Entering the Danish High Street Fashion Market

- A strategic marketing plan for the Danish market

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Excessive summary

PRIMARK is an Irish brand that over the last years has experienced huge success and growth in Europe and overseas. PRIMARK is constantly expanding into new markets and as Denmark might be an obvious next choice for PRIMARK, this thesis aim to recommend a strategic marketing plan for the Danish high street fashion market.

To do so it will be investigated what factors that might affect PRIMARK's success on the Danish market, how its strength and weaknesses can help or prevent PRIMARK from achieving great success on this market. The main competitors on the market will be analysed and their positions will be discussed. In addition, the target group and its buying behaviour will be identified. Lastly, different strategies will be recommended based on the analyses, for PRIMARK to enter the Danish market most successfully.

To answer the problem formulation best, a mix of both the positivistic and constructivist paradigms have been used in combination with qualitative and quantitative research methods. Especially positivism has been used in the first part of the thesis where mostly desk research and quantitative methods have been used to analyse both internal and external factors surrounding PRIMARK. In the second part of the thesis constructivism is more dominant and the qualitative method in form of interview has been used here, this method has been used to identify the Danish consumers buying behaviour. Furthermore, a survey has been used to look into PRIMARK's and its competitor' positions.

The analysis in this thesis shows that PRIMARK is a strong brand with many strengths that it can use on the Danish market. However, it also showed that PRIMARK has some weaknesses that might make it difficult for PRIMARK to reach all its potential customers in Denmark. The analysis also showed that the consumers' behaviour are very driven by internet search and the opinions from its network. Based on the analysis it is recommended that PRIMARK follow a market development strategy, and take a market challenger position while having a cost leadership strategy. It is also recommended that it follow a pricing strategy where it sets its prices close to its competitors in order to be able to compete on this factor. The last recommendation made is the communication strategy to use. In order to create both Awareness, Interest, Desire and Action, it will mostly be through PR and direct marketing, as this fist with the consumers' behaviour.

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Chapter 1 - Introduction

In this first chapter, you will be given a short introduction to PRIMARK and why this subject is interesting to investigate. Furthermore, you will be presented to the problem formulation and how this will be answered in this thesis, and what the delimitations are.

1.1. Introduction of PRIMARK

Since PRIMARK saw the light of day in Dublin back in 1969, it has expanded to be one of Europe's largest retailers. PRIMARK is currently selling in 11 countries and has over 315 stores with 1.5 million visiting customers every day.

PRIMARK furthermore has the largest market share in countries as UK and Spain and are currently distributing from seven distribution centres in Europe and one in the US.
Next PRIMARK is planning to open more stores in Germany and the Northern US.
It is clear that PRIMARK is very successful in countries very similar to Denmark, so why is PRIMARK still nowhere to be seen on the Danish market?

There seem to be a clear whish from the Danish customers and as PRIMARK is already operating in several close countries, Denmark is not so far away.

In this thesis it will be investigated if makes Denmark an attractive market for PRIMARK to enter, which target group it should focus on and what strategies to follow to enter the Danish market successfully.

1.2. Problem formulation

What marketing and positioning strategy should Primark use to successfully reach the Danish target market with an emphasis on the female consumers, and what internal and external factors might have an impact on its success.

1.2.1. Sub questions

- What are PRIMARK's strengths and weaknesses and how can these affect PRIMARK's success in entering the Danish market?
- What factors on the Danish market might have an impact on PRIMARK's success?

- Who are PRIMARK's main competitors on the Danish market and how are these positioned compared to PRIMARK?
- What target group is most attractive for PRIMARK to target its brand to on the Danish market and which characteristics defines this target group?
- How can the Danish consumer behaviour in high street fashion affect PRIMARK's reach of the target group?
- Which marketing and positioning strategies should PRIMARK follow to reach its Danish target market?

To answer the first sub question a value chain analysis will be conducted to identify where PRIMARK's strengths and weaknesses lie. A value chain analysis established where a company's core competencies lies, and what competencies it lacks. By identifying these competencies it also makes it possible to establish what in PRIMARK that gives it a competitive advantage in other countries, and thereby it is possible to suggest what competencies that also will give PRIMARK a competitive advantage in Denmark. Furthermore, PRIMARK's general export barriers on the Danish market will be analysed. The export barriers show where PRIMARK might fail in the beginning of its expansion into the Danish market, and give an idea of where it should be more focused in order to gain success, and what strengths it need to use to eliminate these barriers.

For the second sub question Porter's 5 Forces and PEST will be used to analyse the possible factors on the market. By using these theories to conduct an analysis of the external factors on the market, it suggest what PRIMARK should be aware of on the Danish market and how much potential this market has.

Porter's 5 Forces gives indications of how the competition in the industry is, and where PRIMARK might experience challenges. By having an overview of the competition in the industry an strategy to overcome possible challenges can be made. PEST is used to give an overall look on the external factors that might have an influence on PRIMARK's success but that PRIMARK cannot do anything about. By knowing these factors PRIMARK can evaluate if some situations on the market can be a reason not to enter, or if the market is stable enough for them for enter. Furthermore, PEST can be used to forecast the situation on the market in the future, as it gives indications on how the situation is today and how likely it is to change.

To answer the third question a competitive analysis of PRIMARK's closest competitors will be carried out alongside an analysis of both PRIMARK's and it competitors' position on the market. By identifying PRIMARK's competitors, their positions, core competencies and weaknesses, it shows where it is strategically best for PRIMARK to position itself based on its strengths and weaknesses in order to gain most success on the Danish market. Also, by establishing the competitors' positions on the market it gives an indication of where PRIMARK might be able to concur market share. To summarize PRIMARK's strength, weakness, opportunities and threats on the Danish market a SWOT analysis will be conducted. The SWOT analysis gives an overview of the situation for PRIMARK on the Danish market, and can be used to identify which strengths PRIMARK can use to utilize threats and which opportunities it can use to strengthen its weaknesses. Furthermore, SWOT is a great tool to summarize the previous analysis conducted for the first two sub questions.

For the fourth sub question, the STP-model (segmentation, target and positioning) will be used to identify PRIMARK's possible target groups in Denmark. These target groups' both demographics and social-economic characteristics will be identified. Furthermore, Maslow's Hierarchy of Needs will be used to analyse the target audience's needs and how the consumption of the PRIMARK brand can contribute to their needs. By identifying these characteristics, it is possible to analyse what behaviour the target group has in a buying decision when it comes to high street fashion and PRIMARK. Which lead us to sub question five.

For the fifth sub question, the Danish consumers' behaviour will be identified by using the Buying Decision Process - 5 Stage Model to analyse their behaviour. By using this theory it will be established what stages the PRIMARK target audience goes through when shopping, which will make it possible for PRIMARK to identify where in the process they should influence and target the consumers. By knowing the consumers' behaviour in the situation PRIMARK can strategically plan how most efficient to reach the audience and there by influence them to purchase its products.

Based on the above theories the last sub question will be answered by recommending which different strategies PRIMARK should follow to achieve most success on the Danish market. The following are the strategies that will be made to make recommendations; Positioning strategy, Competitive strategy, Porter's generic strategies, Ansoff's Growth strategies, Pricing strategy and Communication strategy.

To recommend how PRIMARK can grow on the Danish market in the future, Ansoff's Growth strategies are used. Ansoff's Growth Strategies gives four different options, which give the possibility to recommend PRIMARK's future strategy based on different situations and wishes.

By using competitive strategies it is possible to recommend where PRIMARK should position itself among the competitors on the market, and what factors it should promote itself on. The competitive strategies gives an indication of what position PRIMARK has, and if it should challenge the market leader, focus on a niche etc. Combined with Porter's generic strategies it is recommended where PRIMARK should invest its resources in order to obtain a good position on the market. With this theory it is possible to establish which strategy PRIMARK should follow on the market based on the competencies it is recommended which of the four different strategies PRIMARK should follow.

There are different price strategies, these are used to identify how PRIMARK again can obtain a good position on the market based on the market situation, the competitors and PRIMARK's strengths and position on the market and in the consumers' minds.

The last recommendation will be which communication strategy for PRIMARK to follow. This theory helps identify how PRIMARK can create Attention, Interest, Desire and Action for its brand and products. This recommendation will be based on the AIDA-model and different communication tools available aligned with the behaviour of the target group.

1.3. Delimitation

In this thesis the authors mains objective and focus will be to recommend marketing strategies for the Irish company PRIMARK. Therefore, this thesis will not focus on the economic and financial factors for PRIMARK on the Danish market, and will not contain any financial data.

As PRIMARK is not yet planning to enter the Danish market, this thesis is hypothetical and the recommendations are based on the situation as it is today. As markets and situations changes, only very few future predictions will be addressed in this thesis. The recommendations will thereby be made based on a here and now picture of the Danish market and consumers.

Furthermore, during this research, it has been shown that PRIMARK have many potential competitors depending on how broad in the industry one search. In this thesis, five brands on the Danish market have been selected as most likely competitors to PRIMARK based on data collected. Based on the survey conducted for this thesis it has shown that these five competitors are placed in the same strategic group as PRIMARK.

In defining the competitors with the competitor analysis, it has been chosen only to focus on the 5 main competitors and it is limited to only include brands that only sell clothes. There has also been some limitation in regards to the data collected about the consumers, as it is strongly influence by the female segment. Thereby, the focus in this thesis will be on this segment despite PRIMARK have both women's, men's and children's wear, combined with other product groups as lingerie and accessories.

Chapter 2 - Methodology

The methodology chapter aim to identify which philosophy of research, research approach and methods that have been used to answer the problem formulation. Furthermore, a section to identify the validation of this thesis process will be included.

2.1. Philosophy of research

This thesis focuses around the organization PRIMARK and Darmer et al., (2010) states that the most commonly approaches used in organizational management and social studies are realistic and constructivist paradigm.
In the following it will be identified which approach has been chosen for this thesis, and then research methods are chosen based on this paradigm.

2.1.1. The Realistic paradigm

According to Darmer et al., (2010) the realistic paradigm comes from positivism, which is based on science. Positivism argues that there is one definitive truth, and this truth is not affected by our perception or interpretation of this. Furthermore, it is stated that the assumption is that everything can be identified, analysed and evaluated, which makes objectivity crucial for positivism. This means that the researcher should not be affected or affect the subject of study.
The realistic paradigm aim is to increase knowledge of the reality by developing new knowledge based on what we already know. Findings are made to offer objective descriptions about how things are and thereby used to explain phenomena, how they have been created and how they may develop. Based on a descriptive analyses, this paradigm can be used to create predictions for the future (Darmer et al., 2010).

2.1.2. The Constructivist paradigm

When looking at the constructivist paradigm, it is opposite to realism, as this paradigm comes from phenomenology and hermeneutics, which is subjective science. This paradigm aim to understand phenomena, in which interpretation is an important part of the analysis. In constructivism reality does only exists in relation to a person or people experiencing it. Understanding is here created through interpersonal exchange and interpretation. Things that exist is what people or a person agree exist based on ex subjective observations. The aim for this paradigm is to understand the subject studied and not to explain it (Darmer et al., 2010).

2.1.3. The Neo-positivistic paradigm

As the realistic paradigm, neo-positivism comes from positivism. This paradigm means that there is a reality that exist without humans acknowledgement of it. However, this paradigm also argues that as humans we are not able to be total objective, as we are still influenced by out view of the world, and are based on our subjectivity. As it can't be denied that people have different views on the same case. This means that this paradigm aim to be as objective as humanly possible while knowing some subjectivities will be incorporated (Voxted, 2006).

2.1.4. The chosen paradigm

In this thesis both paradigms will be applied. In the first part of the thesis the realistic paradigm will be the main approach applied as this section of the thesis focus mostly on the Danish market and PRIMARK as a company. To really explain the situation on the Danish market the goal is to be as objective and descriptive as possible based on the data collected. However, in the second part of the thesis the constructivist paradigm will be mainly applied, as this focus more on the consumers and their behaviour, attitude and perception of PRIMARK and its competitors. Thereby, subjectivity is key, and the aim is to understand the consumers' minds and recommend which strategy for PRIMARK to follow based on that.

Furthermore, the realistic paradigm is used in the data collection, for the quantitative data, as the aim is to be as objective when analysing these answers in the analysis, as these have been used to analyse external environmental factors.

However, there has also been collected quantitative data, where the constructivist paradigm will be applied, as this data is mostly used to understand the consumers' minds and behaviour. This means that some subjective interpretation will be needed when analysing these data.

So, as both the realistic and constructivist paradigms are used in this thesis, it can be argued that the overall paradigm followed is the neo-positivistic paradigm. The author of this thesis has aimed to be as objective as possible while gathering data and answering the problem formulation, however, as the neo-positivistic paradigm suggest, it is not possible to be a hundred percent objective, and some subjectivism will be included in the process.

2.2. Research approach

As argued above this thesis' approach is based on both the realistic and constructivist paradigm. To analyse findings both an inductive and deductive approach can be used, based on quantitative (descriptive) and qualitative (explorative) methods (Darmer et al., 2010). Both the deductive and inductive approach will be applied in this thesis.

2.2.1. Induction

Induction is an explorative method that are used to analyse quantitative data. The inductive approach is based on empirical data that creates a more general knowledge about a subject. This approach is mostly used to make more general assumptions about a research based on a small, subjective and non-descriptive amount of data (Darmer et al., 2010). In this thesis the inductive approach is used to analyse the limited and subjective information gathered through interviews, to understand the customers' attitude, behaviour or perception of PRIMARK, and thereby recommend how to reach the target audience.

2.2.2. Deduction

Deduction is the opposite of induction, and is a scientific approach that use cases and general laws to make up conclusions. By using the deductive approach one concludes based on a single phenomenon based on theories or hypotheses. This approach is also normally used to advise companies based on the advisors knowledge about organizational theories (Darmer et al., 2010). This approach is used in this thesis, when recommendations for PRIMARK are made, based on the findings and theory used in the thesis.

2.2.3. Abduction

Abduction can be described as an approach where both induction and deduction is used. Thereby abduction is the main approach used in this thesis. Darmer et al., (2010) states that abduction is qualified guessing, as it is based on both observation and knowledge about a subject, that leads to a hypotheses. This hypothesis then is tested as much as possible, which leads to a guessing conclusion. As this thesis is both using concrete theories to analyse empirical data, but also uses more general knowledge and interviews to understand consumers, the findings in this thesis are qualified guessing based on this.

2.3. Research method

To answer the problem formulation in this thesis different data collection-methods have been used. The primary data used for this thesis is a survey and group interview. The secondary data used in this thesis are an internal company profile provided by PRIMARK, an interview with the PRIMARK director conducted by NorthJersey.com, articles on PRIMARK and the Danish market in general and relevant books.
A mix of secondary and primary research have been used as Hollensen (2011) argues that when secondary data is not sufficient to answer the research question, qualitative and quantitative research primary data should be used.

As described above secondary data have been used to analyse the factors on the Danish market and to analyse PRIMARK internally. The advantage with secondary data is that it is less time-consuming and easier to conduct. However, it may not be sufficient enough to give all the necessary answers for the research questions (Hollensen, 2011).

This is where qualitative and/or quantitative research can help the research. It may be more time-consuming, however, it is specifically designed to the specific research question and give more in-depth knowledge about the researched subject (Hollensen, 2011).
Based on this, in order to gain most knowledge about the Danish consumer behaviour and target group, primary data have been used here. With a mix of qualitative and quantitative research it has been possible to both get a broad reach and more general understanding, but also a more in-depth elaborations.

2.3.1. In-depth Interview

An in-depth interview is according to Darmer et al., (2010) able to elaborate on subjects one already has knowledge about. It is used to gather more information and is often used as a supplement to a survey to discover more in-depth knowledge of the participants. The aim of the group interview conducted for this thesis is to understand and predict the consumers' behaviour and perception of PRIMARK.

This interview is a combination of a semi-structured and unstructured interview (Darmer et al., 2010). It is a combination of these two structures as questions have been made up with the purpose of supplementing the survey, but during the interview the interviewer to a more observing role and was mostly commenting on interesting subjects that needed elaboration, but would also interfere with few of the planned questions.

The interview consist of subjective opinions based on the participants own experiences. The participants for this interview are among PRIMARK's target segment, which thereby gives a valid understanding of how a potential consumer in Denmark will be towards PRIMARK. It was chosen to be a group interview, as there are some advantages to this approach. Often the participants talk more with each other and are more relaxed in this type of interview, and different opinions are often covered, as people have something to compare with. However, there are also some disadvantages to this approach, as there are often a dominant person in the group, and others may adapt their opinions to this one person's (Kvale, 1997). However, in this interview it seemed as the group was equal and everybody spoke their minds, yet one participant spoke more than the others.

As this type of method is gathering data from a narrow group the findings will be very subjective, which means that it is not the best approach to make general conclusions.
As mentioned above this interview will be semi-structured and the questions will be open questions, which makes it possible for the participants to include their own perceptions, attitudes and experiences to their answers. Furthermore, the open questions, compared to limitations in ex a survey, makes it possible for the participants to answer more freely and at the same time address other subjects during the interview (Kvale, 1997).

2.3.2. Survey

Darmer et al., (2010) states that a survey is a quantitative method, which can be used to establish an overview of a current situation.

The aim of the survey is to create a more general view on the consumers' perceptions and attitudes towards PRIMARK and and its competitors. This method makes it possible to make a more general conclusion about the positioning of PRIMARK. The survey have 249 participants. Yet again this do not represent the whole Danish market, it is still a larger group and more general than in the interviews. This makes this approach more objective. Furthermore, the aim for this survey was to establish how consumers perceive PRIMARK compared to other similar brands on the Danish market, and to establish how many percentage known of PRIMARK and their general knowledge of the brand.

The survey was distributed through social media to the author's network, and was also shared among the participants' networks. This method combined with the qualitative method gives both an objective and subjective view on the Danish market, the consumers and the PRIMARK brand.

2.3.3. Desk research

The secondary data collected for this thesis is market reports from Euromonitor, an internal PRIMARK company profile, PRIMARK.com, different articles about PRIMARK and the Danish market and an interview with the PRIMARK director conducted by NewJersey.com news site on July 2016.

The primary theories for this thesis was found among Kotler et al., (2009), Hooley et al., (2012), Hollensen et al., (2011) and Johnson et al., (2014).

Hooley and Hollensen have a great perspective on the subject of expanding and going abroad with a brand. This gives the theories an international perspective, which is very relevant, as it concerns PRIMARK's possible entrance to the Danish market.

Johnson gives a great look into creating strategy and the internal factor of a company, which give a good perspective of PRIMARK internal environment and use of strength and weaknesses. Lastly, Kotler delivers an overall good understanding of marketing and market in general without the international perspective.

The company profile provided by PRIMARK gives great insider knowledge of PRIMARK's way of doing business, how it manage to produce items at low costs, information about its previous expansions and future plans. This profile has made it possible to analyse PRIMARK behaviour and internal factors, and thereby made it possible to assume how PRIMARK will operate in Denmark.

The PRIMARK.com website has provided general information on the PRIMARK brand, history and products.
The interview with PRIMARK's director has also provided important information about the PRIMARK business and how PRIMARK has created huge success in other countries. This interview makes it possible to analyse how PRIMARK possibly will create similar success in Denmark.

2.2. Validation

As there are only limited answers in the questionnaire for example “low price” vs. “high price” and no middle, the participants can be forced to answer with an answer that do not completely match what the participant really think of the brand. However, with a simple survey like this is gives a good indication of what brands the participants identify with PRIMARK and why or why not they would shop at PRIMARK. Furthermore, by also conducting a group interview, more in-depth observations of the participants’ attitudes, beliefs and opinion about PRIMARK and its competitors are possible. However, it has also been assumed that the participants in both survey and interview have answered the questions truthfully and with best intentions.

All data gathered are up to date, which gives the most accurate view on the Danish market, PRIMARK as a company and the Danish consumers. Furthermore, the secondary data collected have only been collected from valid sources, such as acknowledged authors, databases and PRIMARK itself.

Yet, as a large part of the secondary data is from PRIMARK itself, it can be argued that the reliability of these data might not be high, as PRIMARK can be assumed to have its own motives for making itself appear better than an objective source would. It can be argued that the interview with the director is reliable as it is direct quotes, however, this interview has been conducted by others, which means the questions asked might not be as valid as they are not designed for this problem statement, and the raw material is not available. Nevertheless, the answers have helped to identify how PRIMARK operates and where its strengths lies.

Furthermore, it is important to state that based on the survey many of the consumers are identifying PRIMARK with Supermarket stores such as Bilka and Føtex. But as these are also selling food, electronics etc. these will not be included in the analysis, as it can be argued that they are not in the same strategic group as PRIMARK, as they carry different products, target different segments and are more likely to react differently to market changes compared to PRIMARK and its closest competitors. Furthermore, even though the survey suggest that Sister Point is a larger competitor to PRIMARK, Sister Point has been excluded as Bestseller’s two brands Vero Moda and Vila are next on the list and Bestseller has the second largest market share in Denmark, compared to Sisters Point. As the survey consist of pre-defined questions, some of the answers might not be as reliable as in an interview, as the participants might not have been able to answer what they really would, because the option was not available.

To conclude on this, the questions asked in both the survey and in-depth interviews are valid as they mostly help to answer the problem stated. However, based on the above it can be argued that the interview is more valid and the interviewees' answers are more reliable, as they have had the possibility to form their own answers based on the loosely-defined questions.

Chapter 3 – Internal and External Analysis of PRIMARK and the Danish market

In this chapter, PRIMARK's internal factors will be analysed and will thereby be used to identify who PRIMARK is, how its history has been, how successful it is and why. Furthermore, the following chapter will also identify the external factors on the Danish market that might have an influence on PRIMARK's possible entrance.

3.1. PRIMARK company profile

PRIMARK is a subsidiary to the Irish brand AB Food. It opened its first PRIMARK store back in 1962 in Dublin where the store is still operative.
The success with the store led to expansion into the UK market in 1973. The original name for PRIMARK was Penneys, which it is still called among the Irish population, however, someone had already taken the name Pennyes, so the PRIMARK name was created for use outside of Ireland.

Today PRIMARK has over 315 operation stores with the larges one located in Manchester, England. It was in the mid 2000's the PRIMARK brand started to grow and was when it started to expand rapidly. It was in 2006 the first PRIMARK store opened outside Ireland and UK, which was in Madrid, Spain. This is also where the second largest store is located today. In 2008 Primark opened in the Netherlands, followed by an opening in Portugal, Germany and Belgium in 2009. Austria had its first store openening in 2012, France in 2012 and Italy back in 2014. In 2015 PRIMARK opened the first store overseas in USA.
PRIMARK was originally offering clothing for men, women and children, but have now expanded its products portfolio to also include accessories and interior. PRIMARK aims to reach both male, female and family segments. PRIMARK wish to be the brand to go to, to purchase to the whole family. It products range from shoes, jackets, belts, jeans, tops, shirts etc. (Appendix 1 – Product Portfolio). PRIMARK is today a global know brand, and has had great success in many different markets (Primark.com – *About us*, 2017)

3.1.1. Motivation and background for expansion

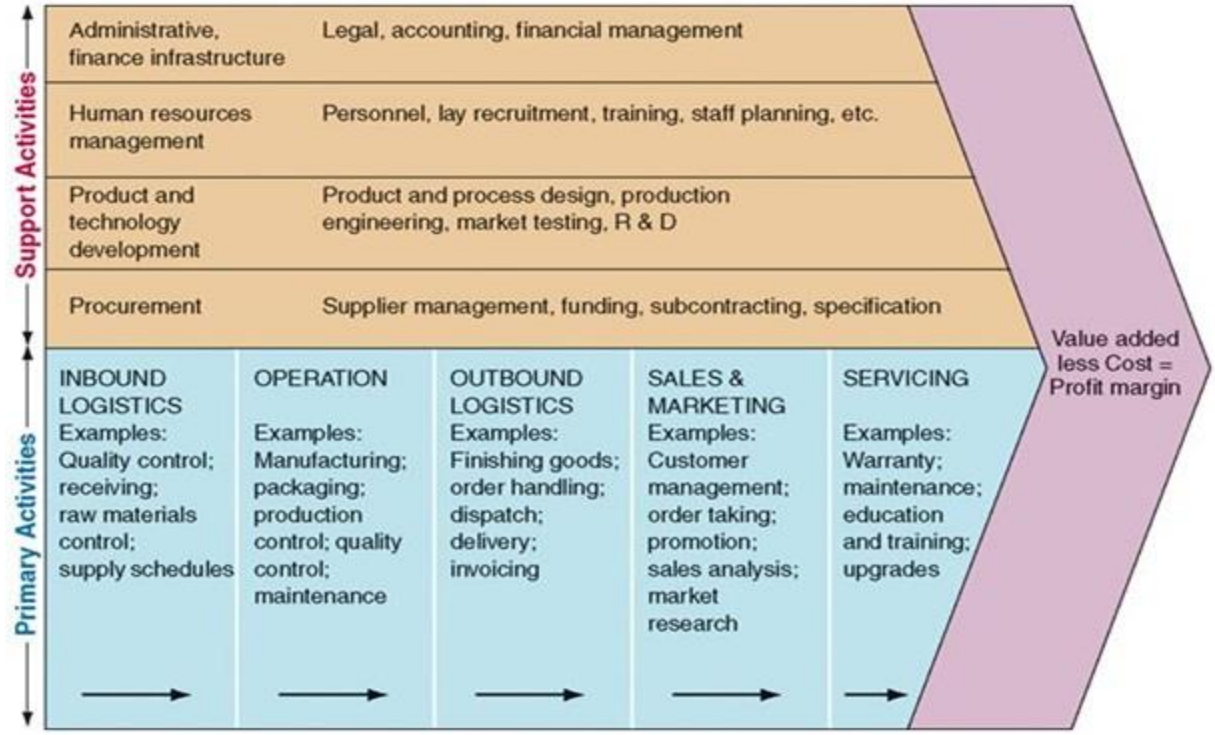
When companies starts exploring its options to export it is often because they have a wish to grow and make more money. Yet, more motives are often included as well. There are two types of motives, proactive motives and reactive motives. The Proactive motives are based on the wish to grow, if there are opportunities on new markets, if the company has developed new unique products or technology and so on. The Reactive motives are however, created based on pressure from competitors, small and saturated markets and customer distance (Hollensen, 2011).

As mentioned above PRIMARK has over the last couple of years expanded its brand to many foreign markets while it still continuous to grow in local markets. Furthermore, PRIMARK's brand has during the years continued to grow and more and more people in foreign markets have started to get knowledge about the brand, which has led to a stronger brand awareness. When customers go shopping on vacation in some of the largest cities, they have noticed the PRIMARK mega stores. Based on this it is fair to assume that PRIMARK's motive for expanding to Denmark is based on Proactive motives.

In addition to the above PRIMARK is also already competing in many European markets, and is currently opening stores in North America as well. It has been following a pattern where it has started export to markets similar to its original market and then concurred markets one by one. This approach is similar to the stages of internalization in the Uppsala model. The Uppsala model is according to Hollensen (2011) an approach where a company start by expanding into one market with both a small physically and psychic distance compared to the original market and slowly chooses one market at a time with more and more distance to the home market. As PRIMARK have started slowly by expanding into markets similar to the Irish market, and have entered markets one by one with same approach, it can be argued that they are following the Uppsala model.

Based on PRIMARK's internationalization pattern, with expansion into close market in both distance and culture, Denmark would be an obvious new market for PRIMARK to enter.

3.2. Internal analysis



Source: Kotler et al., 2009

When looking at PRIMARK's chances of success on the Danish market it is important to both look at the competitors, industry and environment (e.g. Industry-based view), but also the internal resources (e.g. Resource-based view). PRIMARK has to concur the challenges from the internal environment that it might meet. Peng (2009) p. 64 argues "*industry-based view focuses on how "average" firms within one industry compete, the resources-based view sheds considerable light on how individual firms differ from each other within one industry*". Peng (2009) furthermore defines resources as "*tangible and intangible assets a firm uses to choose and implement it strategies*".

The resource-based view has its focus on Value, Rarity, Imitability and Organizational (VRIO) aspects of resources and capabilities, which makes it possible for companies to differentiate from its competitors by creating something unique that gives the consumers value and are hard to copy (Peng, 2009).

It is well-known that PRIMARK is very successful with its business. In order for a company to obtain great success it needs to have a – if not sustained – but great competitive advantage to survive in industries with tough competition such as the High Street Fashion industry.

According to Barney (1991) The concept of Sustainable Competitive Advantage (SCA) means that a product must be:

A: It must be valuable, in the sense that it exploit opportunities and/or neutralize threats in a firm's environment.
B: It must be rare among a firm's current and potential competitors.
C: It must be imperfectly imitable.
D: there cannot be strategically equivalent substitutes for this resource that are valuable but neither rare nor imperfectly imitable.

Barney (1991) further suggest that firms obtain sustained competitive advantage by implementing strategies that exploit their internal strengths, through responding to environmental opportunities, while neutralizing external threat and avoiding internal weaknesses. So, for a firm to gain SCA they have to create a product that is valuable, rare, hard to imitate and the organization has to be ready to exploit its capabilities.

The definition of sustained competitive advantage focuses much on the firm's tangible resources. However, a company does not achieve a sustained competitive advantage only by focusing on its tangible resources, but mostly by focusing on its intangible resources and capabilities (Peng, 2009).

Tangible resources and capabilities are ex financial, technological and organizational. If a company only relies on these resources, it will not obtain SCA, as these factors are the ones that are easy to imitate. All companies have the possibility to have money in the bank and they can have or easily get technological resources.

However, because a company has SCA now it does not mean that it will last forever. It is very difficult to find something that is impossible to imitate and valuable at the same time. Yes, you can find something or produce something that is difficult or rare, however, this will only give you a temporary competitive advantage (Peng, 2009).

Peng (2009) furthermore argues that being able to create sustained competitive advantage and using a resource-based view depends a lot on the culture in the business and company. It also depends on whether the company is good at deciding what to keep in the company and what to outsource.

Peng (2009) also argues that it is the company's value chain that decides if the company is competitive. It definitely applies to the High Street Fashion industry and PRIMARK, as the products are not rare, hard to imitate or add special value to the consumer.
In this industry companies are competing on it brands, prices, selection of products and customer service. So in order for a company to compete on its prices and have a good selection of clothes it needs to have a cost efficient production and also needs to be able to adapt to the customers' trends and needs. This is where PRIMARK excels.

There are five primary activities in the value chain that add value to the final output from a company and thereby adds value to its customers. These five activities are: Inbound logistics, Operations, Outbound logistics, Marketing and Sale and service (Hooley, 2012).
One of PRIMARK's key strength is its value chain. According to PRIMARK's own company profile (Appendix 6, slide 14) PRIMARK does things differently from its competitors as:

> *"PRIMARK's prices are low because PRIMARK operates differently than many other retailers. The wages of workers within a factory are the same, whether they are making clothes for PRIMARK, or other major retailers, including luxury brands.*
>
> *PRIMARK reduces its costs by working smart and lean:*
> - *PRIMARK has a **much lower margin** than many competitors*
> - *PRIMARK orders the majority of its products **directly** from suppliers*
> - *PRIMARK orders clothing in **large volumes,** often providing **long lead times** to suppliers to enable them to plan and achieve **efficiencies of scale**, such as ordering fabric in bulk*
> - *Wherever possible, suppliers source raw materials **close** to where merchandise is being **manufactured***
> - *PRIMARK pays suppliers **promptly***
> - *Almost **no advertising** thus keeping its costs down*".

When asked how PRIMARK can sell clothes so inexpensively PRIMARK's director said:

> "*It is the efficiency of the organization and it is the efficiency of the supply chain. We have a long tradition of working with those suppliers around the world. We have a very efficient buying office. Minimal marketing. No e-commerce. Low margins. Everything we can do to lower prices we give to the customers"*.

This shows that it is especially in the inbound- and outbound logistics that PRIMARK have strong competencies.

According to Hooley (2012), inbound logistics are the management of the flow of production into the company. Efficient operation and management of suppliers and the suppliers' quality can add quality to the company's final product. Outbound logistics is the distribution of the product from the manufacturer to the buyer. Quick and timely delivery and low damage rate adds value to the product (Hooley, 2012).

PRIMARK order the majority of its products directly from the supplier and cuts out the middleman, and it orders clothing in large volumes and also provide long lead time so the suppliers have time to plan and thereby be more efficient (Appendix 6). Furthermore, PRIMARK is also investing a lot in good work conditions for its suppliers and the factories it uses (Primark.com – *Our Ethics*, 2017). This is good management of the inbound logistics and creates value for PRIMARK's customers in the end, as a more efficient production is also cheaper which creates better products and prices for PRIMARK's consumers. As PRIMARK is skipping the middleman means that it saves finances in this part of the value chain. PRIMARK has also chosen suppliers that get the raw material for the production close to where the products are being manufactured. This means that production time is much lower than if materials were delivered from far away, as this would lead to waiting time before the manufacturer could start to produce the products. At the same time this optimisation of the value chain means that productions is fast, which means that PRIMARK is able to quickly deliver products that are aligned with the customer trends in different markets.

In addition to this, PRIMARK says in its own words "*We are big, we are flexible. We are a global brand but we are acting locally"* (Appendix 5). So if a trends is changing or a product is selling in one area and not another, PRIMARK is capable of adapting quickly and create a substitute product or design a new product for this segment, which is a key factor for PRIMARK's success in other markets, which also gives PRIMARK an competitive advantage.

Furthermore, as PRIMARK orders large volumes of clothes, it once again minimise the costs. Also, as PRIMARK is known for its larges shops and thereby has large stocks, it is possible for it to storage the larges shipments in the stores and close to the customers. This leads to PRIMARK's strength within the outbound logistics in the value chain. As PRIMARK is ordering its products directly from the suppliers, it means that it is easier to get a successful order and delivery, as there is no middleman. Furthermore, PRIMARK pays its suppliers promptly (Appendix 6), which means that there will be no delay in payment and thereby no delay in receiving the products. With this investment, products are as quickly as possible delivered to the PRIMARK stores and quickly out for sale to the customers.

A part of the value chain PRIMARK has chosen to put least resources into is Marketing and Sales. According to PRIMARK's director: "*We have a very efficient buying office. Minimal marketing. No e-commerce. Low margins. Everything we can do to lower prices we give to the customers*" (Appendix 5), which means that PRIMARK is saving on its marketing resources in order to create more value for the customers in other places of the value chain, for example by investing many resources into its buying office. However, this is only possible for PRIMARK because of its strong brand. PRIMARK has very large shops in many big cities in Europe and North America (Appendix 6) and are thereby very visible for potential customers. According to the survey most of the participants know PRIMARK by name, because they have shopped in one of its stores on vacation or heard about it from others (Appendix 2 + 3 "How do you know PRIMARK"). This shows that PRIMARK's marketing strategy is working in its advantages as the brand awareness is created by word of mouth in the different markets, and they are thereby not forces to invest many resources and finances in marketing.

Looking at PRIMARK's more intangible recourses, its culture and its way of handling penetrations on new markets are important. As PRIMARK is a large company with a large capital, it is, as mentioned before, able to adapt its products to new markets. For example, when PRIMARK was beginning to look into the U.S the executives and buying teams were visiting frequently. This way PRIMARK was able to observe and learn about the market's competitors, the selection of products available and the customers (Appendix 5).

When PRIMARK enters a new market it creates an in-country team that includes General and Commercial Director, a People and Culture responsible, Finance, IT, Property and store development. This means that PRIMARK is transferring a part of it culture into the new market, with a team that has many years of PRIMARK experience. PRIMARK then brings this talent together with the local team in the new market, this way the original PRIMARK team will support the new local team. The local teams have local expertise within People and culture, payroll, finances, legal matters, visual merchandise, store development etc. Furthermore, PRIMARK also invest a lot in its new teams. For example in Germany, PRIMARK has invested more than 10,000 training days for its German staff since 2009 (Appendix 6).

This intangible resource – PRIMARK's culture and handling of employees and teams – is what makes PRIMARK unique and hard to imitate. When being able to supply a team with incorporated experience and PRIMARK culture to train and support the local teams, you get the best of both worlds, as they share knowledge about the business and the local area.

PRIMARK is also, as mentioned above, capable at doing field research in the new potential markets based on it know-how and financial status. PRIMARK invest a lot in visiting the different markets, not only because it want to enter the market, but also because it is a global brand (Appendix 5). This way PRIMARK build strong relationships with community groups and relevant local authorities in the markets (Appendix 6).

Based on the above analysis of PRIMARK's competitive advantage it can be argued that the reason for PRIMARK's success is not its products, but it is its brand and way of doing business and handling its Value Chain. Furthermore, it is PRIMARK's know-how experience and investment in the new markets that makes it possible for PRIMARK to succeed when entering into markets where other have failed. For example, PRIMARK is very certain in succeeding in its entrance into the US market even though other European brands have failed before. About this PRIMARK's director has stated:

> "*Even before we entered the U.S. market, our executives and the buying teams visited frequently, not because we were coming to the U.S., but because we are a global brand. As we were preparing to enter the market, we spent a lot of time going around the Northeast corridor, going around the cities, going around the malls, looking at the competition, looking at the product, and, most importantly, customer service. We can adapt our product and our assortment to the different countries, and we are adapting for the different stores. Here in Freehold, if for whatever reason flip-flops aren't selling, we can substitute something else. We are big, we are flexible. We are a global brand but we are acting locally*" (Appendix 5).

This shows how PRIMARK does business and why it would have a good chance at creating a competitive advantage in the Danish market.

3.2.1. Internationalization barriers

When a company like PRIMARK is looking into expanding into new markets, there will always be some barriers that needs to be considered and overcome. According to Hollensen (2011), there are both internal and external factors that can prevent a company to expand into a new market.

The mainly internal factors includes insufficient knowledge and finances, lack of connections on the foreign market etc. In addition, insufficient information about the potential customers and competitors are a large barrier when exporting to a new market. The mainly external barriers a company may experience in the process of exporting is; general market risks, commercial risks and political risks (Hollensen, 2001).

The general market risks are comparative market distance, competition from other companies in foreign markets, difference in product usage in foreign markets, language and cultural differences, difficulties in finding the right distributor in the foreign markets, difference in product specifications in foreign markets and complexity of shipping services to overseas buyers. However, as argued above PRIMARK is very capable of knowing its potential markets and customers, as it has great experience with expansion – especially into European markets – that gives it an advantage in overcoming these barriers.

The commercial risks are exchange rate fluctuations when contracts are made in a foreign currency, failure of export customers to pay due to contract dispute, bankruptcy, refusal to accept the product or fraud, delays and/or damage in the export shipment and distribution process and difficulties in obtaining export financing (Hollensen, 2011). However as PRIMARK is fairly familiar with exporting to foreign countries and have knowledge and know-how of other European markets – including its original market – similar to Denmark, these risks can be argued to not be in a high risk group for PRIMARK.

The third risk group according to Hollensen (2011) is the political risks. These include: foreign government restrictions, national export policy, foreign exchange controls imposed by host governments that limit the opportunities for foreign customers to make payment, lack of governmental assistance in overcoming export barriers, lack of tax incentives for companies that export, high value of the domestic currency relative to those in export markets, high foreign tariffs on imported products, confusion foreign import regulations and procedures, complexity of trade documentation, enforcement of national legal codes regulating exports and civil strife, revolution and war disrupting foreign markets.

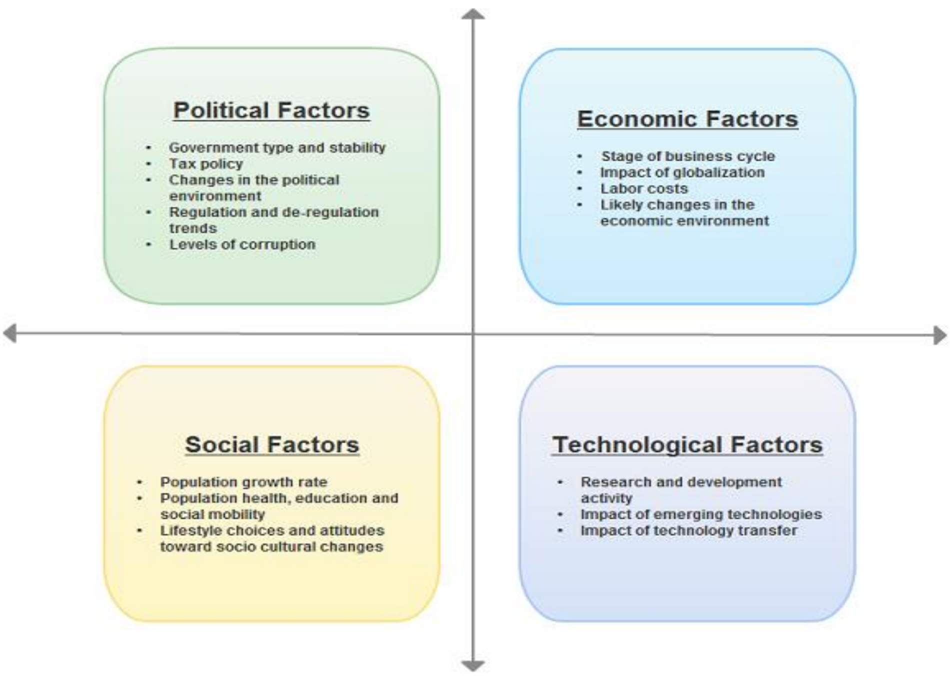
As in the other two cases, PRIMARK is once again superior in its know-how and experience. However, in this case, PRIMARK still needs to analyse the new potential market well in order to successfully be aware of any differences between the Danish market and other markets, in order for it to successfully enter the market.

3.3. External analysis

The risks that PRIMARK most likely will meet when expanding into the Danish market will be analysed in the following section, where Porter's Five Forces and PEST will be the frame.

Porters Five Forces looks at the competiveness in an industry where PEST helps analyse environmental factors that might influence the competiveness in an industry (Hooley et al., 2012). This PEST analysis looks into the Political, Economic, Social and Technological factors on the Danish market that might affect PRIMARK's success.

3.3.1. PEST



Source: Hooley et al., 2012

According to Hooley et al. (2012), the economic and political factors include economic growth rates and business cycle, employment and unemployment on the market, the government, internationalization, trade and taxation.

The social and cultural environments include change in demographics, lifestyle and living patterns, mulit-ethnic societies, and the grey- and youth market.

The last factor, the technological, has a large impact on the environment on a market. According to Hooley et al., (2012), new technology can make the situation on a market change overnight, both in terms of developing new products, materials and advertisement. As technology improves and develops everyday, companies need to be up to date and capable of dealing with competitors and its – possible – newer and better technology.

Furthermore, Hooley et al. (2012) argues that in addition to the factors in PEST, also globalisation of markets and the role of marketing might affect a company. Markets become more and more global and technology has made it easier for the customers to purchase products on different markets, for example through online shopping. This increases competition further as markets and industries are not only a matter of geography any more, customers can purchase across borders as easy as purchase in a local store. In addition, the role of marketing is changing. Companies become better and better to use big data about its consumers to be more specific and targeted in its advertisement. If PRIMARK operates in an industry or a market where its competitors are more competent in using customer data, it become more difficult for PRIMARK to compete among these competitors.

It is important for a company to know and understand its environment even though the company cannot change or control these aspects, as it may still be highly affected by them.

3.3.1.1. Political

In new markets there is always the political factor to be aware of. Politicians in a given country have the power to insert new laws, regulations etc.

A key factor when entering a new market is financial obligations that includes taxes and interest rates. This factor might prevent a company from being financially able to actually enter and make profit in a new market. For example in a country such as Denmark, there are high taxes, which can lead to PRIMARK may have to raise its prices, which could mean that PRIMARK will have a weaker competitive advantage as it is merely its cheap prices and coast leadership approach, with large production at cheap costs, it competes by.

Another factor is the laws of advertising. Denmark is a part of EU, which means there are many regulations when it comes to marketing. If PRIMARK is not aware of these regulations, it can damage its brand. However, PRIMARK is not relying on regular advertising and thereby this factor is not a great threat to PRIMARK. Yet, if PRIMARK comes in a position where it needs to be more aggressive with its advertising, knowledge about the Danish marketing law is important to know.

