chapter presents the findings from the empirical data form four Swedish fashion brands. The empirical data has been gathered through in-depth interviews.

- **DISCUSSION**: The fifth chapter is a discussion based on the theory and literature in relation to the empirical findings. This includes finding similarities or differences among the cases.

- **CONCLUSION**: The last chapter presents the conclusions drawn from the discussion and concludes the findings in regard to the research question. Furthermore, recommendations and future research are suggested.
2. Methodology

The next section presents and motivates the methodological choices and methods used in this study. The study has used a qualitative method with abductive approach, as this was the most suitable choice in regard to the purpose of this research. The study is based on a multiple case study design were participating companies has been interviewed through semi-structured, face-to-face interviews. In the last part, a discussion about reliability, validity and ethical considerations is made which intend to critically examine the methods used.

2.1 Research methodology

This research has been conducted through a qualitative research method. This type of method is described as a way to construct in-depth understanding of a phenomena or problem (Bryman & Bell 2013). As the purpose of this thesis was to understand how omnichannel marketing is handled in small fashion businesses, it was essential to use such method as it enables an interpretive and subjective understanding of such phenomena. Qualitative method is in comparison to quantitative method, which focuses on numbers and statistical data, focused on words and often includes high interaction between the researcher and the informant (Olsson & Sörensson 2011). This has also been the case in this study, were each participating company has given detailed insights into their business. Descombe (2010) argues that using a qualitative method enables richness and understanding of interrelationships in wider context, which supports this reasoning and choice of method. Approaching this topic through a qualitative research method has generated understanding of how a specific segment perceives and explores the concept of omnichannel marketing.

2.2 Research approach

In order to research this topic, it was necessary to start the process by searching and collecting literature and explore previous studies in order to gain insights into the designated topic. For instance, there was a need to understand certain concepts and how these concepts are related to each other as this makes the research more relevant and structured. This was a way to create knowledge of the concepts (such as omnichannel) and processes, which was later analysed against the empirical findings. However, as mentioned in the introduction there is so far limited academic literature found in relation to this topic and segment. This resulted in a need to create an ongoing process between collecting theoretical data and empirical data. This was also due to the complexity of omnichannel marketing and the broad range and views of what is included in the concept. For instance, one of the main findings in the empirical data
was the necessity to incorporate the brand identity in all sales and marketing activities, which was therefore added to the theory and literature review. The research approach, explains the relationship between theory and reality, and is essential to understand in scientific research, which is why it was necessary to clearly explain this process (Ghuari & Gronhaug 2010). This process is similar to an abductive approach, which by Patel and Davidson (2011) is explained as a process that simultaneously collects theories and empirical data, thus resulting in creating new or broaden the knowledge. Theories in this case could be developed or added also after the gathering of empirical data, which suited the purpose.

2.3 Research design
The research design, explains the application of methods and the data analysis process, which is important in creating a guiding structure. In qualitative research, one of the most common types is to use case studies. A case study may according to Bryman and Bell (2013) investigate a company, a group or an organization. This thesis, however found that it would be beneficial to use several cases instead of solely one company. This was due to that small companies share similar features and in relation to each other was expected to find interesting result in correlating them as well as relevant to other small businesses. The research design has therefore been multiple case studies, which means that several specific cases were used through detailed examination and in-depth understanding of each case. This type of design enabled a comparative analysis between cases and the theory, which discovered similarities and differences among them. In accordance, Yin (2014) states that it is beneficial to use such design when the research question originates from question how something is carried out in a specific industry or a specific category of research objects. The discussion chapter is designed after the topics that the study has identified in the literature review and the empirical data. The main themes that will be presented and interpreted in the discussion chapter are brand identity, sales and marketing channels, customer experience, challenges and opportunities for small business. The topics that are chosen are relevant for the research question and are the elements that were acknowledged during the interviews and are inline with the literature review.

2.3.1 Purposive Sampling
The cases used in this study serve as the empirical data and have been selected based on several divergent criteria’s and relevance in relation to the research topic. The cases i.e. companies and informants were selected based on the following criteria’s:
- The company must be a Swedish fashion brand or retailer
- The company must be small to medium sized (0-250 employees)
- The company must actively use various retail channels
- The companies should be founded and based in Gothenburg, Sweden
- The informant must have relevant knowledge in this area of the business

In order to select companies, the initial step in this process was to use Allabolag.se to search for and list relevant companies for this study. This resulted in finding fifteen companies that met all the above criteria. During the process, approximately fifteen companies were contacted either through mail or phone contact. Many of these were interested in participating, but found that lack of time was an issue, which was why they had to choose to not participate. The aim was to have four participating companies in this study, and when these many had been found it was enough to have a representative data sample. The participating companies share a few similar attributes in for example customer segments, brand values, geographical location and inspiration from the local culture of Gothenburg. This is further presented in the empirical findings later on. The basic information about these four cases is presented in table 1 below. Under heading, 4.1 Presentation of the brands, a more detailed description of each company is presented.

### 2.3.2 Cases

<table>
<thead>
<tr>
<th>Company</th>
<th>Informant</th>
<th>Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nic &amp; Mel</td>
<td>Name: Nicklas Fahlström</td>
<td>Place: Gothenburg</td>
</tr>
<tr>
<td></td>
<td>Title: Founder &amp; CEO</td>
<td>Date: 27 April 17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Time: 10:30-11:30</td>
</tr>
<tr>
<td>Elvine</td>
<td>Name: Malin Kiriazidou</td>
<td>Place: Gothenburg</td>
</tr>
<tr>
<td></td>
<td>Title: Marketing Manager</td>
<td>Date: 05 May 17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Time: 13:00-14:10</td>
</tr>
<tr>
<td>Thrive</td>
<td>Name: Fredrik Alexandersson</td>
<td>Place: Gothenburg</td>
</tr>
<tr>
<td></td>
<td>Title: Co-founder &amp; CEO</td>
<td>Date: 13 May 17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Time: 12:00-13:15</td>
</tr>
<tr>
<td>Velour by Nostalgi</td>
<td>Name: David Andréas</td>
<td>Place: Gothenburg</td>
</tr>
<tr>
<td></td>
<td>Title: Marketing &amp; Art Director</td>
<td>Date: 02 May 17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Email contact</td>
</tr>
</tbody>
</table>

Table 1.
2.4 Data collection
The data collection process considers how and what type of data that has been collected and used in the research (Olsson & Sörensson 2011). It is often necessary to make a distinction between primary and secondary data, as the collection of data may according to Alvesson (2013) be collected for different purposes. Collecting qualitative data can according to Merriam & Tisdell (2016) use several techniques, such as interviews, observations or documents.

2.4.1 Primary data
Since this study aim to get an attentive understanding of omnichannel marketing and how it in reality is carried out, the empirical data has been based on primary data. The primary data in this study was gathered from direct face-to-face interviews due to the importance of understanding the differences between cases and is in line with qualitative method (Merriam & Tisdell 2016). Collecting this data was a crucial step in this study due to the contribution of how small Swedish fashion companies cope with the trend towards omnichannel. One of the companies, had to due to time restrains, reschedule the planned interview and instead participate through email contact, using the same questions as in the other cases.

2.4.2 Secondary data
The secondary data used in this study has been gathered to support the primary data and include data from documents, online data sources, books and academic journals (Ghauri & Gronhaug 2010). Alvesson (2013) describes it as data that has originally been gathered for other purpose. The empirical chapter includes information from the participating companies website and yearly reports, and serve as supporting secondary data and was helpful during the preparatory work for the interviews. This data is primarily used to introduce and provide the reader with a background on each case. This information was gathered prior to the face-to-face interviews due to the importance of understanding the attributes between cases and to create a time efficient process.

2.4.3 Semi-structured interviews
This study has used interviews as the main data collection technique in the gathering of empirical data. In research, this technique enables the researcher to create profound knowledge in specific cases (Merriam & Tisdell 2016). The three major interview methods in qualitative research are; unstructured interviews, semi-structured interviews and structured interviews (Bryman & Bell 2013). This research has used semi-structured interviews due to that it allows the researcher to ask follow up question and follows themes rather than a set
order of questions. Furthermore, using this type of interviews allows variation in participant’s answers, which was necessary in this study in order to understand each specific case and to make a comparative data analysis. The interviews lasted for approximately 60 minutes with each company, and it was important to keep a relaxed and informal conversation with the informant. Each interview was face-to-face meetings with the informant were questions were planned beforehand based on the themes of this thesis; brand identity, sales and marketing channels, omnichannel, customer experience and challenges and opportunities. All interviews was audited and thereafter transcribed in Swedish. The transcribed data was thereafter translated into English when written in the empirical findings. The interviews, was held at each company's office. One person was responsible to be the main interviewer meanwhile the other one took notes on and listened to what the participant said without extensive interfering.

Prior to the interviews, it was a need to make an observation on how we perceived the company to work with channel integration. Each company was observed based on three things; website, social media and Physical store. This information, was only used to create a platform for asking follow up questions as each company is unique and must be understood as such. One of the participants, Andréas form Velour by Nostalgi was interviewed through e-mail contact which can be recognized as a more structured interview since it is then not possible for follow up questions during the discussion.

2.4.4 Operationalization
In order to reassure that the interviews covered the area of research and the purpose of this thesis, an operationalization scheme over the themes was made which is presented in table 2.

<table>
<thead>
<tr>
<th>CONCEPTS</th>
<th>INTERVIEW QUESTION(S)</th>
<th>REASONING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Background</td>
<td>1.1-1.6</td>
<td>Questions about the background was asked as it was found to be important to understand the brand or retailer and how strategies are implemented</td>
</tr>
<tr>
<td>Sales and Marketing Channels</td>
<td>2.1-2.5</td>
<td>Create an understanding on how these companies uses channels in a seamless way, what has been done and what channels are used</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>3.1-3.9</td>
<td>Gain insight on how the participants works with creating greater customer experience</td>
</tr>
</tbody>
</table>
Opportunities and challenges

| Opportunities and challenges | 4.1.4.3 | In the last part, the questions aim to find what challenges and opportunities that these companies see with Omnichannel marketing |

Additional Questions

| Additional Questions | 5.1-5.5 | Additional questions that the participant may want to discuss that can give valuable insights |

Table 2: Operationalization

2.5 Quality of research

In the assessment of this research, the concept of reliability and validity has been used as two important measures in order to critically examine the consistency and how well the results, are connected and corresponds with reality (Bryman & Bell 2013). In order to avoid assessment errors it was first of all crucial to make the choice of semi-structured interviews. The interviews were recorded, with the informant’s content and the same operationalization scheme was used to all participating companies. As qualitative method concerns interpretation of reality it was furthermore important to avoid any type of misleading or affect the informant way of answering (Patel & Davidsson 2011).