Also in Denmark, there are regulations about work environment, both locations and work conditions such as payment, breaks etc. (Arbejdstilsynet.dk, 2017). This might differ from other countries that PRIMARK operates in and it can damage PRIMARK's way of doing business. For example may minimum wage in Denmark be higher than in other countries and working hours different. This can lead to PRIMARK experiencing higher costs on this account that in the end can lead to PRIMARK needing to raise its prices.

Furthermore, Denmark is an expensive country to produce in, so it is necessary for PRIMARK to use production outside of Denmark, which mean that costs such as shipment and taxes might be different from other markets. But as PRIMARK being a company with headquarters in Ireland and already operating in many different European countries, it is fair to assume that PRIMARK is well aware and have great knowledge about possible differences between Denmark and other markets, and is aware of what it needs to consider in a financial aspect.

There are also environmental obligations for PRIMARK to be aware of. Denmark has some regulations, such as guidelines for usage of chemicals and sustainable production (Eng.mst.dk, 2017). This means that PRIMARK may be forced to adapt its supply chain in order to fulfil these regulations. However, as PRIMARK is not producing clothes in Denmark, these regulations will not be a great threat for PRIMARK. However, its stores and stocks will have to live up to the regulations, which may have an impact on the costs in general.

3.3.1.2. Economic

The economic aspect is an aspect that affects companies in all given countries. The economy is the aspect that is most likely to have an impact on a company's profit if the company is not aware of any changes happening and do not adapt to them before it is too late. This factor includes employment levels and consumer prices (Hooley et al., 2012). As changes in these categories happen slowly it is often easy to predict any changes that might happen in the future.

According to OECD.org (2017) the Danish economy is strengthening and the labour market is tightening. This means that consumption and inflation is increasing, which makes the Danish economy strong and Denmark an attractive market for PRIMARK. Yet, as PRIMARK is selling low priced products, normal predictable changes in the Danish economy will not have a strong impact on sales, as this can be argued to be products with low elasticity (Hooley et al., 2012). However, as it is clothing and accessories that PRIMARK sells, there are many substitutes on the Danish market, however, PRIMARK is known for its low prices and it can be assumed that it will be able to compete with its competitors even if the economy should be forecasted to change in the future.

Also, Denmark is a welfare country which means that consumers are very secure (Forbes.com, 2017) and this means that even if changes in employment should happen, many Danes will still be able to consume for example.

3.3.1.3. Social

According to Hooley et al., (2012) changes in demographics can have an impact on a given market. This includes change in age, gender, ethnicity etc. However, as changes in economy are predictable so is changes in demographics, and these are often happening over a long period of time, which makes it easier for companies to react to the changes.

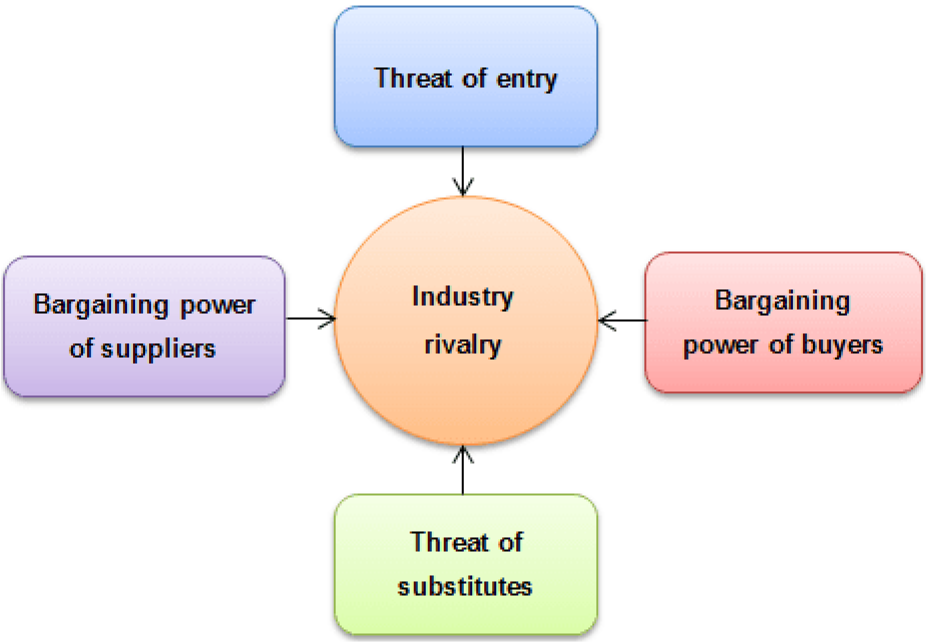
But the social aspect is much influenced by consumer trends and consumer behaviour in a country. Therefore, it is important for PRIMARK to be aware of the target markets culture and behaviour, and changes in these, so it can react and adapt to these changes. In Denmark consumers consume a lot, especially online shopping have increased over the last years (Euromonitor.com – *Consumer lifestyle in Denmark*, 2015), this is a trend and behaviour that might have a large impact on PRIMARK success on the Danish market, as PRIMARK do not have webshops. The influence of Danish consumer behaviour and trends are fairly important to be aware of when entering the Danish market, and will therefore be investigated further later on.

3.3.1.4. Technology

Technology today have a huge impact on companies, how companies sell and how customers purchase. As PRIMARK will enter the clothing industry, it is assumed that technology do not have a huge impact directly on PRIMARK. However, it has a huge impact on the competitiveness on the market, as technology have made the world more global and thereby strengthen the bargaining power for the buyers as they now have more options to choose from, by purchasing online or searching for alternative and substitute products easier. Technology has also had a positive impact on the market. Customers have their phones etc. with them at all times, and can easily search for where to find the products they need when they need them – this means that technology helps the customers find the location of a store for example, which leads them to that exact store right away. This can lead to customers going to the stores quicker when they recognise their needs, which will increase the opportunity for sales. Technology is a factor that PRIMARK needs to be aware of in the future, as technology will be the factor that will have the largest impact on the consumers' behaviour in the future and thereby will be the greatest threat for PRIMARK in Denmark, as Denmark has a stable economy and political environment.

3.3.2. Porter's 5 forces

When entering the Danish market, it is important to know all factors in the industry on the current market are. The goal of the competitive analysis in an industry is to find a position in the industry where PRIMARK has the best possibilities to defend itself against the fives forces (Hollensen, 2011).



Source: Hollensen, 2011

The Five Forces that Porter argues influence the competition in an industry are the threat from market competitors, the threat from suppliers, the threat from buyers, the threat from substitutes and the threat from new entrants.

The bargaining power from suppliers becomes a threat when suppliers are in a position to demand higher cost of raw material and thereby higher the cost for the company and in worst case create a situation that is not profitable for the company (Hollensen, 2011).

The threat from buyers are according to Hollensen (2011) increased when the buyers are purchasing in large volumes, and the company is selling undifferentiated products in a more homogenous market, so the buyers can choose other suppliers easily. Hollensen (2011) also argues that it is possible to try to minimize the threat from suppliers by increasing the numbers of buyers.

The substitutes in an industry are also a threat for a company. This force has an impact on the attractiveness and profitability in an industry. It is the buyers' willingness to buy substitute products and the substitutes' prices that determine the threat from this force.

The last force, the threat from new entrants, can increase competition in an industry. If a company operates in a market where entrance barriers are high, the threat from new entrants will be low (Hollensen, 2011).

3.3.2.1. Threat from market competitors

On the Danish fashion market there are a few dominant competitors that include Bestseller A/S with a market share of 17,2%, H&M AB with a market share of 13,7%, DK Co A/S with a market share of 6,4% and IC Group A/S with a market share of 4,7% (Appendix 7). It can be argued that there is an "Oligopoly" market structure on the Danish market, as Oligopoly is defined as a market where there are a few large companies that dominate the market and can have an impact on other operators on the market (Staff, 2017). This applies to the Danish market, as there are only these four competitors with a market share above 4% and only two of them, Bestseller and H&M, have market shares over 10% (Appendix 7). However, as this is a more homogenous market where there is very low differentiation on the products sold, it is more the consumers that have the bargaining power than the companies. It can thereby be assumed that either of the companies will have a huge impact on the competition on the market if they make changes, especially as they are in the same strategic group as each other, so the consumers will be able to shop in another store, if they for example change design or prices.

3.3.2.2. Threat from Buyers

As mentioned earlier the Danish fashion industry is a homogenous market, which means that the products and prices are very similar. This gives the customers a higher bargaining power than on a heterogeneous market, as they can get the same type of products at the same prices in different stores. Therefore, the companies have to differentiate themselves in other aspects to create a stronger brand and add value for the customers in another way. It could for example be in production of the clothes, in its design or promotion strategy. However, this means that the companies have to adapt to the customers and not the other way around. This gives the customers the upper hand in the buying process and create a great threat for the companies.

3.3.2.3. Threat from substitutes

In a market with the previous mentioned conditions, it also means that there is a large threat from substitute products. I might be that there is only a few large companies in the Danish fashion market, but each have many different sub brands, which gives the customers every possibility to choose a substitute product from another brand. This also means that if a competitor chooses to change its pricing strategy or other strategies, the customers can easily buy the a similar product that covers their needs at a competitive brand. This also creates a bigger threat for cannibalism in this industry, as the main players have brands that the customers can change between, and it can be assumed that in this industry the customers are not very loyal towards a specific brand, as there exists many substitutes. Where as in an industry or a strategic group with larger preferences towards the products and brands the threat might be lower, as the consumers are more loyal towards more exclusive brands than towards high street fashion brands, as the exclusive brands are more unique and more differentiated.

3.3.2.4. Threat from suppliers

The threat from suppliers in regards to PRIMARK and the Danish market is low. As mentioned before PRIMARK uses the same suppliers for its production to all countries, and has a good relationship with its suppliers, which lowers the threat. However, external factors can have a negative impact on this threat, as changes in politics, economics or other factors such as war or natural disasters in the suppliers' environment can mean that PRIMARK will have to find a new supplier. In order for PRIMARK to compete with the competitors on price, it will have to obtain a supplier with low costs. Because of Denmark being a country where it is more expensive to produce, PRIMARK will have to find suppliers outside of the country.

Furthermore, as stated before, PRIMARK uses suppliers and factories that the competitors use. This means that the suppliers have some power to bargain as they for example can demand an increase in prices or change delivery agreements. However, this means that it is the same threat for the competitors as for PRIMARK.

3.3.2.5. Threat from new entrants

As this is a homogenous market, it means that it in theory is an easy market to enter. It is not costly to open a store and start to sell. However, as the Danish market only have a few large players it increases competition and the competitors have strong brands that the customers know. This makes it much harder for new entrants to successfully penetrate the market and establish itself, especially if it is a completely new brand. PRIMARK, which is being a new entrant on the Danish market, has an advantage when entering the Danish market, as a large part of the potential customers already knows the brand and have heard of PRIMARK or shopped in one (Appendix 2 + 3 "How do you know PRIMARK). Moreover, as many of the already established international brands are already represented in Denmark (Appendix 7), the threat from new entrants are considered low, and if new entrants were to enter the market, it is assumed that they will experience difficulties with the penetration as the competition is now.

Chapter 4 - Empirical data and findings

In this section, an analysis for the collected data for this thesis will be conducted. The aim is to identify how the Danish consumers perceive PRIMARK and what their shopping habits are. The data consist of both a survey and in-depth group interview. The survey has been sorted into consumers knows and will visit PRIMARK and consumer who will not visit PRIMARK if it opened in Denmark. Furthermore, all male respondents have been deselected cf. the delimitation.

4.1. Survey

<u>Those who know PRIMARK (Appendix 2)</u>

78 of the participants (53 %) know PRIMARK. It is clear from the survey that most participants know PRIMARK because they have shopped in one. Furthermore 41% and 33% know PRIMARK either by name or because it has seen a store while shopping. This indicates that PRIMARK's strategy to create brand awareness only by word-of-mouth and visibility in the streets is working.

Only 6% say they know PRIMARK from advertisements and commercials, which is interesting as PRIMARK uses almost no resources on marketing. Yet, it is important to state that many consumers don't remember where or when they was first exposed to a brand, and may confuse seeing a store or a shopping bag with an advertisement. An interesting aspect to people knowing PRIMARK is that only 13% have seen PRIMARK on Social Media. This is interesting because Social Media is a part of most consumers' everyday life. However, Social Media are often defined as a form of word-of-mouth, also known as online word-of-mouth (King et al., 2014), which may explain the low percentage of this answer (Appendix 2 "Do you know PRIMARK" and "How do you know PRIMARK").

Cheap prices are one of the primary parameters that people associate with PRIMARK. Actually, 96 % of the participants that know PRIMARK associate PRIMARK with this. Other parameters consumers associate PRIMARK with are large shops, with large selection of clothes with low quality but with good shopping locations (Appendix 2 "What do you associate with PRIMARK").

Even though half of the participants associate PRIMARK with low quality, 86% would still visit PRIMARK if I opened a store in Denmark, and 3% would visit one just for the experience. Still 12% would choose not to visit PRIMARK (Appendix 2 +3 "If PRIMARK opened a store in Denmark would you visit").

The main reason the consumers would visit PRIMARK is because of the cheap prices and large selection of clothes. In the interview conducted there is also a clear indication that the interviewees would visit PRIMARK based on this. Even though the consumers think that PRIMARK equals low quality clothes, they are still willing to shop in PRIMARK and visits it. This is because "you get what you pay for" (Appendix 4). This indicates that the consumers are willing to shop in PRIMARK despite thinking it is low quality, because they are aware of the quality from the start and because it is cheap. For example, they don't expect clothes from PRIMARK to last a life time, but it doesn't matter because of the cheap price (Appendix 4). There is also a clear indication that it is not "the big stuff" they purchase in PRIMARK. For example, if they need to buy winter clothes and shows, which normally have to last for more than one season, the consumers would invest more money in the product, and would not go to PRIMARK to buy it. However, PRIMARK seems perfect for the smaller stuff, accessories, basic wear, summer shoes etc. that normally will be changed throughout the season (Appendix 2 "Why would you visit PRIMARK if it opened in Denmark").

However, 56% of the consumers would visit PRIMARK instead of their normal favourite stores, if PRIMARK had products with better quality, better selection of clothes with better design. Based on the comments, people who will not visit PRIMARK are very unsatisfied with the quality of the clothes and its production, and states this as the reason they will not visit a PRIMARK if one opened in Denmark (Appenix 2 + 3 "What would make you visit PRIMARK instead of your current favorite shops").

On the Danish market, the consumers identify PRIMARK with brands such as H&M and Gina Tricot. They further more identify PRIMARK with warehouses such as Bilka and Føtex (Appendix 2 "What shops would you say are the same type as PRIMARK"). The consumers' perception with PRIMARK and similar brands are equal to the brands quality and price. This shows that both H&M and Gina Tricot are positioned in the same place as PRIMARK, both in the consumers' perception of the brands but also in its strategy (cf. Chapter 6). These consumers also mostly shop in H&M, Vila, Vero Moda, Only, Zara and Gina Tricot (Appendix 2 "What brands/stores do you like to visit when you go shopping") – PRIMARK's primary competitors.

<u>Those who will not visit PRIMARK (Appendix 3)</u>

Out of all the participants this is a very small group, which shows that most of the consumers are willing to visit PRIMARK if it opened in Denmark (Appendix 3 "If PRIMARK opened a store in Denmark would you visit"). In this category the most dominant reason why the consumers would not visit PRIMARK is the low quality of the clothes, bad design and the bad reputation that the consumers perceive of PRIMARK. In the survey it is clear that for the consumers with negative perceptions of PRIMARK are willing to start shopping in PRIMARK, if the clothes were better quality and the ethics was better. However, 40% of this small group would never visit PRIMARK based on its bad ethics (Appendix 3 “Why would you not visit PRIMARK if it opened in Denmark”).

Furthermore, the consumers still shop in H&M and Zara (Append 3 “What brands/stores do you like to visit when you go shopping”), which are in the same strategic group as PRIMARK (cf. Chapter 6). When asked why shopping in these stores, the consumers state that it is because of the large selection of clothes, cheap prices, good locations and good design (Appendix 3 “What brands/stores do you like to visit when you go shopping” + “Why do you shop in Zara”). These are the same reasons as for the consumers who would like to visit a PRIMARK in Denmark.

Based on the above it can be argued that most Danish consumers are very positive towards PRIMARK. Most will definitely visit PRIMARK and use it as a regular place to shop if it opened in Denmark. The small amount of consumers who are negative towards PRIMARK are primarily because of their perception of PRIMARK’s ethics and reputation. However, this perception is, as stated earlier, also a concern for consumers who are more positive towards PRIMARK. It can be concluded that this is the main and only reason in regards to the consumers that will have a negative influence on PRIMARK’s possible success in Denmark.

4.2. Interview

Similar to the survey data, the group interviewed also has a very positive perception of PRIMARK, and they have all visited PRIMARK when travelling in other European countries. Especially the very larges shops was popular, as they normally had larger selection of clothes and accessories. The group also agrees that PRIMARK is very close to H&M in price and selection.

They always visit PRIMARK when travelling as it is something they know they cannot find in Denmark. However, the interviewees also state that they most definitely would visit PRIMARK if it were in Denmark. Yet, the main use would be to shops basic clothes and not clothes that are more expensive for example a new year’s dress or winter boots.

The interviewees also agree that because of the cheap prices in PRIMARK they might be more willing to buy larger amounts of clothes when they shop.

"*They are located on large shopping streets which makes them easy to visit. If they were placed more far away I would probably not want to go there*", this shows that locations are very important for PRIMARK, as it is clear both from the survey but also the interview that large shops with good location is a main reason for the consumers to visit PRIMARK (Appendix 4, l. 1-95).

When shopping the participants choose shops based on where they are located, what the selection of clothes are, how the windows in the shop looks. They go into the stores if it looks like the store is carrying a style that fits them.

The shops are also visited if inspiration has been found online, and they know that the store has one specific item that the consumer want. Because when the consumers can go to the shop and try it on and get it home right away, it is an advantage, compared to purchasing the item directly online (Appendix 4, l. 97 – 111).

The interviewees also say that shopping is seen as a social thing that they do with friends and at the same time they get something to eat and have a nice day. On the other hand, they also agree that if you need something in particular and are very focused on only needing that one item, they either buy it online, search for items online or go out alone where they know where to find the item and buy it (Appendix 4, l. 113-124).

It is also very important that the stores have good service, and are caring for its customers. However, the interviewees are not expecting a high service level in stores such as PRIMARK and H&M because they are large stores with many people, and because of the low prices it is not assumed that service will be a main thing to experience while shopping here. However, this is not only seen as a negative thing as it is what the customers expect from brands like these, and they are OK with this. If they wanted to get good service, they know where to go, and are also aware that the prices then will be different (Appendix 4, l.128 – 149).

In the survey many are seeing the fact that PRIMARK has very large shops as something negative, as the stores are messy and there is just too much. The interviewees agrees that often the stores are messy, but the sections in the store is often divided, which makes it easier to find what you are looking for (Appendix 4, l. 151 – 177).

They shop a lot online, and search for items online. And again, it is PRIMARK's main competitors that the interviewees shop in (Appendix 4, l. 179 – 186).

They would never buy more expensive items in PRIMARK, as they want good quality in for example jeans, jackets etc. PRIMARK is manly used for basics, such as t-shirts, stockings, tops etc. that are not expected to last long such as a winter jacket and shoes. Also, the perception is that PRIMARK do not even carry items such as winter boots etc. The main agreement is that items that are often changed for something new and only expected to last one season is okay to purchase in PRIMARK and its main competitors, but items that needs to have better quality and last more seasons will be purchased another place.

It is stated that quality and price are important and need to go together with the expectations of the brand. Moreover, the consumers seem to be more willing to pay more for something that they think has a better quality despite what brand it is. However, brand perception is often combined with the perception of quality and price of the brand (Appendix 4, l. 187 – 222).

Beside from web shops, the participants search for information online on social media and commercials. Good pictures and sale are often found or seen online and makes the consumers go to the store. When seeing things online they often see items that they might not have seen in the store. In addition, mannequins and inspiration from others are affecting if they want to visit a store. Yet, for the cheaper brands, such as PRIMARK and brands in its strategic group, the preference is to still get inspiration and information online, but then go to the physical store to actually see and try on the clothes, as it are expected to vary in quality (Appendix 4, l. 224 – 252).

Chapter 5 - SWOT

In this section, PRIMARK's strength and weaknesses will be identified alongside what opportunities and threats PRIMARK might meet on the Danish market. This SWOT will be used as a conclusion of the above analyses of both the internal and external factors surrounding PRIMARK in Denmark.

Strengths	**Weaknesses**
- Know-how - Brand - Value chain - Ethical values - Finances	- Cannibalism - No online shop - Low investment in promotion
- **Opportunities**	- **Threats**
- Expansion on the Danish market - New tendencies on markets regarding environment - Changes in fashion trends - Online shop	- Competitors - Easy to imitate - Consumer culture can change - Decrease in sales - Consumers perception of PRIMARK's ethics - Consumers' perception of the products

5.1. Strengths

5.1.1. Know-how

The way PRIMARK does business is by observing a market, its customers and customer trends. This is how PRIMARK has done it while entering the German and North American market (Appendix 6). According to PRIMARK (Appendix 6) it develops in-country teams which includes different directors and manager from PRIMARK with the PRIMARK experience, and which includes local employees from the given country to support the team. PRIMARK is very focused on knowledge sharing between new local employees and current PRIMARK employees. By creating strong relationships between these employees and make it possible to share knowledge and expertise PRIMARK gets the best of its PRIMARK culture in the new shops combined with the know-how from local employees. This strategy is a great strength for PRIMARK, as it gives the best fundament for a successful store in a new market, as the combination makes it possible for PRIMARK to adapt to the culture and trends.

5.1.2. Brand

It is clear that PRIMARK is a well know brand. Many of the participants asked in the survey have either shopped in a PRIMARK, seen a PRIMARK or heard of PRIMARK, and this is without PRIMARK investing many resources in marketing. The PRIMARK brand is associated with large stores, cheap prices and a large selection of clothes. These three things are what appeals to the Danish consumers, and many of them are intrigued to come and see what PRIMARK is all about if it was to open in Denmark. The value of PRIMARK's brand contributes to its competitive advantage on the Danish market, as the brand awareness attacks customers when they see a PRIMARK or see someone with a PRIMARK bag. The awareness of the brand has travelled through word-of-mouth, which is a factor that cannot be measured but creates great value for PRIMARK. This is a strength for PRIMARK in matter of sales and lowering costs, as the strong brand reputation and awareness means that PRIMARK can use minimum resources on marketing and thereby keep its low prices it is famous for.

5.1.3. Value chain

PRIMARK has optimised its value chain to gain most profit. This is one of PRIMARK's key strengths as this strategy makes it possible for PRIMARK to produce large-scale clothes but still maintain its cheap prices that it is known and loved for. For example if PRIMARK had invested more resources in marketing, prices might have raised. Also, the fact that it most of the time get its products directly from the suppliers means that it skip the middleman and thereby lower its costs.

5.1.4. Ethical values

PRIMARK has a great strength in its investment in ethical values. PRIMARK put in many resources in creating good condition for its suppliers and factories. For example, PRIMARK has worked hard to improve the rights for its cotton farmers, are open about the working conditions in Bangladesh and has created an environmental sustainable program (Primark.com – *Our Ethics*, 2017). This is a positive side of PRIMARK, and is an aspect it can use to improve its brand and position on the Danish market. If PRIMARK uses this strength it can differentiate itself from the competitors on the Danish market in its brand value rather than differentiate on the actual products.

5.1.5. Finances

PRIMARK is a large company with large capital (Associated British Foods plc. Annual Report and Accounts 2016, 2016) and has been expanding for years. This means that beside from know-how about expansion PRIMARK also has the resources and capital to expand into markets and it do it fast (Primark.com – *About Us*, 2017). This is a great strength for PRIMARK, as it in this aspect is not experiencing any barriers and has all resources available when expanding into a new market. This also means that PRIMARK is able to afford to rent or own large locations for its shops, which PRIMARK is known for. In addition, it has the capital to quickly buy inventory and fill up the stores with its products. With this large capital PRIMARK has the opportunity to act fast and adapt to a new market.

5.2. Weaknesses

5.2.1. Cannibalism

As PRIMARK opens more and more stores it has experienced some cannibalism along the way (Christopher Williams, 2017). As more stores opens customers get store closer to home which they visit as it is more convenient. This means that the store they would normally pay a visit will experience a decrease in visits and sales. However, this has not had a negative impact on PRIMARK. According to PRIMARK's Chairman Arthur Ryan:

> "*The expansion of retail selling space and the superior trading by the stores opened in the last 12 months drove strong sales and profit growth for PRIMARK.*" He also added that "*Retail selling space increased by 0.5m sq ft since the last financial year end and by 1.1m sq ft since the 2014 half year. At 28 February 2015, we were trading from 287 stores and 10.7m sq ft of retail selling space. We opened ten new stores in the period including the relocation of the Northampton store to much larger premises. We opened four stores in the Netherlands, increasing space by some 60% and bringing our total there to 12, and three stores in Germany including 80,000 sq ft in Dresden*" (Sabharwal, 2017).

So, even though PRIMARK have experienced some cannibalism they still see its new openings as a great success that have added value to the business.

5.2.2. No online shop

PRIMARK is one of the few brands that do not have an online shop. In an interview with PRIMARK's director, this decision was addressed:

> "*Q. No e-commerce? That is different. Are you planning to add it eventually?*
> *A: Not for the time being. We want the experience to be inside the store. So we are creating lovely stores, very modern, attractive for the customers, with big aisles and a lot of fitting rooms. Wi-Fi. Sitting areas. Charging stations for cellphones. And we are putting a lot of emphasis on giving the customers a great experience*" (Appendix 5).

As this strategy gives PRIMARK the opportunity to create a better experience for the customers inside the shops and keep the low prices is a strength, however, as studies show, e-commerce is a big deal in Denmark. Furthermore, internet retailing has increased significantly over the last couple of years in Denmark, and it is expected to increase further by 2019. It is especially the availability of online shopping that has changed the Danes' shopping habits. However, Danes still shop in physical stores and sales here are also expected to increase, yet, not as much as e-commerce sales (Euromonitor.com – *Consumer lifestyle in Denmark*, 2015). As e-commerce is popular in Denmark, it becomes a weakness for PRIMARK that it do not have an online shop. By deselecting e-commerce PRIMARK close for a large opportunity to create sales online especially when it comes to the Danish market. Furthermore, it weakens it position among the competitors as these have web shops.

5.2.3. Low investment in promotion

As stated above, one of PRIMARK's strengths are that it has very good ethics and is doing many good things for its workers in the developing countries. However, the Danish consumers have the perception of PRIMARK that it has low ethics, use child labour, and is responsible for bad working conditions in its factories, and this is the reason PRIMARK can obtain its low prices. However, as stated previously by the PRIMARK Director PRIMARK only has minimal marketing, which is why they can manage to have the low prices.

As PRIMARK's strategy is to use minimum resources on promotion of its brand it also means that it do not make an effort to directly promote the good things it are doing about ethics. This is a weakness for PRIMARK in Denmark, as the survey shows that potential consumers will deliberately not shop in PRIMARK in Denmark. If PRIMARK chose to invest more in its marketing and promotion, if only in this matter, it would create a stronger brand and better perception of

PRIMARK among the Danish consumers, which can lead to a change in the consumers perception of PRIMARK and change their attitudes towards the brand.

5.3. Opportunities

5.3.1. Expansion on the Danish market

Denmark is not a large country, however, Denmark has many large cities with many shopping opportunities. Denmark has many large shopping centres and shopping streets. This gives an opportunity for PRIMARK to expand in Denmark, and not just open stores in the largest cities such as Copenhagen, Århus and Aalborg. Many of the Danish cities have just as much potential when it comes to shopping, which is a great opportunity for PRIMARK. However, as Denmark is a small country PRIMARK is not forced to open store in all corners of the country, as consumers are able to travel to the stores. This means that PRIMARK will not risking opening stores that might not profitable or lose potential costumers based on distance.

5.3.2. New tendencies on markets regarding environment

As stated above, one of PRIMARK's strengths is its investment in ethical matters. Danes are, according to the empirical data very aware of ethical issues and like to shop in stores that support its workers. Nevertheless, as PRIMARK is investing a lot in these ethical matters and support its cotton farmers (Primark.com – *Our Ethics*, 2017) it has an advantage. Danes becoming more and more aware and these changes creates an opportunity for PRIMARK to use this as an advantage in its brand reputation in Denmark, as it is already investing in these issues and are able to promote it more aggressively in the future and thereby attract more customers.

5.3.3. Changes in fashion trends

As PRIMARK has capital to adapt to changes and is quick to do so, it can be an opportunity if there is a change in the Danes fashion trends. When PRIMARK is capable to adapt to these and if it do it quickly, PRIMARK are in a position where it can create an temporary sustainable competitive advantage, as competitors may not be able to adapt to change in trends as fast as PRIMARK, which means PRIMARK will be the leading brand to carry the products the consumers prefer. Therefore, it is important for PRIMARK to be aware of changes in the trends in the Danish market and catch this opportunity if it arises.

5.3.4. Online shop

As mentioned previously, there is a large market for e-commerce in Denmark, as Danes keep showing growth in online shopping. This means that PRIMARK has the opportunity to make more sales through e-commerce, as it can be argued that Danes would shop online if the opportunity becomes available. However, this can lead to cannibalism, as it might lead to some customers only will shop online. Yet, PRIMARK is known for large stores, which is not possible to open in all cities of Denmark. This means that e-commerce will make it possible for customers who do not live close to big cities to still be able to spend their money in PRIMARK without having to travel far, even though many PRIMARK customers from other countries travel far for the experience of the shops (Sabharwal, 2017).

It can be argued that an online shop would be a great opportunity for the Danish segment. However, as the PRIMARK Director has stated, by saving finances and resources on e-commerce and marketing (Appendix 5), it creates the possibility to create better stores with better service and it makes it possible to create that special PRIMARK feeling when entering the large stores.

5.4. Threats

5.4.1. Competitors

In Denmark many consumers are very aware of prices (Euromonitor.com – *Consumer lifestyle in Denmark*, 2015), this means that many different competitors are already operating on the Danish fashion market which is a threat for PRIMARK when trying to penetrate the Danish market. For example, many of the brands that the potential Danish consumers are associating with PRIMARK are also the ones with the highest market-shares on the Danish market (Appendix 7). This means that PRIMARK is entering a homogenous market where many of the brands are in the same strategic group as PRIMARK, where low prices and strong brand reputation are the leading success criteria. Based on market share and the Danish consumers' preferences, the strongest competitors for PRIMARK in Denmark are H&M, Gina Tricot, Zara and Besteller's Vero Moda and Vila, which will be elaborated in the following chapter.

5.4.2. Easy to imitate

Even though PRIMARK has strong activities in its value chain, its brand and way to produce gives it a competitive advantage, the products themselves are not hard to imitate. It is cheap clothes produced in the same factories as many other clothing brands (Appendix 6). PRIMARK do not have any advanced technology or design patterns or special clothes. Also, PRIMARK's general way of doing business is easy to imitate, which means that PRIMARK is positioned in a place where it is easy for new and current competitors to challenge PRIMARK's potential position, as they can incorporate the same activities as PRIMARK. However, the PRIMARK brand is strong and it is one of the only brands that has been successful with this type of business with large shops, large selection of clothes and minimum advertising. These intangible resources are the ones that become hard for competitors to imitate, but the products themselves are easy to imitate and this can become a threat for PRIMARK.

5.4.3. Consumer culture can change

In a market as the Danish where e-commerce for example is a popular purchase form and ethics are important, it is clear that the Danes are able to experience change in its shopping culture. In cases like this, it can be a great threat if a company is not suited to adapt to these changes. However, as established previously PRIMARK has experience in operating in changing markets and has capital to deal with these changes. Yet, this is a threat to be aware of, as changes will have a direct impact on sales for PRIMARK. For example if customers get different preferences in design or trends, or if the Danes decide that they want more expensive brands than now, where economic designs and brands are a popular trend, as Danes are very economical aware (Euromonitor.com - *Consumer lifestyle in Denmark*, 2015).

5.4.4. Decrease in sales

As mentioned under weaknesses, there is a tendency in the Danish market that Danish consumers are beginning to shop more and more online. Even though there has been a small increase in physical shop sales (Euromonitor.com – *Retailing in Denmark*, 2017), this tendency creates a threat for PRIMARK on the Danish market, as it do not have an online shop. If the Danish customers start to shop more and more online and lower its shopping in physical shops it can lead to PRIMARK experiencing a decrease in sales in the future in the Danish market. In addition, this will lead to PRIMARK having to change its way of business in order to adapt to such changes in Denmark.

5.4.5. Consumers' perception of PRIMARK's ethics

According to the survey, more of the Danish consumers perceive PRIMARK as a company with bad working condition in the developing countries and as a company that uses child labour. For example when asked about what the consumers associate with PRIMARK, one answers

"*Exploitation of 3rd world labour*" and another "*Crappy work conditions*" (Appendix 2 + 3 "What do you assosicate with PRIMARK"). Furthermore, when asked why the consumers would not visit PRIMARK if it opened in Denmark statements such as "*bad reputation*" and "*ethics*" are mentioned (Appendix 3 "Why would you not visit PRIMARK").

Based on this it is a clear threat on the Danish market that potential consumers associate PRIMARK with bad working conditions and low ethics, as it is indicated that this will prevent potential buyers from shopping in PRIMARK. However, this perception of PRIMARK is not unusual as there have been high media coverage about PRIMARK using child labour in the past. However this was back in the late 00's (Dearden, 2017). Since then PRIMARK has taken action and is – as mentioned under strengths – doing a lot for both the environment and its workers in developing countries (Appendix 6 + Primark.com – *Our Ethics*, 2017).

5.4.6. Consumers' perception of the products

A threat for PRIMARK is the consumers' perception of the quality of its products. According to the survey (Appendix 2 + 3 "What do you associate with PRIMARK") a large amount of the participants associate PRIMARK's products with low quality. This can be a threat for PRIMARK as it can lead to the customers deciding not to purchase PRIMARK's products but chooses other brands instead. However, the survey also shows that many of the participants are willing to shop in PRIMARK despite the perception of low quality because of the prices. For example, 92% associate PRIMARK with low prices and 44% associate it with low quality and only 6% associate PRIMARK with good quality.

Furthermore, 90% will visit PRIMARK if it opened in Denmark because of the cheap prices (Appendix 2 "Why would you visit PRIMARK if it opened in Denmark"). As this is not a large threat for PRIMARK, as most will still visit and shop in PRIMARK if it opened in Denmark, it still exclude some potential customers, as some state they will never shop in PRIMARK based on the low quality they believe it has (Appendix 3 "Why would you not visit PRIMARK if it opened in Denmark").

Chapter 6 - Competitive analysis

In this chapter PRIMARK's main competitors will be identified alongside an analysis of its competences, strength and objectives. Furthermore, it will be analysed where the different competitors differentiate and where they are positioned.

Beside from analysing PRIMARK's competitors another theory and analysis technique will bed used to determine the companyies position on the market by placing them in a strategic group. A strategic group is according to Hollensen (2011) p. 112 defined as "*a group of companies that are likely to respond similar to environmental changes and that have similar business model or similar combinations of strategies*".

According to Kotler et al., (2009) a company must define its primary competitors and hereafter identify the primary competitors' strategies, objectives, strength and weaknesses. As mentioned earlier the main competitors for PRIMARK in Denmark will be H&M, Gina Tricot, Zara and Bestseller's brands Vero Moda and Vila. These are also estimated to be in the same strategic group as PRIMARK.

According to Johnson et al., (2014) there are four different generic competitive strategies: Cost leader, Differentiation, Cost Focus and Differentiation focus. The strategic group PRIMARK is placed in is "Cost leadership". Cost leadership is focusing on low cost and a broad target group. Companies in this strategic group "*use large economic of scale and tight cost discipline to serve a wide range of women with reasonable fashionable clothing at a good price*" (Johnson et al., 2014), which also applies to PRIMARK's main competitors on the Danish market, as these brands are all in the same price range and target the same segments and produce similar products.

Association with PRIMARK				
H&M	Gina Tricot	Vero Moda	Vila	Zara
70 %	38 %	12 %	8 %	6 %
Where the participants shop ***(out of those who will visit PRIMARK)***				
H&M	Gina Tricot	Vero Moda	Vila	Zara
77 %	31 %	49 %	48 %	29 %

Source: Appendix 2 "What do you associate with PRIMARK + Where do you shop"

From the survey it is clear that H&M is the brand that most identify with PRIMARK's brand, and H&M is also the brand where most of the consumers shop. Furthermore, Gina Tricot is also scored high when associating it with PRIMARK, but is also the brand where the consumers shops the less. Even though the consumers do not strongly associate Vero Moda, Vila and Zara with PRIMARK, these are still some of the brands where the consumers shop the most, which makes them a great threat to PRIMARK.

In the following an analysis of each brand's objectives, strengths and weaknesses will be identified.

Reason for popularity							
Brand	**Brand share**	**Cheap prices**	**Large selection**	**Good location**	**Good design**	**Good quality**	**Large stores**
H&M	10.9 %	92 %	84 %	52 %	44 %	23 %	17 %
Gina Tricot	1.1 %	75 %	41 %	31 %	69 %	34 %	16 %
Vero Moda	4.6 %	53 %	24 %	43 %	80 %	41 %	-
Vila	3.7 %	38 %	20 %	36 %	84 %	52 %	-
Zara	0.5 %	47 %	70 %	21 %	93 %	40 %	23 %

Source: Appendix 2 Why do you shop in H&M, Gina Tricot, Vila, Vero Moda and Zara + Market Share

H&M

H&M is the second largest company in the industry and in 2016 it had a market share of 13.7%. However, H&M has the largest brand share on the Danish market and held a brand share of 10.9% in 2016, and is thereby way ahead of the other competitors in this strategic group (Appendix 7).

"*We want to make sustainable, good-quality fashion accessible to as many people as possible.*" (About.hm.com, 2017).

According to the survey (Appendix 2 "Why do you shop in H%M") 92% shop in H&M because of the cheap prices, 84% because of the large selection of cloths, including many different sizes and cloths for both men and women, 52% because of good location, 44% because of good design and 17% because of the size of the stores.

H&M's strengths are that it has a good value chain where it is possible to introduce new collections often. H&M is also known to have different guest designers and creates special collection in cooperation with them. Furthermore, H&M has over the years shifted its focus to be more environmental friendly. H&M is aiming to make fashion sustainable and sustainability fashionable. For example, H&M has its “green” collection where the clothes are produced in eco-friendly material (About.hm.com, 2017).

H&M’s weaknesses is that the consumers think the clothes are low quality and the stores are too large, messy and chaotic. Furthermore, H&M has been in a crisis about the usages of child labour, which is assumed to have damaged its image and brand (Radio New Zealand, 2017).

Vila

Vila is a part of Besteller A/S, which had the largest market share in 2016. Bestseller’s market share was 17.2%. However, Vila is the third largest brand in Denmark with a brand share of 3.7% in 2016 (Appendix 7).

“*Vila… has always been sincere in proportion to its mission to create feminine fashion with a focus on quality, design and details. Vision: is to be the feminine fashionista’s favourite brand*” (Vila.com, 2017).

According to the survey, only 38% shop here based on the cheap prices, where whole 84% shop in Vila because of good design and 52% because of good quality of the clothes. 36% shop in Vila because of its good locations, and only 20% because of the large selection of clothes and even 8% choose to shop in Vila because the selection of clothes is not as large as for example H&M.

Vila’s strength is its good quality and design. According to Vila itself, its core strength is good design and available fashion to fashionistas with a personal style, and it keep it simple. Furthermore, Vila’s buying department is able to spot new trends quickly, and it takes down to 4-6 weeks to have new collections available in the stores, which are based on what trends the consumers’ demand. Vila is also cost efficient, as it have outsourced production to different suppliers in both Asia and Europe, which makes it possible for Vila to produce fast and cheap. In addition to this, Vila is controlling production and the work environment for its suppliers, to make sure it follows its code of conduct and working conditions are acceptable (Vila.com, 2017).

Vero Moda

Vero Moda is also a part of Besteller A/S with the largest market share. Yet, Vero Moda holds a brand share in 2016 of 4.6%, which makes it the second largest brand in Denmark (Appendix 7).

"*Simplicity has always been a part of our brand… Since 1987 Vero Moda has been the obvious choice for stylish young women looking for new trends, styles to affordable prices and smart must-haves*" (Veromoda.com, 2017).

According to the survey, Vero Moda is very similar to Vila. 80% shop in Vero Moda because of the good design, 43% because of the location, 41% because of the good quality and 24% because of the large selection of clothes. Where Vila and Vero Moda differentiate most is that 53% shop in Vero Moda because of the cheap prices.

Vero Moda strengths are its simplicity and that it dare to take chances and do what feels right. It rely on being a professional and fast fashioned-brand. It produce large scale with low costs and is able to deliver fast-fashion to its consumers. Vero Moda has passion and are good at what it does, and has many years of experience in the industry. An easy approach to fashion is its brand (Veromoda.com, 2017).

<u>Gina Tricot</u>
On company level Gina Tricot only has a market share of 1.1% on the Danish market and on brand level Gina Tricot has a low share of 1.1% (Appendix 7).

"*Our strength is the simple, both in design and our way to work… we sell commercial useful, feminine hosiery clothes.. we are now offering clothes and accessories to style conscious women…. We are women who design to women and think that fashion should be fun and easy to use"* (Ginatricot.com - *Designprocessen*, 2017).

According to the survey, 75% shop here based on the cheap prices, 69% because of good design, 41% thinks Gina Tricot has a large selection of clothes, 34% shops in Gina Tricot because of its good quality, 31% because it has good locations and 16% because of the size of the stores. This shows that Gina Tricot is much more similar to H&M than Vila and Vero Moda, as customers shop here primarily based on the prices and the size of the stores has an impact.

Gina Tricot's core strength is its design process. Through inspirational trips around the world, the design team is able to identify news trends and start production shortly after. Gina Tricot is able to have new unique collections ready within 2 weeks because of its flexible and functioning logistics. Furthermore, Gina Tricot has production in both Europe and Asia. Because of its value chain, Gina Tricot is also able to adapt its products to the different target groups (Ginatricot.com -

Designprocessen, 2017). In addition to this, Gina Tricot has “The Good Project” that has focus on sustainability and good working conditions and eco-friendly production (Ginatricot.com – *The Good Project*, 2017).

Zara

The company owner of Zara is Inditex that holds a market share of 0.5%. Zara also has a brand share of 0.5%, which makes it the brand with the lowest brand share out of all the competitors (Appendix 7).

“*The customers is the focus in our unique business model, which integrate design, production, distribution and sales through a large network of own stores*” (Zara.com, 2017). “*The goal is to offer products of the highest quality to all its customers at the same time as striving to develop a business that is sustainable*” (Inditex.com, 2017).

According to the survey, the reasons why the consumers shop at Zara is different from the four others. At Zara the cheap prices are not the main reason as only 47% shop in Zara based on the prices. Instead, a whole of 93% shop there because of good design and 70% because of its large selection in clothes. 40% shop in Zara because of the good quality, 23% because of the large shops and 21% because of good location. Based on this, Zara is the brand that includes most of the aspects that the consumers like, cheap prices, good design and quality, large selection of clothes, good location and large shops. On the other hand, H&M and Gina Tricot are more popular based on selection, prices and the stores and Vila and Vero Moda are popular based on selection, design and quality.

Zara’s key strength is its business model. Zara is carrying out daily analysis in the stores and customers feedback. These information makes it able for Zara to make constant changes to its collection based on the consumers’ demands. It produce small batches that makes it possible to deliver new products twice per week.

As Zara has its own designers and production in-house, it is possible for Zara to adapt quickly to the market trends. Furthermore, Zara is also focusing on sustainability and the environment. It follows the code of conduct where the clothes must be clear and safe to wear, tested to wear, green to wear and right to wear. The manufacturers and suppliers are set to follow the same code of conduct in order to achieve these goals (Inditex.com, 2017).