2.5.1 Reliability

Bryman and Bell (2013) explains reliability as a measurement for the consistency of the research. It considers the likeliness of receiving the same results if the research was carried out again, thus taking the effect of occasional conditions into account. As already mentioned, qualitative research includes interpretation of reality and closeness to the research object and allows the informant to give his/her view of reality which might interfere with this measure. It was therefore important to explain the process of how this study has been conducted in as clear and detailed way as possible, which improves the possibility to carry it out again. As this study investigates small fashion brands, it is however not likely that the same results would be found if investigating the same question in larger companies or other industries. Even though each company is unique; there are certain similarities, which implies that these would be common thoughts or characteristics also in other small fashion brands. This thesis furthermore has aimed to investigate a rapidly developing concept, which is why it develops much each year, where the results are likely to be different within a few years, not least due to the rapid technological development. This research can be seen as an indication of how Swedish fashion brands handles and encourage Omnichannel even though it is not possible to claim transferability for all small fashion brands in Sweden. In order to do so a bigger amount of data and follow up research would be necessary. The findings, however, has revealed
certain comparative attributes that could be expected to be found also through a larger study as well as be helpful in order to understand the concept of omnichannel and small businesses further.

2.5.2 Validity
Validity refers to the collected data and implies how well the results are connected and if interpretation corresponds with reality. One of the challenges in the assessment of research is according to Patel and Davidson (2011) to avoid assessment errors or misleading the participants. This was especially considered during the interview process. In order to avoid misconceptions or mistakes in the interpretation of data, each interview was recorded and transcribed into text. The interviews were furthermore held in Swedish as this study focuses on Swedish brands, which means that the interview was translated into English. In the discussion of the validity of the research, communicative validity is often mentioned (Patel & Davidson 2011). This study has considered this concept as it means that the informant can review or control the transcription prior to the final report is finished, which decreases the possibility for misperceptions or mistakes in interpreting empirical data.

2.6 Ethical considerations
This thesis has during the data collection process and analysis considered ethical aspects that may interfere with the reliability and validity of research. In the research process the ethical considerations are for example by Bryman and Bell (2013) described as concerning valuations and ethical rules, such as integrity and confidentiality. In accordance, personal data has been handle with respect to the informant’s wishes and it has been possible to any time discontinue the interview or ask questions about the purpose. In each interview, it was important to first inform the purpose of the study, what we aim to research, how it will be research and that it will be published. Each participant has given informed consent that the information that has been give follows this. During the interviews, it was also highly important to avoid any type of steering answers, even though knowledge between us was shared. This thesis, has aimed to have a high level of transparency throughout the process, without causing the participant any type of harm. The participating companies were given the possibility to review the thesis prior to the final result if they wished to and were asked how they wanted the information given to be handled. None of the participants however choose to review the information before the publishing.
3. Theory and Literature Review
The following chapter presents the existing theories and previous literature found within the area of research. This chapter begins with reviewing the topic from a broad perspective, which includes brand identity, multichannel, and omnichannel, to understand the different concepts and how they are connected. Thereafter, it is further narrowed down into customer experience and omnichannel integration. Moreover, it presents some of the main challenges and opportunities with omnichannel for SMEs.

3.1 Brand Identity
Building a strong brand, has as stated in the introduction become one of the most essential assets in businesses and a priority in most industries, not least within fashion. Companies are through the brand revealing their core values and attributes, which the customer can associate with or create a feeling towards (Rosenbaum-Elliot, Percy & Pervan 2015). The focus in brand building activities is according to Hatch and Schultz (2008) no longer solely incorporated through marketing strategies but rather included in all activities in the organization and connected to the stakeholders.

When researching this topic further one soon realize that there is a large variety of choices and strategies towards building a strong brand. Some of the most recognized and significant parts in brand building are the creation of brand identity, brand image and brand positioning. Zatwarnicka-Madura, Stecko and Mentel (2016) argues that loyalty and long-term relationships with customer are built through the establishment of a strong brand identity and brand image. The brand identity can according to Matilla (2002) be communicated either through the whole marketing mix or single products. Yohn (2013) argues that it is not sufficient to use advertising and identity, but it instead must involve the entire customer experience that includes an integral operationalized process. Another implication is managing to place the brand in a competitive position in the market through uniqueness, which includes an understanding of what the customer may expect. In 2016, one of the strongest trends in communicating the brand has been found as including full range of experience in the customer journey, which creates a customer experience, often through emotional driven activities (Shapiro, 2016, Braun 2015).

3.2 Multichannel
Multichannel is considering the channels of online, offline and traditional marketing channels such as catalogues. There is a new phase for multichannel retailing with mobile devices,
tablets and social media. It is required for companies to use multichannel marketing, one example can be that the customer is going online to find information about an item and then go offline to make the purchase (Verhoef et al. 2015). Today customer can be in contact with a single company through several different channels, online stores, traditional stores (Bricks-and-mortar), Newsletters, catalogues, salesperson and customer service. Companies can also use Facebook and Instagram to channel the brand, where the customer can get information about the products, price, and organizations ask for help and make complaints (Pozza 2014).

3.2.1 Traditional retail
In the study of how omnichannel retailing and supply chain should be structured Chopra, (2016) explains that traditional retail are grocery stores, department store and bookshops, known as brick and mortar. Physical stores are where the customer has a face-to-face interaction with products and sales employees. The stores often have high inventory levels because the product must be stocked at each store, this makes the investment for these traditional stores high. Chopra (2016) means that the physical store can work as a showroom and a pick-up location if combining it with the online store.

3.2.2 Social Media channels
Social web marketing refers to Internet marketing where the social channels e.g. social networks, communities and blogs are working with companies for marketing and public relations purpose and customer service (Baines, Fill & Page 2011). According to Pozza (2014) in the instigation of customers decisions making process the use of different “social” channels are based on the motivation of the customer, eg. that Twitter is used for utility and functional reasons and Facebook for social. Social media is not only about the mass marketing it is about conversations with the customer around the brand or organization (Pozza 2014).

The media that has been used for marketing has evolved from printed media to social media where people interact online. The attention that social media creates is an effective tool and attract people with information, videos, experience, jokes and friends. Social media can benefit business by giving information about the products and offers and give a perception of the brand (Hassan 2014). Social media is a cost-effective tool according to Kirtis and Karahan (2011) it can also give brand equity and benefit SME’s. In the apparel industry the customer must get instant information about the latest collection on Facebook. Twitter can work as a bridge to link a video on eg. YouTube. Using YouTube and Pinterest to inspire and combine accessories and styles for the customer and non-customer. Social media sites such as
Facebook store collect massive information about their users, age, gender, marital status, location etc. (Mahajan 2015).

In the research of Hassan, Nadzim & Shiratuddin (2015) the AIDA model was used to investigate the strategic use of social media for small businesses. AIDA is the model of the customer purchase decision journey; Attention, Interest, Desire, Action. The research was conducted with focus groups from small businesses in Malaysia. In the finding Hassan et al. (2015) showed that the model of AIDA could be used as a marketing tool for social media. To attract attention to the brand on social media the business need to get into cluster with the competitors as well, like and follow their social media page/account. Use correct tags, referral to existing customer and fans and cross-link all social media and online store, to generate visitors. Hassan et al. (2015) showed in his findings that the customers interest was found when companies add the right information and description about e.g. material and price about the product. Clear and updated information about the brand and the products, eg. product pictures should be from different angles. Advertise and use affiliate marketing. To create desire according to the finding in Hassan et al. (2015) research the companies must engage the customer, with promotions, special discounts, and “get one for free” -offers. Involve the customer, update the social media walls often and continuously. Attractive pictures that represent the brand, and well-typed messages to the customer. Observation of the commentary field and respond quickly to feedback. To end the customer purchase journey the ordering process needs to be clear together with information about and payment and delivery.

3.3 Omnichannel

The typical omnichannel customer might start by browsing social media, ”Likes” a blouse on Instagram, then checking the online store to see if the blouse is available in a nearby store. Finding there is only one left, and clicks on the ”reserve at store” bottom, and visits the store and to discover it does not fit. Then makes the purchase on the retailer app and a free home delivery.

Omnichannel retailing concept is addressing the use of various channels that integrate and connect with the customer. Retailing in various channels primary has three flows; information, product and fund, which are the link between customers and retailers. The retailer brings the pricing information and the product to the customer, and if the customer place an order, the customer bring the fund. The retailer can use the order information to transport the product to the customer (Chopra 2016).
Retailers are often using the different multichannel, but each separately, where the traditional and online channels are handled and managed by different people and in different ways (Piotrowicz & Cuthbertson 2014).

In the research of Piotrowicz and Cuthbertson (2014) they investigated retail, suppliers and the customer. The author’s research was conducted through using focus groups with senior members of large retail organizations mostly from United Kingdom. To discuss the issues of information technology, in-store solutions, coordination of online and brick- and-mortar activities, and the new environment of mobile and social networks.

![Diagram]

*Figure 1:* This is the main themes that emerged from the focus group discussions in the study of Piotrowicz and Cuthbertson (2014) and also portrays the integration of technology towards omnichannel.

From the focus group discussion in Piotrowicz and Cuthbertson (2014) it was found that omnichannel widens the channels and integrates customer, brand and retail connection. The channels should be able to be used in a seamless network when searching, purchasing and using service. The purpose of omnichannel is to provide the customer with a holistic experience and significance to the brand. Customers today are connected at all time and can access information from their mobiles and buy anything they like from everywhere. In the focus group it was also discussion that the technology should only be in the store to solve a problem, not without a purpose, “just because”. Because the increase on mobile device and
tablets it is more important to integrate the channels. The level of integration in technology is different from customer to customer, and not every customer appreciate the technology.

A retailer needs to act and remove the barriers and connect all multichannel into a cross channel. The interconnected channels of the online and traditional store can e.g. be "order in-store, deliver home", "collect at store and showrooms" (Piotrowicz & Cuthbertson 2014). Omnichannel includes eg. pick-up and delivery choices, the ability to see inventory for a specific store, information searching, support for post-purchase. New retailing concept of Buy online, pick up at store (BOPIS), Buy online, return in-store (BORIS). Furthermore, the concept of show-rooming (gather information in-store, buy online) and Web-rooming (collect information online and buy in-store) (Byrne 2017).

Chopra (2016) is investigating omnichannel and the supply chain, the different ways of using offline and online channels, with the delivery, showroom and supply chain choices. Chopra (2016) argues that a well-organized omnichannel strategy and supply chain can be both reactive to the customers needs and cost effective. When combining and applying the strengths in the physical store and the online stores to the supply chain. According to Chopra (2016) the combination of physical stores and an online shop provides efficiently customers needs than a single channel. With omnichannel customers will be able to freely move through physical stores, online and mobile telephone and post-purchase service (Byrne 2017).

3.4 Customer experience
The digital world has changed the way companies interact with customers. To create an emotional connection to the customer involves complex processes. Straker & Wrigley (2016) did a case study of the fashion retailer Burberry, and investigated the engagement of the digital channels and the emotional intentions. They found that through engaging the customer in the digital channels it will be beneficial for growth and brand. The customer must be handled through a holistic perspective that affects the emotion, mood and thinking.

In Straker & Wrigley (2016) theory they describe that the main concept that generates emotions is experience. The experience of a customer goes further than usability and the customer must be involved holistically as a thinking and feeling person. Using omnichannel to connect with customers and circulate brand value will according to Straker & Wrigley (2016) increase the level of service.
In the Total customer experience theory in a study of Kim, Ahn and Forney (2014) a holistic perspective of the customer purchase experience involves the cognitive, social, emotional, perspective of the customer and the response from the brand. The way customers think, interact with others e.g. word of mouth and their feelings eg. fulfillment of desire. According to Damasio (1994) the experience begins with thoughts and evaluation of the stimulus, this generate response of emotion. The emotions trigger the decision-making progress for the customer and cause an action in form of behavior.

In the study of Kim at. al (2014) they research the total customer experience value, which is the way customers gain information, think and make decisions about their purchase. They researched the total customer experience, global customer experience and smart customer experience. Customer experience involves all emotions and sensory perceptions from sound sight, textures and service from a physical or virtual store. Customer experience develops from direct and indirect contact with the brand. Direct connection activities involved in purchasing, service and use. Unintended representation from the brand or product, such as recommendations, advertising, reviews and word of mouth is indirect contact to the customer.

To create valuable customer experience there are two digital technology stimuli, personalization and interactivity (Parise, Guinan, & Kafka 2016). Interactivity is providing direct communication with the customer through for example apps and live video that creates an augmented reality. Direct communication gives the customer a type of control and communication with the brand about their needs. The consumers’ behavior in-store gives information about product browsing, comparison and what they desire. The customer's online activity can help companies to personalize the service and product. The personalized offer give a positive attitude towards the brand and the customers feel appreciated and valued.

Fulfilling of the anticipation for the customer, creating a meaningful offer, entertainment, information, caring service and a belonging feeling to the brand. This helps the customer in the decision-making process, with problem-solving and evaluation of choices (Parise et al. 2016).

In the fashion industry the retailer can involve shoppertainment, edutainment, and offer entertaining activities in the retail experience (Kim et al. 2014). Topiol (2014) explains that Shoppertainment can be that the retailer e.g. makes space in the store for large screens and
interactive displays, so the customer can make an online purchase in the store. Creating events for sale, education and brand building. Contradicting to this statement Piotrowicz and Cuthbertson (2014) study discussed that technology should be “invisible” to the customer and well tested before implementing it in the store. The strategy in the store must be aligned with the customer and the product. The technology in a store should be complementary and not substitute the staff team.

Kim et al. (2014) explains that multiple distribution channels are necessary and smart technology such as Internet, and mobile devices need to go beyond profound distribution. The customer must be able to begin in one channel and end up making a purchase in another, through a seamless network within the brands omnichannel.

3.5 Omnichannel and purchase experience
In the study of Kim et al. (2014) they found that the business strategies are changing from the total customer experience to the global- and the smart customer experience. The total customer experience pleases both the customers’ emotional, rational and functional desires. The global customer experience gives a holistic and meaningful experience for the fashion customer. Fashion customers seeks more than the purchase they what the whole experience the atmosphere and the entertainment. Technology leads the fashion customer to the network clusters of customer with similar lifestyle and desires that goes further than local norms.

The smart customer experience is when the customer can access information and seek products within the different channels without barriers. The customers that interconnect in the omnichannel environment are also seeking a connection and belonging and building social networks. An active communication between customers in a social network will give a personal satisfaction and positive affect on omnichannel environment. When customers are integrating in social networking, information seeking and sharing in a brand based community it enables a shared vision and relationship of trust. To have the customer as an active and contributing part to the network is important for the fashion retail business (Kim et al. 2014).

Juaneda-Ayensa et al. (2016) used a model (UTAUT2) by Venkatesh et al. (2012), which identifies the omnichannels and seeks to understand the drives that are used in the purchase process. The information and communication in this technology model, shows that the customers intention are build on seven factors; performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivations, price value and habit. In the
research of Juaneda-Ayensa et al. (2016) they combined previous research and added personal innovativeness and perceived security. Juaneda-Ayensa et al. (2016) concluded that the most essential factors in purchasing intention when using omnichannel was personal innovativeness, effort expectancy and performance expectancy.

**Personal Innovativeness** is the way a person prefers to handle new technology and new experience in seeking new products and channels. Personal innovativeness was shown to be the strongest predictor of purchase intention, innovative people are more likely to purchase with different channels. These omnishoppers explore new technology.

**Effort expectancy** is defined as the degree of ease the customer experience during using the technology and purchase experience. (Ease of use) The ease of use is mandatory for the customers experience and gives a positive purchase intention.

**Performance expectancy** is the level of benefit the customer experience when using different channels/technology when purchasing fashion. Performance expectancy has in previous studies shown to the strongest factor to predict behavior intention (Juaneda-Ayensa et al. 2016).

In Juaneda-Ayensa et al. (2016) conclusion, they argue that companies should evaluate their technologies but also how the technologies will work together and together with the store. The customer will be able to start at one channel eg. the physical store see the inventory on an iPad displayed at the store and end up ordering online. Using technology in-store is an interesting and entertaining approach for the customer's purchase journey and to create new customer experience. New technology and new purchasing channels will change customer habits and behavior. Omnichannel is a strategy that has developed from a multichannel retailing to a cross border connection strategy.

### 3.6 Integrating Omnichannel

In the research of Brynjolfsson et al. (2013) the competition between online and offline shopping in the women clothes market was investigated. In order to see if it is possible for digital tools to give medium-sized companies an advantage in both channels. In Brynjolfsson et al. (2013) theory, a successful omnichannel environment means that retailers should adopt new strategies such as the design for the shopping experience, pricing and the relationship with the customers. To create strategically successful omnichannel retailers should for a
short-term development plan shift costs with loyalty programs and service contracts. Understand the customer's desires and needs through analyzing data collection. In the long-term plan the retailer can create exclusive and unique product and features. Give the customers offers with product and service bundles (Brynjolfsson et al. 2013).

For Online based retailer shorter goal could be to have hand picked items for the customer with special prices. The online shop could provide the previous searched goods. Give the customer a chance to try and look at clothes in a showroom, and give access to a local delivery and pickup points. To entice the customer a long term plan could be to target niche products that are not available on the local market. Products that are non-exclusive can be cost competitive (Brynjolfsson et al. 2013).

Juaneda-Ayensa et al. (2016) concludes that managers should thus take the Personal innovativeness and technology profile into account and constantly roll out new technologies in different ways in order to attract and surprise these kinds of shoppers.

The focus is no longer on the different channels used by a brand but how they interconnect with each other. A business plan should consider the connection and relationship between the customer and the brand. An omnichannel strategy should balance the mobile device and the social networks and take into consideration the customer requirements (Piotrowicz & Cuthbertson 2014).

In of Kim et al. (2014) they discuss the social networking platform Pinterest, for building and seeking pictures for mood/inspiration boards. Pinterest can also be linked to Facebook and twitter. Fashion retailer such as Gap and Nordstroms use Pinterest as an advertising platform and share their products and linking to the company. Social media and the information and product sharing driven by the customer is a new marketing tool.

3.7 Small and medium size enterprises and Marketing channels
Customers have a lot of different preferences of how and where they will purchase. Both the physical and the digital retail channels are integrating with each other more today (Bell 2015). SMEs can use Social media as a strategic tool for marketing and can be a positive influence on the growth of small enterprises. The focus in SMEs marketing is that is effective, price efficient and simple, together with the company’s strategy and brand culture. Competition is hard for SMEs with limited resources (Hassan et al. 2015). SMEs marketing is
often focused on the customer, and an advantage can be that they are flexible and that the departments are working together or close. The market information and customer are easy to access for fast and changing decisions (Harrigan 2013).

### 3.8 Challenges in Omnichannel

The multichannels were until recently divided and managed and in the different department, by different people. For large companies the planning and forecast are often controlled and analyzed by separated themes and sometimes located in different places (Bryne 2017).

One of the challenges of omnichannel is where the inventory location should be to increase the sales and best delivery for the customer. For the customer one disadvantage could be the delivery time, and sometimes shipping costs. For fashion brands one disadvantage with the buy online and pick up at store might be that the digital world do no show the way a garment feels and drapes. The uncertainty about the product might not give the customer the experience and a full comprehension even with omnichannel (Bell 2014). In Bell (2014) a furniture shop could increase their sale offline by having information of price and accurate inventory online.
4. Empirical Data
The next chapter presents the collected empirical data from the interviews made with the participating companies. The chapter is divided into four subparts: Presentation of the brands, sales and marketing channels, customer experience, challenges and opportunities. The chapter is divided in this way as it provides the reader with a clear structure and understanding of each brand and how they work within different areas. Initially it introduces each brand, and after presents the findings based on each subpart.

4.1 Presentation of the brands
The brands and retailers that have participated in this study are all working with different sales and marketing channels in their business. These companies are all founded in Gothenburg, Sweden and are present within this market. The interviews took place between 27th of April 2017 and 13th of May 2017 and have been conducted through face-to-face interviews in all cases, except Velour where email-contact was used.