Chapter 7 – Segmentation, target and position

In the following chapter a segmentation of the Danish market will be conducted, target groups will be defined and a positioning strategy will be recommended in alignment with the STP model. Furthermore, this chapter will analyse the segments buying behaviour.

Source: Kotler et al. (2009)

According to Kotler et al., (2009) a crucial pillar of marketing strategy is STP – strategy, targeting and positioning. In the segmentation stage this is where the company discovers the marketplaces' different needs and groups. In the next stage, the targeting, the company uses these findings and select those targets that its product(s) can satisfy. The last stage is positioning. This is where the company position its brand to the target markets that will recognise its offering. Also, in order for the company to reach its target market successfully it needs to differentiate from its competitors.

7.1. Segmentation and target group definition

When defining the consumer markets segmentation Hooley (2012) argues that the variable used in the segmentation can be grouped into three classes: background customer characteristics, customer attitudes and customer behaviours. The first two concerns the customers reason to take action (e.g. deciding to purchase or not purchase a product) and the last one concerns the consumers' actual behaviour in the buying situation on the market.

When looking at the consumers' background characteristics it is non-marketing specific factors such as demographics and socio-economic characteristics, which do not changes from one purchase situation to another (Hooley, 2012).

When looking at the consumers' behavioural characteristics it concerns factors such as how a consumer behave in a purchase situation, the consumers consumption, communication and response to the marketing mix (Hooley, 2012).

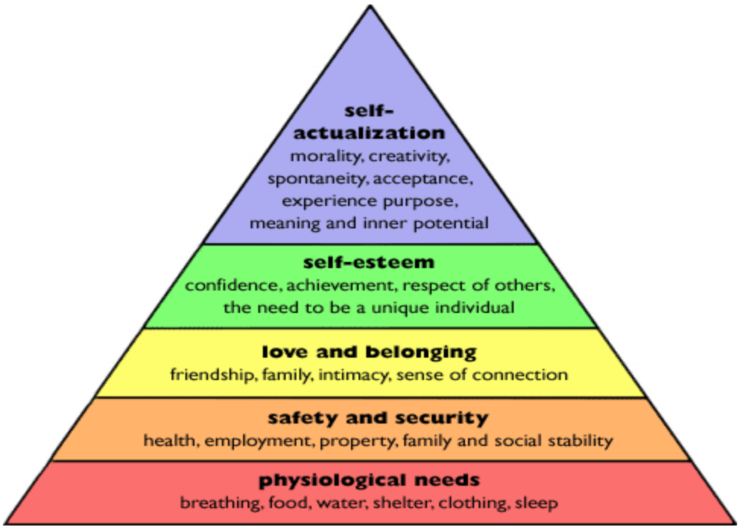
In this section a segmentation of the Danish consumers will be identified starting with the background characteristics.

7.1.1. Demographics, socio-economics and needs

PRIMARK is a large brand that offers products within womenswear, menswear, kids wear, beauty and home. However, it is commonly known that when it comes to shopping for both clothes, beauty, the kids in the family and interior it is the women who shops the most. In the survey (Appendix 2 +3 "What is your gender") it also showed that it is mostly women in Denmark that are familiar with the PRIMARK brand, and therefore the primary target segment will be women.

The geographic of PRIMARK's segments should be the largest cities in Denmark, such as Copenhagen, Odense and Århus, as the PRIMARK brand is associated with large stores and great shopping locations the primary target segment needs to be located close to central shopping placed with large venues.

As PRIMARK offers many different products that the women consume in all ages – clothes, beauty, products for the home, the target group can be all ages between 15-40 years. However, this can with advantage be divided into different segments, as the different ages groups varies in income, education, behaviour etc.



Source: Kotler et al., 2009

7.1.2. Primary segment

Women living central or close to a large city aged 20-30 years old. Living alone as single or with a partner, with an upper-lower/lower-middle class. These women are taking an education and have part times student jobs or are just beginning their first jobs, are concerned with social approval and are trying to establish their own identity as grownups (Hooley, 2009). Becoming ready for a more stable lifestyle and are more price orientated but still have the freedom to purchase products as their stages of family life cycle is bachelor or newlyweds (Hooley, 2009). These women are being more confident than the younger segment and are willing to stand more out and purchase clothes based on own preferences rather than a group's. These woman are also “normal” humans with normal income, and are therefore not purchasing expensive luxury brands for everyday wear, which makes PRIMARK a suitable brand to purchase, as it still fits their price range and are fashionable, modern and keeping up with the newest trends.

The needs these women are fulfilling are self-esteem when it comes to the hierarchy of needs. As they are defining them self as adults, they have already passed the stage of loving and belonging, they are financially taken care of either from jobs or SU, and have a secure home. These women are as mentioned above seeking to be a unique individual, but are also seeking to get the approval of others. This is achieved by being able to purchase items based on their own preferences but still purchasing items that make them feel comfortable and approved in society.

7.1.3. Secondary segments

7.1.3.1. Segment 1

Young females living central or close to a large city, aged 15-20 years old, living home with parents. Finishing obligated part of education and are maybe employed with a free-time job, making some extra money for themselves. These kids are trying to break free from their parents and to identify themselves as individuals. Are very price orientated, based on their low to non-income, and influence from parents. Are very social and seek acceptance from others, and are often influenced by a bandwagon effect to fit into a group of friends and cultures. They shop at PRIMARK because PRIMARK offers cheap clothes that they can afford either themselves or their parent are willing to pay for, while it still being fashionable.

These young girls in in the loving and belonging need. As they are living at home they have the basic needs covered and a secure home. Their greatest concern is to have a sense of connection and have friends and groups to belong to. They do not wish to stand out from the group, but still wish to withdraw from their parents and become individuals.

7.1.3.2. Segment 2

Women living central or close to a large city, aged 30-40. Women who have permanent jobs, finished their education, who lives with their partner, and are starting their own families with children. As this woman is creating a family she is very family orientated, her lifestyle has changed and she have to provide for her kids, which means she cannot shop clothes unconditionally as before. She is very price orientated and will not spend much money on unnecessary items such as clothes for herself. Therefore PRIMARK is an obvious choice for her, as it still offers fashionable clothes, so she can look good – she is still young – and at the same time be economical responsible. Furthermore, this segment also includes shopping for children, as they are responsible for what their kids wear. They are still upper-lower/lower-middle/upper-middle class, which are still seeking social approval and what to reflect it success in good-looking clothes.

The needs these women seek to cover are the need for safety and security. They now have their own families and are concern with obtain an income and a safe place for it family to be.

7.2. Consumer behaviour

In the following section the primary target segment's consumer behaviour will be analysed, identified and evaluated. This analysis will be based on the 5-stage model and data from the survey and interview will be applied.

7.2.1. Buying Decision – 5 stage model

According to Kotler et al., (2009) the consumers go through five stages when in the decision of their buying process. The five stages are: problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour.

Source: Kotler et al., 2009

All five stages are not always related for all consumes in every situation. It depends on what type of purchase it is. For example, an impulse or habitual purchase might go from “Need recognition” directly to “purchase decision”, as these types of purchases are purchases with low consideration. However, it is more likely that consumers that purchase products with high considerations will go through all of the stages in the buying decision process (Kotler et al., 2009).

Kotler et al., (2009) states that the buying process starts with **the first stage** when the buyer is triggered by an internal or external stimuli and thereby recognises he or she has a problem or need that needs to be covered. It is in this stage that it is important to identify what circumstances that have triggered the consumers’ need.

As PRIMARK is a low prices brand, most purchases made in PRIMARK can be considered low consideration purchases. Based on this it can be argued that the problem or need recognised by PRIMARK’s consumers are not a large or urgent problem. It seems to be more an impulse while out shopping and they see the store and then go in (Appendix 4). However, sometime the consumers are searching for something in particular, for example winter boots or a new year’s dress, which created a need for the consumer, and the purchase become more considered than impulse. However, in this case, the consumers have stated that the most items they visit PRIMARK to consume are basics and impulse buys (Appendix 4).

The second stage is the information search (Kotler et al., 2009). There are two levels of involvement with search, the heightend attention and the active information search. The Heightend attention level is milder and is a state where the consumer simply becomes more receptive to the product, and the active search is where the consumer actively search for information about a product by contacting friends, going online, reading material or visits shops to learn more about the product.

The main information sources the consumers rely on are: personal, commercial, public and experimental. The personal source is the consumer’s family, friends and network. The commercial source is advertisements, websites, sales people display etc. that the consumers are exposed to. The public source consist of mass media and consumer-rating organisations, and the last source, experiential, is the handling, experience and usage of the product (Kotler et al., 2009).

For the PRIMARK consumers both involvements in search are relevant as it depends on the situation the consumer is in. The consumers stated that in situations where their needs are very specific (e.g. needing to find something specific), they use web shops, social media, visual merchandise and inspiration from friends to find what they are looking for (Appendix 4), which mean they do active search. When the consumers are out on a social shopping trip, it is more hightend search, as it is the environment the consumers is in, for example the shops or shopping centre, and it is the visuals that attract the consumers to the store. This shows that visual merchandise is important in the process, as the consumers also stated that they find inspiration from this.

Based on this it is argued that the Danish consumers use active search most in the process, as they use digital media a lot to search for inspiration and information about products (Appendix 4).

The third stage, evaluation of alternatives, is the most complex as this vary from situation to situation and consumer to consumers. First of all it is argued that the consumer is trying to satisfy a need, then looking for certain benefits from the product and lastly the consumer sees every product as an attribute with different abilities to deliver the benefits to satisfying his or hers needs. When it comes to evaluating alternatives, beliefs and attitudes are also a factor (Kotler et al., 2009).

Belief is defined as a descriptive thought that a consumer has about something and attitude is defined as a consumer’s favourable or unfavourable evaluations, emotional feelings and action tendencies towards an object or idea. It is the attitude towards things that sets the frame of mind, is it something that we like or dislike, and it makes one behave in a pattern when evaluating things or products in the same category. Attitudes are hard to change and therefore it is recommended to place a product into exciting attitudes. It is in this stage that the consumer forms its preferences among the different brands (Kotler et al., 2009).

PRIMARK is perceived as being a cheap brand with low quality. Therefore, if a consumer believes that an item is cheap the consumer often also believes that it is low quality (Appendix 4). An advantage for PRIMARK is that the consumers associate PRIMARK with its main competitors, which according to Kotler above, is recommended, as it makes it easier for the consumer to evaluate alternatives in the same group, as the consumer have the same perception of the alternative brands. This also shows from the survey as the consumers believe that this strategic group has same prices, design and quality (cf. Chapter 5).

In the search for alternatives, it is clear that the same ways are used as in the information search. As the consumers use the web to search for inspiration, they also becomes aware of what alternatives are available when deciding which store to visit or which item to purchase.

The fourth stage is the purchase decision. Here the consumer has to choose between the selected brands that came from the evaluation of alternatives. A consumes may have up to five sub decisions in this process: brand, dealer, quantity, timing and payment method. However, the attitudes of others (e.g. the attitudes others have of the brand) can have a negative effect on the consumer's choice depending on how negative the other person's attitude is, and how much a consumer wants to comply with another person's wishes. The closer a person is to the consumer and the stronger their negative attitude is, the more effect will it have on the decision. Another factor that might interfere with the decision-making is the unanticipated situational factors. Things that might modify, postpone or avoid a purchase are perceived risks such as the product is not worth the price, the product can result in embarrassment from other etc. (Kotler et al., 2009).

For PRIMARK in this stage the quality and price also goes hand in hand. The consumers have stated that they do not consciously care about what name the brand has, but they care about the quality and price of the items and their expectations and perception of the brands has a large effect on what they decide to purchase. For example, the consumers do not believe that PRIMARK has high quality winter wear (e.g. a negative perception) which affect them to go somewhere else to purchase winter wear when this is the need (Appendix 4). In addition, factors such as the expectation of service in a store and the recognised need are having an impact on the decision, as the consumers expect better and higher service when they purchase items with higher quality and price, which is not expected in PRIMARK (Appendix 4). However, the consumers do visit PRIMARK and they have the expectation that it is cheap and they have a lot to choose from, which have a positive effect on PRIMARK being chosen as the store to visit, when the need for low consideration purchases are recognised by the consumer.

The fifth and last stage is post-purchase behaviour. At this stage the consumer create its real opinion of the brand and this is where the consumer will begin to feel good about the brand. This stage includes three factors that should be thought about: post-purchase satisfaction, post-purchase actions and post-purchase product use.

Post-purchase satisfaction is crucial to if the consumer will buy the product again and to if the consumer will talk favourably about the product to its network. There needs to be an alignment between the expectations of the product and performance. Post-purchase actions are created when the consumer is satisfied with the product and purchases it again (Kotler et al., 2009).

In this last stages the factor of quality is crucial for the Danish consumers. Based on what kind of items that are purchased, the consumers have some expectation of how long they will be able to wear an item before it breaks (Appendix 4). In addition, the consumers that shop in PRIMARK will go to the physical shop to try on the items and feel the quality before purchasing it (Appendix 4). However, in regards to PRIMARK it is clear that the consumers knows what they expect and have strong perceptions of the brands quality and prices. It can thereby be argued that in most cases, even if the consumers' experience that their items do not last as long, it will most likely not have a negative effect on the post-purchase behaviour, and they will be willing to shop in PRIMARK again in the future, as expectations and experience are aligned. However, on the other hand good experiences with quality in PRIMARK do not seem to have a more positive effect on the post-purchase, as the consumers' perception of the brand is so strong and thereby difficult to change. This means that since the consumers are very determined not to buy long lasting items in PRIMARK, a good experience will not change this attitude based on one positive experience.

Based on the above analysis of the five stages, it is argued that the buying process for PRIMARK's consumers is short as this is purchases with low consideration. The consumers are most likely to be affected in this process in the search stage, as it is here they get the most information and inspiration. Furthermore, the consumers are also likely to be affected in the actual purchase stage, if they experience good service, see items in windows that are displayed well and so on. This process primarily affected by the recognition of needs, as the whole process is affected by whether it is an impulse buy or if the consumer is looking for a specific item. Either way, it can be argued that the consumers however are easy to get to consider other items or brands in the search stage, as they get many different inputs from the digital world. However, the consumers' perception and expectations of PRIMARK are often aligned with the actual PRIMARK brand, which gives the consumers a positive perception of the brand that makes them want to come back and visit PRIMARK and purchase its items in the future.

7.3. Positioning

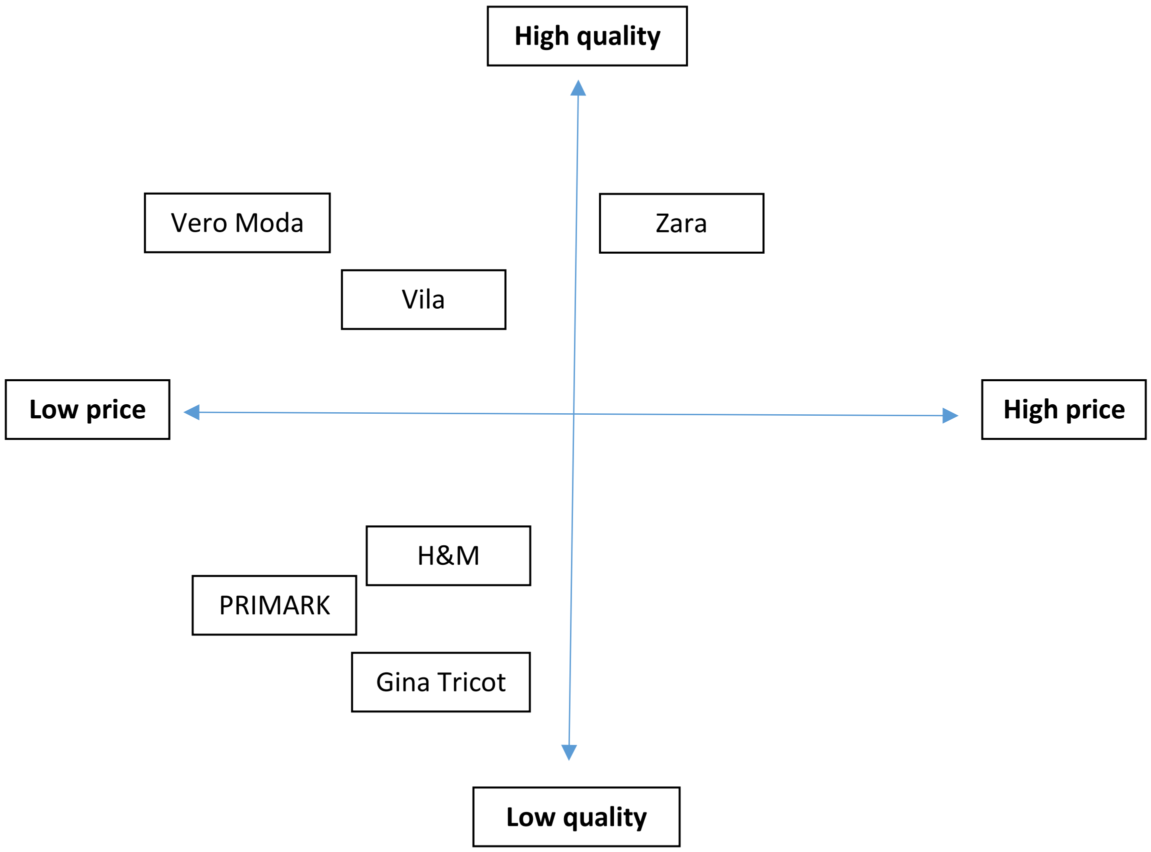
Positioning is where the company designs its offerings and image to have a place in the consumers' minds. A good positioning is a creation of a customer-focused value propositioning that shows why the target market should purchase the products. Furthermore, it is argued that in order to create a successful position, the company needs to determine its category membership – which in PRIMARK's case is the same as its strategic group, H&M, Vila, Vero Moda, Zara and Gina Tricot.

After the competitive frame and category membership has been determined, it is possible to identify PRIMARK's Points-of-difference (PODs) and Points-of-parity (POPs) and make a positioning map of the company's completive position (Kotler et al., 2009).

The PODs are the attributes and benefits that the consumers associate with the brand, and which benefits that they do not believe to find with a competitive brand. POPs are associations that are not unique to the brand, but are often shared with other brands. POPs operates with two different forms: category and competitive.

The category form is categories where the customers associate the brands offerings with something legitimate and creditable in the same categories and the competitive form is the associations that the consumers have to eliminate competitor's PODs (Kotler et al., 2009).

7.3.1. Competitor comparison, PODs, POPs and positioning map



Based on the previous analysis of the competitors it can be argued that H&M will be PRIMARK's biggest competitor as it is both the brand that consumers' identifies as the most similar to PRIMARK and its core strengths are very similar to PRIMARK. Both produce large-scale fashionable clothes to as many women as possible. They are both quick at delivering its products, however, as their production is outsourced and large scale they are slower to get new adapted collection into its stores. This is where Vila, Zara and Gina Tricot differentiate themselves. All three are quick at delivering new products based on consumer demands, especially Vila and Zara as they produce collections in smaller scales. It is Gina Tricot's good logistics that makes it possible for it to produce in larger scales and still be able to have quick delivery. Vero Moda is the brand that value chain wise differ the most from the competitors. Vero Moda's core strength seem to be its low prices and production of simple clothes. It seems as it is not adapting as well and quickly to the consumers as the competitors are, which also makes it possible for it to be able to compete based on prices.

Similar for all brands are their focus on environment and sustainability. It seems as all are aware that the Danish consumer's value this focus (Appendix 2 + 3). This makes the competition more though in this country as the intangible resources such as these are where a company can really differentiate itself from its competitors. This can be a challenge for PRIMARK, as the competitive brands projects are well promoted in Denmark, and PRIMARK invest very little in marketing and the consumers already have a bad perception of this matter regarding PRIMARK.

As H&M, Vero Moda and Vila are stated to be very similar to PRIMARK (Appendix 2 +3 "What do you associate with PRIMARK") it can be argued that they all have the same weaknesses according to the consumers, which is low quality. It seems as the consumers believe that large selection and cheap prices equals low quality. Furthermore, H&M and Gina Tricot scores lower on the quality barometer, where Vila, Vero Moda and Zara score higher on quality. On the other hand, Zara scores low on location, and Vero Moda and Vila on shop size (Appendix 2 +3 "Why do you shop in…").

All brands have strengths and weaknesses similar to PRIMARK. This means that in this strategic group there is very little differentiation and it can be argued that what makes a brand excel is the intangible resources, its brand value and adaption to the consumers' needs.

PRIMARKs PODs are its very cheap prices and very large selection of clothes, accessories, shoes and home products. Even though the consumers associate PRIMARK with its prime competitor

H&M and these are very similar in its positioning, PRIMARK still differentiate itself by its brand reputation and mega-stores that H&M do not have. It is clear that the consumers thinks it is an experience in itself to enter a PRIMARK store, and do not have the same association with H&M. Even though the consumers believe H&M also have a large selection, they do not think it compares to PRIMARK's.

When it comes to category, POPs PRIMARK is not associated with an interior store, even though it sells products for homes, because it is associated with clothing brands. This means that PRIMARK will be positioned close to its competitor's brands and not for example shoe brands, as customers do not put them in the same category even though they do sell some of the same items.

PRIMARK's competitive POPs again are its large stores and huge selection of items close to its competitors. Furthermore, PRIMARK's prices are also competitive POPs as its prices are lower than the main competitors in this category are. This means that PRIMARK reduces its competitors PODs by being stronger than they are in price and selection.

Chapter 8 – Recommendation

In this chapter recommendations for PRIMARK's strategy on the Danish market will be suggested. This chapter will touch upon both growth and competitive strategy on the Danish market, pricing strategy and communication strategy.

8.1. Growth strategy

Source: Kotler et al., 2009

When reviewing opportunities to grow and improve a business, a company needs to identify which growth strategy it will follow. The company needs to consider what options it has with one its current market, with its current products and what new markets and products it can develop. Ansoff divides these options into four different categories; market development, market penetration, products expansion and diversification (Kotler et al., 2009).

For PRIMARK to have success on the Danish market, it is important that it stays loyal to its brand and its position in the consumers' minds – as this is what the Danish consumers associate with PRIMARK. This means that the best strategy for PRIMARK to follow in Denmark is market development. With this strategy, PRIMARK is entering with the same brand and products but just in a new market (e.g. the Danish). If PRIMARK were to adapt its brand and products to much to the Danish market, it can be assumed that the customers will not associate it with the real PRIMARK that they have experiences abroad and is the reason for PRIMARK popularity among the Danish consumers.

However, when PRIMARK has been established into the Danish market, it is possible for them to follow a product expansion strategy. This strategy will make it possible for it to continuing to grow on the Danish market and reach a broader target audience. A recommendation could be for PRIMARK to first position them self as a clothing brand in Denmark, which is what the Danish target audience knows it as, and in the future it could expand with items for the home. When expanding to a new market it is important, as stated above, to start out with a brand and product selection that the consumers associate with the brand.

8.2. Competitive strategies

Source: Kotler et al., 2009

There are four different roles that companies have in a market. The market leader, market challenger, market follower and market nichers (Kotler et al., 2009). As stated before the company with the largest market share in Denmark is H&M, which makes it the market leader. Vila and Zara can be argued to be market challengers, as their strategies differ a little more from H&M's strategy and brand in terms of pricing, selection and quality.

Gina Tricot can be argued to be the market follower as this brand is doing the same as the market leader and thereby imitate the products and strategy of the market leader. The same goes for Vero Moda, as this brand also differs from Vila and Zara in terms of price.

As for PRIMARK it can be argued that it will be positioned as market challenger or market follower. As PRIMARK being an international and large company with large market shares in other European countries (Appendix 6), PRIMARK will most likely be the market challenger even though it has almost similar brand, products, prices and strategy as the market leader. However, PRIMARK has the strengths to challenge H&M on its position, as it will target the same market and consumers and might be in a position where it might take over as market leader.

As market challenger a company have different options on which competitors to attack. The market leader, in this case H&M, are firms of the same size that are underfinanced compared to itself or small and local firms (Kotler et al., 2009). For PRIMARK to compete among these competitors a general attack strategy must be chosen. According to Kotler et al. (2009) there are five different strategies: frontal, flank, encirclement, bypass and guerrilla.

Frontal attack is defined as an attack where the company matches the competitor’s products, advertisement, price and distribution. Flank attack is where the company attacks the competitor’s weak spots. Encirclement attack is done by launching a grand offensive on several fronts, and is often done when the company has more resources than the competitor does. The bypass attack is the most indirect attack, where the company bypasses the competitor by attacking easier markets. The last attack strategy is guerrilla warfare. This is done by creating small attacks to harass or demoralise the competitor, for example by intense promotional blitzes.

As PRIMARK has many resources and know-how an obvious attack strategy for it to practise when entering the Danish market is the frontal attack or flank attack. The frontal attack would be a good strategy as PRIMARK is already in the same strategic group as the competitors, furthermore, PRIMARK’s prices, products and distribution is already similar to the competitors’ as well. PRIMARK also has the resources and business model to compete on cheap prices, which might make it possible from it to take over as market leader. The flank attack would be a good strategy as well, as PRIMARK again has great resources and can compete on for example it ethics programs.

Since PRIMARK is not using many resources on advertisement and marketing an encirclement attack and guerrilla attack would not be a good choice, as these are based on grand blitzes. Moreover, a bypass attack is not necessary as PRIMARK already has many resources.

Target/Market Scope	Advantage	
	Low Cost	Product/Service Uniqueness
Broad (Industry Wide)	Cost Leadership Strategy	Differentiation Strategy
Narrow (Market Segment)	Focus Strategy (low cost)	Focus Strategy (differentiation)

Source: Johnson et al., 2013

According to Johnson et al., (2013):

> "*Michael Porter argues that there are two fundamental means of achieving competitive advantage. An SBU can have structurally lower costs than its competitors. Or it can have products or services that are differentiated from competitors' products in ways that are so valued by customers that it can charge higher prices*".

The different strategies are, as shown in the model above, divided into Cost leadership, with a broad target and low cost, differentiation with broad target but offers a more unique products, focus which is aimed at a narrow target with low cost and focus differentiation which is a unique product to a narrow target (Johnson et al., 2013).

In order for PRIMARK to compete in the best possible way and follow the market challenger strategy on the Danish market, it is recommended that PRIMARK challenge by following a cost leader strategy where its aim is to reach a broad market with low-cost, which it is also doing on other markets. This is PRIMARK's core strength that it knows how to produce and distribute items to a broad target group, with huge selection of products and still produce at low costs and thereby be very competitive on its prices. PRIMARK is not revolutionary in its production or design, but has created a business model and a brand that gives it a competitive advantage. PRIMARK's business model is a large part of its success, which means that if PRIMARK was to follow another strategy such as differentiation, the business model should be changed, so PRIMARK would be able to sell items that differentiate from its competitors. However, then prices would assumingly rise and PRIMARK would not have such a great position anymore, as its core competitive advantage is its prices. If PRIMARK were to follow another strategy, it would have to reposition itself and recreate its brand and customers perception of the brand.

8.3. Pricing strategy

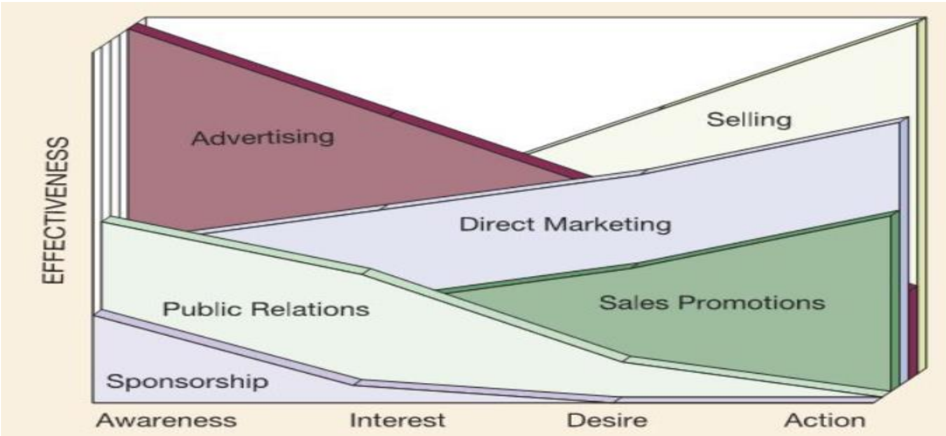
One of the most difficult decision to make is setting a price. There are different considerations to take in order to find the right strategy. Production costs: This one is the strategy mostly used, as it is based on how much the production costs and the price is found by adding for example 20%. Competitor price levels: It is important to know the competitors prices, especial if the products offered are very similar and to the same target group. Desired competitive positioning: Price is often associated with quality, and thereby prices can be a good way to position a product in the consumers mind as good quality etc. Corporate objective: If a company is aiming to grow quickly then cheap prices can help to win a larger market share. Price elastic of demand: How will demand affect the pricing level (Hooley et al., 2012).

PRIMARK's products are quite elastic, as its products are not essential to customer's lives, it is more of a luxury to be able to buy clothes. If PRIMARK were to rise prices as demands increases, customers would just go to another brand and purchase similar products. Based on this the best strategy for PRIMARK to follow, is to set its prices on same level as competitors, as it has been argued before, it is the price and large selection that PRIMARK will be able to compete on. Since PRIMARK is a well-established business, it already know what production and distribution of products will cost, as it is already aware of such costs in other market similar to Denmark. However, as taxing is higher in Denmark than in other markets, PRIMARK still needs to consider how profitably the pricing will be.

Furthermore, PRIMARK also needs to take its position into consideration. It wants to be positioned as an affordable brand with a large selection of clothes, which means that cheap prices will be a must for PRIMARK to carry out on the Danish market.

In addition to this, as argued before, the internet also has a huge impact on customers bargaining power and search for alternatives in the decision process (Hooley et al., 2012). The internet has made it much easier for the customers to search for similar products and makes it easier for customers to see at what price this product can be purchased. Since PRIMARK do not have a web shop, its store prices needs to be competitive to online prices that competitors carry, or else customers will just purchase products elsewhere, as PRIMARK products are not that differentiated from its competitor.

8.4. Communication strategy



Source: Hooley, et al., 2012

When creating a communication strategy it is important to identify what type of communication to use and what communication tools to support this action. According to Hooley et al., (2012) advertising is one of the ways a company communicate with its customers. The clearest way for a company to communicate its message to its customers is by following the AIDA-model, which stands for Awareness, Interest, Desire and Action.

Awareness is defined as "*communications set out to create or raise awareness of the market offering…If customers are not aware of the existence of the offer they are very unlikely to purchase*". Some of the communication tools that are effective in creating awareness is advertising, PR and sponsorships.

Interest is defined as "*the communication changes to creating interest in the market offer… Key to creating interest is demonstrating how the offer I relevant to the wants and needs of the customer*". Here Direct Advertising, Direct marketing and PR are most effective.

Desire is defined as "*communication seek to create desire for the offer ahead of other offers in the market… the emphasis is now on creating a desire for this particular brand or offering*". Desire is best created by using Direct Marketing, Sales Promotion and PR.

Action is defined as "*Communications aimed at taking the customer to the next stage, creating action include offers, promotions and dealt to stimulate purchase*". To make a customer take action, the most effective communication tool is Selling, Direct Marketing and Sales Promotions (Hooley et al., 2012).

As described earlier, in other markets PRIMARK is using close to no communication. However, it has still managed to be a global brand with high awareness among consumers around the world. On the Danish market, PRIMARK is already a well-known brand that customers are aware of. Yet, the strategy for PRIMARK in Denmark is recommended to create awareness around the brand and an opening in Denmark, and afterwards create interest to visit the store, a desire towards the brand and for customers to take action. As PRIMARK has had great success with very limited advertising in other markets, it should be possible for PRIMARK to use a strategy close to this in Denmark as well. It has been defined that the Danish consumers use the internet a lot, and are relying mostly on inspiration from social media and their networks when it comes to purchasing items from brands similar to PRIMARK.

The communication form that PRIMARK is recommended to rely most on to create awareness is PR, as PR do not blow the marketing budget and is still aligned with PRIMARK's current way of doing business. PR is used to communicate the message through a third party, which is more reliable than advertising for example (Hooley et al., 2012). In these online days PR is mostly done online, which is aligned with the behaviour the Danish consumers have in the decision making process.

For PRIMARK it would be a good idea to use influencers on the market and create social media profiles for the Danish market, so the items promoted here are aligned with the Danish target market and trends. The strategy and tool will also be the wisest to use to create interest for the consumers, as the consumers have told previously that they get inspired online by good-looking outfits through mediums such as Instagram. This strategy can also help PRIMARK to get consumers to sign up for direct marketing such as newsletters and inspirational e-mails with offerings, new trends and sale.

Direct marketing is also a strong tool to create desire for the customers. Therefore, by using PR to create awareness and interest, may lead to the customers signing up for direct marketing that will lead to a desire of PRIMARK's items. Direct marketing will also be wise to use as a next step to create awareness about the ethical projects that PRIMARK is doing. By informing customers about this through direct marketing, it can be assumed that the information will travel through word-of-mouth among the consumers. This way PRIMARK will be promoted even more on one of its core strengths and can help eliminate the weakness that it the consumers perception of this matter when it comes to PRIMARK.

The last stage is to make the customers take action. As described above this is best done through selling and sales promotion. For a brand like PRIMARK, it is clear that the customers do not expect a very high service as it is cheap items and large stores. The customers more appreciate a clean store with a good overview of the offerings. So, for PRIMARK the best tool to use to make the customers take action is sales promotion. Sales promotion mostly rely on good offerings such as 3 for 1 price etc. (Hooley et al., 2012), which is aligned with PRIMARK's brand and perception among customers. It was also clear from the interview that the customers would be willing to buy more items if the prices were right, so that they might only need one new top, but if there were an offering for three, they would purchase that (Appendix 4).

Based on this, it is recommended that PRIMARK use PR to create awareness of the brand and opening in Denmark through word-of-mouth and social media. To create interest the same tactic should also be used, which in the best case will make it possible for PRIMARK to use direct marketing towards its customers. This direct marketing will help to create desire for the PRIMARK brand and items, and sales promotion in the store will create action to purchase for the customers.

Chapter 9 – Conclusion

PRIMARK's cores strengths are it powerful brand and brand awareness among consumers all over the world. Furthermore, it ability to create this awareness through minimum marketing and word-of-mouth is very impressive. PRIMARK also has a very strong internal culture and a successful way to do business. Especially its investment in new markets are one of the key reasons for it success. Despite of its strengths PRIMARK also has some weaknesses that affect the way consumers look at the brand. The brand reputation among people are often associated with bad working conditions, child labour, and bad ethics despite PRIMARK use a lot of resource to improve its ethics. One of the weaknesses that also has an impact on PRIMARK reputation and possible success in Denmark is its products' low quality. Consumers often associate PRIMARK with low prices and low quality, which are keeping some possible consumers from wanting to make purchases at PRIMARK.

Some of the factor on the Danish market that might have an impact on PRIMARK success it the regulations and environment for Danish employees. Even though PRIMARK is familiar with operation in other European countries the Danish laws are very strict and might be what differs the most from other markets. This is something that can influence both costs and way of working for PRIMARK. Furthermore, PRIMARK needs to be aware of fulfilling the consumers' needs, as these are the ones with the highest bargaining power, and can be the main source if PRIMARK would fail on the Danish market. In addition to this, one of the largest threats on the market is the competitors and the strong competition.

PRIMARK has five main competitors on the Danish market: H&M, Gina Tricot, Vila, Vero Moda and Zara. They are all positioned in the same strategic group as PRIMARK, and are all know for their lower prices, large selection in cloth and good design. H&M and Gina Tricot are the competitors closest to PRIMARK in terms of positioning and Zara is the one most far from PRIMARK. Vila and Vero Moda lies in the middle.

The target group that at first is most attractive for PRIMARK to reach on the Danish market is the female segment. Young female adults who are finishing their education or starting their first jobs, who are economical aware but still wanting to look fashionable is the primary target group.

This target group is very aware of what they want and where they can get it. They use their networks and especially the internet to seek for inspiration and alternatives when they recognise a new need for clothes. Especially the use of internet in the consumer behaviour is important for

PRIMARK, as this is the main source the target group uses. Furthermore, as PRIMARK do not have a web shop it is very important for it to attract customers enough to make the customers come into the shop. Luckily, the target group also shop in physical stores and are very inspired by the visual merchandise and the state of the store when they shop. This is a factor that PRIMARK should take advantage of, and always make sure to have windows that are up to date with the latest fashion trends and good prices.

The main strategy for PRIMARK to follow is a market development strategy with the possibility of product expansion when it is established on the Danish market. In addition, a cost leadership strategy is to follow, so PRIMARK can obtain its large selection of clothes and very cheap prices. This strategy will help PRIMARK to create a market challenger position with potential to take over H&M's position as market leader.

The most effective pricing strategy for PRIMARK to use on this market with these competitors is to set the prices according to the market and competitors, and try to be as cheap as possible. PRIMARK needs to be the cheap brand that it is positioned as, but it is still important to have prices that are still profitable for PRIMARK's business in Denmark.

Lastly, PRIMARK is recommended to reach the Danish target market by creating Awareness, Interest, Desire and Action for the customers. The usages of PR as a communication tool is crucial there, as it leads to the possibility of creating awareness and interest with the consumers, which leads to the possibility of using direct marketing to create strong desire for PRIMARK's products. The communication tools recommended are the ones with the lowest financial resources as this is the overall strategy that PRIMARK has – the aim is to let the brand speak for itself among the customers and in the streets.

Chapter 10 – Perspective

As there are some limitations to writing a thesis, some problem areas and recommendations have been left out. However, some are still very interesting to look into. During the process of this thesis, the author has decided to exclude areas such as the male- and children segments and an analysis of if it is relevant to develop online sales for the Danish target market.

PRIMARK offers items to all segments in it other countries. It would be very interesting to look into the male segment and how to reach it and how it differ from the female segment. It would especially be interesting to investigate how the male consumers consume and what they respond to in the buying decision process and what factors that affect their interests in a brand. In addition, families and the mother/children segment would likewise be interesting to look into. An overall comparative analysis of the different segments and their behaviours would be relevant to analyse in order to establish a strategy to reach each target.

Furthermore, as it has been discovered that there is still more increase in online sales in Denmark, it would be relevant to analyse if it would be profitable for PRIMARK to create an online shop and how a promotion strategy for this would look. By looking into this it would be possible to create an online marketing strategy for PRIMARK which could lead to expansion into new markets, which could possibly increase PRIMARK's overall market share and profit. It would also be interesting to identify why PRIMARK don't have web shop today, as it can be assumed that it would help to develop market share and reach more consumer than it does today.