Nic & Mel
Nic & Mel was founded in 2010, with the ambition to create timeless and individual accessories for men. The brand offers products that are functional and stylish with contemporary details and classic design. The products are distributed through other retailers, the website and through a physical store located in Gothenburg, Sweden (Nic & Mel 2017).

The interview was held with the founder and CEO, Nicklas Fahlström. During the interview, Fahlström states that he started the brand due to his strong interest and passion for watches. Fahlström had prior to this been working within the fashion industry through selling female clothes but wanted to make his own brand. In the beginning, the company had a broad product assortment that included; clothes, watches, bags and cases, which were primarily sold through other fashion stores. The focus was in 2014 shifted towards selling the products to telecom companies and to establish collaborations with such companies. Looking back at the journey, Fahlström concludes that the collaboration with small fashion stores might not have been the optimal strategy for the company. The focus, he explains, is now directed towards implementing a new concept that will make the brand continue to grow. The new concept is based on concentrating on creating a premium customer experience, through the products and throughout the different channels, for instance he is planning to open a new concept store.
"We’re not following the latest trends, not inventing the wheel. We’re simply bringing back the best from history. Bringing back what once was lost. The ability to stay timeless”.

(Nic and Mel 2017)

Elvine
Elvine was founded in 2001 and has its head office in Gothenburg, Sweden. The CEO, Daniel Robert Mänd is the creator and started the brand through being inspired by the unrefined street culture of Gothenburg and his everyday life and friends. This inspiration was combined with the functional legacy of his grandmother, Elvine, which combined laid the foundation of the brand. Elvine offers products that have great fit and are comfortable, yet sophisticated. The brand sells both male and female fashion, with sales going through the website, other retailers and through the flagship store located in Stockholm, Sweden (Elvine 2017).

“Sophisticated clothes for unsophisticated behavior”

(Elvine 2017)

In this study the Marketing Manager of Elvine, Malin Kiriazidou, was interviewed. Kiriazidou has worked at Elvine for the last two years and had prior to this position worked within PR and communication in lifestyle and fashion companies. Kiriazidou describes that the brand began its journey due to that Mänd, the founder, and his friends could not find the clothes they were looking for in the market. Their jackets, was one of the first products that was recognized through their design and functionality which became the start of building the brand. The vision, she explains, is now to continue to build the brand and enforce the brand values throughout the organization and communicate it in all channels.

Thrive
Thrive was founded in October 2015 by the entrepreneurs Sara Lundqvist and Fredrik Alexandersson, dedicated to change the fashion industry through conscious fashion. Thrive has a concept store located in Gothenburg, Sweden and sell products from brands, interesting designers or manufactures that makes vegan, organic and sustainable clothes. Thrive makes a few garment themselves with prints that are also sold in small collections. The items in the concept store are all fronted 24/7 at Thrivestore.se with fully integrated physical and online stores (Thrivestore 2017).
“The fashion industry is a filthy business, and we want to change that”.

(Thrivestore 2017)

The interview was held with Fredrik Alexandersson, founder and inspirer. During the interview, Alexandersson explains that he and his wife Sara started the company as a result from their dedication to sustainability and his concern about the use of chemicals in the supply chain. Starting Thrive was also a result of an unsatisfied need to find products that were completely ecological in the Swedish market. Alexandersson mentions that he also has a part-time job as a systems architect and that digital communication is something he works with on daily basis. He explains that they live, eat and functions through sustainability. Thrive has since the start had a strong growth rate are in their view working towards building a strong brand that changes the way we consume fashion.

Velour by Nostalgi
The story of Velour starts already in 1997 in the Gothenburg located store Nostalgi. Per Andersson together with friends a few years later decided to start their own brand, Velour by Nostalgi. Velour is a Swedish menswear label that offers sustainable and classic menswear. The brand has a store in Gothenburg, one in Amsterdam and a showroom in Stockholm. Sales are moreover going through their website and distributed through other retailers (Velour 2017).

We meet the clothing needs for the man in tune with time – Sustainable and well dressed

(Velour by Nostalgi 2017)

The Marketing and Art Director of Velour, David Andréas was interviewed through e-mail. Andréas was provided with the same questions as the other participants, even though no face-to-face interview took place. Andréas states that he has prior to this position worked in several brands such as H&M, Gant and Acne and has for the last two years worked at Velour.
4.2 Sales and Marketing Channels

Nic and Mel

Sales and Marketing Channels

Fahlström from Nic and Mel states that the main sales and marketing channels that are used are the website, the physical store and products sold through other retailers. In terms of social media the brand mainly uses Facebook and Instagram to communicate with customers and to attract new customers. Fahlström explains that the communication efforts in all channels are aimed to create a cohesive brand message.

Figure 2: Instagram, Nic and Mel (2017)  
Figure 3: Website, Nic and Mel (2017)

Omnichannel

The social media channels are according to Fahlström integrated through sharing the same content on both Instagram and Facebook. The Instagram account is aimed to communicate through pictures with the intention to improve the relationship between the brand and the customers. One of the things that Nic and Mel needs to be better at, he describes, is to optimize these activities and in more ways include the customers within these channels. He further explains that there will in this stage be a strong focus on efforts on Facebook, which will be used as the main communication channel after advice from Eric, a consultant who works with these questions. This will be made through making good ads and is predicted to positively affect their ability of finding the right customer segment for Nic and Mel’s products. In order to generate traffic to the social media channels, influencers have previously
been used as one strategy. The data that is generated through different sales channels and social media are only analysed and collected in small scale, except when looking at sales rate for different products.

The physical store and website share similar features in terms of that the logo, products and brand values. Fahlström, describes that the biggest potential for Nic and Mel is to develop the online store, where the energy must be put into the right place. For example, Nic and Mel has recently started a collaboration with Mecenat that offer products through student deals and works as a platform to generate more traffic to the online store. The ambition is according to Fahlström to build up the audience further, create interest and a more personal connection through Instagram. The goal is to create a premium feeling in both the products and overall experience of the brand. For instance, he mentions, that the brand plans to open a new store that will display a few products, and introduce the customer to a greater in-store experience through for example incorporating an espresso bar or similar features. The overall experience must be cohesive in every channel, he mentions.

In terms of inventory, Fahlström explains that there is at this moment in time no possibility for customers to collect or return in-store, but that this could be a possibility in the future. He explains that he plans to open a new smaller store in Gothenburg in the near future and that it then could be realistic to include such service. The stock levels are presented on the website and available in store and online.

**Elvine**

*Sales and Marketing Channels*

In the questions about what sales channels that Elvine uses, Kiriazidou states that the main sales channels are the website, physical store and through other distributors such as chains or independent stores, for example the Swedish retailer MQ and department store Åhlens. The flagship store is located in Stockholm, Sweden, which is another channel. Sales do not only go through their own website, but also other distributors web shops and brick and mortar shops, both in Sweden and internationally. Kiriazidou describes the website as one of the main areas that is used for marketing which they are updating and aim to develop further. Facebook and Instagram are currently the main social media channels. The next aim is to market the brand via Pinterest and most likely Twitter. Another way of marketing the brand is through handing out campaign and store material to the flagship store and to other distributing
stores, rarely but sometimes also advertisement in newspaper. A few products or special products are handled by a PR and communication bureau, which they for example have done in a currently ongoing project with an African jewelry designer. These projects then use channels such as bloggers and influencers on Instagram and also business-to-business marketing, Kiriazidou explains.

**Fig. 4 Instagram, Elvine (2017)**

**Fig. 5 Website, Elvine (2017)**

*Omnichannel*

Kiriazidou clarifies that all marketing efforts are based on their brand and the brand values, which connects the different channels. During the interview, it was asked how these channels are integrated, in terms of for example design, esthetics and brand value. Kiriazidou describes that the brand and certain key values influences all other efforts, were the personality and the perception of the brand should always be the foundation. During winter 2016/2017, they have especially worked with making it clear throughout the organization, what Elvine stand for and how they are. With this base, all other elements such as esthetics, design and message fall in place automatically. She means that if the brands base is implemented in all channels, they will succeed with the communication. Sometimes, all images for example are used in all channels, in-store, website, social media and advertising. Once a year, there is also in-store material, that are send to the stores in logo posters and notebooks, which often are based on the pictures. Newsletters are also occasionally handed out to people that has registered, as this is claimed to be one of the most effective marketing channels.
The process of launching new products is explained to start with that the team, of market manager, AD and the website manager and decides what text and how they will deliver what they want to say. When they have decided the aim, it is sent out in Newsletter simultaneously as the website is changed, if it is a lot of information they will also have an own landing page and at the same time in social media channels. Instagram is sales driven and Facebook more to gain information, which is way to tell about the values rather than products. The focus is in all the ways focused on for example function, these channels are used even though there is different strategies for the channels. Articles, that delivers a message that also the brand stands for can be shared if it is connected to the brand values. Google analytics is used to see how it affects the amount of visitors to the website. When they have a clear product focus this works most effective, which Kiriazidou expects to come most from Facebook. During a campaign when the picture is explored on Instagram it is furthermore a link in bio, which directs the customer to the front page, not to the actual product. Paid ads have been avoided even though she thinks that the customer has matured in this, and that many of the competitors have done it, which is why they have started to consider it.

During the interview, one of the questions concerned how offline and online channels are connected and if Elvine had considered offering pick up, collect and return services. Kiriazidou explained it as there is no point for smaller companies, such as Elvine, to use those kinds of services since there would be too much effort for what would come out of it, there is no need for it, which she thinks, is common for many of these businesses. It is not about the technical solutions, but rather to find ways to make everyday easier for them and the customer. There is however a good connection and cooperation between the headquarter and the staff in store can help you with ordering online. There is close cooperation between web shop, store manager and customer service, in for example to deliver quick response and always provide a cohesive answer. Due to the size of the organization, complaints or customer issues can even be discussed with the CEO which makes the effort to solve the problem for customers very high, and also a 24 hour support chat available. In regard to Omnichannel, companies that Elvine have collaborations with are working with this, which might also benefit them, Kiriazidou argues.
Thrive

Sales and Marketing Channels
Alexandersson from Thrive explains that everything from the selection of brands to products must be certified, fair trade and fair share, which must work in every part of the company. In terms of sales and marketing channels, Alexandersson explains that they use social media, newsletters, print, WoM. The primarily social media channel is currently Instagram and they are discussing if they should join Pinterest. Facebook, is almost only used for ads as this is a good source to for fast reach.