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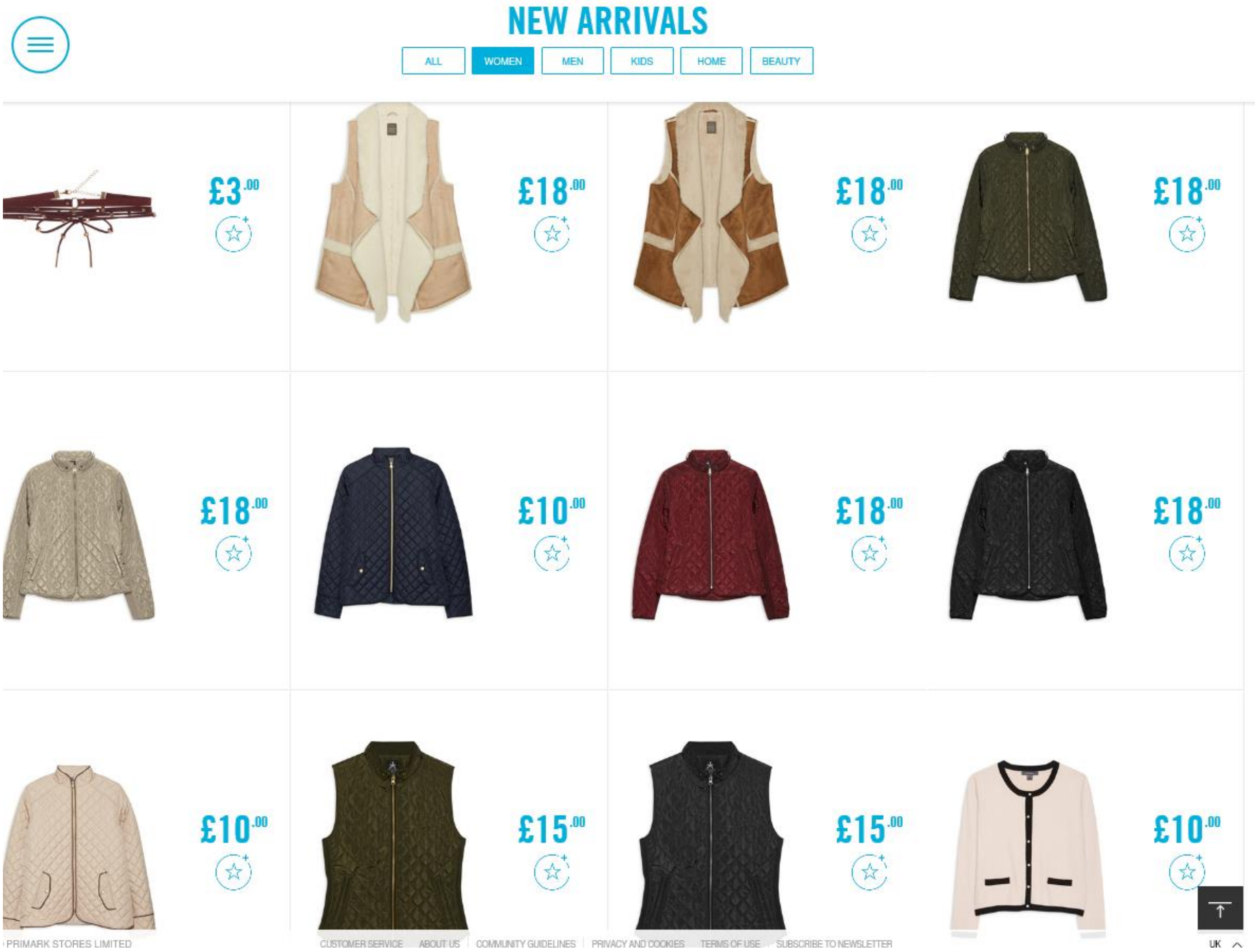
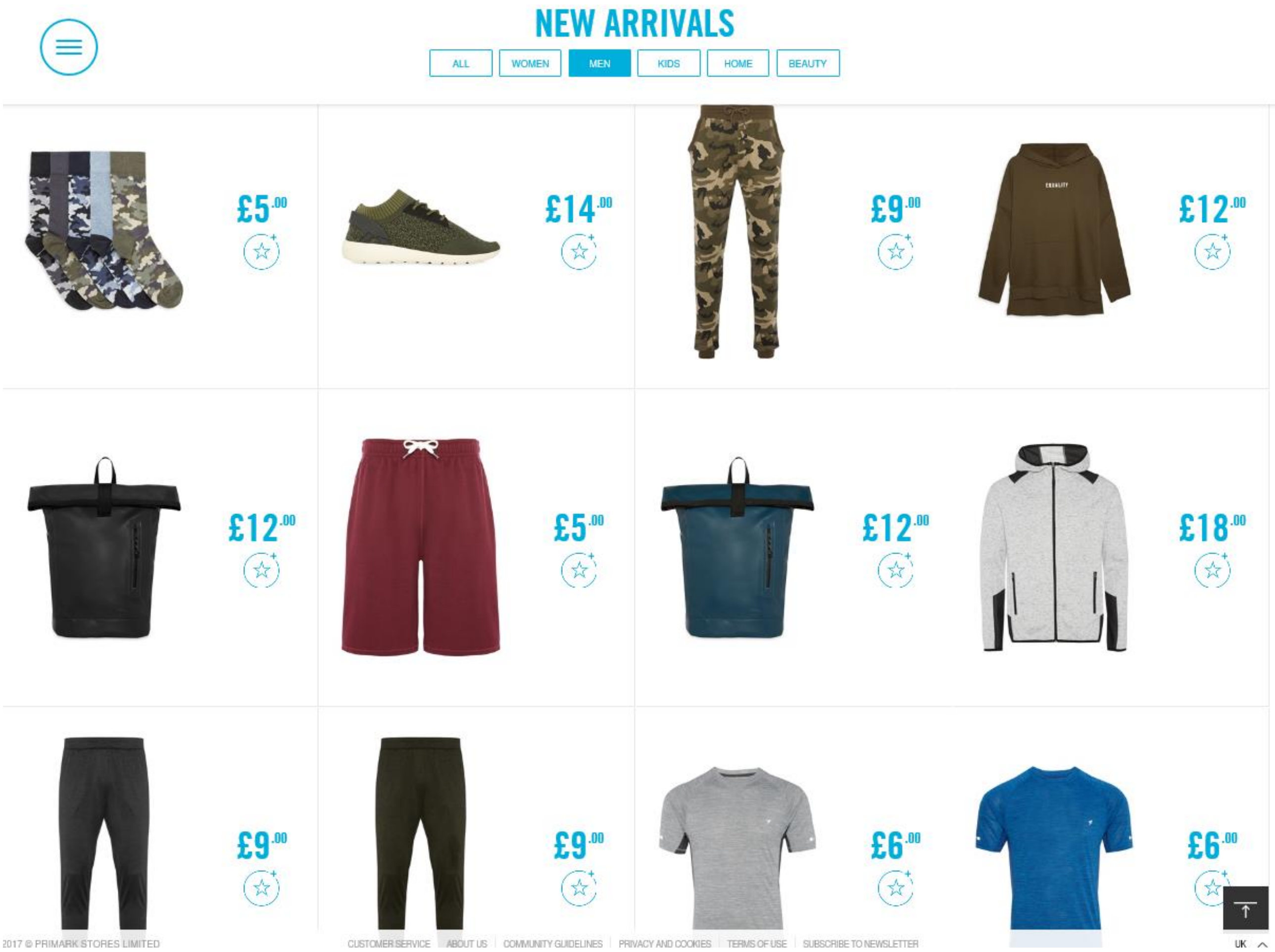
Appendix

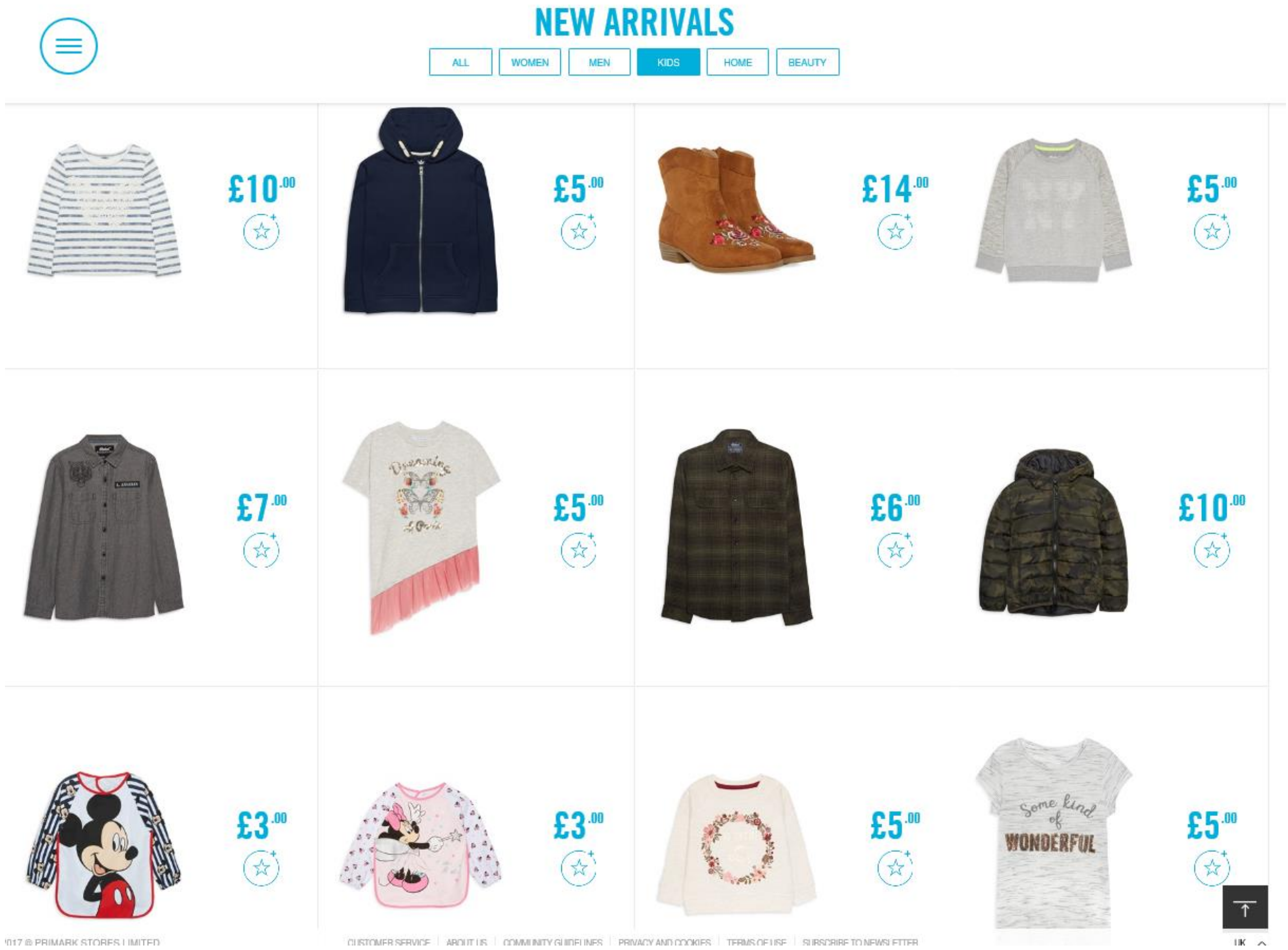
Appendix 1 – Product portfolio



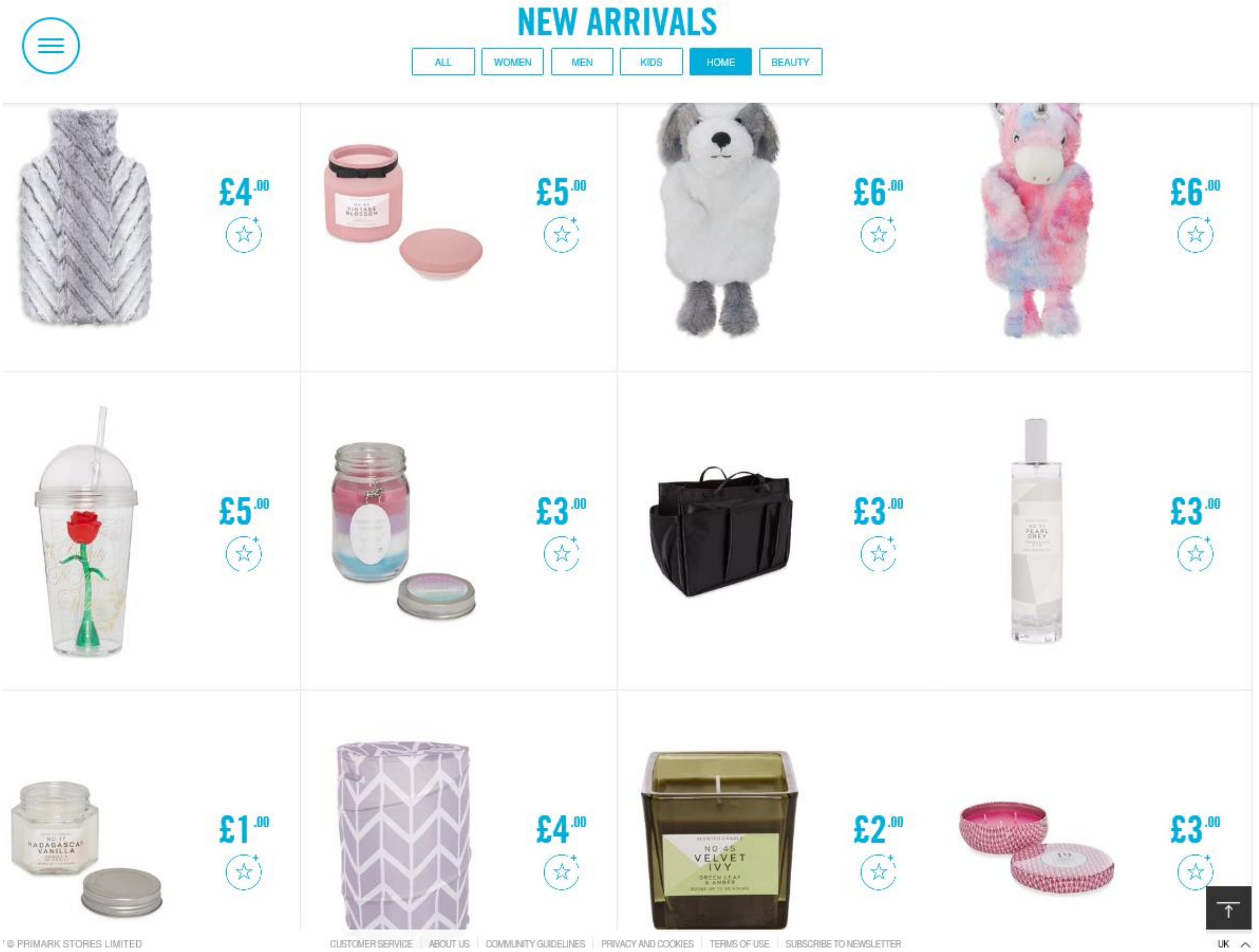
Source: Primark.com – *Products*, 2017



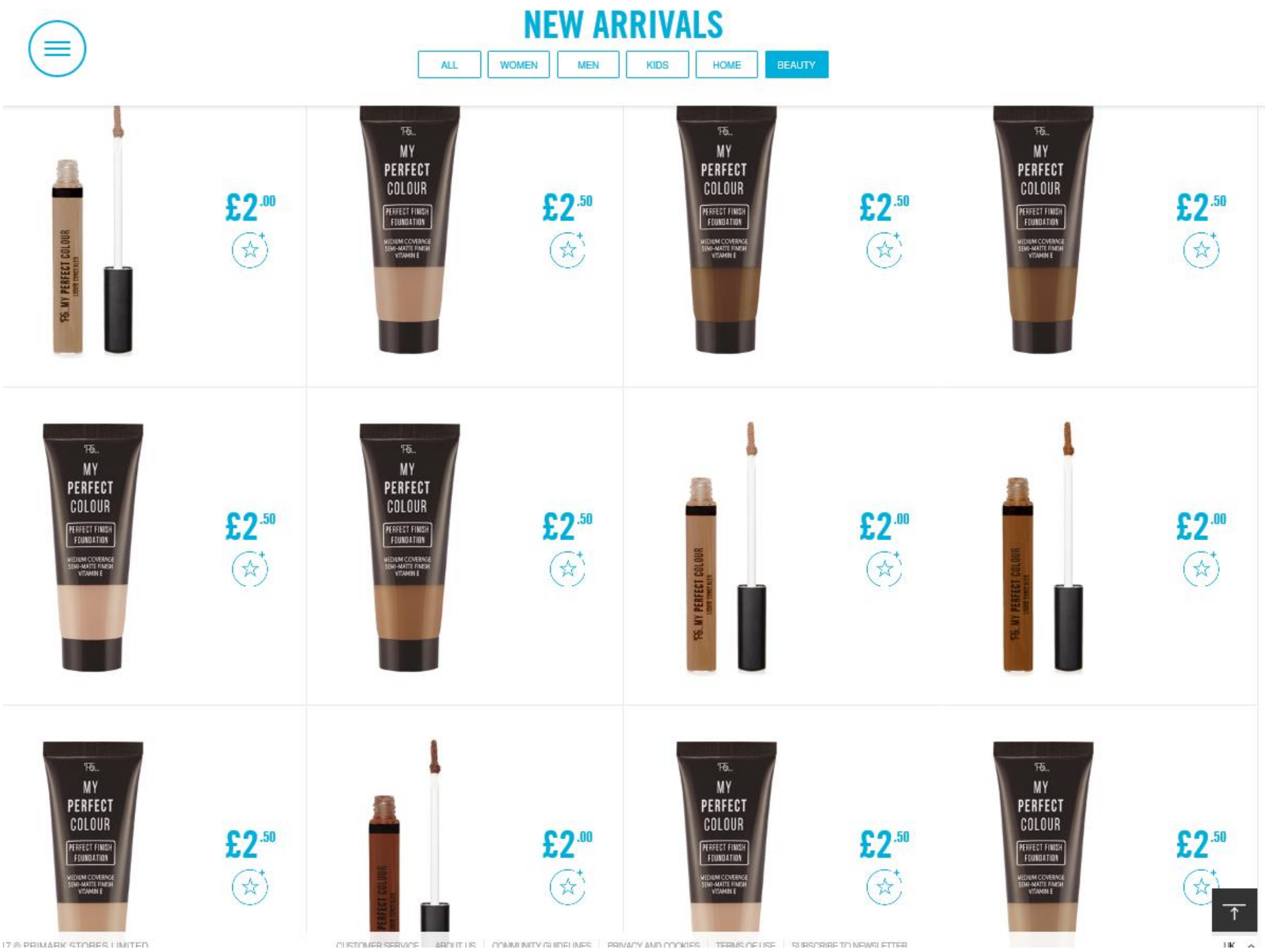
Source: Primark.com – *Products*, 2017



Source: Primark.com – *Products*, 2017



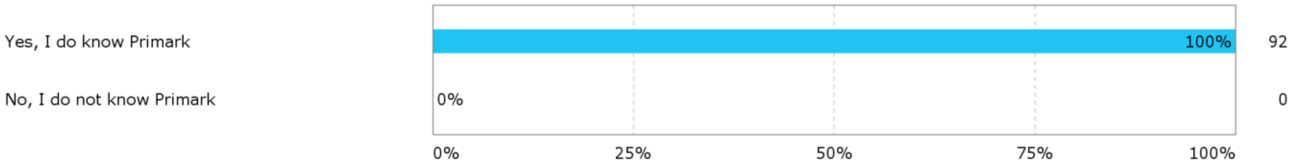
Source: Primark.com – *Products*, 2017



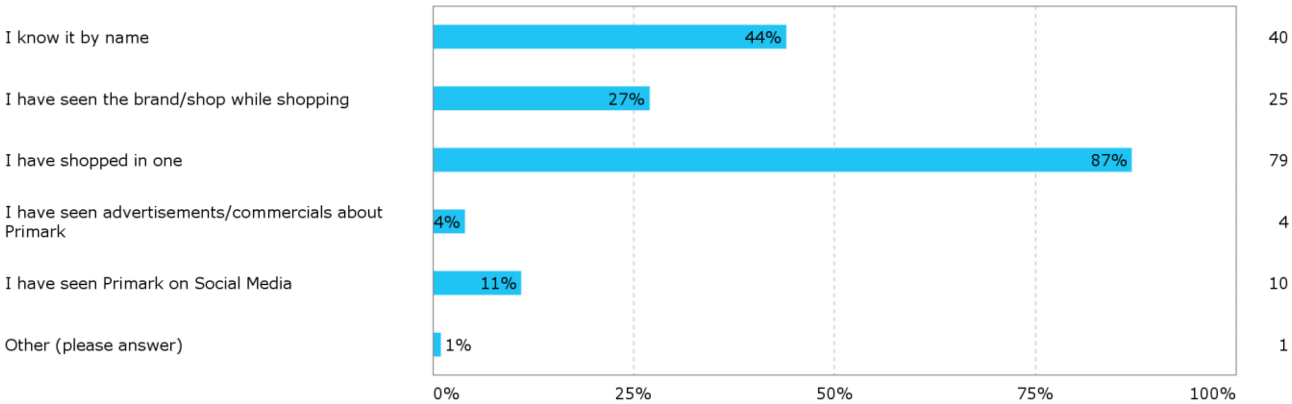
Source: Primark.com – *Products*, 2017

Appendix 2 – Survey (those who know PRIMARK and want to visit)

*Do you know Primark?



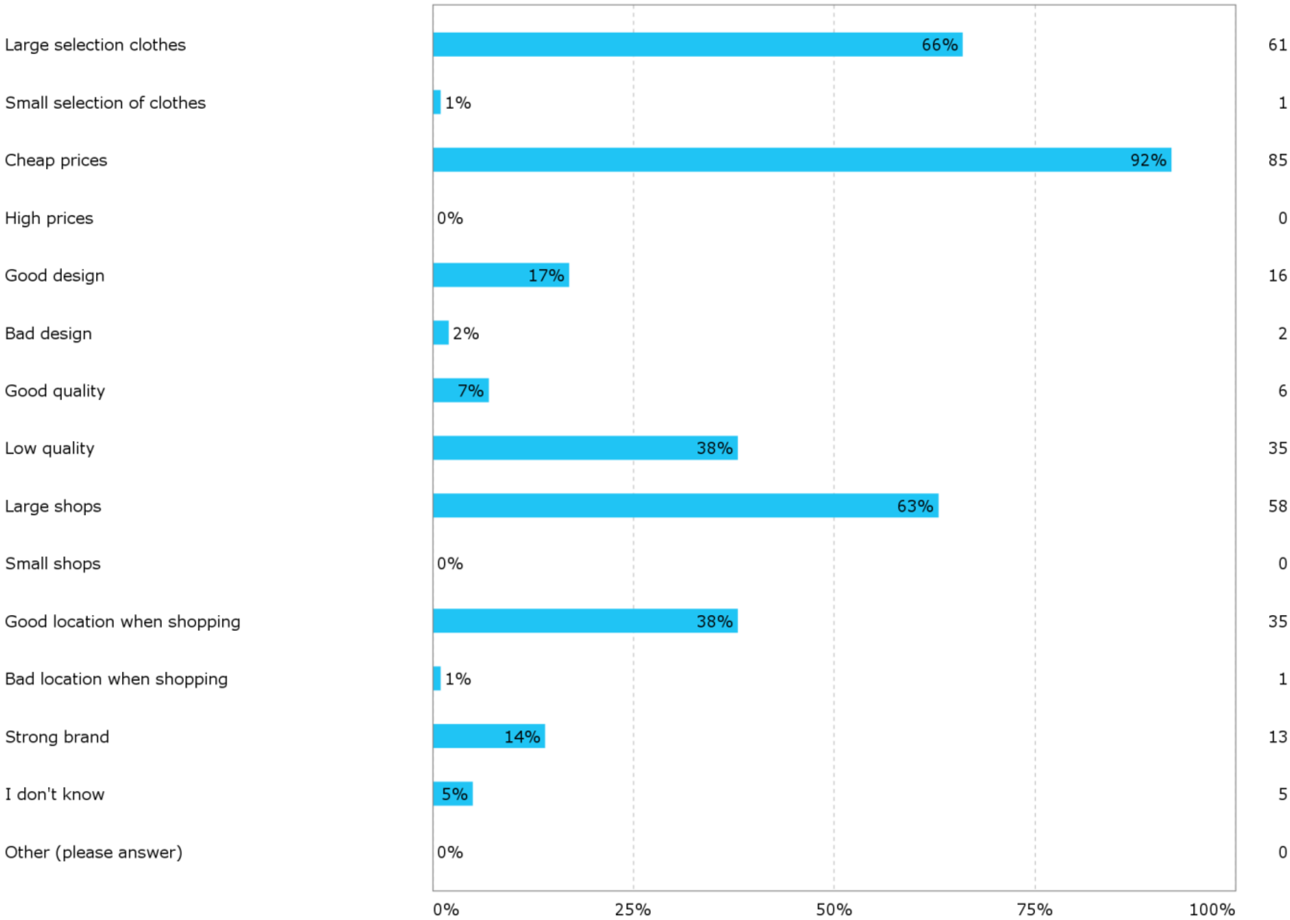
How do you know Primark? (Please choose one or more)



How do you know Primark? (Please choose one or more) - Other (please answer)

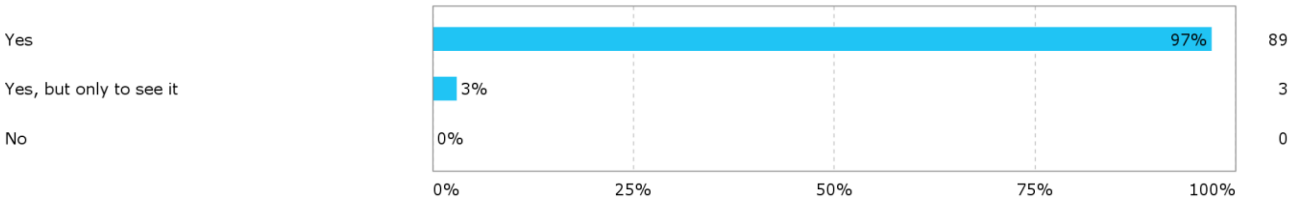
- Det er min søsters yndlingsforretning'

What do you associate with Primark? (Please choose one or more)

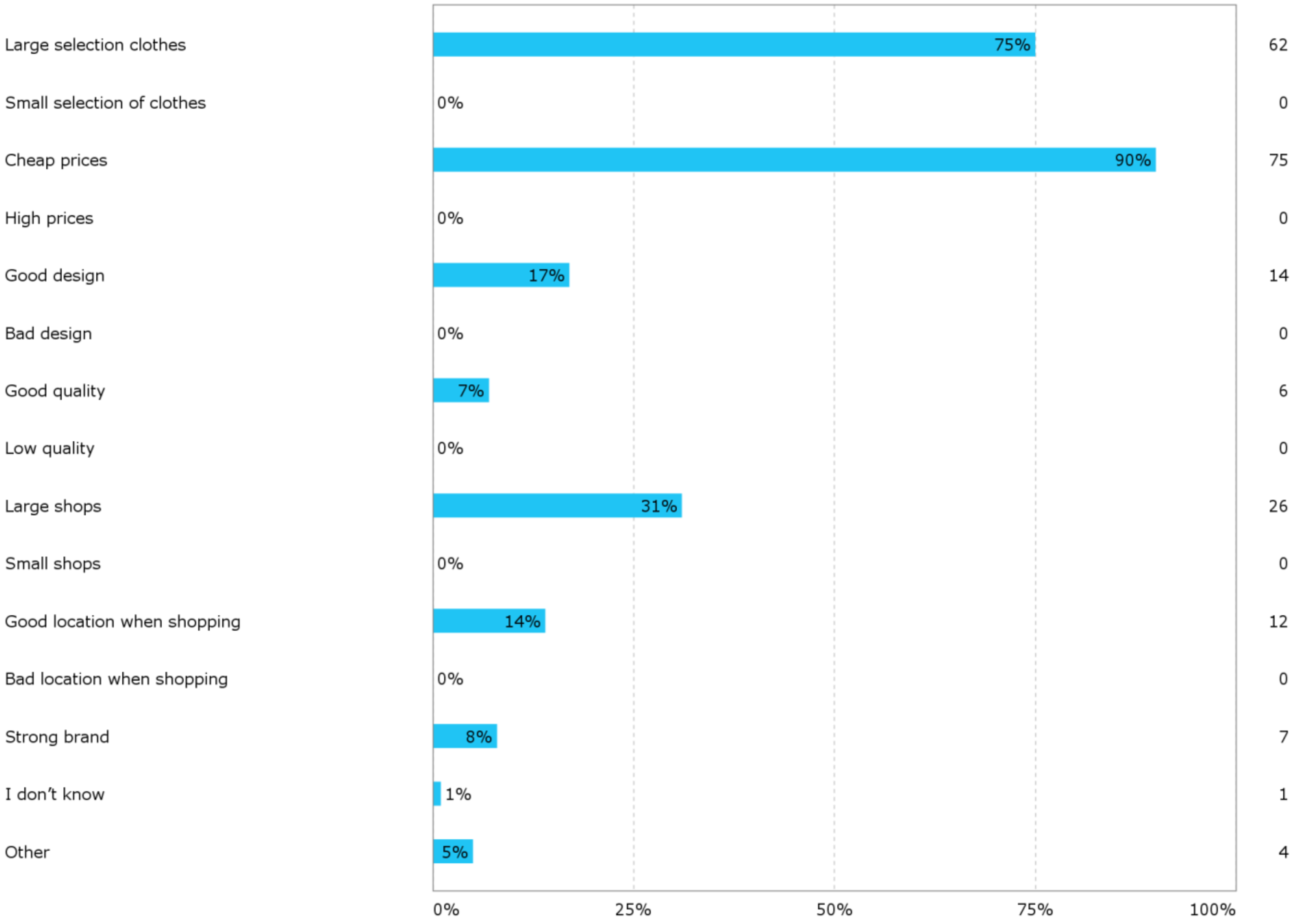


What do you associate with Primark? (Please choose one or more) - Other (please answer)

*If Primark opened a store in Denmark would you visit?



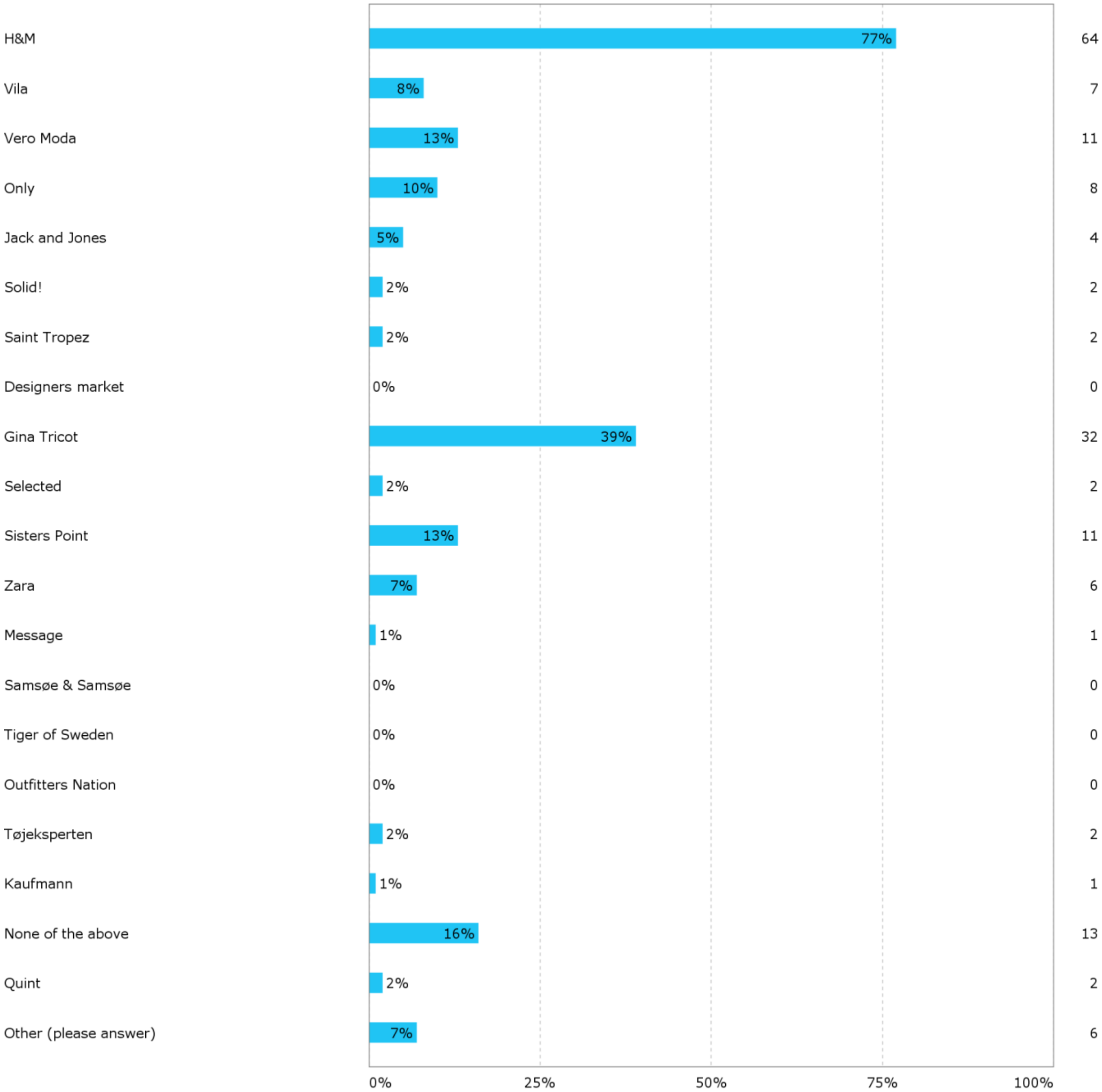
Why would you visit Primark if it opened in Denmark? (Please choose one or more)



Why would you visit Primark if it opened in Denmark? (Please choose one or more) - Other

- For at købe billige strømpebukser
- For at se hvad det er for noget
- They have a good selection in basics which has a good fit cheap
- Just love their Accessories department

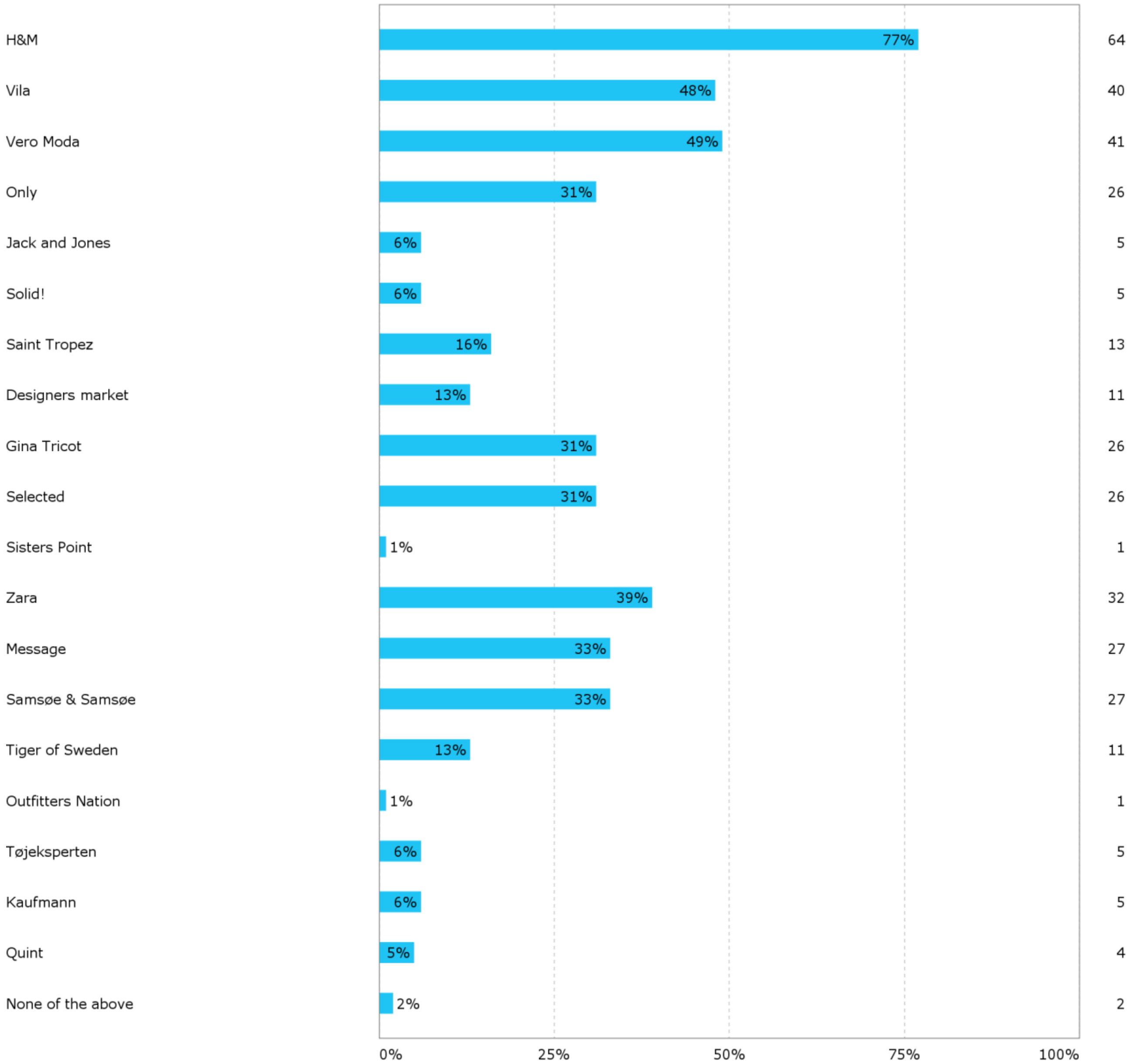
What shops would you say are the same type as Primark? (Please choose max. 5)



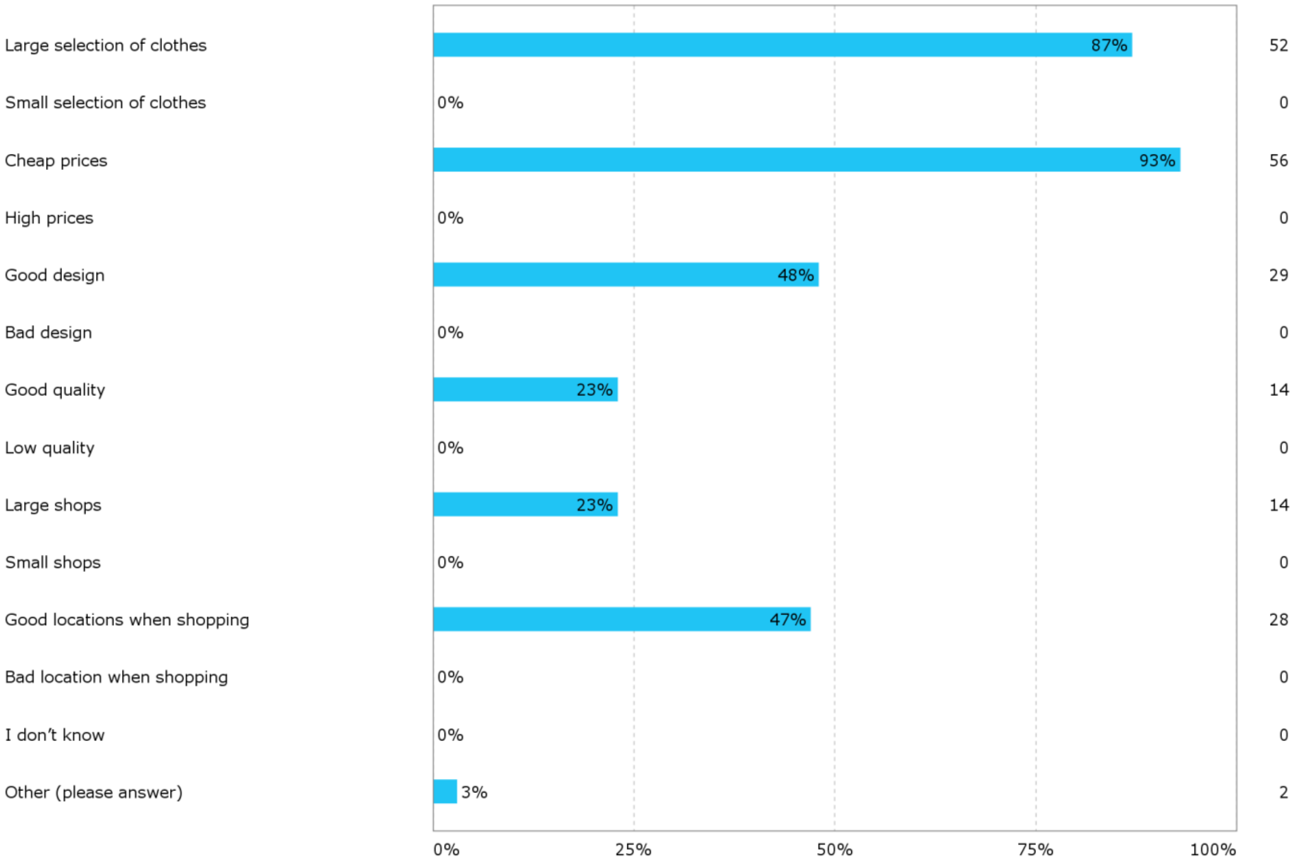
What shops would you say are the same type as Primark? (Please choose max. 5) - Other (please answer)

- Kvickly, Føtex, Bilka,
- They remind me more of a Tiger with clothes
- Wal-Mart, K-Mart, Target and such
- Bilka
- New yorker
- H&M in design, but a little cheaper, and the store is bigger and have a bigger selection.

What brands/stores do you like to visit when you go shopping? (Please choose max. 5)



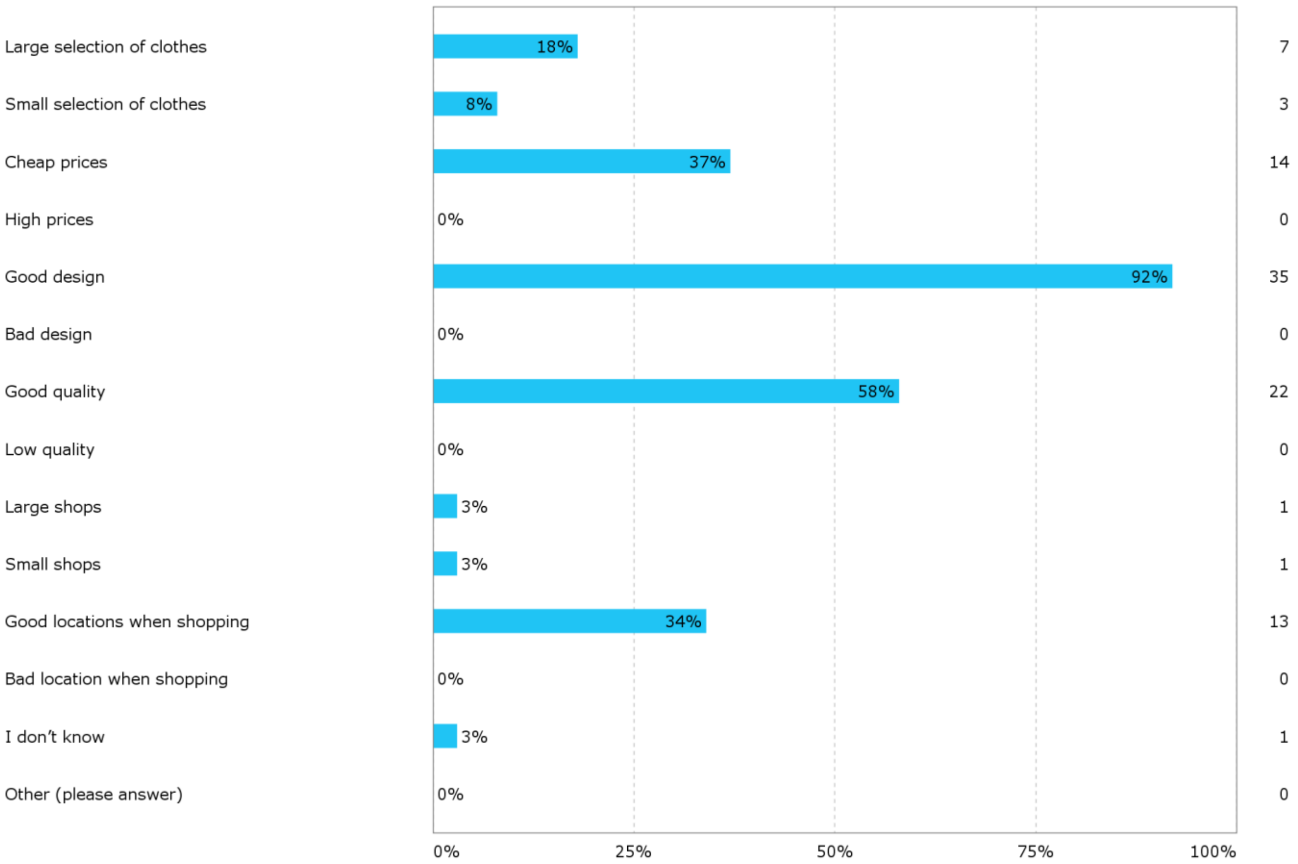
Why do you shop in H&M? (Please choose on or more)



Why do you shop in H&M? (Please choose on or more) - Other (please answer)

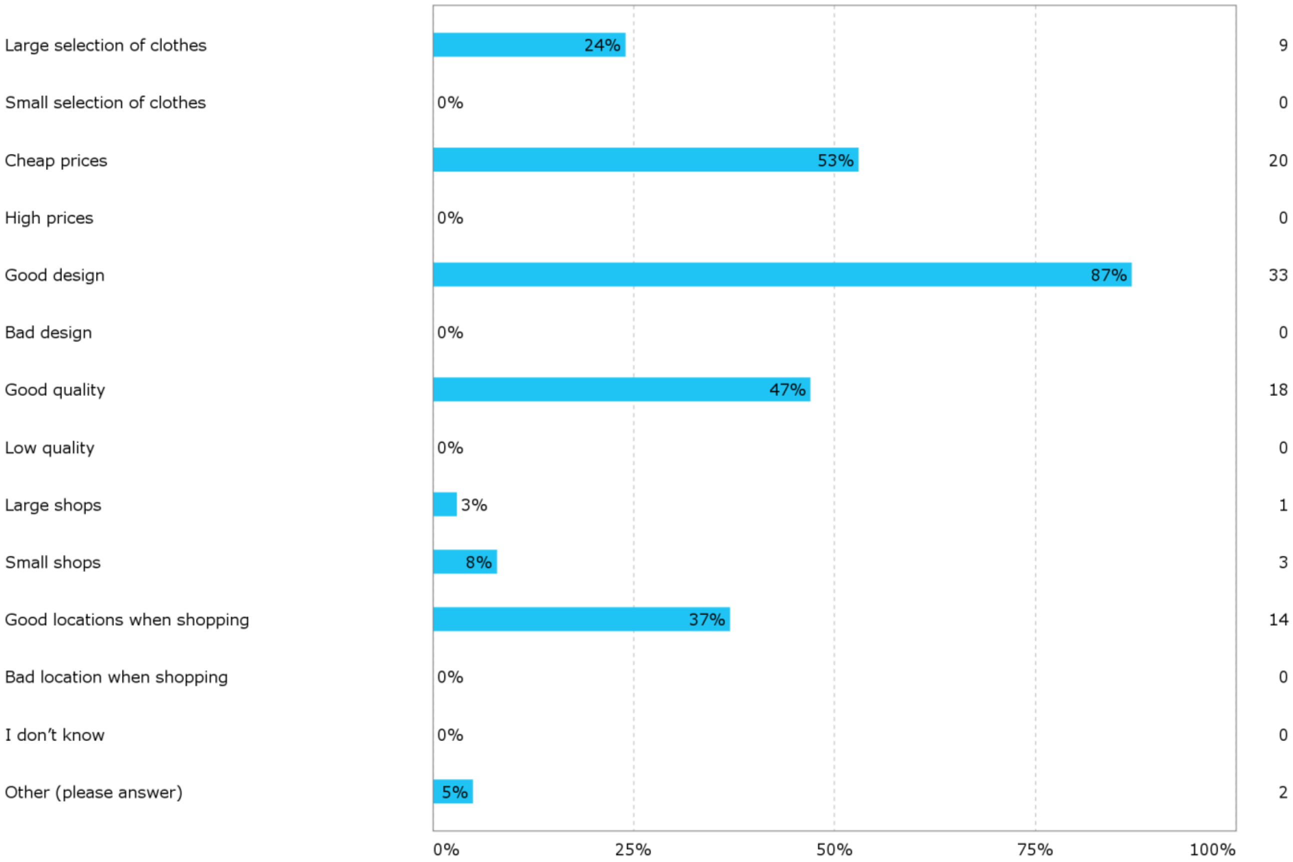
- Good value for money
- Conscious collection

Why do you shop in Vila? (Please choose on or more)



Why do you shop in Vila? (Please choose on or more) - Other (please answer)