“We do not sell a garment, we sell a feeling” (Alexandersson 2017)

Omnichannel
When we asked how these channels are integrated, Alexandersson answered that Thrive is fully omnichannel. The strategy is not to use the same post in every channel, but similar pictures for instance from the same shoot, which should create a feeling but at the same time provide something different. He explains that there will now be a person working with creating profiles for each channel and deliver a story throughout the channels. Thrive he explains, is Gothenburg, it is Sweden, they try and see what pictures work better, for example through likes and uses their own pictures rather than pictures from suppliers.
In terms of inventory, the online and physical store are fully integrated according to Alexandersson. He explains that if someone buys something online they get a notification in the register that it should be put away which they do in-store, which is possible due to that the collections are small. At the same time, the customer can see the inventory online. He further describes that the customer often comes in and have already looked at a product online and then ask us in-store. There is a big amount of visitors on the website but only few that actually purchase, which is a problem which he thinks might be related to the SEO texts.

Social media and website are connected, through UPN tags on products or ads on Facebook where you go directly into the product where you can buy it. Instagram is only link in BIO. Alexandersson explains that they now have two girls that will work fulltime with rewriting texts on the website. He again mentions the importance of the persons who writes these texts must really know what thrive stands for and make an interesting profile. One of the biggest challenges, is to communicate the same feeling online as the customer are meet with in store. In store, he explains there is strong contact between customers and staff, which must know everything and be very well-read. A customer that have visited the store, are in high degree coming back another time. Google analytics is a tool that is used in large extend and indicates were efforts should be aimed even though decisions are made together with gut feeling, since people are people. The reach, he explains on who liked the picture is very different depending on the picture. Instagram is also connected to the store through an Ipad where people that use their tag may be exposed.

“The customer should leave the store either with a garment or with new knowledge” – (Alexandersson 2017)

**Velour**

**Sales and Marketing channels**

Andréas from Velour begins to explain that the last couple of years they have worked on strategically, changed and updated the vision with new products and development in social media and e-commerce. Before they had non-consistent product line and production, now he explains, Velour is working with their own online store, a clear platform and great people. The target group has been refined and clear goals of achievements. Andréas describes the brand recognitions as ”Creative minds” which means that they, make clothes that ”tunes with the time” the customer today demands a reliable, sustainable and trustworthy brand. Velour have always been working with and been a part of subcultures and cultural movements in
Gothenburg, Andréas explains. Velour are working with creative mind portraits as José Gonzales, Ruben Östlund, Kristoffer Triumf etc.

The sales channels that velour uses are, newsletter, Facebook and Instagram. Instagram are used as a window for the Creative Minds in each collection and then the styles and garments are find on our website, with a link in the bio, velour are currently developing ”Buy the style” for each photo Andréas inform.

Figure 8: Instagram, Velour by Nostalgi

Figure 9: website, Velour by Nostalgi

Omnichannel

To integrate the different channels with a consistent brand message they are working with a Excel-schedule on Google drive that includes all the channels and campaigns, inshore and on the accounts. Andréas explain that they use this system to be singular in the message each week, they are considering to start using a company called Meltwater in the future to synchronize and getting analyzes service. When using social media channels Andréas express that they are trying to have a clear and exiting definition and express the ”retro yet modern” style that velour represents with an engaging and interesting visual content. All channels must have a synchronized message but still use each platform for the best purpose, relevance is important Andréas states. When asking how the customers are navigating in the channels and how they integrate Andréas answers that mobile is still growing but that the purchase are made on the computer. He continues to explain that Instagram is a shopping window and that customer use mobiles for browsing products and price, that computer is for buying and that
Facebook is a channel for interaction. Velour handles their omnichannel in an excel-schedule as an overview.

4.3 Customer experience

Nic and Mel

The customer

Fahlström explains that Nic and Mel incorporate the customer through using Facebook, which they plan to put more efforts in the near future. The target group is currently seen as broad, predicted as approximately 75-80% male in the age 20-45 years and the rest females.

Integrating the customer

Fahlström mentions that they have tried to incorporate the customer through contests and offers online, even though this is an area that is necessary to improve. He thinks that using students would be one way to increase sales and marketing. He also mentions that he would wish for more time to focus on ads and communicating with the customer. During the interview Fahlström mentions that this is not his strongest area in the business, but an area that he wants to grow. Some of the efforts that have been used to connect to customers are collaboration with Mecenat with offering aimed towards students. From Mecenat it is also possible to get some data on the transactions made, other retailers such as Nelly may however not share any data that can be analyzed. For example, he mentions, that it is important that the whole experience should be premium and create a more personal connection with the customer. To include small gifts or making other personalized offers, as part of the buying process is one way to create a more close relation to the customer.

Elvine

The customer

The buying customer, Kiriazidou explains could be anyone, from cool kids to old ladies with purple hair. The customer is described as being conscious, social, premiere local actors and have there own style. Age is not important, even though she would say that the main group, are around 35 years old. It is often the designers target groups that are inspired for the marketing.
Integrating the customer

In terms of efforts to attract the customer, Kiriazidou explains that there are many of the people that buy the products that they actually do not directly communicate to, as it is not possible to communicate with everyone. It is not, like the bigger chains, possible to have different departments that can communicate to everyone differently. Elvine does not want to choose between customers, and the aim is not to reach everyone with all communication. It is more important to portray the brand and what kind of products that they offer. In-store the brand is also highly communicated through interior that symbolizes elegance and street. All pictures for example campaigns are shown throughout channels, one think that is going to be developed is the website which they are currently not satisfied with.

The most important thing in the buying process is that the customer feels inspired, not that they are able to move between channels. From Instagram, Facebook and the newsletter it is however of course very easy to move between channels, Kiriazidou further explains. The process need several clicks before ending up at the page or product you wanted to view, where the customer must first go to the landing page. One issue is that there is a low amount of followers on Instagram, but once again mentioned that the most important thing is to wake an interest outside these channels; it is not always enough with great content for instance. This is something that Elvine is currently working with, as it has not been enough consistent before, which is why they have made such strong focus on the brand. The customer recognizes the brand on for example a blog, newspaper or store.

Kiriazidou further explains that Elvine do not work like companies such as Nelly, since Elvine has historically been a brand that do not have sales, which have strengthen the brand as it states that they do not need it. The data that comes from customer are often manually analyzed and do not go through huge system, for example it is relatively easy, she explains, to go through different list and see how for example newsletters have reached the customer. In personal thoughts she does not think that Google analytics is the way to go, as it would be more beneficial to send out the newsletter to everyone as it may attract also new customers. Kiriazidou questions the power of Google analytics, as it may sometimes be better to reach the full mass rather than specified target groups. Due to the size, it is currently working well with manually looking at the numbers, and that it would only be unnecessary and costly to buy this kind of service. One thing that is important is to be very active in like, comment and answer quickly on questions from customers as this shows how much they care for them. The
use of pictures is furthermore very important and should communicate the feeling of that you also want to look like that.

**Thrive**

**The customer**

Alexandersson from Thrive describes their main customer as women between 25-45 years old but identifies themselves or feel younger than their actual age with strong values in questions that are important for Thrive, which affects the buying behaviour.

**Integrating the customer**

Thrive, Alexandersson explains, should be an easy shopping experience for the customer who should only need to care about two things: Are the garments nice enough, and can I afford to pay what it actually costs to produce this garment. The rest we should have already taken care of. Respectful fashion and shopping without compromises. Alexandersson explains that the brand can be compared to a person that is a bit rebellion and wild but always a person you can trust, a revolutionary who cares about everyone. All circumstances must be good and take care of everyone. Even though they have a strong belief, he explains that everyone must be welcome, even though the person may not follow the vegan way of living, it is by welcoming everyone change can happen.

Alexandersson explains that they want the customers to be integrated, and they use for example newsletters, which have had a good reach and engagement. He explains that the follows they have on Instagram has found them and not the other way around, dynamically discovered the brand.

Mixed media is used to create awareness and educate, for example through making educational videos at their YouTube channel, which is not necessarily only focused on fashion, for example cooking vegan food to inspire and engage. Through collaboration with other local actors that works within sustainability they create win-win marketing, for example through making photo shots together. It is about supporting each other and drive local actors forward. Personal offers is not anything they work with, but maybe something they should do. They do not work with any discounts but instead with or example having organized lectures or discussions together with their customers which in the future could be sent live. The customers are in Gothenburg and Stockholm and tourists, which is why it is important to have
the communication in English. Thrive wants to help the customer in all steps and they must be able to trust us through full transparency and service in for example questions between the company and the customers. One of the things that they will aim for is to increase the newsletters, if you have signed up for that you have one part of reaching through the noise. If you still subscribe after three newsletters for instance, you are pretty much interested in what is happening in the business and has a good conversion rate. On the newsletter they work actively with information and education about products, which creates awareness. Products that are ordered online can be collected in-store and Klarna and everything is connected, the customer can start their journey already on the tramp on their way here.

*Velour*

*The customer*

Velours target customer is Creative minds, progressive men within all sort of field that cares for sound values. When integrating the customer they are working with the portraits and sharing the stories about and for the Creative minds. Andréas explains they are also educating about sustainability and how to dress well in store and online.

*Integrating the customer*

Velour are working with events, and added features such as playlists and VIP tickets to engage the end customer on an emotional level and through experiences. When working with personalized offers to the customer velour are using different newsletters to different audiences that they custom make. Velour collect the customer data from feedback online, Facebook and the flagship store, also when meeting with distributors that are selling Velour. Andréas means that social media has a huge impact on the business and how Velour can control and show their content in a cheaper and more effective way. Velour are using influencers to their Creative minds campaign and other activities to drive awareness to the brand from certain audiences, but the competition is tough Andréas express.