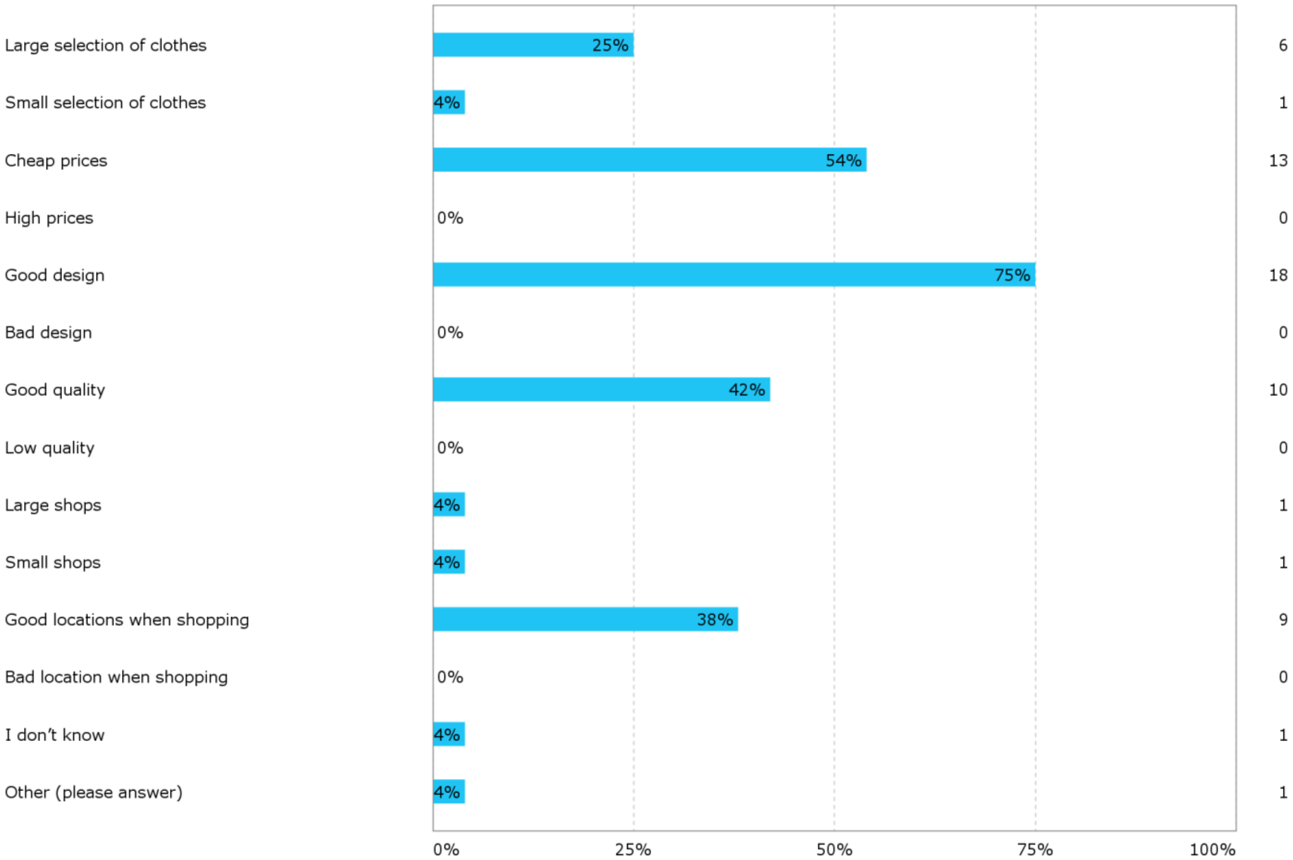
Why do you shop in Vero Moda? (Please choose on or more)



Why do you shop in Vero Moda? (Please choose on or more) - Other (please answer)

- I like the style
- I almost only by the very cheap clothes or when it is on sale

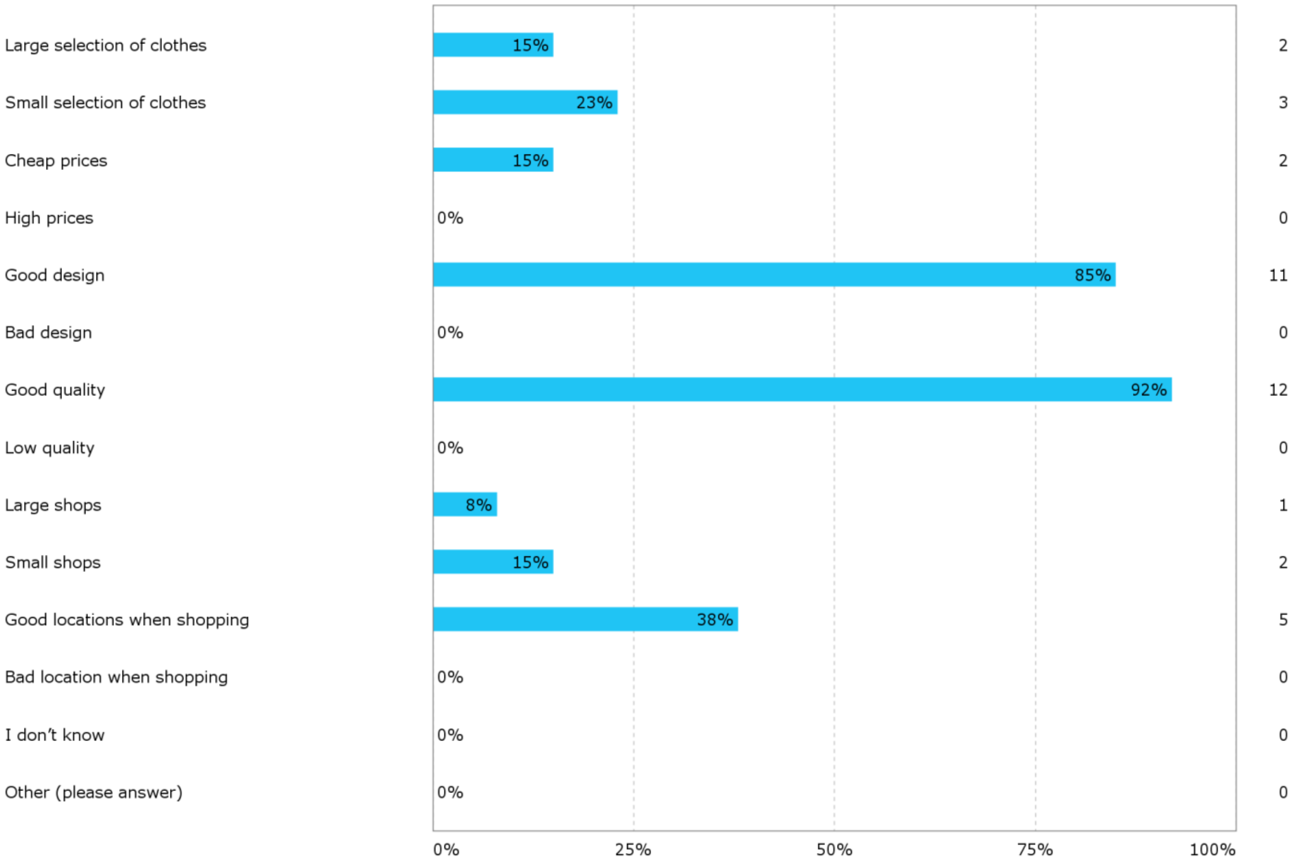
Why do you shop in Only? (Please choose on or more)



Why do you shop in Only? (Please choose on or more) - Other (please answer)

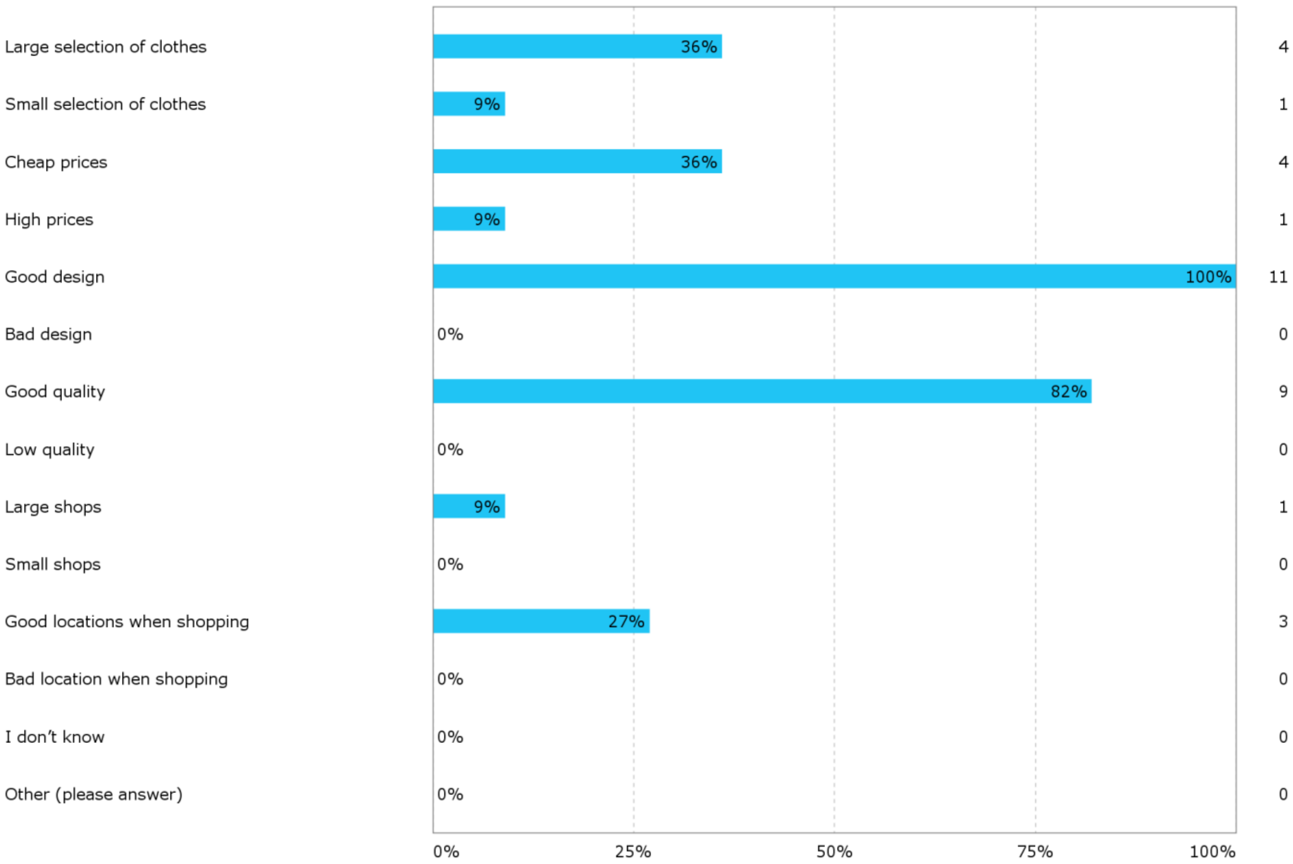
- I almost only by the very cheap clothes or when it is on sale

Why do you shop in Saint Tropez? (Please choose on or more)



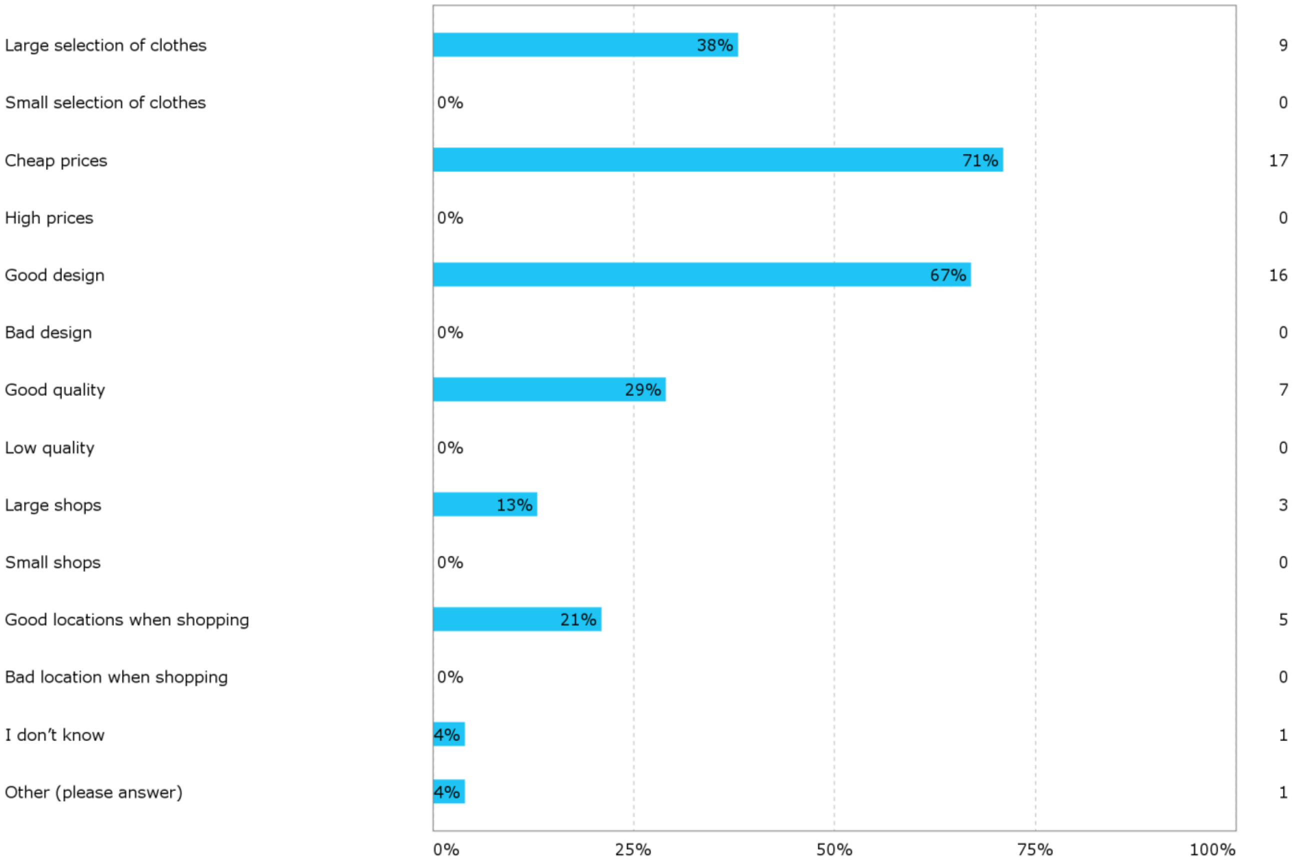
Why do you shop in Saint Tropez? (Please choose on or more) - Other (please answer)

Why do you shop in Designers Market? (Please choose on or more)



Why do you shop in Designers Market? (Please choose on or more) - Other (please answer)

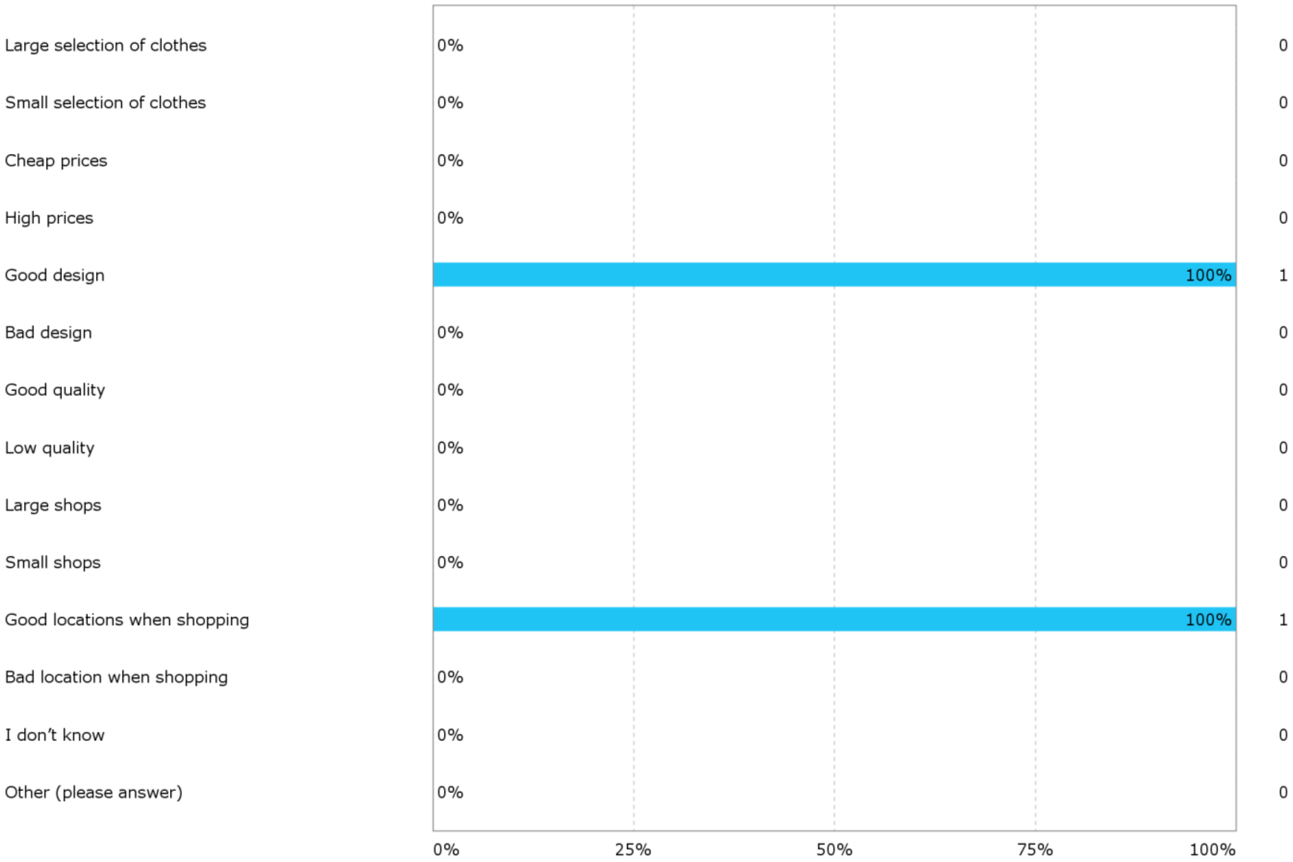
Why do you shop in Gina Tricot? (Please choose on or more)



Why do you shop in Gina Tricot? (Please choose on or more) - Other (please answer)

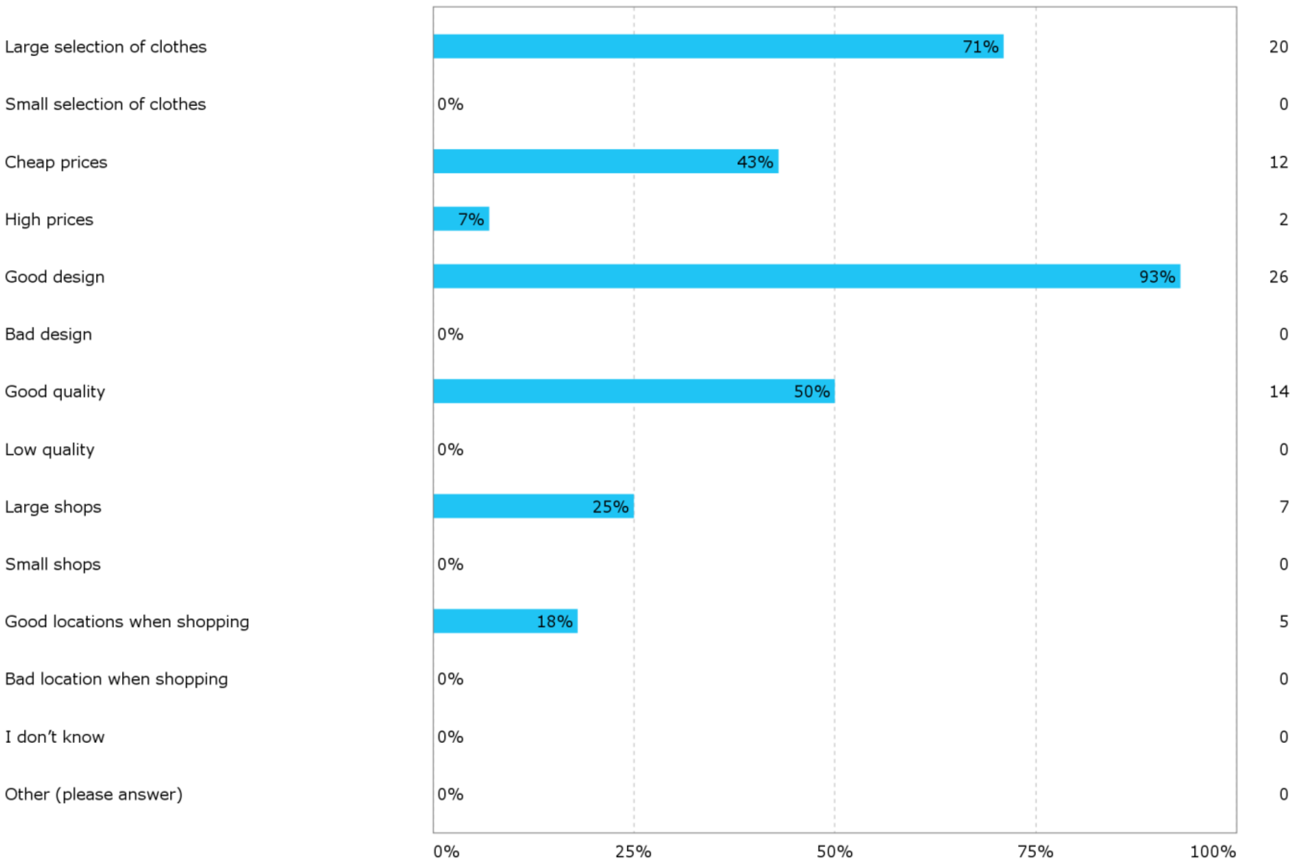
- I almost only by the very cheap clothes or when it is on sale

Why do you shop in Sister Point? (Please choose on or more)



Why do you shop in Sister Point? (Please choose on or more) - Other (please answer)

Why do you shop in Zara? (Please choose on or more)



Why do you shop in Zara? (Please choose on or more) - Other (please answer)

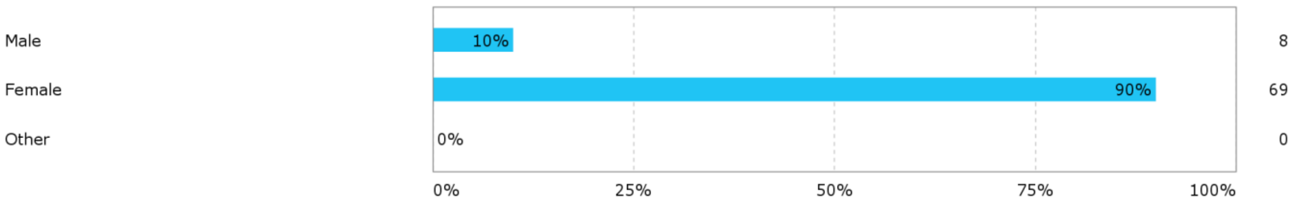
If you have something you would like to add about your opinion on Primark, please share.

- I love primark and shop there often (as I travel to the UK about once every three months). Their clothes is cheap and usually associated with poor quality - however, I have clothes that has lasted years. I have owned my primark trench coat for almost 8 years. Also, key to me is that their selection offers a much wider arrange of clothes than any Danish stores. Generally I find that clothes in Denmark are predominantly grey, white and black and maybe some earth colours. Primark offers a larger selection of more colourful clothes. So another reason for me to purchase there is that I can get clothes that stand out more than what the average Danish persons wears. I find the Scandinavian style very boring and it seems everyone wears the same clothes.
- Jeg går normalt derind for fx at købe undertøj, tilbehør og sportstøj. Men kommer også til at købe lidt andet i ny og næ. Hvis priserne ikke matcher det niveau Primark har i udlandet, vil jeg ikke købe noget der.
- Koen!
- Has a lot of great everyday things to low prices and good quality (socks, underwear, stockings, lipbalm etc.) - it is hard to find these things other places to those prices, and in other stores those things havn't even got a better quality even though they can be a lot more expensive..
- The quality is not good - it fits the price. And some of the stiles would probably not fit well in Denmark so for it to come to Denmark there should be a different selection. But it is a good cheap product to compeet with H & M.
- Too many people
- Primark is for me the place where I used to go buy 20 pairs of underwear etc when I lived in the UK. It's cheap, the design is pretty basic and sometimes you can even find smart clothes to wear.
- Det er et must når jeg er i London - men ved ikke helt om det vil være lige så tillokkende i DK.
  Specielt fordi priserne sikkert ikke ville være lige så lave i DK, som i UK (lidt Ala Topshop, som også er dyrere i Dk end i UK).
- Get it here!
- Open a shop in Denmark asap
- The shops are very messy. Coupled with a very large store that does not make it the most ideal shop.
  If they did something to organise and clean their shops better (clean being both cleaning clean and tidying up clothes from the floor and hanging it the right places), they would be a much better store.
- I would love if they came to DK considering I would be able to but more clothes then currently since you get more for less money.

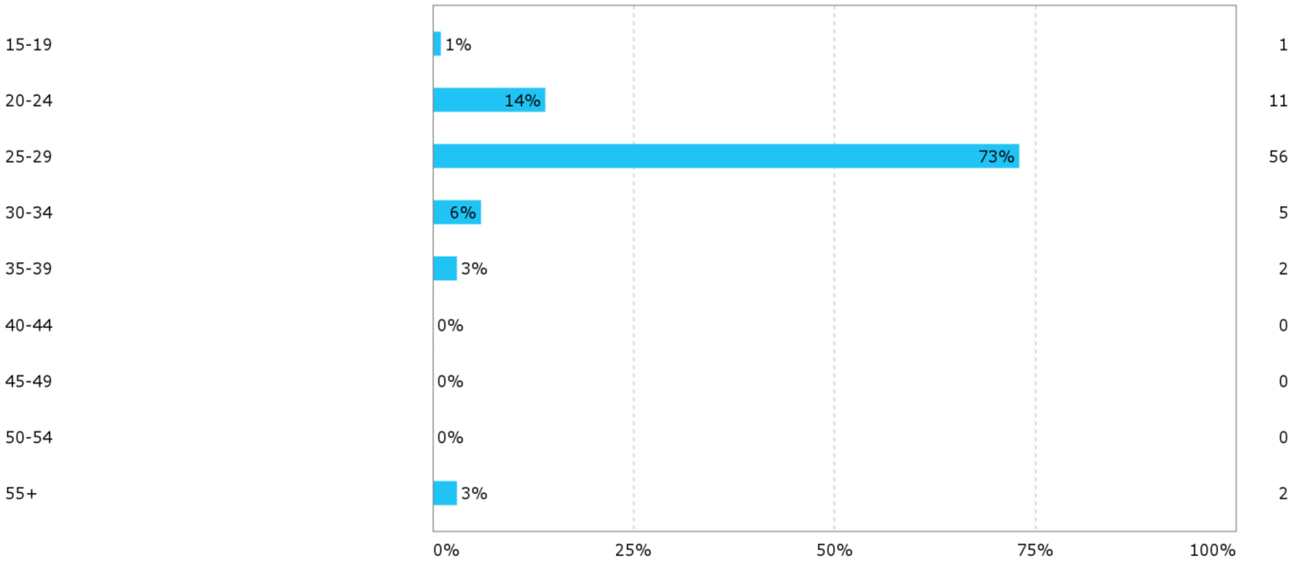
- I Think that all the shops er have here in Denmark are way more expensive than Primark..
  and if Primark opened here in Denmark, it would never be that cheap because of the taxes we have here :)

  But I LOVE Primark!!!

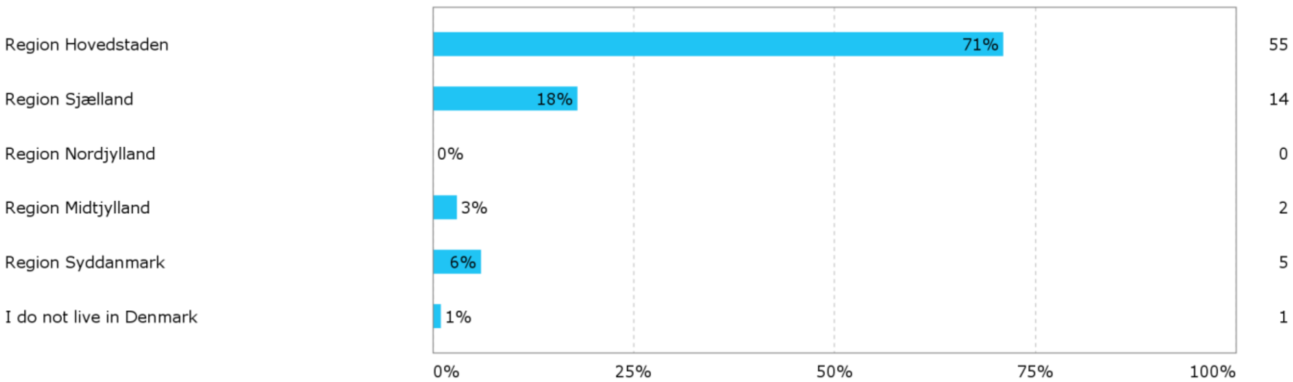
What is your gender?



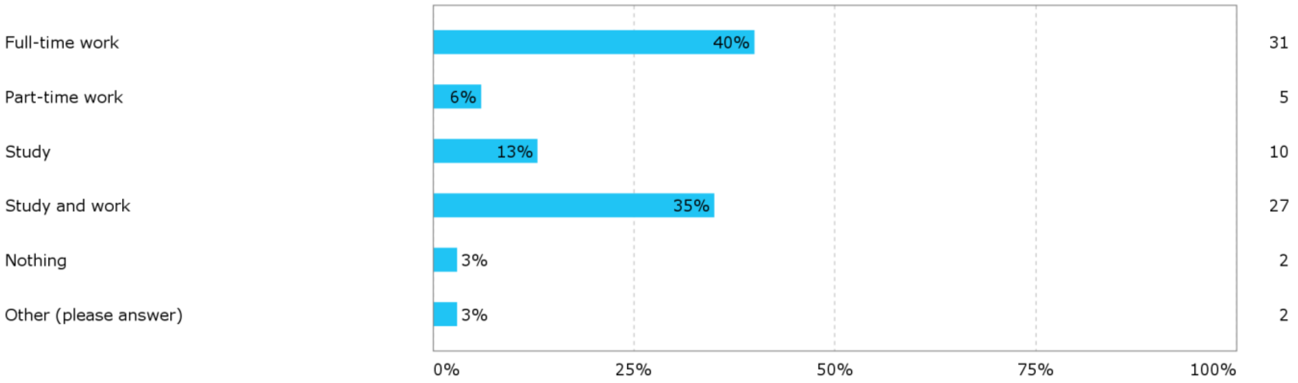
How old are you?



Where do you live?



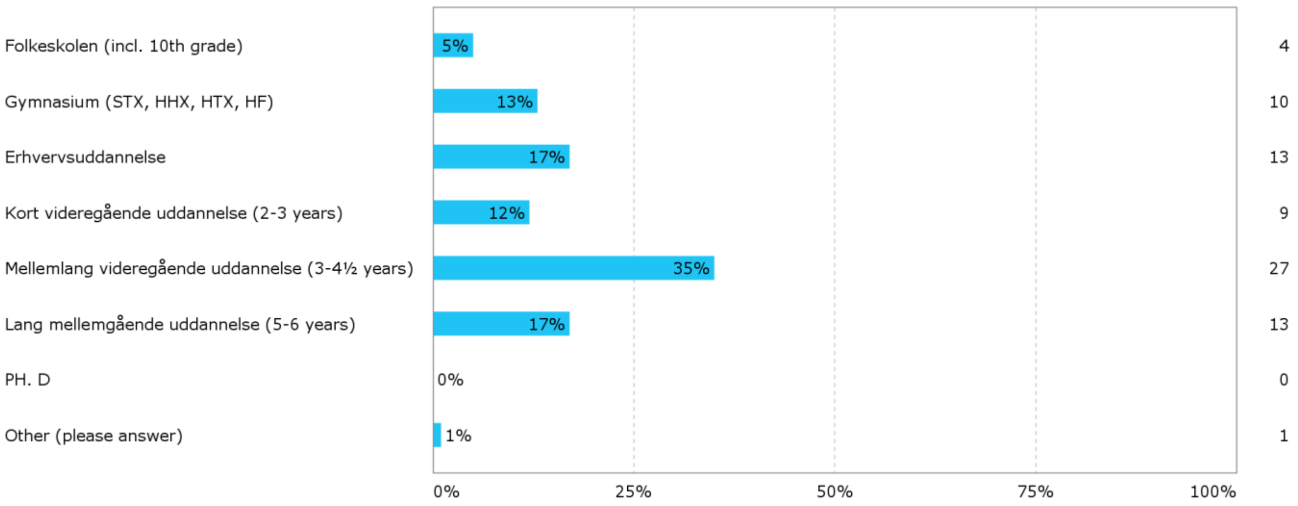
What do you do for a living?



What do you do for a living? - Other (please answer)

- Full-time work & study
- Maternity

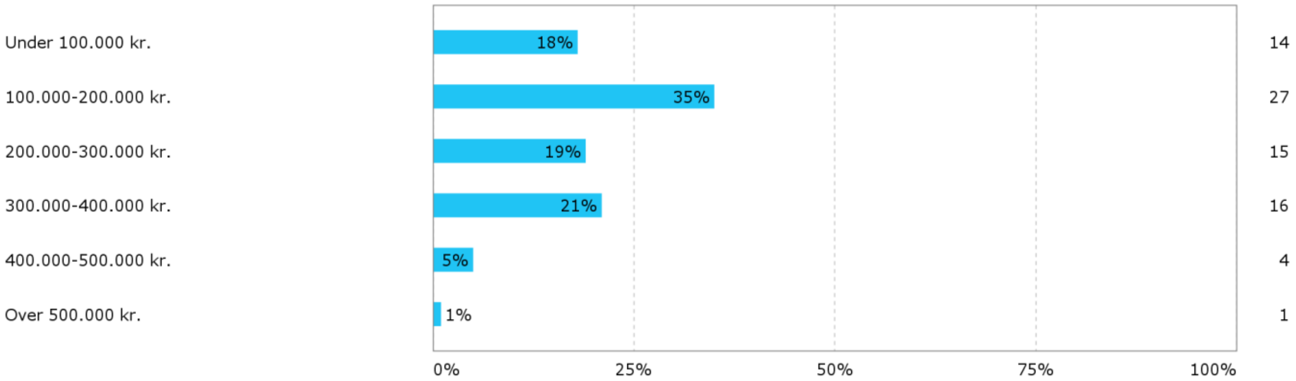
What is your last completed education?



What is your last completed education? - Other (please answer)

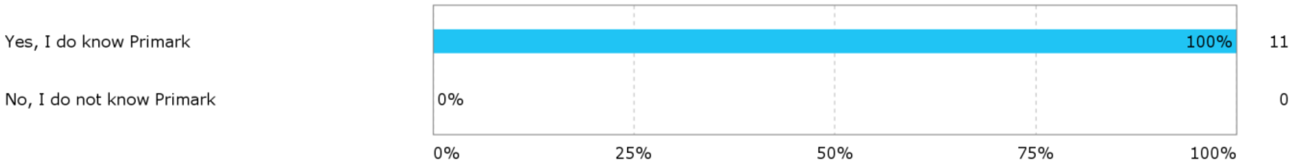
- Bachelor

How much do you earn a year? (including SU etc.)

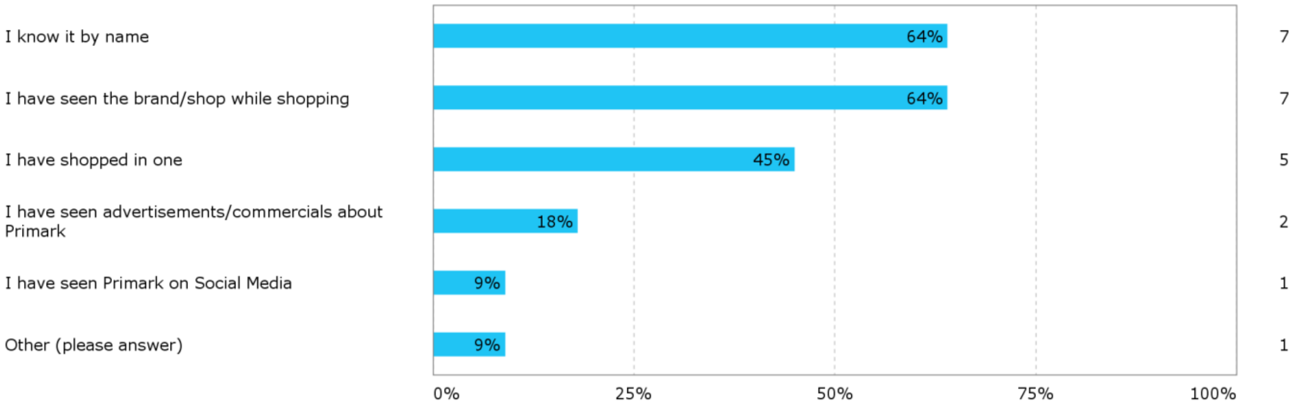


Appendix 3 – Survey (those who know PRIMARK but do not want to visit PRIMARK)

*Do you know Primark?



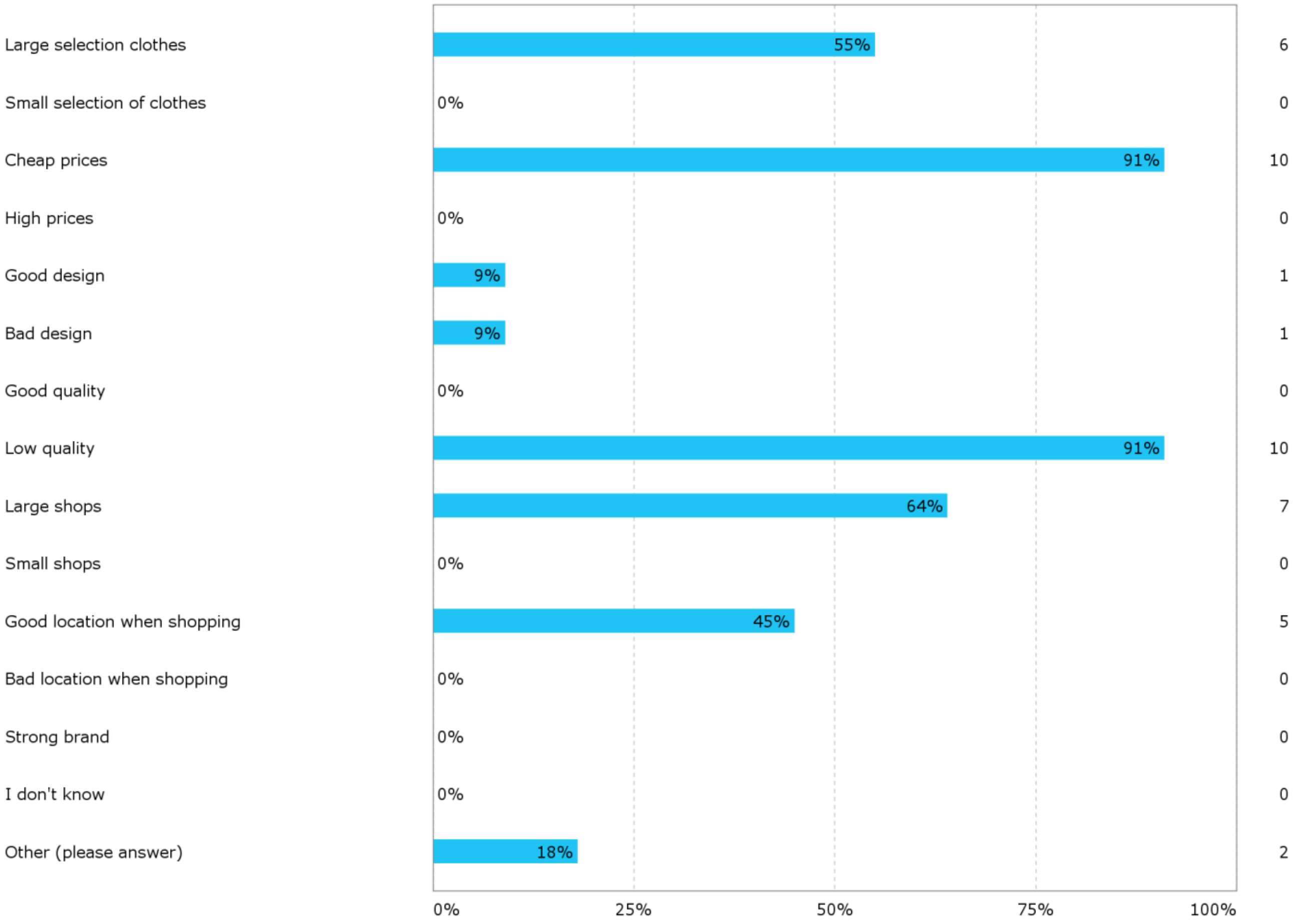
How do you know Primark? (Please choose one or more)



How do you know Primark? (Please choose one or more) - Other (please answer)

- People talking about it

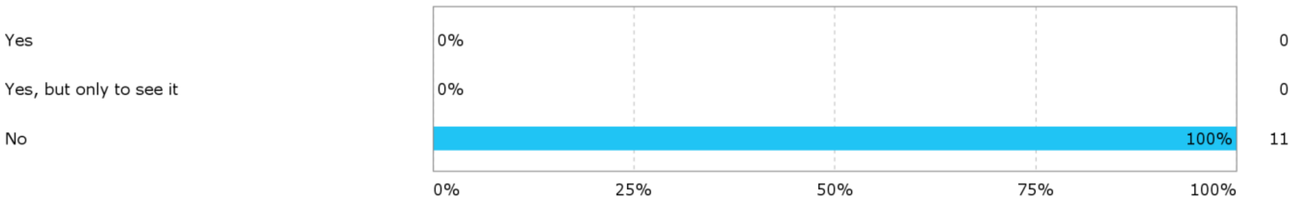
What do you associate with Primark? (Please choose one or more)



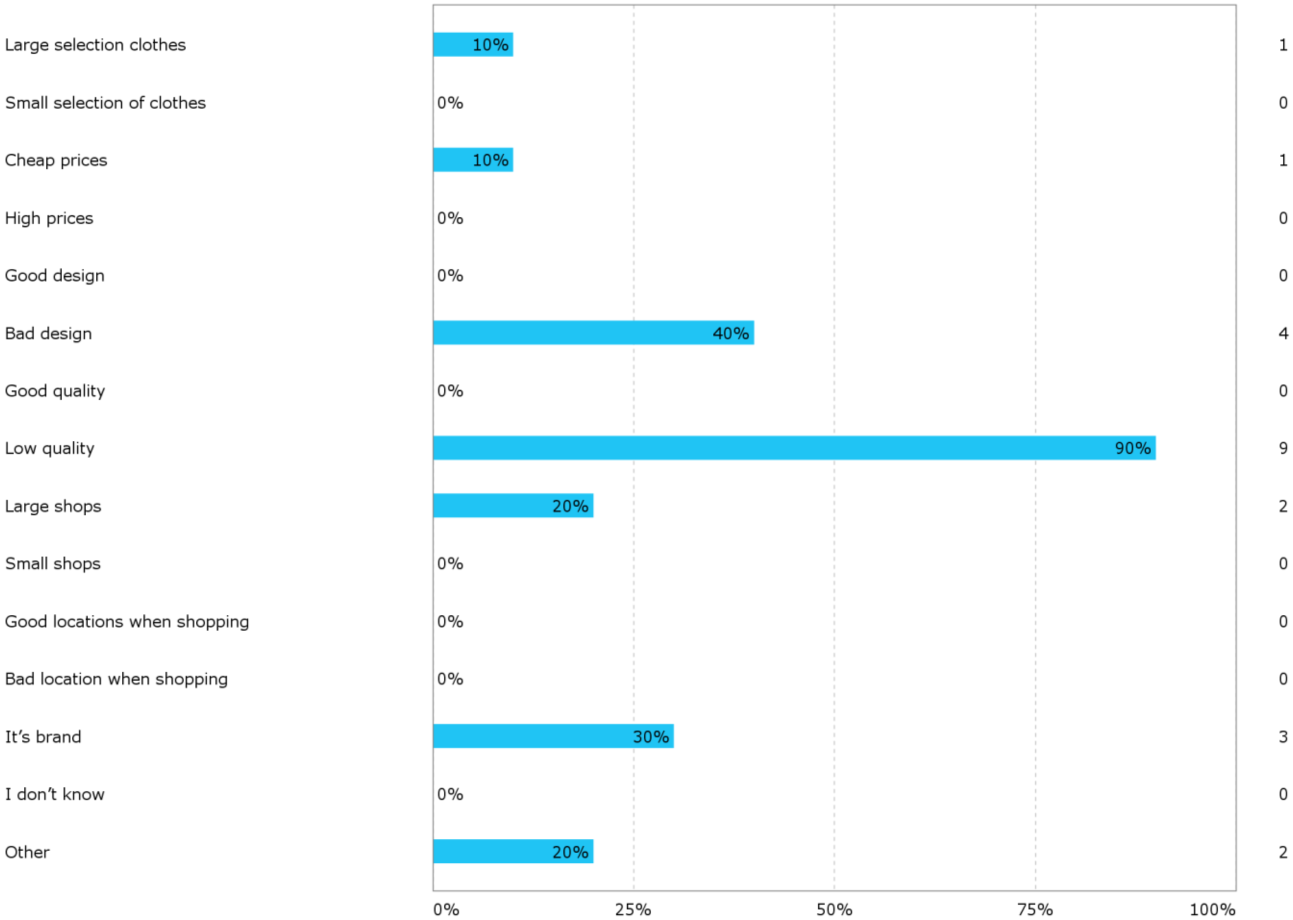
What do you associate with Primark? (Please choose one or more) - Other (please answer)

- Exploitation of 3rd world labor
- Crappy work conditions, overcrowded places

*If Primark opened a store in Denmark would you visit?