4.4 Challenges and Opportunities

*Nic and Mel*

Fahlström from Nic and Mel describes the main obstacles in continuing to grow as time, and capital restraints to hire someone, which can work with these types of questions, for example contacting influencers on Instagram. Fahlström mentions that he thinks that the online store has the most potential and that the energy must be put in the right place. The future, he
predicts, that there will be no small stores left due to high costs to rent space without the capital of a huge brand like Zara or H&M. Fahlström explains that the focus before have been on the wrong things and the collaboration with small fashion concept stores and too much efforts had been put on these collaborations. The e-commerce gives a lot more since it provides better marginal and payment when the order is placed. From experience, he mentions that he now must reconsider previously used strategies and in some parts reconsider the brand. The belief is that it is better to focus on one thing, create a strong premium experience and let go of old routines. Fahlström explains that the he is currently trying to connect partners that will help with the sale outside of Sweden. If this is successful, he mentions that there would be more time to concentrate on online purchase and brand building activities.

**Elvine**

Kiriazidou from Elvine mentioned that there is a difficulty for small business to compete against the big chains, which she explains are taking over the market and the independent stores and requires a lot of discounts and special agreements, which results in that they decide. The decisions than goes from the independent store to the chains, and a challenge are to manage to deepen the cooperation and omnichannel possibilities with the distributors. The distributors are handed the material, but uses their own marketing material, since these companies are marketing their own brand. It is therefore necessary to in the own channels have a strong brand foundation and communication as it is only part of others marketing, she states.

In terms of choosing what channels to use, everything that is free must be done and of course a web shop and she also things it is a good idea to work a bit with PR, since that is does not require that much resources. Advertisement is too costly, first take great photos and then pay to be shown in magazines etc. Instead a few Instagram stars are picked and worked closely with. Using smaller Instagram accounts is also something that the Elvine do but it has not really proven to give any valid effect.

Ahead lays the development of the digital strategy and to have more social media channels such as twitter and Pinterest. Through all necessary tools the brand strategy must reach the customer, she explains, everything must have high quality and reach a whole through the browse, which is more important than individual channels. Right now, Elvine has one online
shop and one website, and the customer should be able to find the products without going into the landing page of the website. The most challenging thing is mentioned to be to actually reach the distributor that decides what new brands they should have in their assortment.

Thrive
Alexandersson from Thrive, explains that the challenge to continue to grow is now to find capital from sources that supports the true cause, they do not do it pro bono it is important that the company makes money, in order to live and hire more people and from a holistic perspective. Another difficulty is the high growth rate, which makes it hard to cope. In terms of omnichannel, one issue is that the text on the web must be on Swedish due to how Google works, and currently developing this but do not have the time to do it on all products. The issue with omnichannel and marketing, Alexandersson argues to be the high administration resources it requires. It is very challenging to continually drive and build a website. He says that you need to find a way out from the noise through creating a more interesting content. The big players, like Nelly has many web directors that works with this daily and it has become something that customer expect which of course is hard to handle for small business. He thinks, that the way to succeed is through niche. It is also a challenge to go international, since this is highly different in shipping costs, delivery and return issues etc. When he first started the store, many people said that the psychical store is dying, go online. He beliefs that this is not the case, people want to feel and touch, even smell materials, socialize and get inspired. He beliefs in the combination of omnichannel, and that you will not succeed without it as it also gives a more serious impression and actually someone that is behind the products and integrating with the customer.

Velour
When asking about the challenges and opportunities Andréas explain that challenges are to know, what message, where and when. Velour now know how and we shape the message as we go along from the idea we believe as sustainability, and creative minds, he answers. The velour art director believes that the trends for the coming years are sustainability, brand relevance awareness and added service. The challenges in integrating the channels are to getting the brand image to be clear and easy to understand. To get a cohesive message of looks, story and brand Andréas adds.
5. Discussion
The following chapter follows the same structure as in previous chapters and includes a discussion of the empirical findings in correlation with the theory and literature review. The analysis focuses on finding similarities and differences between the cases and previous research or theories, thus finding patterns between cases, which goes along with comparative analysis method. This part includes a discussion of how omnichannel marketing works in small fashion business and how it affects the customer experience, among other issues.

5.1 Brand building
The analysis is initially focused on discussing the importance of the brand when moving towards omnichannel in small businesses. As already mentioned in the theory and literature review, the brand is one of the most essential assets to create long term and loyal relationships with customers. Significant parts in building the brand is often claimed to be to create a strong brand image and brand identity (Zatwarnicka-Madura et al. 2016). In relation to Omnichannel strategies and the ability to include the customer into an easy and cohesive shopping experience, the empirical data found several aspects for discussion. Creating a seamless and integrated experience in the process of searching, purchasing and using services are as stated by Piotrowicz and Cuthbertson (2014) the core of Omnichannel, and should aim to create a holistic experience. In accordance with this view it was by all participating companies mentioned that the brand values and identity must be enforced throughout all channels. For instance, Kiriazidou from Elvine mentioned the importance that all activities in all channels must be based on the core values of the brand and Fahlström from Nic and Mel pointed out that it is necessary in order to establish a connection with the customer. The brand identity can in this way be seen as a way to merge channels, connect customers and be a big part towards creating a holistic experience. If the experience is seen as holistic though the brand, it can be assumed to contribute towards creating a more seamless and cohesive experience. It was however not necessarily made through using the same communication in terms of pictures and texts, but rather to create a feeling throughout the channels. The customer is according to Yohn (2013) expecting such full experience where the brand is present throughout its journey and in all communication.

Furthermore, recent studies, have recognized that emotional driven activities are an effective tool in establishing loyal relationships towards the brand. The brand is suppose to create a feeling were the customer can recognize certain attributes or associations throughout channels, which is why it is important to include this in further understanding how
omnichannel strategies and the different channels are chosen and carried out. It is also, the brand value that all of the companies wish to communicate and the main focus rather than what channels to use which correlates to findings in previous studies.

5.2 Sales and Marketing Channels

5.2.1 Social Media
In the model of AIDA in the research of Hassan (2014) to get attention from a customer social media the brand should get in the cluster with other brands that represent the same values. Thrive explains that collaboration with other local actors that works within sustainability creates win-win marketing. It is about supporting each other in the business and drive local actors forward the Thrive owner mentions. Elvine was collaborating with a magazine when they had a release party, which is one way of gaining attention. The technology lead the fashion customer to a spread of networks clusters within the same lifestyle and fashion style, and customers can find new brands that might not be in the local area (Kim et al. 2014). Social media can be used as an extensive tool to broaden the brand and find new customers, or let the customers find the brand. The customers that finds a new brand by looking through others brands might be the one that are seeking for new experiences and gives the new brand attention. Small business could be more integrated with other brands and retailers in different channels, even if it might be a competitor, follow and like their pictures, to show that they are involved, it might help to get attention from a new audience. Juaneda-Ayensa (2016) conclude in their research that the customers that are interested in new technology and experiences also are the customers that are seeking information and purchasing in different channels.

Hassan (2014) means that to raise interest as presented in the model of AIDA for a customer, a company must use the right information and link to other social media and the online store. Kiriazidou means that it is important that the customer gets inspired of the brand, and not only reminded of the items in the shopping bag, in the online store and the analysis of Google analytics. Alexandersson mentions that they use Google analytics to understand the customer and sales but they often go with their gut feeling. For a larger distributor this might be an option if they have a Application-store, and sells different brands, and care more about the sell that the integrity of the brand.
5.2.2 Omnichannel and channel integration

Piotrowicz and Cuthbertson (2014) describes that it is no longer focus on just the single channels used by a brand but how they are interconnected with each other. It should be a connection between the mobile device, social media, the customer and the brand. One topic that the respondents agreed on was the topic of the brand and how essential it is for the brand values to be portrayed in all the channels. Kiriazidou clarifies that all marketing efforts are based on their brand and the brand values. Elvine have made an active choice to go back and find the brand values and worked out a plan to clarify the value and the personality of the brand. This is what Nic & Mel are going into that process now of brand building. To work out a strong brand value might strengthen the integrity of the brand and the interest for the customer, feeling that the clothes have more value as well. Which is important due to the competition in the fashion field.

The brands uses Instagram account to communicate pictures and sales. Facebook is more of a community where you can share both other videos and post your own, and product pictures. On Facebook there is a possibility to link directly to the product site on the online store which is not a possibility on Instagram says Alexandersson at Thrive. When thrive does a photoshoot they use different pictures for the same shot in the different channels, to get a cohesive message but still some difference. Velour is integrating the customer with story telling of Creative minds. Andrèas at Velour and Alexandersson at Thrive both explain that they are educating the customer about sustainability and link this to the brand. Parise et al. (2016) means that the feeling of belonging to a brand evokes from meaningful and interesting information and entertainment, and that this can help in the decision making process.

According to Hassan (2014) the desire in the AIDA model is created by engaging the customer, with promotions and special discount, also to continuously update social medias. Thrive does events and lectures to engage people and awareness to the brand through the channels and in the store. Velour also has events and VIP tickets to inspire the customer on an emotional level. Kiriazidou says that they need to be able to get people inspired and interested of the brand to get the customer to purchase. Alexandersson agrees, when saying that the customer leaves the store with either a garment or new information sometimes both. Kim et. al (2014) mentions that companies should create events for sale, education and brand building that the different distribution channels are necessary and smart technology such as Internet, and mobile devices need to go beyond profound distribution. A small brand must show off the
qualities of the brand, for example the functionality or sustainability of the clothes, so the customer can understand the value. Alexandersson mentions that they have sustainable lectures in connection with the store, this form of edutainment can be beneficial to the brand. Activities that encourage the customer or spread knowledge of the brand values are important for small brands rather than enticing the customer with low prices. This is also something that can and should be spread through all channels to create new customers, more purchase and make the brand stronger.

In the apparel industry it is essential that the customer get instant information about the latest collection on social media (Mahajan 2015). Kirtis and Karahan (2011) expresses in their study for instance that using social media may work as a good cost-effective tool for small business, even though many are still not using some of the most popular ones. Three of the brands are not using Pinterest e.g. but expressed the desire to start working there in the near future. Thrive are posting some YouTube clips and explains that this will continue with brand building. Thrive have also posted their videos online. Kiriazidou talks about starting with Twitter as well as Pinterest. The essential issue with Omnichannel is that it needs to connect the channels, as Mahajan (2015) explain that Twitter can work as a bridge to link a video on eg. YouTube. Customer experience develops from the indirect contact with the brand like recommendations for others, sharing and reviews (Kim et al. 2014). Using YouTube and Pinterest to inspire and combine accessories and styles for the customer and non-customer. That the different social media tools can complement each other, but which every the customer starts with must lead you to another or in the sales channels as the online and physical store. For small business it is necessary to take advantage of the customer driven marketing, such as Pinterest, and connect it to the brand and channels. For small brands and retailers the customer driven marketing and the linkage between social media, online store and offline store is extra essential since the lack of expensive and advanced technology as mentioned before.

5.2.3 Personalization and newsletter
One of the theories that has been used in this study is the one made by Parise et al. (2016) which explained the value to create customer experience, and that there are two digital technology stimuli; personalization and interactivity. Elvine, Nic and Mel, Thrive and Velour uses newsletters to market and give personalized information to their subscribers. This type of message is not the same as a personalized message/offer notification from an application, but in fashion, this might not be the advertising alternative the brand prefers. As Kim et al.
(2014) point out the fashion customer want to surround him/herself in the atmosphere and lifestyle of the fashion industry. Pozza (2014) also mentions that the conversation with the customer about the brand is important. The customer must get the right impression of the brand and not only aimed towards sales. Alexandersson says that they will send out one- two newsletters a month, with information about what is going on in the store, lectures, and products. For thrive, the newsletter gives the most conversion to the online store. Velour has a personalized newsletter, which varies to the different audiences. A newsletter that is personalized from research of the customers desires might be the more appropriate, and match the brand values and links to the other channels and online store. At least for the small brands and how they want to represent themselves. Kiriazidou from Elvine mentions, that according to American marketing bloggers the newsletter is the best thing to build the brand if handled correctly. The newsletter might be a influential to the customers that already are subscribing, and give them access to the other channels and online store. Since this is a personal way to invite and communicate with the customer, the newsletter will presumably be positive for the brand. The competition for the attention of the customer for the newsletter is hard, a lot of customer are today probably subscribing to several. The newsletter will not reach broad audience either, but that might not be the first aim for a small brand, that rather might want to loyal customer and built up the brand.

According to Brynjolfsson, Hu, and Rahman (2013) an important attribute for a successful omnichannel is to analyze the collected customer data to understand customer needs and make personalized offers. The participating brands are all small brands and explains that they are not working with that type of technology or large memberships. Kiriazidou says that their data collection comes from customer are often handled manually and not analyzed with huge technology systems. Elvine goes through different list and see how for example newsletters have reached the customer. Velour collects the customer data from feedback online, Facebook and the flagship store, also when meeting with distributors that are selling Velour. Nic & Mel collect sales rate and from their online store but that it is hard to get from the other distributors that sell their products. The participating brands are working in a manual manner to look at the newsletter subscribing customers and the way they are following the likes and their followers on social media and customer service. This can maybe be used as a greater extent for small business, collecting the data that the customer gives with clicking and likeing. This might also suggest the use of customer driven marketing, such as Pinterest, in the early stages of the company can be beneficial. As mentioned before, when the customers by
themselves share, link and pin, it will give the brand information about what the customers like.

As Parise et al. (2016) explains it is important to find and collect the customer's activity online for example browsing, that might help companies to personalize the service and product. The personalized offer give a positive attitude towards the brand and the customers feel appreciated and valued. For the small brand in this study there are limitations in the data collection methods. That suggests alternative and creative ways taking care of the customer than investing in a huge membership and loyalty clubs as Brynjolfsson et al. (2013) suggests for medium-sized distributors.

5.3 Customer experience
Kim et al. 2014 states in their theory that the smart customer experience is seeking sense of belonging and interaction in different channels, It also important for small business to create a virtually and digital world where people and customer involve them self both. When customers are integrating in social networking, information seeking and sharing in a brand based community it enables a shared vision and relationship of trust (Kim et al. 2014). Velour use excel-schedule that are shared internally to plan and see the different posts design. Another way of marketing the brand is through handing out campaign and store material to the flagship store and to other distributing stores, sometimes advertisement in newspaper is used but it is not a common way. The smart customer wants to be entertained and that it is easy to go around through the different channels. For small brands it is essential to be updated with the newest and have a continues flow in all channels.

5.3.1 Customer service and feedback to the customer
Straker & Wrigley (2016) includes the customer service as a part of the seamless network of channels. Kim et al. (2014) explains that information, entertainment and excellent service is an significant factor to the customer. Kiriazidou states that it is very important to actively comment and answer quickly to customers questions, and that it showed that you care for the customer. Velour, also listens to the feedback they get online, as well as Fahlström expresses that they are answering the customer on Facebook as soon as possible.

Parise et al. (2016) mentions that the retailer gives the customer a type of control and a communication about the customer needs with direct communication. Kiriazidou explains that due to the close connection inside the company with the flagship store, online and headquarters in Gothenburg they are all involved in the customer problems and learns
together of the issues and needs for the product and retail. Alexandersson also states that they are talking daily with the customer, asking questions of what is missing and informing about brand and values of sustainability. For the customers to take Action the last step in the purchase decision of AIDA it is critical that the commentary field and feedback is given quickly, especially when it regards the payment and delivery methods (Hassan 2014).

The second most important drive for the customer when making a purchase according to Juaneda-Ayensa et al. (2016) is the ease of use when making a purchase, to get a positive customer experience. To be able to manage the channels and purchase for a small business so the outcome for the customer will be a positive and easy, it might be a good idea to full control of a few channels in the beginning and be close to the customer. In this study the participants all mentioned that the online store should be improved. This is very important for small businesses, the customer should have a trustworthy and easy accessible online store, since this is the step of the actual purchase online.

The brands try to use Google analytics but also get a lot information from social media and the direct customer interaction in store and in service, which is possible for a smaller brand. This might indicate that the use and caretaking of the customer will gain information of customer needs and thoughts about the brand, which can be used in the different channels. That an important advantage for the small businesses, that it is possible for information to be handle cross the barriers internally in the different levels within the company.

5.3.2 Supply chain and delivery options
According to Byrne (2017) omnichannel includes the pickup and delivery choices for the customer, to see information about the inventory and the new concept of “Buy online, pick up at store”, “Buy online, return in-store”. According to the participating brands the technology, and the use of large systems are not the way they work. Fahlström says that Nic & Mel shows the stock online and Elvine sometimes send out the newsletter if a product is back in stock. Thrive has the inventory in the store, and it is possible to “pick up at store” and also “return at store”, they are mostly working with sales inside of Sweden. For small businesses to invest in new technology and a advanced supply chains, might not be the most important thing to start of with, but rather see the possibilities in what they have. This is thereby also one of the areas where several of the company’s currently lack omnichannel integration. It might be possible and convenient for the local customers to be able to return in store and collect in store if the store has the warehouse close or in the shop. Providing that service for the customer and making the purchase more seamless.
5.3.3 Role of the Physical store
According to Juaneda-Ayensa et al. (2016) conclusion, the companies should evaluate their technologies and work with technologies such as iPads and displays in the store for the customers can browse the online store and make a purchase. One thing that all the brands are explaining is how important the salesperson is, the contact with the customer in the store. That the personnel can help the customer with a purchase online if that is what the customer desire. Thrive is working with a iPad in the checkout to show of social media and products, which feels is a way to communicating with the customer. This is a type of interactivity and communication (Parise 2016) that can help circulate the brand cross barriers. (Piotrowicz & Cuthbertson, 2014) Topiol (2014) mentions large displays and Kim et al., 2014 explains the importance of creating shoppertainment. It might be more beneficial for smaller companies to evaluate the possibilities in the technology that they have and with small funds make changes. Not start investing in new technology, and not believing that technology it self will give the customer an experience. To engage the customers emotions the thoughts and feeling must have a positive evaluation of the stimulus (Damasio 1994). As the brand and retailer mentions it is the story, the function and the creativity of the brand that must be in the focus.

Brynjolfsson, Hu, & Rahman 2013 mentions that it is important for an online business to have a showroom or a flagship store to give the customer a chance to touch and try on the clothes. The participants, all talk about that the personal connection is important for a smaller business and that separates them from the larger companies, that seldom have the time or knowledge about the products. All of the participants have a physical store, where they can share knowledge and inspire the customer. The customer experience involves emotion and the perception of texture, sound, sight and service in both the physical and online store (Kim et al. 2014). One challenge that the brands talked about was the online store and that it needs to improve, both in text and in pictures. This need administrative help that can be expensive but can be important to get the touch and feel of the fabric also online. All of the brands have an online store that is what have helped them to signal the brand and give a sense of heart behind all the online stores out there and is still an important channel. Working close to the customer also gives a sense of feeling and service for the customer. Also when it is possible to order online from the physical store or weather it is with help from the staff or from an Ipad. The goal must that the customer's purchasing journey is as easy as possible.
5.4 Challenges and opportunities
In the theory and literature review, it was presented that the implementation of omnichannel strategies includes several challenges. The challenges in fully integrating the channels and the customer were for instance by Bell et al. (2015) argued to lay in the complexity of the processes, the cost barrier of implementing systems and developing online and offline channels as well as the differences in preferences and purchase journey among customers. In correlation to the findings in the empirical data, it was clearly found that cost is a barrier for developing omnichannel integration. Fahlström at Nic and Mel for example expressed the concern on finding competent human resource, develop the marketing efforts in social media and the website due to time and cost barriers. Kiriazidou however, implied that it is not necessary for Elvine to include advanced systems or focus on too many channels, as it would only cost more than the value it provides. Andréas from Velour, further stated that the challenge is to know when, where and what message with the challenge of creating a cohesive message which portrays the brand image. Alexandersson at thrive mentions the lack of time for the text and information on the online store, and the way Google works with rating and language.

The opportunities on the other hand was in previous studies described as, where it can be questioned if the opportunities out way the challenges and investments needed. In terms of small businesses and encouraging activities in omnichannel, this study has recognized that the closeness between the customer and the brand as well as the internally close cooperation between departments and online and offline channels can be positive attributes in integrating the customer into a seamless process. Elvine for instance mention that they have a close connection between the head office and flagship store, and very active in communication with their customers through the organization. Harrigan (2013) in agreement with the findings in this study presented in his study that SMEs marketing often is focused on the customer, with easy access to customers and high flexibility in decisions, which in the cases have been often a benefiting factor. Social media was in all participating companies kept through two main channels, Instagram and Facebook. This is in correlation to previous theories important to keep on a price efficient level and simple level that focus on company’s strategy and culture. Another practical issue that both Elvine and Nic and Mel mentioned is that the market is controlled of the larger retail chains and it is a constant challenge to try to cope with these companies.
6. Conclusions
In the last part of this thesis, the main findings of this report are presented with the aim to answer the research question based on these findings. Furthermore, this part provides recommendations for small businesses that are interested in implementing omnichannel strategies as well as suggestions for further research.