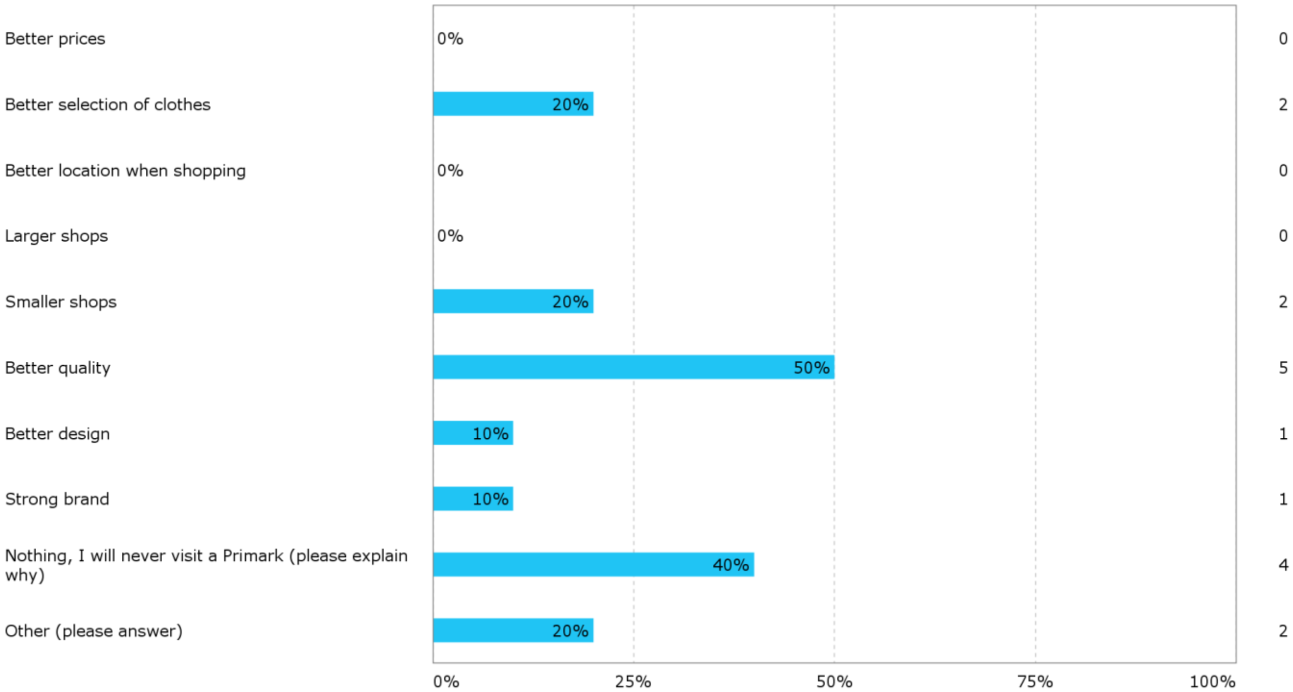
Why would you not visit Primark if it opened in Denmark? (Please choose one or more)



Why would you not visit Primark if it opened in Denmark? (Please choose one or more) - Other

- Ethics
- Bad brand reputation

What would make you visit Primark instead of your current favorite shops? (Please choose one or more)



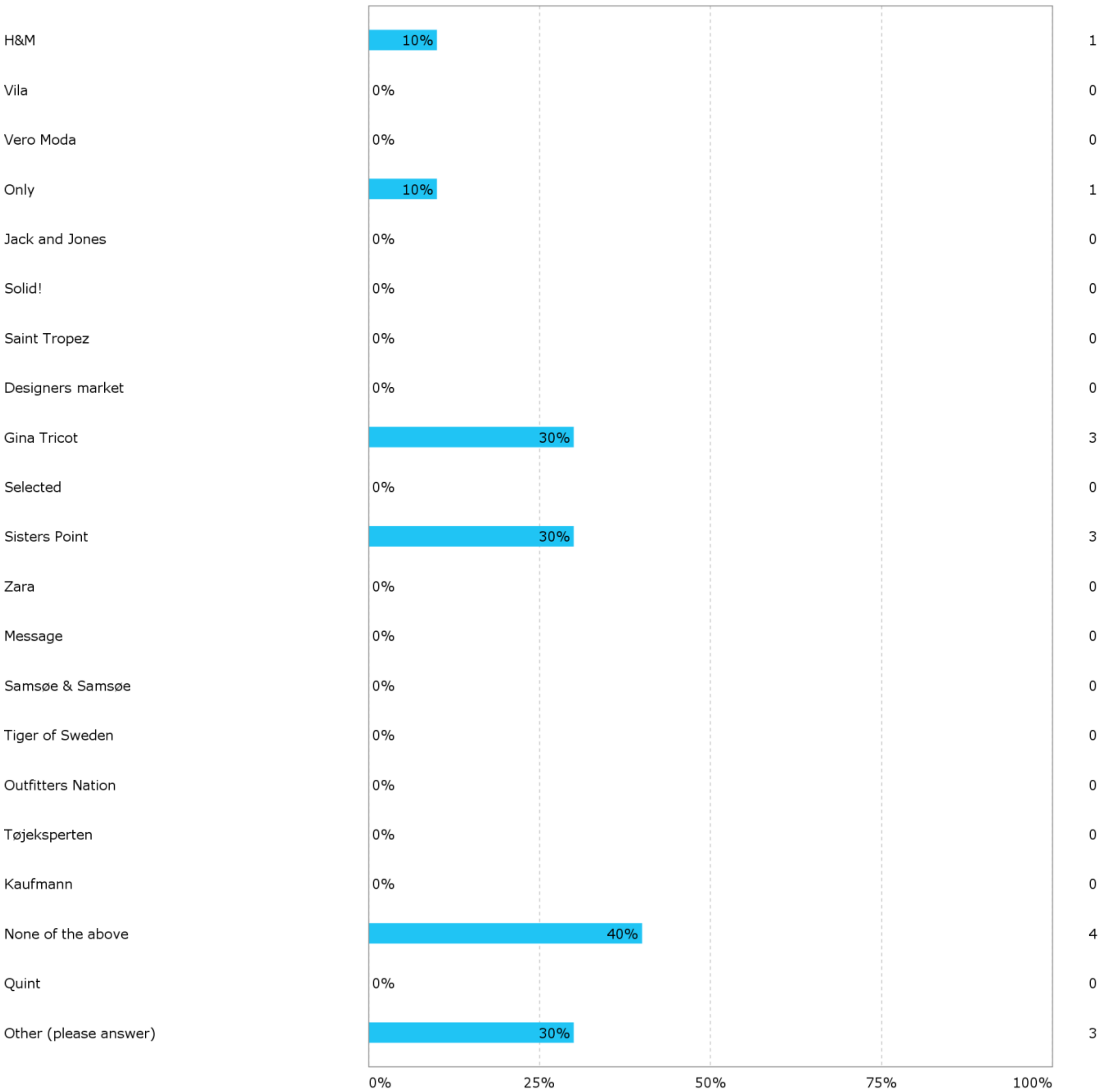
What would make you visit Primark instead of your current favorite shops? (Please choose one or more) - Nothing, I will never visit a Primark (please explain why)

- Ethics
- quality too low
- Worst quality, chemicals and treatment of suppliers
- Hate that shop. Cut two holes in a garbage bag wil llast you longer as pants

What would make you visit Primark instead of your current favorite shops? (Please choose one or more) - Other (please answer)

- It is not for me
- Hvis de blev mere miljørigtige. Der bruges jo flere tusind liter vand til at producere en tshirt de sælger for 16 kr. Det hænger ikke sammen i mit hoved.

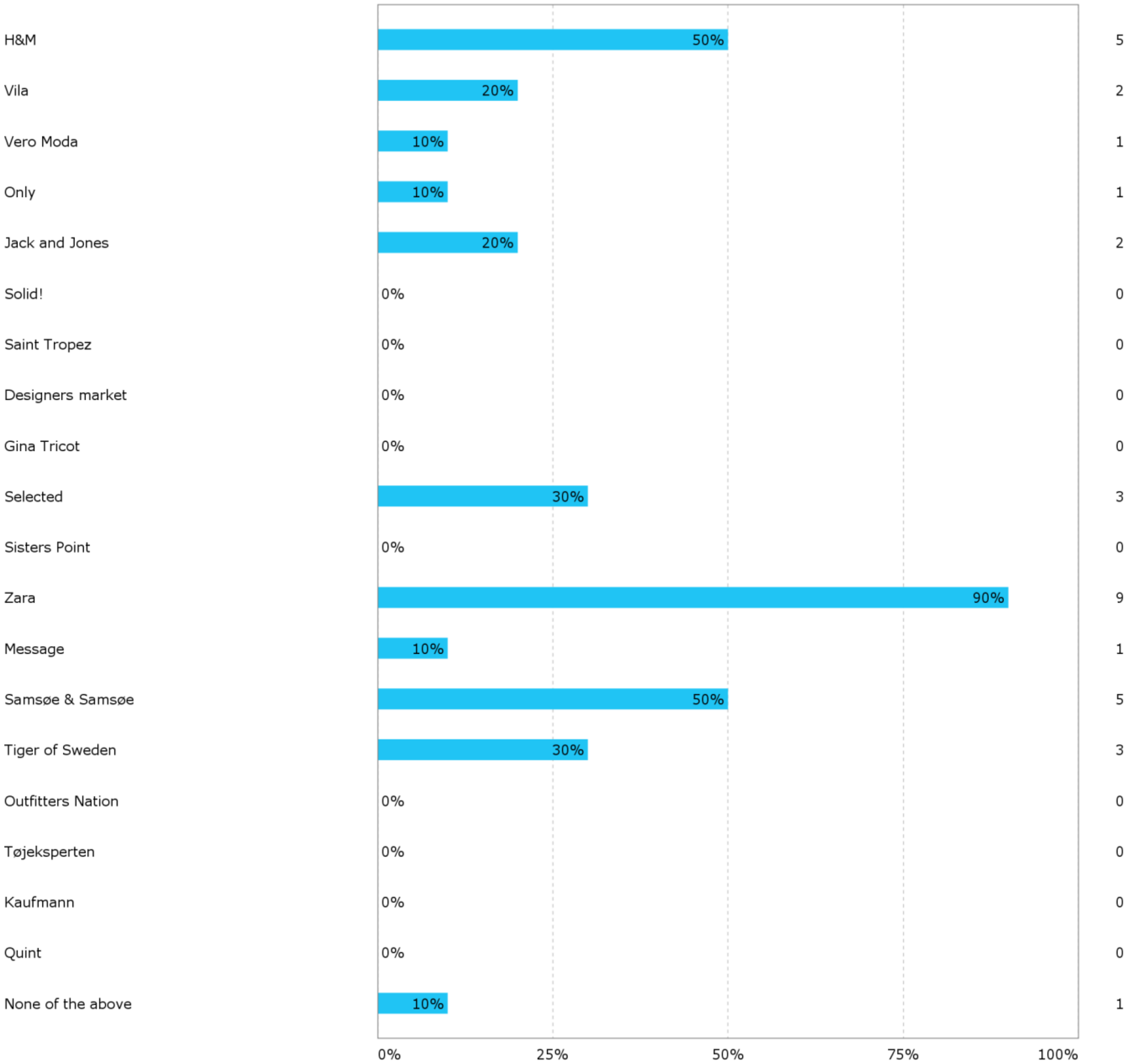
What shops would you say are the same type as Primark? (Please choose max. 5)



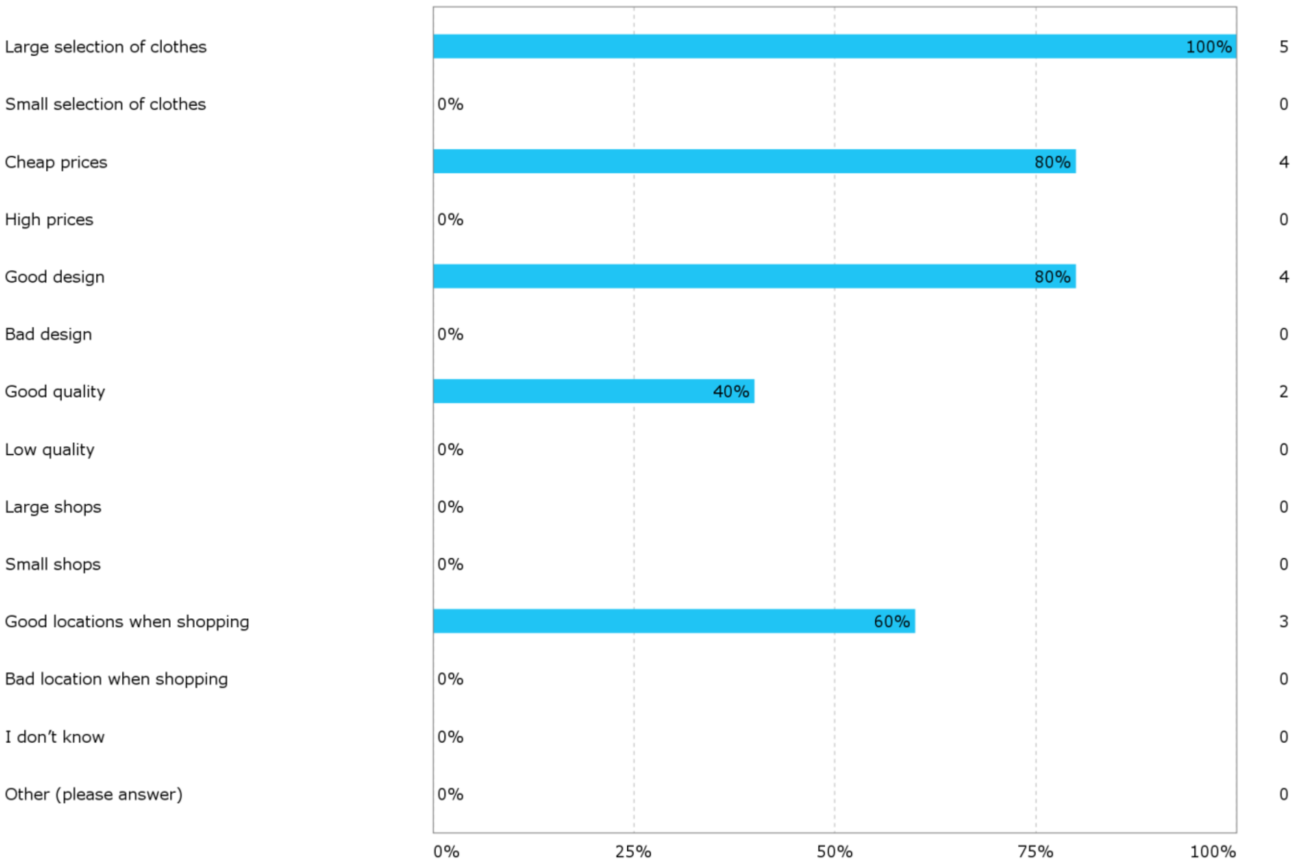
What shops would you say are the same type as Primark? (Please choose max. 5) - Other (please answer)

- Tøj&Sko/Bilka måske.
- Can't say, don't know half of the listed brands
- Bilka, Føtex, discount brands

What brands/stores do you like to visit when you go shopping? (Please choose max. 5)

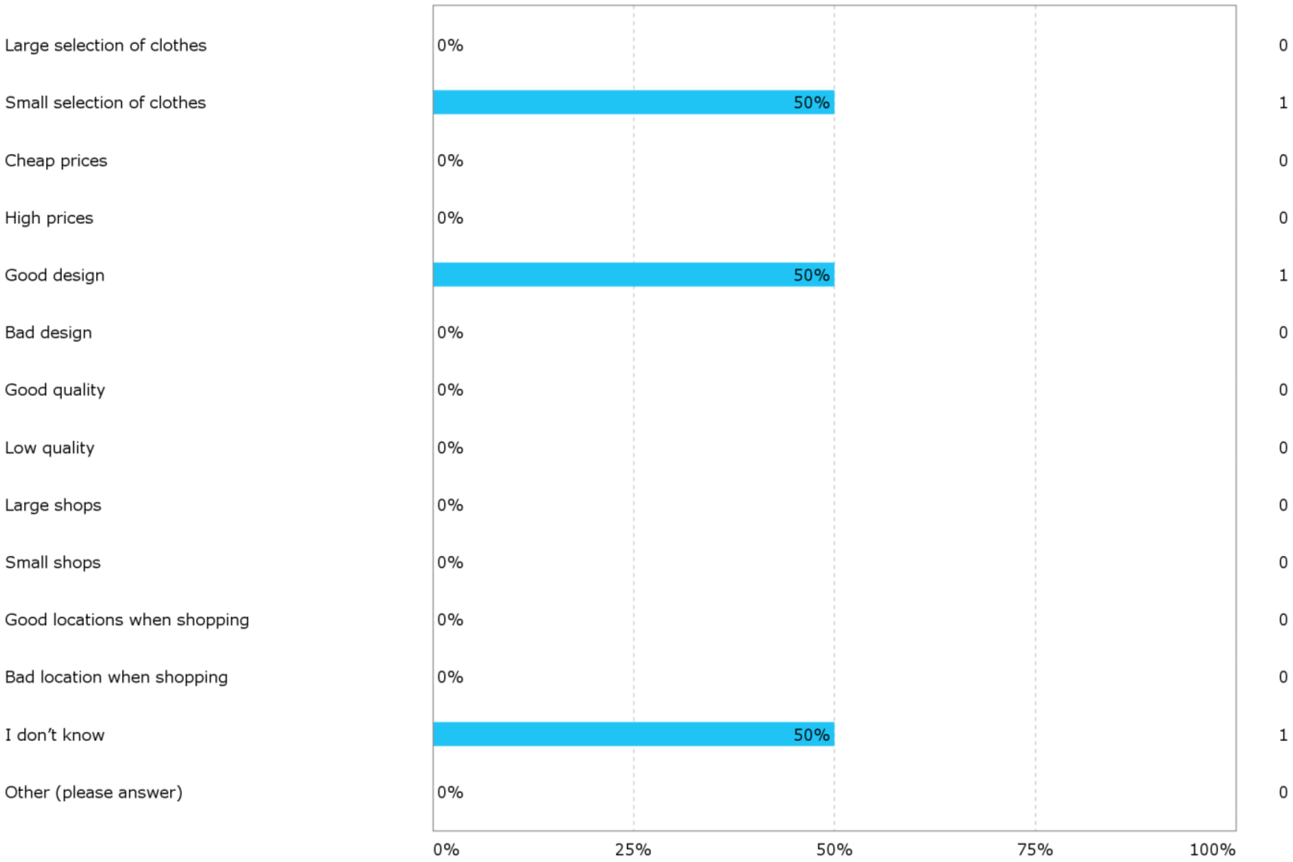


Why do you shop in H&M? (Please choose on or more)



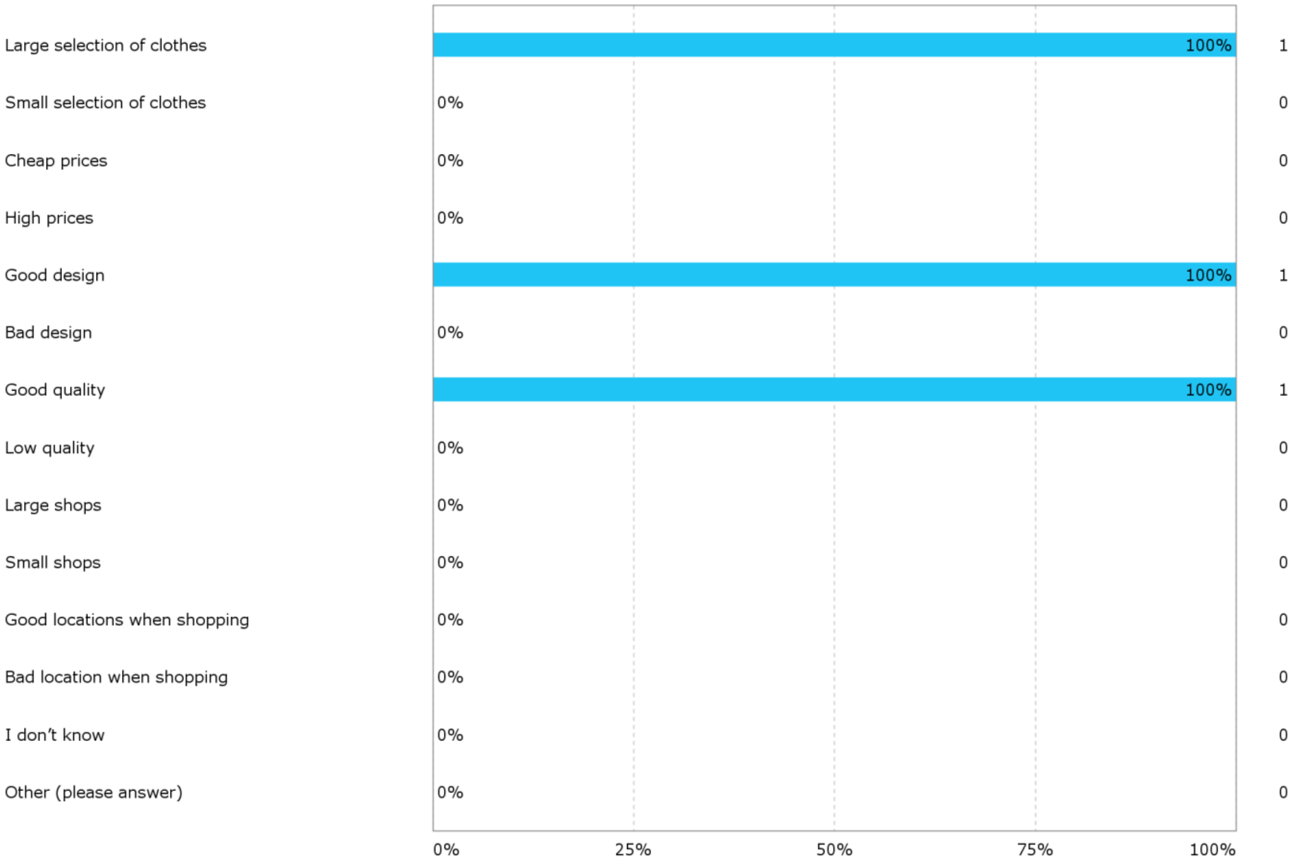
Why do you shop in H&M? (Please choose on or more) - Other (please answer)

Why do you shop in Vila? (Please choose on or more)



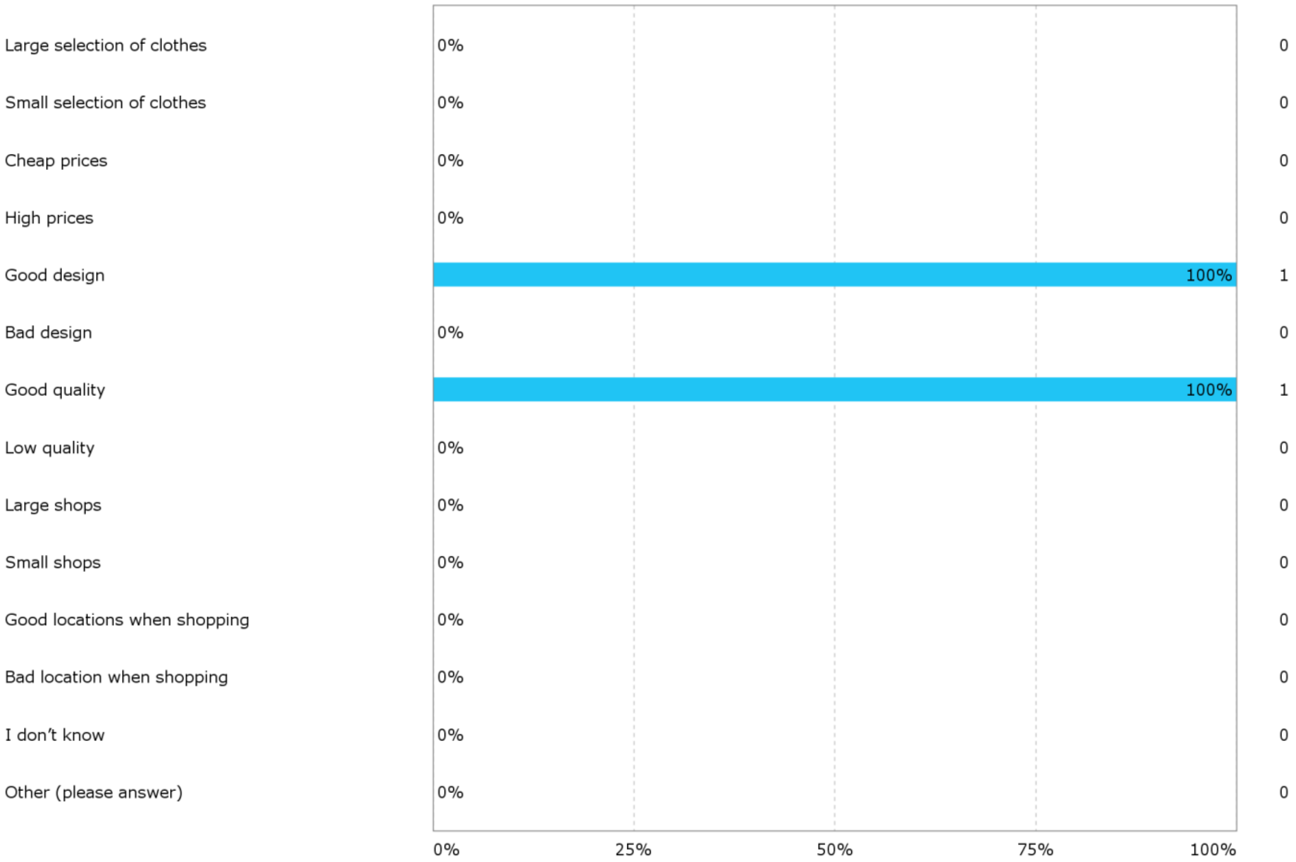
Why do you shop in Vila? (Please choose on or more) - Other (please answer)

Why do you shop in Vero Moda? (Please choose on or more)



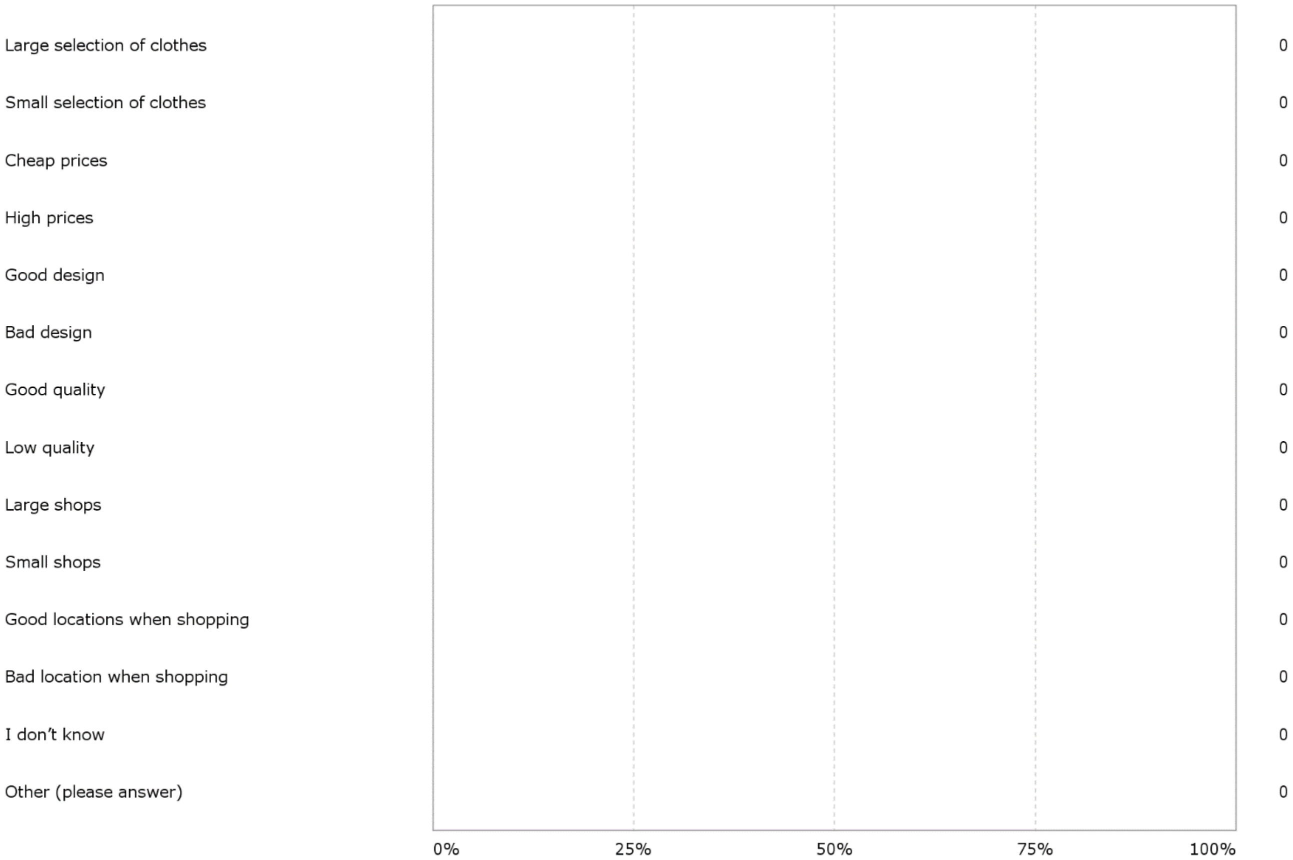
Why do you shop in Vero Moda? (Please choose on or more) - Other (please answer)

Why do you shop in Only? (Please choose on or more)



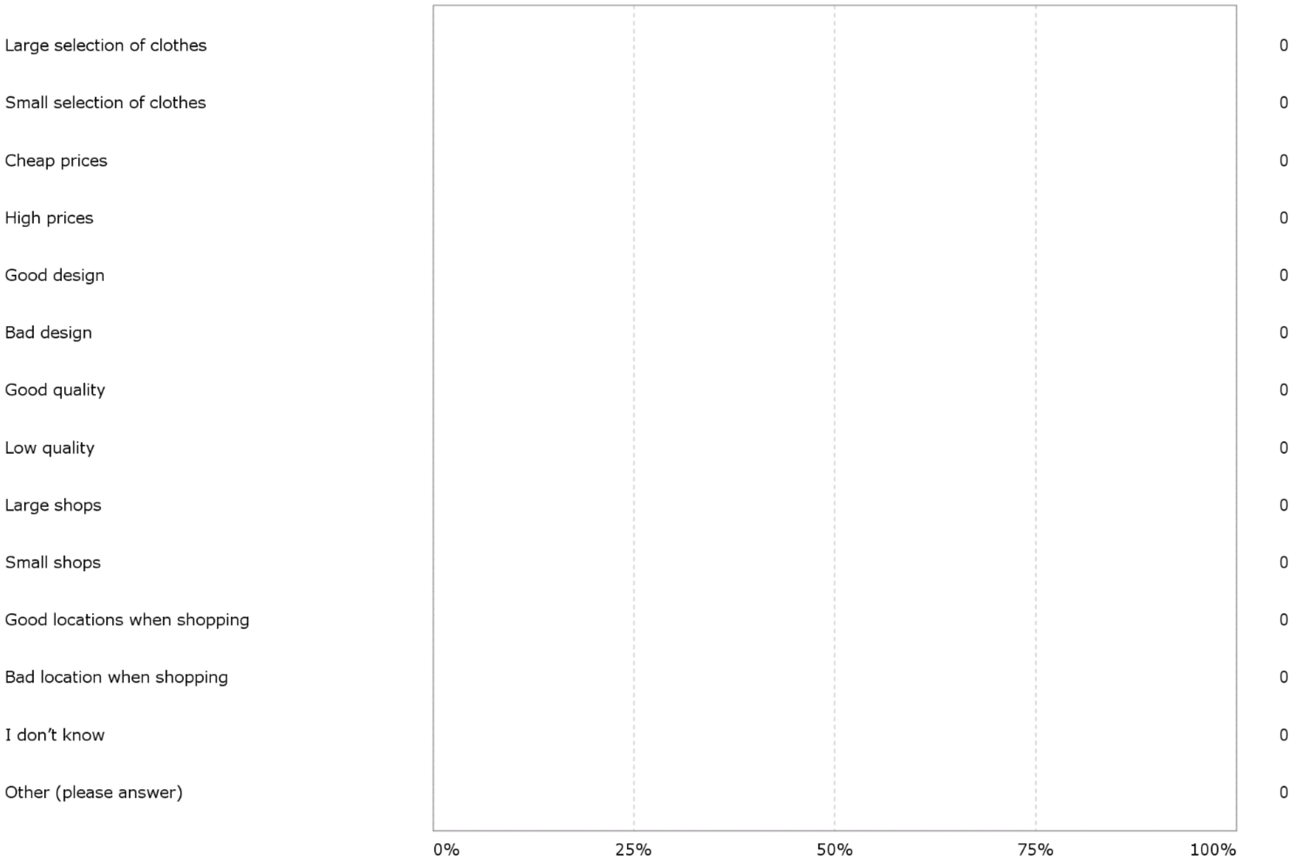
Why do you shop in Only? (Please choose on or more) - Other (please answer)

Why do you shop in Saint Tropez? (Please choose on or more)



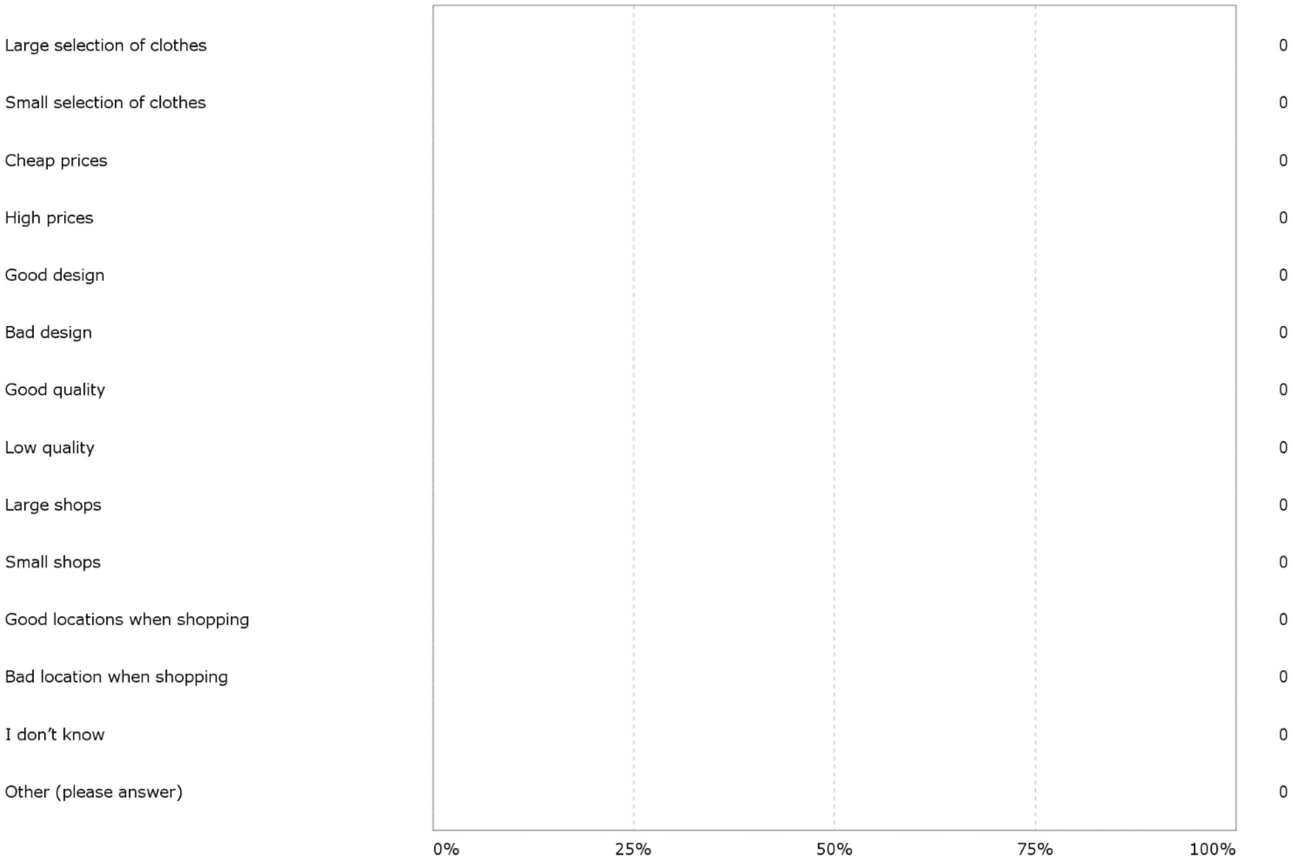
Why do you shop in Saint Tropez? (Please choose on or more) - Other (please answer)

Why do you shop in Designers Market? (Please choose on or more)



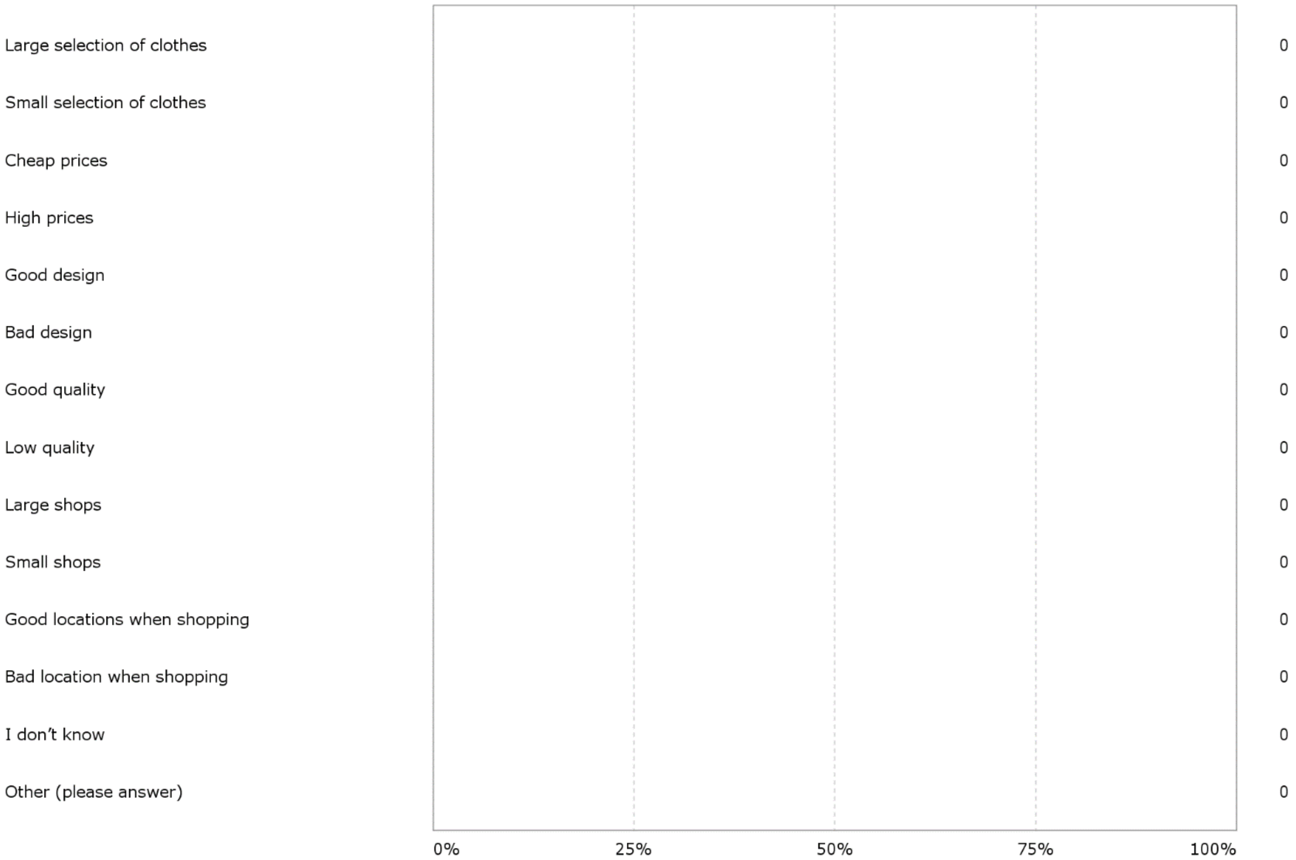
Why do you shop in Designers Market? (Please choose on or more) - Other (please answer)

Why do you shop in Gina Tricot? (Please choose on or more)



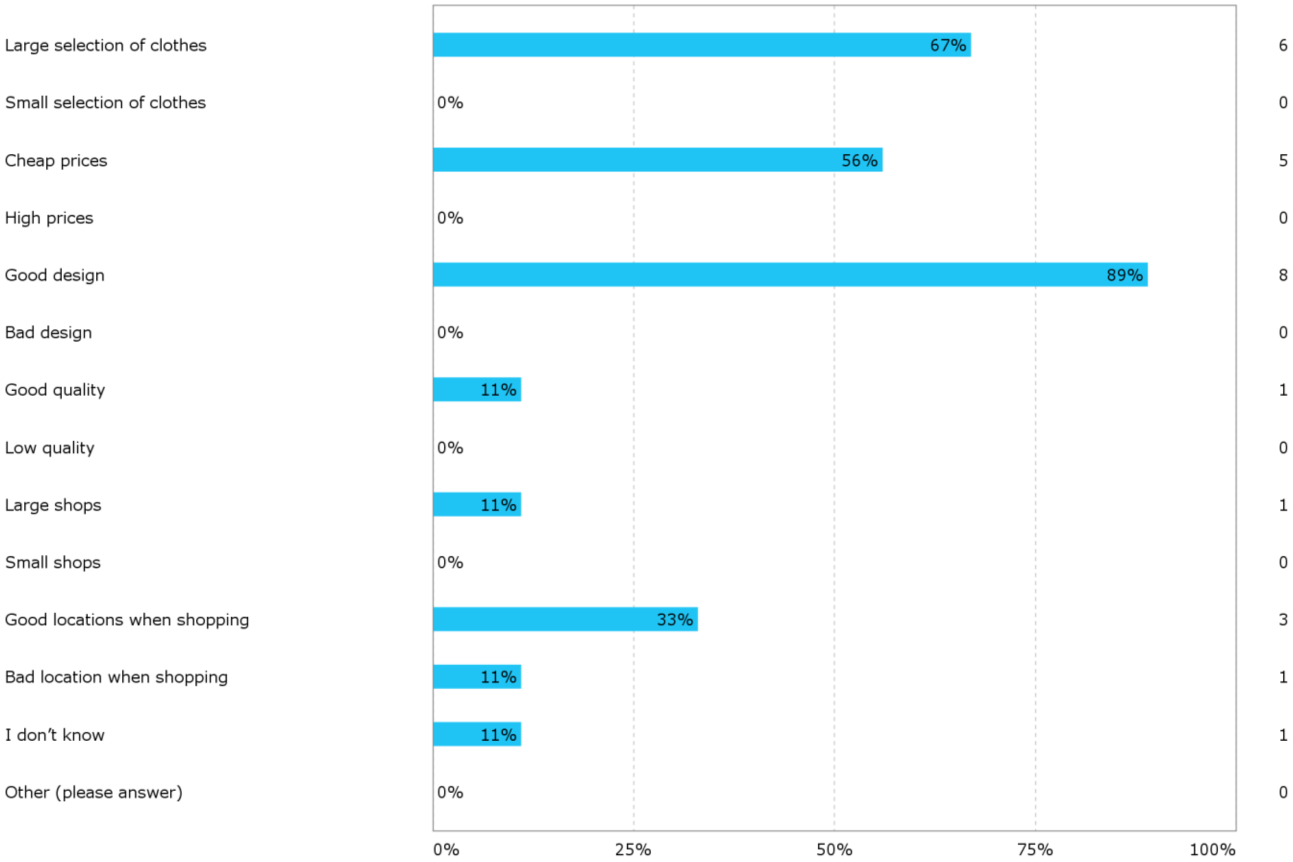
Why do you shop in Gina Tricot? (Please choose on or more) - Other (please answer)

Why do you shop in Sister Point? (Please choose on or more)



Why do you shop in Sister Point? (Please choose on or more) - Other (please answer)

Why do you shop in Zara? (Please choose on or more)

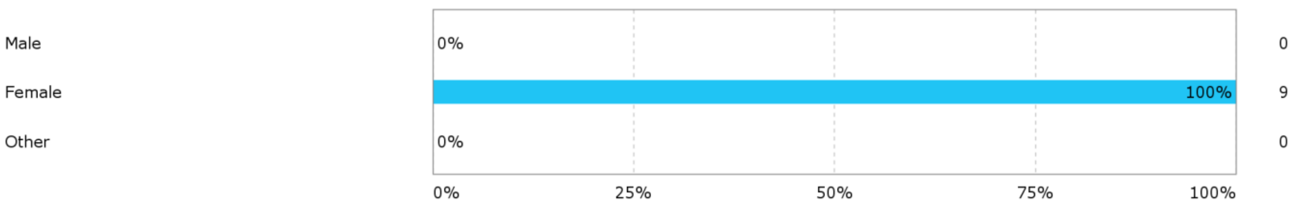


Why do you shop in Zara? (Please choose on or more) - Other (please answer)

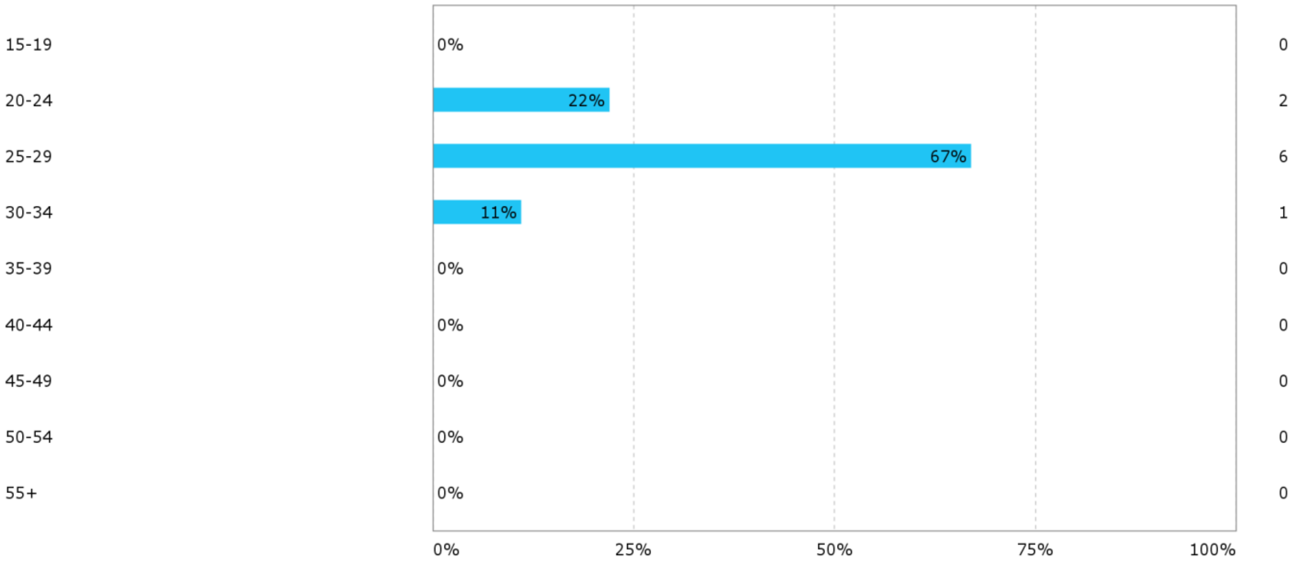
If you have something you would like to add about your opinion on Primark, please share.