6.1 Research question
The purpose of this study was to understand how small fashion businesses handles and encourage omnichannel marketing in their business. The thesis in an early stage formulated and presented the following research question. *How do small Swedish fashion brands handle omnichannel strategies in their retail channels?* Were the results based on the study will be presented here.

In conclusion, this thesis has found that small businesses have reached a point were a few channels are integrated completely and others are still not fully integrated. One of the most prominent factors, in relation to the research question, that were found is to create a strong brand identity and values that are communicated holistically through the channels. In the first sub-question; *How is the brand identity incorporated throughout their omnichannel strategy to improve the customer experience?* It was found that the companies incorporated the brand identity and values across channels in order to create a cohesive message or feeling. This was enabled through internal connection and closeness to the customer. The brand identity is incorporated offline due to strong in-store concepts and online, were mentioned tools was for example to share articles with questions that are important to the customer, be part of different projects or have educational classes.

The technological solutions can in someway still be seen as limited in the cases, even though much effort is being done. Much of the data is for instance handled manually and the connection between the physical store, online store and social media are not always optimal, for example that was mentioned in Elvine, that the customer is redirected to the landing page and not to the product itself when going from Facebook to another channel. Omnichannel is encouraged through connecting the brand to each channel, having strong knowledge for products and organization throughout the organization and linking and redirecting tools between channels.
As each company is unique so are of course also the strategies. The customer shall seek the brand or company based on the brand identity rather than on the products, and through taking part in other crucial questions they commit the customer into the process, which confirm that the customer experience in several ways is emotional driven. The customer experience is made easier by redirecting data from social media channels to online-store and strongly aim for knowledge and customer experience in-store. To learn more about the customer and make it easier for them is not necessarily required to use analytical tools or data even though it is necessary to consider it. The challenge in omnichannel marketing lays as in accordance to previous studies also for the findings in this report to manage to develop in the phase of technological advancements and have time for and resources to develop the web and online store. One company that stood out in the integration was Thrive, were one reason for it may be the founders knowledge in this area. There are as stated in the introduction, clear challenges with coping with rapid advancement in technology and changing customer demands which in this research was also confirmed by the participating companies. In the second sub-question: *In what ways are the channels integrated and what challenges is perceived in this process?* One of the main challenges that were mentioned was to be able to cope with the larger department chains or retailers. Another issue in this process was by several of the companies mentioned as finding time and know-how and a need for developing the website further, in order to make it easier for the customer. In conclusion, these statements confirm that there is a practical issue found within the area of research. On the other hand, the benefit in the small fashion companies’ lays in the strong internal and knowledge within the staff, which makes the overall experience cohesive in another way for the customer. It was confirmed to be relatively easy to be close to the customer and have personalized interactivity in the channels. In accordance to the conclusion in Chopra (2016) study, this thesis found that small retailer or online players have strength in having a closeness of responsiveness to customers needs.

### 6.2 Contributions

The findings in this study contribute with knowledge in how small fashion companies carry out activities and encourage omnichannel in their business. It has investigated these companies from their processes and strategies in ongoing developments, which resulted in finding out a few common factors that seem to be beneficial in engaging omnichannel. The practical issue for small companies was in the introduction to be able to cope with the development in technology and changing customer demands.
In academic literature, it was early in this process found that only few or very little studies within this topic had focused on small businesses. This study therefore had the purpose to find out how far small business have reached and relate these topics with their progress. It has contributed with knowledge and understanding on small fashion companies in general and more in-depth knowledge or businesses in the local market of Gothenburg are encouraging omnichannel strategies. This study thereby contributes with knowledge within the field of fashion management.

6.3 Recommendations
The findings and analysis in this thesis yielded five practical managerial recommendations for small fashion brands that wish to develop omnichannel integration, strengthen customers experience or build their brand.

The first recommendation is based on the issue found in managing to create a cohesive message across channels and to integrate online channel, physical channel and social media channels in a seamless way. From the perspective of small fashion brands it is based on the findings in this study crucial that the brands values and identity is shown in all channels as it connects the customer to the brand. The brand attributes should be strong internally in the organization, which may be enforced through internal meetings and have a holistic perspective among channels and engage in other questions that the company find to be important.

The second recommendation is to use newsletter as a way to connect the customer as well as understand how loyal and engaged they are to the brand. Using Newsletters as a way to integrate and communicate with the customers was something that all participating companies mentioned as the most effective way to engage or inform the customer in the process. The newsletter must also connect to the other channels e.g. the online store.

The third recommendation is to use the right channels and few that the company can handle to integrate and then stepwise integrate for example more social media channels such as Pinterest. Google analytics is clearly an important tool to understand who your customers are and how they act even though it is necessary to also look at likes or clicks. Take advantage of being small, and use the internal connection, the possibility to actually talk to the different people in the business.
The fourth recommendation is based on the question whether or not it is beneficial to have a physical store in 2017. The findings in this study show that the cases use the store to engage and inspire the customers, which create a stronger connection to the brand. The in-store experience is a key factor in inducing the customer in the process. It has also shown that it is a possibility and sometimes an opportunity to manage return and delivery in store for local businesses.

The fifth recommendation is the to take advantage over the internal connection inside the company, the possibility to actually talk to the different people in the business. To work with service and care-taking for the customer over the barriers and department that a large business have might be beneficial for the customer when needing help and get a personal contact with the brand.

A few of the companies saw a challenge in big chains taking over the small individual store which may be beneficial to collaborate or learn from them even though it might mean a loss of control of the brand communication. If it is possible marketing and sales effort can be combined with other local business in order to decrease costs meanwhile create a greater omni-experience for the customer.

**6.4 Limitations and Further Research**
The purpose of this research was to understand omnichannel from the perspective of small fashion businesses in Gothenburg, Sweden. This thesis has acknowledged this concept through a qualitative method, which have resulted in-depth understanding of this phenomena and the participating companies views on this. In further research, it would be interesting to investigate how the customers of these brands actually perceive the brand and the channel integration, which could also be made through an in-depth qualitative study but with focus groups with customer that discusses how they perceive these developments. Furthermore, the finding in this thesis implies that small brands find one of the biggest challenges to be that chains are controlling the market and to develop the website. The investigated brands are all sold through distributors, which are often larger in size and have come longer into the process of omnichannel integration. It would therefore be interesting to research what the distributors do in order to integrate small brands into their own omnichannel strategy, and if so the smaller brands could benefit or develop their strategy through these systems.
In the introduction, it was mentioned that it exists several studies on omnichannel marketing and customer experience, even though it still is a relatively unexplored topic in academic literature. The technological advancements and changes in customer interaction with brands, furthermore results in constant new ways of doing business which is why it is necessary to make continually research on this topic. For example, this research could continue by exploring a large number of Swedish brands in a quantitative research, which explores what is found as the most important ways of channel integration. Globalization and the internationalization process of brands, if furthermore also something that we have gotten used to during the last decades. For example, there was during this process found only little research that investigated omnichannel and customer experience between different cultural or geographical distant markets.

This thesis has been limited to investigating companies within the fashion industry. Suggested is to research the same question in another industry in order to find patterns or differences between them. For instance, make a research that focuses on finding attributes that affects the customer's experience and omnichannel marketing.

As a final comment, the customer, has started to expect that online and offline channels are integrated also in small companies which makes this research topic relevant to explore further. Based on the findings in this research it can be concluded that there is no time to wait. Small companies must integrate.
7. List of References

Interview Participants
2. Andrèas, David. Marketing Manager and Art director at Velour by Nostalgi. E-mail Interview. 2016-05-09.

Literature


Bryman, A, Bell, E. (2013). Företagsekonomiska forskningsmetoder, 1 uppl, Liber


8. Appendix 1

Interview guide

Presentation of the study

This study investigates how small Swedish fashion brands encourage Omnichannel marketing. The purpose is to generate understanding on what type of strategies that are used in this process and how channels are integrated, as well as finding underlying challenges and opportunities.

1. Background information

1.1 Name:
1.2 Title/Position:
1.3 Personal background/experience in the field:
1.4 How long have you been working in the company?
1.5 How would you, in your own words, describe the company/brand?
1.6 How have the organization and the marketing efforts changed/developed during the last five years? In terms of:
   - Growth
   - Strategy
   - Brand

2. Omnichannel Marketing

2.1 What sales and marketing channels are used in your business?

2.2 In what way are the channels integrated and how can the customer move between channels? How are you working towards making this process easier for the customer?

2.3 In what ways are you working with creating a consistent brand message and offer between channels? (Ex online, in-store, social media).
2.4 How are the social media channels integrated, in terms of the following attributes?
- Technological
- Style
- Content
- Esthetics
- Visual

2.5 In what ways do you work with connecting online and offline channels such as:
- Inventory levels
- Delivery and return. (Ex. Return-at-store, order online – pick up at store)

3. Customer experience

3.1 Who is your main target customer?

3.2 How are you working with integrating the customer in the different channels and in what way are they integrated?

3.3 How do you create an engaging experience in-store, which complements the digital one? Design, content, info, aesthetics, offers, emotions?

3.4 Would you say that your customers are aware of the different marketing channels? (How do you capture the interest, attention, desires and emotions from the customer?)

3.5 How would you say that customers are navigating through channels, initial channel to final purchase?

3.6 How are you working with making your marketing efforts into a seamless process/experience for the customer?

3.7 In what ways are you working with personalized offers to customers?

3.8 How do you collect customer data?
3.9 How do you think social media has affected your business? In what way do you use social media and how is the customer integrated?

4. Challenges, opportunities and future development

4.1 What have been the main challenges in implementing an omnichannel strategy and what challenges do you expect to encounter when further developing this area?

4.2 What trends and development in this area do you think you will face in the next two years?

4.3 What kind of difficulties or challenges have you experienced in the process of higher integration between channels?

5. Additional question

5.1 Is it anything you would like to add that you think would be valuable to this study?

5.2 How would you like us to handle the information you provide us with, your personal privacy and the company’s privacy?

Thank you for your participation!