- I understand why people like Primark, but the shop is not for me. I don't like the feeling of the shop. I think, if you can say that, that it is too loud, messy and the quality is bad. Yet, you get what you pay for - but, overall, I will never buy clothes or accessories from a Primark shop.

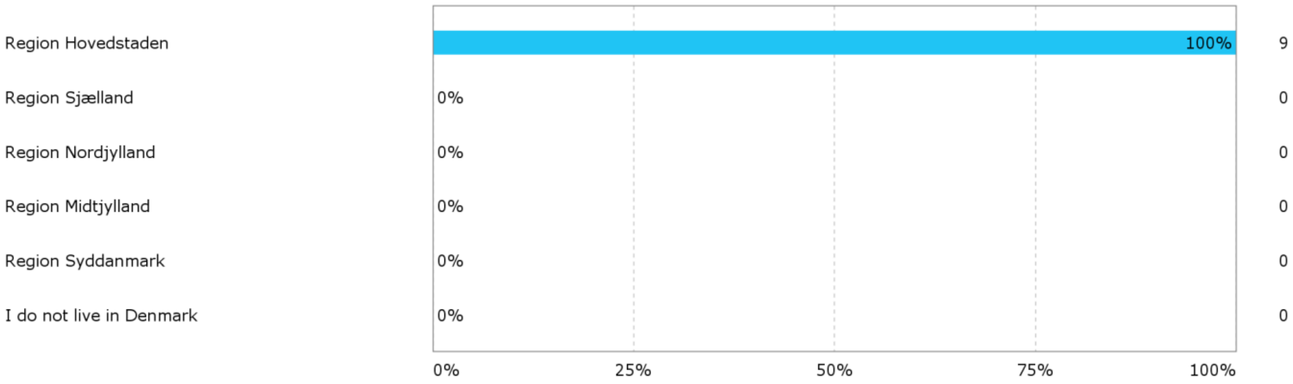
What is your gender?



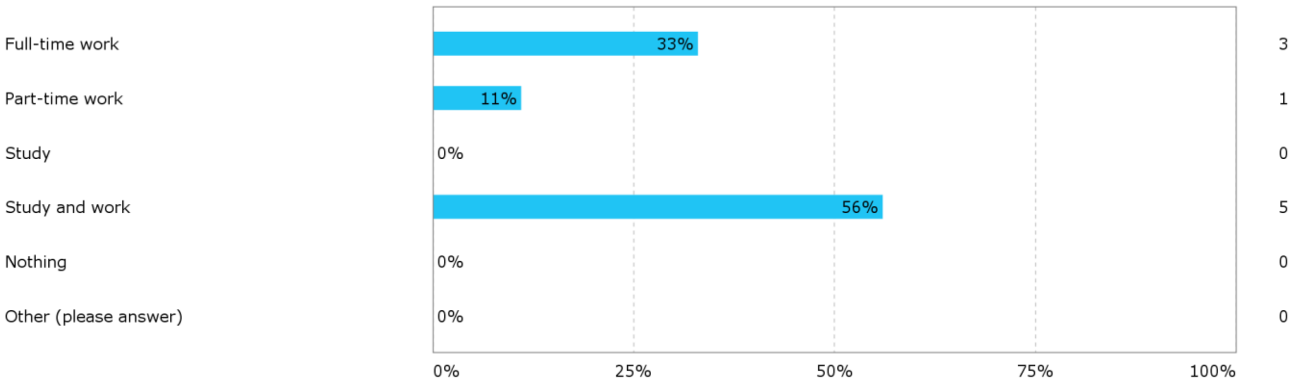
How old are you?



Where do you live?

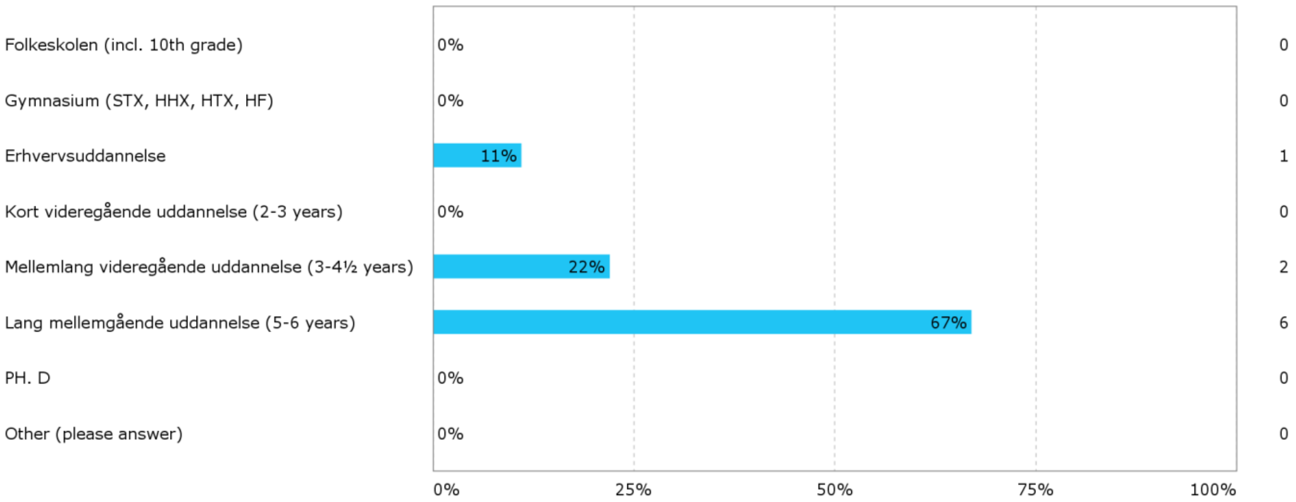


What do you do for a living?



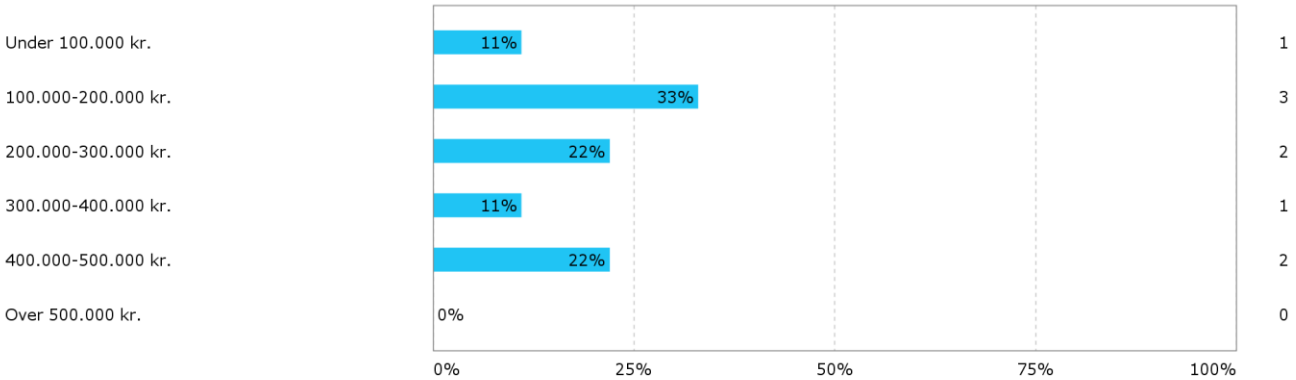
What do you do for a living? - Other (please answer)

What is your last completed education?



What is your last completed education? - Other (please answer)

How much do you earn a year? (including SU etc.)



Appendix 4 - Group Interview

Fortæl lidt om jer selv:

L: Jeg hedder Lise, er 27 år gammel og pædagogmedhjælper. Jeg arbejder i en SFO og bor i Valby med min kæreste.

P: Jeg hedder Pernille, jeg er 26 år gammel. Jeg læser kandidat på CBS i International virksomhedskommunikation og marketing. Og jeg arbejder som studentermedhjælp i Nordea.

S: Jeg hedder Sheila, jeg er 27 år gammel og læser til sygeplejerske. Ved siden af arbejder jeg som Social og Sundheds hjælper.

Det her det handler om PRIMARK, hvad er jeres generelle tanker om PRIMARK?

L: Jeg er vild med PRIMARK. Hvis man kommer på ferie et sted, og der er en PRIMARK, så er det bare ind med det samme og købe en masse. Tit hvis det er store PRIMARK, så er der alt muligt – det kan jeg godt lide – så er der både nips, og dragter og sko.

S: Elsker PRIMARK. Der er så mange billige ting og man skal bare ind i den med det samme.

P: Jeg synes det kan være en stor og uoverskuelig butik. Jeg synes det er rigtig mange gode nips ting og billigt tøj, men jeg ved også at der er andre mærker med en bedre kvalitet, som jeg hellere vil bruge penge på.

L: Sådan har jeg det også lidt. Jeg kan godt have det sådan, at det er på niveau eller lavere end H&M. Men når man har købt noget derinde før, så ved man også hvad man får. Jeg har fx købt stropbluser, som jeg har været rigtig glad for, eller hættetrøjer. Men jeg ved også at jeg ikke skal bruge mange penge på jeans derinde, fordi det er lort. Så er der nogle andre mærker jeg hellere vil købe hos.

P: Man kan sige, at man får hvad man betaler for. Nu har jeg været i PRIMARK mange gange og bare købt små ting.

L: Ja, jeg har også bare købt strømpebukser og sådan nogle ting, som er i fin kvalitet.

P: Det er det også, sådan noget kan man sagtens købe.

S: Jeg kan sagtens finde på at købe jeans osv. I PRIMARK. Jeg er lidt ligeglad med kvaliteten, fordi prisen er så billig. Så forventer jeg alligevel ikke, at det holder længere, og så er det fint nok. Men det er sådan et sted som jeg besøger når jeg er i udlandet og ser en, netop fordi det er så billigt og der er så meget, og så køber jeg bare alt muligt.

L: Jeg var fx i Bruxelles sidste år, der var også en, og der skulle jeg da lige ind og se, og endte så også med bare at købe nogle basis t-shirts fordi det var så billigt, altså 20 kr. eller sådan noget. Og de holder stadig fint i forman og kvaliteten.

Hvordan kan det så være, at i alle sammen stadig besøger PRIMARK når i er i udlandet, hvis i ikke synes kvaliteten er den bedste?

L: Det jo fordi det er billigt.

S: altså, jeg synes kvaliteten er fin til prisen. Så jeg gør det fordi det er gode ting de har til gode penge, som alle kan være med på. Men jeg ville også købe andre ting end kun basis derinde, men jeg går heller ikke på samme måde op i kvalitet og dyre ting. Jeg bruger tingene indtil de ikke kan mere, og så køber jeg noget nyt, og det gør så ikke noget, når det er købt i fx PRIMARK, fordi det netop er så billigt. Der ville jeg blive mere ærgerlig, hvis jeg havde givet 500 kr. for nogle jeans, som så kun holdt et halvt år, i stedet for hvis jeg kun gav 200 kr. i PRIMARK.

L: Tror også det handler om, at det er i udlandet.

P: Ja, man opsøger det nok mere, fordi det netop ikke er tilgængeligt i Danmark, og derfor gør det det lidt mere specielt når man ser en i udlandet.

Ville i så opsøge den her hjemme, hvis det var?

Alle: JA!

L: Men jeg ville også bruge den for det det var. Ville ikke købe nytårskjole derinde, men kun basis ting, hættetrøjer osv.

P: Ja eller strømpe bukser og mærkeligt strømper. Tror faktisk alle mine strømper er fra PRIMARK.

S: Altså i den PRIMARK jeg var i sidst, der købte jeg alt muligt, ikke kun basis ting og strømper. Eller, det køber jeg også, men købte også meget af de andre ting, og det ville jeg også gøre i Danmark.

L: Ja, og så har det også meget børnetøj osv. Det også meget smart, for børn vokser jo hurtigt ud af tingene, så kan man lige så godt købe det billigt der.

Nu i tæt på at skulle have børn osv. Kunne i forstille jer, at tage jeres børn og mand med derind og shoppe?

Alle: Sagtens.

S: Jeg ville heller ikke gide bruge mange penge på tøj til børn, når de vokser ud af det,

L: Nemlig, og så er der fx min kæreste, der er jo også masser af fede t-shirts som han ville kunne bruge i deres herre afdeling.

Er det vigtigt for jer, at kunne få det hele i samme butik? Eller er det lige meget, hvis et center fx har alle butikkerne liggende?

S: Det er en fordel for mig, fordi jeg tit shopper og har en idé i mit hoved om hvad jeg skal have af specielle ting. Så er det rart bare at kunne finde det hele i en samlet butik, og prøve det på sammen, fremfor at skulle i forskellige butikker, og lede efter det man lige synes.

P: tror det kommer an på hvad jeg skal have. Hvis jeg bare ska ud og have en speciel ting, eller basis ting. Men til fx en nytårs aften, så synes jeg det er rart at have flere forskellige butikker at vælge imellem og se udvalget i.

S: jeg ville jo så som regel købe et helt outfit det samme sted, og ikke kun en enkelt ting.

P: Hvis de har det hele, så ville jeg også gøre det, men ville gerne lige kigge i andre butikker også, og så kunne vende tilbage dertil, hvis de andre ikke havde noget.

L: Jeg kan godt lide, at der er det hele et sted, både i en butik men også i et center, for shopper man fx med sin kæreste, så kan han lige kigge på ting til ham, imens jeg kigger på ting til mig selv.

P: Det fede er også, at de i PRIMARK har lavet områder, hvor man fx kan sidde og oplade sin telefon og slappe af, så er der lidt for alle, både dem der ikke gider kigge mere og dem der stadig shopper.

L: Ofte har PRIMARK jo også flere etager, med en etage til mænd, til kvinder og til børn. Så er det jo fedt, at man bare kan rende rundt og hive ned til alle formål, og ikke skulle beslutte noget før man køber. Hvor man så skal ind og ud hele tiden. Det er fantastisk ved PRIMARK, lidt ligesom i Magasin.

P: Mig og min søster laver fx bare en bunke, og så går vi til kassen. Vi prøver det faktisk bare ikke, fordi der som regel er mega lange køer og det virker lidt uoverskueligt. Men så tager vi det med hjem på hotellet, og så prøver vi det, og kan altid komme tilbage med det igen. Men ofte er det så billigt, at det heller ikke gør noget, hvis man ikke lige får det byttet.

L: ja, tit køber jeg også bare noget fordi nu har de lige de her tre t-shirts på tilbud når man lige kommer forbi.

P: ja, det hjælper også at de ligger på de her store gader, som gør at man ser dem og gør det nemt at besøge dem eller komme igen. Lå PRIMARK fx ikke lige i nærheden, så ville man jo ikke komme der og slet ikke komme retur eller bytte ting osv. Så når de ligger som de gør, så er det lidt nemmere.

S: Men igen, hvis det bare er noget til en 50'er, så gider man jo heller ikke bytte det, så er det jo lige meget.

L: og nogle af tingene køber man også bare fordi de er billige jo, som man måske ikke ville købe normalt. Men igen, man køber også mere når det er billigere, ville jo ikke købe 5 ting fx hvis det var dyrt. Så havde jeg kun valgt det jeg virkelig ville have. Hvor i PRIMARK, så tager man bare lidt mere.

Hvordan ville i beskrive, hvordan det foregår fra i står der hjemme og tænker nu skal jeg shoppe, til i så kommer ud og købe noget? Hvad gør i når i skal ud og shoppe? I fortæller, at i PRIMARK hiver i bare ting ned fra hylderne, men hvad med på en helt normal dag her hjemme?

L: Går ind og finder de ting jeg synes er pæne, og så prøver jeg dem. Jeg vælger butik ud fra om jeg kender den i forvejen, eller hvis de har nogle fede ting i vinduet eller på stativerne ude foran. Det skal stemme overnes med min stil.

S: Ja, man går ikke ind hvis det fx ligner de kun har konet tøj.

L: tit prøver jeg også alt muligt på, fordi tit er ting pænere på, end hvordan det ser ud på bøjlen. Så her tager jeg også alt muligt med ind og prøver, men vælger så kun at købe det jeg virkelig synes er fedt eller jeg har bruge for.

S: Når jeg planlægger at jeg skal ud og købe noget tøj, så er det som regel et outfit og jeg er sådan meget specifik i hvad jeg skal have. Så går jeg efter butikker, hvor jeg kan få det jeg tænker jeg gerne vil have på. Så har tit tænkt over det hjemme fra, så jeg ikke vælger alt muligt jeg ikke skal bruge.

P: Jeg bruger mest internettet og finder tingene online. Så ser jeg fx på deres hjemmeside eller sådan noget, så ved jeg hvad jeg gerne vil have, og så tager jeg ud og ser det fysisk i butikken og prøver det på. Ofte shopper jeg ved at finde ting online hjemmefra, og så finder jeg ud af hvor jeg kan finde det. Men det også fordi, så er jeg mere målrettet, hvor jeg fx ser det som en mere social ting, hvis jeg skal gå op og ned af strøget og finde ting. Så det typisk noget jeg gør med en veninde.

L: Hvis jeg har kort tid, så kan jeg godt bestille det online, fordi det sparer tid. Men shopper jeg ude i et center, så har jeg også tit veninder med, og leder sådan efter noget. Noget specifikt men som jeg ikke helt ved hvad er endnu.

S: Jeg shopper tit alene. Men det er igen også fordi, at jeg som regel har et specifikt outfit i hovedet, så det nemmere bare at gøre det alene, hvis jeg ved hvad jeg skal have og hvad det skal bruges til. For så leder jeg bare efter det.

L: Det kommer også an på hvem man shopper med. Nogle har man meget ens stil med, og kan gå i de samme butikker, hvor med andre skal man i 100 forskellige butikker, og så er det bare nemmere alene. Med en veninde bliver det hurtigt hygge og mad, fremfor faktisk at finde det man skal.

S: Ja, det er ikke så effektivt at have en med når man shopper.

P: Stemningen er dog også altid vigtig, Og ofte kan veninder vejlede en godt i butikkerne, så der er både gode og dårlige ting ved at shoppe sammen frem for alene.

Hvad kan ellers påvirke jeres beslutning når i skal købe noget?

L: Ekspedienterne og servicen. Jeg har fx en yndlings butik, som jeg altid går i, fordi jeg ved de tager sig tid og er gode til at vejlede mig, men uden at pushe en. Men i PRIMARK eller H&M så kommer der jo ingen ekspedienter over, men det også en anden prisklasse og større butik. Men det kan også være rart bare at være i fred, fordi netop i sådan nogle butikker er det mere impuls ting der skal købes, så man ved ikke helt hvad man skal have.

S: Jeg synes faktisk det kan være rart, at få lov at gå i fred. Netop fordi jeg altid har en meget konkret idé om hvad jeg skal have når jeg shopper. Jeg skal nok selv sige til, hvis jeg har brug for hjælpen, men det er stadig rart der er mulighed for det.

L: Det er forskelligt for mig. Forventer den service, hvis tøjet er dyrere og er servicen der ikke, vil jeg gå igen.

S: Men der er prisen jo også efter, at man så betaler for en service.

P: Synes det er rart, at de liger registrere at man kommer ind og man ved de er der, men uden at de behøver at hive fat i en med det samme og hele tiden. Men det er specielt vigtigt, at de er åbne og man føler man kan spørge dem, og at de fx ikke står og snakker, for så gider jeg ikke bede om hjælp.

L: Sådan har jeg det også. Og så skal de kunne tyde ens stil, så de ikke bare kommer med mærkelige forslag, som bare ikke passer til mig.

S: Ja, man skal føle det er ægte og ikke bare for ar sælge.

P: Man skal jo nok selv sige, hvis man har brug for en top til bukserne.

S: Hader når de bare kommer ind med en eller anden mærkelig ting ”se den her ville være flot”. Det skal passe ind i samtalen. Og det kan jeg rigtig godt lide ved fx PRIMARK eller H&M, der kan jeg bare gå og finde de ting som jeg skal bruge, og som jeg ved jeg mangler.

Nu vi lidt inde på PRIMARK igen, og en af jer nævnte fx der var område med stole og opladning osv. Hvordan oplever i indretningen af PRIMARK?

S: Overordnet er det meget rodet og stort.

L: Ja, det kommer også an på hvilken PRIMARK det er.

S: Det rigtigt, men synes stadig at de er ens, og det er sådan at man kan genkende at det er en PRIMARK man er inde i, uanset om det er i en lille eller stor. Så er indretningen meget det samme.

Hvordan fanger udstillingen i butikken jer så? Fx mannequiner osv.

P: Synes som regel det gør det nemt at finde tingene, fordi så har en mannequin et sæt på, og så er det i nærheden af den, at man kan finde tøjet. Netop fordi det er så stort, så er det vigtigt for mig, at der er en form for struktur i alle PRIMARKs på den måde. For ofte er de helt store også virkelig rodet, og det er meget uoverskueligt tit.

L: Jeg kan bedst lide de store, fordi det er som om de prøver at have det samme i de små butikker som i de store. Men de fleste er også store og derfor gode. Som også er det jeg tænker når jeg kommer ind i en PRIMARK.

P: Det også fedt, at det er delt op i køn, så man ikke forvilder sig hen i en herreafdeling lige pludselig og bruger tid på at fare vildt. De er gode til at have samme struktur i alle butikkerne, så man ved hvordan man skal bevæge sig rundt derinde.

L: Man ved også hvad man går indtil og hvad prisen er, og man forventer så heller ikke, at der er nogle stil at finde størrelsen til en og rydde op efter en. Det gør, at man ved hvad man skal indstille sig på.

S: Ja, så er man kamp klar!

L: men det også kun i PRIMARK man gider det, fordi det forventer man. Men i Magasin fx så ville jeg slet ikke magte det fordi det forventer jeg ikke der.

P: Og så har de altid alle størrelser. Man gider godt lede lidt i rodet, fordi man som regel aldrig roder forgæves, de har det hele.

S: Ja, de har det også bygget meget op som H&M, som jeg synes er rart, som Pernille også siger, så kan man finde rundt og finde ting. Og så er det tit stillet op i stilarter.

Nu har i selv snakket om Magasin og H&M osv. Hvor shopper i som regel henne, når i shopper i Danmark?

P: jeg shopper på nettet.

L: Ja, meget online, hos Bestseller osv. Men det også de butikker jeg besøger fysisk.

S: Jeg kigger rigtig meget online, og handler ellers rigtig meget i H&M, Vila og Vero Moda.

L: Jeg handler også meget i Vila og Vero Moda.

S: Jeg shopper også i Bilka, fordi de tit faktisk har helt okay ting til billige penge. Og jeg er ligeglad med mærket, hvis bare det er billigt. Ingen kan alligevel se det er købt i Bilka.

L: Jeg har det dog sådan, at skal jeg købe vinterjakker osv., så skal det bare være noget ordentligt i ordentlig kvalitet. Det skal være det gode, og jeg ville aldrig købe vinterstøvler i PRIMARK. Kun små sko som sandaler osv., som ikke skal holde mere end én sæson.

P: Sådan har jeg det også. Men det er også ting som skal holde mere end en sæson, netop fordi det er dyre investeringer og ikke basis varer.

S: Jeg er igen ligeglad, skifter alligevel stil så ofte, så vil heller købe billige, for det er sjældent jeg fx gider at bruge de samme vinterstøvler flere år i træk. Så hellere billigere ting oftere.

Så i bruger ofte flere penge og dyre mærker på ting som skal holde i længere tid, men basis varer og hverdagstøj kan i sagtens købe hos billigere brands.

L: Ja!

S: Jeg ville stadig købe det billige.

P: Synes det kommer an på, hvad jeg ved om kvaliteten, for så er prisen lige meget. Men fx PRIMARK associerer jeg bare ikke med super god kvalitet, så derfor ville det ikke være der, hvor jeg ville ligge mine penge til større investeringer. Jeg forbinder ofte pris med kvalitet. Men deres basis varer i stadig ofte god kvalitet, så det kunne sagtens være, at vinterstøvler i PRIMARK var en god kvalitet, men ville ikke regne med det. Det handler ikke om at mærket er vigtigt, men mere bare mine erfaringer med det.

L: Jeg ville heller aldrig købe vinterstøvler i H&M, fordi der tænker jeg heller ikke kvaliteten er super god, ligesom i PRIMARK. Men jeg beholder også mine fx vinterstøvler i flere sæsoner. Men igen, man ved også, at læder støvler ikke kan sælges til 100 kr. så der hænger pris og kvalitet jo sammen. Men vi kender jo også mærkerne efterhånden, og jeg ved at jeg ikke behøver give 400 kr. for en t-shirt hos et dyrt brand, fordi jeg ved jeg kan få samme kvalitet meget billigere hos fx Vila eller Vero Moda. Nu går man heller ikke lige så meget op i mærket, som man gjorde da man var yngre.

S: Det jo også lige meget hvad mærke det er, så længe man bare synes det er fedt det man har på. Man hviler lidt mere i sig selv, og vil bare se pæn ud og føle sig godt tilpas.

P: Vil hellere give mere for noget som jeg kan bruge i lang tid, som jeg ved fungerer, og så køber jeg det tit igen og igen når jeg ved det holder.

I går meget op i kvaliteten, frem for brand. Og så er prisen ofte lige meget. Er kvaliteten god, så er det lige meget om den koster 50 eller 200 kr.

S: Ja, det er nok mere min forventning om hvad jeg får, som jeg går efter. Og synes ofte, at de billige ting, er lige så gode som de dyre.

L: Og jeg ville også stadig besøge PRIMARK, selvom der også lå andre gode brands rundt om, netop fordi de ofte også har nogle helt fine ting til rigtig gode priser.

P: Det samme ville jeg. PRIMARK ville helt sikker blive en butik som jeg standard ville shoppe i, på lige fod med Vila, Vero Moda osv.

Til lidt andet. Når i skal shoppe, hvor får i så inspiration? I har selv nævnt online, men hvad ellers?

P: Jeg bruger instagram.

L: jeg bruger også butikkers Instagram og ikke kun private. Ofte ligger butikken nye sæt op, og ser det fedt ud, så tager jeg da ned i butikken for at se hvad det er for noget.

P: Mange af de mærker jeg bedst kan lide, de har instagram, så dem følger jeg, og får også nyhedsmails osv. Hvor man ofte også får gode rabatter osv. Jeg får helt klart mest inspiration online, fremfor hvad der er i butikkerne og vinduerne.

L: Så kan man også tit se tøjet på en rigtig person, frem for på en dukke eller model billede.

S: Så det er meget det visuelle og hvad andre mennesker har på, som giver mig inspiration.

P: Det er bare meget nemmere at finde inspiration online, det er mere overskueligt, og der kan man også se hvor præcist man kan få tingene. Og så kan man altid finde det i butikken.

L: Ja, så ved man hvad man kan få, og at de har det, og i butikken kan jeg så finde det og se det på, uden at skulle bruge en evighed på at lede. Men køber det også tit bare direkte online når jeg ser det, fordi jeg ofte kender pasform osv. Fordi det er de samme steder jeg shopper.

Hvad tænker I så om, at PRIMARK ikke har en webshop?

S: Det vidste jeg ikke de ikke havde. Men det gør ikke noget for mig.

P: Jeg ville stadig handle der, for man kan stadig se deres ting online, og så er det fint nok, så længe det er nemt at finde en butik og den ligger tæt på.

L: Det er fint, ofte vil jeg alligevel gerne ned og prøve tingene på før jeg køber dem. Specielt med billige mærker, for der kan ofte være stor forskel på kvaliteten eller pasformen synes jeg. Og tit er fragten dyre end selve tøjet sådan nogle steder.

P: Ville aldrig fravælge PRIMARK bare fordi de ikke har en webshop, for jeg ville stadig gå ind i den når jeg ser en butik, også i Danmark. Men jeg søger også bare mere online for specifikke ting, som fx en kjole til nytår.

L: Det også tit nemmere i butikken, fordi så kan man prøve det hele, fremfor at bestille 10 forskellige størrelser, fordi man ikke er sikker på, hvordan den sidder.

S: Jeg handler sjældent online, netop fordi jeg gerne vil kunne prøve det på og se det først, og slippe for at bruge penge på fragt og retur.

Appendix 5 – PRIMARK Director Interview

Source: NorthJersey.com, 2017

Q. How would you describe Primark to someone who has never heard of Primark?

It is a store for the entire family. We have clothing for women, men, children; home accessories; footwear, and lingerie. Our formula is we are for all the family, and our mantra is amazing fashion, amazing prices.

Q. Other than Freehold and the planned American Dream store, are you looking at any other New Jersey locations?

No. For the time being that is our plan. Let's open 10 stores. Let's analyze. Let's fine-tune everything. We are learning every day. We are learning about the customers. We are learning about the product.

Q. Have you been able to gauge how far people will travel to get to a Primark store?

They travel from far away. We are getting more and more brand awareness, and we are seeing people driving from an hour away. We even have people from the New York area coming to Boston by bus. Every Saturday there was a bus organized by local people around New York leaving from Yonkers and Brooklyn and going to Boston. The same at the King of Prussia [Pa.] store.

Q. The decision to open at American Dream — was that because you see it as a way to show the brand to tourists from around the country and the world?

Yes. That mall is going to be enormous. It will be great. Not far from Manhattan. So it will be like a regional mall. We are thrilled to be there with the other retailers. We love the competition. It will complement our presence around the New York area.

Q. How can Primark sell clothes so inexpensively?

It is the efficiency of the organization and it is the efficiency of the supply chain. We have a long tradition of working with those suppliers around the world. We have a very efficient buying office. Minimal marketing. No e-commerce. Low margins. Everything we can do to lower prices we give to the customers.

Q. No e-commerce? That is different. Are you planning to add it eventually?

Not for the time being. We want the experience to be inside the store. So we are creating lovely stores, very modern, attractive for the customers, with big aisles and a lot of fitting rooms. Wi-Fi. Sitting areas. Charging stations for cellphones. And we are putting a lot of emphasis on giving the customers a great experience.

Q. Primark has been called the Irish Uniqlo, the Irish H&M, the Irish Target. Any of those descriptions fit?

Actually, I think we have a unique model, first of all because we are big. These are big stores. Boston is close to 80,000 square feet. I think we have amazing fashion. We sell amazing value. The quality is really excellent. If you touch [the merchandise] you'll see. For example, this suit I'm wearing is from Primark — $70.

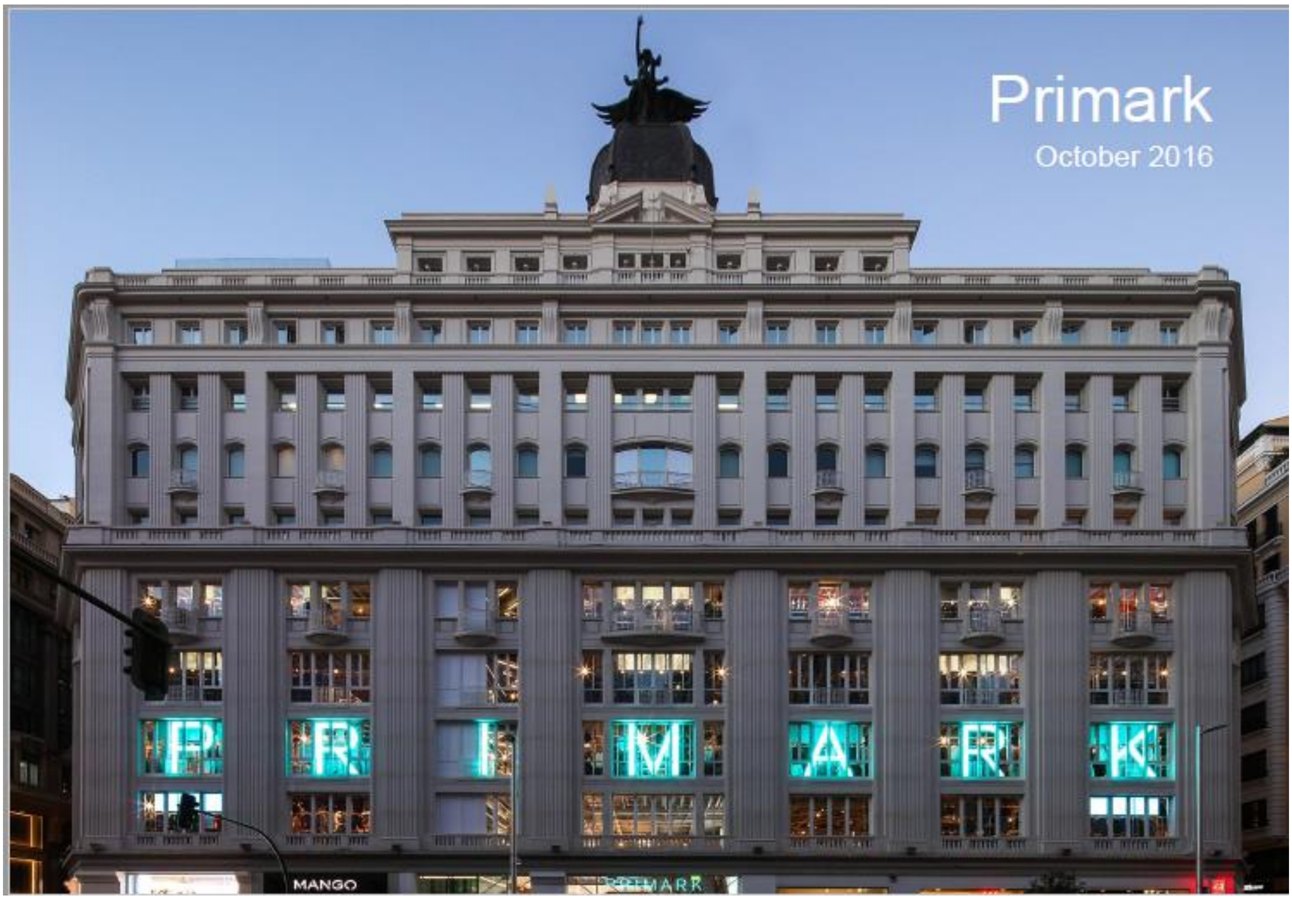
Q. It looks good on you. The European slim cut.

I wear Primark. Whether I am working or I am on my own time. It can be for everybody. It can be for me. It can be for young people. It is a very unique model.

Q. Some European brands have tried and failed to make it in this country. Have you learned from their mistakes?

Even before we entered the U.S. market, our executives and the buying teams visited frequently, not because we were coming to the U.S., but because we are a global brand. As we were preparing to enter the market, we spent a lot of time going around the Northeast corridor, going around the cities, going around the malls, looking at the competition, looking at the product, and, most importantly, customer service. We can adapt our product and our assortment to the different countries, and we are adapting for the different stores. Here in Freehold, if for whatever reason flip-flops aren't selling, we can substitute something else. We are big, we are flexible. We are a global brand but we are acting locally.

Appendix 6 – PRIMARK company profile



PRIMARK Who Are We?

- One of Europe's largest fashion retailers with Headquarters in Dublin
- Offering **Amazing Fashion at Amazing Prices** across Womens, Mens, Kids, Home, Beauty and Gifts
- Founded in Dublin, Ireland, in 1969
- Employing over 62,000 people in over 315 stores across 11 trading countries
- No.1 volume market share in the **UK, ROI, Spain and Portugal**
- Sales growth 8% bringing us to £5.35 bn for FY 14/15. Annual profit of £673m
- Over 12 million sq ft of retail selling space
- In FY14/15, **1.5 million** shoppers visited us every day
- 8.5 million social media followers
- Subsidiary of **Associated British Foods (ABF) plc**, a diversified international food, ingredients and retail group with sales of £12.8bn, 124,000 employees and operations in 48 countries across Europe, southern Africa, the Americas, Asia and Australia.

2

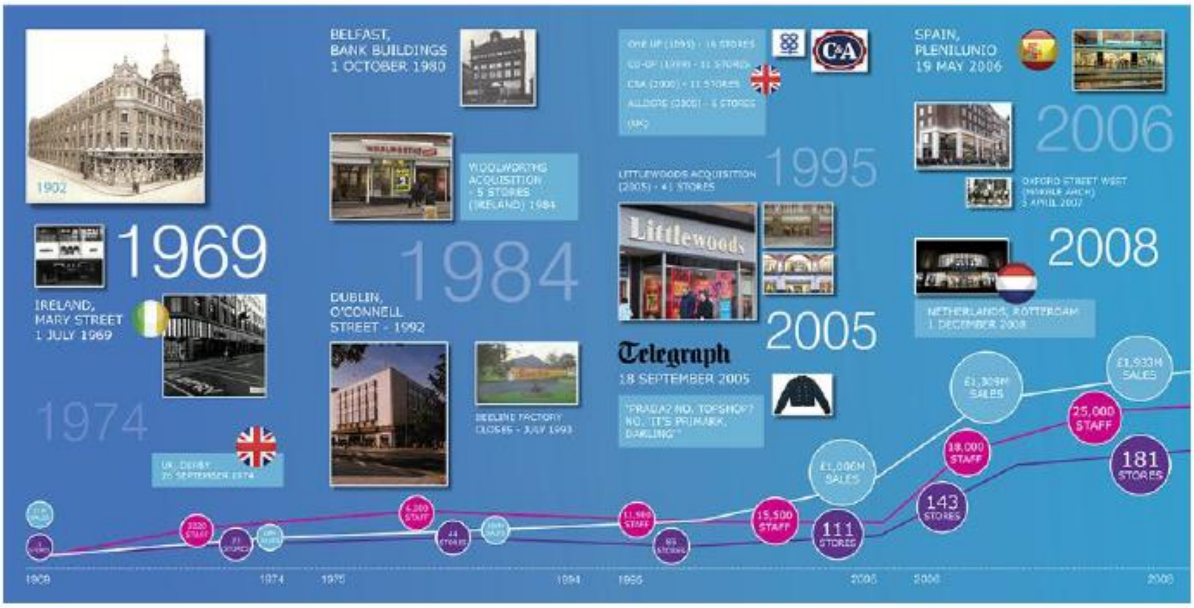
PRIMARK Primark Locations

Country		Stores
Ireland		36
UK		173
Spain		42
Netherlands		15
Belgium		4
Portugal		9
Germany		21
Austria		5
France		8
US		5
Italy		1
Total		319

Seven distribution centres in Europe and **one** in the **US**, with over **4 million sq ft** of storage in total

3

PRIMARK Company Timeline



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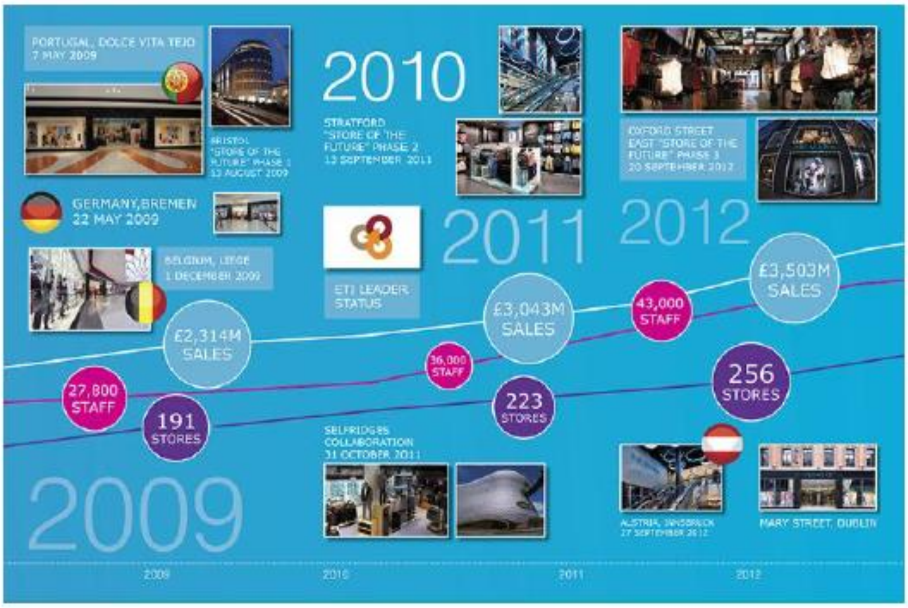
PRIMARK Company Timeline



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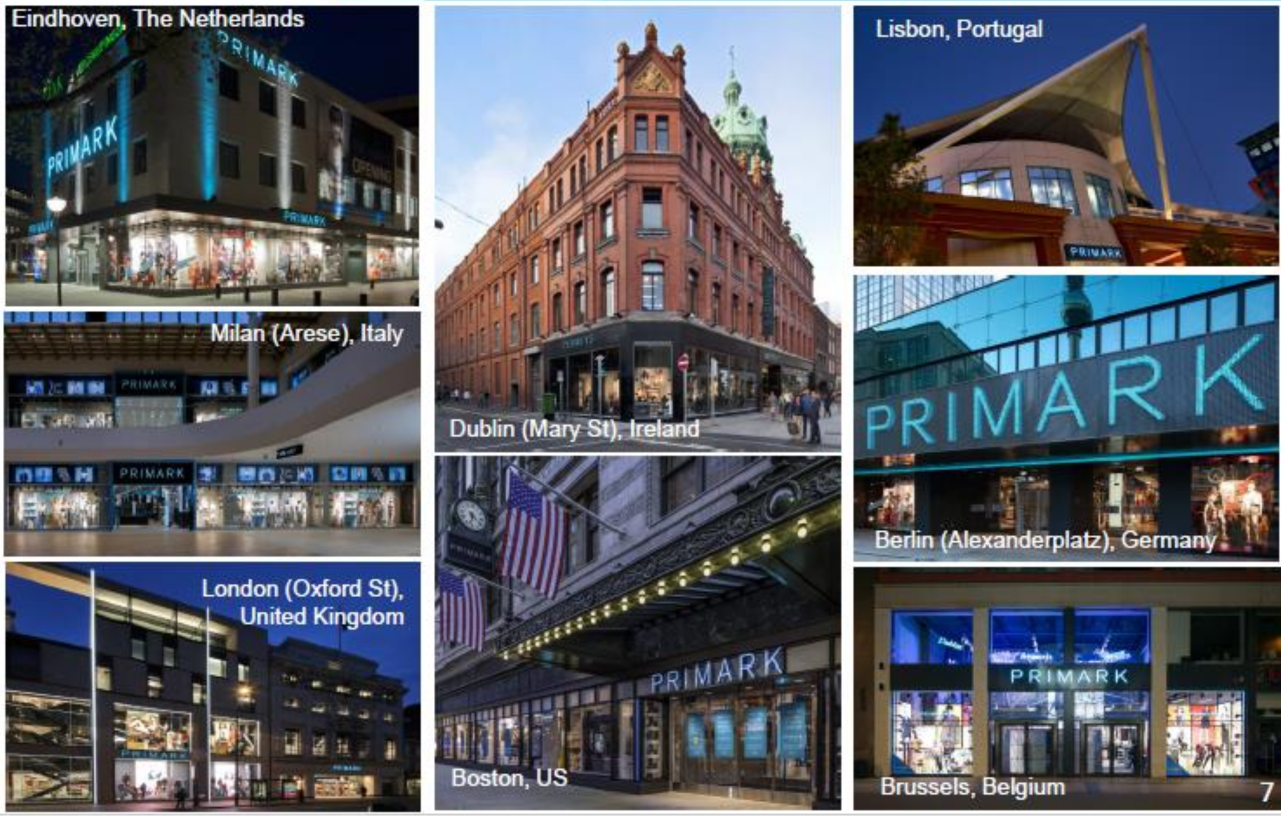
PRIMARK® Company Timeline

6

PRIMARK® Our Stores



7

PRIMARK

In Store Experience

Store environment plays an important part in inspiring our customers and engaging them in the fun and fashion of Primark. Over the last few years, significant advances have been made in window presentation, visual merchandising, digital communication, and the look and feel of each department.


King of Prussia, US

Boston, US

Madrid (Gran Via), Spain

8

PRIMARK

In Store Experience

Madrid (Gran Via), Spain

9

PRIMARK

Fashion

PRIMARK

New Store Openings

Opening of Primark La Valette-du-Var by Senator Mayor of La Valette-du-Var, Christiane Hummel

Opening of Primark Alexanderplatz by An Taoiseach, Enda Kenny

Opening of Primark Plenilunio by H.E. Irish Ambassador to Spain, Justin Harmon

Opening of Primark Edinburgh Fort Kinnaird by Lord Provost of the City of Edinburgh, Donald Wilson

Opening of Primark Boston by Mayor Martin J. Walsh

Opening of Primark Il Centro, Arese by Mayor of Arese, Michela Palestra

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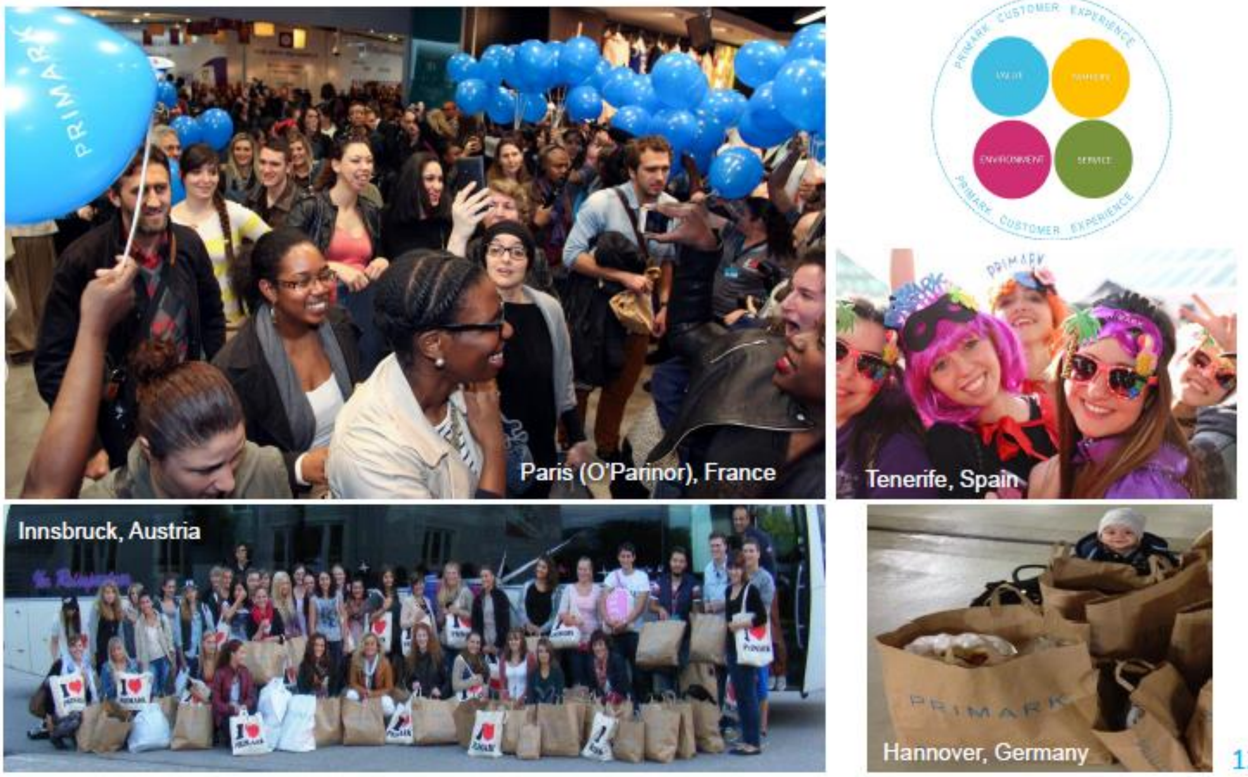
PRIMARK® **Proposition Translates To Happy Customers**



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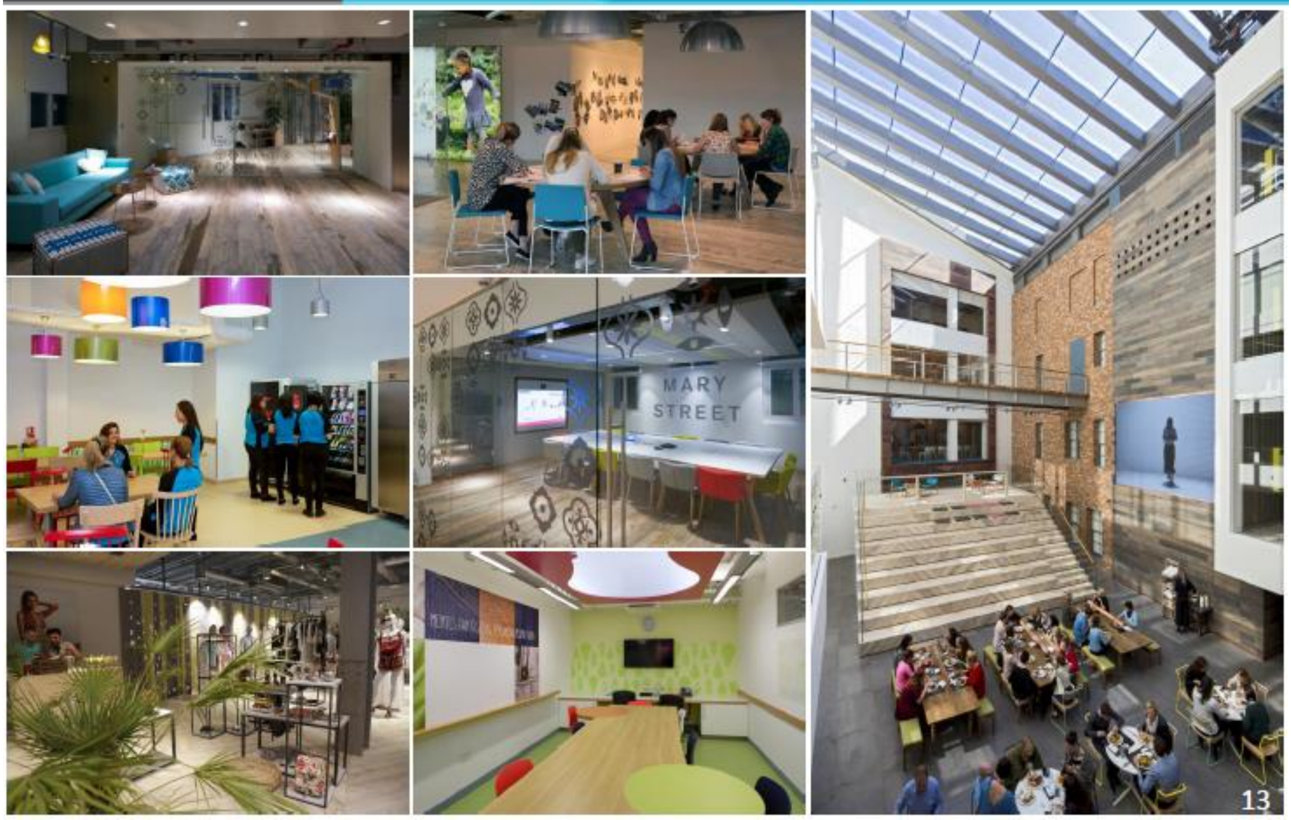
PRIMARK® **Our Innovative Working Space**



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PRIMARK How does Primark keep its prices so low?

Primark's prices are low because Primark operates differently than many other retailers.

The wages of workers within a factory are the same, whether they are making clothes for Primark, or other major retailers, including luxury brands.

Primark reduces its costs by working smart and lean:

- Primark has a **much lower margin** than many competitors
- Primark orders the majority of its products **directly** from suppliers
- Primark orders clothing in **large volumes**, often providing **long lead times** to suppliers to enable them to plan and achieve **efficiencies of scale**, such as ordering fabric in bulk
- Wherever possible, suppliers source raw materials **close** to where merchandise is being **manufactured**
- Primark pays suppliers **promptly**
- Almost **no advertising** thus keeping its costs down

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PRIMARK Sourcing and Ethical

- Primark's Ethical Trade Code of Conduct is based upon the ILO Conventions and the ETI Base Code.
- Primark has been ranked a Leader by the ETI since June 2011. Primark has become a member of the ZDHC (Zero Discharge of Hazardous Chemicals) Group and signed up to Greenpeace's global Detox campaign.
- Primark has established a partnership with the Department for International Development (DFID) to improve working conditions for garment workers in developing markets.
- Primark sources from 700+ suppliers across 37 countries. Every factory is audited before an order is placed to monitor standards, identify issues and work with suppliers to resolve and provide training. In 2015, Primark conducted 2,629 audits of its suppliers' factories to ensure compliance with the Code of Conduct.
- Primark shares over 98% of third party factories with other high street brands.
- The Primark Ethical Trade Team is currently comprised of over 60 (rising to 85) highly experienced individuals, with the majority based on the ground in key sourcing regions.
- Collaboration is vital to drive sustainable change. Primark is an active member of key organisations including ACT, The Accord, ETI, Textilbündnis, ILO Better Work, The Sustainable Apparel Coalition and ZDHC.
- CSR Awards 2016:
  - Winner — Corporate Engagement Awards – "Grand Prix", "Best Collaborative Approach" and "Best Environmental or Sustainable Programme" for the Sustainable Cotton Programme
  - Winner — edie Environment & Energy Awards – "Environmental Initiative" for the Sustainable Cotton Programme
  - Runner Up — National CSR Awards – "Best International Sustainable Community" for the Sustainable Cotton Programme

ACCORD on Fire and Building Safety in Bangladesh

Ethical Trading Initiative
Respect for workers worldwide

Department for International Development

ZDHC

Member of the Partnership for Sustainable Textiles
Socially and environmentally – we're on our way

BETTER WORK

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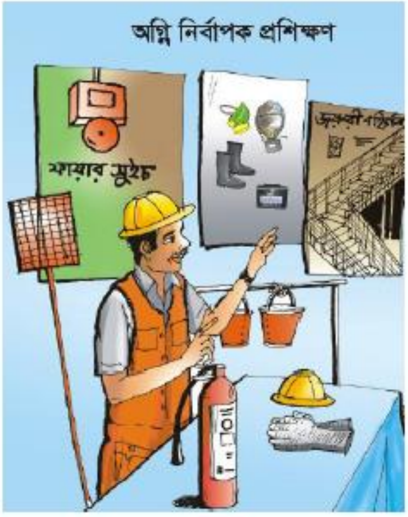
PRIMARK® Sourcing and Ethical

Primark identifies the key risks in its sourcing countries and runs activities and programmes to address them. These include, for example:

- Structural surveys are conducted to the highest international standards by an expert team of engineers on all the factories used by Primark in Bangladesh, Pakistan (2015) and extending to other countries in 2016.
- Co-founding ACT with other retailers and global trade union IndustriALL. ACT is a coalition which addresses living wages through freedom of association and collective bargaining. The first in-country programme launched in Cambodia in August 2015.
- Worker education programmes: workers are often unaware of their rights, and women and migrants can be particularly vulnerable. Primark's programme in India has trained over 6000 people since 2009.
- Helping workers to access goods and services. We have partnered with NGO BSR (Business for Social Responsibility) on HERhealth a programme to delivered health education to over 20,000 women in our supply chain.
- In regions where workers may have difficulty understanding the formal, written Codes of Conduct we have worked with local charities and designers to design a range of posters to illustrate their rights at work and create posters for the factories.



A poster to promote fire safety. Workers in factories collaborated with Primark to design a range of posters to illustrate their rights at work.

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PRIMARK® Sourcing and Ethical

Primark's environmental programmes looks at the whole supply chain from raw materials, to manufacturing processes, to stores and operations. These include:

- Growing greener cotton and supporting farmers' livelihoods. The programme launched in China in 2013 and India 2014, and involves over 2,400 farmers.
- Improving energy efficiency, waste disposal, and water usage in factories and mills. The programme is co-run with expert NGO Solidaridad in China and Bangladesh.
- Eliminating hazardous chemicals by 2020 and replacing them with safer alternatives. Primark signed the Greenpeace Detox Commitment in 2014.
- Recycling all cardboard, hangers and plastic. In a typical year, Primark saves 430,000 trees by recycling 25,000 tonnes of cardboard.
- The iconic Primark carrier bag is made from 100% recycled paper.
- Implementing a Building Energy Management System to 95% of our stores to monitor our commitment to reduce total greenhouse gas (GHG) emissions.
- Donating all unsold product in Europe to Newlife Foundation, where they are recycled responsibly. The proceeds support disabled and terminally ill children and their families.
- In the US, Primark donates its unsold merchandise to the charity K.I.D.S/Fashion Delivers which distributes the merchandise through a network of over 1,000 community partners.

Solidaridad

newlife foundation for disabled children

K·I·D·S· FASHION DELIVERS

GREENPEACE

17

PRIMARK Sourcing and Ethical

- Primark is committed to responding quickly and effectively to issues when they arise. For example, the tragic collapse of the Rana Plaza building in Bangladesh in April 2013 when 1,135 people died.
- Primark was the first retailer to acknowledge using a factory in Rana Plaza and the first retailer to take action.
- Primark worked with local partners in Bangladesh on a programme of support and compensation for victims.
- Primark's support has included emergency food aid, short-term financial aid for all Rana Plaza workers & rescue workers, and medical support.
- Primark paid long-term compensation to the factory workers and their dependents, and provided further support such as financial and legal guidance.
- Primark continues to monitor and support those who are vulnerable and most at risk.
- Total aid payments of US$14 million.

Case study published by the Harvard Business Review in August 2015.

Providing financial expertise through interactive grassroots education with BRAC Bank, to support those who received long-term compensation.

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STRICTLY PRIVATE & CONFIDENTIAL

PRIMARK

Köln , Germany

Market Entry Case Studies
Germany and US

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PRIMARK®

Primark in Germany

- Currently trading from 21 stores, 114,050 sq m
- Over 5,700 permanent employees in Germany
- Strong economic value creation, estimated annual contribution of over €0.8bn to the German economy
- Planned store openings in
  - Hamburg Billstedt
  - Ingolstadt
  - Munich

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PRIMARK®

Primark in Germany - Organisational Development

- In country team includes Director General, Commercial Directors, People and Culture, Finance, IT, Property, Store Development
  - Leadership team have a combined total of 95 years Primark experience
  - Strong investment in people; over 10,000 training days for German staff since 2009
- Organisation developed with benefit of over 40 years experience in Ireland and other countries
  - Approximately 40,000 support days from other countries across 20 store openings
- Knowledge-sharing across the group, to improve operations elsewhere
  - 12 German employees were selected as coaches to support the US teams with the September 2015 launch

Berlin, Germany

21

PRIMARK® Primark in Germany - Community Partnerships

- When Primark begins trading in a new area, we recognise the importance of building strong relationships with community groups and the relevant local authorities
- At the opening of each new store, Primark makes a significant contribution to a local community organisation
- Over €200,000 donated in the last seven years in Germany

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PRIMARK® Primark in the US

- The US market offers a clear opportunity for Primark
  - English speaking, close ties to Ireland and Europe
  - Opportunity to take a unique position in the market
  - Compelling proposition for US customers
  - Fluid property market offers potential to build scale
  - Strong price position versus US competition
- Principles for US market entry
  - Focus on North Eastern corridor (Boston to Washington DC, 50m population)
  - Up to 10 store openings
  - Distribution Centre in Bethlehem (PA)
- First US store, Downtown Crossing, Boston opened on 10 September 2015 in landmark Burnham building
- Four further stores have opened: King of Prussia Mall (PA); Danbury Fair Mall (CT); Freehold Raceway Mall (NJ); Willow Grove Park Mall (PA)
- Five further stores are planned - Burlington (MA); Staten Island (NY); South Shore Plaza (MA); American Dream (East Rutherford, NJ); Kings Plaza (Brooklyn, NY)

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PRIMARK

Primark in the US - People

- Embedding the Primark business model in our US stores will be a key challenge
- Our aim is to blend the best local know-how with the unique Primark culture
- This is facilitated by bringing Primark and local talent together:
  - Primark will deploy experienced European staff to support the business in the US
  - All senior US hires will participate in an extensive Induction and Training period in Europe
- 22 people based at the Primark Boston office with local expertise in areas such as Customs Compliance, Financial Control, Legal, Visual Merchandising, Store Development, People & Culture and Payroll, supplemented by Primark experienced resources in Supply Chain and ICT

Boston (Downtown Crossing), US

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PRIMARK

King of Prussia, US

Additional Information

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PRIMARK®

Selected Recent Awards

GRAND PRIX FOR THE SUSTAINABLE COTTON PROGRAMME Corporate Engagement Awards 2016 (UK)	**BEST COLLABORATIVE APPROACH – GOLD AWARD FOR THE SUSTAINABLE COTTON PROGRAMME** Corporate Engagement Awards 2016 (UK)	**BEST ENVIRONMENTAL OR SUSTAINABLE PROGRAMME – GOLD AWARD FOR THE SUSTAINABLE COTTON PROGRAMME** Corporate Engagement Awards 2016 (UK)
ENVIRONMENTAL INITIATIVE FOR THE SUSTAINABLE COTTON PROGRAMME edie's 2016 Environment & Energy Awards (UK)	**RETAILER OF THE YEAR 2015** King of Prussia District (USA)	**BEST IRISH COMPANY IN FRANCE** Ireland France Business Awards 2015 (France)
BEST FASHION & FOOTWEAR RETAIL CONCEPT MAPIC Awards 2015 (France)	**ECONOMIC IMPACT AWARD** Boston Irish Business Awards 2015 (USA)	**BEST RETAILER OF THE YEAR: WOMENSWEAR / KIDS & BABY** Comercio del Año 2015 (Spain)
RETAIL TRANSFORMATION & INNOVATION AWARD World Retail Awards 2015 (Italy)	**OUTSTANDING LEADERSHIP AWARD- PAUL MARCHANT** World Retail Awards 2015 (Italy)	**OWN BRAND RANGE/PRODUCT OF THE YEAR- P.S. BEAUTY** Oracle Retail Week Awards 2015 (UK)
GROWTH INITIATIVE OF THE YEAR - NEW MARKETS EXPANSION Oracle Retail Week Awards 2015 (UK)	**INTERNATIONAL FASHION RETAILER OF THE YEAR** Drapers Awards 2014 (UK)	**BEST STORE DESIGN: BERLIN ALEXANDERPLATZ** Drapers Awards 2014 (UK)
L'ENSEIGNE D'OR DE L'EFFICACITÉ Most Efficient Retailer, L'Enseigne d'Or 2014 (France)	**FORUM PRIZE** Textilwirtschaft 2013 (Germany)	**COMPANY OF THE YEAR 2014** Business & Finance Irish Business Awards 2014 (Ireland)

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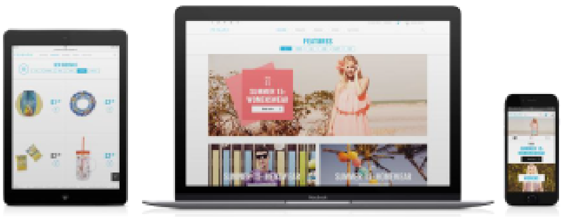
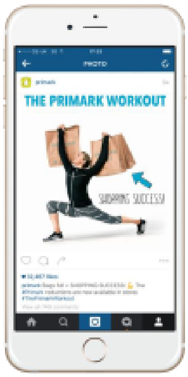
PRIMARK®

Digital Community

Primark.com

- **2m** visits per week
- **14m** page views per week
- **200,000** visits to Primania per week
- **Local language websites** now available in all trading countries





Social Media

- Social Media following of over **8.5m**
- **4.6m** Facebook fans
- **3.5m** Instagram followers
- Fans engage over **2m times** with Primark's social content each week

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PRIMARK
ABF Brand Portfolio
Capullo
Sunblest
ILLOVO
PGP INTERNATIONAL
ARGO
Burgen
Speedibake
ALLIED BAKERIES
PRIMARK
ab agri
ABITEC
TWININGS
AB MAURI
KINGSMILL
PATAK'S
Ovaltine
Mazola
AB Enzymes
GWF / George Weston Foods Limited
ALLIED MILLS
Ohly
BLUE DRAGON
ACH Food Companies, Inc.
SPI Pharma
RYVITA
ABSugar
JACKSONS OF PICCADILLY
Westmill
AB World Foods
ABF ingredients
Azucarera
BakingMad.com
THE SILVER SPOON COMPANY
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PRIMARK
AMAZING FASHION, AMAZING PRICES

Appendix 7 – Market share statistics

Soruce: Euromonitor.com – Company Shares in Denmark and Brand Share in Denmark, 2016)

Company Shares (Global - Historical Owner) | Historical | Retail Value RSP | % breakdown

Key: View Chart

Change View		2011	2012	2013	2014	2015	2016
Denmark							
Womenswear							
	Bestseller A/S	17,4	19,0	17,8	17,2	17,3	17,2
	H&M Hennes & Mauritz AB	12,2	12,5	13,9	14,1	13,7	13,7
	DK Co A/S	1,4	2,5	2,6	5,1	5,7	6,4
	IC Group A/S	-	-	-	4,8	4,7	4,7
	Ball Group A/S	2,8	3,1	3,4	3,5	3,5	3,0
	Triumph International AG	1,6	1,6	1,7	1,7	1,7	1,8
	Change of Scandinavia A/S	0,6	0,7	0,8	1,0	1,2	1,3
	Femilet A/S	1,2	1,2	1,2	1,2	1,2	1,2
	Samsøe & Samsøe Holding A/S	1,2	1,2	1,2	1,2	1,2	1,2
	Gina Tricot AB	1,3	1,4	1,3	1,2	1,2	1,1
	adidas Group	0,8	0,8	0,8	0,9	1,0	1,1
	Carlyle Group, The	-	-	-	-	-	1,1
	Noa Noa ApS	1,6	1,3	1,2	1,0	0,9	0,9
	Diesel SpA	1,2	1,1	1,2	1,0	0,9	0,9
	PVH Corp	0,4	0,9	0,9	0,9	0,9	0,9
	Nielsen's A/S	0,6	0,7	0,7	0,7	0,7	0,8
	Maus Frères SA	1,6	0,8	0,7	0,7	0,7	0,7
	Esprit Holdings Ltd	1,8	1,7	0,9	0,9	0,8	0,7
	Claire Group A/S	0,8	0,8	0,7	0,7	0,7	0,7
	Hummel International Sport & Leisure A/S	0,6	0,6	0,6	0,7	0,7	0,7
	Masai Clothing Co Aps	0,5	0,6	0,6	0,6	0,7	0,7

☐	ılı	CNS Group A/S	0,9	0,8	0,7	0,7	0,7	0,7
☐	ılı	Nike Inc	0,5	0,5	0,5	0,6	0,6	0,6
☐	ılı	SisterS Point A/S	0,7	0,7	0,7	0,7	0,6	0,6
☐	ılı	VF Corp	0,5	0,5	0,5	0,5	0,5	0,5
☐	ılı	Inditex, Industria de Diseño Textil SA	0,3	0,4	0,4	0,4	0,4	0,5
☐	ılı	Lilly A/S	0,4	0,4	0,4	0,4	0,4	0,5
☐	ılı	Tippy ASX 684 A/S	0,5	0,2	0,3	0,4	0,5	0,4
☐	ılı	Wolford AG	0,4	0,4	0,4	0,4	0,4	0,4
☐	ılı	BTX Group A/S	1,9	0,4	0,4	0,4	0,4	0,4
☐	ılı	Message A/S	0,3	0,3	0,3	0,4	0,4	0,4
☐	ılı	Levi Strauss & Co	0,3	0,3	0,3	0,3	0,4	0,4
☐	ılı	Dansk Supermarked A/S	0,8	0,8	0,8	0,8	0,3	0,3
☐	ılı	Abercrombie & Fitch Co	0,1	0,3	0,3	0,3	0,3	0,3
☐	ılı	Laura A/S	0,4	0,4	0,3	0,3	0,3	0,3
☐	ılı	Sixty Group SpA	0,3	0,3	0,3	0,3	0,3	0,3
☐	ılı	Burberry Group Plc	-	0,2	0,2	0,2	0,2	0,3
☐	ılı	New Yorker Group-Services International GmbH & Co KG	0,5	0,5	0,5	0,3	0,3	0,2
☐	ılı	Kering SA	-	-	0,2	0,2	0,2	0,2
☐	ılı	Newline A/S	0,2	0,2	0,2	0,2	0,2	0,2
☐	ılı	Minimum A/S	0,3	0,2	0,2	0,2	0,2	0,2
☐	ılı	Hugo Boss AG	0,2	0,2	0,2	0,2	0,2	0,2
☐	ılı	Equibox Holding SpA	0,2	0,2	0,2	0,2	0,2	0,2
☐	ılı	Urban Outfitters Inc	0,2	0,2	0,2	0,2	0,2	0,2
☐	ılı	Björn Borg AB	0,3	0,2	0,2	0,2	0,2	0,2
☐	ılı	Bessie A/S	0,2	0,2	0,2	0,2	0,2	0,2
☐	ılı	SuperGroup Plc	0,1	0,1	0,1	0,1	0,2	0,2
☐	ılı	Varner-Gruppen AS	0,2	0,2	0,2	0,2	0,2	0,1
☐	ılı	Global Funk ApS	0,1	0,1	0,1	0,1	0,1	0,1
☐	ılı	Dolce & Gabbana Srl	0,1	0,1	0,1	0,1	0,1	0,1
☐	ılı	Asics Corp	0,1	0,1	0,1	0,1	0,1	0,1

☐	Redgreen A/S	-	-	0,2	0,1	0,1	0,1
☐	Missya A/S	0,1	0,1	0,1	0,1	0,1	0,1
☐	Benetton Group Srl	0,2	0,1	0,1	0,1	0,0	0,0
☐	Hunkemöller BV	0,5	0,7	0,8	0,9	1,1	-
☐	Bon'A Parte A/S	0,7	0,7	0,7	0,6	-	-
☐	IC Companys A/S	6,0	5,6	6,0	-	-	-
☐	PPR SA	0,2	0,2	-	-	-	-
☐	Nordic Philosophy A/S	0,1	0,1	-	-	-	-
☐	Warnaco Group Inc	0,5	-	-	-	-	-
☐	Fashion Box SpA	-	-	-	-	-	-
☐	Gant International AB	-	-	-	-	-	-
☐	Maxeda BV	-	-	-	-	-	-
☐	Phillips-Van Heusen Corp	-	-	-	-	-	-
☐	Tommy Hilfiger Group	-	-	-	-	-	-
☐	Private Label	0,8	0,8	0,8	2,9	3,1	3,1
☐	Others	30,2	29,7	29,7	26,6	26,8	26,8
☐	Total	100,0	100,0	100,0	100,0	100,0	100,0

Brand Shares (Umbrella – Historical Owner) | **Historical** | **Retail Value RSP** | **% breakdown**

Key: Related Analysis View Chart

Change View	Brand	Company name (GBO)	2011	2012	2013	2014	2015	2016
Denmark								
Womenswear								
	H&M	H&M Hennes & Mauritz AB	9,1	9,6	10,7	11,1	10,9	10,9
	Vero Moda	Bestseller A/S	5,0	5,3	4,9	4,6	4,6	4,6
	Vila	Bestseller A/S	4,0	4,4	4,0	3,8	3,7	3,7
	Only	Bestseller A/S	3,6	3,8	3,5	3,3	3,3	3,3
	Zizzi	Ball Group A/S	2,4	2,7	3,0	3,0	3,0	3,0
	Saint Tropez	IC Group A/S	-	-	-	2,6	2,6	2,5
	Monki	H&M Hennes & Mauritz AB	1,8	1,8	1,9	1,8	1,7	1,7
	Selected	Bestseller A/S	1,6	1,8	1,7	1,6	1,6	1,6
	Triumph	Triumph International AG	1,4	1,4	1,5	1,5	1,5	1,6
	Inwear	DK Co A/S	-	-	-	1,3	1,3	1,3
	Pieces	Bestseller A/S	1,3	1,4	1,3	1,3	1,3	1,3
	Change	Change of Scandinavia A/S	0,6	0,7	0,8	1,0	1,2	1,3
	Femilet	Femilet A/S	1,2	1,2	1,2	1,2	1,2	1,2
	Samsøe & Samsøe	Samsøe & Samsøe Holding A/S	1,2	1,2	1,2	1,2	1,2	1,2
	Gina Tricot	Gina Tricot AB	1,3	1,4	1,3	1,2	1,2	1,1
	Hunkemöller	Carlyle Group, The	-	-	-	-	-	1,1
	adidas	adidas Group	0,7	0,8	0,8	0,8	0,9	1,0
	Part Two	DK Co A/S	-	-	-	0,8	0,9	0,9
	Mama Licious	Bestseller A/S	1,0	1,1	1,0	0,9	0,9	0,9
	Noa Noa	Noa Noa ApS	1,6	1,3	1,2	1,0	0,9	0,9
	Diesel	Diesel SpA	1,2	1,1	1,2	1,0	0,9	0,9
	Peak Performance	IC Group A/S	-	-	-	0,8	0,8	0,8
	Nielsen's	Nielsen's A/S	0,6	0,7	0,7	0,7	0,7	0,8
	Gant	Maus Frères SA	1,6	0,8	0,7	0,7	0,7	0,7
	Tiger of Sweden	IC Group A/S	-	-	-	0,7	0,7	0,7
	Esprit	Esprit Holdings Ltd	1,8	1,7	0,9	0,9	0,8	0,7

	Claire	Claire Group A/S	0,8	0,8	0,7	0,7	0,7	0,7
	Hummel	Hummel International Sport & Leisure A/S	0,6	0,6	0,6	0,7	0,7	0,7
	Masai	Masai Clothing Co Aps	0,5	0,6	0,6	0,6	0,7	0,7
	Nike	Nike Inc	0,5	0,5	0,5	0,6	0,6	0,6
	SisterS Point	SisterS Point A/S	0,7	0,7	0,7	0,7	0,6	0,6
	Outfitters Nation	Bestseller A/S	0,9	1,0	0,9	0,9	0,8	0,6
	Bon'A Parte	DK Co A/S	-	-	-	-	0,6	0,5
	Junarose	Bestseller A/S	-	-	0,2	0,4	0,5	0,5
	Zara	Inditex, Industria de Diseño Textil SA	0,3	0,4	0,4	0,4	0,4	0,5
	Calvin Klein	PVH Corp	-	0,5	0,5	0,5	0,5	0,5
	By Malene Birger	IC Group A/S	-	-	-	0,5	0,5	0,5
	Lilly	Lilly A/S	0,4	0,4	0,4	0,4	0,4	0,5
	Cheap Monday	H&M Hennes & Mauritz AB	0,6	0,5	0,5	0,5	0,5	0,5
	Noisy May	Bestseller A/S	-	-	0,3	0,4	0,4	0,4
	Tippy	Tippy ASX 684 A/S	0,5	0,2	0,3	0,4	0,5	0,4
	Wolford	Wolford AG	0,4	0,4	0,4	0,4	0,4	0,4
	b young	DK Co A/S	-	0,4	0,4	0,4	0,4	0,4
	Message	Message A/S	0,3	0,3	0,3	0,4	0,4	0,4
	The North Face	VF Corp	0,4	0,4	0,4	0,4	0,4	0,4
	Tommy Hilfiger	PVH Corp	0,4	0,4	0,4	0,4	0,4	0,4
	Soaked in Luxury	DK Co A/S	-	-	-	0,3	0,4	0,4
	Levi's	Levi Strauss & Co	0,3	0,3	0,3	0,3	0,4	0,4
	Culture	DK Co A/S	-	-	-	-	-	0,4
	Fransa	DK Co A/S	-	0,4	0,4	0,4	0,3	0,3
	Peppercorn	CNS Group A/S	0,3	0,3	0,3	0,3	0,3	0,3
	Oxmo	CNS Group A/S	0,4	0,4	0,4	0,4	0,4	0,3
	Milla	Dansk Supermarked A/S	0,3	0,3	0,3	0,3	0,3	0,3
	Abercrombie & Fitch	Abercrombie & Fitch Co	0,1	0,3	0,3	0,3	0,3	0,3
	Blend	DK Co A/S	-	0,3	0,3	0,3	0,3	0,3
	Occupied	DK Co A/S	0,4	0,2	0,3	0,3	0,3	0,3
	Weekday	H&M Hennes & Mauritz AB	0,3	0,3	0,3	0,3	0,3	0,3

	Weekday	H&M Hennes & Mauritz AB	0,3	0,3	0,3	0,3	0,3	0,3
	COS	H&M Hennes & Mauritz AB	0,3	0,3	0,3	0,3	0,3	0,3
	Burberry	Burberry Group Plc	-	0,2	0,2	0,2	0,2	0,3
	New Yorker	New Yorker Group-Services International GmbH & Co KG	0,5	0,5	0,5	0,3	0,3	0,2
	Puma	Kering SA	-	-	0,2	0,2	0,2	0,2
	Newline	Newline A/S	0,2	0,2	0,2	0,2	0,2	0,2
	Zhenzi	Laura A/S	0,3	0,3	0,2	0,2	0,2	0,2
	Minimum	Minimum A/S	0,3	0,2	0,2	0,2	0,2	0,2
	Cream	DK Co A/S	0,2	0,2	0,2	0,2	0,2	0,2
	Denim Hunter	DK Co A/S	-	0,2	0,2	0,2	0,2	0,2
	ICHI	DK Co A/S	-	0,2	0,2	0,2	0,2	0,2
	Hugo Boss	Hugo Boss AG	0,2	0,2	0,2	0,2	0,2	0,2
	Sloggi	Triumph International AG	0,2	0,2	0,2	0,2	0,2	0,2
	Replay	Equibox Holding SpA	0,2	0,2	0,2	0,2	0,2	0,2
	Urban Outfitters	Urban Outfitters Inc	0,2	0,2	0,2	0,2	0,2	0,2
	Björn Borg	Björn Borg AB	0,3	0,2	0,2	0,2	0,2	0,2
	Bessie	Bessie A/S	0,2	0,2	0,2	0,2	0,2	0,2
	Killah	Sixty Group SpA	0,2	0,2	0,2	0,2	0,2	0,2
	SuperDry	SuperGroup Plc	0,1	0,1	0,1	0,1	0,2	0,2
	Kaffe	DK Co A/S	0,1	0,1	0,1	0,1	0,1	0,2
	Bik Bok	Varner-Gruppen AS	0,2	0,2	0,2	0,2	0,2	0,1
	Dranella	DK Co A/S	-	0,1	0,1	0,1	0,1	0,1
	& Other Stories	H&M Hennes & Mauritz AB	-	-	0,2	0,2	0,2	0,1
	Pulz Jeans	DK Co A/S	-	-	-	-	-	0,1
	Karen by Simonsen	DK Co A/S	0,1	0,1	0,1	0,1	0,1	0,1
	Miss Sixty	Sixty Group SpA	0,1	0,1	0,1	0,1	0,1	0,1
	Global Funk	Global Funk ApS	0,1	0,1	0,1	0,1	0,1	0,1
	Designers Remix Collection	IC Group A/S	-	-	-	0,1	0,1	0,1
	Dolce & Gabbana	Dolce & Gabbana Srl	0,1	0,1	0,1	0,1	0,1	0,1
	Asics	Asics Corp	0,1	0,1	0,1	0,1	0,1	0,1
	Studio	DK Co A/S	0,3	0,2	0,1	0,1	0,1	0,1

	Gestuz	DK Co A/S	-	0,1	0,1	0,1	0,1	0,1
	Brandtex	BTX Group A/S	0,1	0,1	0,1	0,1	0,1	0,1
	Lee	VF Corp	0,1	0,1	0,1	0,1	0,1	0,1
	Redgreen	Redgreen A/S	-	-	0,1	0,1	0,1	0,1
	Missya	Missya A/S	0,1	0,1	0,1	0,1	0,1	0,1
	Object Collectors Item	Bestseller A/S	0,1	0,1	0,1	0,1	0,1	0,1
	Laura	Laura A/S	0,1	0,1	0,1	0,1	0,1	0,1
	United Colors of Benetton	Benetton Group Srl	0,1	0,1	0,1	0,0	0,0	0,0
	Hunkemöller	Hunkemöller BV	0,5	0,7	0,8	0,9	1,1	-
	Culture	Ball Group A/S	0,3	0,3	0,3	0,3	0,4	-
	Pulz Jeans	Ball Group A/S	0,1	0,1	0,1	0,1	0,1	-
	Bon'A Parte	Bon'A Parte A/S	0,7	0,7	0,7	0,6	-	-
	Jackie	Dansk Supermarked A/S	0,5	0,5	0,5	0,5	-	-
	Saint Tropez	IC Companys A/S	1,5	1,4	1,5	-	-	-
	Jackpot	IC Companys A/S	1,0	0,9	0,9	-	-	-
	Inwear	IC Companys A/S	0,9	0,8	0,8	-	-	-
	Peak Performance	IC Companys A/S	0,8	0,7	0,8	-	-	-
	Tiger of Sweden	IC Companys A/S	0,6	0,6	0,6	-	-	-
	By Malene Birger	IC Companys A/S	0,5	0,5	0,5	-	-	-
	Part Two	IC Companys A/S	0,5	0,5	0,5	-	-	-
	Soaked in Luxury	IC Companys A/S	0,2	0,2	0,2	-	-	-
	Designers Remix Collection	IC Companys A/S	0,1	0,1	0,1	-	-	-
	Puma	PPR SA	0,2	0,2	-	-	-	-
	Redgreen	Nordic Philosophy A/S	0,1	0,1	-	-	-	-
	NousVous	CNS Group A/S	0,2	0,1	-	-	-	-
	Calvin Klein	Warnaco Group Inc	0,5	-	-	-	-	-
	b young	BTX Group A/S	0,4	-	-	-	-	-
	Blend	BTX Group A/S	0,3	-	-	-	-	-
	Fransa	BTX Group A/S	0,3	-	-	-	-	-
	Kön & Mön	DK Co A/S	0,2	-	-	-	-	-
	Veto	BTX Group A/S	0,2	-	-	-	-	-
	ICHI	BTX Group A/S	0,1	-	-	-	-	-

	Dranella	BTX Group A/S	0,1	-	-	-	-	-
	Gestuz	BTX Group A/S	0,1	-	-	-	-	-
	Gant	Gant International AB	-	-	-	-	-	-
	Hunkemöller	Maxeda BV	-	-	-	-	-	-
	Replay	Fashion Box SpA	-	-	-	-	-	-
	Tommy Hilfiger	Phillips-Van Heusen Corp	-	-	-	-	-	-
	Tommy Hilfiger	Tommy Hilfiger Group	-	-	-	-	-	-
	Private label	Private Label	0,8	0,8	0,8	2,9	3,1	3,1
	Others	Others	30,8	30,4	30,3	27,2	27,4	27,4
	Total	Total	100,0	100,0	100,0	100,0	100,0	100,0